

REQUEST FOR COUNCIL ACTION

Date: 09/17/12

Item No.: 13.c

Department Approval

P. Trudgen

City Manager Approval

W. Mahonen

Item Description: **Discussion of “Rental Licensing to Achieve Compliance” Report
(HF_00113)**

BACKGROUND

The Roseville Housing and Redevelopment Authority (RHRA) has previously identified in its work plan the need to explore rental licensing for larger multifamily properties in Roseville. There has been sustained discussions amongst Police, Fire, Building Codes and RHRA staff regarding the deteriorated interiors, continued criminal activity and lack of inspections for several of Roseville’s multi-family rental complexes. It was based on those discussions that at the January 17, 2012 RHRA meeting Roseville Fire Chief Tim O’Neil, Police Chief Rick Mathwig, Fire Marshal John Loftus, Building Official Don Munson and Lisa Pielen from the Minnesota Multi-Housing Association (MHA) presented their point of view on what is being encountered in multi-family properties within Roseville and shared their thoughts on how best to address problems in these buildings.

In Spring of 2012, the RHRA received funding from the Center for Urban and Regional Affairs (CURA) to hire a research assistant to review options to address these problems. The report was reviewed and discussed internally with Roseville Police Department and Building Inspections Division as well as reviewed by the MHA. The final report “Rental Licensing to Achieve Compliance” was presented to the RHRA on August 21, 2012 meeting. The RHRA discussed the merits of the report and made recommendation to present it to the Roseville Council.

The report made the following conclusions:

- o The City of Roseville should consider implementing a targeted rental licensing program for multi-family properties.
- o To address staffing concerns due to an expected increase in inspections, a system of third-party inspections should be used.
- o In order to see improvements in property maintenance and other health and safety issues in multi-family housing, Roseville should consider the following changes to its city code :
 - Adjusting the occupancy standards by requiring rental property owners to maintain an occupancy register with the names of all persons legally allowed to occupy a unit;
 - Adding a stipulation regarding safe food storage practices;
 - Adjusting the infestation stipulation of the property maintenance code to

specify professional treatment of infestations;

- Adjusting the repair stipulations by requiring a higher quality of repair or standard for replacement of building materials as needed and
- Coordinate with other city staff, neighbors, social workers, and others to identify violations and then file complaints on behalf of a tenant.

- To dissipate the concentration of criminal activity in certain buildings, Roseville should require rental property owners to include a crime-free addendum to their leases and encourage landlord participation in crime-free multi-family housing trainings.
- To support multi-family rental property owners, the City should consider requiring their participation in periodic meetings with other property owners, inspections, police, and fire staff.
- Roseville should also provide an education component for both tenants and landlords to explain their rights and responsibilities as well as any changes to City ordinances.

The attached report provides more detailed information on rental licensing programs and how they would apply to Roseville.

POLICY OBJECTIVE

The report was completed in order to make recommendation for implementing a multifamily rental licensing program in Roseville.

BUDGET IMPLICATIONS

None at this time

STAFF RECOMMENDATION

The report is being provided to the City Council for their consideration. Staff would like receive direction on whether to implement the findings of the report.

REQUESTED COUNCIL ACTION

Give staff direction on the recommendations of implementing a multifamily rental licensing program in Roseville.

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Attachments: A: Rental Licensing to Achieve Compliance Report
B: January 17, 2012 RHRA Meeting Minutes
C: Map of Multi-Family Developments in Roseville

Communiversity

...a program of the Center for Urban and Regional Affairs (CURA)

Rental Licensing to Achieve Compliance

Prepared in partnership with
Roseville Housing and Redevelopment Authority

Prepared by
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Research Assistant
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June 2012

MVReport # LEAVE BLANK

*Report is available on the CURA website:
www.cura.umn.edu/publications/search*

Center for Urban and
Regional Affairs (CURA)

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Table of Contents

Executive Summary.....	1
Introduction and Background.....	2-5
Literature Review.....	6-9
City Profile and Interview Summary.....	10-15
Case Studies	
Cities with No Rental Licensing: Minnetonka and Maplewood.....	16
Universal Rental Licensing: West St. Paul and Burnsville.....	17
Targeted Rental Licensing: Brooklyn Center and Hopkins.....	18
Revocations.....	19-20
Policy Goals and Conclusions.....	21-24
Appendix A (Interview Questions).....	25
Appendix B (Summary of Rental Licensing Programs).....	26
References.....	27-28

I. Executive Summary

This report provides background information on policy options used by suburban cities in the Minneapolis/St. Paul metropolitan area to address issues of non-compliance with city property maintenance code and geographically concentrated criminal activity. It focuses primarily on rental licensing programs as a policy response and analyzes the experiences of cities with universal and targeted rental licensing programs. This study includes a literature review and a summary of the interviews conducted with surrounding cities and with Roseville Inspections Department staff.

Information collected from this research yielded the following recommendations:

- The City of Roseville should consider implementing a targeted rental licensing program. To address staffing concerns due to an expected increase in inspections, a system of third-party inspections should be used.
- In order to see improvements in property maintenance and other health and safety issues in multi-family housing, Roseville should consider the following changes to its city code :
 - Adjusting the occupancy standards by requiring rental property owners to maintain an occupancy register with the names of all persons legally allowed to occupy a unit;
 - Adding a stipulation regarding safe food storage practices;
 - Adjusting the infestation stipulation of the property maintenance code to specify professional treatment of infestations;
 - Adjusting the repair stipulations by requiring a higher quality of repair or standard for replacement of building materials as needed and
 - Coordinate with other city staff, neighbors, social workers, and others to identify violations and then file complaints on behalf of a tenant.
- To dissipate the concentration of criminal activity in certain buildings, Roseville should require rental property owners to include a crime-free addendum to their leases and encourage landlord participation in crime-free multi-family housing trainings.
- To support rental property owners, the City should consider requiring their participation in periodic meetings with other property owners, inspections, police, and fire staff.
- Roseville should also provide an education component for both tenants and landlords to explain their rights and responsibilities as well as any changes to City ordinances.

The following report provides more detailed information on programmatic variations of rental licensing programs and how these apply to Roseville's situation.

II. Introduction and Background

This year, staff from Roseville's inspections, fire, and police departments addressed the Roseville Housing and Redevelopment Authority (HRA) Board to discuss problems with property maintenance and excessive use of police and fire department resources concentrated within several multi-family housing complexes. (For the purpose of this report, multi-family housing is defined as buildings containing 5 or more rental units). As a result, the HRA approved the use of funds from the University of Minnesota's Center for Urban and Regional Affairs (CURA) to research options to address these problems, specifically, to examine how cities of similar size in the Minneapolis/St. Paul metropolitan areas have addressed these issues. A literature review and preliminary scan of policy options revealed many cities use rental licensing as a means to monitor and maintain safety in multi-family housing complexes. The rental license programs of 13 cities were analyzed, and 11 of these cities were interviewed for this report. Additionally, two cities with no rental license programs were interviewed to determine how they address issues with property maintenance and crime concentration.

This report provides a summary of the common themes of these interviews and highlights the experiences of eight cities, including the two without rental licensing programs. It explores the challenges of administering these programs with particular emphasis on the consequences to all parties involved when rental license are revoked. The following sections provide more detail on rental licensing programs generally and on Roseville's current system of managing property maintenance complaints.

Rental Licensing

Rental licensing programs function like any other type of business license. They provide a tool for cities to monitor and control the ability of property owners to conduct a rental business. The primary focus, however, is to protect the health and safety of tenants and the robustness of the housing stock through the enforcement of property maintenance codes. Rental license programs require property owners to obtain a license to rent out their residential properties. License applications are typically accompanied by an inspection of the property for code violations. The city can issue repair orders for any violations, has the authority to impose fines for not complying with those orders, and may suspend or revoke the license all together. Suspension or revocation means the property owner can no longer legally rent out a unit. Generally, rental licensing ordinances include stipulations about compliance with the city's property maintenance code as well as stipulations regarding disorderly conduct on the premises. This makes the property owners responsible for specific types of criminal activities that continuously occur on their properties and involve the same tenants or the same unit. Disorderly use stipulations in rental licensing ordinances typically include, but are not limited to, prohibition of distribution or manufacturing of illegal substances, illegal use or possession of weapons, prostitution, assault, sexual violence, and public disturbance.

Background

Roseville has a rental registration program in place for single-family homes, duplexes, triplexes, four-plexes and individually owned condos and townhomes. The City requires owners these types of homes to register their properties with the City and have their contact information on record in case there is an issue of concern that warrants contacting the property owner. A fee of \$25 is charged for registration, and no inspections of these properties take place unless there is a complaint regarding the exterior of the structure from a neighbor or concerned citizen or a housing inspector notices exterior code violations. Multi-family dwellings do not have a registration requirement. Roseville housing inspectors handle about 800 complaint-based inspection cases per year on average. This includes single and multi-family housing units, and commercial units that are both owner occupied and renter occupied. Most complaints are responded to within three days.

As part of this study, staff from Roseville's Inspections Department was asked to describe how the current city code and inspection process addresses property maintenance problems with multi-family housing specifically. When asked about the usefulness of Roseville's city code, inspectors stated that the current city code is useful in that it covers public nuisances and building deficiencies, which allows inspectors to address some of the issues they encounter in multi-family properties. Additionally, they can use the property maintenance code to address tenant complaints. Inspectors believe that the City's current code works fairly well for the most part and covers most complaints. However, the complaints that can be investigated must come from tenants, and the majority of complaints they get about problem properties come from police, fire, school, and other social workers who regularly interact with the families residing there. Complaints can be acted upon only if they are from a person who has seen the violation first hand. Housing inspectors expressed that the existing code doesn't work to protect property values and livability of neighborhoods which in turn adversely affects the City's tax base.

Concerns

Short-term vs. Long-term Repairs

One of the major concerns expressed by Roseville inspectors is that the existing code doesn't specify permanent long-term repairs or the quality of repairs needed. For example, the current code requires only that damaged wood or other materials must have a protective coating such as paint. If inspectors see peeling paint or rotting wood, under the current standards, the owner is only required to apply a coat of paint. This encourages short-term repairs instead of requiring that materials be replaced (and not just painted) or specifying the quality of work that must be performed. These types of short-term repairs result in more frequent inspections, which inspectors stated take more time and resources and eventually contribute to the decay of the buildings that are aging and need constant maintenance.

Enforcing Codes for the Interior of Units

Inspectors stated that they currently use the repeat public nuisance code to deal with properties that have ongoing property maintenance problems. This code applies to exterior areas of a building only and includes public safety concerns such as having excessive litter on the common areas of a property, not having functioning or locking exterior doors to the buildings, and structure problems. Inspectors stated that the buildings with the worst exterior problems are also likely to be ones that have significant interior property maintenance code violations as well. They do receive reports from other City staff, including police, fire, and school social workers, about conditions in the apartment units, but inspectors are allowed to act on complaints about the interior of units only if the tenant makes the complaint.

Tenant Complaints

Another concern is that some tenants are afraid of retaliation from their landlords so they don't make complaints about building conditions and then these get worse over time. When interviewed, inspectors felt that this is a particularly salient issue in Roseville because of the relatively large population of refugees residing in properties that are known to have the worst property maintenance issues. Fear of retaliation is more pronounced in this community. Additionally, tenants are likely to be unfamiliar with the City's property maintenance standards and/or with their rights as tenants to file a complaint. Inspectors expressed that conducting rental inspections on a yearly basis would address this because they would have access to the interior units of the buildings at the time of inspection and could then order repairs. They also felt that providing tenants with information in their units would help make them more aware of the City standards and let them know how to contact the City when a violation remains uncorrected.

