

CITY OF COON RAPIDS, MINNESOTA

CHAPTER 12-900

LICENSING OF RENTAL DWELLINGS

12-901 Purpose. It is the purpose of this Ordinance to protect the public health, safety and welfare of citizens of the City by adopting a Rental Dwelling inspection and maintenance program that corrects substandard conditions, maintains a standard for existing and newly constructed Rental Dwellings, and ensures neighborhood stability in the City. The operation of rental properties is a business enterprise that includes certain responsibilities. Rental Owners, Operators and Managers are responsible to take such reasonable steps as are necessary to ensure that the citizens who occupy such rental units, as well as neighboring properties, may pursue the quiet enjoyment of the normal activities of life in surroundings that are safe, secure, and sanitary, free from noise, nuisances and annoyances, and free from unreasonable fears about safety of persons and property.

12-902 Definitions. Words used in this Ordinance shall have the following meanings unless otherwise defined in this Ordinance.

(1) “Apartment” means a community, complex or building having a common Owner and containing at least one Rental Dwelling Unit.

(2) “City Approved Inspector’s Report” or “Inspection Report” means a Rental Dwelling inspection report prepared and signed by a City rental housing inspector or inspector contracted by the City to conduct an inspection and provide a report to the City.

(3) “City Manager” means the City of Coon Rapids City Manager or his or her designee.

(4) “Dwelling” means a building or one or more portions of a building occupied or intended to be occupied for residential purposes of a continued nature.

(5) “Let for Occupancy” or to “Let” or to “Rent” means to permit possession or occupancy of a Dwelling or Rental Dwelling Unit by a person who is not the legal Owner of record thereof, pursuant to a written or unwritten lease.

(6) “Occupant” means any person occupying, living, or sleeping or having possession of a space within any structure, building, dwelling, dwelling unit or premises.

(7) “Operate” means to charge a rental charge, fee or other form of compensation for the use of a Rental Dwelling Unit.

(8) “Operator” or “Manager” means any person who has charge, care or control of a structure or premises that is Let or offered for Occupancy.

(9) “Owner” or “Licensee” means any person having a legal or equitable interest in the property or recorded in the official state, county or City records as holding title to the property or otherwise having control of the property.

(10) “Person” may be an individual, corporation, firm, association, company, partnership, organization or any other group acting as a unit.

(11) “Rental Dwelling” means any Dwelling used for residential occupancy by one or more Persons who are not the Owner or a member of the Owner’s immediate family.

(12) “Rental Dwelling Unit” means any room or rooms, or space, in any Rental Dwelling designed or used for residential occupancy by one or more Persons who are not the Owner or a member of the Owner’s immediate family.

(13) “Tenant” means any person occupying a dwelling unit or having possession of a space within a dwelling unit who pays, in any manner, for the right to occupy such space.

12-903 License Required.

(1) General Rule. No Person may operate a Rental Dwelling or Rental Dwelling Unit in the City without a license for each building.

(2) Exceptions.

(a) These rental licensing requirements do not apply to residential property that has been sold on a contract for deed or has been sold as rent to own so long as the Vendee occupies the property and the sale document used to memorialize the sale is in the form of a uniform conveyancing blank or is recorded with the Anoka County Recorder's office and a copy is provided to the City upon request.

(b) These rental licensing requirements do not apply to residential property that is occupied by the Owner and two or less tenants where the Owner and the tenants share all living space within the dwelling.

(c) These rental licensing requirements do not apply to residential property that is owned by a person commonly referred to as a "Snowbird" when the property is rented to another person for a period of less than 120 consecutive days while the Owner is residing out of the State of Minnesota. The Owner must occupy the property during the remainder of the year.

(d) Rental licensing fees and conversion fees do not apply to residential property owned by a member of the armed services who is on active duty and the property is rented to another person during the time of active duty. The Owner must provide the City with a copy of the owner's military orders and must occupy the property when not on active duty as the owner's primary residence.

