
MEMORANDUM

DATE: December 3, 2009

TO: Council Members

FROM: Council Planning Subcommittee
Janice Jardine and Nick Tarbet

SUBJECT: Proposed Landlord/Tenant Initiative Program and related changes to City Code, Chapter 5.04 – Business Licenses and Chapter 5.14 – Rental Dwellings

POTENTIAL MOTIONS:

1. ["I move that the Council"] Adopt an ordinance amending sections of the City Code, Title 5, Chapters 5.04, 5.14 and 5.15 – relating to business licenses, rental dwellings and establishing the Landlord/Tenant Initiative Program.
 2. ["I move that the Council"] Not adopt an ordinance amending sections of the City Code, Title 5, Chapters 5.04, 5.14 and 5.15 – relating to business licenses, rental dwellings and establishing the Landlord/Tenant Initiative Program.
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During the Council's discussion of this item on November 5, the Council supported moving this item forward for a public hearing and additional public comment.

The draft ordinance was distributed for review and comment in early November 2009. The groups contacted included a focus group comprised of landlords/property owners/housing developers, neighborhood advocates, non-profit service providers, and community council representatives; City boards and commissions such as Housing Advisory and Appeals Board, Planning Commission, Historic Landmark Commission; Community Council Chairs; and representatives in the City Administration. A summary of comments received as of November 25 is attached at the end of this memo.

The following is a brief summary of the key points of the Landlord Tenant Initiative. It is provided here for background.

- A. The new ordinance amends chapters of the Salt Lake City Business License Code pertaining to rental dwellings.
- B. The Landlord/Tenant Initiative program is a voluntary program designed to incentivize good management of rental dwellings and to reduce cost to the City taxpayers for regulation of rental units.
- C. Requires owners of multiple rental dwellings or multiple buildings containing rental dwellings to obtain one basic business license for all rental dwellings.
- D. Rental owners will be charged a basic business license fee plus a disproportionate fee for each rental dwelling unit.

- E. Owners are not required to participate in the Landlord/Tenant Initiative. However, those who choose to opt out must pay a disproportionate fee – a fee that helps cover the cost of additional City services that could be avoided with greater oversight by the property owner.
- F. Owners who choose to participate in the program and meet its requirements receive a lower fee.
- G. Participants in the program will be required to:
 - 1. Certify that the premises are in compliance with ordinance requirements based on a checklist provided by the City as part of the application.
 - 2. Execute a written agreement with the City regarding management of the owner's property
 - 3. Provide contact information; current email and phone number, to better enable communication between the city and the Property Owner.
 - 4. Complete the City's landlord training program.
 - 5. Hold the required bi-annual tenant meetings.
 - 6. Use the City approved lease.
- H. Redefines "rental dwelling" as a building or portion of a building that is:
 - 1. Used or designated for use as a dwelling by one or more persons; and
 - 2. Available to be rented, loaned, leased, or hired out for a period of one month or longer; or
 - 3. Arranged, designed, or built to be rented, loaned, leased, or hired out for a period of one month or longer.
 - 4. Re-inspections are limited to a 36-month time limit on the City inspections unless reasonable cause exists to believe that a condition in the rental dwelling is in violation of an applicable law or ordinance, or if the City receives safety issue complaints.

The following information was provided previously for the Council Work Session on November 5, 2009. It is provided again for background purposes.

The following is a brief summary of key items from the attached draft ordinance regarding the creation of a Landlord/Tenant Initiative Program and related amendments to the City's business license and rental dwelling regulations. They are provided here to assist in the Council's discussion on November 5. The intent is to receive feedback from the Council and identify steps to move this item forward further action.

Additional items may be identified and discussed by Council Members.

Administrative staff has indicated concern with some of the proposed changes and will be prepared to discuss their issues with the Council.

- **ATTACHMENTS:**

The following attachments are provided for background purposes:

- A. Proposed draft ordinance
- B. Required and Optional Elements for a Good Landlord Program outlined in State law provided by Neil Lindberg
- C. Elements of a Quality Rental Housing Program provided by the Utah Housing Coalition
- D. Focus Group meeting notes for April 7 & 13, 2009 and initial elements identified by the Council's Planning Subcommittee with comments from Administrative staff and Focus Group
- E. Information provided to the Council by the Utah Apartment Association at the Council Work Session on September 9, 2008.

F. Summary of research regarding issues, alternatives and options related to Good Landlord/Quality Housing legislation

• **POTENTIAL PROCESS OPTIONS**

- City Council Work Session discussion (November 5)
- Staff prepare final draft ordinance
- Provide for public review and comment
- City Council public hearing (December)
- Other options identified by the Council

(Please note - The following are only key items included in the proposed ordinance. All changes included in the draft are not listed here.)

Chapter 5.04 – Business Licenses

5.04.070 – License Fees Levied, Sec. F – Multiple Rental Dwellings
(See draft ordinance - pg.3, lines # 128-132)

- Requires an owner of multiple rental dwellings or multiple buildings containing rental dwellings to obtain one base license and pay one base license fee for all rental dwelling plus a disproportionate costs fee.

Chapter 5.14 – Rental Dwellings

A. 5.14.010 – Definitions

(See draft ordinance - pg.8, lines # 278- 289)

- Redefines “rental dwelling” as a building or portion of a building that is:
 - Used or designated for use as a dwelling by one (1) or more persons; and
 - Available to be rented, loaned, leased, or hired out for a period of one (1) month or longer; or
 - Arranged, designed, or built to be rented, loaned, leased, or hired out for a period of one (1) month or longer.

B. 5.14.020 – License Application

(See draft ordinance - pg.8, lines # 300-303)

- Changes the requirement to obtain a business licenses for three or more rental dwellings to one or more rental dwellings.

C. 5.14.030 – License Required for Rental Dwellings

(See draft ordinance - pg.9, lines # 345-347)

- Requires certification by the owner, or owner's agent, that the premises regarding compliance with applicable ordinance requirements based on a checklist provided by the City as part of the application.

D. 5.14.080 – Investigation by Building Services and Zoning Enforcement Division

(See draft ordinance - pg.11, lines # 413-416)

- Places a 36-month time limit on re-inspections by the City unless reasonable cause exists to believe that a condition in the rental dwelling is in violation of an applicable law or ordinance.

E. 5.14.100 – Effect of License Issuance

(See draft ordinance - pg.11, lines # 431-439)

- Recognizes that issuance of a rental dwelling business license shall not have the effect of changing the legal status of a rental dwelling, including, but not limited to:
 - Legalizing an illegally created rental dwelling or other circumstance, or
 - Recognizing the existence of a legal nonconforming use, noncomplying structure, or other nonconformity.

F. 5.15 – Landlord/Tenant Initiative

(See draft ordinance - pgs.13 to 16, lines # 485-652)

- Establishes the Landlord/Tenant Initiative Program. Please see the draft ordinance for details. Sections include:
 - 5.15.010 Establishment of Landlord/Tenant Program
 - 5.15.020 Program Admission Requirements
 - 5.15.030 Content of Rental Dwelling Management Agreement
 - 5.15.040 Content of Training Program – Trainers
 - 5.15.050 Completion of Training Program
 - 5.15.060 Continuing Compliance Required
 - 5.15.070 Disqualification

G. 5.60 – Fee Schedules

(See draft ordinance – pg. 17, lines # 685-689)

- Adds rental dwellings to the Disproportionate Fee Schedule

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(LEGISLATIVE COPY)

SALT LAKE CITY ORDINANCE

No. ____ of 2009

(Amending Chapters 5.04 and 5.14, and enacting Chapter 5.15
to Establish a Landlord/Tenant Initiative Program)

AN ORDINANCE AMENDING CHAPTER 5.04 AND 5.14, AND ENACTING
CHAPTER 5.15, *SALT LAKE CITY CODE*, TO ESTABLISH A LANDLORD/TENANT
INITIATIVE PROGRAM.

WHEREAS, it is proposed that Chapters 5.04 (Business Licenses) and Chapter 5.14
(Apartment Houses) of the Salt Lake City Code be amended and that Chapter 5.15
(Landlord/Tenant Initiative) of the Salt Lake City Code be enacted to establish a landlord/tenant
program;

WHEREAS, the City Council of Salt Lake City, Utah, finds (i) the Landlord/Tenant
Initiative program, as set forth below, should be established to encourage better management of
rental dwellings in the City, and (ii) adoption of this Ordinance reasonably furthers the health,
safety, and general welfare of the citizens of Salt Lake City.

NOW, THEREFORE, be it ordained by the City Council of Salt Lake City, Utah:

SECTION 1. **Amending Chapter 5.04.** That Chapter 5.04 of the *Salt Lake City Code*,
shall be, and hereby is, amended to read as follows:

Chapter 5.04

BUSINESS LICENSES

Article I. Administration

5.04.020 ~~PROVISIONS AS REGULATORY MEASURE~~ **LICENSE-ISSUANCE:**

The ordinance codified herein is enacted to establish the base ~~regulatory~~-license fee for
general businesses and to establish additional ~~regulatory~~-fees for businesses receiving a

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disproportionate level of the city's services. No ~~regulatory~~ license may be issued for a business operation which, on the face of the license application, would be in violation of criminal laws or ordinances or where the place of business would be located in an area not zoned for such business activity unless it is a legal nonconforming use as provided in Chapter 21A.38 of this code.

5.04.040 LICENSE-NOT REQUIRED WHEN:

A. Exemptions: No seventy dollar (\$70.00) base license fee shall be imposed under this chapter upon any person:

1. Engaged in business for solely religious, charitable, eleemosynary or other types of strictly nonprofit purpose who is tax exempt in such activities under the laws of the United States and the state of Utah;

2. Engaged in a business specifically exempted from municipal taxation and fees by the laws of the United States or the state;

3. Engaged in a business operated under the supervision of the division of exposition of the Utah state department of development services and located exclusively at the Utah state fairgrounds during the period of the annual Utah state fair; or

4. Not maintaining a place of business within the city who has paid a like or similar license tax or fee to some other taxing unit within the state, and which taxing unit exempts from its license tax or fee, by reciprocal agreement, businesses domiciled in the city and doing business in such taxing unit.

B. Disproportionate Fees: No disproportionate fee shall be imposed under this chapter on any person who is exempt from a business license under Subsections A1 or A2 of this section.

With regard to Subsections ~~A1 and A4~~ of this section, this exemption shall not apply to any

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disproportionate fees which may be applicable under Section 5.04.070 of this article to a person doing business in the City, nor to any other fees or charges which may be required under this code.

