

RECEIVED

Agenda Item: ID17-192 (4:30 P.M.)

Date: 2/2/17

2017 FEB 1 PM 2 28

CITY CLERK, FRESNO, CA

## FRESNO CITY COUNCIL



### Supplemental Information Packet

Agenda Related Item(s) – ID17-192 (4:30 P.M.)

### Contents of Supplement: PowerPoint Presentation

#### Item(s)

Actions related to the Rental Housing Improvement Act and Anti-Slum Enforcement Team:

1. BILL – (for introduction) Adopting the Rental Housing Improvement Act.
2. \*\*\*RESOLUTION – 533rd amendment to the Master Fee Schedule (MFS) Resolution No. 80-420 to add a rental housing inspection fee in the Planning and Development section.

#### **Supplemental Information:**

Any agenda related public documents received and distributed to a majority of the City Council after the Agenda Packet is printed are included in Supplemental Packets. Supplemental Packets are produced as needed. The Supplemental Packet is available for public inspection in the City Clerk's Office, 2600 Fresno Street, during normal business hours (main location pursuant to the Brown Act, G.C. 54957.5(2)). In addition, Supplemental Packets are available for public review at the City Council meeting in the City Council Chambers, 2600 Fresno Street. Supplemental Packets are also available on-line on the City Clerk's website.

#### **Americans with Disabilities Act (ADA):**

The meeting room is accessible to the physically disabled, and the services of a translator can be made available. Requests for additional accommodations for the disabled, sign language interpreters, assistive listening devices, or translators should be made one week prior to the meeting. Please call City Clerk's Office at 621-7650. Please keep the doorways, aisles and wheelchair seating areas open and accessible. If you need assistance with seating because of a disability, please see Security.

**RENTAL HOUSING  
IMPROVEMENT  
ACT**

# BACKGROUND

- The City has struggled to identify substandard housing and remediate health and safety violations
- The City has relied primarily on re-active code enforcement in an inconsistent manner
- FMC codes were weak and ineffective
- Over the past two years the City has made several significant FMC code changes to more clearly define housing code violations, increase fines and enhance enforcement provisions

# WIDESPREAD SUPPORT

- The Fresno Chamber of Commerce GAC
- The Greater Fresno Apartment Association
- Rental Housing Advocates
- Community Members

This Act represents the collaboration of many stakeholders and City staff in developing a workable solution

# PURPOSE OF ACT

- The purpose of this Act is to identify the substandard housing universe and through an effective pro-active and re-active inspection program to ensure rental housing units in the City meet minimum health and safety standards required by the State of California.
- Furthermore, it will ensure all rental housing units are safe to occupy and provide: 1) adequate resources to effectively and timely remedy violations; and 2) greatly reduce the number of substandard housing units in the City.

# METHODOLOGY

- To ensure this program is successful it is being written by adding specific FMC Code policies coupled with Administrative Regulations.
- The Council vote will adopt the FMC Code Sections
- The Admin. Regulations are not initially codified.
- This Code/Regulations model will provide maximum flexibility to give the program the ability to be adaptive based on actual experience during the implementation phase.

# RE-WRITING FMC HOUSING CODES

- Housing code violations provisions are embedded in numerous sections of the City Municipal Code.
- As an element of improving the effectiveness of this Act, the City Attorney's office will be asked to re-write and consolidate several sections into one.
- These changes will improve the City's ability to effectively monitor and prosecute housing code violations.

# BIFURCATION OF CODE ENFORCEMENT

- To effectively and systematically deal with substandard housing this Act bifurcates the Code Enforcement Department into two divisions by creating a separate new Rental Housing Division focusing solely on rental housing code violations.
- This new department will have its own manager, a pro-active division with inspectors and a re-active division, which is the ASET team
- The two divisions will work closely with each other and the City Attorney's office.



# REGISTRATION

- All residential rental properties in the City are required to register
- The registry will be updated annually
- Information required will include property address, APN, units numbers, owner and/or property management company contact information, on-site manager contact information (if applicable) and the date of occupancy for the property.
- Property owners shall be mailed a notice and can register online or by mail.

# BASELINE INSPECTIONS

- All residential rental properties are subject to a baseline inspection subject to a random sampling formula except for certain exempt properties.
- The sampling formula will be based upon the number of units in the complex (e.g. 50 plus units will be 10% of units or 5 units)
- All property inspections shall use a one page Rental Inspection Checklist representing California Health & Safety standards.
- Units that fail the initial inspection shall be given up to 30 days to make corrective actions.

# EXEMPT PROPERTIES

- Every rental unit must register with the City but certain properties are exempt from inspections including:
  - 1) Any property less than 10 years old
  - 2) Subsidized residential rental units that are subject to annual inspections by another agency
  - The property owner must provide an affidavit signed under penalty of perjury certifying the property is exempt

# SELF-CERTIFICATION PROGRAM

- This Act creates a self-certification program
- Properties that successfully pass the baseline inspection are eligible to be in the self-certification program.
- Properties in the self-certification program must self-inspect annually using a professional, licensed management company or the property owner.
- Properties are required to provide adequate documentation of their inspections
- Self-certification forms must be signed under penalty of perjury.
- 10% of the residential rental properties in the program and a sampling of units thereon will be inspected by the City on a random basis each year.

## TIER 2 PROPERTIES

- Properties that fail the baseline inspection & re-inspection shall be classified either tier 2 or tier 3.
- Tier 2 properties shall be inspected every two years and every unit shall be inspected. Once the property passes two consecutive inspections, is in compliance with all City codes and all fees, penalties & taxes are paid it shall be re-classified into Tier 1.

# TIER 3 PROPERTIES

- Tier 3 properties shall be inspected annually and every unit shall be inspected until all units are brought into compliance with all City code requirements and are current on all fees, penalties and taxes owed to the City.
- Thereafter a sampling percentage of the units shall be inspected for the next 3 years.
- If a property passes inspection for all 3 years, is in compliance with all City codes and current on all fees, penalties & taxes owed to the City it may be re-classified to tier 1.

# TENANT EDUCATION

- A tenant education plan shall be developed and implemented partnering with the government agencies, non-profit organizations and one or more apartment associations.
- This will be a voluntary program for tenants interested in learning their rights as tenants as well as their responsibilities as tenants.

# PERFORMANCE METRICS

- The City shall develop performance metrics to measure the success of this program.
- The City Manager shall provide an annual report to the Council that includes detailed statistics showing progress in reducing substandard rental housing units in the City.
- The report shall be posted on the City website after presentation to the Council.



# ANNUAL REVIEW

- This Act shall require an annual review for each of the first three years of implementation
- The City shall review all elements of this Act to determine how effective provisions have been to improve substandard housing in the City and make appropriate adjustments
- Sections in the Administrative Regulations that have proven successful will be added into the Ordinance Section.

Q&A