

AN ORDINANCE AUTHORIZING AN AMENDMENT TO CHAPTER 7 OF THE CODE OF ORDINANCES TO ENACT A NEW ARTICLE XI TITLED "RESIDENTIAL RENTAL PROPERTY" ESTABLISHING A RENTAL UNIT CERTIFICATE PROGRAM.

WHEREAS, Each member of the City Council appointed one member to serve on a "Voluntary Rental Inspection Committee" to provide recommendations to the City Council on how to develop a rental inspection program for the City of St. Joseph; and

WHEREAS, The Committee, over a three-month time period, discussed steps necessary to carry out the creation of a rental inspection program; and

WHEREAS, The intent of the Program was to improve and promote compliance with minimum housing codes adopted by the City under the International Property Maintenance Code; and

WHEREAS, A Rental Unit Certificate Program is being established in an effort to advance the health, safety, and welfare of the residents of the City of St. Joseph, Missouri through ensuring a supply of residential rental properties with safe and healthy living conditions and ensuring all rental housing in St. Joseph meets minimum housing codes; and

WHEREAS, During the City Council meeting held on January 28, 2019, members of the City Council directed City staff members to proceed with establishing a proposed rental inspection program implementing the recommendations of the Voluntary Rental Inspection Committee; and

WHEREAS, Feedback received following a presentation of the Voluntary Rental Inspection Committee indicated that to properly achieve the objectives stated herein, any program adopted by the City Council would be most effective if participation was required; and

WHEREAS, During the City Council meeting held on February 11, 2019, members of the City Council amended the motion that required City staff members to prepare a Voluntary Rental Inspection Program Ordinance and, instead, required City staff to prepare an Ordinance implementing a Rental Inspection Program in which property owners must comply no later than July 1, 2020; and

WHEREAS, In accordance with said direction, an ordinance was proposed and first read on February 25, 2019; and

WHEREAS, Subsequent modifications to the ordinance resulted in that ordinance being proposed for withdrawal and this ordinance being filed for first reading.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF ST. JOSEPH, MISSOURI, AS FOLLOWS:

SECTION 1. That to advance the health, safety, and welfare of the residents of the City of St.

Joseph, Missouri, it is necessary to regulate the manner in which residential dwellings are maintained, including inspecting those dwellings for compliance with maintenance requirements, when such dwellings are rented or leased to third parties.

SECTION 2. That, further, to advance the health, safety, and welfare of the residents of the City of St. Joseph, Missouri, through the preservation of neighborhoods against general deterioration and loss of property values, it is necessary to regulate the manner in which residential dwellings are maintained, including inspecting those dwellings for compliance with maintenance requirements, when such dwellings are rented or leased to third parties.

SECTION 3. That, further, to advance the health, safety, and welfare of the residents of the City of St. Joseph, Missouri, through ensuring a supply of rental properties with safe and healthy living conditions, the creation of a Rental Unit Certificate Program incorporating the Rental Inspection Program will serve as a catalyst to ensure all rental housing in St. Joseph meets minimum housing codes.

SECTION 4. That Chapter 7 of the Code of Ordinances of the City of St. Joseph, Missouri, be, and hereby is, amended by enacting a new Article XI entitled "Residential Rental Property" to be numbered, entitled, and read as follows:

#### Article XI. Residential Rental Property

##### Division 1. Rental Unit Certification

###### Sec. 7-500. Definitions.

(a) *Applicant* means a person applying for a rental unit certificate.

(b) *Application* means an application for a rental unit certificate.

(c) *City inspector* means an inspector (as defined by this section) employed by the city or working under a contract with the city.

(d) *Director* means the director of planning and community development or his or her designee.

(e) *Inspector* means a person charged by the director with conducting an inspection required by this article.

(f) *Rental unit certificate* means a certificate issued pursuant to this article certifying compliance with this article.

(g) *Residential dwelling unit* means any residential property, whether occupied or unoccupied, which is offered or used for residential occupancy by persons other than the owners, immediate family members of the owners, or others under the care of the owners, for continuous durations exceeding 30 days and in exchange for financial consideration.

(h) *Third-party inspectors* means an inspector who is not a city inspector who has been certified by the director to complete inspections required by this article.