(3) Application Requirements. An owner of a rental dwelling or rental dwelling unit must complete an application on an official application form provided by the City and submit the required application fee. Renewal applications may be submitted on a simplified renewal form provided by the City. The City Manager must be notified in writing within 30 days of any changes to the information provided on the application. Applications must include the following information at a minimum:

(a) The name, address, telephone number and date of birth of the Property Owner.

(b) The name, address, telephone number and date of birth of a designated local agent if the Owner resides outside of the Twin Cities Metropolitan Service Area.

(c) The name, address, telephone number, and date of birth of the vendee and vendor if the property is in the possession of a vendee under a contract for deed when the contract has not been recorded with the Anoka County Recorder's Office.

(d) The local address of the rental dwelling and the number of rental dwelling units within the dwelling.

(4) Property Contact Information. For single-family residential Dwellings, the license applicant must provide 24 hour contact information for one person in any of the following categories. For all other types of Dwellings, the license applicant must provide 24 hour contact information for two people in any of the following categories

(a) At least one Owner of the Rental Dwelling or Rental Dwelling Unit;

(b) At least one person, if different from the Owner, who is responsible for compliance with this and any other Code requirement pertaining to the Rental Dwelling or Rental Dwelling Unit, such as a property manager, who must reside in the Twin Cities metropolitan service area.

(c) Any of the Owner's agents responsible for management of the Rental Dwelling or Rental Dwelling Unit, such as a property management company and the name and contact information of a person at the property management company.

(d) Any vendors and all vendees, if the Rental Dwelling or Rental Dwelling Unit is being sold pursuant to a contract for deed that is not recorded with the Anoka County Recorder's Office.

(5) Number and Type of Units. The license application must contain the number of units and types of units (condominium, apartment, townhome, etc.) within the Rental Dwelling.

(6) Inspection Report. The license application must be accompanied by a satisfactory City Inspection Report, including an applicable inspection fee. Rental dwellings with more than four units will be inspected on a schedule between one and four years as determined by the City Manager. Rental Dwellings with less than four units will be inspected on a schedule between one and three years as determined by the City Manager. The City Manager will adopt an inspection schedule for rental dwellings taking into account the property's inspection history, history of compliance with Federal, State and Local Law, and the history of inspections, property maintenance violations, and other code enforcement violations at the Property.

(7) Written Rental Application and Lease Agreement Required. The Rental Licensee must screen all potential tenants by using a written rental application and must use a written lease for all tenants. The license application or license renewal application must be accompanied by a copy of the form written rental application that will be used to screen all potential tenants and a copy of the form lease agreement that will be used for all tenants. The written rental application must include sufficient information so that the Licensee can conduct appropriate criminal background and credit checks on prospective tenants. The written lease agreement must include the Lease Addendum for Crime-Free/Drug-Free Housing. At the time of renewal, the licensee must notify the City Manager by providing a written summary of any substantive changes in the rental application and the lease agreement which have been made since the last renewal period. A copy of the revised rental application and/or lease must be provided with the renewal license application. Owners who establish written criteria for screening potential tenants must also file a copy of the written criteria with the City. The written rental application and written lease agreement for each tenant must be part of the Licensee's files. Upon request the Licensee must show proof, satisfactory to the City, that the Licensee is maintaining the documents required by this section.

12-904 Investigations.

(1) For all new applications, a criminal background investigation will be conducted on the Property Owner listed on the application. If the property is owned by more than one individual the City may request additional information from the license applicant regarding all Property Owners. If the Property is owned by a business entity the City may request additional information regarding all officers, managers, or directors, and may conduct additional background investigations as it deems necessary. The applicant shall pay a background investigation fee for each background investigation conducted.

(2) For renewal applications, background investigations are not required and no background investigation fee shall be required, however, the Police Department or other City Staff may conduct a background investigation at its sole discretion.

12-905 Changes in Ownership. A license is non-transferable. If there is a change in the Ownership of the Rental Dwelling or Rental Dwelling Unit the license automatically expires. The new owner must obtain a license under this Chapter prior to the change in ownership.

