City of McMinnville
Planning Department
231 NE Fifth Street
McMinnville, OR 97128
(503) 434-7311
www.mcminnvilleoregon.gov

AGENDA
McMinnville Affordable Housing Task Force
ZOOM Online Meeting
Wednesday, August 26, 2020, 10:00 AM-11:30 AM

Please note that this meeting will be conducted
Via ZOOM meeting software due to the COVID-19 event.

ZOOM Meeting: You may join online via the following link:

https://mcminnvilleoregon.zoom.us/j/98107138613?pwd=QUZvbW5ZWEpPWVB5MVRVckdKeEFlZz09

Zoom ID: 981 0713 8613
Zoom Password: 611654

Or you can call in and listen via zoom: 1-669-900-9128
ID: 981 0713 8613

Task Force Members	Time	Agenda Items
Remy Drabkin, Chair	10:00 AM	**1. Call to Order / Introductions**
Kellie Menke, Vice-Chair	10:05 AM	**2. Minutes:** *None*
Marcus Straw, Business		**3. Action / Discussion Items:**
Jon Johnson, Business	10:05 AM	• Update: Parking, ***Exhibit 1***

Alan Ruden, Developer	10:25 AM	• Update: Equity & Inclusion Discussion
		  • Upcoming Work, ***Exhibit 2***
		  • Presentation: Rental Inspection Program, ***Exhibit 3***

Howard Aster, Developer	10:45 AM	• Update: Praise Project
Alexandra Hendgen, Nonprofit/Housing	10:55 AM	• Update: Housing Authority Project
Mary Stern, Nonprofit/Housing	11:00 AM	• CDBG Housing Rehabilitation Grant, ***Exhibit 4*** (Darcy Reynolds, HAYC)
Mark Davis, Citizen at Large	11:10 AM	• Update: Homelessness Programs (YCAP, Howie Harkema)
Ethan MacKay, Youth	11:20 AM	**4. Citizen Comments**
Lindsey Manfrin County Ex-Officio	11:23 AM	**5. Task Force Member Comments/Updates**
	11:28 AM	**6. Staff Comments/Updates**
	11:30 AM	**7. Adjournment**

Please note that these documents are also available on the City's website www.mcminnvilleoregon.gov; click on Government, click on Boards and Commissions, click on McMinnville Affordable Housing Task Force. You may also request a copy from the Planning Department at the Community Development Center, 231 NE 5th Street, 503-434-7311.

EXHIBIT 1

City of McMinnville
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STAFF REPORT

DATE: **August 26, 2020**
TO: **Affordable Housing Task Force Members**
FROM: **Heather Richards, Planning Director**
SUBJECT: **Parking – HB 2001 Rulemaking – Upcoming Public Hearing**

STRATEGIC PRIORITY & GOAL:

HOUSING OPPORTUNITIES (ACROSS THE INCOME SPECTRUM)
Create diverse housing opportunities that support great neighborhoods.

Report in Brief:
This is a discussion relative to maximum parking off-street parking requirements proposed by the HB 2001 Missing Middle Housing Rule Making Committee.

Background:
Currently the draft rules propose that cities cannot require more than one off-street parking space per dwelling unit for all housing types in HB 2001, including duplexes, triplexes, quadplexes, townhomes and cottage clusters.

This has been very controversial as most cities have testified that the mandatory reduction in off-street parking provisions (most cities require two off-street parking spaces per dwelling unit for housing products three dwelling units or less) will strain on-street parking and create congested, unsafe, and inequitable housing situations in neighborhoods.

DLCD staff has defended their recommendation based on the need to reduce green-house gas emissions and people's reliance on vehicles.

The draft rules are proposed to be reviewed and considered by the Land Conservation and Development Commission (LCDC – analogous to a state-wide planning commission with the authority to adopt state-wide rules for planning in Oregon) at their meeting in September.

McMinnville City staff plan to testify at the public hearing expressing our concern about the parking requirements based on the lack of transit in McMinnville, the need for vehicles for people to access work and educational opportunities, and the inequity of assuming that lower-income households do not need as many vehicles as higher-income households.

Prior to testifying City staff would like to have a dialogue with the Affordable Housing Task Force on the issues.

Discussion:
In McMinnville, off-street parking standards are calculated relative to the size of the dwelling unit (# of bedrooms) for multiple family dwellings (3 units or more) and for single-family and two-family dwelling. The standard is two spaces per dwelling unit for single-family and two-family dwellings and two spaces per dwelling unit in a multiple-family dwelling with three or more bedrooms, one and one-half spaces per dwelling with less than three bedrooms. See McMinnville Municipal Code below:

McMinnville Municipal Code, Section 17.60.060 – Spaces – Number Required (Off-Street Parking)

A. Residential Land Use Categories

4. Multiple-family dwelling	One and one-half spaces per dwelling with less than three bedrooms, two spaces per dwelling unit with three or more bedrooms, and one space per dwelling unit which is expressly reserved for senior or handicapped persons.
5. Single-family and two-family dwelling.	Two spaces per dwelling with four or fewer bedrooms, and one additional space for every two additional bedrooms.

The premise for the requirement of the new rules is that dwelling units in duplexes, triplexes and quadplexes are typically much smaller than single-family dwelling units with less bedrooms, square footage and need for off-street parking, and that the requirement for off-street parking adds cost to the project that makes it unaffordable in the market place.

Staff is concerned that limiting cities to only be able to require one parking off-street parking space per dwelling unit for missing middle housing will create inequitable housing and amenities systematically creating disadvantages for lower-income households with city regulations.

Assumptions for Rule

Size of Dwelling Unit is Smaller than Single Family Dwelling Units: A recent survey of building permits in McMinnville indicate that 3 bedroom dwelling units are still the most popular market dwelling unit in McMinnville.

Additionally census data shows that the majority of renter households in housing with more than one dwelling unit have two or more cars per household.

Housing prices for end-users are entirely dependent upon the costs of production: Sometimes in our effort to solve Oregon's housing problems, we focus a lot on whittling down the bottom line of production costs assuming that effort will reduce housing costs in the market. However, we seem to be forgetting that housing is a commodity that is market driven. A market that is a derivative of supply and demand. The market price is based on contemporary comparables. Unless there is a mechanism to lock down the final market prices (deed restrictions that are contractually obligated), final prices - ownership and rents - are a derivative of supply and demand. Prices are not driven by development costs but rather what the market will bear. McMinnville is currently experiencing a significant housing supply deficit. And the market price reflects that limited-supply, high-demand scenario. Developers are not selling or renting their products based on a fixed margin or ROI over their construction costs, they are selling or renting their products based on market comparables. And unless there is some sort of

public investment in the product it is very difficult to secure a deed restriction on price in the private market place.

Based on this argument it is difficult to justify that the removal of off-street parking from a housing project will lead to less expensive housing for the end-user over the life-span of the housing product and is worth the long-term sacrifice of not having enough parking for the household. In rural communities without significant transit or ride-share, many households are dependent upon multiple vehicles to support their work, education and family activities.

Potential Consequences

Negative inequities created by well-intended overarching principles: This issue has become very important recently under the umbrella of thinking about how well-intentioned or not so-well-intentioned development regulations create social injustices for families in our communities. In order to reduce greenhouse gas emissions and reduce the reliance of households on single-occupant vehicles, the state rulemaking committee is now creating development code at a state level to enforce those values in the same manner on cities ranging in size from 10,000 people to 600,000 people in rural and urban conditions. The conditions in a community of 10,000 in a rural setting is different from the conditions of a community of 600,000 in an urban setting. Blinders to those differences may result in outcomes with some unintended negative consequences.

In communities where there is not reliable and equitable transit and bike/ped amenities, marginalized households will be at a disadvantage to other households relative to supportive amenities, creating systemic inequity. At a time when planning really needs to take a close look at how development regulations have created systems of social injustices, this could be creating another system of the same.

For example, McMinnville is one of the communities (population 34,000) where census data shows that a majority of households have 2 or more vehicles, and that a majority of multi-family households have 2 or more vehicles. McMinnville does not have a robust transit system. Due to limited resources, the transit program is primarily focused on getting those in need to groceries and medical offices. The system is not large enough to provide transit for workforce, employment, schools, afterschool care, etc. Additionally McMinnville does not have a 9 – 5 economy, the economy is built on shift work. McMinnville has a larger than average household cohort that lives in poverty, and one large high school that serves a very large geographical region of households. It is not unusual for families with high school students to have 3 or more cars in order to facilitate their daily lifestyle. Families who are working shift manufacturing/agricultural jobs (employment base in McMinnville), and have students in schools rely on family vehicles to get the individual family members to work and their kids to school. It is not a choice, it is a necessity. Often these families have at least three vehicles for two parents who are working different job shifts and for high school students who have after school activities.

A development code that will allow developers to only provide one off-street parking space for any household other than a single family dwelling unit is creating inequity in terms of housing amenities.

There are some that claim that if the market demanded more off-street parking the developers would provide it. However, households looking for affordable housing in a housing deficit do not get to “demand” much in the market place. And not all developers build projects based on long-term best practices, many are building projects based on the return of investment margins at the point of sale (ie if the code requirements save them money they will build to that minimum standard). And this savings does not always translate down to the end-user in the housing market that operates on market comparables.

DLCD staff recommend managing the resulting on-street parking congestion expected to occur with this code requirement by instituting and enforcing a residential parking permit program. This will add an annual and sustained cost of living to the situation. Moderate and lower-income households will not only live in a dwelling unit with half of the parking of single family dwelling units but they will spend their days looking for on-street parking and fighting with their neighbors about on-street parking, until the city institutes a residential parking permit program that will add to their household budget expenses. All based on the premise that the housing development saved $5,000 when it was first built by not having to provide a second off-street parking space and presumably that savings was transferred to the tenant over the lifespan of the development.

Staff's hope would be that we allow cities to have these dialogues relative to their own communities and to develop codes with minimum and maximum standards that work towards state goals but also reflect the individual needs of the community. A state-wide square peg does not fit every community. It flies in the face of good planning. Statewide goals are great. The Oregon land-use system is built upon a state goal system. But how we achieve those goals in each individual community may be just a little bit different depending upon the community's infrastructure and needs. The Oregon land-use system is not built on the premise that one development standard fits all cities.

McMinnville has initiated a discussion of reducing the off-street parking requirements for larger apartment complexes under the premise that the aggregate need may be able to absorb the ebb and flow of how many vehicles a household owns. However, duplexes, triplexes and quadplexes are not large complexes with shared parking, and will be built on similar sized lots to single family dwelling units with small lot frontages, and reduce on-street parking capacity.

EXHIBIT 2

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STAFF REPORT

DATE: **August 26, 2020**
TO: **Affordable Housing Task Force Members**
FROM: **Heather Richards, Planning Director**
SUBJECT: **Equity and Inclusion – Upcoming Work Update**

STRATEGIC PRIORITY & GOAL:

HOUSING OPPORTUNITIES (ACROSS THE INCOME SPECTRUM)
Create diverse housing opportunities that support great neighborhoods.

Report in Brief:
This is an update on the discussion of evaluating McMinnville's housing program and policies for equity and social injustice issues.

Update:
City staff is in discussions to contract with a Linfield student on a 100 hour internship to help the McMinnville Affordable Housing Task Force research what other communities have discovered in terms of barriers in their program and policies for housing equity and diversity and best practices to remove those barriers and incentivize housing equity and diversity.

If successful, the intern will provide an update at the September Affordable Housing Task Force committee meeting.

EXHIBIT 3

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STAFF REPORT

DATE: **August 26, 2020**
TO: **Affordable Housing Task Force Members**
FROM: **Heather Richards, Planning Director**
SUBJECT: **Housing Equity Discussion: Rental Inspection Program**

STRATEGIC PRIORITY & GOAL:

HOUSING OPPORTUNITIES (ACROSS THE INCOME SPECTRUM)
Create diverse housing opportunities that support great neighborhoods.

Report in Brief:
This is an update to the Affordable Housing Task Force about a Rental Inspection Program that the City of McMinnville has been developing. Claudia Martinez, Code Compliance Officer will provide the update.

Background:
In the fall of 2019, the McMinnville City Council asked the Code Compliance and Community Relations Division to evaluate whether or not a Rental Inspection Program was warranted in the City of McMinnville and whether or not it would bring value to McMinnville residents.

The purpose of Rental Inspection Programs are to ensure that every household in McMinnville is living in a dwelling unit with a minimum standard of habitability, health and life/safety provisions, and are fairly common nationwide.

The City had received several complaints in previous years about rental housing conditions that appeared to be unsafe for the inhabitants.

Claudia Martinez, Code Compliance Officer, conducted some research and brought it to the City Council in April, 2020 for further direction. The conclusion of the research was that there were two foundational approaches to a Rental Inspection Program – Reactive (Complaint-Based) and Proactive (Random Quality Control Inspections). Both approaches were dependent upon clear and objective minimum standards for habitability.

City staff recommended that if the City Council wanted to have either a Reactive or a Proactive Rental Inspection Program that the City should adopt the International Property Maintenance Code as the code standard for maintenance and habitability.

City Council instructed staff to bring back a code that adopted the International Property Maintenance Code in order to start a reactive (complaint-based) program and continue to conduct research on proactive Rental Inspection Programs and what one would look like in McMinnville.

On July 28, McMinnville City Council approved Ordinance No. 5093 adopting the International Property Maintenance Code.

At their meeting on July 29, the McMinnville Affordable Housing Task Force asked to learn more about this initiative and invited staff to make a presentation at the August meeting.

Discussion:
On August 19, 2020, City staff conducted a work session with the McMinnville City Council on a Proactive Rental Inspection Program. (Please see attached power point).

Staff recommended that the City of McMinnville move forward with a Proactive Rental Inspection Program advocating that it was the best way to ensure equity for all tenants in terms of minimum standards of rental housing in McMinnville. Often tenants who are the most vulnerable to unhealthy and unsafe living environments are also the least likely to complain about them. Families of low-income, with disabilities or language barriers might not feel comfortable navigating a government complaint process or might fear retaliation from their landlord.

A proactive program would ensure that quality controls were being enacted in random samples of rental housing annually throughout the city of McMinnville.

However, there are some potential consequences that need to be considered as the City moves forward with developing a program:

- Nominal fees will need to be charged to support the program that could and probably would be passed on to the tenant. The City will work hard to ensure that the fees are as low as possible so that the impact is negligible

- Some housing units may be deemed inhabitable and could result in displacement for the household. The City will need to work with housing partners to ensure rapid rehousing is available.

City Council directed staff to move forward with developing a program similar to the City of Gresham, which has been in effect since 2008. The goal for implementation is 2022. City staff would like to work with a committee of tenants, landlords, community stakeholders and someone from the Affordable Housing Task Force on the development of the program.

Attachments:
Copy of the August 19 City Council Work Session Presentation
Proactive Rental Inspection Programs (National Center for Healthy Housing)

Fiscal Impact:
If developed, this will be a full cost recovery program with a nominal fee established to support the program.

Recommendation:

Appoint someone from the McMinnville Affordable Housing Task Force to serve on a committee over the next year to develop the program.

Rental Inspections Program

CITY COUNCIL WORK SESSION, AUGUST 19, 2020

City of McMinnville

TONIGHT'S WORK SESSION

In April, Code Compliance staff provided a presentation on Housing Rental Inspection Programs and asked City Council if this would be of interest to them to pursue further.

City Council asked staff to do some more research and bring it back to them for further consideration and direction.

RENTAL INSPECTION PROGRAM - Purpose

Program achieves compliance of health, safety and welfare code violations in/on residential rental properties that are a threat to the occupant's safety, and a negative impact on the surrounding neighborhoods.

CITY COUNCIL WORK SESSION, AUGUST 19, 2020

City of McMinnville

RENTAL INSPECTION PROGRAM – Purpose

- Address the issue of substandard rental properties,
- Promote greater compliance with health and safety standards,
- Preserve the quality of McMinnville neighborhoods and available housing.

City of McMinnville

APRIL CITY COUNCIL DISCUSSION

Directed staff to bring a code that would adopt the IPMC as a minimum standard of maintenance for residential structures.

This then would allow for a complaint based rental maintenance program.

There was some discussion about a proactive rental inspection program with a database and registration structure, and City Council asked staff to bring back some more information about the proactive rental inspection programs.

McMinnville has about 5000 rental housing units

RENTAL INSPECTION PROGRAM - IPMC

Establish Minimum Habitability Standards for all Residential Rental Properties. (IPMC has minimum standards.)

The standards cover ten areas:

- heating
- plumbing
- security
- electrical
- appliances
- smoke detection
- structural integrity
- weatherproofing
- carbon monoxide alarms
- rats

*Mold is addressed through the weatherproofing and plumbing standards.

CITY COUNCIL WORK SESSION, AUGUST 19, 2020

City of McMinnville

RENTAL INSPECTION PROGRAM – Reactive

How Does it Work?

- Establishes a minimum standard of habitability for residential rentals in McMinnville.
- If tenant has a problem they need to work with landlord to resolve it. (Must prove this effort has occurred).
- If tenant cannot resolve the issue, they call Code Compliance who will conduct an inspection and enforce compliance with the landlord to the minimum standards.

City of McMinnville

RENTAL INSPECTION PROGRAM - Reactive

Costs:

Since this will be complaint basis only, current code compliance staffing has capacity with new efficiency systems to absorb the anticipated workload – no new staffing impact.

