BROOKLYN CENTER

Rental License Program

Overview

In April of 2010, a new performance based rental license program was implemented. License categories are based on the condition of the property as determined by the rental license inspection and by excessive validated public nuisance police calls. The conditions attached to each license category are designed to help the operator maintain and improve the condition and management of the property.

Since June 1, 1975, the City of Brooklyn Center has required rental property to be licensed in order to assure that rental housing is maintained decent, safe, and sanitary and does not become a nuisance to the neighborhood.

Both landlords and tenants are responsible for meeting city housing standards and being a good neighbor. Please review the information and handouts for information about rental housing standards and resources.

If you own property and let it for occupancy but do not occupy the property, you must obtain a rental dwelling license, regardless of compensation or if the property is occupied by a relative.

Exceptions A license is not required under the following circumstances:

- A single family dwelling or a dwelling unit in a duplex occupied by the building owner for a minimum of six months per calendar year.
- Rented rooms within an owner occupied dwelling unit.
- A residential property owned by a "snowbird" where 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.
- Unoccupied dwelling units that have been issued a Vacant Building Registration.

Unlicensed Rental Properties

Owners of a non-licensed rental property may be subject to fines, prosecution charges and incarceration. Rental license violation is a misdemeanor.

To determine if a property is licensed, visit **Search Rental Licenses**.

For detailed information regarding the application process, licensing categories and the fees involved with licensing a rental property in Brooklyn Center, please refer to the main *Rental Licensing Information* page.

Vacant Building Ordinance & Registration Requirements

Updated February 2, 2009

Similar to other cities throughout the nation, Brooklyn Center has experienced a high number of mortgage foreclosures. In the foreclosure aftermath, vacant properties have become prevalent in many neighborhoods. The number of resident concerns and the increased staff time to follow up on vacant property concerns indicated the city needed to have a greater influence on the condition and reoccupancy of these foreclosed, vacant properties. A study of vacant properties was conducted in the summer of 2008, providing some background information for the vacant building ordinance and registration requirements. In addition, feedback was obtained from various mortgage companies, property servicers, residents and other cities with similar issues as part of the ordinance development process.

The city has a comprehensive **4-Step Foreclosure Strategy** to stabilize the neighborhoods and help ensure the properties are brought back to a productive use. For more information, please see the Foreclosure Strategy document. Foreclosed vacant properties registered with the City are eligible for certain City Housing Programs, available in March 2009 while funding is available.

When Does the Ordinance Go Into Effect?

The maintenance and requirements of the ordinance go into effect December 20, 2008.

- The **registration process will begin February 4, 2009**. Any property that has been vacant for more than 30 days is required to be registered.
- The **City's Home Ownership Purchasing Program** will be available in March 2009 for properties that were foreclosed and registered as vacant properties in accordance with the city ordinance.

Why Was the Vacant Building Ordinance Adopted by the City?

Since 2007, the City has experienced a large number of mortgage foreclosures and subsequent vacant properties in its neighborhoods creating a negative impact socially and economically. Foreclosures and vacant properties are some of the top concerns of residents who have enjoyed and expect a high standard of living in this community. It is important for the city to monitor the market conditions, assess property conditions, provide a mechanism to stabilize neighborhoods, and provide an opportunity to attract responsible homeowners in order to revitalize the community.

- The majority of foreclosed and vacant properties were not being maintained in a respectful, good condition. An excessive demand was being put on limited city resources to monitor and ensure the properties were maintained in a safe, good condition so they did not attract illegal activities or become a blight to the community. Over 80% of the properties had exterior code violations including maintenance items such as long grass/weeds, garbage/junk/debris, unsecured buildings, etc. (2008 Vacant Building Study)
- The registration process provides a mechanism to provide community data and incorporate other city foreclosure initiatives including re-occupying these properties with responsible

homeowners or businesses as appropriate or removing distressed, unsafe and unmarketable properties.

What is the Purpose of the Vacant Building Program?

The purpose of the vacant building program is to:

- Ensure the property is maintained in a safe and healthful condition.
- Ensure the property does not become a public nuisance, target for vandalism and illegal activity, and blight to the neighborhood.
- **Identify** properties that are life/safety hazards, distressed, unmarketable and should be demolished.
- Provide a mechanism to promote the community and these properties with the partnership of the private sector; provide sound, safe housing; and maintain the value in investments for current and future residents and businesses.
- Maintain and improve the city's housing stock and to preserve property values.

When is a property required to be registered as a vacant building?

A residential or commercial property where an entire building on a parcel has been vacant for more than 30 days. For example, this includes a single family property, a single commercial building that is vacant on a parcel, and a multi-family building that does not have any occupants.

Some exemptions to vacant building registration include:

- Extended Vacationers or Snowbirds. A resident on an extended vacation or alternative living arrangement, including over winter months (snowbird), with the intention to return to the property and live is exempt from registering the vacant building. However, a verified emergency contact number where the property owner is located must be provided and the property must be maintained by a local person/agent so it does not appear to be vacant.
 - **Fire Damaged Property.** A building that has suffered fire damage is exempt from registration is the cleanup, repair or demolition is completed within 90 days after the date of the fire and if the exemption is requested in writing.
- Any multi-unit building on a single parcel that has one or more occupants is not considered vacant. Examples include an apartment complex that has a few units available for rent, a multi-tenant commercial property with a space available for rent.
- A parcel of land that does not have a building located on it.