12-906 Changes in the Rental Dwelling or Rental Dwelling Unit.

(1) If changes are made in the number or type of units within the licensed premises, the Owner shall file an application to amend its license. Depending on the nature of the changes, the City may require a new property inspection.

(2) Single Family Conversion to Rental. A single family home that is converted to a rental property shall pay a conversion fee. The conversion fee shall be established by resolution of the City Council. The conversion fee includes the rental license application fee and inspection fee for the first year and includes fees for monitoring the property during the first year of operation as a rental property. Monitoring will be conducted on a schedule to be determined by the City Manager. Fees charged for required educational training are not included in the conversion fee.

12-907 Annual License. Persons wishing to let Rental Dwellings or Rental Dwelling Units must make an annual application to the City, provide the information required by this Section and pay the applicable license fee and any applicable inspection fee, which will be set by City Council resolution. Licenses are valid for one year from the date of issuance.

12-908 Tenant Background Checks and Roster. As a condition of the license, the applicant must, as a continuing obligation, conduct criminal background checks and credit history checks on all prospective tenants and maintain a current roster of tenants and other persons who have a lawful right to occupy the Rental Dwellings or Rental Dwelling Units. The applicant must designate the name of the person or persons who will have possession of the roster and must promptly notify the City Manager of any change in the identity, address or telephone numbers of the designee. The roster must be available for inspection by City officials upon request. If a person under investigation by the City claims a lawful right to occupy a rental dwelling unit or be present on the rental property the City Manager may request to inspect the lease for the unit in which the person claims to reside. Upon such request, the Licensee shall provide the lease for inspection.

12-909 Notification Requirements for Public Hearings. The Owner must, as a continuing obligation of the license, provide written notice to tenants or in the alternative, post the written notice in the lobby or common area of the Rental Dwelling for any public hearing received by the Owner that pertains to the property on which the Rental Dwelling is located or any adjacent rights of way.

12-910 Display of License Certificate. For buildings containing more than four Dwelling Units, the rental license certificate must be displayed in the lobby or other common area visibly accessible to all tenants of the licensed building. The license certificate must be encased in a frame with a clear glass or plastic surface over the certificate and must be mounted securely to a wall. For buildings containing four or less units the Licensee must provide a copy of the rental license certificate to each tenant by attaching the copy to the Tenant's copy of the executed lease agreement.

12-911 Compliance with Minn. Stat. §211B.20. Owners must comply with the requirements of Minn. Stat. §211B.20 and allow access to candidates who have filed for election to public office and seek admittance to the Rental Dwelling solely for the purpose of campaigning.

12-912 Owner/Manager Training Required. Owners of rental dwellings and rental dwelling units or the on-site property manager with control over the rental dwellings and rental dwelling units must attend, at a minimum, the Phase I crime-free housing educational course or similar course as approved by the City Manager as a condition of receiving or renewing a license. The cost of attending the educational requirements under this section shall be paid in addition to any license and inspection fees. Course attendance will be required on a schedule to be determined by the City Manager.

12-913 Responsibility for Acts of Manager. Licensees are responsible for the acts or omissions of their Managers as it pertains to the Rental Dwelling.

12-914 Maintenance Standards.

(1) It is the responsibility of the Licensee to assure that every Rental Dwelling and Rental Dwelling Unit is maintained in compliance with all City Ordinances and state laws. A violation of any of the following laws and Ordinances constitutes a Public Nuisance and may be abated under the provisions of the Public Nuisance code:

- (a) Building Code (City Code Chapter 12-200 and 12-300),
- (b) Land Development Regulations (City Code Chapter 11),
- (c) Animal Control (City Code Chapter 6),
- (d) Fire Prevention Code (City Code Chapter 12-400),
- (e) Public Nuisance (City Code Chapter 8).

