

CITY OF LA VISTA
MAYOR AND CITY COUNCIL REPORT
SEPTEMBER 1, 2009 AGENDA

Subject:	Type:	Submitted By:
RENTAL INSPECTION PROGRAM — ORDINANCE	◆ RESOLUTION ◆ ORDINANCE RECEIVE/FILE	ANN BIRCH COMMUNITY DEVELOPMENT DIRECTOR

SYNOPSIS

A public hearing was held on August 4, 2009, and on August 18, 2009, the Council passed first reading of an ordinance to adopt the proposed Rental Inspection Program.

FISCAL IMPACT

The current Occupation Tax for leasing of rental property is proposed to be deleted in the Master Fee Ordinance and replaced with the licensing fees under the Rental Inspection Program. The fees are intended to be comparable.

RECOMMENDATION

Approve Rental Inspection Program. It is further recommended that the fees for the initial license be waived unless subsequent follow-up inspections are required.

BACKGROUND

A public hearing regarding the proposed Rental Housing Inspection Program was held on August 4, 2009. On August 18, 2009, the Council approved first reading of the ordinance.

The purpose of Rental Housing Inspection Program is to proactively identify blighted, deteriorated and substandard rental housing stock and to ensure the rehabilitation or elimination of such housing that does not meet minimum standards. Not only do these standards address life, health and safety issues, but also the results of deferred or inadequate maintenance. The program is intended to assure the preservation of the existing housing supply, help maintain property values, and maintain a safe and healthful living environment.

Adoption of the program is consistent with the City's Comprehensive Plan and was an objective of the City's 2009 Strategic Plan.

ORDINANCE NO. 1095

AN ORDINANCE TO ADOPT AND CODIFY A RENTAL LICENSING AND INSPECTION PROGRAM AS SECTION 150.6 OF THE LA VISTA MUNICIPAL CODE; TO REPEAL CONFLICTING ORDINANCES PREVIOUSLY ENACTED; TO PROVIDE FOR SEVERABILITY; AND TO PROVIDE FOR THE EFFECTIVE DATE HEREOF.

BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF LA VISTA, SARPY COUNTY, NEBRASKA

I. That the rental inspection program set forth below is hereby adopted, enacted and codified as Section 150.6 of the La Vista Municipal Code.

SECTION 150.6: RENTAL INSPECTION PROGRAM

Section

150.60	Establishment of Rental Inspection Program
150.61	Findings, Purpose and Intent of Rental Inspection Program
150.62	Scope
150.63	Definitions
150.64	Rental license
150.65	Rental license application requirements
150.66	Inspections
150.67	Inspection access
150.68	Local agent required
150.69	Violations, offenses, remedies and special rules

Section 150.60. ESTABLISHMENT OF RENTAL INSPECTION PROGRAM.

A Rental Inspection Program is hereby established for the City of La Vista, Nebraska pursuant to authority granted by Nebraska law, as adopted or amended from time to time, including, but not limited to, Neb. Rev. Stat. Section 16-246.

Section 150.61 FINDINGS, PURPOSE AND INTENT OF THE RENTAL INSPECTION PROGRAM.

The Mayor and City Council make the following findings:

- (1) Much of the original housing of the City is approaching 50 years of age. As housing ages, there is an increasing need for regular monitoring and action to maintain it and keep the City's neighborhoods in good, safe and sanitary condition and repair.
- (2) A significant portion of the original housing and neighborhoods of the City have transitioned from owner occupied to rental homes, making consistent monitoring and necessary maintenance more difficult.
- (3) Transition to rental properties can be a significant factor contributing to the risk of deteriorating conditions of original housing and neighborhoods of the City.

- (4) Multi-unit residential apartment complexes have been constructed in and around the City in recent years.
- (5) Failure to properly maintain multi-unit apartment complexes places multiple tenants at risk.
- (6) In cases of both single family and multi-unit residential housing, failure to properly maintain can have a deleterious affect and be a significant contributing factor to the decline of entire neighborhoods.
- (7) Tenants of rental housing can face landlord resistance to needed maintenance or repairs; and tenants might be reluctant to report deficiencies to landlords.
- (8) A program that encourages regular maintenance and repair of rental dwellings is in the public interest, good for tenants and neighborhoods in which such properties are located, and in the interests of all residents of the City to keep them in safe, sanitary, and properly maintained condition. Livable housing and neighborhoods also sustain the City's property tax base.