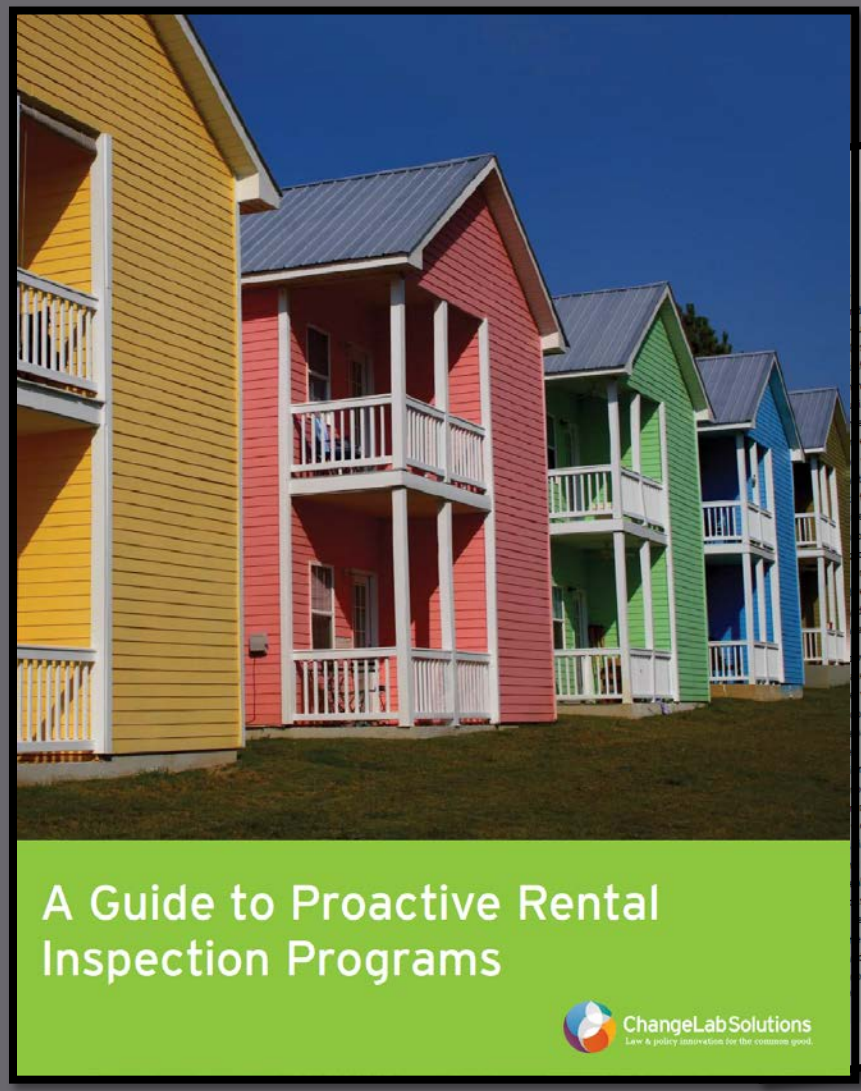
City of McMinnville

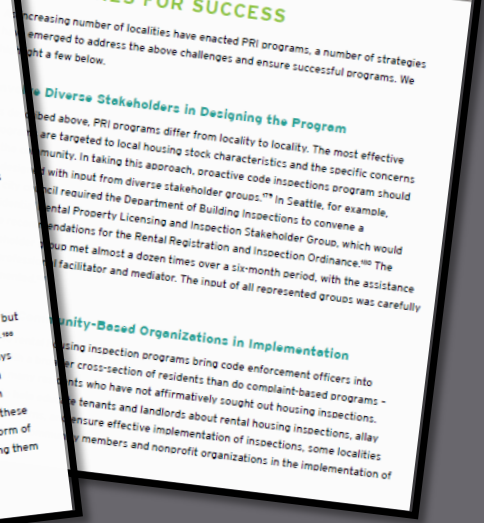
RENTAL INSPECTION PROGRAM - Structure

PROACTIVE VERSUS REACTIVE

	PROACTIVE	REACTIVE
INITIATED	Permit/Licensing	Complaint Basis
INSPECTIONS	Annual Random Inspections, Routine	Inspections only with a complaint
FEES	Yes	No
ADMINISTRATION	More Workload	Same Workload
PROS	Comprehensive	Spotty
CONS	More Process	Retaliation Potential
EFFECTIVENESS	More effective, Protects all tenants	Limited

City of McMinnville





CITY COUNCIL WORK SESSION, AUGUST 19, 2020

City of McMinnville

RENTAL INSPECTION PROGRAM - Proactive

<u>Advantages of a Proactive Program</u>:

- ***PRI Programs preserve safe and healthy rental housing*** **(takes the burden off of the tenant).**

- ***PRI Programs help protect the most vulnerable tenants.*** **(language barriers or disabilities may be barrier to complaints)**

- ***PRI Programs may preserve neighborhood property values*.**

City of McMinnville

RENTAL INSPECTION PROGRAM - Proactive

Basic Program Structure:

- ***Registration:*** **requires property owners to register their rental properties or to obtain a certificate or license.**
- ***Periodic Inspections:*** **requires period inspections of all rental properties, usually every few years.**
- ***Enforcement:*** **If a property fails inspection, initiate enforcement measures.**

City of McMinnville

RENTAL INSPECTION PROGRAM - Proactive

Types of Housing:

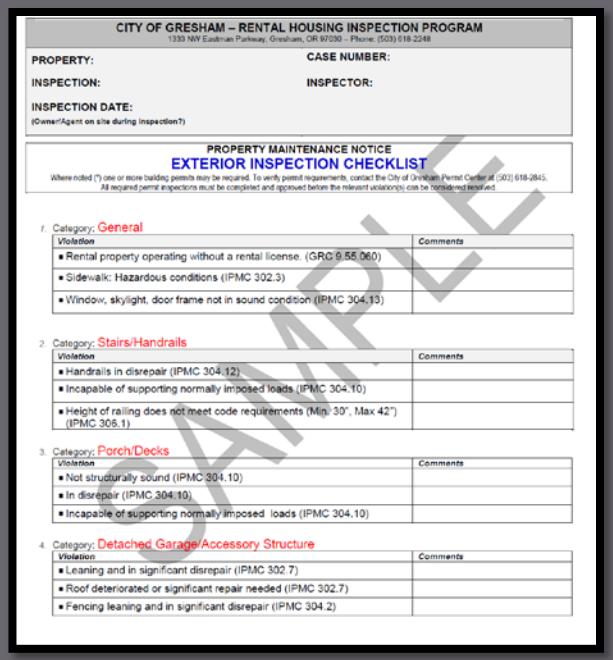
- *Multi-unit Properties*
- *Single-Family Homes:*
- *Government Owned*

CITY COUNCIL WORK SESSION, AUGUST 19, 2020

City of McMinnville

RENTAL INSPECTION PROGRAM - Proactive

Scope of Inspections: - Exterior



CITY OF GRESHAM – RENTAL HOUSING INSPECTION PROGRAM
1333 NW Eastman Parkway, Gresham, OR 97030 – Phone: (503) 618-2248

PROPERTY: CASE NUMBER:
INSPECTION: INSPECTOR:
INSPECTION DATE:
(Owner/Agent on site during inspection?)

PROPERTY MAINTENANCE NOTICE
EXTERIOR INSPECTION CHECKLIST

Where noted (*) one or more building permits may be required. To verify permit requirements, contact the City of Gresham Permit Center at (503) 618-2845. All required permit inspections must be completed and approved before the relevant violation(s) can be considered resolved.

1. Category: General

Violation	Comments
▪ Rental property operating without a rental license. (GRC 9.55.060)	
▪ Sidewalk: Hazardous conditions (IPMC 302.3)	
▪ Window, skylight, door frame not in sound condition (IPMC 304.13)	

2. Category: Stairs/Handrails

Violation	Comments
▪ Handrails in disrepair (IPMC 304.12)	
▪ Incapable of supporting normally imposed loads (IPMC 304.10)	
▪ Height of railing does not meet code requirements (Min: 30", Max 42") (IPMC 306.1)	

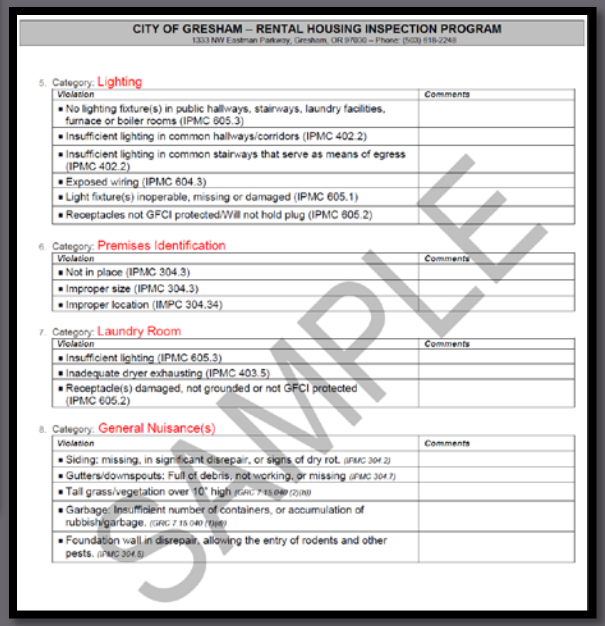
3. Category: Porch/Decks

Violation	Comments
▪ Not structurally sound (IPMC 304.10)	
▪ In disrepair (IPMC 304.10)	
▪ Incapable of supporting normally imposed loads (IPMC 304.10)	

4. Category: Detached Garage/Accessory Structure

Violation	Comments
▪ Leaning and in significant disrepair (IPMC 302.7)	
▪ Roof deteriorated or significant repair needed (IPMC 302.7)	
▪ Fencing leaning and in significant disrepair (IPMC 304.2)	

SAMPLE



CITY OF GRESHAM – RENTAL HOUSING INSPECTION PROGRAM
1333 NW Eastman Parkway, Gresham, OR 97030 – Phone: (503) 618-2248

5. Category: Lighting

Violation	Comments
▪ No lighting fixture(s) in public hallways, stairways, laundry facilities, furnace or boiler rooms (IPMC 605.3)	
▪ Insufficient lighting in common hallways/corridors (IPMC 402.2)	
▪ Insufficient lighting in common stairways that serve as means of egress (IPMC 402.2)	
▪ Exposed wiring (IPMC 604.3)	
▪ Light fixture(s) inoperable, missing or damaged (IPMC 605.1)	
▪ Receptacles not GFCI protected/Will not hold plug (IPMC 605.2)	

6. Category: Premises Identification

Violation	Comments
▪ Not in place (IPMC 304.3)	
▪ Improper size (IPMC 304.3)	
▪ Improper location (IMPC 304.34)	

7. Category: Laundry Room

Violation	Comments
▪ Insufficient lighting (IPMC 605.3)	
▪ Inadequate dryer exhausting (IPMC 403.5)	
▪ Receptacle(s) damaged, not grounded or not GFCI protected (IPMC 605.2)	

8. Category: General Nuisance(s)

Violation	Comments
▪ Siding: missing, in significant disrepair, or signs of dry rot. (IPMC 304.2)	
▪ Gutters/downspouts: Full of debris, not working, or missing (IPMC 304.7)	
▪ Tall grass/vegetation over 10" high (GRC 7.15.040 (2)(B))	
▪ Garbage: Insufficient number of containers, or accumulation of rubbish/garbage. (GRC 7.15.040 (1)(a))	
▪ Foundation wall in disrepair, allowing the entry of rodents and other pests. (IPMC 304.5)	

SAMPLE

General
Stairs/Handrails
Porch/Decks
Accessory Structures
Lighting
Premises Identification
Laundry Room
General Property
Nuisances

City of McMinnville

RENTAL INSPECTION PROGRAM - Proactive

Scope of Inspections: - Interior

CITY OF GRESHAM – RENTAL HOUSING INSPECTION PROGRAM
1333 NW Eastman Parkway, Gresham, OR 97030 - Phone: (503) 618-2248

PROPERTY: CECADD
CASE NUMBER: CASENO
INSPECTION:
INSPECTOR:
INSPECTION DATE:
(Owner/Agent on site during inspection?)

PROPERTY MAINTENANCE NOTICE
INTERIOR INSPECTION CHECKLIST

Where noted (*) one or more building permits may be required. To verify permit requirements, contact the City of Gresham Permit Center at (503) 618-2945. All required permit inspections must be completed and approved before the relevant violation(s) can be considered resolved.

1. Category: General Interior

Violation	Comments
• Presence of insect and/or rodent infestation (IPMC 308.1)	
• Surface(s) significantly decayed, defective, or in damaged condition (IPMC 305.3)	
• Visible significant presence of mold, dampness, water damage (IPMC 305.3.1)	
• Appliance(s) not in safe working condition (IPMC 603.1)	

2. Category: Smoke Detector/Carbon Monoxide Detector

Violation	Smoke Detectors	Carbon Monoxide Detector	Comments
Not operational	☐ (IPMC 704.1)	☐ (ORSC R315.4.1)	
Improper number	☐ (IPMC 704.2)	☐ (ORSC R315.2)	
Improper location	☐ (IPMC 704.2)	☐ (ORSC R315.2)	
Battery taken out	☐ (IPMC 704.1)	☐ (ORSC R315.4.1)	

3. Category: Emergency Exits

Violation	Comments
• Unsafe, non-continuous and /or obstructed path to the public right of way (IPMC 702.1)	

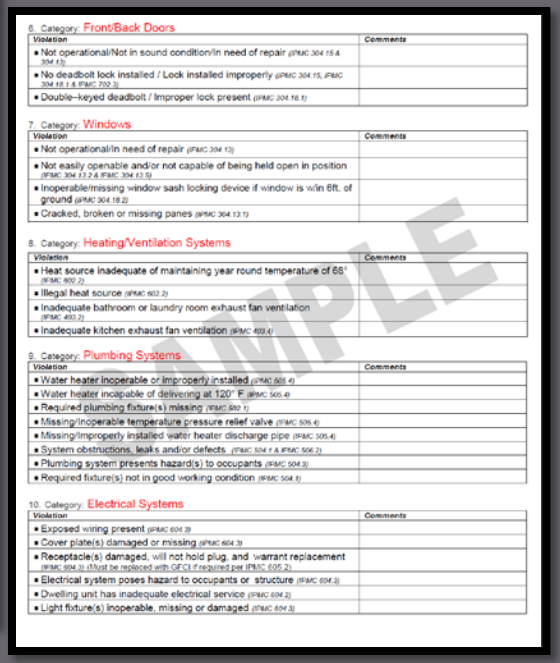
4. Category: Interior Stairs

Violation	Comments
• Not in sound condition or in disrepair (IPMC 305.4)	

5. Category: Interior Handrails/Guardrails

Violation	Comments
• In disrepair/Not firmly fastened (IPMC 305.5)	
• Not capable of supporting normally imposed loads (IPMC 305.5)	
• Handrail measured height <30" or >42" (IPMC 306.1)	
• Guardrail measured height <30" (IPMC 306.1)	

SAMPLE



6. Category: Front/Back Doors

Violation	Comments
• Not operational/Not in sound condition/In need of repair (IPMC 304.15 & 304.13)	
• No deadbolt lock installed / Lock installed improperly (IPMC 304.15, IPMC 304.18.1 & IPMC 702.3)	
• Double–keyed deadbolt / Improper lock present (IPMC 304.18.1)	

7. Category: Windows

Violation	Comments
• Not operational/In need of repair (IPMC 304.13)	
• Not easily openable and/or not capable of being held open in position (IPMC 304.13.2 & IPMC 304.13.5)	
• Inoperable/missing window sash locking device if window is w/in 6ft. of ground (IPMC 304.18.2)	
• Cracked, broken or missing panes (IPMC 304.13.1)	

8. Category: Heating/Ventilation Systems

Violation	Comments
• Heat source inadequate of maintaining year round temperature of 68° (IPMC 602.2)	
• Illegal heat source (IPMC 602.2)	
• Inadequate bathroom or laundry room exhaust fan ventilation (IPMC 403.2)	
• Inadequate kitchen exhaust fan ventilation (IPMC 403.4)	

9. Category: Plumbing Systems

Violation	Comments
• Water heater inoperable or improperly installed (IPMC 505.4)	
• Water heater incapable of delivering at 120° F (IPMC 505.4)	
• Required plumbing fixture(s) missing (IPMC 502.1)	
• Missing/inoperable temperature pressure relief valve (IPMC 505.4)	
• Missing/improperly installed water heater discharge pipe (IPMC 505.4)	
• System obstructions, leaks and/or defects (IPMC 504.1 & IPMC 506.2)	
• Plumbing system presents hazard(s) to occupants (IPMC 504.3)	
• Required fixture(s) not in good working condition (IPMC 504.1)	

10. Category: Electrical Systems

Violation	Comments
• Exposed wiring present (IPMC 604.3)	
• Cover plate(s) damaged or missing (IPMC 604.3)	
• Receptacle(s) damaged, will not hold plug, and warrant replacement (IPMC 604.3) (Must be replaced with GFCI if required per IPMC 605.2)	
• Electrical system poses hazard to occupants or structure (IPMC 604.3)	
• Dwelling unit has inadequate electrical service (IPMC 604.2)	
• Light fixture(s) inoperable, missing or damaged (IPMC 604.3)	

SAMPLE

- General Interior
- Smoke Detector/Carbon Monoxide Detector
- Emergency Exits
- Interior Stairs
- Interior Handrails/Guardrails
- Front/Back Doors
- Windows
- Heating/Ventilation Systems
- Plumbing Systems
- Electrical Systems

CITY COUNCIL WORK SESSION, AUGUST 19, 2020

City of McMinnville

IPMC CODE REFERENCES - INSPECTIONS

602.2 Heating facilities:

- *Dwellings shall be provided with heating facilities capable or maintaining a room temperature of 68°F….cooking appliances shall not be used, nor shall portable unvented fuel-burning space heaters be used as a means to provide required heating.*

505.3 Water System:

- *The water supply system shall be installed and maintained to provide a supply of water to plumbing fixtures, devices and appurtenances in sufficient volume and at pressures adequate to enable the fixtures to function properly, safely and free from defects or leaks.*

City of McMinnville

IPMC CODE REFERENCES - INSPECTIONS

304.13 Window, Skylight and Door Frames:

- *Every window, skylight, door and frame shall be kept in sound condition, good repair and weather tight.*

704.1 Fire Protection Systems:

- *Fire detection, alarm and extinguishing systems, mechanical smoke exhaust systems and smoke and heat vents shall be maintained in accordance with the International Fire Code in an operative condition at all times, and shall be replaced or repaired where defective.*

City of McMinnville

RENTAL INSPECTION PROGRAM - Proactive

Phasing in a Program:

- *Drive-by exterior inspections*
- *Focus on properties with historic of complaints*
- *Inspect oldest properties first*
- *Divide city into neighborhoods or quadrants*

City of McMinnville

RENTAL INSPECTION PROGRAM - Proactive

Strategies for Success

- *Involve diverse stakeholders in designing the program.*
- *Provide training for code enforcement staff. (National Center for Healthy Housing)*
- *Provide education, outreach and ongoing support for landlords and tenants.*
- *Implement complementary programs. (Funding assistance for low-income landlords, public access to code violation information, etc.)*

City of McMinnville

RENTAL INSPECTION PROGRAM - Proactive

Challenges of Implementation:

- *Discovery of uninhabitable and illegal housing units.*
- *Tenant side code violations.*
  (for example: hoarding)
- *Rent Increases.*
- *Displacement of marginalized households.*
  (Funding assistance for low-income landlords, public access to code violation information, etc.)