Enforcement

Inspectors proactively patrol notoriously problem properties to monitor progress on property maintenance issues. Once a problem is detected, the inspectors provide a report to the property owner whose responsibility it is to comply with the City code. Property owners get two notices to comply. If no progress is made on correcting the problem, the City may issue a fine, and at this point typically a short-term repair is made. If the problem is not corrected after a third notice, the City can initiate an abatement process in which it fixes the problem and adds the cost of doing so to the property owner's property taxes. Because inspections are free to the property owner, there is no incentive to the property owner to have fewer inspections, but each inspection does require the time and resources of the inspections department.

If inspectors determine abatement is needed, the process requires City Council approval. This is a long process that involves sending the landlord notice of the council hearing. At this point, inspectors find that the property owners usually address the building issue in the days leading up to the hearing. Although this requires inspectors and other City staff to expend considerable time and resources, the city cannot impose a fine because the property maintenance issue has been addressed.

Occupancy

All cities surveyed for this study specified how many people can live in a housing space of certain dimensions. Occupancy, however, is difficult to enforce because it requires constant knowledge of who has legal right to reside in a unit and the coincidence of witnessing over-occupancy. Inspectors felt that this was of particular concern in problem properties where occupancy isn't monitored at all.

Other Life Safety Issues

Inspectors are also concerned that they can't test the smoke and CO2 detectors. The fire department inspections do test these safety devices, but only in the common areas. Additionally, school social workers report concerns regarding infestations of roaches and bedbugs in problem buildings to code enforcement officials. However, if these are not found in the common areas of a building, then the inspections department cannot address the issues. If, for example, the fire department is in the building on a medical call and they notice an infestation or some public health threat, they can submit a report to the inspections department. County public health and code enforcement officials then conduct an inspection based on that report. This, however, doesn't happen often because when fire department personnel are out on a medical or fire call they don't typically do a thorough inspection to see if there's an infestation. Many of the concerns from social workers are about bed bug bites on students, but bed bugs don't fall into the public health nuisance category because they don't presumably carry disease. In terms of infestations, the current code only states that infestations must be treated by a method that is not dangerous to human health, but the code does not prescribe any type of professional standard for extermination.

Based on information city staff and social workers have received from families living in the buildings with the most problems, and with the most infestation issues in particular, inspectors feel that the current code does not adequately address issues of food storage or storage inside the units; the code covers only outside storage. The concern here is that in many cases food is being stored in ways that is considered unsanitary and has a potential to cause infestations.

Housing inspectors are also concerned that the current city code does not require landlords to paint, clean the carpet, or check smoke and CO2 detectors once a tenant moves out and a new tenant moves in. This means that problems with safety devices, bug infestations, and general cleanliness of the unit may persist.

The feedback provided by Roseville housing inspectors served as a basis for further research into particular codes that cities use to address similar problems. As such, the conclusion section of this paper will address some suggested changes to Roseville's City Code.

III. Literature Review

The literature regarding rental licensing or rental registration programs is limited mainly to studies conducted by cities regarding the feasibility of implementing rental licensing programs in their communities. As such, these studies generally explore rental licensing programs in other cities to learn how those cities have addressed specific issues of interest. (Gardner 2008; Crichton, Rosenberg & Thompson 2003). Literature on broader topics of rental regulation primarily focus on the impact of the rent regulation and land use policies on housing markets. Since this project is primarily concerned with property maintenance as well as health and safety issues in housing, this review will focus on the impacts of habitability laws and code enforcement on rental markets and tenants. It should be noted that the relevant literature on these topics is limited and considerably dated.

Habitability Laws and Code Enforcement

The goal of habitability laws is to maintain the health and safety of residents and reduce the stock of substandard housing. There is an expressed concern that habitability laws and/or property maintenance ordinances increase the costs associated with owning and managing a rental property and that these costs are inadvertently passed on to tenants in the form of rent increases or result in the rental property being abandoned altogether (Komesar 1972; Hirsch, Hirsch & Margolis 1975; Hirsch & Law 1979; Meyers 1975). This would then mean that fewer rental units are available at affordable rates. The two primary goals of habitability and property maintenance regulations then—resident safety and improved quality of housing—would seem to be contradictory (Hirsch & Law 1979; Hirsch, Hirsch & Margolis 1975; Miceli 1992). Hirsch & Law (1979) conclude that punitive habitability laws provide no benefits to tenants but do serve to reduce the existence of substandard housing. This leaves cities in a quandary in terms of implementing policies that achieve both goals while minimizing the impact on rental markets. Miceli (1992) suggests that housing codes that are very strict and stringently enforced provide little benefit to either the tenants or to the housing stock since they are usually too costly for the property owner to implement. These would increase costs to the property owner too much. He also mentions, however, that the absence of regulation is equally inefficient, since it gives both landlord and tenant little incentive to care for the property.

Kennedy (1987) introduces into the literature the concept of “milking” rental properties. Milking refers to reducing maintenance and repairs of rental properties to a minimal level—just enough to keep the building operational and profitable. Over time, this results in the deterioration of the housing stock, surrounding property values, and neighborhood quality. Cities can respond to landlords who “milk” properties by enforcing stricter property maintenance codes and imposing fees for non-compliance. As mentioned earlier, however, the literature suggests that the costs of compliance will be passed on to the tenant. This is particularly true for rental properties that have chronic and persistent problems that require long-term repairs. According to Kennedy, “If the city has a policy of slow or otherwise lax enforcement, the owner will find milking more attractive than it otherwise would be (506).” Additionally, once a property owner starts milking a rental property, the cost of permanent, long-term repairs increases and the property owner has a disincentive to stop milking the property.

Ross (1995) describes the usefulness of property maintenance codes and the role of housing inspectors in negotiating compliance with landlords. According to Ross, housing inspectors have several tools at their disposal for this negotiation. The first tool is the existing housing and property maintenance code. Ross suggests that because property maintenance codes often use broad and vague language, inspectors can use their discretion in enforcement. Typically, a property owner who consistently demonstrates unwillingness to comply with repair orders will be given less leniency from the inspectors. On the other hand, inspectors will tend to be more lenient and understanding of property owners who are consistently cooperative. The second tool is the ability to impose fines for repeated violations when a property owner is not compliant. The ability to impose fines, however, varies in municipalities, Kinning (1993) additionally states that too often landlords view non-compliance fees as part of doing business and continue to pay fees instead of making more costly repairs. Kennedy (1987) and Kinning (1993) suggest that selective code enforcement is a viable solution to this problem.

Selective Code Enforcement and Rental Licensing

Though Meyers (1975) wrote that stricter code enforcement would lead to abandonment and reduction of the housing stock, Kinning (1993) suggests that this is not the case when code enforcement works to encourage a change of ownership. He describes three types of chronically non-compliant landlords: the debt-ridden landlord, the incompetent landlord, and the sociopathic landlord. The first two types of landlords don't maintain buildings well or make needed repairs due to a lack of capacity. The third type, he describes, a sociopathic landlord, is one who "consistently evades orders to repair by delaying the extension process and eventually paying only small fines that do not reflect the true cost of repair. On the rare occasion that he actually repairs something, he usually makes the repair in such a hasty and unprofessional manner that it quickly breaks again. He rarely, if ever, hires licensed contractors to make repairs (181)." Kinning argues that for all three types, selective code enforcement would encourage a change of ownership that would actually benefit tenants and neighborhoods.

Kinning's research details the establishment of a rental licensing and "Repeat Offender Code Compliance Initiative (ROCCI)" in Minneapolis, Minn. The rental licensing program prohibits property owners from renting residential properties without registering with the city and submitting to periodic inspections. The Repeat Offender Code Compliance Initiative identified property owners who demonstrated the most egregious and continuing behavior. Landlords who fall into this category are subject to jail time instead of civil penalties for non-compliance. According to Kinning, rental licensing prevents repeat offenders from continuing to milk their properties by threatening to revoke the license, which will lead to loss of revenue. In Minneapolis, this policy has resulted in a reduction of tenant complaints about housing quality of properties owned by ROCCI landlords since 1990. The selective code enforcement concept meant that additional inspectors did not need to be hired since inspections for the ROCCI program focus on problem properties. Kinning also suggests that gaining cooperation from property owners whenever possible is more cost effective than litigation. In cases where there is a persistent problem with a particular property or landlord, however, gaining cooperation may not be feasible, especially without some kind of leverage. Kinning believes that selective code enforcement and rental licensing can provide the leverage cities need to get buildings into compliance.

While Kinning established a solid argument for selective code enforcement and rental licensing, some argue whether this kind of policy will result in rent increases, particularly for low-income tenants who are more likely to live in buildings that are not up to code (Ackerman 1971; Komesar 1972). In examining the feasibility of rental licensing in the City of Milwaukee, Crichton, Rosenberg, and Thompson (2003), also expressed concern about the unknown effects of rental licensing on rent prices. In response, Kinning argues rental licensing programs allow municipalities to intervene before a rental property deteriorates to a point where expensive repairs are needed, thereby keeping the building in compliance and reducing costs to landlords/property owners. Potentially, when a rental licensing program is initially enacted, there may be increased costs for landlords who have let their buildings fall into disrepair, but in the long-term the costs may not be much more than the cost of regular maintenance.

Other Considerations

Vulnerable Populations

Roseville, in particular, has a concentration of a relatively new immigrant population living in multi-family housing buildings. Of particular concern is the vulnerability of this group, who are primarily refugees and may not be aware of their rights as tenants or may fear the repercussions from making complaints about housing conditions against a property owner. Luna (2004), states that “Tenants’ fears of retaliation from landlords, coupled with the lack of alternative housing effectively stifles complaints of tenants who are weary of possible eviction. This combination accordingly requires housing in substandard infrastructures and segregated communities (67).” This means that selective code enforcement could potentially have a disproportionate effect on tenants in these types of buildings. Additionally, cultural norms and differing definitions of family can mean that occupancy ordinances in particular may be difficult to enforce (Krieger 2008).

Property Management and Crime

Concentration of crime in particular buildings is of concern to municipal governments. The concern is both a social one and a fiscal one. Not only is concentrated crime a public safety issue, it also means these properties disproportionately use public resources through repeated police and fire calls. A 1999 study by the National Institute of Justice demonstrates the link between effective property management and crime reduction (Travis 1999). This study, conducted with property managers in San Diego, Calif., showed that there was a significant reduction in crime, about 60 percent, on properties whose managers participated in an intervention program. The program included an initial inspection of the property conducted by a code enforcement official and a police detective. This inspection then produced a plan of action to reduce crime on the property with support from local police. The authors of this study do, however, point out two important factors that can affect how responsive property managers are to these types of interventions. The first is the strength of the rental market. If the rental market is weak and property owners are on the verge of abandoning their properties, then they have little incentive to participate. If the market is strong, then property owners may have greater incentives to make their properties more appealing to renters since they will be able to collect higher rents. The

second has to do with the resources available to each property manager or owner. For property managers who have fewer resources, the city should prepare itself to expend more resources on helping the landlord take measures to reduce crime on his or her property. A landlord with few resources is not likely to respond to invitations or threats to participate in a program if they have no support to do so. The US Department of Justice, Bureau of Justice Assistance provides information and templates on how to establish training programs for landlords of high crime properties.