Sec. 7-501. Rental unit certificates; duration.

(a) *Generally; duration.* Any person may obtain a rental unit certificate from the director by filing an application for such rental unit certificate, passing required inspections, and complying with all other requirements stated in this article. Such rental unit certificate shall remain valid for five years unless otherwise terminated by the director.

(b) *Required—new occupancies.* On and after July 1, 2020, residential dwelling units may be rented or leased to a tenant who has not had continuous lawful occupancy of the residential dwelling unit for at least 60 days only if a rental unit certificate that remains valid has been issued for the residential dwelling unit.

(c) *Temporary rental unit certificate.* The director may issue temporary rental unit certificates which, in his or her discretion, are necessary to provide time to review applications and conduct inspections, provided the tenant grants consent to enter the residential dwelling unit for the purpose of conducting an inspection. A temporary rental unit certificate may contain conditions applicable to the residential dwelling unit for which the certificate is issued and may be terminated upon the issuance or denial of a rental unit certificate or at any other time when a rental unit certificate could be terminated.

(d) *Termination.* The director may terminate a rental unit certificate if, after the issuance of such certificate, a violation of this chapter is identified on the residential dwelling unit for which the rental unit certificate is issued. A rental unit certificate may not be terminated until final adjudication of a violation or the expiration of appeals processes for an administratively-issued violation unless the violation constitutes an immediate risk to occupants of a residential dwelling unit for which a certificate has been issued.

Sec. 7-502. Application; fees.

(a) *Application form.* The director may require applicants for rental unit certificates to submit forms and information as may be reasonably necessary to determine the location of the residential dwelling units for which an application is filed, the time and manner in which such residential dwelling units may be accessed by an inspector, and the time and manner in which the applicant may be contacted. An application form may be submitted for multiple residential dwelling units.

(b) *Applicants.* Applications shall be filed by owners of the residential dwelling units for which rental unit certificates are sought or by any other person authorized by such owners, provided such application includes only residential dwelling units sharing common ownership.

(c) *Business license.* To submit an application, an applicant must submit a copy of its business license authorizing an apartment house business for all residential dwelling units listed on an application.

(d) *Withdrawal.* An application may be withdrawn by the applicant at any time prior to the issuance or denial of a rental unit certificate.

(e) *Fees; before July 1, 2020.* Until June 30, 2020, applicants for rental unit certificates may submit applications and pay no fee for submission of the application.

(f) *Fees; beginning July 1, 2020.* From and after July 1, 2020, the applicant for a rental unit certificate shall submit an application and processing fee for each residential dwelling unit listed on the application at the time an application is submitted. The fee shall be no more than \$5.00 for each residential dwelling unit listed on the application. The applicant shall also submit an inspection fee in the amount of \$50.00 for each inspection performed by a city inspector. The director shall have the authority to reduce the fees required by this section in the event fees received exceed the costs of administering this article. The fees will not be refunded upon denial or withdrawal of an application.

#### Sec. 7-503. Inspections.

(a) *Inspection methods.* Unless a residential dwelling unit is exempt from the inspection requirements of this article, then prior to the issuance of a rental unit certificate, a residential dwelling unit must pass an inspection conducted by a city inspector (Section 7-505) or a third-party inspector in accordance with this article (Section 7-506) or a self-certified inspection must be conducted, and an inspection reported filed, in accordance with this article (Section 7-507).

(b) *Inspection exceptions.* Residential dwelling units meeting the following requirements are exempt from the inspection requirements stated in this article, but must still obtain a rental unit certificate when required by this article:

- (1) Residential dwelling units that are inspected at least one time every five years by an authorized state or federal agency, provided the applicant can provide proof of such inspection.
- (2) Residential dwelling units that are managed by a nonprofit, charitable organization which are subject to affordable housing land use restrictions and are routinely inspected by the Missouri Housing Development Commission.
- (3) Residential dwelling units that were originally constructed less than 5 years before the issuance of a rental unit certificate.

(c) *Inspection areas and criteria-mandatory compliance.* The following areas and criteria shall be inspected for compliance with the International Property Maintenance Code as adopted by this chapter before a residential dwelling unit may be deemed to have passed an inspection and be eligible for a rental unit certificate:

(1) Exterior inspection criteria.