City of McMinnville

RENTAL INSPECTION PROGRAM - Proactive

Funding

Most operate as a full cost recovery program with low fee structures.

- Beaverton Rental- *$75 per unit for first 40 units, plus $1.25 for each addt'l unit*
- Corvallis-*$15 per unit, $1 increase in odd-calendar years*
- Eugene-*$10 per unit, per year*
- Gresham-*$55 for first 2 units, plus sliding scale of $20 to $45 on addt'l units*
- Medford - *$40 first unit, plus $1 for each addt'l unit*
- Portland-New Code - *fees currently being determined*
- Salem-*$44.50 for first 3 units, plus sliding scale on addt'l units*

City of McMinnville

RENTAL INSPECTION PROGRAM - Gresham

Gresham Proactive Rental Housing Inspection Program:

- Established in 2007. Developed over a year and implemented in 2008.
- Has become a model for other communities.
- Focuses on: Health Hazards, Fire and Life Safety and Protection from the Elements
- Uses IPMC as a basis minimum standard
- Hybrid: Complaint and Proactive.

City of McMinnville

RENTAL INSPECTION PROGRAM – Gresham

Structure of Program

- Rental Licensing Program
- Use Tax Assessor's records to identify any non owner-occupied residences where the owner's address differs from the property address.
- Inspect random statistical sampling every year.
- Respond to complaints.

City of McMinnville

INSPECTION PROCESS & DOCUMENTATION

What happens during the inspection?

- A checklist of criteria will be utilized during the inspection to determine any violations of the Property Maintenance Code (PMC).
- Inspector will complete the checklist for each unit inspected as well as the exterior of the building.
- Inspector will work with the property owner or manager and tenant during the course of the case to resolve any outstanding violations.
- Once the violations are resolved (or if no violations found), the owner and tenant will receive notification that the case has been closed.

City of McMinnville

INSPECTION TIMELINE
(Mandatory and Complaint)

- First inspection:
  - If violations are found, a 30-day notice is issued.
  - Exception, fire/life-safety/rodents, then a 3 or 7 day notice is issued.
- Second inspection at 30 days: (or sooner, depending on violations)
  - If violations resolved, close case.
  - If violations remain, another 30 day Civil Penalty Warning is issued (note exceptions above).
- Third inspection at 30 days: (or sooner, depending on violations)
  - If violations are resolved, close case.
  - If violations remain, Civil Penalty may be issued.

*If penalties are issued, inspections go to every two weeks until case is closed.

City of McMinnville

PROGRAM STATISTICS

Top 10 Violations for 2018
Complaint & Mandatory Inspections

Unmaintained Surfaces	237
(holes in walls/floors, significant decayed cabinets, bare sheetrock, etc)	
Smoke Detector - Improper Number	131
Electrical - Exposed Wiring	115
Plumbing - Hot Water Heater Discharge Pipe	115
Egress Door - Inoperable/Disrepair	111
Handrail - Improper Install/Disrepair	88
Electrical - Outlets Inoperable	82
Mold	81
Electrical - Cover Plate Broken or Missing	76
Smoke Detector - Inoperable	68

TOP 10 = 43% of all violations

City of McMinnville

RENTAL INSPECTION PROGRAM – Gresham

Interview with Program Staff

Q. How has this program helped your residents?

A. The program has helped tenants as well as rental property owners. Many smaller property owners aren't well educated on building code and landlord-tenant law. This program has helped many property owners learn the requirements and ensure compliance with applicable laws. Tenants are obviously assisted because they're able to contact the City if a landlord is unresponsive to their maintenance requests. The program works to ensure safe, habitable housing in Gresham.

City of McMinnville

RENTAL INSPECTION PROGRAM – Gresham

Interview with Program Staff

Q. What suggestions would you have to Cities looking to adopt a RHI program code?

A. The property maintenance code has a lot of requirements. I would suggest focusing on fire, life, safety issues when conducting inspections and not cosmetic issues that are technically in violation of the property maintenance code. That will help ensure safe, habitable rentals, and also creates more buy-in from property owners/managers because they know inspectors aren't going to cite/fine them for scuffed paint or something like that. Over the years, Gresham has worked on an inspection checklist that focuses on pertinent fire, life, safety issues. The checklist can be found on our website.

City of McMinnville

RENTAL INSPECTION PROGRAM – Gresham

Interview with Program Staff

Q. How is the registration managed?

A. Gresham's business licensing staff manages the registration process. A lot of work was done at the beginning of the program to get rentals registered with the City. Now, staff periodically run a report that shows if a residential owner has a different address from the property. In that case, a letter is generated that asks if the property is a rental. If so, they're instructed to register the rental.

City of McMinnville

RENTAL INSPECTION PROGRAM – Gresham

Interview with Program Staff

Q. What's one thing that you would say that your department has done that has made your program successful?

A. I believe one of the reasons we've had success with our program is that we strive to remain neutral between tenants and property owners/landlords. We have found neutrality to be important in gaining trust and program buy-in.

City of McMinnville

STAFF RECOMMENDATION

Work Towards Developing a Program Similar to Gresham

- Hybrid proactive and complaint based, but with random sampling it is not as administratively labor intensive.
- Provides for consistency and transparency.
- Work with rental property owners over the next year on the development of a program.
- Implement a registration/licensing program in 2022.

City of McMinnville

Rental Inspections Program: Questions

CITY COUNCIL WORK SESSION, AUGUST 19, 2020

City of McMinnville

A Guide to Proactive Rental Inspection Programs

ChangeLab Solutions
Law & policy innovation for the common good.

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SUBSTANDARD HOUSING AND HEALTH

Substandard housing conditions pose an acute risk to young children, seniors, and people with chronic illnesses.[1, 2, 3] Nationwide, more than 23 million people have asthma; it is the most common chronic ailment among children in the United States.[4, 5] By one estimate, 39% of asthma cases in children under 6 can be traced to residential exposure to indoor air hazards.[6] Housing-related injuries result in roughly 4 million emergency room visits and 70,000 hospital admissions.[7] Nationwide, in 2000, there were an estimated 1.8 million falls leading to emergency room visits among those age 65 and older; the majority of falls take place within the home.[8] Exposure to lead paint chips and related dust are the leading cause of elevated lead levels in children in the U.S.[9]

INTRODUCTION

Substandard conditions in the home are responsible for a wide array of significant health problems, such as childhood lead poisoning; exacerbated asthma and respiratory conditions that result from exposure to mold, pests, and other household allergens; and increased rates of injury and mortality among the elderly. As rental housing is more likely to be substandard than owner-occupied housing, tenants are at higher-than-average risk. Local governments can play a critical role in improving resident health by implementing programs to improve the quality of their housing stock.

Most localities maintain code enforcement programs to ensure the safety and welfare of their citizens. Traditionally, these programs have been complaint-based; that is, in response to a resident complaint about a substandard housing condition, a municipal code enforcement officer will conduct a housing inspection and, if the complaint is substantiated, the officer will begin enforcement proceedings.

Proactive rental inspection (PRI) programs are different. Under a PRI program, most covered rental units are inspected on a periodic basis to ensure that they are safe and habitable, and that property values are maintained. Typically, inspections take place at designated intervals, though they may also be triggered by an event, such as a change in tenancy. While the hallmark of proactive rental inspection programs is that inspections are not complaint-based, localities with proactive rental inspection programs generally conduct complaint-based inspections too.

This guide:

1. describes the advantages of proactive rental inspection programs;
2. details the components of PRI programs and provides an overview of options for program design;
3. examines challenges that may arise in implementing PRI; and
4. suggests broader strategies for success when adopting a PRI program.

LOCALITIES: TOWNS, CITIES, COUNTIES AND OTHER FORMS OF LOCAL GOVERNMENT

Throughout this document, the term "localities" refers to towns, cities, counties, and other forms of local government. State and local law will determine which local governmental body governs relevant code enforcement activities.

PRI BY ANY OTHER NAME...

Proactive rental inspection (PRI) programs may go by any number of names. For example, they may be referred to as "systematic code enforcement," "periodic code enforcement," "rental housing inspection," or "rental registration and licensing." It is the regular, mandatory nature of inspections that differentiates these types of programs from complaint-based rental housing inspection programs.

REDUCING COMPLAINT-BASED INSPECTIONS

According to the author of a study examining North Carolina proactive rental inspection programs, "[t]he number of complaints a city receives about substandard housing is an important measure of program effectiveness. If inspections programs result in code compliance, a city should receive fewer complaints. Greensboro's program began in 2004 . . . after a high of 1,427 housing complaints in 2005, the number of complaints fell by 61 percent to 871 in 2007."[10] In the city of Asheville (which was also included in the study), the number of complaints between 2001 and 2003 fell from 227 to 60.[11] After the program was discontinued, the number of complaints increased again, reaching 189 in 2007.[12]

ADVANTAGES OF PROACTIVE RENTAL INSPECTION (PRI) PROGRAMS

In many instances, PRI programs may be more effective than complaint-based programs in ensuring safe and healthy housing, preserving housing stock, protecting vulnerable tenants, and maintaining neighborhood property values.

PRI Programs Preserve Safe and Healthy Rental Housing

By relieving tenants of the burden of having to force reticent landlords to make needed repairs, systematic inspections can help ensure that a locality's rental housing stock is maintained and that residents live in healthy conditions.

Between the establishment of Los Angeles's Systematic Code Enforcement Program (SCEP) in 1998 and 2005, "more than 90 percent of the city's multifamily housing stock [was] inspected and more than one and half million habitability violations [were] corrected. The result [was] an estimated $1.3 billion re-investment by owners in the city's existing housing stock."[13]

For example, between 2008 and 2013, under Sacramento's Rental Housing Inspection Program, housing and dangerous building cases were reduced by 22 percent.[14]

According to a study of PRI programs in five North Carolina cities, the City of Greensboro alone brought more than 8,700 rental properties up to minimum standards in four years under its proactive rental inspection program (RUCO).[15, 16, 17]

In addition, by ensuring that landlords are aware of poor conditions before they worsen, systematic code enforcement encourages preventative maintenance, which is more cost effective than deferred maintenance, and thereby helps landlords to maintain their properties.[18]

PRI Programs Help Protect the Most Vulnerable Tenants

Often, the most vulnerable tenants don't complain.[19, 20, 21, 22] Some tenants are unaware that they have a right to safe and habitable housing. They may not know about existing tenant protections or code enforcement programs. Or they may have language barriers or disabilities that make it difficult to navigate the code enforcement system. Many tenants may be afraid to complain about their housing for fear of increased rent or landlord retaliation (such as eviction). Residents may be undocumented or have limited income that hampers their ability to move.

As a result of these barriers, the housing inhabited by the most vulnerable populations, which is frequently the worst housing, is often the most likely to fall through the cracks of a complaint-based code enforcement system. In 2009, Linda Argo, the Director of the Department of Consumer and Regulatory Affairs (DCRA) for the District of Columbia, testified before the D.C. City Council about the need for their proactive rental inspection

PROTECTING TENANTS FROM RETALIATORY ACTIONS

Most states have laws that protect tenants from landlord retaliation when they submit complaints regarding housing safety. California law, for example, prohibits a landlord from retaliating against a tenant for complaining to an appropriate agency about the habitability of a rental unit.[23] The law prohibits retaliatory rent increases, service decreases, eviction, or threats of such.[24] In some states, localities include protections within their local laws.

However, even when tenants have legal protections, they may be hindered from asserting these protections due to limited resources and insufficient availability of affordable or free legal services for low-income tenants.[25]

Proactive PRI programs may help to reduce tenant fear of landlord retaliation, as well as actual retaliation, since the inspections and compliance actions are prompted by a municipal program rather than by tenant complaints.

program. She explained, "[i]t's quite clear that a complaint-based system is no longer sufficient if we want to maintain safe housing conditions for all residents, especially our most vulnerable – the poor, the elderly, the non-English speakers."[26] She noted that "[f]or the vast majority of properties named in the slumlord lawsuits [initiated by the Attorney General], DCRA had not received any recent complaints from residents of those buildings. And for the worst of the properties, we never received a single complaint."[27]

PRI Programs May Preserve Neighborhood Property Values (and a Locality's Property Tax Base)

One of the lessons localities have drawn from the foreclosure crisis is that it is crucial to prevent concentration of blighted properties, in part because poorly maintained, substandard housing can have a negative effect on neighboring property values. By addressing housing conditions proactively, and by quickly identifying and targeting exterior substandard conditions alongside interior code violations, proactive rental inspection programs can ensure that properties don't become blighted, thereby preserving property values. From a financial standpoint, this benefits landlords and homeowners. Maintaining neighborhood property values also benefits the entire locality because it preserves the local tax base.

STATE LAW, PREEMPTION AND PROACTIVE RENTAL INSPECTIONS

Code enforcement is an exercise of a government's "police power." Police power is the inherent power of government to act to protect the health, safety, and welfare of its citizens. The extent of the police power that a locality may exercise is dependent on its state constitutional or statutory law.

In a few states, the law may establish that code enforcement is administered by the state.[28] In most states, however, code enforcement occurs at the city or county level. In some states, state law expressly authorizes localities to establish a code enforcement program. In other states, the state constitution or state law may give localities broad "home rule" power – the authority to enact laws, such as a proactive rental inspection program – without a specific delegation of power from the legislature.