C. Reciprocal Agreement: The Mayor may, with approval of the City Council, enter into reciprocal agreements with the proper officials of other taxing units, as may be deemed equitable and proper in effecting the exemption provided for in Subsection A of this section. Nothing in this section shall preclude the city from reviewing and investigating a business license application under such a reciprocal agreement, and requiring payment of disproportionate regulatory fees or other fees or taxes imposed by any other provisions of the ordinances of the city, in the discretion of the city council.

5.04.050 BASE LICENSE ADDITIONAL TO ALL OTHER TAXES OR LICENSES:

The base license fee and disproportionate fee imposed by Section 5.04.070 of this article shall be in addition to any and all other taxes or licenses imposed by any other provisions of the ordinances of Salt Lake City.

5.04.060 FEE-NO UNDUE BURDEN ON INTERSTATE COMMERCE:

None of the license fees provided for by this chapter shall be applied as to occasion an undue burden on interstate commerce. In any case where a license fee is believed by a licensee or applicant for license to place an undue burden upon such commerce, such person may apply to the mayor for an adjustment of the fee so that it shall not be discriminatory, unreasonable or unfair as to such commerce. Such application may be made before, at or within six (6) months after payment of the prescribed license fee. The applicant shall, by affidavit and supporting testimony, show the method of applicant's business, the gross volume or estimated gross volume of business, and such other information as the mayor may deem necessary in order to determine

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the extent, if any, of such undue burden on such commerce. The mayor may designate a person to conduct an investigation, comparing applicant's business with other businesses of like nature. The mayor's designee shall make findings of facts; shall determine whether the fee fixed by this chapter is discriminatory, unreasonable or unfair as to applicant's business; and shall recommend to the mayor a license fee for the applicant in an amount that is nondiscriminatory, reasonable and fair. If the mayor is satisfied that such license fee is the amount that the applicant should pay, the license fee shall be fixed in such amount. If the regular license fee has already been paid, the mayor shall order a refund of the amount over and above the fee fixed by the mayor. In fixing the fee to be charged, the mayor shall have the power to use any method which will assure that the fee assessed shall be uniform with that assessed on businesses of like nature.

5.04.070: LICENSE FEES LEVIED:

A. Fees For Businesses Located In The City: There is levied upon the business of every person engaged in business in the city at a place of business within the city, an annual business license fee per place of business except as otherwise set forth in Subsection F of this section. The amount of the fee shall be the base license fee imposed under Subsection B of this section, plus:

1. The regulatory fee imposed under Subsection C of this section, if applicable;

and

2. The disproportionate impact fee imposed under Subsection D of this section, if applicable; and

3. The enhanced services fee imposed under Subsection E of this section, if applicable.

B. Base License Fee: The base license fee levied and imposed, covering licensing, inspection (if applicable), and related administrative costs shall be as follows:

1. Home occupation businesses: Seventy five dollars (\$75.00).

2. Nonhome occupation businesses: One hundred dollars (\$100.00).

C. Regulatory Fee: The regulatory fee levied and imposed, for direct costs associated with doing business within the city, covering licenses listed under Section 5.90.010, "Schedule 1", of this title shall be as set forth thereunder.

D. Disproportionate Costs Fee:

1. It is determined by the City Council that a disproportionate level of municipal services are provided to certain businesses within the City in comparison with that level of services provided to other businesses and to residences within the City, based on additional municipal services provided to such businesses and on disproportionate use of public utilities and services for police, fire, storm water runoff, traffic control, parking, transportation, beautification, and ~~street maintenance~~ snow removal services and the ~~additional costs associated with increased usage of public facilities by employees.~~

2. The fee determined to be related to the disproportionate costs of such municipal services is fifteen dollars (\$15.00) per employee for each and every full-time and part-time employee exceeding one (1), engaged in the operation of said business, based upon the "number of employees" defined in Section 5.02.005 of this title, or its successor section.

3. Additional fees for disproportionate costs related to a specific business are listed under Section 5.90.020, "Schedule 2", of this title.

E. Enhanced Services: It is determined by the City Council that municipal services are provided to businesses within the central business district and the Sugar House business district, as defined in the zoning ordinance, at a level which exceeds other geographic areas of the city.

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No enhanced service fee shall be charged said businesses at the present time.

F. Multiple Rental Dwellings: An owner of multiple rental dwellings or multiple buildings containing rental dwellings within the city shall be required to obtain only one (1) base license and to pay one (1) base license fee for the operation and maintenance of all such rental dwellings plus a ~~regulatory fee~~ disproportionate costs fee as set forth, respectively, in Subsections B and ~~C~~D of this section.

G. Fee For Businesses Located Outside The City: There is levied upon every person engaged in business in the city, not having a place of business in the city, and not exempt as provided by Section 5.04.040 of this chapter, or its successor section, the same license fee as if such place of business were located within the corporate limits of Salt Lake City.

H. Nonrefundable Application Fee: In the event any initial or renewal business license application is denied by the city or is withdrawn by the applicant, the city shall be entitled to retain the sum of thirty five dollars (\$35.00) as a nonrefundable business license application fee from any license fees paid or payable to the city, unless another nonrefundable business license application fee is otherwise provided for under the ordinances of the city.

I. Renewal Notices: Any notice or renewal reminder provided by the city in connection with this section may be sent by ordinary mail, addressed to the address of the business as shown on the records of the city's licensing office, or, if no such address is shown, to such address as the licensing office is able to ascertain by reasonable effort. Failure of a business to receive any such notice or reminder shall not release such business from any fee or any penalty, nor shall such failure operate to extend any time limit set by the provisions of this chapter.

5.04.080 JOINT LICENSES:

Whenever any person is engaged in two (2) or more businesses at the same location

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within the city, such person shall not be required to obtain separate licenses for conducting each of such businesses, but shall be issued one (1) license which shall specify on its face all such businesses. The license ~~tax~~fee to be paid shall be computed as if all of said businesses were one business being conducted at such location. Where two (2) or more persons conduct separate businesses at the same location, each such person shall obtain a license for such business and pay the required license ~~tax~~fee for such business.

5.04.090 BRANCH ESTABLISHMENTS:

Except as otherwise provided in Section 5.04.070F, A separate license ~~must~~shall be obtained for each branch establishment or location of business engaged in, within the city, as if such branch establishment or location were a separate business, and each license shall authorize the licensee to engage only in the business licensed thereby at the location or in the manner designated in such license. Warehouses and distributing places shall be deemed to be separate places of business or branch establishments, regardless of whether or not such are used in connection with or incident to a business licensed under this chapter.

5.04.094 LICENSE-FEE REFUND PROHIBITED:

No license fee, or any part thereof, shall be returned for any reason whatsoever once the license has been granted or issued.

5.04.100 LICENSE FEES-DEBT TO CITY-COLLECTION:

Any license fee due and unpaid under this chapter and all penalties thereon shall constitute a debt to Salt Lake City, and shall be collected by court proceedings in the same manner as any other debt in like amount, which remedy shall be in addition to all other existing remedies.

5.04.110 FEES-DELINQUENT PAYMENTS-PENALTY:

All license fees imposed by this chapter shall be due and payable upon approval by the city of issuance of an initial business license or, in the event of renewal of an existing license, on the day following expiration of the annual business license as set forth in Section 5.02.120 of this division, or its successor section. In the event any fee is not paid on or before such date, a penalty shall be assessed pursuant to the provisions of Section 5.04.114 of this article, or its successor section, which penalty shall become part of the license fee imposed by this chapter.

5.04.114 LICENSE-LATE PAYMENT-PENALTY:

A. Late Renewal Fee-Penalties: If any license renewal fee is not paid by the due date, a penalty of twenty five percent (25%) of the amount of such license fee shall be added to the original amount thereof, and, if such amount is not paid within two (2) months of the due date, an additional penalty of seventy five percent (75%) shall be added to the original amount thereof for a total of one hundred percent (100%) of such license fee. In addition, any licensee whose license renewal fee is not paid within sixty (60) days of the due date shall terminate business operations at the previously licensed location. No business shall be conducted thereafter at said location unless and until the mayor or the mayor's designee approves an application, notice or petition for renewal of a license or for a new license.

B. Initial Fee Nonpayment-Penalty: When any person, firm or corporation engages in any occupation covered by the provisions of this title, or adds anything to an existing business which requires an additional license fee, without first paying the required license fee, a penalty of one hundred percent (100%) of the amount of such license fee shall be added to the original amount thereof.

C. Collection: All penalties provided for in this section shall be collected by the license supervisor and the payment thereof shall be enforced by him or her in the same manner as the

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license fees are collected and payment enforced.

D. No License Issuance: No license shall issue until all penalties legally assessed have been paid in full.

E. Other Enforcement Not Precluded: Nothing in this section shall be construed to prevent or in any manner interfere with the enforcement of any criminal or civil penalty provision contained in any ordinance of the city, including, but not limited to, those provisions pertaining to operation of businesses without an unexpired and valid business license.

5.04.116 LICENSE-FEE COLLECTION-CIVIL ACTIONS AUTHORIZED:

A. Civil Actions: In all cases where a city ordinance requires that a license be obtained to carry on or to engage in any business, occupation or calling within the city, and the fee for such license is fixed by such ordinance, and the fee is not paid at the time or in the manner provided in said ordinance, a civil action may be brought in the name of Salt Lake City against the person failing to pay such license fee, in any court of this state having jurisdiction of such action, to recover the fee. And in any case where several or diverse amounts of license fees remain due and unpaid by any such person, such several amounts of unpaid license fees may be joined as separate causes of action in the same complaint in such civil actions.

B. Other Enforcement: Nothing in this section shall be construed to prevent or in any manner interfere with the enforcement of any penalty provision contained in any ordinance of the city.

5.04.120 RETURNS NOT TO BE MADE PUBLIC:

A. Returns Not Public: Returns made to the license supervisor, as required by this chapter, shall not be made public nor shall they be subject to the inspection of any person except the City supervisor or ~~his/her~~ the supervisor's authorized agent, or to those persons first

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authorized to do so by order of the mayor.

B. Release Unlawful: It is unlawful for any person to make public or to inform any other person as to the contents of any information contained in, or permit the inspection of, any return, except as in this section authorized.

C. Release Subject To Records Laws: The foregoing notwithstanding, the retention, disclosure and release of all records received or kept by the license supervisor shall be subject to the requirements of the Utah Governmental Records Access and Management Act, Section 63-2-201 et seq., Utah Code Annotated, and Title 2, Chapter 2.64 of this code, or its successor chapter.

5.04.130 RECORDKEEPING REQUIRED:

Every person liable for the payment of any license fee imposed by this chapter shall keep for three (3) years records which accurately state the amount of such person's gross annual sales of goods and services for any year for which such information is required by any ordinance of the city. Such records shall also state the number of employees of the business such that the amount of any license fee for which such person may be liable under the provisions of this chapter may be determined.