Based on the foregoing, the Mayor and City Council have determined that it is necessary, desirable, appropriate and in the public interest to implement a uniform rental housing licensing and inspection program.

The purpose of this Rental Inspection Program is to provide for licensing and inspection of rental dwellings to promote compliance with the International Property Maintenance Code (IPMC) and other applicable laws, and to require property owners of rental dwellings, including single-family rental dwellings, to obtain licenses for the occupancy of rental dwellings. The intent of this Rental Inspection Program includes:

- (1) Promoting the health, safety, and welfare of the persons living in and near rental dwellings;
- (2) Preserving of the existing housing supply and neighborhoods;
- (3) Helping to maintain property values and the City's tax base;
- (4) Working toward preventing or eliminating substandard and deteriorating rental housing; and
- (5) Maintaining a living environment that contributes to healthful individual and family living.

Section 150.62 SCOPE.

This Section 150.6 applies to any rental dwelling within the corporate limits of the City of La Vista, Nebraska, with the following exceptions:

- (1) Nursing care and rehabilitation facilities, and assisted living facilities, as defined in the La Vista Zoning Ordinance; and,
- (2) Hotels and motels, as defined in the La Vista Zoning Ordinance.

Section 150.63 DEFINITIONS. Unless otherwise provided herein either expressly or by the context, the following terms shall have the corresponding meanings when used in this Section 150.6:

“BUILDING OFFICIAL” means the Chief Building Official of the City of La Vista or his or her designee.

“EFFECTIVE DATE” means the effective date of this Section 150.6, which shall be January 1, 2010.

“FOLLOW-UP INSPECTION” means an inspection performed by the Building Official subsequent to the identification of a violation, the purpose of which is to determine whether the violation has been corrected.

“IPMC” means the International Property Maintenance Code, published by the International Code Council (ICC), as from time to time adopted, amended or superseded by the City of La Vista. The terms of the IPMC are incorporated herein by this reference.

“MAJOR CODE VIOLATION” means a defect that poses a significant risk of danger, harm or damage to the life, health, safety or welfare of the tenant, passersby, occupants or visitors of the rental dwelling or other property, the environment or general public.

“MINOR CODE VIOLATION” means a defect other than that of a major code violation described above; provided, however, that the Building Official may determine that multiple minor code violations cumulatively constitute a major code violation and the violations and rental property or rental dwelling will be categorized accordingly.

“PERSON” means any individual, corporation, partnership, limited liability company, trust or any other entity or association.

“PRIMARY INSPECTION” means an initial interior and/or exterior inspection for compliance with the IPMC and any other applicable requirements performed by the Building Official upon submission of an application for a rental license or renewal thereof.

“PROPERTY MANAGER” means a person responsible for the management of the rental dwelling other than the property owner. A property manager shall be deemed to be the property owner’s agent for purposes of this Section 150.6 unless the property owner otherwise advises the City in writing.

“PROPERTY OWNER” means any person holding legal title to a rental dwelling or rental property as recorded with the Sarpy County Register of Deeds, or otherwise having control of the rental dwelling as guardian, conservator, receiver, trustee, executor, administrator or other similar representative capacity of any such person or his or her estate, to the extent proof of such control is presented to the satisfaction of the Building Official; provided, however, that the term “property owner” does not include any person whose only interest in a rental dwelling is as a tenant pursuant to a lease.

“PROPERTY OWNER’S AGENT” means a person designated by a property owner as an agent to act on behalf of and bind the property owner in all matters arising out of or under this Section 150.6, except to the extent such authority shall be expressly limited as provided in writing to the

Building Official. A property manager shall be deemed to be the property owner's agent for purposes of this Section 150.6 unless the property owner otherwise advises the City in writing.