State legislatures can also preempt the authority of localities to enact proactive rental inspection programs by enacting state laws that override or limit a locality's authority to establish a program. Some states, including Arizona, Georgia, North Carolina, and Tennessee, prohibit or significantly restrict systematic interior inspections of rental units.[29] Greensboro, North Carolina had a successful proactive rental inspection program until the legislature preempted the city's authority to operate that program.[30, 31]

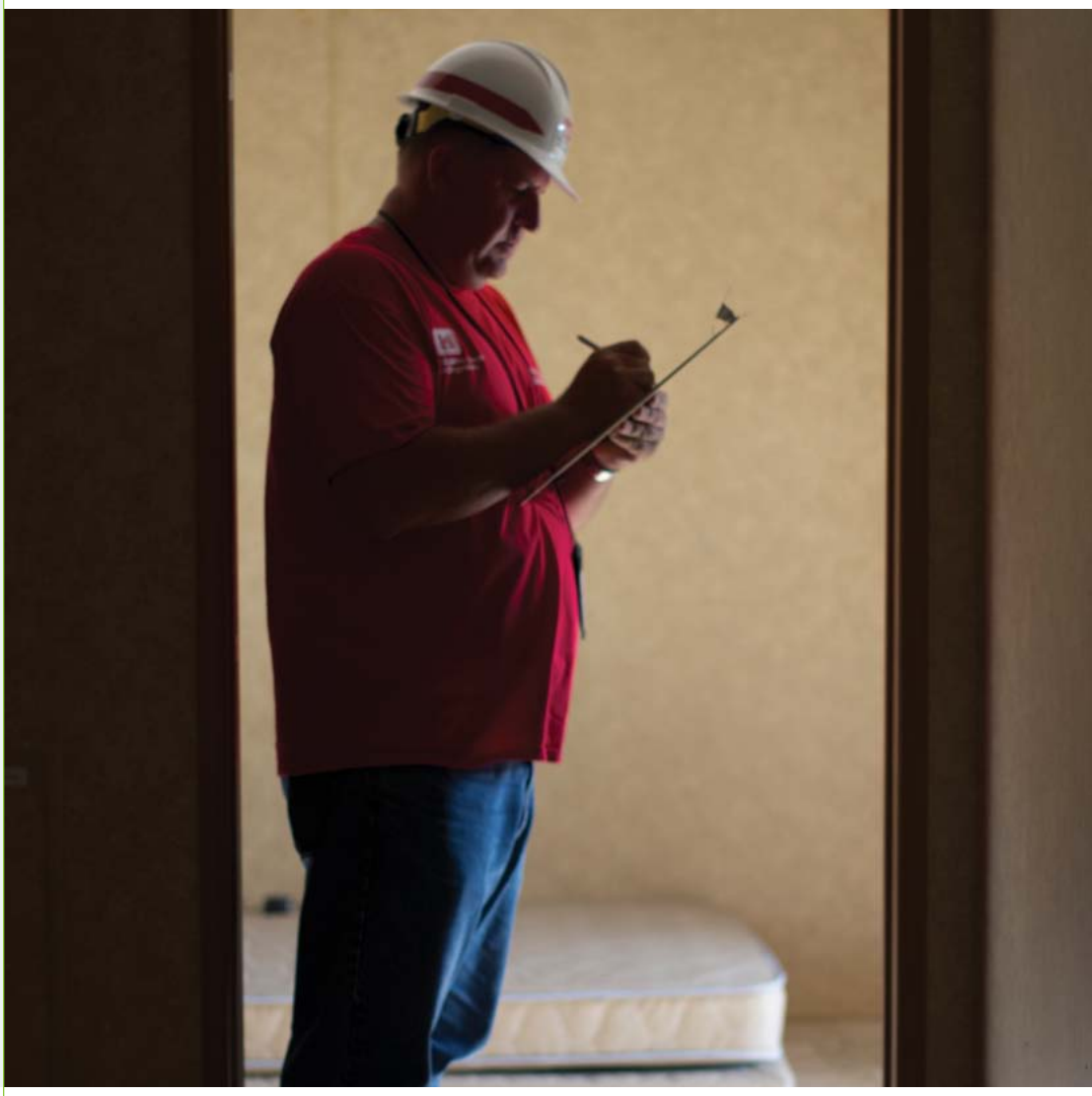
It is important to review your state law to determine if the authority to start a PRI program resides with your locality or with your state.

UNDERSTANDING PRI PROGRAMS

There is no standard PRI program. Programs vary according to the types of rental housing in a locality, the needs of the particular locality, the availability of resources, and (to an extent) state law. This guide provides an overview of the key components of PRI programs and the different ways localities have implemented them.

Though details vary, PRI programs typically share a basic program structure:

- **Registration.** The locality requires property owners to register their rental properties or to obtain a certificate or license in order to rent housing units.
- **Periodic Inspections.** The locality requires periodic inspections of all covered rental properties. Inspections occur on a periodic basis, usually every few years, to ensure that the housing is adequately maintained.
- **Enforcement.** If a property fails inspection, the locality initiates enforcement measures.



Types of Rental Housing Included Within the Program

A locality must also decide on the types of rental housing to include in its program. The types of housing included are usually determined by the most pressing needs in the community and by the availability of resources for inspection and enforcement.

Targeting Particular Neighborhoods

Some localities, particularly when first initiating a rental housing inspection program, target particular neighborhoods or areas. This can enable a locality to focus limited resources where they are most needed.

Sacramento, for example, piloted a rental housing inspection program by targeting two neighborhoods, each of which contained a large number of rental properties with a high incidence of dangerous building cases, code enforcement cases, and police and fire calls for service.[34] The program was successful and, in 2008, Sacramento expanded the program citywide.[35]

Similarly, Kansas City, MO expanded its program incrementally, implementing the program initially in areas where 30 percent or more of the housing units were rentals, the housing inventory was basically sound but exhibited substantial deterioration, and neighborhood residents had expressed interest in a systematic housing inspection program.[36]

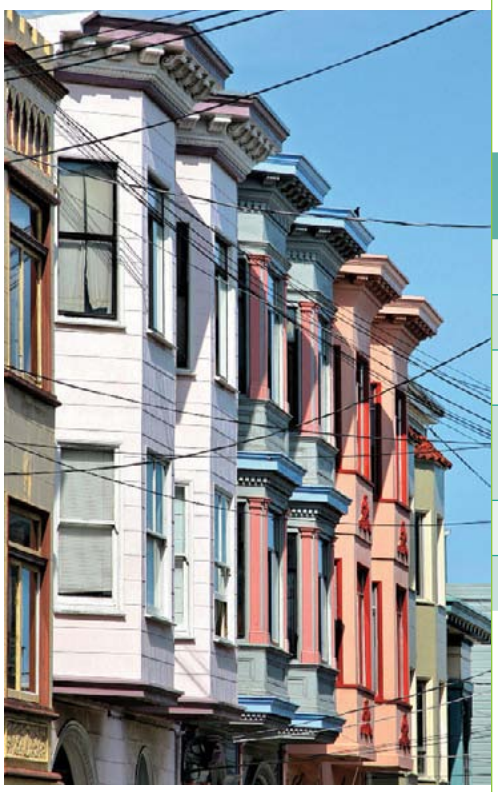
Beginning in 1986, St. Louis required a certificate of inspection with each change in tenancy in certain housing conservation districts.[37, 38] This policy was expanded to cover the entire city in 2012 because it had proven successful in sustaining and improving the quality of residential housing, and city officials determined that it could be helpful in enforcing minimum housing standards and securing the health and safety of all St. Louis residents.[39]

Practice Tip

Phasing in the initial inspections over time or targeting particular neighborhoods can help to ease the transition from a complaint-based program to a systematic one.[32]

PHASING IN PRI PROGRAMS

A PRI program requires a substantial initial investment of time and resources. An early audit of Los Angeles' program found that the goal of inspecting every multi-unit rental property every three years was not achievable at first because of backlogs and the length of time inspections took. The auditor recommended several strategies, including inspecting the oldest properties first, conducting initial drive-by exterior reviews, focusing on properties with histories of complaints and/or non-compliant owners/tenants, and establishing staggered review schedules from three to five or more years based on selected criteria (e.g., rent, location, history).[33]



Targeting Properties Based on Number of Units

Localities often limit a program's scope to properties that contain a specified minimum number of units.

LOCALITY	Rental Properties Covered by PRI, By # of Units on the Property
Seattle, WA	1 or more units
Los Angeles, CA	2 or more units
Washington, DC	3 or more units
San Francisco, CA (exterior inspection)	3 or more units (and hotels with 6 or more units)
Grand Rapids, MI	1 or more units
Santa Cruz, CA	1 or more units

Multi-unit properties: Most programs cover multi-unit rental properties, but some programs restrict that coverage to properties with a certain number of units. Los Angeles's Systematic Code Enforcement Program applies to residential properties with two or more units, so long as at least one of those units is rented or offered for rent.[44] Washington DC's proactive inspection program applies to all multi-family rental properties with more than three units.[45] San Francisco conducts periodic inspections of the exterior and common areas of residential buildings with three or more dwelling units and hotels consisting of six or more guest rooms.[46] In contrast, Seattle's registration and inspection provisions apply to rental housing properties irrespective of size or number of units.[47]

Single-family homes: Some PRI programs cover single-family homes. Recently, Grand Rapids expanded its registration and inspection program for multi-family properties to include single-family rental housing and abandoned and vacant residential properties.[48] Reporting that the number of families living in single-family rental units increased from 4,568 to 7,771 between 2006 and 2009, the working group recommended adding single-family rental units in order to: (1) ensure that substandard housing did not disproportionately impact families with children; (2) increase market equity for all investment property owners by promoting consistent code compliance across all types of rental housing; and (3) ensure a standard of quality and affordability for all rental units, particularly in the central city, to promote urban neighborhoods.[49] Santa Cruz, a college town where single-family homes are often rented to groups of students, also includes single-family rental homes within its program.[50]

Other Commonly-Exempted Units

Localities have also adopted a variety of other ways to focus their rental inspection resources.

Owner-occupied: Several localities exempt buildings if the property owner lives in one of the units.[51] Boston, for example, exempts buildings of six or fewer units if the owner occupies one of the units.[52] The rationale for this exemption is that buildings where the landowner resides are likely to be adequately maintained.

✓ Practice Tip

When targeting neighborhoods, a locality should use criteria that pertain to the quality of housing and/or the need for inspection, such as those criteria employed by Sacramento and Kansas City, MO, as described above. Classifications or targeting based on the race, color, religion, sex, familial status, national origin, or disability status of residents may result in discrimination claims.[40, 41, 42, 43]

Government regulated or subsidized: Many localities, including Boston and Seattle, exempt federal, state, or locality-owned or managed buildings, as well as Section Eight and other subsidized housing, because these housing categories are subject to other inspection requirements.[54] Should the frequency of these other mandated inspections be reduced,[55, 56] it may be advisable to extend municipal rental inspection programs to cover these properties.

New-construction: Some localities exempt newly-built housing, as it is presumed to be in good condition. In Santa Cruz, for example, housing built within the preceding five years is exempt from the inspection program.[57]

Hotels and motels: Non-residential hotels, motels, and other transient housing are also commonly exempted from rental housing inspection ordinances.[58, 59] However, given that vulnerable tenants may live in these types of properties on a long-term basis, it may be important to include them in municipal periodic rental inspection programs if no other standards are applied to ensure that they remain in habitable condition.

Registration and Licensing of Rental Property

Rental Registration

In order to implement a PRI program, a locality needs to know what rental properties exist and who owns them.[60] To determine this, many localities require owners to register their rental properties or units.

Registration requirements are common in systematic rental housing inspection programs, but can also be implemented independently, or in conjunction with other city administrative functions such as business licensing.

In addition to informing a locality of the location of rental housing, information gathered during registration may help a locality to inventory its rental housing stock, which can be valuable for planning purposes. For example, registration and licensing can allow municipal housing, commerce, and planning agencies to monitor fluctuations in the number of rental units over time, which may help them plan for growth or reduction, or manage situations like the foreclosure crisis.

Frequency of renewal: Localities vary in how frequently they require registration renewal. For example, Kansas City, MO requires annual registration.[61] Some localities require registration to be updated when there is a change in ownership, in addition to or in place of renewal on a fixed term basis.

Registration fees: Many localities charge fees for property registration (detailed in a later section). Some localities do not charge a fee, but a failure to register may result in significant enforcement fees.[62]

Rental Licensing

In lieu of a registration requirement, some localities require property owners to obtain a license before renting a housing unit. To ensure the habitability of rental units prior to tenant occupancy, localities may require an inspection as a prerequisite to a license.

VACANT PROPERTY REGISTRATION

Some localities, such as Grand Rapids, require owners to register all rental property – including vacant and abandoned properties.[53] Requiring the registration of vacant and abandoned property can help prevent blight in neighborhoods, especially in localities with high foreclosure or vacancy rates.

Practice Tip

In the PRI context, the terms license and registration may be used interchangeably from one locality to the next. Sometimes municipal rental housing registration requirements are standalone – not tied to additional regulatory schemes – and primarily serve the purpose of allowing a locality to index and gather information about its rental properties. In other instances, municipal rental housing registration requirements are the same as license requirements and are part of a locality's rental housing inspection program. Some municipal PRI programs use the term "certificate of compliance" or "certificate of occupancy" in lieu of the term "license."

Therefore, it is important to look beyond PRI program titles and terminology to understand the actual design and function of a program.

Examples of communities that use a licensing approach are Boulder, CO and Baltimore County, MD.[63]

Ann Arbor prohibits occupancy of a dwelling unless it has a valid certificate of compliance. After a property has been inspected and is determined to be in conformance with the code, the property owner is responsible for applying for the certificate of compliance.[64] Ann Arbor also has provisions for the issuance of a temporary certificate of compliance if, due to inspection service scheduling difficulties, an inspection cannot be conducted prior to the expiration of a current certificate.[65]

In Washington, D.C., to obtain a license to operate a housing business, an owner must allow an inspection of the property to determine that it is in compliance with all applicable building and housing laws and regulations.[66]

Similarly, Boulder utilizes a licensing scheme to ensure compliance with the city's property maintenance code prior to occupancy.[67] Boulder has provided that in cases where an inspection uncovers deficiencies that cannot be corrected prior to occupancy, the owner or operator may apply for a temporary license, which is issued for a limited time if the number and severity of violations does not constitute an imminent health and safety hazard to the public or to occupants.[68]

Frequency of Periodic Inspections

Whether in conjunction with a registration system or a licensing requirement, the defining characteristic of PRI programs is routine inspection of rental housing. As described above, some localities require an inspection as a prerequisite to initial registration, licensing, or occupancy. Many PRI programs also require additional periodic inspections. The frequency with which localities elect to conduct these inspections is often heavily dependent on the extent of a locality's resources. In addition to periodic inspections, certain events may trigger, accelerate, or decelerate inspections.

LOCALITY	FREQUENCY OF INSPECTION
Los Angeles, CA	Every 3 years
Baltimore County, MD	Every 3 years
Boulder, CO	At registration. At renewal of license, which is required every 4 years. Upon transfer of ownership.
Ann Arbor, MI	Not more than 2.5 years
Kansas City, MO	Every 2 to 4 years, depending on compliance
Grand Rapids, MI	Every 2, 4 or 6 years, depending on compliance
Boston, MA	Every 5 years for most properties. Rental units belonging to chronic offender landlords inspected every three years. Problem properties inspected annually.

Periodic Inspections on a Fixed Basis

Many PRI programs require inspections on a cyclical basis, usually every few years. Baltimore County and Los Angeles require an inspection every three years.[70] Boulder requires an inspection at registration, upon renewal of a rental license – generally every four years – or upon transfer of ownership.[71] Ann Arbor specifies that the period between inspections shall be no longer than 2.5 years.[72]

Practice Tip

While a systematic rental housing inspection program may require inspections on a fixed cycle, the actual timeline on which municipal inspectors are able to work their way through inspections of covered housing may, in some cases, be longer.[69]

Inspection Frequency Based on Prior Compliance

A number of localities set a baseline standard for the frequency of inspections and then allow for deviation from that standard based on a property's record of compliance. Several localities require less frequent inspections once a property owner establishes a record of compliance. In Kansas City, MO, for example, certificates of compliance are valid for two years; however, owners may be issued certificates for up to four years if there have been no violations since the last date of certification.[73]

Grand Rapids conducts inspections when owners apply for a certificate of compliance, which is a prerequisite for occupancy.[74] The certificate is valid for two, four, or six years, depending on the record of compliance, the presence or absence of violations, and the degree of compliance with the program's registration and fee requirements.[75] Grand Rapids will issue a six-year certificate if: the property has no violations and has not changed ownership since its last certification; the owner applies for an inspection and re-registers the property on time; and there are no outstanding fees, taxes, or assessments against the property.[76] A four-year certificate is issued if the owner applies for an inspection and re-registers the property on time, and the property is brought into compliance with the code prior to expiration of the current certificate or within the timeframe specified on any notice of violation.[77] In other cases, Grand Rapids will issue a two-year certificate.[78]

Boston requires that properties covered by its program are inspected at least once every five years, but it also has mechanisms to target bad actors and problem properties for more frequent inspection.[79] For example, in Boston, owners of problem properties – those which have received four or more sustained complaints for noise; or complaints for noxious, noisome, or unsanitary conditions; or police calls for arrestable offenses – must annually request an inspection from the city, and develop a management plan to remediate the property's persistent substandard conditions.[80] Additionally, Boston operates a chronic offender point system which tracks violations and assigns them a point value. Owners who have accrued a certain number of points are classified as chronic offenders and must request an inspection of each rental unit once every three years.[81]

Self-Certification

A number of localities allow property owners to "graduate" into self-certification programs if they have established a record of passing inspections with no violations. Self-certification programs can give localities a way to allocate their limited resources to properties most in need of inspections. It can also serve as an incentive for property owners to ensure that their property complies with all applicable codes.

For example, in Sacramento, all rental housing properties are subject to routine periodic inspection by the city.[84] Rental housing property may be placed in the self-certification program if: (1) the inspector has found no violations, or all violations identified in the initial inspection were abated within 30 days; (2) the property owner and local contact representative are in compliance with all of the provisions in the housing code; and (3) the property owner is not delinquent on any payments to the city of fees, penalties, or taxes.[85] Under Sacramento's self-certification program, property owners are responsible – annually and upon a change in tenancy – for inspecting their housing units, making repairs necessary to comply with the housing code, completing a self-certification form for each unit, and providing a copy of this form to the occupants of the respective units.[86] Rental units included within the self-certification program are still subject to random inspections.[87] Properties in the program receive a discount on the Rental Inspection Housing Program fee.[88]

Rental property owners in Santa Cruz can request to participate in the self-certification program if the property is well-maintained and has had no code violations in the preceding three years.[89] In order to remain in the program, owners must annually self-certify each residential dwelling unit and pay an annual self-certification fee.[90] While the city will generally inspect other units annually,[91] participants in the self-certification program are subject to a reduced inspection cycle: twenty percent of the units on each property (or at least one unit on smaller properties) are inspected not more than once every five years, so long as the property does not deteriorate to the point of no longer meeting eligibility standards for the self-certification program.[92]

Practice Tip

Programs that only conduct inspections during vacancies will overlook units in poor shape, fail to discover conditions that residents might point out, and offer little protection to long-term tenants. In addition, because there is no tenant to verify that needed repairs are made, the locality may need to spend additional resources checking to make sure that property owners comply with repair orders, or repairs may not even be made.