5.04.140 FILING FALSE RETURN PROHIBITED:

It is unlawful for any person to make a return that is false, knowing the same to be so.

SECTION 2. **Amending Chapter 5.14.** That Chapter 5.14 of the *Salt Lake City Code*, shall be, and hereby is, amended to read as follows:

Chapter 5.14

~~APARTMENT HOUSES~~ RENTAL DWELLINGS

5.14.010 DEFINITIONS:

A. "Dwelling" means ~~any~~ a building or portion thereof which is used or designated ~~or~~

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~~used for residential purposes of one or more families~~ a family for occupancy on a monthly basis
and which is a self-contained unit with kitchen and bathroom facilities. The term "dwelling"
excludes living space within hotels, motels, bed and breakfast establishments, apartment hotels,
boarding houses, and lodging houses.

B. "Rental dwelling" means ~~any dwelling which is available to be rented, loaned, leased~~
~~or hired out, which is arranged, designed, or built to be rented, leased or hired out for periods of~~
~~thirty (30) days or longer~~ a building or portion of a building that is:

1. Used or designated for use as a dwelling by one (1) or more persons; and

2. i. Available to be rented, loaned, leased, or hired out for a period of one
(1) month or longer; or

ii. Arranged, designed, or built to be rented, loaned, leased, or hired out
for a period of one (1) month or longer.

5.14.020 LICENSE-REQUIRED FOR ~~RESIDENTIAL~~RENTAL DWELLINGS:

A. ~~Three Or More~~Rental Dwellings: It is unlawful for any person, as owner, lessee or
agent thereof to keep, conduct, operate, or maintain any ~~building containing three (3) or more~~
rental dwellings within the limits of Salt Lake City, or cause or permit the same to be done,
unless such person holds a current, unrevoked ~~operating regulatory~~ business license ~~under this~~
~~chapter~~for such dwelling.

B. Business License-Inspection Permit:

1. An owner of a building or buildings containing ~~three~~one (3~~1~~) or more rental
dwellings is required to obtain only one (1) regulatory business license for the operation
and maintenance of all of such ~~buildings~~dwellings ~~regardless of their number or location~~
~~within the City~~as provided in Subsection 5.04.070F of this title.

258 2. In addition to ~~the regulatory~~ a business license, an inspection permit shall be
259 required for each building containing three (3) or more rental dwellings, regardless of
260 whether it is part of a complex located upon the same parcel or upon separate parcels of
261 property owned by the same property owner. Licenses and permits shall be issued as
262 provided in Section 5.02.120 of this title or its successor.

263 C. Transfer Of Licensed Premises: ~~Such~~ A rental dwelling business licenses ~~are~~ is not
264 transferable between persons or structures, and persons holding such licenses shall give notice in
265 writing within forty eight (48) hours to the license office after having transferred or otherwise
266 disposed of the legal or equitable control of any premises licensed under these provisions. Such
267 notice of transferred interest shall be deemed a request to transfer the business license, and shall
268 include the name, address, and information regarding persons succeeding to the ownership of
269 control of the premises as required under Section 5.14.030 of this chapter, or its successor.

270 5.14.030 LICENSE-APPLICATION:

271 An application for a rental dwelling business ~~regulatory~~ license shall be made to the
272 license office of the City, and shall include the following information:

- 273 A. The location and address of said rental dwelling(s);
- 274 B. The number of ~~the~~ units located in said rental dwelling(s);
- 275 C. The name, address, and telephone number of each of the following:
- 276 1. the applicant,
- 277 2. the owner of the fee title interest,
- 278 3. the owners of any equitable interest,
- 279 4. the local operating agent,
- 280 5. the resident manager, if any, and

6. for each corporate and out-of-state resident rental dwelling owner, the designation of a legal representative and agent for ~~such~~ service of ~~each corporate and out-of-state resident owner, who must reside in the State of Utah~~ process as provided in

Section 5.14.050 of this chapter;

D. A certification by the owner, or owner's agent, that the premises complies with applicable ordinance requirements based on a checklist provided by the City as part of the application; and

~~D~~E. The signature of the owners of the premises, and the operator if different, agreeing to comply with applicable ordinances and to authorize inspections as provided ~~for~~ in this chapter.

5.14.040 LICENSE-FEES:

The license fee for a rental dwelling ~~regulatory~~-business license shall be the sum as set forth in Section 5.04.070 of this title, or its successor section, including ~~the~~ any applicable disproportionate fee for each rental dwelling per annum or any portion thereof as provided in said section.

5.14.050 LICENSE-ISSUANCE RESTRICTIONS:

A. No ~~operating regulatory~~-business license shall be issued or renewed for a City nonresident applicant unless such applicant formally designates in writing with a power of attorney in the name of ~~his~~ the applicant's resident agent for receipt of service for notice of violation of the provisions of this chapter or any other applicable ordinances, and for service of process pursuant to this chapter, acknowledged by said agent.

B. No ~~operating regulatory~~-business license shall be issued or renewed for a rental dwelling unless the applicant, owner, and operator agree as a condition precedent, by signing the license application, to such inspections, and the City may require, pursuant to Section 5.14.060 et

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seq., of this chapter, or its successor, to determine whether the rental dwelling is in compliance with applicable requirements. The failure of the applicant and/or operator to consent to such inspection shall be grounds for the denial and/or revocation of the renewal of a regulatory license.

5.14.060 INVESTIGATION-BY CITY:

The original application for a rental dwelling ~~regulatory~~-business license and all renewals thereof shall be referred for approval to the departments listed in the following sections. The directors of such departments shall determine, based on the self-certification provided by an applicant under Subsection 5.14.030D and any other relevant information, if for an investigation inspection as is needed to determine whether or not ~~all~~applicable laws, ordinances, and regulations pertaining to life/fire safety, fire protection and prevention, and applicable codes have been and are being complied with.

5.14.070 INVESTIGATION-BY FIRE DEPARTMENT:

The original application for a rental dwelling ~~regulatory~~-business license, and renewals thereof, shall be referred to the Fire Department for investigation as to whether or not ~~all~~applicable laws, ordinances, and regulations pertaining to life/fire safety and fire protection and prevention have been and are being complied with. The Fire Department shall report to the license office within seven (7) days as to the fitness of the applicant regarding compliance with said laws and ordinances, ~~and it~~ It shall further be the duty of the Fire Department, after a license has been granted, to continually, and at least annually, examine and inspect the licensed premises with regard to code compliance to approve renewal of such ~~regulatory~~ licenses. Should it subsequently appear that any law or ordinance is violated, such fact shall be at once reported to the ~~license office~~ License Office, at which time such office will inform the Mayor and take action

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in regards to the revocation of the license as the Mayor deems just and proper in light of the facts of the case and applicable provisions of this chapter.

5.14.080 INVESTIGATION-BY BUILDING SERVICES AND HOUSING SERVICES
ZONING ENFORCEMENT DIVISION:

A. Code Requirements: The original application for a rental dwelling ~~regulatory-business~~ license shall be referred to the ~~building and housing services division~~ Building Services and Zoning Enforcement Division for investigation as to whether or not the applicable requirements of the ~~e~~Existing ~~r~~Residential ~~h~~Housing ~~code~~Ordinance, Uniform Building Code, and Uniform Code for Abatement of Dangerous Buildings, as adopted and amended in Title 18 of this Code, or its successor, are being complied with. The ~~building and housing services division~~ Building Services and Zoning Enforcement Division shall report to the ~~license office~~ License Office within seven (7) days as to the fitness of the applicant regarding compliance with said ordinances and regulations. ~~It shall further be the duty of such office, as the license has been granted, to continually, and at least once annually examine and inspect the licensed premises, with regard to building code and zoning code compliances and approve, if appropriate, renewals of such regulatory licenses.~~

B. Limitation on Reinspections: If the City inspects a rental dwelling and thereafter approves a rental dwelling business license, the City may not inspect that rental dwelling during the next thirty-six (36) months, unless reasonable cause exists to believe that a condition in the rental dwelling is in violation of an applicable law or ordinance.

C. Violations: Should it subsequently appear that ~~any~~ applicable law or ordinance, ~~regulation or requirement~~ of the City is being violated, that fact shall at once be reported to the license office, at which time the license office ~~will~~ shall inform the Mayor and take action

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regarding the revocation of said license as the Mayor deems just and proper in light of the facts of the case and applicable provisions of this chapter.

5.14.090 ISSUANCE OF LICENSE:

The Mayor, after receiving recommendations from the Fire Department and the ~~building and housing services division~~ Building Services and Zoning Enforcement Division, shall act upon the a rental dwelling license application in respect to granting or denying the same, as ~~it shall deem just and proper~~ provided under Chapter 5.02 of this title.

5.14.100 EFFECT OF LICENSE ISSUANCE:

The issuance of a rental dwelling business license shall not have the effect of changing the legal status of a rental dwelling, including, but not limited to:

A. Legalizing an illegally created rental dwelling or other circumstance, or

B. Recognizing the existence of a legal nonconforming use, noncomplying structure, or other nonconformity.

5.14.100~~100~~ 110 TENANT APPLICATION FEES:

A. The City Council finds:

1. That there is at present a shortage of available rental ~~housing~~ dwellings within Salt Lake City, particularly for low- and middle-income persons.

2. Some rental dwelling landlords or managers have been charging potential tenants a nonrefundable application fee which far exceeds the landlords' or managers' out-of-pocket costs of processing such applications.

3. The effect of such excessive application fees is that a significant number of low- and middle-income persons are unable to obtain housing in the City, resulting in a serious housing crisis within the City.

4. It is necessary and proper that Salt Lake City prohibit such application fees in order to provide for the safety, preserve the health, promote the prosperity and improve the morals, peace, good order, comfort and convenience of the City and its inhabitants.

B. For purposes of this section, "tenant application fee" means the fee charged by a holder of a rental dwelling ~~operating regulatory~~ business license, or by any owner, operator, or manager of a rental dwelling within Salt Lake City, in connection with or as a condition of processing, handling, or considering an application for tenancy at such premises. ~~A Tenant~~ tenant application fee shall not include refundable cleaning deposits, refundable security deposits, or other refundable deposits required as a condition of entering into a rental or lease agreement.

C. It is unlawful for any holder of a rental dwelling ~~operating regulatory~~ business license, or any owner, operator, or manager of a rental dwelling within Salt Lake City, to require any person or persons applying for tenancy at such premises to pay any tenant application fee whatsoever in connection with such application, whether refundable or otherwise.

D. A violation of this section shall constitute a misdemeanor and shall be grounds for the denial of ~~an apartment house operating a~~ regulatory business license application or the revocation of an existing license.