- a. Stairways, decks, and porches.
- b. Foundation and overhang extensions.
- c. Exterior walls and foundation walls.
- d. Roofs.

(2) Interior inspection criteria.

- a. Structural members
- b. Stairs.
- c. Water heater facilities.
- d. Electrical system: properly installed, in working order (including receptacles), and without hazards.
- e. Heating system installation.
- f. Mechanical equipment and appliances.
- g. Egress: unobstructed.

(d) *Inspection areas and criteria-pending compliance.* The following areas and criteria shall be inspected for compliance with the International Property Maintenance Code as adopted by this chapter and shall be brought into compliance with the International Property Maintenance Code within 30 days following inspection:

(1) Exterior inspection criteria.

- a. Balconies, handrails, and guards.
- b. Decorative features and premises identification.
- c. Protective treatment and siding.
- d. Drainage.
- e. Exterior doors, basement hatchways, windows, skylights, and door frames.
- f. Chimneys and towers.
- g. Accessory structures, including but not limited to detached garages, fences, and retaining walls.

(2) Interior inspection criteria.

- a. Interior surfaces: sanitary/clean windows, doors, ceilings, floors, walls; lack of peeling or chipping paint.
- b. Basement, walking surfaces, handrails, and guards.
- c. Windows: properly glazed, operable, and insect screens in place.
- d. Building security: doors/windows/hatchways are operable and lockable.
- e. Plumbing: fixtures are properly installed, connected, and in working order; general maintenance drains operate properly, are unobstructed, and secure from leaks and defects.
- f. General sanitary condition: properly maintained; waste properly disposed of.
- h. Safety systems: Smoke and carbon monoxide detectors properly placed and

operational.

- i. Pest control: Extermination of insects, vermin, and other infestations has properly occurred

(e) *Non-compliance; consent required.* In the event any criteria inspected under this section is found to be noncompliant with the requirements of this article, the tenant must grant advanced consent for entry by a city inspector for the purpose of conducting a reinspection of the residential dwelling unit in order for a rental unit certificate to be issued. Consent must be granted using consent forms provided by the director. Refusal to provide such consent may be a basis for denying the issuance of a rental unit certificate.

(f) *Multiple residential dwelling units.* When multiple residential dwelling units are listed on an application and all are at the same location, only the following quantities of inspections will be required:

- (1) *Three or fewer units.* When three or fewer residential dwelling units are listed on an application at the same location, each one must be inspected;
- (2) *Four to nine units.* When more than three, but fewer than ten, residential dwelling units are listed on an application at the same location, three of the residential dwelling units must be inspected;
- (3) *Ten or more units.* When ten or more residential dwelling units are listed on an application at the same location, the lesser of either three or 20% of the residential dwelling units listed on the application must be inspected.

#### Sec. 7-504. Rental unit certificate issuance and denial; appeals.

(a) *Rental unit certificate issuance; denial.* If an applicant submits a completed application and all required information, and if a residential dwelling unit satisfies the inspection requirements of this article, a rental unit certificate shall be issued for that residential dwelling unit. If a residential dwelling unit does not meet the requirements for the issuance of a rental unit certificate, a notice of denial and a copy of any inspection report that resulted in the denial must be provided to the applicant.

(b) *Appeals.* Appeals of any denial of a rental unit certificate (including denials for a failed inspection) may be made in accordance with the procedures set forth in Article XIII, Division 1 of Chapter 2. The hearing officer for appeals shall be the chief building official or an individual who is similarly qualified to hear an appeal of compliance with building regulations.

#### Sec. 7-505. City inspections; reinspections.

(a) *Inspections authorized.* A city inspector may conduct an inspection of any residential dwelling unit before a tenant moves into the residential dwelling unit or with the consent of a tenant of the residential dwelling unit, unless the applicant has applied for third-party inspection or self-certification inspection for the residential

dwelling unit.

(b) *Facilitation of access.* The applicant for a rental unit certificate shall provide access to the residential dwelling units for inspection.

(c) *Inspection report.* An inspection report shall be prepared identifying the criteria with which the inspected residential dwelling unit has both complied and failed to comply.