Boston's program originally provided for inspection upon change in tenancy and depended on owners to report turnover to the city.[82] Notably, under that program, 98 percent of the city's 20,000-plus inspections were the result of tenant complaints rather than reported turnovers. Boston revised its program in 2012 to address this issue, adding regular inspections to all non-exempt rental properties.[83]

Vacancy Inspections

Some localities require inspections only when a unit is vacated due to a change in tenancy.[93] Inspections and repairs may be easier to conduct and less disruptive when a tenant is not present. In addition, by conducting repairs before a tenancy begins, a rental housing inspection program can help protect future tenants from being exposed to dangerous conditions, such as deteriorating lead-based paint or fire hazards.

Notice of Inspection and Entry of Occupied Units

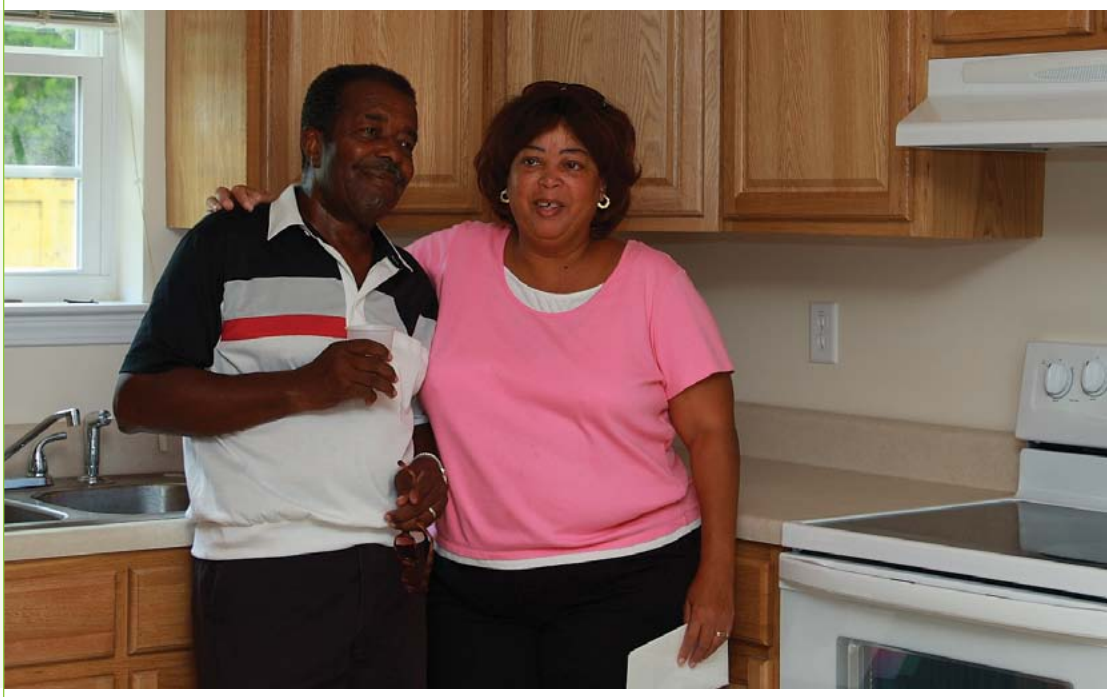
Notice of Inspection

Unlike most complaint-based inspections, proactive rental inspections are undertaken without a request from the occupant. As a result, notice of a pending inspection serves an array of critical functions. By informing tenants about the purpose and process of inspections, notice can allay tenant fears, prepare tenants for a stranger to arrive at door, and encourage tenants to permit entry. Giving tenants notice of the scheduled date and time of an inspection can also increase the likelihood that a tenant will be home and available to permit the inspector to enter. Notice also provides localities with an opportunity to educate tenants and landlords about their rights and duties under the law. Finally, notice can alleviate some privacy concerns that residents may have by giving them the opportunity to, in advance of inspections, store personal items that are unrelated to code enforcement.

Practice Tip

Notices should be clearly worded and provided in a manner that takes into account language and other communication barriers.[94]

In developing notices and other materials to support a periodic rental inspection program, it is important to look at local government policies for guidance on language access. Depending on the applicable federal, state, and local laws, translation of the notice into commonly spoken languages may not only be a best practice, it may be a requirement.



Some programs notify property owners and rely on them to give notice to tenants.[96] However, the critical goals of notice are better served by providing notice directly to tenants as well; in the cases where housing inspection is most needed to address egregious code violations, landlords may be least likely to communicate notice to tenants. Programs provide notice to tenants by mail, posting notice at the property, or both.[97, 98, 99]

LANDLORD ENTRY

States often have laws defining the reasons for which a landlord may enter a rental property, and the amount of notice a landlord must provide to a tenant before entry. Whether rental housing inspection is a permissible reason for entry depends on state and local law, and this should be considered in designing a proactive rental inspection program.

In addition to the legal question, there are also practical considerations that may impact whether a PRI program encourages or requires landlord presence at inspections. Tenants may be intimidated and not feel comfortable talking openly with an inspector in the presence of the property owner or manager.[95] This dynamic may reduce the ability of the code inspector to effectively identify substandard living conditions.

Tenant Consent to Inspector Entry

Under the 4th Amendment to the U.S. Constitution, tenants have the right to be secure in their homes against unreasonable searches. At the same time, state and local police power authorize laws that are reasonably related to the public health, safety, and welfare of residents. The U.S. Supreme Court has recognized that local inspection powers are of "indispensable importance to the maintenance of community health."[100] There is a strong government interest in preventing "even the unintentional development of conditions which are hazardous to public health and safety."[101]

A government agent's entry into a private home without the tenant's consent is presumed to be unreasonable, unless there are emergency circumstances or a warrant to justify the intrusion.[102] Therefore, an inspector must have affirmative consent from the resident prior to or at the time of the inspection. Programs may allow inspectors to obtain tenant consent for entry at the time of the inspection[103] or through a pre-inspection consent form.[104]

Under a complaint-based inspection program, where the inspection is generally requested by a tenant, securing permission is typically very straightforward. However, under a PRI program, it may be more complicated for inspectors to get consent to enter from the tenant, for a variety of reasons. For example, a tenant may be wary of government inspectors, have privacy concerns, or even not understand why an inspector has come to the residence. Moreover, the tenant may not be able to be present at the time of an inspection due to work or other obligations.

Practice Tip

Education and outreach by municipal and community groups, discussed later, is often an effective strategy for gaining tenant trust and cooperation.

MUNICIPAL INSPECTORS OR APPROVED PRIVATE INSPECTORS

PRI programs may deploy municipal inspection employees or contractors, or allow licensed third-party inspectors. Many programs, including those in Los Angeles, Fort Worth, and Sacramento, use municipal inspectors. Other localities, including Boulder and Baltimore, require property owners to contract with a licensed home inspector.[105] In Boston and Seattle, property owners may use public inspectors or authorized private inspectors.[106]

These differing practices may proceed from state law, historical practice, or a political or economic decision by a locality not to hire additional municipal employees. For example, in Washington, the state supreme court examined the rental inspection program of the City of Pasco, under which (1) landlords could choose from a range of public or private inspectors and (2) landlords did not need to furnish the city with details of the inspection report – only a certification of compliance based upon inspection.[107] The court found that this program did not constitute "state action" or violate state or constitutional protections against unreasonable search. This ruling has affected how other Washington cities have designed their rental inspection programs.

While tenants often give consent to the inspector to enter, a tenant may deny consent for any of the reasons mentioned above. Where necessary, PRI ordinances may empower the locality to seek an administrative inspection warrant from a court of competent jurisdiction.[108, 109, 110]

Scope of Inspection

PRI programs must designate whether inspections will include: (1) exteriors of buildings; (2) interior common areas; and/or (3) individual units in a building.

Exterior Inspections

Many programs include exterior inspection, while some focus *exclusively* on exterior buildings, yards, and, sometimes, common areas of buildings. Exterior inspections can help to identify nuisances and blighted property, and prevent crime and fires. Analysis of data from the American Housing Survey, conducted by the Census Bureau for the U.S. Department of Housing and Urban Development, has found that exterior and interior conditions are related: the greater the number of certain exterior problems, the more likely that housing has associated interior problems. For example, a sagging roof portends interior problems with pests and moisture.[111] However, an exterior inspection alone cannot identify unsafe and substandard conditions, such as electrical, plumbing, and structural problems, that reside within the rental unit or the building's stairs, hallways, and other common areas.[112, 113]

Kansas City, Missouri's program conducts inspections of exteriors of buildings, accessory buildings, and yards; in multi-unit buildings, it also conducts inspections of common areas. It only inspects the interior of units that are vacant at the time of the inspection.[114]

San Francisco conducts periodic inspections of the exterior and common areas of apartment houses and hotels,[115] and will only inspect the interior of dwelling units upon the receipt of occupant complaints, or if it is determined that an interior inspection is reasonably necessary to determine whether a housing code violation exists.[116]

Practice Tip

Beginning a PRI program with exterior inspections and vacant unit inspections may be one strategy for launching a program in communities with obstacles to systematic interior inspections.

RESOURCES FOR HEALTHY HOUSING INSPECTIONS

U.S. Centers for Disease Control and Prevention's Healthy Housing Inspection Manual, developed for environmental health professionals, inspectors, and others, has a visual assessment data collection form as well as a resident questionnaire. The U.S. Department of Housing and Urban Development (HUD) has developed a rating tool for health and safety hazards based on a tool used in the United Kingdom.[117] The Pediatric Environmental Home Assessment was created to assist health professionals during home visits.[118]

Interior Inspections

The most comprehensive systematic rental housing inspection programs mandate interior inspections of rental units, to ensure that the areas where tenants spend most of their time are in safe and healthy condition.

Most municipal code enforcement departments have procedures and checklists that identify what inspectors should look for when conducting an interior inspection of a residence.[119, 120] These materials, usually designed for complaint-based programs, can be easily adapted for proactive rental inspection programs. However, the process of implementing a systematic rental inspection program can also afford an opportunity to review other aspects of code enforcement, such as the scope of interior inspections, to ensure that the program effectively protects the health of residents.

Sampling formulas: Often, localities cannot devote all the resources necessary to inspect every unit in multi-unit buildings. Instead, these localities may use sampling formulas. In Sacramento, for example, the inspection of a multi-unit building includes all common areas and a random sampling of no less than ten percent of rental housing units.[121] If the inspector determines that a property is in violation of any standard, the inspector is authorized to inspect additional, or all, units of that property.[122]

Seattle uses a different formula: in buildings containing 20 or fewer units, a minimum of two units must be inspected. In buildings containing more than 20 units, 15 percent of the rental units must be inspected, up to 50 rental units in each building.[123]

Practice Tip

It is important that code enforcement officials independently determine which units to sample, rather than letting owners select which units are to be inspected. This ensures that representative units, not just the best-maintained ones, are inspected.

LEAD HAZARD INSPECTIONS

While lead-based paint was banned for residential use in 1978, lead remains a health hazard for those who live in housing constructed prior to 1978, particularly for children.

Some PRI programs specifically address lead hazards. Rochester, New York, for example, requires all multi-unit buildings to undergo visual assessment for deteriorated paint and bare soil violations as part of housing inspection.[124] Owners of housing containing five or fewer units in identified high-risk areas are responsible for having dust samples taken and tested, and submitting the results to the Lead Inspection Unit.[125] When enacting the law, Rochester established a citizen advisory group to assist with public education and implementation.[126] An independent evaluation of the ordinance found that by 2010 (four years after the law was enacted), the city had inspected nearly all pre-1978 rental units.[127] This evaluation suggests that the lead law contributed significantly to declines in children's blood lead levels.[128] In addition, 94% of units passed visual inspections and 89% of units tested passed dust wipe inspections – much higher rates than were predicted based on prior local and national studies – indicating lead safety of rental housing had improved since enactment of the law.[129] Finally, while property owners had concerns that the cost of complying with the law would cause widespread abandonment of rental properties due to low property values and narrow profit margins in Rochester's rental housing market, that scenario did not transpire.[130]

Washington DC's law requires rental property owners to obtain a clearance report from a licensed professional, indicating that there are no lead dust hazards or deteriorated paint in any pre-1979 homes that are to be occupied by a family with a child.[131]

Enforcement to Address Code Violations

One of the most important elements of any rental inspection program – complaint-based or proactive – is enforcement when violations are discovered. Implementing appropriate remedies for identified code violations (and when a property owner fails to make repairs) helps ensure that program goals are met and tenants are protected from substandard housing conditions.

Localities use a range of tools to enforce property maintenance, housing, sanitary, and health laws. The methods a locality may use are often dependent on state law and on what powers the state delegates to localities.

Generally, the move from a complaint-based system to proactive rental inspection doesn't require major changes in the types of actions taken in response to violations. However, if a locality's existing complaint-based rental inspection program is facing enforcement challenges, the locality should take the opportunity to address these challenges in designing and implementing a more comprehensive program.

The primary goal of PRI programs is to ensure that housing is properly maintained. When an inspection reveals a substandard condition in a covered dwelling, most localities will issue a notice or order to comply, setting out the owner's rights and obligations, as well as the consequences of continued non-compliance.[132] The order will typically specify a time window for compliance. Los Angeles, for example, allows no more than 30 days for correction of non-serious violations, with the possibility of an extension if significant progress has been completed by the end of 30 days.[133] For violations that pose a serious risk to the health or safety of the occupants or the public, Los Angeles requires that the substandard condition must be abated (repaired) in no more than 14 days, with no possibility of extension.[134]

If a violation poses an imminent danger to the health or safety of tenants, most programs move quickly to remedy the situation. In Los Angeles, the city can order that the landlord fix the violation within 48 hours, and then re-inspect the building within the next 24 hours. If the condition has not been abated, the city is authorized to make the repair and then require the property owner to reimburse the city.[135]

Fines, which are a common component of program enforcement when an owner fails to make repairs in a timely manner, are discussed further in the **Funding PRI Programs** section (see page 19).

A few interesting enforcement approaches are described below:

Practice Tip

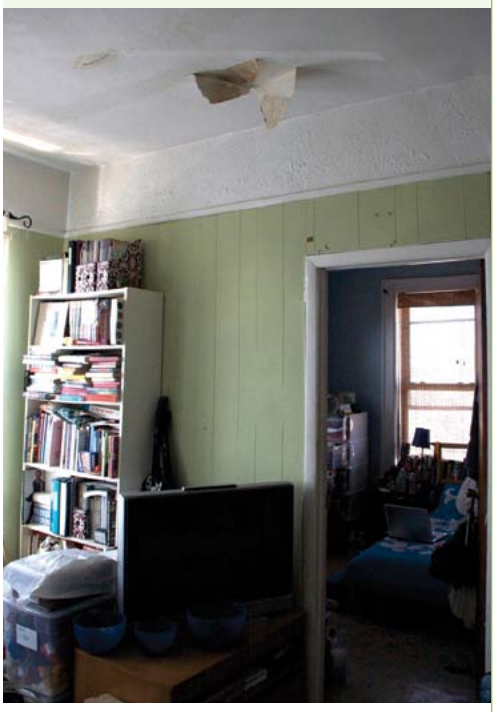
To prevent evictions and maximize the number of units that can be "saved" and preserved in the rental housing market, PRI programs should strive to exhaust all options for bringing a failing or illegal unit up to code.

Rent Escrow Accounts

One interesting feature of the Los Angeles Systematic Code Enforcement Program is the city's Rent Escrow Account Program (REAP), which is activated when a property owner fails to fix code violations within the time allotted. After a hearing on the violations, the property units may be ordered into REAP by the manager of the Housing Department. When a property is in REAP, tenants receive a rent reduction for the cited code violations at the property and are given the option of paying their reduced monthly rent into an escrow account or to the landlord. The city records the Notice of REAP as a property lien,

Practice Tip

For clarity, in developing a rental licensing program, a locality might consider specifying that an owner's failure to obtain a license is a valid defense that a tenant can use against eviction proceedings.



CDBG FUNDING

Code enforcement is an eligible expense under Community Development Block Grants (CDBG), which are provided by HUD on a formula basis to entitlement communities (cities and urban counties), and to states for non-entitlement communities.[136] The International Code Council recently published guidelines for code officials regarding the use of CDBG funds for this purpose.[137]

which may restrict refinancing or sale of the property. The property owner is assessed a monthly administrative fee per rental unit. To clear the title of the REAP Notice, the property must come into compliance with codes and all fees due the Housing Department must be paid.[138] The Housing Department contracts with several nonprofit organizations to provide outreach to tenants about the program and to assist landlords in expediting compliance.[139]

Registration as a Prerequisite to Eviction Actions

Anne Arundel County, MD, requires that property owners obtain a rental license before renting residential property consisting of two or more units.[140] In an eviction action brought by an owner who had failed to obtain the required license, the Maryland Court of Appeals, the state's supreme court, held that the owner could not evict a tenant before complying with the county licensing requirement.[141]

Monitoring Substandard Properties

In 2007, faced with a backlog of unresolved substandard housing cases and a slow rate of compliance, the city of Lansing created a new program to track and monitor unsafe and substandard housing: the Neighborhood Enhancement Action Team (NEAT). NEAT tracks properties that have been 'tagged' as unsafe for habitation based on internal or external conditions. A tagged property is transferred to the NEAT program after 90 days of noncompliance. For every month that the violations are not addressed, the landlord incurs a $150 fee. Property owners are not charged the fee if they can demonstrate progress toward habitability. This incentive has had a dramatic effect on the number of tagged properties in the city, which has steadily decreased from 740 in 2007 to 362 in 2013 (224 of which were NEAT properties). At the start of the program, about half of the properties had been tagged for 5-7 years; ten months into the program, the average length of time a property was tagged had dropped to 147 days.[142]

Funding PRI Programs

Most systematic rental inspection programs are funded, solely or in part, by fees levied against property owners. Localities commonly impose fines and penalties for housing code violations or other program violations. Examples of fee schedules from a number of localities are described below.