(2) Snow and Ice Removal. Rental facilities containing more than four dwelling units must remove snowfalls of one inch or more, or successive snowfalls accumulating to a depth of one inch or more, from all walkways, sidewalks and steps within 12 hours of cessation of the snowfall. Rental facilities containing more than four units must remove snowfalls of three inches or more, or successive snowfalls accumulating to a depth of three inches or more from parking aisles, parking areas and drives within 72 hours of cessation of the snowfall .

(3) Inspections. The Building Official, Building Inspector, Fire Department personnel, police officers and their respective representatives are authorized to make inspections reasonably necessary to enforce this Section. All authorized inspectors have the authority to enter any Rental Dwelling or Rental Dwelling Unit at all reasonable times. Pursuant to Minnesota Statutes, Section 504B.211, the Owner, Manager, or Local Agent is responsible for scheduling the inspection and notifying any existing tenant of the inspection. The Owner, Manager, or Local Agent must provide access to the requesting City Official at the date and time of the scheduled inspection. Failure to provide access for any reason may result in a re-inspection fee, in addition to any other sanctions imposed for noncompliance.

(4) Access by Occupant. Each Occupant of a Rental Dwelling or Rental Dwelling Unit shall give the Owner, the Owner's agent or authorized City official access to any part of such Rental Dwelling or Rental Dwelling Unit at reasonable times for the purpose of inspection, maintenance, repairs or alterations as are necessary to comply with the provisions of this Ordinance.

12-915 Crime-Free Rental Housing Program. Owners or the on-site property manager responsible for the day to day operations of the property are required to complete the Phase One educational course of the crime-free rental housing program, or similar course as approved by the City Manager. Certification as a rental property manager may also be considered by the City Manager to satisfy this requirement. To promote the benefits of the crime-free housing program, the City encourages Rental Property Owners to fully participate in the Crime-Free Rental

Housing Program. A Program application form must be completed and submitted with the license application in order for an owner to participate in the Program.

- (1) Phase 1 Participant (Required for licensure).
 - (a) Owners and/or onsite Managers must attend an eight-hour crime-free housing course presented by police, fire, public housing and others.
 - (b) Use a written lease including the Minnesota Crime Free Housing Lease Addendum.
 - (c) Check the criminal background of all prospective tenants and, upon request, provide a copy of Third Party Background Check procedures for Tenants.
 - (d) Actively pursue the eviction of tenants who violate the terms of the lease and/or the crime free lease addendum.
- (2) Phase 2 Participant (Includes Phase 1 plus the following).
 - (a) Complete a Security Assessment and complete the security improvements recommended. This phase will certify that the rental property has met the security requirements for the tenant's safety.
 - (b) Attend a minimum of 25 percent of Owners/Managers Association Meetings.
- (3) Phase Three Participant (Includes Phase 1 & 2 plus the following).
 - (a) For properties with more than four units, conduct resident training annually for the residents where crime watch and crime prevention techniques are discussed.
 - (b) For properties with more than four units, hold regular resident meetings.
 - (c) Attend a minimum of 50 percent of Owners/Managers Association Meetings.
 - (d) Have no unresolved City Code violations within the past year.

12-916 License Denial, Suspension, or Revocation.

(1) Grounds for Denial, Suspension or Revocation. The City Manager may deny or not renew a license and the City Council may revoke or suspend a license for any of the following reasons that shall also constitute a violation of this ordinance:

- (a) The use of the property does not conform to the Zoning Ordinance;
- (b) The use does not comply with a health, building, maintenance, or other provisions of the City Code or State Law;
- (c) The applicant has failed to pay the license fee, inspection fees, the investigation fee, or has failed to pay a fine that has been imposed;
- (d) The applicant has made fraudulent statements, misrepresentations, or false statements in the application or investigation, or in any information required by this chapter;
- (e) Conviction of any crime related to the business licensed and failure to show, by competent evidence, rehabilitation and present fitness to perform the duties of the business;
- (f) Operating or allowing the rental property to be used in such a manner as to constitute a breach of the peace, a menace to the health, safety, and welfare of the public, or a disturbance of the peace or comfort of the residents of the City, upon recommendation of the Police Chief;
- (g) Actions unauthorized or beyond the scope of the license granted;
- (h) The applicant's license has been denied, revoked, or suspended by the City, the State, or another governmental unit;
- (i) Failure to schedule and/or allow rental or building inspections of the licensed premises, for the purpose of ensuring compliance with rental licensing requirements, City Code requirements, State building codes, or other applicable State or Federal law;