(d) *Inspection not a warranty.* No inspection or rental unit certificate shall be deemed a warranty or guarantee that any residential dwelling unit is fully compliant with applicable building, property maintenance, or other code requirements. Completed inspections merely verify likely compliance or non-compliance with elements inspected at the time the inspection was performed.

(e) *Reinspection.* Following denial of a rental unit certificate as a result of non-compliance during an inspection conducted by a city inspector, the applicant may request a reinspection, which shall be completed at no charge. Upon receipt of a second denial, the applicant must submit a new application and the required fees before a rental unit certificate may be issued.

Sec. 7-506. Third-party inspections.

(a) *Permitted.* Applicants may have inspections that are required by this article performed by third-party inspectors, provided such inspections and processes comply with the following requirements:

- (1) *Criteria and standards.* Inspections shall apply the criteria and standards applicable to inspection by city inspectors.
- (2) *Inspected residential dwelling units.* Applicants shall identify, on their applications, the intent to have a third-party inspector complete the inspection. If less than all residential dwelling units listed on an application must be inspected, the director shall identify the residential dwelling unit addresses that must be inspected.
- (3) *Inspection reports.* Within 60 days of completion of an inspection on which all mandatory compliance criteria complied with the requirements of this article, the applicant must submit an inspection report identifying all criteria with which the inspected residential dwelling unit has both complied and failed to comply. The inspection report shall be signed by the third-party inspector certifying that the inspection occurred and identifying the residential dwelling unit as having passed or failed to comply with the mandatory criteria portion of the inspection.
- (4) *Reinspection.* Reinspection by third-party inspectors shall be governed by the terms of the agreement between the applicant and the third-party inspector completing the inspection.

- (5) *Third-party inspector fees.* Fees paid for inspections by third-party inspectors shall be paid directly by the applicant and shall be in standard amounts established by each third-party inspector.
- (6) *Third-party inspector audits.* Audits of third-party inspectors' compliance with this article may be conducted by the director in accordance with the following:
  - a. Upon filing an application stating the intent to have a third-party inspector complete inspections, the applicant must provide a valid consent to enter the residential dwelling unit for the purpose of conducting an audit.
  - b. Audits must be conducted within 7 days following the submission of an inspection report to the city.
  - c. The director shall define up to five districts, with every area of the city being included in a district, and conduct random audits of not more than 20% of inspections completed by third-party inspectors in each district.
  - d. An audit may not be used as a basis for issuing or denying the issuance of a rental unit certificate; but rather, may only be used for verification of third-party inspectors' compliance with this article.
- (7) *Tenant consent to audit.* An applicant must obtain advanced consent for entry to the residential dwelling unit by a city inspector for the purpose of conducting an audit of third-party inspections in order for a rental unit certificate to be issued following a third-party inspection. Consent must be granted using consent forms provided by the director. Refusal to provide such consent may be a basis for denying the issuance of a rental unit certificate.

(b) *Third-party inspector certification; revocation; appeals.* Third-party inspectors may be certified to conduct inspections only if they attend meetings at which they are trained to complete inspections, are qualified to complete building inspections, and agree to comply with this article and other reasonable requirements established by the director. A third-party inspector's inspection report may not be accepted at any time during which the third-party inspector has failed to maintain his or her certification. Upon determining that a third-party inspector has not complied with this article, including a determination resulting from the completion of an audit on a third-party inspector's inspection, the director may revoke the third-party inspector's certification. Appeals of any denial or revocation of certification may be made in accordance with the procedures set forth in Article XIII, Division 1 of Chapter 2. The hearing officer for appeals shall be the chief building official or an individual who is similarly qualified to hear an appeal of compliance with building regulations.

#### Sec. 7-507. Self-certification inspections.

(a) *Self-certification inspection.* For the purpose of this section, the term self-certification inspection shall mean an inspection completed by an owner of a residential dwelling unit or by a member, shareholder, manager, or other person having an



ownership interest in a business entity that is an owner of a residential dwelling unit.