Registration, license, and program fees: Localities commonly charge registration, program, licensing, or certificate fees to cover the costs of implementing and administrating a proactive rental inspection program. These fees are often charged based on the size of the rental property. For example, they may be determined based on the number of rental units; or apportioned at different rates for small, medium or large buildings; or assessed by square footage.

Localities may charge these fees on a one-time or recurring basis, depending on the nature of the fee and the length of the program cycle. For example, Antioch, CA charges a one-time initial registration fee when a property enters the program.[143] In contrast, Santa Cruz, CA charges an annual registration fee and requires that landlords annually reregister all rental units.[144]

Inspection fees: In addition to registration, licensing, or programming fees, some localities assess inspection fees annually (or for each period of a program's cycle) for units subject to mandatory inspection; others assess inspection fees only when an inspection is to actually take place. Localities with self-certification programs may discount or waive the inspection fee for units that are owner-inspected, although they may charge a separate self-certification fee.

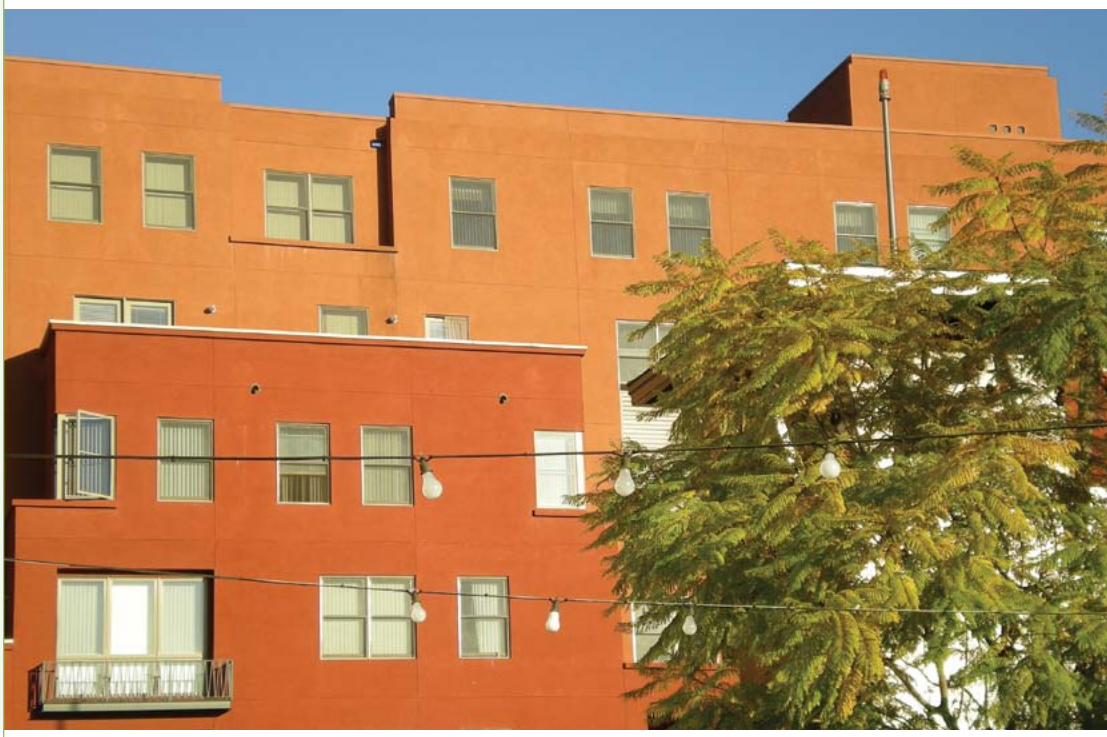
Re-inspection fees: Most localities charge a reinspection fee to cover the cost of additional inspections after violations are uncovered during an initial inspection. Targeting these costs to property owners not in compliance can keep fee costs down for landlords who do maintain their properties appropriately. As an incentive for owners to remedy code violations, some localities will only charge this fee on the second or subsequent reinspection, if violations have not been corrected within a specified period after the initial inspection.

Other fees: Some localities impose a fee for rescheduling or for missed appointments. Several localities impose penalties for late payment of any of the required fees. Where the locality provides for abatement of code violations, the abatement fee may cover the costs incurred by the locality, including administration and labor.

Penalties/Fines for violation: Localities may impose administrative or civil (monetary) penalties for violations of the proactive rental inspection program and property maintenance codes. Localities sometimes impose criminal fines as well.[148]

Practice Tip

Relying heavily on penalties to sustain a program may result in an unpredictable funding stream. Sacramento began its PRI program with a focused pilot program. The city anticipated that the cost of the program would be offset by the revenue from fines and penalties.[145] However, with the implementation of the pilot program, property owners brought their properties into compliance more quickly than anticipated. As a result, the pilot program assessed significantly fewer penalties and generated less revenue than expected.[146] To help ensure that the program could be self-sustaining, Sacramento adopted a different fee schedule when implementing its city-wide program.[147]



A Sample of Fee Schedules for PRI Programs

	KANSAS CITY, MO Residential Rental Registration and Inspection Program[149]	**SACRAMENTO, CA** Rental Housing Inspection Program[150]	**BOULDER, CO** Rental Licensing Program[151]	**SANTA CRUZ, CA** Rental Dwelling Unit Inspection Program[152]	**WASHINGTON, DC** Rental Housing Business License[153]
Program fee		$16 per year			$35 per unit, for buildings with three or more units, charged at the issuance or renewal of the license (not to exceed $2000 biennially)
License or Registration fee	No fee to register Delinquent registration fee for properties not registered by 1/31: $50 in February, increasing by $50 per month, to a maximum penalty of $500 Additional $200 per month per structure for failure to register		$70 per building charged before a rental license is issued or renewed, covering all units within the building In addition, $70 per unit for units attached to a building but individually owned	$45 per year per building	$21.50 annually per unit at the initial issuance of the license
Self-certification fee		Inspection fee waived for units in self-cert program		20% of units @ $20 per unit	
Inspection fee		$127 per unit for rental housing units subject to mandatory inspections $127 per unit for each additional unit inspected because of a violation discovered on the property $80 rescheduling fee	$250 per inspection performed	$20 per unit, to cover the cost of an annual inspection and one compliance reinspection, if necessary Not paid by units in the self-certification program	
Reinspection fee	$100 for second and each subsequent re-inspection	$127 per unit for reinspection of each rental housing unit that fails to correct violations within the required timeframe	$107 per hour, payable if the owner fails to correct any violation after the first compliance reinspection		$90 for any reinspection of a licensee's premises for routine housing code violations
Penalties	Localities may also impose civil and criminal penalties for violation of a rental housing inspection ordinance or other applicable city codes				

Evaluation

Evaluation is an important, though often overlooked, component of government programs. The purpose of PRI programs is to preserve housing stock, improve habitability for tenants, and ensure that the locality receives property taxes. In these days of shrinking public resources, it is important to make certain that programs achieve their desired outcomes. Also, to ensure effective funding mechanisms, it is necessary to evaluate the costs of programs versus the revenue generated by their fees and penalties.

Under Boston's systematic rental inspection program, an annual report must be provided to the city council detailing the activities of the program, including the number of inspections requested and performed each month by the various types of inspectors, the total number of violations identified through inspections, the number of exemptions requested and granted, the number of violations prosecuted, the amount of fines levied and collected, and an overall assessment of the program and plans for improvements.[154]

Beginning in 2014, Seattle, which adopted a periodic rental inspection program in 2012, will require an annual report to the city council that will include an evaluation of properties' registration status (including details about any previously unidentified housing units that have been discovered); property owners' compliance in allowing inspections to be completed within the applicable 60-day timeframe; the results of inspections where properties have a previous history of violations; whether the program fees actually reflect the program costs; the number of inspections that have resulted from complaints; the extent to which the civil warrant process has been used; and any audits and findings on inspections.[155]

Kansas City, MO requires its city council to review its program provisions and requirements at least every two years to determine whether to maintain, modify, or terminate the program.[156]

Staff in Santa Cruz, CA will provide their city council with a report of rental housing units saved and lost following the first round of proactive registration and inspections.[157]

VENTURA, CA: INNOVATIVE SOLUTIONS

In the initial phase of the city's proactive inspection program, inspectors in Ventura, CA found 15 illegal converted rental units—just a small fraction of the 300-500 such units that officials believe exist. In order to meet the city's commitment to address substandard housing and promote a healthy environment, staff made an innovative recommendation, informed by a collaboration with community members: Grant amnesty to illegally converted units for 30 months, suspending all fines and penalties while owners brought the units up to code. Eligibility was confined to second units on properties that allowed residential use, with an occupancy date prior to the city council's initial action.

Low-income landlords were also eligible for newly created Affordable Rental Housing Preservation Loans to cover the cost of compliance, on the condition that tenants be charged federally established affordable rates for the duration of the 15-year loan term.[158] The program includes an educational component, bases fees on the in-service date (when the property was first occupied), and waives zoning violations that do not impact health and safety, including setbacks, lot coverage, and on-site parking requirements. As of August 2013, the city had received 53 applications, and had inspected and approved 41 properties, with another 5 in process.[159]

CHALLENGES WHEN IMPLEMENTING PRI PROGRAMS

PRI programs can yield important improvements in a locality's housing stock. But they may also amplify many of the challenges that arise with traditional complaint-based programs, because (1) proactive inspection programs typically bring inspectors into contact with a much wider cross-section of a locality's housing, and (2) inspections are not initiated exclusively by tenant complaints. In some cases, code enforcement activities can potentially result in displacement of tenants. This section examines some common challenges, and the following section offers strategies for addressing these challenges to maximize the effectiveness and benefits of PRI programs.

Uninhabitable and "Illegal" Units

In extreme cases, an inspector may find substandard conditions that immediately threaten the health and safety of residents. PRI programs should include measures that require landlords to fix properties quickly; however, in the worst cases, the locality may require a tenant to vacate the property.

Inspectors may also encounter "illegal" units: units that have not been registered or licensed, and units that exist in violation of zoning or building codes. Where possible, localities should aim to bring units into compliance to preserve rental housing stock.

Where uninhabitable or illegal units cannot be brought into compliance, relocation programs and supportive social programs, discussed in more detail below, are critical to ensure that tenants remain housed.

Tenant-Side Code Violations

Because PRI program inspectors are not only invited into rental housing units by tenants filing complaints, they are more likely to uncover tenant-side code violations or illegal occupancies than they would under complaint-based programs. Because the central goal of proactive rental inspection programs is to maintain housing in safe and healthy condition, code enforcement should prioritize remedying such violations rather than displacing tenants from their homes.

Hoarding: About three to five percent of Americans suffer from hoarding.[160, 161, 162, 163] Severe hoarding not only puts a tenant and other occupants of a housing unit at risk, but may place neighboring residents at risk of fire, disease, or infestation of vermin.[164, 165, 166] This disorder is not widely understood and localities often struggle with effective ways to address hoarding.[167] For example, one study out of New York found that "almost a quarter of individuals seeking help for housing problems from a community eviction prevention organization met the criteria for [hoarding disorder]; only about half of these individuals were receiving mental health treatment."[168] However, as hoarding is a form of mental illness,[169] localities should identify ways to assist hoarders without rendering them homeless.[170, 171]

DISPLACEMENT AND HEALTH

Like substandard conditions, housing instability, displacement, and homelessness have significant, negative impacts on health. Children and adults who experience housing instability and homelessness are at greater risk for poor health than those in stable housing.[172] Stable housing can improve mental health outcomes for residents, reduce stress-related health outcomes, and provide a stable foundation for accessing other critical social and health services.[173]

Practice Tip

As localities aim to improve the health of families and communities through code enforcement, it is critical that they consider and address any potential for displacement, to ensure that health gains through better housing conditions are not paired with health losses through displacement.

For example, there are over 20 hoarding task forces across the state of Massachusetts, organized by a range of agencies, including county health departments, senior services agencies, housing authorities, local governments, and housing nonprofits. These task forces are supported by a Statewide Steering Committee on Hoarding (SSCH), facilitated by MassHousing, a housing nonprofit. The SSCH was created to bring together professionals from different sectors to address the complex psychological and policy issues associated with hoarding. To date, the SSCH has conducted trainings for over 2,000 people, and has developed a risk assessment tool.[174, 175]

Overcrowding: Overcrowding of units, especially in localities with expensive or tight housing markets, is another challenge for PRI programs. Low-income residents may have few alternatives to shared housing.[176, 177] However, where inspectors find that occupancy levels violate applicable codes, tenants may be displaced.

Rent Increases

When property owners make substantial repairs to a rental unit, they may pass the cost of repairs along to tenants in the form of significant rent increases. However, by identifying conditions early, periodic rental inspection programs may also help limit the cost of deferred maintenance. In addition, some states have laws that prevent landlords from collecting rents if a municipal inspection has identified violations and repairs remain outstanding after a reasonable time.[178]

STRATEGIES FOR SUCCESS

As increasing number of localities have enacted PRI programs, a number of strategies have emerged to address the above challenges and ensure successful programs. We highlight a few below.

Involve Diverse Stakeholders in Designing the Program

As described above, PRI programs differ from locality to locality. The most effective programs are targeted to local housing stock characteristics and the specific concerns of the community. In taking this approach, proactive code inspections program should be designed with input from diverse stakeholder groups.[179] In Seattle, for example, the city council required the Department of Building Inspections to convene a Residential Rental Property Licensing and Inspection Stakeholder Group, which would issue recommendations for the Rental Registration and Inspection Ordinance.[180] The stakeholder group met almost a dozen times over a six-month period, with the assistance of a professional facilitator and mediator. The input of all represented groups was carefully documented.[181]

Involve Community-Based Organizations in Implementation

Proactive rental housing inspection programs bring code enforcement officers into contact with a broader cross-section of residents than do complaint-based programs – including many residents who have not affirmatively sought out housing inspections. In order to help educate tenants and landlords about rental housing inspections, allay resident concerns, and ensure effective implementation of inspections, some localities have involved community members and nonprofit organizations in the implementation of their programs.

In Los Angeles, after repeated incidents in which city inspectors were unable to gain entry into homes for lead inspections, the Healthy Homes Collaborative, an association of community-based organizations, partnered with the Los Angeles Housing Department and the L.A. County Department of Public Health to ensure that violations are repaired safely. Under the partnership, a member of the collaborative visits selected homes prior to scheduled city inspections. The collaborative representative assists residents in preparing for inspections by educating residents about lead hazards and lead-safe work practices, providing information and referrals about blood lead testing and how to report unsafe repair work, listing potential defects, and informing residents of their legal rights.[182] Significantly, city inspectors who visited properties that were pre-visited by collaborative staff have gained entry 80 percent of the time, compared with 20 percent for homes that were not pre-visited.[183]

Similarly, with difficult cases, such as those involving hoarding, overcrowding, or potential displacement, housing inspectors should collaborate with social and legal services agencies and community organizations, which can assist tenants by helping them access critical supportive services.

Provide Training for Code Enforcement Staff

As proactive rental inspection programs bring inspectors into wider contact with residents, it is very important that officers be able to interact effectively with a diverse population. In tandem with implementing proactive rental inspection programs, localities can provide training to code enforcement officers to ensure that they are prepared to: conduct inspections in a culturally sensitive manner; be attentive to the special concerns of particular groups (e.g., seniors, undocumented persons); and employ effective strategies to overcome language and other communication barriers. In particular, having multilingual inspectors and support staff ensures that all tenants are able to communicate effectively throughout the inspection process.

The Boston Inspectional Services Department briefs and trains other city staff who might interact with the program, such as the building division. Division heads are briefed on the program's budget, staffing, and operations at biweekly meetings.[184]

Provide Education, Outreach and Ongoing Support for Landlords and Tenants

Unlike complaint based-systems, PRI programs affirmatively aim to interface with most landlords and tenants. Ensuring that all parties understand the program and their obligations under the program helps to ease the transition.

A number of localities have developed programs to help educate landlords and tenants about the rental inspection program and their obligations; many also provide written materials and checklists for tenants and landlords on applicable housing code provisions. Other localities carry out far-reaching publicity campaigns, including billboards, posters on bus shelters,[185] and notices on property tax and water bills.[186] Los Angeles conducts a full range of workshops and monthly drop-in sessions to address questions.[187] Sacramento requires that owners distribute city-approved forms concerning tenants' rights and

responsibilities before the commencement of any tenancy.[188] With the support of the mayor's office, Boston's Inspectional Services Department holds monthly landlord seminars to discuss the rental registration program and inspection process. These seminars are scheduled in the evening to encourage attendance.[189, 190] Kansas City, KS, staff are working with a local community college to develop an online training program for landlords.[191] Programs should also work with tenant housing organizations and legal aid organizations to ensure that tenants can understand and assert their rights.

Implement Complementary Programs

Finally, PRI programs can be more effectively implemented when the locality also puts into place complementary programs to address related housing issues.