"RENTAL DWELLING" means one or more rooms for lease in an enclosed structure arranged, designed, and intended for use as a residence or living quarters for shelter, cooking, eating, sanitation and/or sleeping by one or more persons who are not its owners and contained within a rental property as defined herein. In the case of a building containing multiple rental dwellings, each separately identifiable unit for lease shall constitute a rental dwelling separate from all other rental dwellings. Provided, however, for purposes of inspections and compliance under this Section 150.6, a rental dwelling shall include all accessory buildings, common areas, facilities, structures, fixtures, equipment, appurtenances and improvements of, to or servicing any such rental dwelling, and premises on, in or over which any such rental dwelling, buildings, common areas, facilities, structures, fixtures, equipment, appurtenances or improvements are located.

"RENTAL LICENSE" means a license issued to the property owner by the City of La Vista authorizing the occupancy of a rental dwelling pursuant to a lease.

"RENTAL PROPERTY" means a structure with one or more rental dwelling leased for occupancy.

"TRANSFER" means when a property owner discontinues operation of a rental dwelling, or sells, gives or disposes of a rental dwelling to any other person, or a rental dwelling is in any other manner voluntarily or involuntarily transferred or conveyed to any other person.

Other terms used in this Section 150.6 and not expressly defined herein, but defined in Section 202 of the IPMC, shall have the meaning as set forth in said Section 202, unless otherwise provided by the context.

Section 150.64 RENTAL LICENSE.

(A) Rental License Required.

(1) **General Rule.** On and after the effective date of this Section 150.6, no person shall lease or continue to lease a rental dwelling to any other person unless a rental license is in effect for the rental dwelling. The following are the requirements for a rental license:

- (a) Satisfaction of all application-related requirements for a rental license;
- (b) Payment of all applicable application and inspection fees and other amounts;
- (c) Satisfaction of all inspection-related requirements; and
- (d) Ongoing compliance with all requirements of this Section 150.6;

all of which as further provided in this Section 150.6.

(2) **Duration of License.** Rental licenses required herein shall expire annually on the last day of the month of March. Provided, however, see Subsection (B)(2) below for extension of the term of a license for which an application to renew has been timely made.

(B) Special Rules.

- (1) Multiple Unit Apartment Buildings. A rental license shall be required for each rental dwelling covered by a separate lease. Provided, however, that the Building Official may for administrative convenience include in a single license all rental dwellings of a multi-unit building for which a license is granted; though by doing so, the Building Official shall not be prohibited from dealing under this Section 150.6 with each rental dwelling of the building as separately licensed.
- (2) Licensing Term Prolonged Pending Inspection upon Application for Renewal. The term of a rental license shall be prolonged and the property owner shall be permitted to continue operation of the rental dwelling beyond the last day of March of any year that an inspection is required of the dwelling pursuant to Section 150.66(B) below, provided that applicant has satisfied all application requirements pursuant to Section 150.65 in a timely manner and is waiting for inspection, and so long as "a" and "b" below are satisfied.
 - (a) The Building Official is provided access to the rental dwelling for inspection either by voluntary consent or pursuant to a warrant or other court order in accordance with applicable law.
 - (b) There is no finding of a major code violation of the IPMC in effect with respect to the rental dwelling on the date specified in the first sentence of Subsection (A)(2) above or anytime during the period the license term is extended pursuant to this Subsection (B)(2).

Extension of a license term in any case shall cease no later than the Building Official's inspection and grant or denial of renewal of the rental license.

(C) Ongoing Compliance Required. To maintain a rental license in effect requires ongoing compliance with applicable requirements of this Section 150.6 and other laws, rules and regulations during the duration of the license, including ongoing compliance with the IPMC and other requirements that are the subject of periodic inspections hereunder or under other applicable laws, rules or regulations. Any deficiency or failure to comply shall be subject to such actions, orders, rights and remedies of the Building Official as set forth in this Section 150.6, the IPMC or other applicable laws, rules or regulations as enacted or amended from time to time, up to and including suspension or revocation of a rental license, charges, and issuance or assessment of citations, fines, penalties and orders related to violations and to vacate the premises, all of which shall be carried out in accordance with applicable law.

(D) Transfers of Rental Dwellings. In the event a property owner transfers a rental dwelling within the meaning of Section 150.63 above, and the subject property remains a rental dwelling, the current license may be continued by the new property owner for the remaining duration of the license for the dwelling if the new property owner files a properly completed application described in Section 150.65 below within 30 days after the transfer. No additional fees are necessary for continuing a license for the remaining license period. However, the new property owner shall take all actions as and when required to renew the license and maintain it in effect, including paying all fees and other amounts specified in this Section 150.6. A rental license shall not be transferred to any other rental dwelling unit.