(b) *Eligibility.* A self-certification inspection may be performed to satisfy the inspection requirements of this article, provided all the following apply:

- (1) *Certified inspector.* The self-certification inspection is completed by a person certified to, and not disqualified from, completing self-certification inspections pursuant to this section.
- (2) *Consent to audit.* The person performing the self-certification inspection must consent to a city inspector entering and conducting an audit inspection of all residential dwelling units that are inspected through self-certification inspection. An applicant must obtain advanced consent for entry to the residential dwelling unit by a city inspector for the purpose of conducting an audit of self-certification inspections in order for a rental unit certificate to be issued following a self-certification inspection. Consent must be granted using consent forms provided by the director. Refusal to provide such consent may be a basis for denying the issuance of a rental unit certificate.
- (3) *Inspection-all units.* All residential dwelling units listed on a single application must receive self-certification inspections. Section 7-503(d) shall not be deemed to allow fewer than all residential dwelling units listed on an application to receive self-certification inspections.
- (4) *Application.* Applicants shall identify, on their applications, the intent to complete self-certification inspections.

(c) *Inspection report.* Within 60 days of completion of a self-certification inspection on which all mandatory compliance criteria met the requirements of this article, the applicant must submit an inspection report identifying all criteria with which the inspected residential dwelling unit has both complied and failed to comply. The inspection report shall certify that the inspection occurred and identify the residential dwelling unit as having passed or failed to comply with the mandatory criteria portion of the inspection. The inspection report shall be made on forms required by the director and shall include the following:

- (1) Certification that self-certification inspection was performed on every residential dwelling unit listed on the application using the criteria and standards required by this article.
- (2) Completed inspection checklist on a form provided by the director.
- (3) The date on which each self-certification inspection occurred.
- (4) Certification that the self-certification inspection was performed by the individual executing the report.

(5) Notarized attestation to the truth, accuracy, and completeness of the inspection report.

(d) *Two-year report renewal.* If a rental unit certificate is issued based upon a self-certification inspection, a new self-certification inspection must be performed and a new inspection report must be submitted, together with a \$5.00 processing fee, every two years. In the event a self-certification inspection is not performed or an inspection report is not submitted as required by this subsection, the rental unit certificate for the residential dwelling unit may be terminated.

(e) *Inspector certification requirements.* Persons performing self-certification inspections shall be certified to perform an inspection at the time it is performed, in accordance with the following:

(1) *Inspector certification.* A person may be certified to conduct self-certification inspections only if the person:

- a. files an application to be certified to complete self-certification inspections; and
- b. is not the owner of any residential dwelling unit that has been out of compliance with the mandatory compliance criteria listed in Section 7-503(c) in the immediately preceding two years; and
- c. is not a member, shareholder, manager, or other person having an ownership interest in a business entity that is the owner of any residential dwelling unit that has been out of compliance with the mandatory compliance criteria listed in Section 7-503(c) in the immediately preceding two years; and
- d. attends meetings at which he or she is trained to complete self-certification inspections; and
- e. agrees to comply with this article; and
- f. agrees to comply with other requirements established by the director.

(2) *Certification duration.* Certifications to complete self-certification inspections shall remain valid for 2 years, unless otherwise revoked, and may only be renewed by applying for a new certification.

(3) *Revocation of certification.* The director may revoke a certification to conduct self-certification inspections upon determining that the person has not complied with this article, owns or controls property in violation of this chapter, or has improperly conducted an inspection required by this article. Following revocation of a certification to conduct self-certifications, a person may not be certified again for 2 years.

(4) *Certification appeals.* Appeals of any denial or revocation of certification to conduct self-certification inspections may be made in accordance with the procedures set forth in Article XIII, Division 1 of Chapter 2.

(f) *Self-certification inspection audits.* Audits of compliance with this article may be conducted by the director in accordance with the following:

- (1) Audits must be conducted within 60 days following the submission of an inspection report to the city.
- (2) The director shall define up to five districts, with every area of the city being included in a district, and conduct random audits of not more than 20% of residential dwelling units inspected by self-certification inspections.
- (3) The director may conduct an audit inspection of any residential dwelling unit when he or she has a reasonable belief that the person conducting a self-certification inspection did not properly conduct the inspection or the report filed for a residential dwelling unit was inaccurate.
- (4) The director may conduct an audit inspection of any residential dwelling unit by contacting the occupant and inquiring about the condition of criteria inspected as part of the self-certification inspection.
- (5) A person conducting a self-certification inspection shall retain necessary documents and photographic evidence that the self-certification inspection was conducted in accordance with this article. Failure to produce such evidence during a self-certification audit shall provide grounds for disqualification from conducting future self-certification inspections if the condition of the residential dwelling unit does not comply with the most-recently submitted inspection report at the time the audit inspection is conducted.