Funded relocation: Funded tenant relocation assistance programs help ensure that displacement resulting from code enforcement efforts doesn't result in housing instability and homelessness, which have significant negative health impacts.[192, 193, 194] Los Angeles, for example, has a Tenant Relocation Assistance Program, which entitles a tenant to financial assistance from the property owner to find new housing.[195] Often, relocation programs will provide different levels of funding for temporary and permanent displacement. In some instances, owners may be unable or unwilling to pay relocation fees to tenants promptly – or at all. For this reason, and because low-income tenants often lack sufficient assets to move readily, it is critical that localities set aside designated funds to pay tenants when landlords cannot. Municipal relocation ordinances sometimes allow the locality to place a lien on the property to recoup these relocation payments from the owner.

Financial assistance for low-income landlords to make repairs: There are some instances where low-income property owners may be unable to make repairs on rental properties, a situation magnified by the recent mortgage and credit crises. Financial assistance for low-income landlords can help ensure that needed repairs get made.

Rent control: As mentioned in the previous section, tenants may be subject to rent increases after a landlord conducts repairs to bring a unit into compliance. In some localities, where permitted under state law, rent control laws may protect tenants from sharp rent increases by limiting allowable pass-throughs of program fees. For example, in Los Angeles, landlords are permitted to pass through the registration and inspection fees onto tenants, but if they do so, they must pass the charges along as prorated monthly fees so that tenants can absorb the cost over the course of a year.[196] In addition, while localities with rent control ordinances allow landlords to recoup their capital improvement costs from tenants, they may require that the costs be recouped in a gradual fashion over a period of time, such as several years.[197]

Public access to code violation information: By providing tenants and the public with readily available registration status and code violation information about specific properties, localities can incentivize rental owners to comply with registration requirements and give the community tools for enforcement as well as critical information.

Grand Rapids provides online access to its lists of registered properties, allowing tenants or prospective tenants to easily find out whether properties are registered and whether registered properties have certificates of compliance.[198] Boston will maintain an online, searchable Chronic Offenders Registry that includes a list of landlords who regularly fail to correct problems.[199]

In an effort to increase prospective tenants' access to rental property information, Code for America, in collaboration with the City of San Francisco and other industry stakeholders, developed a reportable, uniform data standard for housing code violations.[200] By adopting a uniform data standard, San Francisco ensures that the data is available for use in additional applications – the sum effect of which is to increase consumer access to housing information. A number of other localities have also committed to adopting the standard, including Las Vegas, NV; Kansas City, MO; Gary and Bloomington, IN; Olathe, KS; and Bayside, WI.[201]

CONCLUSION

Health and housing are tightly connected. To protect residents from an array of housing related health risks – such as asthma, allergies, lead poisoning, and injury – localities must ensure that local housing stock is well-maintained and in compliance with applicable housing and property maintenance codes. Proactive rental inspection programs can effectively achieve this by: addressing housing conditions before they become severe; protecting vulnerable tenants who often fall through the cracks of a complaint-cased system; and preserving critical housing stock. At the same time, PRI programs can benefit landlords and communities by protecting the property values of rental housing and neighboring homes.

There are many different ways to design a municipal PRI program. The most effective programs will be tailored to the characteristics of the local rental housing stock, factor in on-the-ground political and resource limitations, anticipate potential challenges in adoption and implementation, and incorporate broad-based strategies to ensure that local rental housing remains not only safe and healthy, but stable and affordable for all tenants.

[1] Krieger J. and Higgins D., "Housing and Health: Time Again for Public Health Action." *Public Health Matters,* 92(5):758-768, 2002.

[2] U.S. Department of Housing and Urban Development, Federal Healthy Homes Work Group, "Advancing Healthy Housing: A Strategy for Action." Page 14, 2013. Available at: *http://portal.hud.gov/hudportal/HUD?src=/program_offices/healthy_homes/advhh*

[3] Marshall, S., Runyan, C., Yang, J., et al, "Prevalence of Selected Risk and Protective Factors for Falls in the Home." *American Journal of Preventative Medicine.* 28(1):95-101, 2005.

[4] U.S. Department of Health and Human Services, Office of Disease Prevention and Health Promotion, *Healthy People 2020.* Washington, DC. Available at: *www.healthypeople.gov/2020/topicsobjectives2020/overview.aspx?topicid=36*

[5] Pollack, C., Egerter, S., Sadegh-Nobari, T. et al, "Where We Live Matters for Our Health: The Links Between Housing and Health." *Issue Brief 2: Housing and Health.* RWJF Commission to Build a Healthier America, 2008. Available at: *www.commissiononhealth.org/PDF/e6244e9e-f630-4285-9ad7- 16016dd7e493/Issue%20Brief%202%20Sept%2008%20-%20Housing%20and%20Health.pdf*

[6] U.S. Department of Housing and Urban Development, Federal Healthy Homes Work Group, "Advancing Healthy Housing: A Strategy for Action." Page 14, 2013. Available at: *http://portal.hud.gov/hudportal/HUD?src=/program_offices/healthy_homes/advhh*

[7] See Pollack et al, *supra* note 5.

[8] Kochera, A., "Falls Among Older Persons and the Role of the Home: An Analysis of Cost, Incidence, and Potential Savings from Home Modification." *Issue Brief 56.* AARP Public Policy Institute, 2002. Available at: *http://assets.aarp.org/rgcenter/il/ib56_falls.pdf*

[9] Gould, E., "Childhood Lead Poisoning: Conservative Estimates of the Social and Economic Benefits of Lead Hazard Control." *Environmental Health Perspectives,* 117(7):1162-7, 2009.

[10] Hickey, C. "Ensuring Housing Quality: Proactive Minimum Housing Code Inspections of Rental Properties in North Carolina Cities 3." Master's thesis, University of North Carolina at Chapel Hill: 2008. Available at: *http://ghc.illkd.com/wp-content/uploads/2008/04/enhancinghousingquality.pdf*

[11] *Id.*

[12] *Id.*

[13] Harvard Kennedy School, ASH Center for Democratic Governance and Innovation, Systematic Code Enforcement Program, 2005. Available at: *www.innovations.harvard.edu/awards.html?id=7497*

[14] Report to Council, City Council of Sacramento, Ordinance Revisions to City Code Chapter 8.120 Relating to the Rental Housing Inspection Program, 2013. Available at: *http://sacramento.granicus.com/MetaViewer.php?view_id=22&clip_id=3277&meta_id=399614*

[15] *See* Hicky, *supra* note 10.

[16] The state of North Carolina passed legislation in 2011 barring, or preempting, many forms of local periodic rental inspection ordinances, so while the North Carolina programs provide valuable data they are not currently active. See, e.g. Mulligan, C., "New Periodic Inspections Law Brings New Requirements and Legal Risks." *The Public Servant.* 2012. Available at: *http://governmentandpublicsector.ncbar.org/newsletters/publicservantfebruary2012/periodicinspectionslaw*

[17] North Carolina Session Law 2011-281 (S 683). Available at: *www.ncga.state.nc.us/Sessions/2011/Bills/Senate/PDF/S683v0.pdf*

[18] Poor and deferred maintenance can lead to both increased maintenance costs and increased health expenditures. For example, deferring maintenance can lead to a failure to discover water leakage, which may lead to further structural damage, the accumulation of mold, and the degradation of hazardous materials that contain toxins like asbestos or lead. See, e.g., Cummins, S. and Jackson, R., "The Built Environment and Children's Health 6." 2001. Available at: *http://198.246.124.22/healthyplaces/articles/the_built_environment_and_children_health.pdf*

[19] *See, e.g.,* Public Roundtable on the Department of Consumer and Regulatory Affairs Proactive Housing Inspections Program, Testimony of Linda Argo, Council of the District of Columbia Committee on Public Services and Consumer Affairs. 2009. Available at: *http://newsroom.dc.gov/show.aspx/agency/dcra/section/7/release/18803/year/2009*

[20] *See, e.g.,* Oregon Public Health Institute, "Rental Housing and Health Equity in Portland Oregon: A Health Impact Assessment of the City's Rental Housing Inspections Program." 2012. Available at: *www.healthimpactproject.org/resources/body/OPHI-hia_final-report_8.29.pdf*

[21] *See, e.g.,* Human Impact Partners and Legal Aid of Marin, "Marin Healthy Homes Project: A Health Impact Asessment." 2012. Available at: *www.humanimpact.org/component/jdownloads/finish/8/185/0*

[22] *See, e.g.,* Pfeiffer, S. and Rohr, R., "Unsafe Building In Chinatown Prompts Tenants' Rights Campaign." 90.9 WBUR. 2012. Available at: *www.wbur.org/2012/04/23/tenants-rights*

[23] Cal. Civil Code § 1942.5.

[24] *Id.*

[25] For example, in California, for every 8,000 eligible low-income individuals, there is one legal services attorney. Legal Aid Association of California, *Strategic Plan 2011-2015, Executive Summary, 1.* 2011. Available at: *www.calegaladvocates.org/library/item.371319-LAACs_20112015_Strategic_Plan*

[26] *See* "Public Roundtable," *supra* note 19.

[27] *Id.*

[28] In New Jersey, for example, code enforcement is a state function, although the state has a cooperative Housing Inspection Program in which cities undertake the inspections for compensation from the state. NJ. Stat. Ann. § 55:13A-1 *et seq.* Under New Jersey's State Local Cooperative Housing Inspection Program (SLCHIP), in 79 localities, local inspectors perform cyclical inspections and compliance inspections of hotels, motels, and multiple dwellings and earn compensation for the locality. New Jersey Department of Community Affairs, Bureau of Housing Inspection, State of New Jersey. Available at: *www.nj.gov/dca/divisions/codes/offices/housinginspection.html#5*

[29] *See, e.g.,* Ariz. Rev. Stat. Ann. § 9-1302 (limiting the authority of city code enforcement programs to conduct inspections of the interior rental units); Ga. Code Ann. § 36-74-30 (same); N.C. Gen. Stat. Ann. § 153A-364 (same); Tenn. Code. Ann. § 6-54-511 (same).

[30] *See* Hickey, *supra* note 10.

[31] S.B. 683, Gen. Assem., Reg. Sess. (Nc. 2011) (narrowing the grounds upon which a city can conduct a periodic inspection, adding a requirement of "reasonable cause" to believe a substandard condition may exist in a residential building or structure).

[32] Most departments retain their complaint-based systems within their newly enacted PCE programs. *See*, e.g., Los Angeles, Cal Municipal Code § 5-20.401 ("Inspections may also be complaint based.").

[33] Los Angeles City Auditor, Review of the City's Systematic Code Enforcement Program. 2001. Available at: *http://controller.lacity.org/stellent/groups/electedofficials/@ctr_contributor/documents/contributor_web_content/lacityp_008107.pdf*

[34] Report to Council, City Council of Sacramento, Proposed Residential Rental Housing Inspection Pilot Program, 2006. Available at: *http://sacramento.granicus.com/MetaViewer.php?meta_id=67355&view=&showpdf=1*

[35] Sacramento, Cal. Municipal Code ch. 8.120.

[36] Kansas City, Mo. Code of Ordinances § 56-357.

[37] City of St. Louis, MO. Public Permits: Housing Conservation. N.d. Available at: *www.stlcitypermits.com/PublicPermits.aspx*

[38] St. Louis, Mo., Ordinance 69202. (2009). Available at: *www.slpl.lib.mo.us/cco/ords/data/ord9102.htm*

[39] *Id.*

[40] The Fair Housing Act, 42 U.S.C. 3601 *et seq.*

[41] U.S.C.A. Const. Amend. XIV. Several states and localities have enacted mirroring legislation to the Fair Housing Act that may provide for even greater protection and enforcement against discrimination. *See, e.g.,* Conn. Gen. Stat. Ann. § 46a-64c (2013); Cal. Govt. Code § 12955 (2013); N.C. Gen. Stat. Ann. § 41A-4 (2013).

[42] Courts have permitted at least two anti-discrimination lawsuits to proceed against localities for their targeting practice*s. See* 2922 Sherman Ave. Tenants' Ass'n v. Dist. of Columbia, 444 F.3d 673, 687 (D.C. Cir. 2006) (disparate treatment theory).

[43] Gallagher v. Magner, 619 F.3d 823, 845 (8th Cir. 2010) (disparate impact theory).

[44] Los Angeles, Cal. Housing Code § 161.301.

[45] City of Washington, D.C., Department of Consumer and Regulatory Affairs, "What is the Proactive Inspections Program?" N.d. Available at: *http://dcra.dc.gov/book/about-proactive-inspections/what-proactive-inspections-program*

[46] San Francisco, Cal. Housing Code § 303 and § 401.

[47] Seattle Municipal Code § 22.214.040. The Seattle registration and inspection program will be phased in through 2016, beginning with properties with 10+ units, followed by properties with 5-9 units, and finally by properties with 1-4 units.

[48] Grand Rapids, Mich. Municipal Code § 901.2 (within Title VIII, Chapter 140: Property Maintenance Code).

[49] Working group, "Supporting the Long-Term Sustainability of Housing and Neighborhoods in Grand Rapids." 2010. Available at: *http://roofstoroots.org/userfiles/Supporting%20the%20Long-Term%20Sustainability%20of%20Housing%20and%20Neighborhoods%20FINAL%20V2.pdf*

[50] Santa Cruz, Cal. Municipal Code § 21.06.020(E).

[51] *See also* Los Angeles, Cal. Municipal Code § 161.301 (exempting dwelling units within a condominium).

[52] Boston, Mass. Municipal Code § 9-1.3.

[53] Grand Rapids, Mich. Rental Property Municipal Code § 901.2.

[54] *Id.;* Seattle, Wash. Municipal Code § 22.214.030.

[55] Center on Budget and Policy Priorities, "Comparison Between Section 8 Voucher Reform Act (SEVRA 2010), Affordable Housing and Self -Sufficiency Improvement Act (AHHSIA) and Current Law." June 2011. Available at: *www.cbpp.org/files/SEVRA-SESA-current%20law%20comparison.pdf*

[56] Center on Budget and Policy Priorities, "Rental Assistance Reform is Urgently Needed to Help Programs Cope With Funding Shortfalls." 2013. Available at: *www.cbpp.org/files/Rental-Assistance-Reform-Summary-4-3.pdf*

[57] Santa Cruz, Cal. Municipal Code § 21.06.030(B).

[58] *Id.*

[59] However, New Jersey's state-wide inspection program applies to hotels as well as multifamily properties. State of New Jersey Department of Community Affairs, Bureau of Housing Inspection. N.d. Available at: *www.nj.gov/dca/divisions/codes/offices/housinginspection.html*

[60] Registration requirements are common in systematic rental housing inspection programs, but can also be implemented independently, or in connection with other city programs like business license requirements or rent control.

[61] Kansas City, Mo. Code of Ordinances § 56-352(b).

[62] City of Grand Rapids, Code Compliance Division. "Rental and Vacancy Property FAQ's." N.d. Available at: *http://grcity.us/community-development/Code-Compliance-Division/Pages/Rental%20and%20Vacant%20Property%20FAQ's.aspx*

[63] Boulder, Colo. Rev. Code of Ordinances § 10-3-2; Baltimore County, Maryland Code of Ordinances § 35-6-105.

[64] Ann Arbor, Mich. Housing Code § 8:516.

[65] *Id at* § 8:516(3)(c).

[66] Washington, D.C. Housing Code § 200.3-200.5, 202.1-202.3.

[67] Boulder, Colo. Municipal Code § 10-3-2(a).

[68] *Id.* at § 10-3-8.

[69] *See, e.g.,* LA City Lead Poisoning Prevention Pilot Program, Healthy Homes Collaborative. N.d. Available at: *http://healthyhomescollaborative.org/Information/Lead/LACityLeadPoisoningPreventionPilotProgram/tabid/67/Default.aspx*

[70] Baltimore County, Md. Code of Ordinances §§ 35-6-107, 35-6-108; Los Angeles, Cal. Housing Code § 161.353.

[71] Boulder, Colo. Rev. Code of Ordinances § 10-3-3.

[72] Ann Arbor, Mich. Municipal Code § 8:511(1)(a).

[73] Kansas City, Mo. Code of Ordinances § 56-362.

[74] Grand Rapids, Mich. Municipal Code § 1000.1.

[75] *Id.* at § 1000.3.

[76] *Id.* at § 1000.3(1).

[77] *Id.* at § 1000.3(2).

[78] *Id.* at § 1000.3(3).

[79] In a similar vein, Boston's inspection department identifies properties in each neighborhood – based upon their inspection record, court records, documented constituent complaints, and any information related to the status of the property – for priority inspection early in the five-year cycle. Boston, Mass. Municipal Code § 9-1-3(c).

[80] Boston, Mass. Municipal Code §§ 9-1-3(a) and (f).

[81] *Id.* at § 9-1-3(g).

[82] City of Boston, Mayor's Office, "Inspection Ordinance Brings Sweeping Change to Rental Housing Standards in Boston." 2012. Available at: *www.cityofboston.gov/news/default.aspx?id=5903*

[83] *Id.*

[84] Sacramento, Cal. Municipal Code § 8.120.080.

[85] *Id.* at § 8. 120.150(A).

[86] *Id.* at § 8.120.160.

[87] *Id.* at § 8.120.180.

[88] *Id.* at § 8.120.190.

[89] Santa Cruz, Cal. Municipal Code §§ 21.06.080(A) and (C).

[90] *Id.* at §§ 21.06.080(B) and (D).

[91] *Id.* at § 21.06.070(B)(1).