(<https://www.ncjrs.gov/pdffiles1/bja/148656.pdf>)

IV. City Profile and Interview Summary

Methodology

This report focuses on the applicability of rental licensing programs to the City of Roseville, a medium-sized suburb of St. Paul, Minn. As such, in selecting cities for analysis, population and housing stock size, and suburban classification were considered. The 13 cities examined are similar in size to Roseville and considered suburban communities of Minneapolis and St. Paul. Twelve cities had existing rental license programs. The exception to this is the City of Rochester, Minn., which is a larger urbanized center. Rochester was selected for examination because in addition to licensing rental housing units, the program requires landlords to be licensed as well. Staff from city departments administering rental license programs was contacted via e-mail to provide background information and schedule a telephone interview. The interview questions used were based on a previous study of rental licensing programs conducted by the City of Milwaukee in 2003 and can be found in Appendix A of this report. Interviewees were asked about motivations for starting a rental licensing program, details on fees and inspections, as well as administrative and other challenges. A table summarizing programmatic details for each city can be found in Appendix B.

Profile and Interview Summary

Of the cities that were examined for this project, two cities had rental licensing programs operational for more than 40 years. Rochester had the oldest operational rental licensing program, established in 1967. Seven cities have programs that were started within the last ten years. While all 13 cities have city-wide license programs, there is variation among cities regarding what types of rental units require licensing.

License Types

Cities that offer varying license types typically do so because they have different inspection requirements for smaller buildings and single-family homes and it allows them to classify properties in need of more frequent inspections. Brooklyn Center and Shoreview license all residential rental units but provide different types of licenses for buildings with fewer than four units. Five of the cities interviewed also use provisional licenses, which offer a sort of probationary period, typically six months. A provisional license is given to a property owner who has multiple egregious violations that remain unrepaired despite repair orders from the city. In many cases, a provisional license is the step before suspension or revocation of a license. While holding a provisional license, a property owner is subject to more frequent inspections and higher penalty fees for non-compliance with city code. Additionally, Brooklyn Center offers four different license types based on the number of code violations since the last initial inspection and on the average number of police calls per unit in a multi-family building.

License and Other Fees

Fees for obtaining a license vary from city to city and in most cases include a base fee in addition to a per unit fee. The base license fees for the cities interviewed ranged from \$35 to \$300. Per unit fees ranged from \$7.50 to \$23. The City of Burnsville charges fees only for licenses that were revoked and then re-instated. Staff from two cities stated they could not impose any sort of administrative fine as a penalty for not complying with work orders. For these cities, only minimal fines are administered for missing a scheduled re-inspection. Of all the cities that participated in this study, only Brooklyn Center's and Coon Rapids' rental licensing programs generate enough revenue from license fees and fines to cover the cost of administering the program. Hopkins staff stated that they came close to covering all costs in 2010 but usually have not been able to cover program costs with license fees. Several cities also commented that their rental license programs had high up-front costs and that the cost of administering the program has decreased as staff and technology have become more efficient. Most of the cities in this study impose license fees yearly at renewal. Rochester charges license fees every two years, and Brooklyn Center imposes license fees at a frequency based on the type of license held by the property owner. For example, a \$200 base fee for a multi-family dwelling can be paid once every three years for Type I license holders or once every six months for Type IV (provisional) license holders, thereby increasing the cost of non-compliance on property owners. In terms of inspections, seven cities stated that the initial inspection is included in the license fee. Six cities require a fee for inspection along with the license fee and two of these cities use private inspectors.

Inspections

The salaries of certified housing inspectors make up a substantial part of a rental licensing program budgets. The cities that participated in this study said that they attempt to recuperate these costs partly through fees but also use specialized program design to mitigate some of the costs of inspections. All cities in this study require an initial inspection with application or renewal of a rental license. Two cities, Burnsville and New Brighton, don't require an inspection with license application or renewal. These cities only inspect based on complaints from concerned citizens. Of the remaining cities, all but one schedule inspections on a yearly basis. The timing of inspections coincides with rental license renewals so that not all yearly inspections are necessarily conducted at the same time. In addition to these scheduled inspections, these cities also respond to complaints from tenants or any other concerned citizens.

Five of the cities in this study require that all licensed units be inspected prior to license renewal. The remaining cities have a requirement that ranges from ten to fifty percent of all licensed units, with the units that are inspected rotating from one license term to the next. For example, the City of Coon Rapids requires that 25% of all units be inspected every year so that all units are inspected every four years.

In order to reduce administrative costs, the cities of Little Canada and West St. Paul use third-party inspectors who are registered with each city. Property owners can use any inspector on the city's list of

certified providers. In this case the initial license fee does not cover the cost of the scheduled inspection, and inspection costs vary from inspector to inspector. The inspector conducts the inspection of the required units and provides a copy of the results to the city and to the property owner. The remaining cities use one to three inspectors to administer their programs. Three inspectors and one housing inspection manager inspect about 18,000 units every two years, which leaves a tight schedule for triaging complaints from residents. Staff from most cities feel that they do not have sufficient staff, and some cities do contract with certified housing inspectors to provide extra coverage when a high number of inspections are anticipated. In order to reduce demands on staff, some cities accept housing inspection certificates from other sources. West St. Paul, for example, accepts inspection certificates from the department of Housing and Urban Development or insurance companies in lieu of a city inspection.

Applicability

While New Brighton only requires the licensing of multi-family buildings, all other cities in this study have universal licensing for all rental units. Four cities differentiate between multi-family units and other types of units by structuring their fee scheduled based on the number of units in a building. Shoreview additionally has two license types: one for multi-family units (buildings with more than four units) and one for general dwelling units (buildings with four units or less). Three cities—Brooklyn Center, Hopkins and Coon Rapids—have targeted inspections; so while all units must be licensed, the frequency of inspections and fees applies to properties differently. In these cases, licensing is the same for all rental units, but inspections and fees are more frequent for properties that have more code violations and a high frequency of police calls.

Focus

For the cities interviewed, rental licensing provided an avenue to address issues with problem properties. While most cities identified property maintenance issues as the main reason for wanting to start licensing, some cities were primarily concerned with criminal activity concentrated in and around certain properties. Brooklyn Center, New Brighton, and Richfield monitor the number of crime-related police calls to multi-family buildings and calculate the average number of police calls per unit. In Richfield, having an average number of police calls per unit above a certain threshold is sufficient reason for a property to be demoted to a provisional license. In New Brighton, \$5 of the per unit fee goes towards funding a crime-free housing police officer who works closely with problem properties and all property managers.

Most cities have some nuisance-related codes, relating to noise, weapons, and illegal substances, which provide some options for controlling crime in specific properties. Seven cities require landlords to include a crime-free addendum to their rental leases. These additions to the contracts between tenants and landlords provide a tool for landlords to control crime on their property and potentially evict problem tenants. Two cities, Little Canada and Columbia Heights, require landlords to perform criminal background checks on all prospective tenants. West St. Paul requires a background investigation on the

property owner or manager. Additionally, some cities provide incentives for landlords to participate in the Minnesota Crime-Free Housing Program, which provides classes for property managers on how to effectively control crime on their properties. These incentives are in the form of discounted penalty fees when code violations arise.

Occupancy

When speaking with housing inspectors in Roseville, they identified a problem in enforcing occupancy issues. In the cities considered here, most do not approach occupancy very differently than Roseville. They use some measure of square footage to determine how many people are allowed to live in a unit with a specific floor plan and size. Four cities do not include occupancy standards in their housing ordinances at all. Occupancy may be difficult to enforce. A landlord may know who is on the lease of a particular unit but not who is actually residing there. Over-occupancy can create safety issues during fire emergencies and potentially create a situation where landlords don't really know who they are renting to. While these standards are difficult to enforce, several cities require that the landlord or property manager maintain a register with the names of every person that is legally allowed to reside in each unit. The register is supposed to be available for inspectors to review during inspections. While this may not make enforcement any easier, it may help landlords be more aware of who belongs or does not belong on their property.

Revocation

Rental license programs operate under the assumption that the threat of revocation will act as a deterrent to bad property management. Without a rental license, property owners will not be able to generate revenue through the rental of their properties, but will likely still have to pay mortgage and other costs. However, of the cities that participated in this study, none have concrete plans regarding what to do with tenants if a license is to be revoked. Some cities stated that license revocation would mean the landlord would not be able to rent any vacant units, meaning current residents could remain on the property as long as it is safe to do so. Others stated license revocation means all tenants receive notices to vacate. Three cities have previously revoked rental licenses, one for crime issues on the property, one for property maintenance issues, and one for unpaid property taxes. One of these cities reinstated a revoked license. Staff from one city expressed that were it not for their rental license program, they would not have become aware of glaring problems with a particular property. Upon trying to contact the property owner when a license lapsed, another city noticed that the property had glaring problems even though there had been no complaints made by tenants. The property had no management whatsoever, and the owner had abandoned the property while tenants were still residing there. This license was revoked.

In most cases, cities are just as likely to want to avoid revocation as a property owner because of the lengthy process. However, several cities expressed that this was still favorable to the current system of litigation through the housing courts. Only one city explicitly stated that upon permanent revocation of a license, it could use the Tenant Remediation Act to force the property into receivership. Of the cities

that participated in this study, none had any explicit instructions for permanent revocation written into the rental license ordinance.

Challenges

Staffing

The cities interviewed were asked about challenges they have faced in implementing and administering a rental license program. The primary challenge cited by most cities concerned staffing. A rental license program that requires scheduled inspections substantially increases the number of inspections conducted by city staff. None of the cities interviewed, with the exception of the two that use outside inspectors, expressed satisfaction with their current staffing levels. Many cities cross-train departmental staff to help with housing inspections during peak times.

One city, Coon Rapids, does enlist the help of private housing inspectors on a contract basis during peak times as well. The two cities that depend on outside inspectors for all of their inspections, West Saint Paul and Little Canada, maintain a list of certified housing inspectors that property owners must use to conduct their regularly scheduled inspections. The property owner pays the inspector directly and, the inspector then provides a report to both the city and the property owner. In these cases, the city follows up with correction orders for any properties reported to have code violations. These private inspectors are also responsible for re-inspections to ensure compliance with the city correction order.

The City of Rochester maintains a strict schedule for inspections in order to ensure that complaint-based inspections are not being neglected. Housing inspectors conduct inspections Monday through Thursday and respond to complaints from residents on Fridays, unless the problem is life threatening in which case they respond as soon as possible.

Most cities stated that responding to complaints from residents requires triaging of complaints. This usually entails following up with complaints by phone to determine if a code violation exists and if it does, whether it warrants immediate follow up or involvement from the health department. This triaging system allows inspectors to better manage time and resources.

Costs

As mentioned in previous sections, the majority of the cities that participated in this study do not recuperate the costs of administering their rental license programs. Cities struggle to maintain a balance between affordability for landlords and covering their own costs.

Resistance from Landlords

All of the cities that participated described the process through which they solicited community feedback regarding the possibility of implementing a rental licensing program. Most used open city council meetings to allow community members to provide feedback. In most cases, landlords were

primarily concerned about the costs of the program and that a rental licensing program would unduly “punish” properties with existing good property management practices. Some cities have also enlisted the help of the Minnesota Multi Housing Association to provide feedback on behalf of its members and the industry as a whole. Most of these cities continue to incorporate this feedback into the implementation of their rental license programs

Collaboration

Because the majority of the cities that participated in this study are concerned both about property maintenance and criminal activity, they were also asked about collaboration between city licensing, police, and fire departments. Two cities have staff in their police departments dedicated to working with problem properties. Additionally, most cities have some system of reporting that allows the licensing department staff responsible for the rental licensing program to be alerted once crimes falling under certain classifications are reported. Five cities have either weekly, monthly, or quarterly meetings involving the licensing, fire and police departments to discuss issues with problem properties. Additionally, the Hopkins rental licensing staff conducts trainings for police officers so that they are aware of the disorderly conduct stipulations of the rental license ordinance. In Brooklyn Center, the crime analyst in the police department is required to approve all mitigation plans produced as a result of excessive police service calls to a property. In all of these cities, police and fire officials can and do report code violations noticed during calls to the inspections department.