(g) *Disqualification.* In the event a false or misleading inspection report has been filed, the person filing the report shall not be authorized to complete self-certification inspections for 2 years following the finding of a false or misleading report and no residential dwelling unit which is owned by that person, or which is owned by an entity for which that person is an owner, member, shareholder, manager, or other person having an ownership interest, may receive a rental unit certificate based on a self-certification inspection for one year.

#### Sec. 7-508. Search warrant.

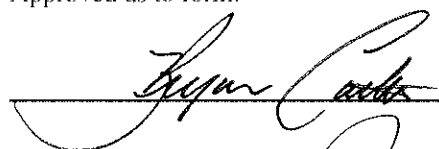
Nothing in this Ordinance shall be construed to limit the authority of a City inspector or other authorized official to seek a warrant to search or inspect a residential dwelling unit or other applicable property, nor shall it limit the authority of a municipal judge to issue such warrant, provided such warrant is sought and issued in conformance with all applicable constitutional and other legal requirements thereto and as may be further set forth in Article XIII, Division 1 of Chapter 2 for searches or inspections of such residential dwelling unit to determine whether the residential dwelling unit complies with the requirements of Section 7-503(c) and Section 7-503(d), including compliance with Section 7-316 and 7-317 of this code. No provision or requirement in this ordinance shall be interpreted or applied in such circumstance as to violate the legal rights of any person, including but not limited to any rights existing as to protection against the unreasonable search of private property.

SECTION 5. That any ordinances, or parts of ordinances in conflict with this ordinance be, and hereby are, repealed.


SECTION 6. That if any provision of this ordinance is found to be invalid, such provision shall be considered to be severable from the other parts of this ordinance and shall not affect the validity of the remaining parts of this ordinance.

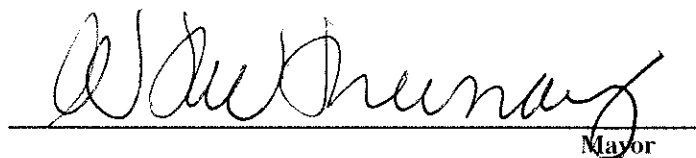
SECTION 7. That this ordinance shall be in full force and effect from and after July 1, 2019.

Approved as to form:

  
\_\_\_\_\_  
City Attorney

Passed March 25, 2019

Attest:   
\_\_\_\_\_  
City Clerk

  
\_\_\_\_\_  
Mayor

Date: March 20, 2019  
Type of Ordinance: General Ordinance

2019 MAR 20 PM 3:10

## **EXPLANATION TO COUNCIL BILL**

**ORIGINATING DEPARTMENT:** Planning and Community Development Department

**PURPOSE:** To amend Chapter 7 of the Code of Ordinances to enact a new Article XI titled “Residential Rental Property” establishing a Rental Unit Certificate Program that implements a rental inspection and certification program.

**REMARKS:** The City Council, through the formation of a Voluntary Rental Inspection Committee, approved the creation of a Voluntary Rental Inspection Program designed to identify the total number of rental units in St. Joseph through a 5-year inspection process administered by the City of St. Joseph.

Upon reviewing recommendations of the Committee and receiving feedback from the community, the Council directed City staff members to draft an ordinance requiring participation. A proposed ordinance was first read on February 25, 2019. Following first reading and significant feedback on methods to mitigate the effect of the proposed ordinances, major portions of the ordinance were rewritten. Due to the extent of the rewrite, that ordinance will be proposed for withdrawal. The attached ordinance will effectively take the place of the withdrawn ordinance and address the issues that have arisen since the first ordinance was introduced.