~~5.14.440~~ 120 ENFORCEMENT-VIOLATION-PENALTY:

A. The provisions of this chapter may be enforced pursuant to applicable provisions of Chapter 18.50 of this Code.

B. Notwithstanding any other provision in this chapter, any person or party who violates any provisions of this chapter shall be deemed guilty of a misdemeanor and upon conviction thereof may be punishable as set out in Section 1.12.050 of this Code, or its successor.

SECTION 3. Enacting Chapter 5.15. That Chapter 5.15 of the *Salt Lake City Code*,

shall be, and hereby is, enacted to read as follows:

Chapter 5.15

LANDLORD/TENANT INITIATIVE

5.15.010 ESTABLISHMENT OF LANDLORD/TENANT INITIATIVE PROGRAM:

A. Purpose and Intent: The City Council finds:

1. A significant portion of the City's housing stock consists of rental dwellings;

2. Proper management of rental dwelling housing is important to the health, safety, and welfare of persons residing in such housing as well as to City residents generally; and

3. Any rental dwelling owner who manages the owner's rental dwellings in accordance with applicable provisions of this chapter, thereby reducing demand for City services to such dwellings, should receive a discount in the disproportionate cost fee payable under Section 5.04.070 of this title.

B. Establishment of Landlord/Tenant Initiative Program: There is hereby established a voluntary incentive program, to be known as the Landlord/Tenant Initiative, wherein disproportionate cost fees payable under Section 5.04.070 of this Code will be discounted for any owner of a rental dwelling who meets the requirements of this chapter.

1. All applicants for a rental dwelling license shall be informed of the availability of the program.

2. The costs that constitute disproportionate costs and the amounts that are reasonably related to the costs of services provided by the City shall be as set forth in a disproportionate costs study adopted by the City Council by ordinance.

5.15.020 PROGRAM ADMISSION REQUIREMENTS:

A. Application: An owner of a rental dwelling who meets the requirements set forth in this section may apply for admission to the Landlord/Tenant Initiative program and, if admitted, shall receive a disproportionate fee discount as provided in Section 5.90.020 of this title.

B. Admission Requirements: The following requirements shall apply to the rental dwelling owner or agent of the owner responsible for day-to-day management of the owner's rental dwellings. In order to be admitted to the program, the owner or the owner's agent shall:

1. Complete an application which provides rental dwelling owner and management information deemed necessary by the Mayor to meet the requirements of this chapter;

2. Complete an eight (8) hour training program having the content provided in Section 5.15.040 of this chapter;

3. Complete a similar four (4) hour training program every two (2) years after completion of the initial eight (8) hour program; and

4. Execute a written agreement with the City regarding the management of the owner's rental dwellings as provided in Section 5.15.030 of this chapter.

5.15.030 CONTENT OF RENTAL DWELLING MANAGEMENT AGREEMENT:

A. Agreement Provisions: A rental dwelling management agreement referred to in the Section 5.15.020 of this chapter shall include provisions that:

1. Require use of lease provisions, approved by the Mayor, intended to reduce crime on the premises;

2. Specify measures, approved by the Mayor, to be taken at the rental dwelling premises intended to reduce crime;

3. Require compliance with City code provisions referenced in Sections 5.14.070

(Investigation by Fire Department) and 5.14.080 (Investigation by Building Services and Zoning Enforcement Division) of this title;

4. Require nondiscrimination and fair housing as provided in local, state, and federal law;

5. Prohibit retaliation against any tenant as the result of reporting violations of a lease agreement, rental dwelling management agreement, or the City code;

6. Require the rental dwelling owner to track annually occupancy denials and evictions, and provide a record thereof to the City on request;

7. Require two semi-annual meetings for rental dwelling tenants, initiated by the rental dwelling owner or the owner's agent, to discuss tenant concerns and review rental dwelling licensing rules;

8. Encourage, but not require, tenant background and credit checks; and

9. Require the rental dwelling owner to be excluded from the Landlord/Tenant Initiative Program upon non-compliance with the provisions of this chapter or the rental dwelling management agreement.

B. Compliance: A rental dwelling owner shall be considered in compliance with this section if a violation is corrected in the time required under any notice of violation issued by the City.

5.15.040 CONTENT OF TRAINING PROGRAM-TRAINERS:

A. Content: The training program required under Section 5.15.020 of this chapter shall advise rental dwelling owners about steps that may be taken to reduce crime, including, but not limited to, actions recommended by the International Crime-Free Association and the Crime Prevention through Environmental Design program. The program also may provide training

regarding best management practices, fair housing law, applicable City ordinance requirements, and any other subject deemed appropriate by the Mayor which is consistent with the purpose of this chapter.

B. Trainers: The training program required under Section 5.15.020 of this chapter may, as determined by the Mayor, be taught by City personnel or by other persons or entities with expertise in the subject matter required under Subsection A of this section, A person who completes a training program which includes some or all of the content required under Subsection A of this section may, as approved by the Mayor, receive credit for the training required under Section 5.15.020.

5.15.050 COMPLETION OF TRAINING PROGRAM:

A. First-Time Applicants: A first-time applicant to the Landlord/Tenant Initiative program shall complete required training within six (6) months after the applicant's rental dwelling license is approved. Failure by the rental dwelling owner or the owner's agents and/or managers to timely complete the program shall be grounds for disqualifying the owner from participating in the program.

B. License Renewal Applicants: A rental dwelling owner who renewed the owner's business license for calendar year 2010 is automatically eligible for admission into the Landlord/Tenant Initiative program for 2011 upon completion of aforementioned applications and training within the year. A rental dwelling owner who needs to obtain a business license shall, upon application, be allowed to pay the discounted disproportionate cost fee but shall complete the obligations of the program within the same calendar year or shall pay the remaining rental dwelling business license fee.

C. New Rental Properties: A rental dwelling owner who acquires one (1) or more new rental

properties or misses an admission deadline as described herein may request a review for admission by the Licensing Office. The Licensing Office shall review all such requests and make a determination of admission within thirty (30) days after a review request is received.

5.15.060 CONTINUING COMPLIANCE REQUIRED:

The disproportionate cost fee discount authorized under this chapter is conditioned upon the rental dwelling owner's compliance with the requirements of the Landlord/Tenant Initiative program during the term of the licensing year for which the discount is granted. No disproportionate cost fee discount shall be given to any owner of a rental dwelling unless the City finds these requirements of this chapter have been met.

5.15.070 DISQUALIFICATION:

A. License Office Duties: If the License Office receives evidence that a rental dwelling owner or the owner's agents have violated the provisions of this chapter or the owner's rental dwelling management agreement with the City, the License Supervisor shall:

1. By certified mail, notify the rental dwelling license holder of the violation and the basis for such action; and

2. Assess the rental dwelling license holder for any disproportionate cost fees discounted under this chapter for the currently applicable license period.

B. Appeal: A rental dwelling owner or agent who receives a notification and assessment as provided in Subsection A of this section may appeal such action to the Mayor as provided in Chapter 5.02 of this title.

C. Finding of Noncompliance: If it is determined that a rental dwelling owner, or any of the owners' rental dwelling units, have not complied with the requirements of the Landlord/Tenant Initiative program during any portion of the licensing period for which a

December 3, 2009

discount was provided, the owner, together with all of the owner's rental dwelling units, shall be disqualified from the program, and the disproportionate cost fee discount shall be disallowed for the entirety of the term of such license. The rental dwelling owner shall pay the full fee for every rental dwelling unit listed on the owner's license application for that year.

D. Readmission: After disqualification, the rental dwelling owner may qualify for readmission to the Landlord/Tenant Initiative program in the next licensing year only if the owner has corrected the problems leading to disqualification and has paid all amounts due in the prior year.

SECTION 4. **Effective Date.** This Ordinance shall not become effective until a disproportionate costs study, adopted by the City Council by ordinance, becomes effective.

Passed by the City Council of Salt Lake City, Utah this ____ day of _____, 2009.

CHAIRPERSON

ATTEST:

CITY RECORDER

Transmitted to Mayor on _____.

Mayor's Action: _____ Approved. _____ Vetoed.

MAYOR

CITY RECORDER

December 3, 2009

545

546

547 (SEAL)

548

549 Bill No. _____ of 2009.

550 Published: _____

Required and Optional Elements for a Good Landlord Program

1. **Required Elements - Section 10-1-203, Utah Code**
 - a. Complete a "municipal services study" analyzing the cost of all city services reasonably attributable to rental housing that would not have occurred in the absence of such housing; includable city service costs are limited to:
 - i. Public utilities
 - ii. Police
 - iii. Fire
 - iv. Storm water runoff
 - v. Traffic control
 - vi. Parking
 - vii. Transportation
 - viii. Beautification
 - ix. Snow removal
 - b. Adopt an ordinance defining:
 - i. What city service costs for rental housing are:
 - (1) Disproportionately higher as compared to other housing, and/or
 - (2) The result of enhanced city services provided to rental housing
 - ii. How disproportionate and enhanced costs reasonably relate to the cost of services provided by the city
 - c. Adopt a disproportionate rental housing fee based on the city's rental housing costs
 - d. Establish a good landlord program that provides a reduction of the disproportionate rental housing fee for any landlord who:
 - i. Completes a city-approved landlord training program
 - ii. implements measures to reduce crime in rental housing as specified in city ordinances
 - iii. Operates and manages rental housing in accordance with applicable city ordinances
2. **Optional Elements**
 - a. Content of a city-approved landlord training program is unlimited
 - i. ***Essential: Measures to reduce crime in rental housing***
 - (1) Measures recommended by the International Crime Free Association: <http://www.crime-free-association.org/index.html>
 - (2) Crime Prevention through Environmental Design (CPTED)
 - (3) See summary of Good Landlord ordinances adopted by Clearfield, Ogden, South Salt Lake, Washington Terrace and West Valley City
 - ii. ***Recommended:***
 - (1) Training on city code requirements applicable to housing, such as frequently violated zoning occupancy and parking rules
 - (2) Information on rental housing practices allowed or prohibited under federal and state fair housing acts
 - (3) Training on best apartment management practices
 - b. Training may be provided by the city and/or others
 - i. Police department (typically provides crime prevention training)
 - ii. Apartment owners association
 - iii. Housing and renters associations

ATTACHMENT C



Utah Housing Coalition
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Salt Lake City, UT 84101
P: 801-364-0077
F: 801-596-2011
www.utahhousing.org

Promoting affordable housing to ensure healthy and stable communities.

Quality Rental Housing Program – Salt Lake City

Feedback to Salt Lake City Council and Staff Regarding the Proposed “Good Landlord Program”

The formerly proposed Good Landlord Program is a public policy step which will diminish the accessibility and opportunity of people to find rental housing in Salt Lake City. The creation of an inclusive and fair “Quality Rental Housing Program” is more appropriated for a city with renters (tenants) making up half of its population.