V. Case Studies

Cities with No Rental Licensing: Minnetonka and Maplewood

Staff from the building and inspections departments in the cities of Minnetonka and Maplewood were interviewed to better understand the issues they face with multi-family rental properties and how they enforce the property maintenance code without a rental licensing program. Staff from the City of Minnetonka stated that though they have considered a rental licensing program in the past, it did not seem to be the best fit for two main reasons. First, the city doesn't receive many complaints from its residents about property maintenance code violations. Second, the problems with property maintenance they are now starting to see concern single-family homes. With the downturn in the housing market, some homeowners (often with limited experience in property management) are renting their homes. Another common problem is foreclosures. Bank-owned properties that sit vacant often have property maintenance issues that are more difficult to enforce. In these cases, the city often abates the problem and bills the bank that owns the property.

With regard to multi-family housing, in an attempt to preemptively address issues, Minnetonka recently held its first in a series of meetings with property managers of multi-family buildings in order to encourage better property management practices. Additionally, the Crime Prevention Analyst from the Minnetonka Police Department meets and consults with properties with high volumes of police calls to establish a plan for reducing criminal activity. Even though Minnetonka does not currently have a rental license program, it was considered in 2002 and 2003 and will likely be reexamined as an option within the next couple of years due to the aging housing stock.

Similarly, Maplewood also receives few complaints regarding property maintenance code violations. City staff stated that, on average, they respond to one complaint per month. The building official did state, however, that he is aware of some problem properties. To address these issues he can impose fines and use the court system. In addition to having a low number of complaints, the City also has only two full-time building inspectors, and neither is trained in housing inspections. Implementing a rental licensing program would entail re-training or hiring new inspection staff, which may not be the most efficient option considering the low number of complaints. As a result, all complaint-based housing inspections are conducted by the City building official. The building official typically uses fines to provide a disincentive to property owners who have uncorrected maintenance issues. If the building official has to inspect a building for the same violation a second or third time, he can impose a fine and charge an additional \$250 "consumption of city services" fee. Currently, these are used primarily for abatement of foreclosed properties and, on average, there are about fifty of these per year. The building official also stated that he can engage property owners in litigation if problems are not addressed after two repair orders have been issued.

Universal Rental Licensing: West St. Paul and Burnsville

Three of the 11 cities interviewed for this study have targeted rental licensing program. The remaining cities all have universal rental licensing, which means they license and inspect all rental units equally. This section highlights the programs of West St. Paul and Burnsville because they offer an interesting approach to the cost and staffing challenges mentioned earlier. Burnsville, in particular, has a minimal program that they are looking at revamping. Though it currently licenses all rental units, the Burnsville rental licensing program does not require an initial inspection with application. Inspections are strictly conducted on a complaint basis. Additionally, only exterior and common areas of buildings are inspected. As a result, the program can operate with minimal staffing and without cost to landlords. A base and per unit fee is only charged for licenses that have been revoked and then reinstated. Fines for non-compliance with repair orders are based on participation in the Minnesota Crime Free housing programs. Burnsville's program has been operational since 2006. Due to their experiences since 2006, staff stated that Burnsville is now considering changing its ordinance to include an initial inspection with the rental license application or renewal because doing complaint-based inspections only isn't solving the problems they are having with multi-family properties.

West St. Paul has a more robust program but manages to cut down on costs by using private inspectors. The city maintains a list of certified housing inspectors that landlords can contact to conduct the yearly inspections and complaint-based inspections. All inspections result in a report from the inspector to the property owner and the city. Inspectors who work with the city are required to pay a \$25 filing fee. City staff then administer licenses and any citations. As in Burnsville, West Saint Paul uses participation in the Minnesota Crime Free housing programs to determine penalty fees for non-compliance. As a result of this arrangement with outside inspectors, the city currently only requires a .75 full-time equivalent employee to administer the program and also works with properties. A Crime Prevention Analyst with the police department works with participants in the crime-free housing programs and holds monthly meetings with rental property owners. The \$25 inspection filing fee is a recent addition to West St. Paul's program. Additionally, license fees were also increased in 2012 because fees from previous years were not covering the costs of the program. West St. Paul also maintains a rental density map that coincides with its rental licensing program. There are a limited number of available licenses in any given area of the city. If a rental property owner loses his or her license, then he or she must reapply for a license. Because of the rental density limitations, this can potentially mean that another property in that area, possibly a single-family residence, can apply for a license in which case the property owner with a revoked license must wait until another license becomes available to be able to rent out his or her property.

Targeted Rental Licensing: Brooklyn Center and Hopkins

The cities of Brooklyn Center and Hopkins have targeted rental licensing programs. These programs may alleviate some of the concerns expressed by landlords about programs that typically apply to all rental properties equally. These types of programs target properties with the most persistent property maintenance code violations and in some cases a high volume of police calls per unit as well. For the cities of Brooklyn Center and Hopkins this means rental properties are placed into categories based on the number of code violations reported by housing inspectors on regularly scheduled inspections or during investigations of complaints.

Brooklyn Center has four license types. License fees and inspections are determined based on the type of license. For a property with a Type 1 license, inspections are scheduled every 3 years. For Type 2, every 2 years, for Type 3 every year and for Type 4 every 6 months. A property owner with a Type 4 (provisional) license is required to have inspections and pay license fees every 6 months. With this system, the owner of a rental property with 230 units would pay \$4340 every 3 years for a Type 1 license or \$4340 every 6 months for a Type 4 license.

While the City of Hopkins doesn't have four specific license types, it does categorize properties in a similar fashion using a point-based system. City inspectors maintain a list of code violations each with its own point value. Buildings with an average of 4 points or fewer per year are inspected every 3 – 4 years. Buildings with an average of 5 – 10 points are inspected once every 2 years and buildings with 11 or more points are inspected once a year. Appendix B shows that in Hopkins buildings of varying sizes are required to have a certain percentage of units inspected during each inspection period. Hopkins additionally recognizes "substandard buildings" as those with 10 or more points per unit for buildings with five or more units. For these types of properties, inspectors may choose to require a greater percentage, up to 100 percent of units to be inspected.

Both cities also have measures built into their programs that seek to control criminal activity in rental properties. Both require landlords to have crime-free addendums to their leases to make it explicitly known to tenants that criminal activity is grounds for eviction. They also require criminal background checks for all adult residents of rental units. Brooklyn Center will also issue a provisional license based solely on a high average of police calls per unit. Though this has rarely occurred, staff from Brooklyn Center expressed that, in their experience, it is the buildings with persistent property maintenance issues that also have a problem with excessive use of police services.

Revocations

Three of the cities that participated in this study have revoked rental licenses. Staff from the City of Shoreview stated that the majority of the time it is the threat of revocation that is most effective, but in some extreme cases when the landlord doesn't stand to lose much by losing the right to rent, revocation isn't very effective. In Shoreview, one such instance stands out as an example. After being persistently non-compliant with the property maintenance code and numerous repair orders, the City was forced into litigation through the housing courts. Shoreview continued to levy fines that were unpaid. The license was revoked, but the property owner continued to collect rent from tenants. Because the property owner also had unpaid water bills with the city, the water to the building was eventually shut off. In response, however, the tenants in the building were able to collect the funds between themselves to pay the building's water bill and have the water turned back on. Eventually, the building went into foreclosure and the bank evicted the tenants.

In Rochester, the Building Safety Director can use his or her discretion to determine when a reasonable basis for suspension or revocation exists. This triggers a hearing before a Rental Housing Complaint Board. The Board can then make a recommendation to the Common Council as to whether there is a need for public hearing to consider revocation. The Common Council may suspend or revoke rental registration certificate, impose a civil fine, and place the certificate holder on probation. The City of Rochester had one instance where there was a significant amount of criminal gang activity in and around a particular building. Though Rochester has no police services usage stipulation in its ordinance, it did go to the Common Council to request that this building owner's license be revoked based on violations to the disorderly use stipulations of its rental license ordinance. Upon going to council, the property owner surrendered his license without the City actually having to formally revoke it. This particular landlord lived in Georgia, and as a result Rochester changed its rental license ordinance to include a requirement that landlords either live or have a representative within 100 miles of Rochester.

The City of Burnsville currently has two properties where licenses have been revoked: one for problems with property maintenance and a second for unpaid property taxes. Burnsville staff stated that in the first case the licenses will be re-instated once the property owner pays the property taxes and pays a fine and in the second case does necessary repairs and pays the appropriate fines. In the meantime, all tenants have been removed from the buildings and the vacant units cannot be rented. Burnsville staff also stated that the City has a "three strikes" policy. A third violation of either the property maintenance code or the disorderly use stipulations of the rental license ordinance within a certain time period warrants a revocation hearing. For the most part, staff stated that the majority of problems are addressed with the first and second strike violations.

Shoreview, Rochester .and Burnsville do not have a provisional license as part of their rental license ordinance. Two other cities have also come close to revocation. Though West St. Paul has not revoked a license, they have denied a license renewal for six months. During this period, the landlord could not rent out any units and residents were given a 60-day notice to vacate the building. Additionally, in Coon

Rapids two cases have gone before the City Council for revocation. At this point, landlords have been responsive to the requests of the council and avoided having their license revoked. Coon Rapids staff did mention that there are currently six landlords who have not applied for a license renewal and whom the City has been unable to contact. In case these or any other licenses need to be revoked or suspended, Coon Rapids staff stated that the City has the option of collecting rent from the tenants. These rents would be placed into an escrow account and the City could use the funds to make necessary repairs to the building.

VI. Policy Goals and Conclusions

When asked about the perceived need for a rental licensing program, the cities that participated in this study identified two main motivators for developing this type of ordinance. The first is to protect the health and safety of tenants and residents. The second is to preserve or improve the quality of the housing stock and property values. As previous sections of this report have shown, however, there are many variations in the programming and administration of rental licensing programs. Additionally, there are cities that achieve these goals without them. Each city's characteristics and circumstances are unique, and it is these variables that ultimately shape the policy solutions available to them.

Rental Licensing

Figure 1 below reflects the effectiveness of each type of policy (no rental licensing, universal licensing, and targeted licensing) for five policy objectives based on the responses from the interviews that were conducted. A scale of one through three is used here with one being the lowest score (least favorable) and three being the highest (most favorable). A policy of code enforcement with no rental licensing component scored high in terms of structural/fiscal feasibility and political feasibility because this does not necessarily require additional inspections staff and does not change the relationship between rental property owners and the City. This type of policy, however, scores low in terms of improving the quality of the housing stock, tenant health and safety, and compliance with property maintenance codes. This policy was scored according to the results of this study and based on the feedback from Roseville staff. It should be noted that this may not be the case for all cities. A policy of universal rental licensing scored the same as the no rental license policy. A universal type policy is anticipated to be less feasible because of the expressed challenges that cities encountered in attempting to implement it, though the structural and fiscal feasibility could be improved through the use of third-party inspections. Targeted rental license policies score higher than the two other types of policies due to the improved feasibility. Compared to universal programs, targeted programs mitigate concerns rental property owners may have about the unfairness of imposing fees and inspection requirements on good landlords by focusing the frequency of inspections and fees on rental property owners that have persistent problems.