Among the changes between the first version and this proposed ordinance are the following:

- Various minor edits have been made to improve clarity or correct minor oversights without making substantive modifications to the ordinance.
- Various properties have been exempted from the inspection requirement, including properties that are less than 5 years old and those that are inspected annually by other governmental organizations.
- Inspection criteria have been separated into “mandatory compliance” and “pending compliance” criteria. Properties must comply with “mandatory compliance” items in order to receive a rental unit certificate. Failures to comply with “pending compliance” criteria will not delay the issuance of a rental unit certificate; however, the property must be brought into compliance within 30 days or a property maintenance citation can be issued.
- The Director of Planning and Community Development’s authority to promulgate regulations has been removed. The authority was drafted when the ordinance was proposed to be voluntary and did not include as many program details. The level of detail that is now included in the ordinance removes the necessity to include this authority.
- Property owners may hire certified private rental property inspectors rather than being required to allow city-employed inspectors to perform inspections.
- Property owners may be certified to perform their own inspections, provided those property owners have not owned properties with violation of the mandatory compliance criteria in the preceding 2 years.
- Section allowing inspections by the property owner or third-party inspectors also require inspector certification and audit processes to confirm that inspectors are conducting inspections in accordance with Code of Ordinance requirements.

- Detailed warrant process requirements have been replaced with a reference to the simplified process stated in Chapter 2, which applies to all code inspections. The revision will not offer as much process detail; however, it will meet legal requirements.

The initial "Rental Unit Certificate Program" will start July 1, 2019 and will be a no-charge Program until June 30, 2020. Effective July 1, 2020, a certificate will be required before a property can be rented or leased to any tenant who has not continuously occupied the property for more than sixty (60) days.

The initial one-year transition period during which compliance will be voluntary will allow individuals who own rental property that have a St. Joseph Business License to apply for a Rental Unit Certificate. A property that receives an "Approved" inspection will be issued a Rental Unit Certificate that remains valid for a 5-year period. No inspection permit fee will be charged during the transition period.

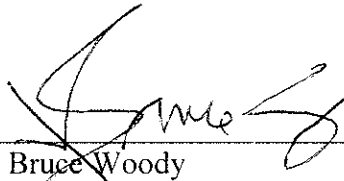
The goal of the Program is to provide an incentive to rental property owners to voluntarily participate during the transition period and allow the City the opportunity to evaluate inspection workload during this transition period. The one-year transition to require all applicants to pay a fee associated with an application starting July 1, 2020 and will allow the City to prepare for additional workload and identify the total number of rental units that exist from Business License records.

Submitted by:

Reviewed by:



Clint Thompson, Director  
Planning and Community Development



J. Bruce Woody  
City Manager

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
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## MEMORANDUM

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**TO:** Paula Heyde, City Clerk

**FROM:** Clint Thompson, Director of Planning and Community Development   
Bryan Carter, City Attorney 

**DATE:** March 20, 2019

**SUBJECT:** Rental Inspection/Certification Ordinance Substitute (Bill #348-18)

A substitute Rental Inspection and Certification Ordinance has been prepared for Bill #348-18. The substitute incorporates changes discussed during a Work Session held on Monday, March 18, 2019. Those changes are described below:

- Egress: “Egress: unobstructed” has been moved from “pending compliance” to “mandatory compliance.” This change will require that a rental property comply with IPMC requirements related to egress before a Rental Unit Certificate is issued. The previously-prepared ordinance gave property owners 30 days to remedy egress noncompliance.
- Self-Certification: The requirement for a property owner to own three rental units to conduct a self-certification inspection has been removed.
- New Property Exemption: Rental properties that have been constructed in the previous 5 years are exempt from the inspection requirement. The previously-prepared ordinance exempted properties that had been constructed in the previous 30 years.

Other minor changes have been made to (1) clarify that the ordinance does not require property owners to consent to searches on behalf of their tenants, (2) state that warrants issued under this ordinance can only be issued to inspect criteria identified in the ordinance, (3) clarify that a warrant may still be issued for violations on rental property under other Code of Ordinance provisions, and (4) remove the requirement that a Rental Unit Certificate be obtained for all rental units by July 1, 2022. Removal of the requirement to inspect all rental units by July 1, 2022 will avoid requiring an inspection while a long-term tenant continues to reside in the property; however, those rental units will still be required to obtain a Rental Unit Certificate before the next tenant takes possession. These changes are not anticipated to substantively modify the way the ordinance is enforced.

cc: Bruce Woody, City Manager

2019 MAR 20 PM 3:09

CITY CLERK