As per Utah code 10-1-203, a new housing program has to require that the property owners (landlords) complete a training program, implement measures to reduce crime, and operate and manage their rental property in accordance with applicable city ordinances so they can receive the incentive benefits from the city.

Whereas the Salt Lake City Council wishes to create such housing program to have better quality rental housing, safer neighborhoods, and cost savings to its municipality, it is very important to adopt a housing program that is inclusive in its goals and avoids housing denial and discrimination. Property owners and renters are both business partners: one cannot exist without the other. If the city is considering having mandates on property owners, it is the city’s role to make sure that all parties involved are treated fairly to avoid unintended consequences.

In the process of drafting this particular ordinance, Utah Housing Coalition is grateful to Salt Lake City Council members Eric Jergensen, Luke Garrott, and Soren Simonsen in putting together a working group which creates a more transparent process, that has not been seen in other cities. Also, we would like to express our appreciation for the continuous communication with Janice Jardine. Having the city’s working group as the starting point, Utah Housing Coalition called for a statewide group to create a standard policy model which can be offered as an alternative not only to Salt Lake City, but to other municipalities in our state.

Based on the two working group meetings with the city, two statewide working groups brainstorming sessions, and numerous calls and conversations with attorneys, city’ staff, advocates, and renters, we are proposing the following main points to be part of a Quality Housing Program Ordinance. More detailed information and research will be provided in the near future.

Goals

Identify goals in order to fulfill Utah code requirements (10-1-203) when imposing disproportionate rental fees on property owners.

Standardized Lease

Require the use of a standardized lease for property owners according to Utah’s law; the lease shall have a clear statement of fair housing and non-discrimination policies based on Salt Lake City’s Human Rights Commission standard.

Crime Free Lease Addendum

Renters have to sign a Crime Free Lease Addendum to make sure they are fully aware that illegal activities are not tolerated on the property and are cause for eviction; illegal and criminal activities shall be defined.

Public Nuisance

"Public Nuisance" as being one of the causes for eviction, shall be explicitly defined and reasonably enumerated.

Fit Premises Act

Property owners and renters must abide by the Salt Lake City Fit Premises Act; the Act must be attached to the lease; a reasonable timeline shall be created for the property owners to fulfill their responsibilities; fee charges shall be applied if the problems are not taken care of in a fashionable manner.

No Retaliation

Phone calls made to police by renters shall not result in retaliation.

Measures to Reduce Crime

Define what "implement measures to reduce crime" will involve

Crime Victims

No retaliation against victims of crimes committed against them; a crime victim shall have the right to sign a new lease; same criteria shall be applied as for any other prospective renter; property owner shall have the right to remove the adult leasee who committed the crime

Background Check

Allow flexibility to property owners to create specific partnerships and additional agreements with renters that have a history on their criminal background check; renters shall bring all necessary documentation to prove time served, good behavior, integration in society, efforts to cease drug usage, etc.

Supportive Housing

Constitutionally fit exclusions on supportive housing.

Record of Housing Denials and Evictions

Property owners must be required to keep a log of all of the housing denials and evictions when the Quality Rental Housing Program is used as a premise for eviction or denial; the log shall be available to the city when requested.

Communication

Encourage at least two annual general meetings between the property owner and renters.

Training Program for Property Owners

The property owner training program shall be taught in three equal parts by the property owners association, housing advocates or renters association, and city staff; the programs' curriculum shall be

clearly defined and enumerated; a reasonable charge fee can be applied to property owners to attend the training.

Disproportionate Rental Fees

The disproportionate rental fees applied to property owners shall be structured on an increasing scale based on different criteria, such as non-compliance with fit premises act, allowing crime on the property, complaints from neighbors, etc.

Incentive to Property Owners

A clear incentive has to be identified and provided to the property owners who chose to be part of this program.

Elimination from the Program

Clearly defined reasons for eliminating a property owner from this program.

Taskforce

A taskforce shall be created to address grievances from property owners and renters in regards to this program, including elimination of a property owner, housing denial or eviction of a renter; the taskforce shall be represented equally by the property owners, renters, city staff and a local elected official.

Responsible Property Owners

Create an award system for responsible property owners; outline consequences for repetitive violations of the ordinance, including revoking the license.

Enforcement

A city office has to be identified to implement this program.

Property Owners and Renters Rights

A summary of the property owners and renters' rights have to be made available in a conspicuous place on the property.

The "Good Landlord Program" concept as it was presented at the Salt Lake City working group and as it is implemented in other cities, raised a number of issues among the housing advocates and service providers. Some of the major concerns with the original concept are:

- Moving the police enforcement power into the hands of property owners;
- Mandatory burdens on property owners;
- Automatic housing denial for population at risk;
- Housing discrimination;
- The program doesn't fix crime: it moves crime from one city to another;
- No curriculum on how the "good landlord training" shall be established and taught;
- No model on how this program saves money to the city;
- No study to show the effectiveness of this program;
- The program will erase all of the positive work of the community groups who are working to reduce recidivism and homelessness through the "housing first" concept, or the housing for people with mental-health problems; and
- No discretionary practices for crime victims

In conclusion, we would like to reiterate that this feedback is to provide an outline of what has been discussed so far with the community groups. The feedback has been provided by many organizations through a collaborative effort. We will provide more detailed information and data. We are looking forward to meeting you to discuss even further the drafting of this ordinance.

Sincerely,

Francisca Blanc
Policy Analyst, Utah Housing Coalition

MORE INFORMATION WILL BE PROVIDED FROM THE FOLLOWING SOURCES:

Jail Diversion Outreach Team (JDOT) – Statistics and outcomes on housing people with mental health issues that have a history of recidivism.

JDOT is staffed by Valley Mental Health; they partner with the CJS, Mental Health Court and Salt Lake County (RIO housing program).

Utah Division of Housing and Community Development – data compiled in collaboration with Salt Lake City on the high cost of sending the homeless people to jail instead of housing them

Evaluation of the Homeless Assistance Rental Program (HARP) – statistical data on the positive changes due to HARP; HARP was created on January 2006 through an intergovernmental agreement to serve the population at risk in Salt Lake County from which at least 50% must have been incarcerated in the county jail or in residential treatment facilities. It's goal is to reduce recidivism.

The Bazelon Center for Mental Health - housing people with mental health issues, solutions to and changing systematically how the community and property owners look at housing this part of our population.

The mission of the Judge David L. Bazelon Center for Mental Health Law is to protect and advance the rights of adults and children who have mental disabilities.

The National Housing Law Project (NHLP) - research and legal publication regarding many of the federal programs and laws, including the Violence Against Women's Act.

NHLP's primary areas of emphasis are public policy advocacy, litigation assistance, training, and research and writing, focusing in issues and problems that will have the greatest impact on the housing rights of the poor.

The Cornell University ILR School Employment and Disability Institute – what is current illegal use of a drug and the disability status of an individual who is addicted to drugs, have a history of an addiction, or who are regarded as being addicted.

The Employment and Disability Institute (EDI) advances knowledge, policies, and practices to enhance the opportunities of people with disabilities through our projects, training, technical assistance, research, and publications.

Good Landlord Rental Licensing Ordinance April 7, 2009

Section 1 - City Ordinance

- A. Any owner of a rental dwelling unit shall obtain and maintain a current business license. An owner occupied residential structure with an accessory unit shall be exempt from this requirement.

Staff Comments	Community Focus Comments
<p>The City needs to define accessory units.</p> <p>Accessory Units and Accessory Structures are different.</p> <p>FG- Accessory Unit - a separate living unit within the primary, owner-occupied structure, which is less than 50% of the total square footage of the building, is considered an accessory use to the primary use.</p> <p>What is the legal basis for licensing one type of unit and not another? (example - licensing duplexes and not owner occupied residential structures with an accessory unit.)</p> <p>Is there a legal basis for exempting owner occupied structures with an accessory unit? (Duplexes)</p> <p>Will the license make an illegal unit legal? No, it will not legalize a use or dwelling.</p> <p>To minimize additional workloads, a self reporting procedure will be utilized, inspections will be complaint driven.</p> <p>What threshold will trigger an inspection?</p>	<p>Would duplexes and single family be included?</p>

- B. All applicants for a rental dwelling license shall be informed of the availability of the Good Landlord Program.

How will they be informed?	
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- C. The rental dwellings governed under this ordinance are an allowed or otherwise legal use (permitted, conditional, or legal nonconforming) under the City's zoning regulations.

Many people will not want to participate because their rental units may not be legal	
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<p>(having the proper building permits and meeting building code requirements) or do not want to spend the money for the unit legalization process.</p> <p>Once the City becomes aware of the rental unit, the City's enforcement process will automatically be initiated.</p> <p>What level of due diligence is required to obtain a license?</p> <p>What will the license mean if there is no official certification of the premises?</p> <p>We don't want to unnecessarily eliminate existing living units.</p> <p>Many units are in basements and would not meet the minimum safety standards.</p> <p>Unit Legalization – many don't finish the process because it is too difficult (CGJ)</p> <p>Staffing issues: what is the number of staff which will be required to accomplish the potential increase in Unit Legalization applications?</p> <p>There will be many at the beginning, but it will taper off.</p> <p>Can online licensing lessen the amount of staff time required for licensing rental units?</p> <p>Can complaints be registered through Accela?</p>	
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- D. The owner obtains and keeps current all business licenses and licensing fees applicable to all of the owner's rental dwellings.

	<p>If a landlord chooses not be a part of the program, how do you ensure that the additional business license cost is not passed on to the tenant?</p> <p>Applies to many items. Need a prescribed grace period to avoid technical defaults i.e. a license that lapses for a day.</p>
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- E. The property is owned and maintained in compliance with City ordinances affecting the use, care, and maintenance of real property.

Compliance with what city ordinances?	
Current maintenance standards in regards to weeds, trash, etc. will be enforced	
Property owners will be held to code requirements that were in place when the structure was built.	

- F. Premises are kept free of any public nuisance as defined by City ordinance or State Law.

	What exactly is a public nuisance?
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- G. The owner has paid any outstanding civil penalties assessed against the owner for failing to correct a notice of violation applicable to the owner's rental dwelling.
- H. The application shall be completed by each owner, or his or her authorized representative, and shall identify all rental dwellings owned by the applicant within the City.
- I. The applicant shall provide a record of each rental dwelling unit owned by the applicant, including the address, building type (ex. duplex), and number or occupants per unit.

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- J. The applicant shall provide a current valid email address for the owner. If the owner of the rental dwellings is not a Utah resident, the name, email address, mailing address, and both home and business telephone numbers of a legal representative, agent, or property manager who shall reside not more than twenty miles from the rental dwelling (s) and will be available 24 hours per day.