Figure 1.

	No RL	Universal	Targeted
Improved Quality of Rental Housing	1	2	2
Structural/Fiscal Feasibility	3	1	2
Political Feasibility	3	1	2
Improved Tenant Health and Safety	1	2	2
Improved Compliance with PM Code	1	3	3
	9	9	11

Based on these considerations, a targeted rental licensing program may provide the best option for Roseville. The use of third-party inspections in this case would also make a targeted rental licensing program more manageable and cost effective. Additionally, accepting inspection certificates from other reliable sources is also an option to reduce the number of inspections needed.

There are also other considerations that should be addressed. First, there is no evidence in the literature or in the results of the interviews conducted for this research regarding the impact of rental licensing on the efficiency of the rental market. Nor is there a magic formula to determine if and/or how much of the cost to the rental property owner will be passed on the tenants. Most of the cities that participated in this study were inclined to say that even if the costs of the license, fees, and maintenance is passed on to tenants in the form of rent increases, it would be a small increase of less than \$10 per month.

A more significant cost, however, could be the mandated repair costs that would come about as a result of the inspection process. The multi-family units that Roseville has had problems with are aged and plagued by a history of short-term repairs. This may require the property owners to invest more deeply in these properties initially and may result in increased rents and potentially may have a gentrifying effect further down the line. It should be noted, however, that the goal of a rental licensing program is to intercept properties before they require expensive repairs. Additionally, Roseville can provide information to multi-family property owners on the low-interest loans that are available through Ramsey County HRA, Minnesota Housing Finance Agency, and the Roseville HRA for improvements to multi-family rental buildings. (<http://www.ci.roseville.mn.us/index.aspx?NID=1633>)

Based on information provided by the City of Roseville, implementing a rental licensing program means over 3,600 multi-family units will have to be licensed. Some of the cities that participated in this study discussed the high up-front costs. If Roseville chooses to implement a rental licensing program for multi-family units, the City should consider the cost of increased staff time allocated to administrative management of licenses and inspections regardless of whether a third-party inspection model is used.

Of the cities considered for this report, none acknowledge in their rental licensing ordinance the implications of a rental license revocation. Most do describe the administrative process of revocation but leave unanswered questions regarding practical matters, such as What happens to tenants in the building if a license is revoked? and What steps can the city take to ensure rental properties are brought to code after a license is revoked? In thinking about a rental licensing policy option, Roseville should be prepared to deal with these issues.

Changes to City Property Maintenance Code

Additionally, the strength of the property maintenance code is the foundation for a viable rental license program. Based on the feedback from city inspectors, it is recommended that the following changes to the property maintenance code be considered.

Occupancy:

In regards to regulating occupancy, Roseville and every other city that participated in this study have some limitations to the number of persons that are allowed in a certain sized space. This is, however, difficult to enforce. Several cities require that rental property owners maintain a tenant register containing the names of the persons that are legally allowed to occupy a rental unit and that this register be made available to housing inspectors whenever appropriate. While this is not a sure-fire way to regulate occupancy standards, it does encourage property owners to be more aware of who is actually living in their buildings.

Storage:

Some of the concerns expressed by Roseville inspectors revolve around the food storage practices. Specifically, when food is stored in ways that may attract rodents or insects. The City of Brooklyn Center's property maintenance code has a food storage stipulation that could be helpful in this case. It states that, "No owner or occupant of a building shall store, place, or allow to accumulate any materials that serve as food for rodents in a site accessible to rodents (City of Brooklyn Center Building Maintenance and Occupancy Code)."

Infestation:

Another concern of Roseville inspectors is that the current code doesn't prescribe treatment for insect infestations other than stating that the treatment should not harm human health. This can be improved by specifying that infestation treatments must be conducted by professionals. None of the cities that participated have specific ordinances relating to the treatment of bedbugs and these often go untreated because they are not known to carry disease. However, specifying professional treatment of insect infestations – regardless of disease carrying potential – may encourage rental property owners to be more proactive in preventing infestations of any sort.

Quality of Repairs:

As mentioned earlier, one of the most salient problems identified by Roseville housing inspectors is the short-term nature of repairs to aging buildings. Some cities in their property maintenance codes do specify that repairs must be of "repairman like quality" or something similar. Adjusting the Roseville city code to include specifications regarding the quality of the repair that must be made would be an improvement to the current code.

Complaints:

It has become obvious to the Code Enforcement Division and other city staff that there are serious health/safety and maintenance violations that aren't being reported by tenants for a variety of reasons. Coordinating with other city staff, neighbors, social workers, and others to identify violations and then file complaints on behalf of a tenant, will help to reduce these unreported health/safety dangers.

Crime and Collaboration

The troubled buildings in the City of Roseville are not only plagued by property maintenance code violations but also by a concentration of crime. These two problems together lead the city to use a disproportionate amount of time and resources in trying to alleviate health and safety issues in one particular area. The Roseville Police Department does currently offer a template for a crime-free lease addendum that can be used by rental property owners as an addition to their lease language. Requiring that landlords include this type of language in their lease can provide a tool for them to evict serious problem tenants when needed. This could be reinforced by strengthening relationships and information sharing between the inspections, police, and fire departments. Additionally, the literature review section of this research found that it is often the case that landlords feel they don't have the sufficient support or resources to prevent crime in their properties. Improving the quality of relationships between rental property owners and designated police department staff could lead to improvements in the concentration of crime in particular buildings.

Education

Many cities do conduct periodic meetings with landlords in their communities. These meetings include the participation of staff from inspections, police, and fire departments and address issues that landlords are facing, such as providing support and resources and encouraging good property maintenance practices. Additionally, some cities require participation in these meetings as part of their rental licensing ordinance. These meetings could also be used to fulfill requirements cities have regarding attendance of a crime-free multi housing activity.

Inspectors in the City of Roseville describe a situation in which tenants are not aware of their rights or of city property maintenance standards. Providing written information in several languages to tenants could improve their awareness of their rights to file a complaint as well as their knowledge on how to do so.

Appendix A
Rental Unit Licensing (RUL) Program Interview Questions

Establishment of RUL

- 1) When and why was the program established?
- 2) Who were supporters and opponents and what were their arguments?
- 3) How many licensed units?

Program Structure

- 1) How often are inspections completed?
- 2) Complaint-based inspections? Who can initiate?
- 3) What is the fee structure?
- 4) What types of unit does the program apply to?
- 5) Are there additional fees or penalties in addition to the license fee?
- 6) Does the license fee cover the cost of inspections for license holders?
- 7) What is the re-inspection process like?
- 8) Where is the program housed organizationally?
- 9) What is inspected (exterior, common areas, etc.?)
- 10) What do you look for in inspections (specific violations)?
- 11) What is the number of units necessary for inspection for multi-unit buildings?
- 12) What happens if rental license is revoked? Has threat of revocation been effective?
- 13) Coordination between departments?

Budgetary Impacts

- 1) How many full-time employees are necessary?
 - a. Administrative vs. inspectors
- 2) Does the fee structure fully compensate the program expenses?

Estimated Effects

- 1) What has been the effect of the program on code compliance?
- 2) To your knowledge, what has been the effect on rents and property values?
- 3) To your knowledge, what has been the impact on vacancy rates?
- 4) Has the city run into any administrative or legal problems with this program?

	Type	Effective Year	# of Rental Units	License Fee	Per Unit Fee	Inspection Fee	Fee Frequency	# of units inspected	Inspection Frequency	Reinspection fee	Penalty Fees	Applicability	Sample Cost for 230 Unit Building
Brooklyn Center	Targeted	1975	Currently 665 licenses (each MFU owner holds one license)	\$300 for single family dwelling (\$400 for new license), \$200 for two family dwellings, \$200 for MF dwellings	\$18 for MFUs	Included in license fee	Fee administered at time of renewal. Varies depending on licence type	100% of units	Type I License holders inspected every 3 years. Type II every 2 years, Type III every year, Type IV (Provisional) every 6 months	\$100 for 1-3 units \$50 per unit and \$100 per common area for properties with 4 or more units	\$300 fee for lack of license can potentially double every 2 weeks starting 30 days after lack of license notification is posted.	City Wide. Targeted for code violation fees. Based on number of code violations and police calls	\$4340 every three years (Type I) \$4340 every two years (Type II) \$4340 every year (Type III) \$4340 every six months (Type IV)
Coon Rapids	Targeted	2009	5500	\$100. \$500 conversion fee if unit previously owner occupied	Per unit fee only for inspections	\$70 for single family dwellings. \$50 + \$20 per unit for multifamily dwellings	Yearly	25% of units in MF buildings per inspection	Based on code violations and violation history of property and complaint based	\$100	Based on Crime Free Housing participation. Ranges from \$200-\$500 for first violation, \$500-\$1500 for 2nd violation, and \$1000-\$2000 for 3rd violation. \$500 for renting without a license	City Wide. Targeted inspections based on number of code violations	\$4750 yearly
Hopkins	Targeted	2008	5800	\$65	\$7.50 per unit for multi-unit buildings	\$65 per building, \$45 for condos, \$65 per building+ \$20 per unit for apartments.	Every one to four years depending on score of previous inspection	Buildings with 10 units or less: 50% of units inspected Buildings with 11 to 24 units: 5 units inspected Buildings with 25+ units: 20% of units inspected	Buildings with less than 4 points inspected every 3-4 years, buildings with 5-10 points inspected every 2 years, buildings with 11+ points inspected yearly	1st re-inspection \$50 per building and \$50 per unit, 2nd re-inspection \$75 per building and \$75 per unit, Each additional re-inspection: double the previous amount per building and per unit	Varies	City Wide for licensing. Targeted for inspections	\$6455 every four, two, or one years depending on license category.
Little Canada	3rd Party Inspection	2009	1677*	\$100	\$12 for MFUs	Not included in license fee. 3rd party inspections	Yearly	Complaint based	Not regularly scheduled	Reinspection fees determined by independent inspectors	\$0	City Wide	\$2860 + inspection cost yearly
West St. Paul	3rd Party Inspection	2007	3572 units, 387 buildings	\$35 per building	\$10 per unit for buildings with more than one unit	Not included in license fee. 3rd party inspections	Yearly	25% of units in all buildings	Buildings with 1-3 units inspected every 3 years and based on citizen complaints	Reinspection fees determined by independent inspectors	Based on STAR participation. Ranges from \$250-\$500 for first violation, \$500-\$1000 for 2nd violation, and \$600 to \$2000 for 3rd violation. Additionally, \$17.50 per unit fee for late applications or Incomplete Inspection Reports submitted.\$500 fine for renting the property without a rental license	City Wide	\$2335 yearly + inspection cost
New Brighton	Universal	1980s	3000	No flat fee	\$12.50 per unit + \$5 per unit fee for crime free housing officer (pd)	Initial Inspection included in license fee	Yearly	10% of MF units in all buildings	Yearly	Varies	\$0. Citations for continuous violations and non-compliance are issues and require county housing court appearance	City Wide	\$4025 yearly
Burnsville	Universal	2006	4570	No fee. If license was previously revoked and reinstated, prop owner pays \$50 for the new license	If license was previously revoked and reinstated, prop owner pays \$4 per unit	\$0	Yearly	no schedule	Complaint based only	\$0	Based on STAR participation. Ranges from \$250-\$500 for first violation, \$500-\$1000 for 2nd violation, and \$600 to \$2000 for 3rd violation	City Wide	\$0 if licence in good standing
Richfield	Universal	1989	5500	\$140	\$14 for MFUs	Included in License fee.	Yearly	100% of rental units	Yearly, based on last initial inspection date. Also based on tenant complaints	\$50 per single family home and \$80 per building		City Wide	\$3360 yearly
Shoreview	Universal	2003	1565	\$75	\$12	Initial inspection and 1st reinspection included in license fee	Yearly	1/3 of MFUs, 1/2 of GDUs	Yearly	\$50	\$1000 for renting without a license	City Wide	\$2835 yearly
St. Louis Park	Universal	2001	8101 MF units in 109 buildings and 1098 non-MF units	\$95 per unit for 1 and 2 family units, \$75 per unit for condos, townhomes, and coops, \$145 per duplex, \$165 per building for MFUs	\$11 for MFUs	Initial inspection and 1st reinspection included in license fee	Every two years	100% of units	Every two years and based on citizen complaints	\$130	Reinspection fee. For disorderly use, \$750 fine per month until tenant is evicted. Unit cannot be rented again for a 12 months	City Wide	\$2695 every two years
Rochester	Universal	1967	18000	\$90	\$30	Variable fee ranging from \$60-\$900	Every two years	100% of units	Every two years and based on citizen complaints	\$0. \$45 fee for missed inspection appointment	\$0. Not able to charge fees or civil penalties	City Wide	\$990 every two years
Columbia Heights Limited information available	Universal		2512 (2010 Census)	\$150 per building with 1-3 units \$160 per building with 4 units, \$50 per building with 5 or more units	\$23 per unit for 5-8 unit buildings \$18 per unit for 11-20 unit buildings \$12 per unit for buildings with over 20 units		Yearly	100% of units	Yearly			City Wide	\$2810 yearly (w/o inspection fee)
Brooklyn Park Limited information available	Universal		7293 (2010 Census)	\$180 for complexes with 1-14 units, \$150 for all else	\$20 for complexes with 15+ units	\$125 for first inspection	Yearly	1/3 of all units	Yearly	2nd Inspections - \$125.00 3 Inspections - \$200 4 Inspections - \$300 5 Inspections \$500 6+ Inspections \$1000		City Wide	\$4750 yearly