(j) Failure to continuously comply with all conditions required as precedent to the approval of the license;

(k) Real estate or personal property taxes on the business have become delinquent and the property owner and the applicant are the same person or entity, or have any common ownership where they are a different person or entity;

(l) Violation of any regulation or provision of the City Code or Zoning Ordinance applicable to the activity for which the license has been granted, or any regulation or state law that may be applicable;

(m) Excessive calls for service as determined by the Chief of Police based on the number and nature of the calls compared to the number of units on the property when the Owner has been notified of the calls by the Police Chief and the Owner has failed to supply an appropriate written action plan for reducing the calls for service, or when the calls for service exceed an established threshold a second time within 12 months of completing an action plan for a previously exceeding the threshold.

(n) Failure to actively pursue the eviction of tenants who have violated the provisions of the crime free lease addendum or who have otherwise created a nuisance in violation of the provisions of the written lease; and

(o) Other good cause as determined by the City Council.

The City Council may revoke a license or suspend a license for a set period of time or until violations of City Code or state law are corrected and, in addition, impose a civil penalty for each violation or impose a combination of these sanctions.

(2) Temporary Suspension. The City Council may temporarily suspend a license pending a hearing on the suspension or revocation when, in its judgment, the public health, safety, and welfare is endangered by the continuance of the licensed activity.

(3) Notice. Before the suspension or revocation of the rental license, the City must provide written notice informing the licensee of the right to a hearing. The Notice must provide at least 20 calendar days notice of the time and place of the hearing and must state the grounds for the proposed suspension or revocation of the license. The notice may be served upon the licensee personally or by leaving the notice at the licensed premises with the designated Manager, or by certified mail to the address listed on the license application.

(4) Hearing. A hearing will be conducted before the City Council at a public meeting. The licensee shall have the right to be represented by Counsel, the right to respond to the charged violations, and the right to present evidence through witnesses. The rules of evidence do not apply to the hearing and the City Council may rely on all evidence it determines to be reasonably credible. The determination to suspend or revoke the license shall be made upon a preponderance of the evidence. It is not necessary that criminal charges be brought in order to support a suspension or revocation of a license violation nor does the dismissal or acquittal of such a criminal charge operate as a bar to suspension or revocation under this Section.

(5) Final Decision. Following the hearing, the Council may revoke or suspend the license for all or any part of the licensed premises or may stay the revocation or suspension, grant or continue the license upon such terms and conditions as it deems reasonable and necessary to accomplish the purposes of this Section. If the Council suspends or revokes the rental license the Council may also order that any rent payable during the suspension or revocation period be paid into an escrow account to be maintained by the City. The City may use the escrowed funds to pay for the cost of abating violations at the property. Funds that remain in the escrow account after paying for abatement items shall be returned to the Licensee upon the licensee receiving a valid rental license or upon the sale of the property to an unrelated purchaser and after the property has been brought into full compliance with City Code. The decision by the City Council following a hearing is final. Upon a decision to suspend a license,

no new application from the current Owner for the same facility will be accepted for a period of time specified in the Council’s decision, not exceeding one year. A decision to revoke a license will result in no new application being accepted from the same Owner for a minimum of one year.