Can I register a foreclosed vacant property early and participate in the City's Housing Programs?

Please be advised that the city can only register properties that meet the requirements of the vacant building ordinance, and only these properties will be eligible for the city housing purchase programs. Vacant building registration applications received prior to 30 days of vacancy will be registered and eligible after the 30 days of vacancy.

How Do I Register a Vacant Building?

Complete a Vacant Building Registration Application and submit the appropriate fee to the city.

 Based on the review of vacant properties, most properties have violations and will fit under Type II with a \$400 fee. For owners of newly vacated properties, you have 30 days to bring the property into compliance with city codes, which would result in meeting Type I, a \$100 fee

- category. If you certify that your property does not have any code violations, you will need to call to schedule a visit at the site with the inspector.
- Properties in better condition will also have a better chance of selling and at a higher value than
 properties in poor condition. If you certify that your property does not have any violations
 (peeling paint, junk/garbage, long grass/weeds, fence or other items in poor repair), you must
 schedule call to schedule an onsite visit with the inspector.
- For 2009, all properties will be in the 1st-year category, regardless of the length of time they have been vacant.
- The registration application can be downloaded from the city website or mailed to you upon request.
- Please mail the application and fee to the city or deliver in person at city hall.

What are some responsibilities of an owner or authorized agent of a property with a vacant building?

Some responsibilities include, but are not limited to:

• Register the vacant building property after 30 days of vacancy, including completing an application and submitting the registration and property maintenance verification inspection fees. The registration fee and property maintenance verification fee must be submitted according to the following fee schedule. A new owner must register a vacant building within 15 days after transfer of ownership.

Annual Vacant Building Registration Fee		
Property vacant for less than	Type I	\$100
1 year with no code violation .		
Property vacant for less than	Type II	\$400
1 year with 1 or more code		
violation(s).		
Property vacant for 1 to 3 years.	Type III	\$1,000
Property vacant for 3 years or	Type IV	\$3,000
more.		

Property Maintenance Verification Inspection Fee		
Single Family	\$195	
Apartment/Condo	\$115	
Townhome	\$195	
Duplex	\$275	

Example Fee Calculation:

For a vacant single family home with code violations, \$595 must be submitted to the city with the completed registration application. This includes a Type II fee of \$400 and a property maintenance verification fee of \$195. Note: The city does not have a separate point-of-sale inspection.

- Schedule a Property Maintenance Inspection to verify the condition of the property, interior and exterior. A property may not be re-occupied until an inspection is complete and all health/life safety violations are corrected. It is recommended that the inspection be completed at the beginning of the registration process to develop the property plan and determine eligibility for any housing programs. *Buyers are encouraged to contract with a private home inspector for a detailed list of home conditions and capital improvement plan.
- **Provide a property plan** to the city no later than 30 days after the building is registered. The property plan includes ownership information, emergency contact information, the current condition of the property, owners plan for the property (i.e. selling, rehabilitating, demolishing, renting, etc.). It is recommended that the property plan be completed as part of the Property Maintenance Verification Inspection.
- Inform the city of any change of responsible parties or sale of a registered vacant building.
- **Disclose all outstanding city correction orders** to a buyer of a vacant building. The property may not be re-occupied if any outstanding health/life safety violations exist.
- Providing any necessary information to the city for eligibility in housing purchase programs
- **Obtaining a rental license if you plan to rent** a residential property. Properties that did not have a rental license under the previous ownership are subject to a one-time residential rental property conversion fee.

Maintaining the property on an ongoing basis to include, but not limited to:

- Securing the property from pests, trespassers and vandalism.
- Winterizing the property. Minnesota can have subfreezing temperatures anywhere from October 1 to April 1.
- Removing and properly disposing hazardous buildings, hazardous materials, garbage, refuse and vehicles left by previous occupants.
- Routine oversight and maintenance of the property- mowing, stopping mail and newspaper delivering if applicable, etc.
- For commercial property, maintain any alarm systems.

For more information about maintaining vacant properties, please refer to <u>City Code Chapter 12-1507</u>.

What are other city initiatives or efforts to address foreclosures and vacant properties?

• The City implemented **VacantWatch** that has prevented some of the vandalism and blight problems some cities have experienced. It is a collaborative effort with residents and neighbors

of vacant property to monitor and report suspicious activities or nuisances. The City of Brooklyn Center has active neighborhood watch groups and involved residents and businesses.

• **Proactive monitoring** (day and night) by the city has been conducted to identify vacant properties and eliminate problems.

*These efforts have resulted in the prevention of major health and safety hazards, protection of property and investments, and the capture and prosecution of perpetrators.

- The city implemented the ReNew Home Purchase Programs in March 2009. These programs will promote health/life safety initiatives, re-occupancy of vacant homes with responsible homeowners, and enhancements to the city's housing stock.
 - o Home ownership purchasing programs.
 - o Home ownership purchasing and rehab programs.
 - o Remove and rebuild programs for distressed, unsafe, or unmarketable houses.

Please refer to the ReNew Home Purchase Program link for more information.

Appeals

You have the right to appeal in accordance with City Code Section 12-510. The appeal must be in writing, specify the grounds for the appeal and must be submitted to the Assistant City Manager within ten (10) days of the date of the notice.