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HRA Meeting
Minutes – Tuesday, January 17, 2012
Page 3

Chair: Dean Maschka
Vice Chair: Bill Majerus
Secretary: Masche
Executive Director: Patrick Trudgeon

Ayes: 7

Nays: 0

Motion carried.

The 2012 meeting dates were approved by consensus. Chair Maschka noted that he would be unavailable for the March 20, 2012 meeting, with Vice Chair Majerus available to chair the meeting on that date.

b. Discussion of multi-family rental properties

As a precursor to of this discussion, Housing Program Manager Kelsey distributed a bench handout entitled, "Multi-Dwelling Unit Comparison 2007 – 2011 (Larpenteur Avenue and Rice Street Area," *attached hereto and made a part hereof*.

Roseville Police Chief Rick Mathwig prefaced his comments from his frame of reference based on twenty-four (24) years of experience with the Roseville Police Department. Chief Mathwig compared FBI crime statistics with those of Roseville, noting that Roseville crime was close to urban core crimes nation-wide. Chief Mathwig noted that those statistics consistently reflect that the crime rate increases as socio-economic issues increase. Chief Mathwig also noted that it was typical that there were more issues requiring police response in rental units, as they tended to follow socio-economic sections in communities and had similar commonalities.

Chief Mathwig noted that the handout reviewed and compared four (4) multi-family rental complexes in Roseville, prepared by the Police Department's Community Relations staff person, Sarah Mahmud. Chief Mathwig noted that the Roseville complexes immediately north and west of the City of St. Paul were the highest crime areas, and that the crime rates then tended to drop at the complexes further from Rice and Larpenteur, also comparable to nationwide trends. Given the uniqueness of each complex, Chief Mathwig noted that it was difficult to make comparable comparisons; however, he noted that two of the structures were similar and located off Rice and Larpenteur. Chief Mathwig advised that the data represented a five (5) year call comparison, and defined the variables for calls for service. Chief Mathwig noted the Department's efforts for pro-active community police visits at area shopping malls, bars and restaurants throughout the community to ensure a police presence.

Chief Mathwig noted the reduced call requests at the Rose Vista and Hillsborough complexes, and based that reduction in the on-site professional management and their skill sets in screening tenants, aggressively pursuing evictions of problem tenants, and ensuring that tenants comply with their by-laws and lease agreements.

Chief Mathwig noted that the Brittany/Marion and McCarron's complexes do not provide this same level of management, they experienced a high call rate. While recognizing the need for the complexes to make money and the legal restrictions on screening tenants, Chief Mathwig noted that their staff could screen tenants post-event through addendums to leases, as well as learning effective management skills. Chief Mathwig noted that these minimal efforts would reduce the Police Department's call volume at those complexes, allowing them to better serve the wider community.

In response to Mr. Trudgeon's questions on whether there were any socio-economic differences in the four apartment complexes, and the reason for the significant differences among the four complexes; Chief Mathwig opined that he didn't see any differences in the

1 socio-economic situations of any of the four complexes, and attributed the two (2) more time-
2 consuming complexes for the Police Department to the lack of aggressive eviction of problem
3 tenants.
4

5 Roseville Fire Chief Tim O'Neill prefaced his comments from his frame of reference based on
6 twenty-three (23) years of experience with the Roseville Fire Department. Chief O'Neill
7 advised that the Fire Department had been inside all four (4) apartment complexes numerous
8 times, and noted the deterioration in the buildings that he and his fellow firefighters had
9 observed over that timeframe. Chief O'Neill noted that the Fire Department didn't evaluate
10 the buildings on fire call volumes, but on the perspective of life safety and effects observed,
11 alluding to the need for implementation of a fire inspection program for multi-family buildings
12 that Fire Marshal Loftus would address during his portion of tonight's discussion.
13

14 From a life safety perspective, Chief O'Neill advised that his department evaluated the
15 condition of a building, obvious deterioration in the structure itself, if the structure met fire and
16 building codes, quick fire suppression and responses available on-site, and occupancy loads;
17 and noted how those items had changed over the years, specifically in two (2) of the
18 complexes referenced by Chief Mathwig. Chief O'Neill also noted that the same number of
19 units was occupied more densely in population per unit, creating more risk to firefighters and
20 resident so those units and complexes. Chief O'Neill noted that, over the last five (5) years,
21 there had been an explosion of populations in multi-family units, opining that the economy had
22 something to do with it, as well as cultural aspects of some of the community's diverse
23 population groups.
24

25 Discussion among HRA members and members of the panel included cultural and socio-
26 economic reasons for more people per unit; occupancy limits per square footage for bedroom
27 space, as well as limitations on unrelated persons per unit addressed in City Code, and some
28 lease agreements; occupancy per unit correlations with those complexes having effective
29 management on site to monitor occupancy levels per unit; and current lack of ability for staff
30 to verify and enforce occupancy compliance and reporting requirements without access to the
31 units and limited to exterior and common area inspections only.
32

33 Mr. Trudgeon advised that the City's current ordinances were inadequate from an enforcement
34 perspective for staff and needed to be amended across the board, but how to do so the most
35 effectively remained in flux.
36

37 Roseville Fire Marshal John Loftus prefaced his comments from his frame of reference based
38 on twenty-two (22) years as a Fire Marshal, and concurred with previous comments. Marshal
39 Loftus noted that the multi-family complexes were new construction when he first came on
40 board, but now many of the units, if not the structures themselves,, should no longer be
41 considered fit for occupancy. Marshal Loftus concurred that it was professional management
42 on-site that kept the buildings on track; and while able to inspect common areas in those
43 buildings on an annual basis with the vast majority in good shape, there were some troubling
44 areas. However, Marshal Loftus noted that staff's hands were tied, since they were not
45 authorized to inspect the units, nor were there financial and/or personnel resources available to
46 do so at this time, other than in those common areas; or could staff address occupant loads in
47 those units. At the request of Chair Maschka, Marshal Loftus defined common areas as the
48 hallways and gathering areas, mechanical and boiler rooms, heating plant, and alarm systems.
49

50 Building Code Enforcement Officer Don Munson noted the number of apartment buildings
51 located in Roseville, with the vast majority in good shape, and only a few in poor shape. Mr.
52 Munson advised that exterior inspection violations were similar across the city, typically
53 unlicensed vehicles, junk or debris on-site; and were typical of those buildings not well-
54 managed, creating building maintenance issues being observed at those same buildings,
55 varying in their severity depending on the upkeep of each specific building or complex. Mr.

1 Munson noted that those problem buildings also tended to have little in the yards, in addition
2 to near dumpsters, and causing problems throughout that neighborhood.

3
4 When code violations notices were processed for those problem buildings that were not well-
5 managed, Mr. Munson noted that it took longer for compliance, causing the violations to
6 remain problematic for the entire neighborhood and greater community for a longer time.
7 Since staff was unable to inspect units, other than for Section 8 reviews, Mr. Munson advised
8 that they could not investigate bug and/or rodent infestations even when made aware of them;
9 as well as reports on over-occupancy issues since staff had no recourse to pursue those
10 concerns.

11
12 As an example, Mr. Munson noted that in a well-managed building, when an appliance broke
13 down, or between vacancies, the appliances were replaced or upgraded and the units
14 remodeled or cosmetically improved and carpets shampooed. However, in buildings not well-
15 managed, another inferior appliance might be brought, and the units not sufficiently cleaned
16 between vacancies. Mr. Munson noted that, while staff was asked to inspect Section 8 units,
17 those standards included in their checklist were not very high, and not based on cleanliness
18 unless there were obvious roaches or broken windows, or large holes in a wall, while less
19 extensive damages could not be cited.

20
21 Chair Maschka questioned what creative recourses other communities were using to address
22 these issues, referencing the Cities of Minneapolis and St. Paul's experience in bringing
23 buildings into compliance, while attempting not to necessitate evictions or displacing tenants.

24
25 Mr. Trudgeon advised that, later on tonight's agenda, staff would be making suggestions, one
26 of which was the HRA's receipt for funding for additional CURA intern services, and plans for
27 the intern to perform a survey to collect data from other communities to find best practices that
28 would be applicable for use in Roseville.

29
30 Lisa Peilen, Minnesota Multi-Housing Association representative, advised that cities varied in
31 their enforcement techniques. Ms. Peilen noted that some required a unit to be vacated versus
32 the entire building until it was brought up to standard, and requiring that the landlord could not
33 rent any other vacant units until other units were brought into compliance, while allowing
34 current tenants to remain if possible during the work. Ms. Peilen used several recent examples
35 (e.g. Burnsville and Brooklyn Park) that had been in the news in the metropolitan area and the
36 issues involved and their responses for resolution. Ms. Peilen noted that Brooklyn Park was
37 very active in resolving issues in appointing a receiver for the building with all monies going
38 to the receiver until repairs were completed, with the owner remaining responsible for taxes,
39 utilities, and other operational costs.

40
41 Chair Maschka asked the panel, and individuals on the panel, for their recommendations.

42
43 From a fire safety perspective, Chief O'Neill noted that the conditions found in the common
44 areas were indicative of the private areas or units. While able to make limited observations of
45 units if called for a fire alarm check or medical call, Chief O'Neill noted that there were often
46 obvious maintenance issues, overcrowded units, and bug infestations, and allowed staff to
47 observe first-hand some of the issues. Chief O'Neill advised that the key was to be able to
48 access and inspect the units, and then find a means to correct the issues once access was
49 gained.