This applies to either the owner or the agent.	Can we provide contact information for owner's agent rather than owner?
Change the distance requirement to include a larger area. Possibly 50 miles, or maybe Davis and Salt Lake County.	
Stipulate that a quick response time is what is we are looking for.	
Is the email of the Agent acceptable? Yes.	

- K. Within ninety (90) days of a change in the person or persons responsible for the management of rental housing, the applicant shall provide proof to the city that the new manager(s) has/have completed Good Landlord training provided or approved by the city.

<p>Who will be responsible for maintaining the programs training records?</p> <p>The contract between the City and the organization administering the program would include: maintenance of records, report on completed training by owner/agents, provide certificates of completion, and be responsible for providing other types of information as needed.</p>	
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- L. First-time applicants to the Good Landlord Program shall be required to complete the training within six (6) months of the date of application. Failure to complete the program within the time frame specified in subsection (a) shall be grounds for disqualification from the Good Landlord Program.

<p>Can anyone else provide the training program?</p> <p>Would the contract for the training program be required to be processed through the City's formal contract bid procedure?</p> <p>Who is certified to give the training? Is it trademarked?</p> <p>Quite a bit of income is generated through this training program.</p> <p>The original program developer was no the Apartment Association.</p>	<p>3 months instead of 6 months?</p> <p>Complete "a" not "the" training. Provide through the ordinance mandatory guidelines for who and what.</p>
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- M. Participants in the Good Landlord Program must complete the training course once every two years. Owner occupied residential structure's with an accessory unit shall be exempt from this requirement.

	Can we allow for a shorter training session for renewals?
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- N. Any owner previously disqualified from the Good Landlord Program shall be required to show evidence of timely completion of the program and resolution of all disqualifying circumstances at the time of reapplication to the Good Landlord Program.

	Can an owner re-qualify if they hire qualified management?
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- O. The owner must complete a written agreement acknowledging compliance with all City regulations and requirements related to rental dwelling units.

<p>How will this work?</p> <p>Is the City expected to act on a deficiency if it's brought to the City's attention?</p>	
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<p>Boulder provides a certificate of compliance for a fee. Is this something we will consider?</p> <p>Is there a liability issue? Must the City take action if there is a health and safety issue?</p> <p>Can the City use a private entity to complete inspections?</p> <p>Will this condition require additional staff to ensure compliance?</p>	
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- P. The owner is required to respond to written notifications from the City within five (5) business days.

<p>Additional time may be necessary for the owners to respond. Consider 10 days for non-emergency items and 24 hours for emergency items such as broken sewer etc.</p>	<p>Give landlords two weeks to respond.</p>
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- Q. Every owner of rental housing who is "certified" by the city pursuant to its "Good Landlord Program" shall be entitled to a reduction in it's per unit license fee in the amount set forth in the consolidated fee schedule.

	<p>Make it worth it! Highly incentivize participation through the per unit fee. Good landlords should pay very minimal amount.</p>
--	--

- R. Off-street parking spaces provided on the premises will be in compliance with city zoning regulation, in place at the time the apartment was established.

<p>Will potential parking issues be addressed at the time the business license application is received?</p> <p>The City does not want to encourage the removal of yards to provide parking.</p>	<p>What if the rental dwelling is a house?</p>
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Grounds for termination from Good Landlord Program

- S. Citation issuance for Code Violation(s).

<p>Who will keep track of code violations?</p> <p>How will these citations be addressed by the justice court system? Is this happening now</p>	
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<p>and will it continue with additional citations?</p> <p>Will additional staff be required for prosecution? Do the prosecutors have the staff to enforce now?</p> <p>Citations or convictions? Which type of citation does this address; civil or criminal?</p> <p>When property owners are cited can they fix the problem and avoid termination from the program?</p> <p>The City does not want to reward constant code violators. A certain number of citations will trigger expulsion from the program.</p> <p>The City wants to incentivize owners to run their business in the appropriate way.</p>	
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- T. An average of two or more calls for services as identified by the city per door per year. Calls must be substantiated by the police or zoning enforcement officials.

<p>A variable scale should be considered</p> <p>This will not include medical calls.</p> <p>This might create a need for additional staff.</p>	Review this item very carefully.
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- U. Failure to screen tenants in accordance with City requirements related to rental housing.

	What exactly is in place?
--	---------------------------

- V. Failure to obtain and have on file the information required in this ordinance

- W. Failure to execute a valid, written lease

	With each tenant over 18 years.
--	---------------------------------

- X. Renting to tenants who are found to be involved in any criminal activity while residing in one of owner's rental units.

<p>Does this include criminal activity that occurs anywhere? Yes.</p> <p>Coordinate requirements with State statutes that address criminal activity on the premises.</p> <p>Will owners need to hire a management company to track all of the required items in this program? The organization administering the program will be responsible to provide information and resources to manage these</p>	<p>High risk populations have multiple barriers and problems. Consideration should be made for individuals receiving comprehensive case management.</p> <p>May be beyond owner's control.</p> <p>Suggests that a tenant who passed screening and then commits a crime causes owner to be terminated from the program.</p>
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requirements.	Define criminal activity.
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Y. Provision of false information in the application will result in disqualification.

Section 2 - Good Landlord Contract with Salt Lake City

- A. Applications will be made on line in order to maximize program accessibility and to increase the City's efficiency and use of resources in operating the program.
- B. Require a written lease for every rental unit.

	Cash tenant should be on lease.
--	---------------------------------

- C. Utilize a lease form that allows under certain conditions eviction for criminal or nuisance behavior by a tenant or guest.
- D. Credit Check: Owner may obtain a credit history from every prospective tenant over the age of 18. The owner may keep the credit application on file for the full term of the lease.

	Are credit checks necessary for this program?
--	---

- E. The owner may contact previous landlords listed on the application, and inquires about any lease violations or damage to property.

	Inconsistent use of may and shall D, F, and G.
--	--

- F. Criminal Background Check: Owner shall obtain a criminal history for each tenant as well as each occupant of the premises, who is 18 years or older. Owner shall keep all criminal histories on file for the full term of the lease.

This does not restrict renting to a certain individual, it merely provides the information. It is up to the landlord to decide who they will rent to.	
---	--

- G. Rental References: Owner may obtain contact information for all previous landlords with in the last three years.
- H. Provide to the City, upon request, the documentation that evidences their compliance with the terms of this Agreement and Program.
- I. The owner agrees to commence eviction of tenants that jeopardize the owner's membership status in the Program (i.e. continued ordinance violations, criminal offenses, etc.) when eviction is legally permissible. (Define?)

An owner may elect to drop out of the program rather than evict.	When can they actually evict under this requirement?
--	--

- J. The owner agrees to serve notice of eviction upon a tenant within five days of receiving substantial evidence that a tenant or tenant's guest has been involved in criminal or nuisance activity on the premises.

	<p>This requirement may pose potential danger to the landlords.</p> <p>What constitutes substantial evidence? "innocent until proven guilty"</p>
--	--

- K. The owner agrees to establish an alternate approach that addresses any person who is the victim of a domestic violence incident.

Section 3 – Rental Application or Lease between Landlord/Tenant

The Lease or Rental Application must

Need to be able to use HUD lease when necessary.

Is an example lease available?

Provide landlord contact information on lease.

- A. Provide full name, including middle initial
- B. Provide date of birth
- C. Provide valid picture ID to verify the identify of the applicant (ex. drivers license number or State identification card)

This might restrict renting to illegal immigrants who can not obtain required documentation. Leave out these requirements.

- D. Provide social security number

Same issue as C. above

- E. Provide names, dates of birth, and relationship to tenant of all people who will occupy the premises
- F. Provide name, address and phone number of two previous landlords
- G. Provide income and employment history for the past 2 years
- H. Provide notice that any false information provided on the application will be grounds for denial or eviction.
- I. Provide notice that tenants may be evicted if they engage in or are convicted of any illegal or other criminal activity, on or near the rental premises, and that eviction proceedings shall be initiated by the owner upon notification of such violations.

This includes criminal activity regardless of where it occurs. Take out the "near".

- J. Disclose whether he/she has ever been convicted of an offense involving the manufacturing or sale of illegal drugs.

This is covered by other items in the ordinance.
Should a time limit since the last offense be provided?

- K. Provide notice that the Landlord shall make every attempt to protect the privacy of the tenant(s) information.

Good Landlord Community Focus Group Meeting

April 13, 2009

Approach/Intent

- The city should consider a totally different approach. The program shouldn't penalize the good landlords by enforcing requirements; it should penalize the bad landlords. Zero in on the bad landlord; reduce the burden on the good landlord.
- Explore Arizona's crime free multi-housing program.
- Utah Housing Coalition will provide links to research.
- Utah Apartment Association will provide statistics showing decrease in crime after the Good Landlord program is implemented and sample ordinance for group member's review.
- The title good landlord needs to mean something. Don't give it to "bad" landlords.
- Discussion about the process-
 - The intent is to incentivize landlords to do a good job.
 - Program is a reaction to owner/tenant complaints and neighborhoods that are frustrated with current conditions.
 - Cost will go up for non-participating landlords.
 - Applies to those populations who can live independently.
- Emphasis on customer service.
- The City needs to convene the same kind of group as the task force from City employees working in licensing, inspection, and enforcement.
- Provide data supporting statements regarding crime reduction and tenant/landlord satisfaction in other cities. Also, what changes are these communities making to the initial program?
- Is a license to rent needed? (i.e. bar exam, license to practice Medicine)
- Need a check and balance system between renters and landlords.
 - All interests must be addressed / included

Logistics

- The City's program and regulations must not conflict with state and federal law.
 - If possible the City should coordinate with state and federal agencies in the case of inspections. (For example, a state inspection should count for the City inspection)
 - There needs to be cross agency cooperation.
 - Can't make it so expensive that it is difficult for people to comply.
 - The burden on landlords needs to be minimized: no annual inspection – if one is required many of the non-participants will not participate
- The City is not equipped to roll this program out City-wide. It cannot possibly handle the training for landlords and (hopefully) tenants and the licensing of single family and duplexes.
- It would be helpful to provide data that corroborates the ease of implementation of this kind of program and regulations.
 - Try rolling the program out by District or by size of the buildings.
 - There is concern that the City may not have the staffing and resources needed to hand a substantial increase in workload.
- The property owners/landlords who currently own the one and two units are less knowledgeable in the area of rental housing management and maintenance so maybe the focus should be on training them well.
 - 1's and 2's need to be explained how this will benefit them. Why it is worth the cost. (currently they are not regulated, most will think they won't benefit from paying)
 - Must address the differences between large and small units and their unique challenges.
 - Test the Housing Authority's programs used at the Sunrise Metro or Grace Mary Manor apartments against the proposed requirements to see if they would qualify.
 - Case management. Need to work with individuals to keep them in housing.