Section 150.65. RENTAL LICENSE APPLICATION REQUIREMENTS.

(A) General Rule. Application for a rental license satisfying the requirements of this Section 150.6 shall be filed with the City of La Vista and be accompanied by all applicable licensing and inspection fees as described herein and/or established by the master fee ordinance from time to time.

(B) License Application Deadline.

(1) General Rule. Except as provided in "2" immediately following, an application for a rental license and applicable fees shall be filed and paid by the first day of March, annually.

(2) Special Rule Application for a rental license for a rental dwelling completed or converted to a rental dwelling after the effective date of this Section 150.6, as defined in Section 150.63 above, shall be filed and the applicable fees paid within 30 days after the completion of or conversion to a rental dwelling and prior to occupancy. Subsequent applications and fees shall be filed and paid within the time specified in "1" immediately above.

(C) Required License Application Information. Application for a rental license shall be made in such manner as determined from time to time by the Building Official and include the following information:

(1) Name, street address, telephone number, and e-mail address (if applicable) of the property owner of the rental dwelling (and rental property, if different);

(2) If different than "1" above, name, street address and telephone number of the property manager of the rental dwelling (or rental property, if different), as defined in Section 150.63.

(3) Name, street address, telephone number, and e-mail address (if applicable) of the property owner's agent, if applicable. Unless otherwise specified by the property owner in writing, the property manager shall be deemed to be the property owner's agent for purposes of this Section 150.6.

(4) Legal address of the premises;

(5) Number of rental dwellings in each building within the rental property;

(6) Occupancy as permitted under the Zoning Ordinance, or as specified in the certificate of occupancy;

(7) Signed statement of property owner and property manager indicating that the property owner and property manager are aware of the occupancy requirements of the Zoning Ordinance or Building Code and the legal ramifications for knowingly violating said codes;

- (8) The name and address of the registered agent, if the property owner is not an individual and is required by applicable law to have a registered agent;
- (9) Proof of pest extermination, pursuant to Section 308.2 of the IPMC; and
- (10) Such other information as the Building Official from time to time determines necessary in accordance with the purpose and intent of this Section 150.6.

(D) License Fees. Rental license fees shall be in such amounts as provided in the master fee ordinance from time to time. If a rental license is required for a rental dwelling under this Section 150.6 and the City does not receive a properly completed application for the license within thirty (30) days after the required filing date for said application as provided in this Section 150.65, an additional administrative processing fee as set forth in the master fee ordinance shall apply. This additional fee shall be in addition to the regular license fee.

Section 150.66. INSPECTIONS.

(A) Upon receipt of a properly completed application and payment of the applicable fees and other amounts for a rental license, the Building Official shall schedule and notify the property owner of a primary inspection of the property as soon as is practicable after review of the license application. At least 10 days advance written notice of the inspection shall be provided to the property owner. The property owner shall be responsible for providing its tenants proper advance written notice of inspections. If either the owner or tenant of a rental dwelling refuses to consent to an inspection, the Building Official shall obtain a warrant for the inspection in accordance with applicable law, including, but not limited to, Neb. Rev. Stat. Section 29-830 et seq.

The primary inspection will be conducted to determine if the rental dwelling satisfies all applicable requirements of the IPMC and other building-related codes or ordinances adopted or amended from time to time by the City of La Vista for the health, safety, and welfare of the persons living in and near rental dwellings. The Building Official shall be authorized to take such actions as the Building Official determines necessary or appropriate to implement, administer and carry out the inspection requirements of this Section 150.6, including, but not limited to, scheduling inspections for the efficient use of City resources.

(1) Newly Constructed Rental Dwellings. Provided the required application and fees and other amounts are filed and paid as required, a certificate of occupancy issued by the Building Official for any rental dwelling completed after the effective date of this Section 150.6 shall also satisfy the initial inspection requirement for a rental license. If filing of the application or payment of the fee is delayed, the rental dwelling shall be subject to such application, licensing, inspection and fee requirements as applicable to any other rental dwelling before a rental license is issued.