[92] *Id.* at § 21.06.080(B). In contrast, self certification is the norm for the program in Berkeley, CA, which requires that all owners annually self-certify their rental units. Berkeley, Cal. Municipal Code § 12.48.050(A). However, an owner or a tenant may request instead that the city conduct an inspection to ascertain compliance with the applicable housing safety standards. If the Housing Department is not available to conduct the inspection, owners are still required to annually self-certify. *Id.* at § 12.48.050(B). If no violations are found during the city inspection, or any violations are corrected within the cure period, the unit will be exempt from the annual self-certification for approximately three years following the inspection or upon revocation of the certificate of compliance. Additionally, every rental unit is subject to a periodic city inspection, not more than once every three years. *Id.* at § 12.48.070(A).

[93] *See, e.g.,* Kansas City, Mo. Code of Ordinances § 56-364.

[94] For example, Washington, D.C. offers the Proactive Inspection Consent Form on their website in Spanish, Korean, Vietnamese, and Amharic. Department of Consumer and Regulatory Affairs, "About Proactive Inspections." N.d. Available at: *http://dcra.dc.gov/service/proactive-inspection-consent-forms*

[95] *See* Human Impact Partners, *supra* note 21.

[96] *See, e.g.,* Antioch, Cal. Municipal Code § 5-20.402, 5-20.403.

[97] *See, e.g.,* Sacramento, Cal. Municipal Code § 8.120.090 (requiring that the city shall serve written notice to the owner and the local contact representative, and shall mail a copy of the inspection notice to the rental housing units on the property).

[98] Los Angeles, Cal. Municipal Code § 161.602.2 (requiring that the General Manager give written notice to the owner and the tenants. Notice to the tenants may be mailed or posted in the public area of the premises.).

[99] *See also,* Los Angeles, Cal. Municipal Code § 161.604 (requiring that the city shall provide written notice to the occupant in each unit that an inspection occurred, including a telephone number and address where the occupant can get further information about the inspection).

[100] *Camara v. Municipal Court of City & County of San Francisco,* 387 U.S. 523, 537 (1967) (quoting *Frank v. Maryland,* 359 U.S. 360, 372 (1959)).

[101] *Camara v. Municipal Court of City & County of San Francisco,* 387 U.S. at 535.

[102] *Id.* at 528-529.

[103] *See, e.g.,* Los Angeles, Cal. Municipal Code § 161.601 ("This authority shall be subject to the following limitations: (1) If the premises is occupied, the General Manager shall first present proper credentials to the occupant and request entry explaining his reasons... If entry is refused or cannot be obtained, the General Manager shall have recourse to every remedy provided by law to secure lawful entry and inspect the premises, including but not limited to securing an inspection warrant pursuant to California Code of Civil Procedure.").

[104] *See, e.g.,* City of Sacramento, Rental Housing Inspection Program, "Tenant Consent to Inspect Rental Housing Units." 2012. Available at: *http://portal.cityofsacramento.org/~/media/Files/CDD/Code%20Compliance/Programs/Rental%20Housing/RHIPTenantConsent2-7-2012.ashx*

[105] Boulder, Colo. Rev. Code of Ordinances § 10-3-7(b)(1); Baltimore County, Md. Code of Ordinances § 35-6-107(b).

[106] Boston, Mass. Municipal Code § 9-1.3; Seattle, Wash. Municipal Code § 22.214.020(9).

[107] *City of Pasco v. Shaw,* 161 Wash.2d 450, 465 (2007).

[108] *See, e.g.,* Antioch, Cal. Municipal Code, § 5-20.205 (also allocating the costs of obtaining a warrant to the property owner).

[109] The U.S. Supreme Court, in a challenge to a San Francisco housing inspection program, clarified that administrative searches, such as routine housing inspections, do not require the same showing of particular probable cause to validate an inspection warrant as required with a criminal search warrant. Instead, any reasonable legislative program or standards that clarify why a unit is subject to inspection will satisfy the "cause" requirement of an administrative warrant. *Camara v. Municipal Court of City & County of San Francisco, 387 U.S. 523, 538-39 (1967) ("[I]t is obvious that 'probable cause' to issue a warrant to inspect must* exist if reasonable legislative or administrative standards for conducting an area inspection are satisfied with respect to a particular dwelling. Such standards, which will vary with the municipal program being enforced, may be based upon the passage of time, the nature of the building (e.g., a multifamily apartment house), or the condition of the entire area, but they will not necessarily depend upon specific knowledge of the condition of the particular dwelling.").

[110] Some states may have particular statutes addressing the requirements. *See, e.g.,* Cal. Code of Civ. Pro. § 1822.52 (California has enacted into law this reduced cause showing for administrative warrants); N.C. Gen. Stat. Ann. § 160A-424(a)(narrowly defining "reasonable cause" for the purpose of preemption).

[111] National Center for Healthy Housing, "Relationship between Interior Problems and Exterior Problems Based on the American Housing Survey - 2009 National Data for Occupied Housing." National Center for Healthy Housing. 2009. Available at: *www.nchh.org//Portals/0/Contents/Interior_and_Exterior_2009_National.pdf*

[112] Centers for Disease Control and Prevention. Healthy Housing Reference Manual. 2006. Available at: *www.cdc.gov/nceh/publications/books/housing/housing.htm*

[113] Centers for Disease Control and Prevention. Healthy Housing Inspection Manual. 2008. Available at: *www.cdc.gov/nceh/publications/books/inspectionmanual/*

[114] Kansas City, Mo. Code of Ordinances § 56-363.

[115] San Francisco, Cal. Housing Code § 303(a).

[116] *Id.*

[117] U.S. Department of Housing and Urban Development, Healthy Homes Rating Tool. N.d. Available at: *http://portal.hud.gov/hudportal/HUD?src=/program_offices/healthy_homes/hhrs*

[118] National Center for Healthy Housing. Pediatric Environmental Home Assessment. Online training. N.d. Available at: *www.nchh.org/Training/OnlineTraining.aspx*

[119] *See, e.g.,* City of Los Angeles Housing Department, "Preparing Residential Property for the Housing Habitability Inspection." 2005. Available at: *http://lahd.lacity.org/lahdinternet/Portals/0/Code/inspectionprep.pdf*

[120] *See, e.g.,* City of Sacramento, Rental Housing Inspection Program. General Inspection Checklist. 2011. Available at: *http://portal.cityofsacramento.org/~/media/Files/CDD/Code%20Compliance/Programs/Rental%20Housing/RHIPInspectionChecklistSampleCopy.ashx*

[121] Even localities that only inspect a sampling of rental units may require owners who self-certify to conduct self-inspections of each and every dwelling unit in a multi-unit property. *See* Sacramento, Cal. Municipal Code § 8.120.160.

[122] Sacramento, Cal. Municipal Code § 8.120.080(B).

[123] Seattle, Wash. Municipal Code § 22.214.050(G)(1).

[124] Rochester, N.Y. Municipal Code § 90 *et. seq.*

[125] *Id.*

[126] Korfmacher, K., Ayoob M., and Morley, R. , "Rochester's Lead Law: Evaluation of a Local Environmental Health Policy Innovation." *Environmental Health Perspectives.* 2012 February: 120(2); 309-315. Available at: *http://ehp.niehs.nih.gov/1103606/*

[127] *Id.*

[128] *Id.*

[129] *Id.*

[130] *Id.*

[131] D.C. Official Code, § 9-231.01 *et seq.*

[132] *See, e.g.,* Los Angeles, Cal. Municipal Code § 161.702.

[133] *Id.* at §§ 161.704.2-704.3.

[134] *Id.* at § 161.704.4.

[135] *Id.* at § 161.704.5.

[136] 24 CFR § 570.202(c).

[137] International Code Council. *International Code Council Guide to HUD CDBG Funds.* Available at: *www.iccsafe.org/gr/Pages/HUD-webcast.aspx*

[138] *Id.* at § 162 *et seq.*

[139] Los Angeles City, Los Angeles Housing Department, *REAP Outreach.* 2013. Available at: *http://lahd.lacity.org/lahdinternet/REAPOutreach/tabid/303/language/en-US/Default.aspx*

[140] Anne Arundel, Md. County Code § 11-10-102.

[141] *McDaniel v. Baranowski,* 419 Md. 560 (2011). In this case, the county code did not specifically identify an owner's failure to obtain a license as a defense against eviction.

[142] Email from Scott Sanford, City of Lansing Lead Housing Inspector. September 11, 2013.

[143] Antioch, Cal. Municipal Code § 5-20.501; City of Antioch, City of Antioch Master Fee Schedule 7 (2013). Available at: *www.ci.antioch.ca.us/CityGov/Finance/Master-Fee-Schedule-07-01-13.pdf*

[144] Santa Cruz, Cal. Municipal Code § 21.06.060; Santa Cruz, Cal. Resolution No. NS-28,345 (2011).

[145] "Rental Housing Inspection Pilot Program Update," Staff Report to Council, City Council of Sacramento, CA. 2007. Available at: *http://sacramento.granicus.com/MetaViewer.php?meta_id=122879&view=&showpdf=1*

[146] *Id.*

[147] Sacramento, Cal Ordinance NO. 2013-0013, § 8.120.050 (May 28, 2013).

[148] Depending on state law, funds collected through criminal enforcement may be restored to the enforcing locality, or allotted between the locality, state, and/or other government bodies.

[149] Kansas City, Mo. Code of Ordinances § 56-375.

[150] Sacramento, Cal. Resolution No. 2013-0171. Available at: *http://sacramento.granicus.com/MetaViewer.php?view_id=22&clip_id=3277&meta_id=399614*

[151] Boulder, Colo. Municipal Code §§ 10-3-12, 10-3-16, 10-3-17, 4-20-18.

[152] Santa Cruz, Cal. Municipal Code § 21.06.060; Santa Cruz, Cal. Resolution No. NS-28,345 (2011).

[153] Washington, D.C. Housing Code § 207. The DC ordinance also specifies an abatement fee in the amount of $175, plus $30 for each person-hour of labor beyond the first person-hour to cover city abatement of violations.

[154] Boston, Mass. Municipal Code § 9-1.3.

[155] Seattle, Wash. Ordinance No. 124011, § 17.

[156] Kansas City, Mo. Code of Ordinances § 56-376.

[157] Phone conversation with Alex Khoury, Assistant Director of the Planning Commission, City of Santa Cruz. July 17, 2013.

[158] City of Ventura. "Substandard Housing Policy." Administrative Report to City Council. July 2, 2009. Available at: *http://archive.cityofventura.net/meetings/city_council/2009/07-20-09/item%2003.pdf*

[159] Phone conversation with Andrew Stuffler, Chief Building Official, Ventura, CA. August 27, 2013.

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[161] Iervolino, A. et al, "Prevalence and Heritability of Compulsive Hoarding: A Twin Study. " *American Journal of Psychiatry,* 166:1156-1161, 2009.

[162] Mueller, J. et al, "The Prevalence of Compulsive Hoarding and Its Association with Compulsive Buying in a German Population-Based Sample." *Behaviour Research and Therapy,* 47(8): 705-709, 2009.

[163] American Psychiatric Publishing, "Obsessive Compulsive and Related Disorders." 2013. Available at: *www.dsm5.org/Documents/Obsessive%20Compulsive%20Disorders%20Fact%20Sheet.pdf*

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[165] Patronek, G., "Hoarding of Animals: An Under Recognized Public Health Problem in a Difficult to Study Population." *Public Health Reports.* 114(1):81-87, 1999.

[166] Castrodale, L. et al, "General Public Health Considerations for Responding to Animal Hoarding Cases." *Journal Of Environmental Health,* 72(7): 14-18, 2010.

[167] *Id.*

[168] Rodriquez, C., "Prevalence of Hoarding Disorder in Individual at Potential Risk of Eviction in New York City: A Pilot Study." *The Journal of Nervous and Mental Disease,* 200(1): 91-94, 2012.

[169] See American Psychiatric Association, *supra* note 163.

[170] Bratiotis, C., "Community Services." International OCD Foundation. N.d. Available at: *www.ocfoundation.org/hoarding/community_services.aspx*

[171] *See* Rodriquez, C., *supra* note 168.

[172] Jacobs, D., "Environmental Health Disparities in Housing." *American Journal of Public Health,* 101(S1):S119, 2011.

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[174] *See* Bratiotis, C., *supra* note 170.

[175] International Exchange on Hoarding, "Massachusetts Statewide Steering Committee on Hoarding." N.d. Available at: *www.hoardingtaskforce.org/taskforces/massachusetts-statewide-steering-committee-on-hoarding*

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[177] Curtis, M. "Effects of Child Health on Housing in the Urban U.S." *Social Science and Medicine. 71(12): 2049-2056, 2010.*

[178] *See, e.g.,* Cal. Civil Code § 1942.4.

[179] Grand Rapids, discussed above, also convened a working group of city staff and community members to expand its program to include single-family housing. Grand Rapids Work Group, *supra* note 49.

[180] Seattle, Wash. Resolution No. 31221 (June 1, 2010).

[181] A wealth of insightful documents detailing the stakeholder input process is available on the website of the Seattle Department of Planning and Development. City of Seattle Department of Planning and Development, "Rental Registration & Inspection." Available at: *www.seattle.gov/dpd/codesrules/changestocode/rentalregistrationprogram/background/default.htm*

[182] For information on the Healthy Homes Collaborative, *see supra* note 69.

[183] *Id.*

[184] Phone conversation with Indira Alvarez, Assistant Commissioner, Inspectional Services Department, City of Boston. July 23, 2013.

[185] *Id.*

[186] Phone conversation with Kathy O'Donnell, Baltimore County Rental Registration Program. July 30, 2013.

[187] Los Angeles Housing and Community Development, "Landlord - Tenant Informational Workshops." 2013. Available at: *http://lahd.lacity.org/lahdinternet/RentStabilization/LandlordTenantInformationalWorkshops/tabid/481/language/en-US/Default.aspx*

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[189] City of Boston, Inspectional Services Department. Flyer for August 2013 Landlord Seminar. 2013. Available at: *www.cityofboston.gov/images_documents/Rental%20Flyer%20August%2015_tcm3-39891.pdf*

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[191] Phone conversation with Debby Graber, Rental Licensing Program Coordinator for the Neighborhood Resource Center, Kansas City, KS. July 24, 2013.

[192] Ma, C., Gee, L., and Kushel, M., "Associations Between Housing Instability and Food Insecurity with Health Care Access in Low-Income Children." *Ambulatory Pediatrics,* 8(1):50-57, 2008.

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[197] *See, e.g.,* San Francisco, Cal. Admin. Code § 37.3 (restricting annual rent increases based on capital improvements).

[198] City of Grand Rapids, "Rental Property Program Overview." N.d. Available at: *http://grcity.us/community-development/Code-Compliance-Division/Pages/Rental%20Properties.aspx*

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[201] *Id.* City of Minneapolis (MN).

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EXHIBIT 4

City of McMinnville
Planning Department
231 NE Fifth Street
McMinnville, OR 97128
(503) 434-7311
www.mcminnvilleoregon.gov

STAFF REPORT

DATE: **August 26, 2020**
TO: **Affordable Housing Task Force Members**
FROM: **Heather Richards, Planning Director**
SUBJECT: **CDBG Housing Rehabilitation Grant – Update**

STRATEGIC PRIORITY & GOAL:

HOUSING OPPORTUNITIES (ACROSS THE INCOME SPECTRUM)
Create diverse housing opportunities that support great neighborhoods.

Report in Brief:
This is an update on the $500,000 CDBG Housing Rehabilitation Grant that the Housing Authority of Yamhill County is administering on behalf of the City of McMinnville.

Background:
In 2019, the City of McMinnville applied for and received a $500,000 Community Development Block Grant to provide housing assistance to lower income households in McMinnville with the provision of grants for manufactured home repairs and upgrades.

The Yamhill County Housing Rehabilitation Program has provided similar assistance to lower income homeowners throughout the county since 1980. The program is funded through largely through Community Development Block Grants (CDBG's) that are awarded to local jurisdictions by the state's Infrastructure Finance Authority, a department within the Oregon Business Development Department.

These grants are administered by the Yamhill County Affordable Housing Corporation (YCAHC) and its agent, the Housing Authority of Yamhill County (HAYC).

Assistance has traditionally only been provided as 0% deferred, or 2% loans, and has required homeowners to own the land that their homes are situated on. This has made owners of manufactured homes in parks ineligible to receive assistance and has been an unmet need in or region for quite some time. In fact, the Housing Rehabilitation program currently has 177 applications on its waiting list from such home owners, and 126 of these families are located in the City of McMinnville.

In 2013 the state started to allow jurisdictions the option of applying for CDBG projects in order to give homeowners grants instead of loans. This option would allow these owners of manufactured homes to receive much needed assistance. This will ultimately enable them to remain in their homes, and will help to maintain affordable housing in your community. YCAHC recently partnered with the City of

McMinnville in 2014 on a successful $400,000 grant project that provided critical repairs for 52 families in manufactured homes and has just completed and closed out a similar project with the City of Newberg that rehabilitated 38 manufactured homes on another grant of $400,000.

Discussion:

With the go-ahead to start contracting projects in June, 2020, the Housing Authority is currently working with 16 different households on grant-funded projects for a total project amount of $110,846. Sample projects are leaky roof repair and replacements, leaky window repairs and replacements, repair of holes in flooring, etc. The Housing Authority continues to review applications for additional assistance. 7 of the households are already under contract with a contractor for the necessary repairs.

Housing Authority staff works with City planning and building staff to coordinate that the projects funded meet the criteria of the CDBG program provisions and the state building codes.