

ORDINANCE # 4.32 (REVISION 2.2013)
AN ORDINANCE AMENDING SECTION 4.31 OF THE MORRIS CITY CODE OF 1997
REGARDING LICENSING AND INSPECTIONS OF
RESIDENTIAL RENTAL PROPERTY.

THE COUNCIL OF THE CITY OF MORRIS DOES HEREBY ORDAIN that Section 4.31 of the Morris City Code of 1997 be replaced in its entirety with the following provisions:

**City of Morris
Rental Licensing Ordinance**

SEC. 4.32. RESIDENTIAL RENTAL PROPERTY REGISTRATION AND LICENSING.

Subd. 1. Purpose. The City recognizes a need for an organized inspection program of residential rental units within the City in order to establish and enforce minimum standards for rental units to meet City and State covenants of habitability as well as safety, health, and zoning codes within the City and to provide a more efficient system to ensure that rental property is properly maintained. The City recognizes that the most efficient system to provide for rental inspections is the creation of a program requiring the licensing of all residential rental units within the City so that orderly inspections can be undertaken.

Subd. 2. Definitions.

- a. The term “residential rental property” means any building, structure, room, enclosure, or mobile home including the real property upon which it is located and which surrounds it, which is rented or offered for rent as living quarters or has been conveyed by a contract for deed and the contract for deed has not been recorded.

- b. These rental licensing requirements do not apply when residential property is on-campus housing at the University of Minnesota, Morris, hospital units, nursing home units, licensed assisted living facilities or hotels or motels with daily rental units. Property will also be exempt from the rental licensing requirements when residential property is owned by a person absent from the community for the following reasons:
 - 1) An academic sabbatical,
 - 2) A visiting professorship, or
 - 3) Federal or state active duty military orders;and is rented for a period of one (1) year or less during the owner’s absence for the aforementioned reasons; and the owner occupies the property as his primary residence when not absent.

- c. The term “person” includes natural persons as well as business entities, whether one or more.

- d. The term “Rental Inspector” means any person designated by the City to perform inspections and determine compliance with the applicable rules, standards, statutes and ordinances.

- e. A dwelling unit is defined in accordance with Morris City Code Chapter 11 Land

Use Regulation.

Subd. 3. Licensing Requirements. It is unlawful for any person to hereafter occupy, allow to be occupied, advertise for occupancy, solicit occupants of, or let to another person for occupancy any residential rental property within the City for which there is not an effective license. Initial application and renewal shall be made upon forms furnished by the Morris Housing & Redevelopment Authority (HRA) for such purpose and shall specifically require the following minimum information:

- a. Name, address and phone number of the property owner and, if owner is not a natural person, the name, address and phone number of a designated agent for the owner.
- b. The name, phone number, and address of any person authorized to make or order made repairs or services for the property, if in violation of City or State Codes, if the person is different than the owner.
- c. The street address of the rental property.
- d. The number and types of units within the rental property (dwelling units or sleeping rooms).

A rental property owner and/or the designated agent must notify the HRA in writing within 30 calendar days after any change in the above information.

Subd. 4. Fees & Penalties. There shall be a license fee for the initial license, and an annual renewal fee thereafter. The fee shall be based upon the number of units. There shall also be a license transfer fee and a license reinstatement fee. All fees shall be established by resolution of the Council. Administrative penalties for failure to comply with any portion of these rules, standards, statutes, and ordinances will be established by resolution of the Council.

Subd. 5. Manner of Licensing and Renewal.

- a. Initial application for license of property which is not licensed as residential rental property on the effective date of this Section, or for licensed residential rental property when there is a change in type of occupancy, shall be made by filing an application for license with the Morris HRA before the property is used as residential rental property or before use as a new type of occupancy.
- b. If there is a change in the type of occupancy from the type stated on the registration statement, a new registration statement and license will be required.

