

REVISED



Request for City Council Committee Action from the Department of Regulatory Services

Date: February 7, 2008

To: Donald Samuels, Chair, Public Safety and Regulatory Services

Referral to: Paul Ostrow, Chair Ways and Means/Budget Committee

Subject: Rental Licenses Inspection at Point of Sale

Recommendation:

Approve ordinance revisions to Title 12, Chapter 244 Sections 244.1810, 244.1850, 244.1870, 244.1910, and 244.1980.

Increase the FTE of Regulatory Services by 5.5 FTE to implement the program.

Direct the Finance Officer to increase the 2008 revenue estimate for Regulatory Services (0100-835-8560-3110) and the 2008 expense appropriation for Regulatory Services (0100-835-8560) on a quarterly basis pursuant to revenues as they are collected for this program, up to a maximum expense appropriation increase of \$445,700.

Direct the Department of Regulatory Services to return to Council with a status report on the program by September 2008.

Previous Directives:

None

Prepared by: Lee Larson, Manager of Operations Support, Department of Regulatory Services

Approved by: _____
Henry Reimer, Director of Inspections

Approved by: _____
Rocco Forte, Assistant City Coordinator of Regulatory Services and Emergency Preparedness

Presenters in Committee: Henry Reimer

Reviews

- Permanent Review Committee (PRC): Approval _N/A_ Date _____
- Policy Review Group (PRG): Approval _N/A_ Date _____

Financial Impact

- Action provides increased revenue for appropriation increase
- Action requires a change to the Business Plan
- Request provided to the Finance Department when provided to the Committee Coordinator

Community Impact

- City Goals

Supporting Information

244.1810 License Required

Adding let or offer to rent any dwelling units the owners must first obtain a rental license.

244.1870 Transfer of ownership and point-of-conversion inspection

Regulatory Services is proposing a rental license initiative to require an inspection whenever a rental property is sold or when a single family dwelling is converted from homestead to rental. Because of the foreclosure crisis a number of, and the potential of, properties converting to rental that are in poor condition is greater. This a safety concern for tenants and the lack of responsible management affects livability of the neighboring properties. The transfer of ownership fee, ties into the flipping of property concerns and again properties are flipped in poor condition and there has been problems with enforcement when ownership is frequently changing.

In addition, Regulatory Services is including an unlicensed property finder position to offset the costs of the new program. This new position will be responsible for searching for unlicensed rental properties using tools such as newspaper ads and For Rent signs.

244.1910 Licensing Standards

Subsection 11

Prior to an approved license the owner must pay administrative citations fines owing to the City.

Subsection 19

Adverse license action may be based upon good cause as authorized by Chapter 4, Section 26 of the Charter.

Resolved by The City Council of The City of Minneapolis:

That the above-entitled resolution, as amended, be further amended by:

Approve ordinance revisions to Title 12, Chapter 244 Sections 244.1810, 244.1850, 244.1870, 244.1910, and 244.1980.

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