- A balance re: background checks needs to be reached.
- How can we license everyone when we can't keep up with what we have now?
 - This program will only work if everyone is required to be licensed, but how can this be accomplished.
- Need to balance renters and requirements with the needs of the neighborhood.
- Must allow people to have a second chance. Especially those who are struggling with significant life issues.

Training

- The training component is a very good idea.
- Training will teach best practices.
 - Education leads to better landlords, better renters
 - Program improves customer service for renters
 - Program needs to be inclusive
 - Who will be in charge of the training, what is taught and who teaches
 - Training specifics needed
- Can landlords change? Yes as they become better educated.

Quality Housing

- Substandard housing will be improved if all units must be licensed.
- This program could result in identifying "Good Landlords"
 - If it identifies "bad landlords" it will be helpful to renters
 - It could "weed" out the bad landlords
 - Include acknowledgement of landlords who are working with people with special problems (hard to house individuals)
 - List through business license who has complete the program so people can check/know who has finished the program, who is a "good landlord"
- Consider establishing a tenant education program that would make it attractive to landlords to rent to individuals who need special attention and have completed the program. Tenant education program could be administered by housing advocacy organizations. Would need a funding source to establish such a program.
- Police currently track where calls originate. They should issue reports to landlords in problem area.

Fair Housing

- The City's program should not filter out certain classes of people. We need them all in our city. The City needs to identify housing needs for multiple populations, safe affordable housing for all needs to be made available, including those who must seek "less-regulated" housing.
- Make sure there is enough housing for the hard to serve class.
 - Some are concerned that the City's housing stock will go down.
 - What will be done with people with special problems or needs and those who are difficult to house?
- Do not set limits on who a landlord can rent to. The background checks are for information only.
- Need to wait before you evict and work closely with tenants in special populations.

Enforcement

- If all units are required to be licensed, who will ensure that they will be up to standard?
- There are some concerns regarding the regulation of those who don't participate and are charged higher fees. More public awareness and increased enforcement is needed
- How will the current "fit premises" ordinance be enforced? Currently there are not any consequences' for failing to comply.

Mediation/Ombudsman

- Consider establishing an exemption option or a reasonable accommodation for special housing types used for those with special needs or circumstances.
- Consider establishing some type of intervention/mediation that would occur prior to eviction or denial of housing.
- Consider establishing an ombudsman process to deal with potential issues or problems that may arise in the program.

Additional comments provided by focus group members in addition to comments provided at the focus group meetings:

Utah Housing Coalition

- When drafting the ordinance, please pay enough consideration to what exactly Utah law mandates:
 - A disproportionate rental fee means a license fee or tax on rental housing based on the disproportionate costs of municipal services caused by the rental housing or on an enhanced level of municipal services provided to rental housing (10-1-203)
 - The recently passed House Bill 342 "Disproportionate Rental Fee Amendments" requires cities that impose a disproportionate rental fee for the first time, to establish a good landlord program allowing the land lord to qualify for a reduction in fees
 - The state law allows enough flexibility for local governments to create a program that's **realistic for their jurisdiction**. What's working in Clearfield, might not work in Salt Lake City. House Bill 342 mandates that the only criterias for the "good landlord program" are:
- Landlord completes a landlord training program approved by the city
- Landlord implements measures to reduce crime in rental housing
- Landlord operates and manages rental housing in accordance with applicable city ordinances
 - The rental housing market consists of two major type of housing: small rental buildings, such as duplexes, and larger apartment complexes. These are bringing two sets of issues regarding crime and zoning enforcement that have to be addressed adequately.
 - If the city's intention is to improve the life, safety, and health of its residents, reduce crime, preserve city housing, and educate landlords and tenants of their rights and responsibilities, **and then the mandatory landlord training should be provided by the local government or a neutral organization**. Having the training provided by one organization that represents solely the landlords, may not make the process fair and ethical.
 - One of Utah's goals is to end homelessness. Crafting a "good landlord program" based on the initial draft as it was given to us and similar to the other five cities that already have "good landlord program "in place, it will not allow ending homelessness. Because the homeless population has certain needs and require certain acceptances, a formerly homeless person can be denied housing immediately based solely on the criminal background check, or last residence.
 - Local governments should not transfer the enforcement power of the police department in the hands of landlords. We need a check and balance between landlords, tenants, and the "good landlord program".
- Please have in mind that these are just our initial comments based in our short-time research and feedback received from some of the service providers and housing advocates. We will continue to provide our input to the staff and City council members. Based on other research that has not been completed yet, other cities in different states implemented different programs that deserve to be looked at.

Phil Carroll

- We are in the government subsidized housing business so I just want to make sure that where there are conflicts with Federal law and programs their rules will prevail. I don't think this should be an issue because generally our programs are more restrictive than those proposed. An example is that we can not change the mandated HUD lease. There may be issues regarding tenant files where access is restricted (EIV) to authorized individuals.
- I think all rental housing should require a license. This program is optional and is a different issue from licensing. At the very least if the housing is not safe it should not be licensed. If a basement apartment does not meet minimum standards it shouldn't be licensed. I am past chair of the GACC and we have been going through a legalization process for years. I think the process must be about done. In the end there are fewer units but they are safer and often community issues got addressed.
- Training. May I suggest that the training be co-sponsored by AHMA. AHMA is a training organization for affordable housing. NAA and NAHMA nationally joint venture especially in the tax credit area.

Cindy Cromer

- The relationship of the Utah Apt. Owners Association to this effort is not clear.
- It is not clear what the interests of the Association are.
- Does the Association conduct the trainings, sell materials, and have the opportunity to recruit new members?
- The relationship between the City and the Association needs some clarification as this effort moves forward.

Good Landlord Program Proposal Salt Lake City

From: Paul Smith, Utah Apartment Association



UTAH APARTMENT
ASSOCIATION

Background: Several Utah cities, including Ogden, West Valley, South Salt Lake, Clearfield and Washington Terrace have instituted good landlord programs. The result has been a reduction in costs of service, amount of crime on rental property (as much as 30%), and an increase in the quality of tenants in the city. The partnership is a benefit for the city, landlords, and tenants, and is improving neighborhoods and making life easier for city employees.

Purpose: To reduce the cost of service for calls to rental property, to improve cooperation between city and landlords, and to create a partnership designed to improve the improve and preserve the quality of neighborhoods in Salt Lake City.

What the program would do?

The program would license all rental operators in Salt Lake City. Currently, the city licenses approximately 22,000 rental units of the 37,000 in the city. So there are 15,000 units in duplexes and single family rentals that would need to be licensed.

The reason all need to be licensed, is to create an incentive program to encourage behaviors that will reduce costs to the city. This would be done through disproportionate fee on rental units.

For instance, in Ogden, a single family license costs \$156 per year. However, when an owner participates in the city's "Good Landlord" partnership program, they receive a \$143 discount, making their fee only \$13 per year.

In addition to incentivizing behavior, the program would provide necessary support to landlords to help them be more effective in preventing the use of city services.

What would be required of owners?

Owners would provide:

Email addresses

Cell phone numbers

Mailing addresses

Other contact info

This voluntary program would allow rental property owners to also commit to do the following:

- 1 – Run complete background checks on all renters and refuse to rent to individuals with certain criminal backgrounds police have found are most likely to create more crime if allowed in neighborhoods.
- 2 – Commence evictions immediately (if legally permissible) on tenants who commit a crime or become a nuisance.
- 3 – Maintain properties in compliance with city codes and ordinances.
- 4 – Take a city approved landlord training course to help landlords understand legal and business issues of managing rentals and how to reduce costs to city.

What would be required of the city?

The city would provide both crime prevention support (done through the crime prevention officer and the training class) and provide notice of criminal activity on the property so landlords can be aware of and deal with problems. The city would also provide training and a contact person on its zoning and code enforcement processes.

The best way to notify landlords of crime on their property so they can resolve it before there is future cost would be through emails. This also is the most cost effective way for a city to notify owners.

Why is the training so important?

The training program is essential to the good landlord program because it empowers owners to better manage properties with a dual emphasis on being more profitable and reducing costs to the city. The curriculum covers reducing problems through proper screening, initiating good agreements and policies, crime prevention through environmental design and proper inspections and monitoring, as well as dealing with problems, such a criminal or nuisance, when they occur to reduce cost to the city. The training also helps owners understand federal and state and city laws concerning rentals.

An 8 hr initial course is sufficient. It is recommended that a 4 hour refresher course then be required every two years.

The best way to notify landlords of crime on their property would be through email. This way the can resolve it before there is future cost would be through emails.

What role would the Utah Apartment Association play?

The UAA would be your partner in creating and supporting the program. We would help design the program and help get it approved, including supporting it at council meeting, etc.

The UAA would then manage the training program. The city would CHOOSE the curriculum, based on its needs, and provide instructors from its staff on crime prevention and zoning and code enforcement issues. The UAA would then do the training and handle all marketing and registration for the program.

Is there any cost to the city?

No. The UAA charges a small fee to students, which covers the administration and marketing of the class. The UAA would be a full partner in helping landlords understand how to reduce municipal costs, improve neighborhoods, and more effectively run their rental businesses.

Results

We are confident this program would result in:

- Less criminals renting in Salt Lake City and zero tolerance policy towards crime
- Reduced costs of municipal services
- Greater compliance to zoning
- Quicker resolution to neighborhood problems (ie: quicker eviction, etc)
- Better cooperation between city and landlords

Contact info:

Paul Smith

Executive Director, Utah Apartment Association

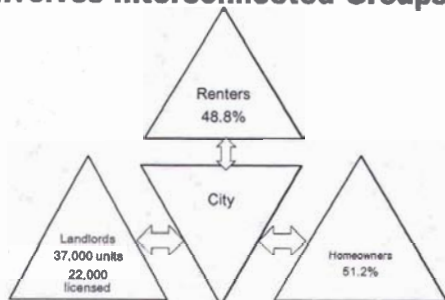
801-487-5619 paul@uaahq.org

Purpose of a Good Landlord Program

L. Paul Smith
Utah Apartment Association
801-487-5619

Salt Lake City Good Landlord Program

Quality of Life in Salt Lake Involves Interconnected Groups



Good Landlord Programs Create Partnerships between these groups



Current Issues – Why Adopt Good Landlord Program??