Subd. 6. Method and Manner of Certification. Upon receipt of an initial application, the Morris HRA shall forward a copy to the Rental Inspector, who shall then, within 10 (ten) working days, perform an inspection of the property to determine whether such property complies with the provisions of applicable rules, standards, statutes and ordinances. The Rental Inspector shall make a report thereon. No license shall be issued if the premises and building do not fully comply with all the provisions of the applicable rules, standards, statutes and ordinances.

Subd. 7. Inspections. After initial application and inspection, each rental property shall be required to undergo a renewal inspection before the 31st of December in the 3rd year following the year of the initial issuance. The Morris HRA shall notify the owner or the designated agent when the renewal inspection is due. Failure to receive a renewal notice from the Morris HRA shall not excuse the owner from meeting the license requirements. Renewal of licenses will not

occur unless the license fee has been paid and the property has been inspected by the Rental Inspector within ninety-days (90) of the date of the renewal notice. It is the owner's responsibility to ensure ample time is planned for accommodating the renewal inspection before the license expires.

Subd. 8. Method of Correction. Whenever the Rental Inspector determines that any residential rental property fails to meet the requirements set forth in the applicable rules, standards, statutes or ordinances; the HRA shall issue a correction order setting forth the violations and ordering the owner and/or owner's designated agent to correct such violations. This notice and order shall:

- a. Be in written form;
- b. Describe the location and nature of the violation;
- c. Establish a reasonable time for the correction of any violation;
- d. Be served upon the owner or the owner's designated agent. Such notice shall be deemed to be properly served if a copy thereof is:
 - (1) Served upon the owner, designated agent and/or occupant personally; or
 - (2) Sent by regular mail service.

Failure to correct violations within the time period stated in the correction order shall result in an administrative penalty to be set by Council resolution, as well as other sanctions provided by law or this ordinance. If the correction order relates to actions or omissions of the occupant, and the occupant fails to make the necessary correction, the owner may be required to remedy the condition by whatever means necessary. No adverse action shall be taken against a owner for failure to remedy a condition during the pendency of a bona fide eviction proceeding being pursued diligently by the owner.

Subd. 9. Transfer of Property. No later than thirty (30) days after licensed residential rental property is sold, the purchaser must provide written notice to the HRA of the purchase, provide the HRA with the information required under 4.32, Subd. 3 (a) – (d) and pay the required fee for transferring a license. Failure to make application within the specified time limit shall result in automatic forfeiture of the license. Relicensing of any property for which the license has been forfeited shall require application for a new license. The fee for license transfer shall be set by Council resolution.

Subd. 10. License Suspensions and Revocation.

- a. Any license may be suspended or revoked at any time during the life of said license for good cause including, but not limited to the following:
 - (1) False or misleading information given or provided in connection with the initial license application or renewal;
 - (2) Failure to pay any fee herein provided for;
 - (3) Failure to allow access for the rental inspection;
 - (4) Failure to correct violations in the time period prescribed;
 - (5) Violations committed or permitted by the licensed owner and/or the owner's designated agent, of any rules, codes, statutes and ordinances relating to, pertaining to, or governing the license and the premises;

- b. A suspended license shall be reinstated when the circumstances leading to the suspension have been remedied and a reinstatement fee as set by Council resolution has been paid.

Subd. 11. Maintenance of Records. All records, files, and documents pertaining to the Rental License Program shall be maintained for five years after the license expiration, in the office of the Morris HRA and made available to the public as allowed or required by the applicable laws, rules, codes, statutes or ordinances.

Subd. 12. Rental Housing Commission. The Rental Housing Commission is hereby designated to act as an advisory body. The Commission shall consist of seven (7) members appointed by the Council. The Commission shall hear appeals arising from a correction order and make recommendations to the Council to affirm, modify or reverse, in whole or in part, such order. This Commission shall also review and advise the HRA on administrative policies and procedures pursuant to this ordinance, and regularly review and make such recommendations, as the Board deems reasonable and necessary to the Council as to the schedules of fees and penalties required under this Section.