(6) Appeal of Decision to Deny or not Renew License. If the City Manager denies or does not renew an application he/she shall notify the applicant in writing, specifying the reasons for denying or not renewing the license. If the applicant corrects the conditions leading to the denial or non-renewal within seven days, the City Manager shall issue the license. An applicant whose license application has been denied or not renewed by the City Manager may appeal the decision by filing with the City Manager a written notice of appeal within 7 days of receiving notice of the City Manager’s decision. The hearing will be conducted pursuant to 12-916(4).

(7) Notification to Tenants. Upon denial, suspension, revocation other enforcement action of a license, the City will notify all affected tenants of the action against the license. If the license is revoked or suspended the Licensee may not let, rent or allow to be occupied any vacant units, or units that become vacant during the revocation or suspension period.

12-917 Minimum Penalties. The following are minimum penalties for a Licensee’s failure to comply with an applicable statute, rule or ordinance relating to the license. However, the level and order of the penalties will be at the sole discretion of the City Council, based upon the nature of the infraction. When appropriate, the City may impose penalties exceeding those stated below based on the history of compliance and the severity of the violation, up to a maximum amount of \$10,000 per violation:

Violation	Phase 3 Participant	Phase 2 Participant	Phase 1 Participant
1 st Violation	\$200 Fine	\$300 Fine	\$500 Fine
2 nd Violation within 12 months	\$500 Fine	\$600 Fine	\$1,000 Fine
3 rd and subsequent Violation within 12 months	\$1,000 Fine	\$1,200 Fine	\$2,000 Fine

12-918 Summary Action.

(1) Emergency. When the conduct of any Owner or Owner’s agent, representative, employee or lessee, or the condition of the Rental Dwelling or Rental Dwelling Unit, or the property in or on which it is located, is detrimental to the public health, sanitation, safety and general welfare of the community, or residents of the Rental Dwelling or Rental Dwelling Unit so as to constitute a nuisance, fire hazard, or other unsafe or dangerous condition and thus give rise to an emergency, the Building Official has the authority to summarily condemn or close individual Rental Dwelling Units or areas of the Rental Dwelling as the Building Official deems necessary, or may take other action to protect the residents and general public as deemed necessary.

(2) Notice. Notice of summary action will be mailed to the licensee and posted at the units or areas affected and will describe the units or areas affected. No person shall remove the posted notice, other than the Building Official or a designated representative.

(3) Costs. If the building is not condemned or closed pursuant to this section, the costs of any services performed by the City to prevent the condemnation or closure of the building may be levied against the property as a special assessment.

(4) Appeal. Any person aggrieved by a summary action of the Building Official shall be entitled to appeal to the Council by filing a notice of appeal with the City Manager within five

days of the summary action. The Manager must schedule a date for hearing before the Council and notify the aggrieved person of the date. The hearing will be conducted pursuant to Section 12-916(4).

12-919 Posted To Prevent Occupancy. Whenever any Rental Dwelling or Rental Dwelling Unit is found to be hazardous or unfit for human habitation, it shall be posted by the Building Official on the door of the Rental Dwelling or Rental Dwelling Unit, whichever the case may be, to prevent further occupancy. No person, other than the Building Official, shall remove or alter any posting. The Building Official will post the date the Rental Dwelling or Rental Dwelling Unit shall be vacated and no person shall reside in, occupy or cause to be occupied that Rental Dwelling or Rental Dwelling Unit until the Building Official or Council permits it.

12-920 Falsely Reporting Violations. No person shall report a violation of this chapter knowing or having reason to know that the report is false with the intent to affect the licensing status or inspection schedule of the property.

12-921 Violations. In addition to any other sanctions or administrative penalties imposed, any violation of this chapter shall constitute a misdemeanor offense, punishable as defined by State Law. Each day of violation constitutes a separate offense.

12-922 No Warranty By City. By enacting and undertaking to enforce this Ordinance, neither the City nor its Council, agents or employees warrant or guaranty the safety, fitness or suitability or any Rental Dwelling or Rental Dwelling Unit in the City. Owners and occupants should take appropriate steps to protect their interests, health, safety and welfare.[Adopted 4/28/09, Ordinance 2008]