- Crime is too high in Salt Lake City
- Zoning Compliance Issues
- Neighborhood "quality of life issues"
- Some uneducated landlords and tenants
- **Good Landlord Programs are working extremely well in other cities**

Best way to improve Salt Lake City is through Partnership



Good Landlord Program is a Partnership Involving

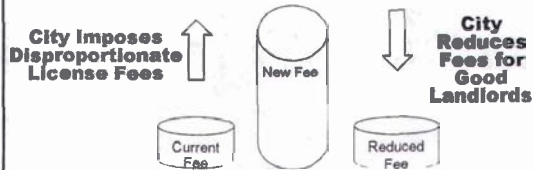
City Administration
Police Department
Planning and Zoning
Landlords
Apartment Association

Program in a Nutshell

- All rentals in city will be licensed (currently only approx. 22,000 of 37,000 are)
- Fees will be increased across the board
- Fees will be reduced for landlords who participate in voluntary "Good Landlord" Program

Program in a Nutshell

City Uses fees as leverage to incentivize practices that reduce calls for service



Program in a Nutshell

Participating Landlords agree to:

- 1 - Run background checks on all applicants
- 2 - Evict tenants who create a problem (first strike policy)
- 3 - Maintain properties to code
- 4 - Take a city approved landlord training class

Program in a Nutshell

In return, city agrees to:

- 1 - Reduce Business license fee
- 2 - Provide information on criminal activity
- 3 - Use alternative contact methods
- 4 - Provide training and education on crime prevention and city regulations

The Training Program



- City works with UAA to deliver 8 hr training class
- Over 4,000 have taken UAA developed "Good Landlord Training Class"
- City lends crime prevention officer and zoning officer to training

What is the Utah Apartment Association's Role in the Program?

- The UAA administers the training program for the city
- The UAA acts as a mediator between the city and landlords to help explain benefits
- UAA helps the city reduce crime and target bad landlords while protect good ones

Sample Fee Structure

Type of Residential Rental Property	Annual License Fee	Fee if in Good Landlord Program	Savings from Good Landlord Discount
Single Family	\$156	\$13	\$143
Duplex	\$140	\$12	\$128
3 Units or More	\$83 base + \$82 per unit	\$83 base + \$7 per unit	\$75 a unit (minimum of \$225)

Good Landlord Program Benefits:

- 1 – City by reducing calls for service (as much as 30%)
- 2 – Landlords by giving them support and training and empowerment to solve problems earlier
- 3 – Tenants and neighborhoods by increasing quality of landlords and preventing crime and decay

Summary

- Good Landlord Program will reduce costs to city
- Licensing all landlords increases accountability and allows city to be helpful
- Tenants and neighborhoods will see less crime
- Landlords will appreciate the city's partnership approach and support



ATTACHMENT F

Date: August 5, 2009

Subject: Brief summary regarding issues, alternatives, and options related to Good Landlord/Quality Housing legislation.

Affected Council Districts: City-wide

Staff Report: Gail Meakins

The following information was collected from a variety of sources and is intended to provide additional options that might be considered when drafting an ordinance related to rental housing and landlord/tenant relations. Options that have been previously considered and discussed are not included in this summary.

Titles

- Quality Rental Housing Program
- Rental Housing Quality Initiative
- Residential Landlord and Tenant Ordinance
- Rental Registration Program

Intent/Purpose

The intent, purpose, or outcome goals of the ordinance will determine the breadth and scope that will be required. The following are examples of the full spectrum of possibilities; from simple registration of units to a responsibility for dwelling unit conditions, tenant/landlord relations and education, and mediation.

Mandate rental registration for the purpose of establishing ownership contact information. (County of Sacramento)

- Protect and promote the public health, safety, and welfare of the citizens, to establish rights and obligations of the landlord and the tenant in the rental of dwelling units and to encourage the landlord and tenant to maintain and improve the quality of housing. (Evanston, IL)
- To encourage property owners to make their properties the best they can and recognize those properties which meet or exceed City expectations. (Shaker Heights, OH)
- Created the Quality Housing Workgroup to tackle longstanding health and safety problems in rental housing. (Portland)
- To safeguard the safety, health and welfare of its citizens, and to encourage owners, operators and occupants of rental housing to improve and maintain the quality of such housing, it is necessary to establish a systematic interior inspection, registration and licensing program for residential rental properties, their occupants and their operators, and to establish and maintain an inventory of residential rental units and owner-occupied housing stock. (Lancaster, PA) To establish a licensing program in the county in order to create an additional procedure for the enforcement of county codes and regulations to promote public health, safety, and welfare. (Baltimore County, MD)
- To establish a rental registration program. (Raleigh, NC)

Scope

- No rental dwelling unit shall be occupied by a tenant unless the annual Rental Housing Code Compliance Free for such dwelling unit has been paid and required information has been provided. (Sacramento County)
- Voluntary program which encourages rental property owners to participate by providing recognition of exemplary properties. (Shaker Heights)

- Persons renting residential properties must participate in the registration system. It should be unlawful for an owner to rent, to receive rental income from, or to offer for rent, any rental residential dwelling unless registered. (Raleigh)
- Owner-occupied rental units are exempt if the owner rents to family members who also live in the unit, or rents to no more than one other unrelated adult who lives in the unit. (Baltimore County)
- Rental registration law applies to residential rental properties with one to six units. (Baltimore County)
- Every rental dwelling unit and its premises used whole or in part as a home or residence, for a family or person, shall conform to the requirements of this Ordinance irrespective of when such building was constructed, altered or repaired. (Otsego, MN)

Registration Application

- May include:
 - All contact information for owner and manager/agent.
 - Rental property information
 - Type of housing
 - Number of units
 - Location of units
 - Basement?
 - Smoke detectors
 - Heating systems
 - Lead poisoning prevention checklist
 - Checklist of property conditions. (Ceiling height, smoke detectors, egress, etc.)

Registration Fee

- Recommends that the council adopt an ordinance to assess all rental property owners an annual fee for each rental unit to cover specific rental housing inspection program costs related to inspector salaries, landlord and tenant education, and mediation services. (Portland)
 - Exempt from the per-unit fee are nonprofit operated units that restrict tenant income and rents affordable to households with incomes at or below 60% Median Family Income.
 - Eliminate the exemption for required business licenses of owner of 9 or less units.
- An annual fee of \$30.00 for the first unit registered by an owner and \$10.00 for each additional unit registered in the same building. (Raleigh)
- All units are registered for a onetime fee. (Lancaster)
 - Multifamily-\$200
 - Single and double units-\$50
- Annual occupancy licensing fee to certify that all units meet basic safety and habitability standards. \$50.00 per unit. (Lancaster)
- Fee for the Rental Housing Certificate is \$65.00 for the first four units and \$4.00 per unit for each additional unit. (Hesperia, CA)
- Registration of Units

○ Rooming/Boarding House, Dormitory, Hotel	\$200.00
○ Multi-Family Dwelling	\$200.00
○ Transient Dwelling	\$200.00
○ Single and Double Units	\$50.00 per unit
- Annual Occupancy License fee (Lancaster, PA)

○ Rooming/Boarding House, Dormitory, Hotel	\$25.00 per unit
○ Multi-Family Dwelling	\$50.00 per unit
○ Transient Dwelling	\$50.00 per unit
○ Single and Double Units	\$50.00 per unit

Inspections

- Will inspect prior to initial occupancy or significant renovation and prior to the sale of any unit or structure. (Lancaster)
- Might inspect: (Lancaster)
 - Change in occupancy
 - Upon receipt of complaints
 - Upon the occurrence of disruptive conduct
 - Any other reasonable cause.
- Four stage inspection process (Portland)
 - Inspections are initiated by:
 - Tenant complaint
 - Social service agency
 - Police referral
 - Fire inspector referral
 - Unit-specific exterior violations
 - Significant levels of crime
 - Other property maintenance complaints/violations including work without a permit, dangerous buildings, nuisance, and code complaint/zoning.
 - Additional inspections are initiated if non-tenant caused violations occur in specified numbers and areas.
- Prior to occupancy by a tenant, the owner, manager, or owner authorized individual shall conduct an inspection of the property. (Sacramento County)
- To register a property the home must be inspected by a licensed inspector. (Baltimore County)

Penalties and Fines

- Penalty for allowing occupancy after a license has been revoked is \$500 per unit for each month the violation exists. Additional violations shall be subject to a fine of not more than \$1000. (Lancaster)
- Restructure fine schedule for non compliance with the following suggestions: (Portland)
 - 1-2 units, \$300 base fine and \$150 for each additional unit.
 - 3-10 units, \$400 base fine and \$200 for each additional unit.
- The penalty for renting a residential dwelling without applying for and registering the dwelling will be:
 - \$50 for the first violation and following written notice of the violation an additional \$50 per day will be assessed.
 - \$100 for a second violation and following written notice of the violation an additional \$100 per day will be assessed.
 - The maximum civil penalties for any calendar month will not exceed \$2000. There is not a criminal violation.

Landlord and Tenant Expectations

Many ordinances include specific requirements for both the landlord and the tenant. The following are some examples of the type of duties that are included in this section.

- Owner's Duties are: (Lancaster)
 - Keep and maintain all units in compliance with all applicable codes, ordinances, and provisions of local and state laws and regulations.
 - Be aware of and act to eliminate disruptive conduct.
 - Obtain a registration for each property.
 - Provide the city with written notice that a unit is occupied.
 - Provide tenant with a disclosure statement containing the requirements of the ordinance.
 - Designation of a responsible agent.
 - Display license.
- Occupant Duties: (Lancaster)
 - Will not cause or tolerate others to damage property.

- Conduct themselves and guests in a manner that will not disturb the peaceful enjoyment of adjacent or nearby dwellings.
- Will engage in or tolerate behavior that is disruptive.
- Maintain the unit in accordance with regulations.
- Not allow persons other than those identified in lease to reside in the dwelling.
- Not serve alcoholic beverages to underage persons.
- Tenant obligations: (Evanston, IL)
 - Maintain dwelling unit
 - Obey legally posted rules and regulations.
 - Allow reasonable access to dwelling unit.
- Landlord obligations: (Evanston, IL)
 - Regulations regarding security deposits and prepaid rent.
 - Disclosure information for property management contact information.
 - Maintain fit premises.
 - Allow reasonable subleases.

Education Programs

- Portland, OR-
 - No fee for class, training manual is \$20.00
 - "The National Training Program developed by Campbell and DeLong Resources.
 - Administered by the City of Portland.
 - Can be used for continuing education credit for realtors.
- Seattle, WA-
 - \$25.00 fee
 - Adapted from the "The National Training Program"
 - Organized by a nonprofit, Seattle Neighborhood Group, in partnership with property management professionals and the City of Seattle.
- Milwaukee, WI-
 - Paid for with grants from the Community Development Block Grant Administration
 - Administered by the Department of Neighborhood Services.
 - Free for participants.