50
51 Chair Maschka questioned the projected staffing requirements to perform rental inspections.

52
53 Marshal Loftus opined that for the initial inspection, the resource commitment would be
54 substantial, with much time invested in writing up violations, and then enforcing them –
55 through the court system if necessary, and then following up on that enforcement process.

1
2 Mr. Munson opined that the current standards were not set up for long-term maintenance
3 issues, and were more simplistic and cosmetic in nature. Mr. Munson further opined that
4 standards needed to be in place to address long-term maintenance issues more specifically, and
5 encourage landlords to refurbish units between vacancies.
6

7 Chief Mathwig reiterated that a vast majority of the complexes in Roseville were great, with
8 only a few being problematic. Chief Mathwig opined that most of the problems could be
9 resolved by providing some people with a “moral adjustment” to do the right thing. Chief
10 Mathwig suggesting avoiding civil court with apartment owners to avoid extensive costs to the
11 City, and noted the success found in the Repeat Call Ordinance recently adopted in providing
12 significant return on investment through civil penalty provisions.
13

14 Member Pust cautioned that the HRA remained mindful of who was being punished, and
15 potential unintended consequences for landlords and/or property managers who were in
16 compliance, as well as negative impacts in displacing tenants in those buildings being poorly
17 managed. Member Pust asked for assurances that the need for living space was respected for
18 tenants, while addressing the human need to provide a quality place to live. Member Pust
19 reiterated the comments of Chief Mathwig that this discussion is not relevant to every
20 apartment complex in Roseville, and the need to segregate those problem properties first.
21 Member Pust expressed appreciation to members of the panel who recognized the huge cost
22 involved in enacting an inspection ordinance; and cautioned the inefficiencies of such an
23 ordinance if all properties couldn’t be inspected. Member Pust suggested finding a creative
24 solution to the problem.
25

26 Chair Mathwig concurred, noting that the vast majority of ordinances were necessitated by
27 only 2% of the population; and his preference to find a recourse to deal with that minority of
28 multi-unit building owners.
29

30 Member Pust expressed her interest in the receivership option, and asked Ms. Peilen to provide
31 more detailed information to the HRA on those types of programs, specifically what triggered
32 it, whether through non-compliance over a certain period of time, the types of code violations
33 and who initiated the receivership, and how a receiver could access a private business without
34 documented and significant issues.
35

36 Mr. Trudgeon advised that case information related to receivers had been included in the
37 HRA’s November of 2011 meeting packets for their initial review. Mr. Trudgeon noted that
38 there was also a case in St. Paul that went into receivership; and addressed concerns when
39 tenants were caught in the middle of the landlord and the enforcement action; however, he
40 opined that for certain types of development, receivers may be a perfect tool to use for
41 enforcement.
42

43 Chair Maschka expressed his personal appreciation, as well as that of the HRA Board, on the
44 work of Mr. Munson and staff on code enforcement in the community. Chair Maschka
45 questioned the process followed if a code violation was reported to the City.
46

47 Mr. Munson advised that the property maintenance code was working well from an
48 enforcement perspective, and reviewed the process for complaints received. Mr. Munson
49 further addressed violations at multi-housing buildings, and staff’s ability to address exterior
50 maintenance issues for tenants (e.g. roof leaks) and the process available to staff. Mr. Munson
51 noted that often, tenants were uncomfortable talking directly to their landlord or property
52 manager due to the fear of reprisals. Mr. Munson advised that tenants usually didn’t call staff
53 directly to report bug or rodent infestation, but rather those calls came to staff from social
54 workers who had observed a problem in a unit. However, Mr. Munson noted that the tenant

1 still may not let staff into the unit, effectively allowing staff no recourse to follow-up or
2 enforce such an issue.

3
4 Member Pust questioned if the recently adopted Problem Property ordinance had significantly
5 helped; with Mr. Trudgeon advising that it had not, to-date, as the City was still in the process
6 of accumulating and documenting information, but anticipated that it would be used in 2012.
7

8 At the request of Member Masche, Mr. Munson advised that the abatement process worked
9 well and resolved a great number of non-compliance issues. Member Masche suggested
10 formulating a similar process for inside inspections as that used for exterior inspections, since
11 that program had proven so successful.
12

13 Mr. Trudgeon asked Ms. Peilen to provide additional information for the HRA Board on the
14 Minnesota Multi Housing Association and their representation of landlords.
15

16 Ms. Peilen provided a detailed verbal description of this non-profit trade association of rental
17 property owners, covering all types of properties, from large complexes to those of 1-4 units;
18 with a shared common goal to provide quality rental housing. Ms. Peilen advised that the
19 majority of rental property owners didn't like bad operators any more than cities did, since
20 those minority properties resulted in ordinances that hit the good guys as well as the bad. Ms.
21 Peilen advised that it was the goal of the Association to promote the highest standards in
22 management through various opportunities, one of which included in excess of classes per year
23 for educating professional management of rental properties. Ms. Peilen provided written and
24 informational materials for each Board member from the Association, including materials
25 entitled, "Fundamentals of Rental Properties in Minnesota," along with other helpful resources
26 for their review. Ms. Peilen reviewed some of the offerings available to rental property owners
27 through the Association, including best practices management procedures, lease templates, and
28 how to provide sound rental property management, with classes offered on those same
29 offerings. Ms. Peilen advised that the Association offered products to assist rental property
30 owners in being the best that they could be, including solid and proven written leases and
31 application forms. Ms. Peilen advised that there were a number of managers/owners in
32 Roseville who were participants in the Association, and offered the Association's resources to
33 the HRA and municipalities, as well as providing comparable practices of other communities.
34

35 Ms. Peilen opined that there were three (3) types of owners:

- 36 • Responsible rental property owners, whom she was proud to say were among their
37 Association's members, and including a number of property owners in Roseville;
- 38 • Owners who wanted to do a good job, but may be unaware of everything that ownership in
39 rental property entailed, especially those obtaining smaller properties when recent prices
40 were so low anticipating they'd turn around and rent the property as a money making
41 venture, but not understanding how much work was involved in maintenance and
42 operations; as well as large complex owners without good on-site managers or good,
43 quality professional management; and
- 44 • Those rental property owners who just don't care, and those who often end up in the news.
45

46 Ms. Peilen opined that there were multiple options available to the City of Roseville; however,
47 she noted that even with inspections, there may remain problem properties. Ms. Peilen offered
48 the resources of the Association to work with the City in meeting their goals, while not
49 penalizing the vast majority of responsible rental property owners.
50

51 Ms. Peilen noted that cultural and growing diversity issues were prevalent and anticipated to
52 continue challenging rental properties. Ms. Peilen advised that one of the classes offered by
53 the Association was how to effectively communicate with other cultures, many of whom are
54 used to an environment where extended families were revered and important to the family
55 structure; and their lack of understanding our occupancy limits. Ms. Peilen referenced crime

1 release addendum the value of screening tenants as a good management tool, and advised that
2 the Association offered crime-free training that was currently utilized by some of those rental
3 communities.
4

5 At the request of Member Pust, Ms. Peilen advised that the majority of their membership in
6 Roseville was by larger property owners, estimated at eight (8) properties. When reviewing
7 the map included in tonight's meeting packet showing the locations of rental properties
8 throughout Roseville, Member Pust noted the ratio of those rentals with those involved in the
9 Association, and suggested more aggressive marketing of rental property owners and available
10 benefits may be indicated for the Association in partnership with the HRA.
11

12 Mr. Trudgeon noted that tonight's panel presentation and discussion had provided a lot of
13 information for everyone to absorb, and suggested that as the information is digested
14 individually, it become the springboard for future discussions at a future meeting. Mr.
15 Trudgeon expressed the interest of staff in hearing input and feedback from individual
16 Members of the HRA before, during or after the meeting.
17

18 Chair Maschka questioned Ms. Peilen on the success rate of cities in inner-ring suburbs in
19 improving older buildings. Chair Maschka also questioned any rehabilitation programs that
20 had been successful.
21

22 Ms. Peilen advised that an older housing stock was consistent among communities, and while
23 many may have been construction as state-of the art, were now older and held few of the
24 amenities being sought by many renters, thus limiting the rents they could command and
25 attracting a specific renter demographic. However, if well-managed, Ms. Peilen advised that
26 those older buildings could prove successful. Ms. Peilen advised that the availability of
27 rehabilitation programs varied from property to property, and were often based on how well
28 they were currently maintained, and were mostly related to energy savings at this time.
29

30 Chair Maschka thanked the panel for their interesting and helpful presentation and subsequent
31 discussion; and expressed his concurrence with Chief Mathwig's concept of the need for a
32 moral adjustment for some individuals as a solution to the problem.
33

34 **c. Center for Urban and Regional Affairs (CURA) intern for the spring**

35 Housing Manager Kelsey advised Members that the City's HRA had again been successful in
36 being awarded a CURA grant, with the intent for this grant cycle to research beset practices for
37 registration/licensing of apartment buildings with five or more units. Ms. Kelsey introduced
38 Ms. Savannah Hacket, last year's intern, who was present in tonight's audience. Ms. Kelsey
39 advised that last year's report by Ms. Hacket had been finalized in November of 2011, and
40 would be formally presented to the HRA in February of 2012. Ms. Kelsey advised that the
41 only cost to the HRA was for Ms. Hacket's services would be office space and mileage.
42

