



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

Date: January 9, 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 time of ownership transfer and Point of Conversion

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 10.25 FTE to implement the program

Increase the 2008 revenue estimate for Regulatory Services (0100-835-8560-3110) by 900,000

Increase the 2008 expense appropriation for Regulatory Services (0100-835-8560) by 900,000

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 rental property owner must first obtain a rental license prior to offering a dwelling unit for rent.

244.1870 Transfer of ownership and point-of-conversion inspection

The amendment requires 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 likely. 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.

A dedicated unlicensed property enforcement officer is also included in this proposal. This position is modeled after the un-permitted work inspectors in the building division. This new position will be responsible for searching for unlicensed rental properties using tools such as newspaper ads, assessor office, and For Rent signs.

The additional revenue generated by these provisions will cover the entire cost of the additional staff needed to enforce these changes.

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:

Increase the FTE of Regulatory Services by 10.25 FTE to implement the program

Increase the 2008 revenue estimate for Regulatory Services (0100-835-8560-3110) by 900,000

Increase the 2008 expense appropriation for Regulatory Services (0100-835-8560) by 900,000