(B) All rental dwellings required to be licensed shall be classified by the Building Official based on primary inspections (with the exception of properties described in Class N) and subject to subsequent inspections as follows:

Class A - Rental dwelling with minor or no code violations; inspected two (2) years thereafter. If a minor code violation noted in a primary inspection exists upon re-inspection two (2) years later, follow-up inspection shall be required to confirm that all outstanding violations have been corrected before licensing is issued.

Class B - Rental dwelling with major code violations, follow-up inspection required before licensing is issued; inspected one (1) year thereafter; and, if no major code violations noted during the one-year inspection, inspected thereafter as a Class A rental property.

Class N - Rental dwelling newly constructed, with construction completed after the effective date of this Section 150.6; inspected three (3) years thereafter.

All inspections shall be subject to and carried out in accordance with the requirements set forth in Subsection 150.66(A) above.

(C) When the primary inspection of a rental dwelling reveals any violation of applicable requirements, a notice shall be provided to the property owner as specified in Section 107 of the IPMC. The notice shall contain a time frame set by the Building Official necessary to correct the violations based on the number and severity of the violations. Correction of minor code violations noted shall be deemed to be a condition of the license that is issued or renewed immediately following the inspection during which the violations were noted. If a minor code violation noted in a primary inspection exists upon re-inspection two (2) years later, follow-up inspection shall be required to confirm that all outstanding violations have been corrected before licensing is issued. Major code violations shall be corrected to the satisfaction of the Building Official upon re-inspection before any license is issued or renewed.

(D) A follow-up inspection of any major violation will be conducted at the end of the time frame set by the Building Official to correct the violations before a license is issued or renewed. If the Building Official finds that any such violation has not been corrected, the license or license renewal shall be denied. A major code violation after a license has been issued or renewed shall be subject to such enforcement action as determined necessary or advisable in accordance with applicable law, up to and including revocation of the license, order vacating the premises and assessment of fines and penalties.

(E) **Inspection Fees.** The primary inspection shall be conducted at no charge. All inspections of a Class B property after the primary inspection shall be charged a fee in accordance with the master fee ordinance, which fee shall be due and payable before said inspection is conducted or license for said property is issued or renewed.

(F) Inspections may also be conducted at other times as the Building Official determines necessary, including inspections on a complaint-basis.

(G) Inspections provided under this Section 150.6 shall be in addition and supplemental to any other inspection or access authorized under applicable law.

Section 150.67. INSPECTION ACCESS.

(A) It shall be the responsibility of the property owner or the property owner's agent, as defined herein, to be present at the rental property on the date and time of all primary and follow-up inspections to provide access for the inspection. Failure to be present at any primary or follow-up inspection will result in an additional administrative and rescheduling fee in accordance with the master fee ordinance, in addition to any other rights or remedies available to the City.

(B) In the case of a rental property that contains two (2) or more buildings, the Building Official shall inspect no less than two (2) rental dwellings within the building each time an

inspection is required hereunder. Multifamily complexes shall be dealt with as a single property. The property owner or the property owner's agent, as defined herein, shall be prepared to show the units specified in the notice of inspection.

(C) If any property owner, tenant, or other person lawfully in control of a rental property or a rental dwelling contained therein fails or refuses to consent to access and entry to the rental property or rental dwelling under its/his/her ownership or control for any inspection pursuant to this Section 150.6, the Building Official shall apply for and obtain a warrant or other appropriate court order authorizing such inspections in accordance with applicable law, including but not limited to, Neb. Rev. Stat. Section 29-830 et seq. Failure or refusal of a property owner to provide notice of inspection to tenants, or obstruction by a property owner, tenant or other person of an inspection authorized by a legally enforceable warrant or other court order, shall be grounds for denial or revocation of the rental license or renewal thereof, in addition to any other rights or remedies of the City under applicable law.

(D) Access requirements of this Section 150.6 shall be in addition and supplemental to any other access authorized under applicable law.

Section 105.68. LOCAL AGENT REQUIRED.

The property owner of any rental property or rental dwelling covered by this Section 150.6 shall be available to the tenant to respond to an emergency on a twenty-four (24) hour basis. This requirement may be met by maintaining an operating business or residence within sixty (60) miles of the property at which the property owner or property owner's agent is regularly present, or by use of a responsible local agent who resides within Sarpy County or an adjoining county; any of whom can be contacted on a twenty-four (24) hour basis. If the property owner's agent or a local agent is used, the property owner shall provide the City with the name, address, and telephone number of the property owner's agent or local agent in addition to owner information. A post office box, mailing address, or toll free numbers shall not be deemed sufficient to meet the provisions of this section.