Subd. 13. Appeal Process. When it is alleged by any person to whom a correction order is directed that such order is based upon erroneous interpretation of the applicable rules, standards, statutes or ordinance or mistake in fact, such person may appeal the correction order to the Rental Housing Commission.

Such appeal must be in writing, must specify the grounds for the appeal, must be accompanied by any filing fee set by Council resolution, and must be filed within twenty (20) business days after receiving the correction order. Upon receipt of the written appeal, the HRA Director shall set a date for a hearing and give the appellant at least fourteen (14) days prior written notice of the date, time and place of the hearing. By mutual agreement between the appellant and the HRA Director, the fourteen (14) day notice may be waived.

The appellant shall have the right to appear and be represented by counsel. The Rental Housing Commission shall hear and consider the matter within thirty-days (30) of the filing of an appeal. The filing of an appeal shall stay all proceedings in furtherance of the action appealed from unless the Rental Inspector determines that such a stay would cause imminent peril to life, health, or property.

The Rental Housing Commission shall issue its recommendation to the Council and the appellant in writing within thirty-days (30) after the hearing. The Council shall thereafter affirm, modify or reverse the correction order upon such terms as the Council deems necessary to accomplish the purposes of this ordinance. A copy of the decision shall be mailed to the appellant.

Subd. 14. Authority. Nothing in this Section shall prevent the City from taking action under any applicable rule, standard, statute or ordinance for violations thereof to seek either injunctive relief or criminal prosecution for such violations as therein provided. Nothing contained in this Section shall prevent the City from seeking injunctive relief against a property owner or designated agent who fails to comply with the terms and conditions of this Section on registration and licensing including an order prohibiting the occupancy of such rental units until violations of this Section have been remedied by the property owner or designated agent.

Subd. 15. Posting. Every owner of residential rental property shall conspicuously post a copy of the current license (in a frame with transparent cover) in a public corridor, hallway, or lobby of

the rental property for which it is issued. For properties with one or two units, the owner must post the license certificate in a frame with a transparent cover in such a manner so as to be easily viewed and readable in the building for which it was issued.

Subd. 16. Inspection Access. Property owners and their agents shall permit the Rental Inspector to inspect all premises governed by this ordinance to determine if the building is operated as a rental property and/or to determine compliance with the provisions of this section, and shall fully cooperate with such inspections at any time, on reasonable notice. The property owners or their agents shall make reasonable efforts to notify tenants of planned inspections of their rental units to the extent required by state law.

Failure of a property owner to obey any of the requirements of this subdivision shall subject the property owner to suspension or revocation of license, in addition to other remedies and/or penalties provided by law. Any such suspension or revocation shall continue until the inspection sought has been completed, any violations satisfactorily remedied and any outstanding fees or penalties have been paid.

Subd. 17. Applicable Laws. Owners shall be subject to all applicable rules, standards, statutes and ordinances; and this Section shall not be construed or interpreted to supersede any other such applicable rules, standards, statutes or ordinances.

Subd. 18. Tenant Identification. Owners are required to provide names of tenants occupying rental property when the Morris HRA, or a Police Officer submits a written request.

Subd. 19. Rules, Policies and Procedures. The City Council may adopt rules, policies and procedures from time to time, by resolution for the implementation of this section. Violation of any such rule, policy or procedure by a property owner shall be considered a violation of this ordinance.

Subd. 20. Inspection Standards. All rental property shall meet the applicable standards set forth in the MN State Building Code.

Subd. 21. Criminal Penalties. Violation of any provision of this section by an owner, owner's designated agent, and/or occupant shall constitute a misdemeanor.

Subd. 22. Severability. If any provision of this section or amendment thereto, or the application thereof to any person, entity or circumstance, is held invalid or unconstitutional by a court of competent jurisdiction, the remainder of this section shall remain in full force and effect and the application thereof to other persons, entities or circumstances shall not be affected thereby.