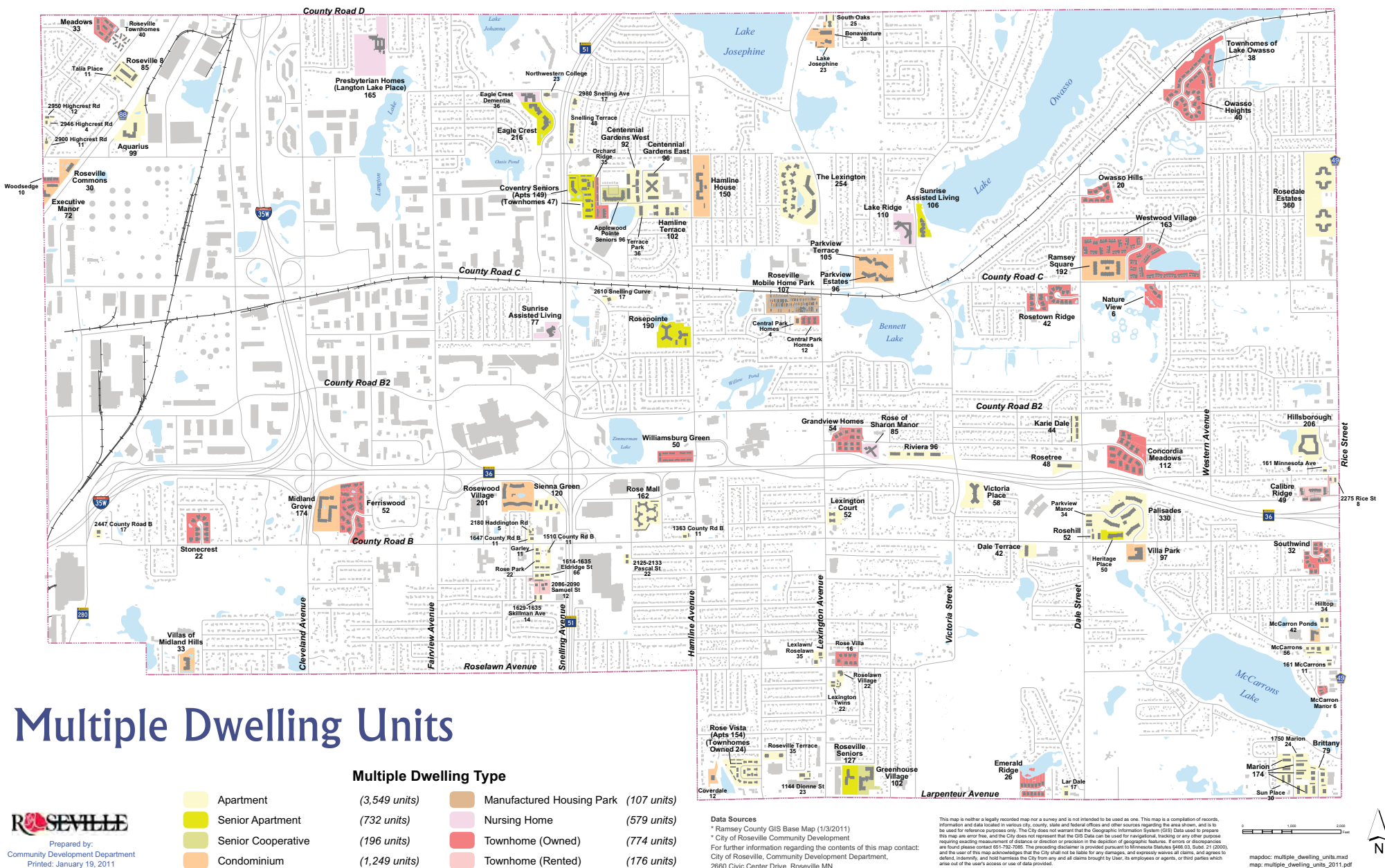
43 Member Pust welcomed Ms. Hacket back to working with the HRA again this year. Member
44 Pust asked that the study be broad enough to not just focus on rental licensing, but on tools and
45 best practices available from other communities as her time allowed.
46

47 Ms. Kelsey clarified that she had broadened the scope of the program description to include
48 best practices in addition to registration.
49

50 **Motion: Member Pust moved, seconded by Member Lee to accept the paid intern from**
51 **CURA for the spring of 2012, with the RHRA to provide office equipment and reimburse**
52 **the intern for mileage.**
53

54 **Ayes: 7**

55 **Nays: 0**



Multiple Dwelling Units January 2011

Apartments - Rental	Address	Units	Comments	Phone
Aquarius Apartments	2425 County Road C2	99		
Brittany Apartments	175 Larpenteur Avenue	17	Sec 8	
	1722-1739 Woodbridge Court	62	Sec 8	
Centennial Gardens East	1405-1425 Terrace Dr	96	Sec 8	
	1400-1420 Centennial Dr			
Centennial Gardens West	2815-2845 Pascal Street	92	Sec 8	
County Road B (1363)		11		651-771-6216
County Road B (1610)		11		651-697-0282
County Road B (1647)		11		651-772-3183
County Road B (2447)		17		
Coverdale Apartments	1725 Deilwood Street	12	Sec 8	651-603-1416
Dale Terrace Apartments	720 County Road B	42	Sec 8	651-488-5456
Dionne Street (1144)		23		651-738-7012
Eldridge Avenue (1614)		11		651-439-8098
Eldridge Avenue (1615)		11		
Eldridge Avenue (1624)		11		651-484-3051
Eldridge Avenue (1625)		11		651-738-1576
Eldridge Avenue (1634)		11		
Eldridge Avenue (1635)		11		
Garley Apartments	1634 County Road B	11		
Haddington Road (2180)		5		
Hamline Terrace	1360-1410 Terrace Drive	102		651-633-0827
Sienna Green Apartments	2225-2265 Snelling Avenue	120		612-545-9155
Highcrest Road (2900)		11		612-789-1978
Highcrest Road (2946)		4		763-757-5424
Highcrest Road (2950)		12		651-773-3538
Hillsborough Apartments	240-250 Grandview Avenue	86		
	2335-2345 Woodbridge Street	120	Sec 8	
Hilltop Apartments	160-170 Elmer Street	34	Sec 8	
Karie Dale Apartments	2355-2393 Dale Street	44	Sec 8	651-484-6013
Lar Dale Apartments	655 Larpenteur Avenue	17		651-698-5928
The Lexington	2755 Lexington Avenue	254		
Lexlawn	1943 Lexington Avenue	17		651-698-1511
Lexington Court	2192-2206 Lexington Avenue	52	Sec 8	651-487-2045
Lexington Twins	1890-1900 Lexington Avenue	22	Sec 8	651-699-2990
Marion Apartments	195-221 Larpenteur	58	Sec 8	651-489-5854
	1720 Marion Street	29	Sec 8	651-489-5854
	1735-1745 Marion Street	87	Sec 8	651-489-5854
Marion Street (1750)		24		952-851-3194
McCarrons Apartments	166-204 North McCarrons Boulevard	56	Sec 8	651-698-5928
McCarrons Street (161)		11		651-698-5928
Minnesota Avenue (161)		6		
Northwestern College Apartments	1610 Lydia Avenue	23		651-628-3287
Parkview Manor	2202-2210 Dale Street	34	Sec 8	651-488-9493
Palisades	535-570 Sandhurst Drive	330		
Pascal Street (2125-2133)		22		651-777-0120
Rice Street (2275)		8		
Riviera Apartments	885-965 Highway 36	96		
Rose Mall Apartments	2201-2221 Albert Street	54		612-874-4400
	1430-1440 Commerce Street	36		
	2190-2220 Pascal Street	72		
Rose Park Apartments	2128-2136 Fry Street	22		651-698-2878

Apartments - Rental (continued)	Address	Units	Comments	Phone
Rose Vista Apartments	1222-1238 Rose Vista Court	154	Sec 8	
Rosedale Estates	2735-2855 Rice Street	360		763-571-3300
Rosehill Apartments	591-601 County Road B	35	Sec 8	
	2194 Dale Street	17	Sec 8	
Roselawn Apartments	1125 Roselawn Avenue	18		651-698-1511
Roselawn Village Apartments	1074 Roselawn Avenue	22		
Rosetree Apartments	655 Highway 36	48		
Roseville 8 Apartments	3050 Old Highway 8	85		
Roseville Terrace	1759 Dunlap Street	18	Sec 8	651-698-1511
	1760 Fernwood Street	17	Sec 8	651-698-1511
Skilman Avenue (1629-1635)		14		651-698-2878
Snelling Terrace	2906-2930 Snelling Avenue	48		651-628-3287
Snelling Ave (2980) - Northwestern College		17		651-628-3287
Snelling Curve (2610)		17		651-225-8227
South Oak Apartments	1080 County Road D	25		651-483-6792
Sun Place Apartments	1721 Marion Street	30		651-771-7344
Talia Place	3020 Old Highway 8	11		612-388-5196
Terrace Park	1420 Terrace Drive	36		651-604-0955
Victoria Place	2250 Victoria Street	58		

Total: 3,468

Apartments - Senior Housing Rental	Address	Units	Comments	Phone
Eagle Crest	2925-2945 Lincoln Drive	216		651-628-3000
Coventry Seniors Apartments	2820 Snelling Ave (109)	149	Sec 8	651-633-0350
	2775-2839 Asbury St (40)			
Heritage Place Seniors Apartments	563 County Road B W	50		651-489-3293
Rosepointe	2545-2555 Hamline Avenue	190		651-639-1000
Roseville Seniors	1045 Larpenteur Avenue	127		651-488-0747

Total: 732

Nursing Home Facilities	Address	Units	Phone
Eagle Crest Dementia Residence	2955 Lincoln Drive N	36	
Lake Ridge Health Care	2727 Victoria Street	110	
Presbyterian Homes (Langton Lake Place)	1910 County Road D	165	
Rose of Sharon Manor	1000 Lovell Avenue	85	
Roseville Good Samaritan	1415 County Road B	133	
Sunrise Assisted Living	2750 Victoria Street	106	651-482-1611
Sunrise Assisted Living	2555 Snelling Avenue N	77	651-636-4800

Total: 712

Condominiums	Address	Units	Phone
Bonaventure	3090 Lexington Avenue	30	651-481-0729
Central Park Homes	1144-1148 Rose Place	4	
Executive Manor Condos	3153-3155 Old Highway 8	72	651-636-0988
Hamline House Condos	2800 Hamline Avenue	150	Seniors 651-636-3742
Lake Josephine	3076 Lexington Avenue	23	651-490-0395
McCarron Pond Condos	185 North McCarrons Blvd	42	
Midland Grove Condos	2200-2250 Midland Grove Rd (private)	174	651-633-8233
Parkview Estate	2670-2680 Oxford Street	96	612-991-0421
Parkview Terrace	2690-2700 Oxford Street	105	
Ramsey Square	2700-2730 Dale Street	192	651-484-3386
Roseville Commons	2496 County Road C2 W	30	651-633-4553
Rosewood Village	1620-1690 Highway 36	201	651-636-0378
Villa Park	500 County Road B	97	
Villas of Midland Hills	1940 Fulham Street	33	

Total: 1,249

Senior Co-Operatives	Address	Units	Phone
Applewood Pointe	1480 Applewood Court	94	651 766-6858
Greenhouse Village	1021 Larpenteur Avenue W	102	651 488-9997

Total: 196

Townhomes - Owned	Address	Units	Comments	Phone
Central Park Homes	1106-1134 Rose Place	12		
Concordia Meadows	Lovell Ave at Dale St and Highway 36	112		
Elmer Street	180-188 Elmer St	5		
Emerald Ridge	694-733 Emerald Drive	26		
Ferriswood	Ferris Lane	52		
Grandview Homes	Lexington and Grandview	54		
Meadows Townhouses	2406-2434 County Road D	33		
McCarron Manor Homes	1870-1880 Shady Beach Ave	6		
Nature View	2615-2629 Nature View Ct	6		
Orchard Ridge	2801-2838 Arona Street N	35		
Owasso Hills	568-608 Terrace Courte	20		
Owasso Heights	2970-2997 Highpointe Curve	10		
	2946-2998 Highcourte	30		
Rosetown Ridge	638-671 Overlook Drive	24		
	2590-2620 Rosetown Court	18		
Rose Villa	1048-1083 Harriet Lane (private street)	16		
Stonecrest	2170-2213 Midland View Ct	22		
	2281-2283 County Rd B W			
Southwind of Roseville	176-178 County Rd B	32		
	187-197 Burke Ave			
	2097-2156 Albemarle Ct			
Townhomes of Lake Owasso	3000-3083 Highpointe Curve	38		
Westwood Village	County Road C and Mackubin	163		
Williamsburg Green	1355 Colonial Drive	50		
Woods Edge Townhomes	3205-3223 Old Highway 8	10		

Total: 774

Townhomes - Rental	Address	Units
Roseville Townhomes	3085 Old Highway 8	40
Calibre Ridge	Rice Street and Highway 36	49
Coventry	2820 Snelling Avenue	47
Rose Vista Townhomes	1240-1263 Rose Vista Court	24
Samuel Street (2086-2890)	(private street)	16

Total: 176

Mobile Home Parks	Address	Units	Phone
Roseville Mobile Home Park	2599 Lexington Avenue	107	763-421-6540

Total: 107

Total Units: 7,414

Community Development (January 2011)

Source: City of Roseville

For further information please contact this office at 651-792-7015