Section 150.69. VIOLATIONS, OFFENSES, REMEDIES AND SPECIAL RULES. In addition to other provisions of this Section 150.6:

(A) If a rental license is required under this Section 150.6 and the same is not obtained or is revoked for failure to comply with any requirement of this Section 150.6, or the property fails upon inspection to meet applicable requirements, the procedures and penalties for noncompliance shall be as set forth in Section 106 of the IPMC or provided by other applicable law.

(B) Notice of violations of the provisions of the IPMC and/or other applicable codes or ordinances issued by the Building Official pursuant to this Section 150.6 shall be divided into either of the following categories:

(1) **Major Code Violation** shall have the meaning in Section 150.63.

(2) **Minor Code Violation** shall have the meaning in Section 150.63.

(C) Such violations shall be cited in the notice of violation as major or minor code violations, and the nature of the violations and time allotted for repair shall be specified on the notice. Correction of minor code violations noted shall be deemed to be a condition of the license

that is issued or renewed after the inspection during which the violations were noted. If a minor code violation noted in a primary inspection exists upon re-inspection two (2) years later, follow-up inspection shall be required to confirm that all outstanding violations have been corrected before licensing is issued. Major code violations shall be corrected to the satisfaction of the Building Official upon re-inspection before any license is issued or renewed. After the time specified for correction, the Building Official shall re-inspect the premises to confirm that the major code violations have been corrected.

(D) A rental license or license renewal may be suspended, denied or revoked by the Building Official, and an order issued by the Building Official to vacate a rental dwelling or rental property, upon the failure of the property owner to take corrective action within the specified time frame or if the rental property or rental dwelling is found to be unsafe pursuant to the IPMC, including Section 108 thereof. If a license is suspended, denied or revoked, the Building Official shall notify the property owner, in writing, of the same and the reasons therefore and any appeal rights.

(E) Other Rules.

(1) Rights and Remedies. All rights and remedies provided in this Section 150.6 shall be nonexclusive and cumulative of all other rights and remedies available at law or in equity, including, but not limited to, the IPMC.

(2) Penalties. Except as otherwise expressly provided by the IPMC or other applicable law, penalties for violations of this Section 150.6 may be as specified in Section 150.99. Each day a violation continues shall constitute a separate offense and violation subject to prosecution.

(3) No Refunds. No license or application fee or any other amount paid the City under this Section 150.6 in any case shall be refunded, including, but not limited to, fees paid in cases in which a license or renewal thereof is suspended, denied or revoked, operation of a rental dwelling is suspended, interrupted or ceases, or a rental dwelling or rental property is transferred, except to the extent equity may require as determined by the Mayor and City Council in their sole discretion.

(4) Notice and Other Rights. To the extent required by applicable law:

(a) Property owners and other interested persons shall be provided notice of actions or determinations of the Building Official, including actions or determinations to grant, deny, suspend or revoke a rental license or renewal thereof; and

(b) Actions or determinations of the Building Official shall be subject to any applicable procedural requirements including any rights of appeal pursuant to the IPMC or other applicable law.

II. REPEAL OF CONFLICTING PROVISIONS. Any conflicting provision of any previously enacted ordinance is hereby repealed.

III. SEVERABILITY. If any section, subsection, sentence, clause or phrase of this ordinance is, for any reason, held to be unconstitutional or invalid, such unconstitutionality or invalidity shall not affect the validity of the remaining portions of this ordinance. The Mayor and City Council of

the City of La Vista hereby declare that it would have passed this ordinance and each section, subsection, sentence, clause or phrase hereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared unconstitutional or invalid.

IV. EFFECTIVE DATE. This ordinance shall be in full force and effect from and after its passage, approval and publication in pamphlet form as provided by law.

PASSED AND APPROVED THIS ____ DAY OF _____, 2009.

CITY OF LA VISTA

Douglas Kindig, Mayor

ATTEST:

Pamela A. Buethe, CMC
City Clerk

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