

**MOORPARK CITY COUNCIL
AGENDA REPORT**

TO: Honorable City Council

FROM: Barry K. Hogan, Community Development Director
Prepared By: David A. Bobardt, Planning Manager 

DATE: May 3, 2006 (CC Meeting of 5/17/2006)

SUBJECT: Consider Ordinance to Add Chapter 15.34 to the Municipal Code to Require Safety Inspections of Residential Rental Housing

BACKGROUND

On October 19, 2005, in response to safety and property maintenance concerns with some rental properties, staff presented the Affordable Housing/Community Development Committee (Mayor Hunter, Mayor Pro Tem Mikos) with a report (attached) on how other cities ensure that rental housing units are maintained in a safe manner and in compliance with the municipal code. The problem often occurs in the rental of single-family homes and duplexes, where maintenance and improvements are not overseen by a professional management company. One option presented to the Committee was a program to regularly inspect rental units. The Committee requested staff to proceed with the preparation of an ordinance for City Council consideration.

DISCUSSION

The ordinance prepared by Community Development staff focuses on safety issues with respect to rental housing, with an inspection program to cover applicable municipal code requirements specifically related to building, housing, zoning, and property maintenance. It has been designed to apply to both single-family and multi-family units that are rented. Housing specifically exempted from the program includes owner-occupied units not operated as boarding houses or bed-and-breakfast inns (units may not involve the renting of more than one (1) room as a residence or any overnight rooms), second dwellings that are not rented for money or other consideration, hospital rooms, residential care facilities, hospices, community care facilities, mobile homes within mobile home parks, and on-campus dormitories.

In order to rent a housing unit, the landlord would need to obtain a rental authorization permit and business registration. This permit would be issued after an inspection reveals that the unit meets the municipal code requirements for building, housing, zoning, and property maintenance. The initial inspection would include both an exterior

and interior inspection. Annual renewals would only require an exterior inspection, unless the exterior inspection reveals potential concerns that would require an interior inspection. One new requirement of this ordinance is for the rental units to have operating smoke detectors in each bedroom and in the common area outside the bedrooms (i.e. hallway). Community Development staff discussed this provision with Fire Protection District staff, who are supportive of such a requirement, since smoke detectors are not currently required in single-family homes in Ventura County.

Staff proposes to fully support the costs associated with this program through the collection of inspection fees. As noted in the attached materials, inspection fees charged by other cities range from \$50 to \$150 per inspection. Staff estimates that the inspection fee for this program would be somewhere in the middle of this range, based on actual time needed to complete an inspection and issue a permit. If the City Council introduces this ordinance, staff will prepare a fee resolution for consideration at a future Council meeting. In accordance with Government Code Sections 6062a and 66016, a public notice would be provided of this future City Council public hearing through publishing and mailers, and the draft agenda report would be made available to the public through the Community Development Department.

ENVIRONMENTAL DETERMINATION

In accordance with the City's environmental review procedures adopted by resolution, the Community Development Director determines the level of review necessary for a project to comply with the California Environmental Quality Act (CEQA). Some projects may be exempt from review based upon a specific category listed in CEQA. Other projects may be exempt under a general rule that environmental review is not necessary where it can be determined that there would be no possibility of significant effect upon the environment. A project which does not qualify for an exemption requires the preparation of an Initial Study to assess the level of potential environmental impacts.

The Director has reviewed this project and found it to qualify for a Categorical Exemption in accordance with Section 15309 (Inspections) of California Code of Regulations (CEQA Guidelines). No further environmental documentation is required.

STAFF RECOMMENDATION

1. Introduce Ordinance No. _____ for first reading, approving the Addition of Chapter 15.34 to the Municipal Code.
2. Schedule second reading and adoption for June 7, 2006.
3. Direct staff to prepare a fee resolution to implement the new Chapter 15.34 and schedule for July 19, 2006.

Attachments:

1. October 19, 2005 report to Affordable Housing/Community Development Committee
2. Draft Ordinance

MOORPARK
AFFORDABLE HOUSING/COMMUNITY DEVELOPMENT COMMITTEE
AGENDA REPORT

TO: Affordable Housing/Community Development Committee
(Mayor Hunter and Councilmember Mikos)

FROM: Barry K. Hogan, Community Development Director 

DATE: October 6, 2005 (Meeting of 10/19/05)

SUBJECT: Consider a Request for the Creation of a Rental
Inspection Ordinance for Single-Family and Multiple
Family Housing

BACKGROUND

This matter was originally scheduled for consideration by the Affordable Housing/Community Development Committee on July 20, 2005, but was continued to a future meeting due to other lengthy matters on the July agenda.

DISCUSSION

In many cities a rental housing ordinance has been adopted to ensure compliance with the municipal code regarding substandard buildings and property maintenance issues. The issues are usually overcrowding, illegal room additions, unsanitary conditions and general deterioration of the units. For Moorpark, we deal with these issues through the code compliance process seeking compliance with our property maintenance ordinance and the building code. Recently Simi Valley considered the issue of overcrowding in single-family homes. The report is attached for your information.

Staff requested a list-serve survey response from those cities that have a rental inspection ordinance. We have copies of a number of ordinances from cities throughout the state. The California Association of Realtors provided us with a copy of its Local Inspection Ordinance Matrix which indicates that 22

cities have an inspection ordinance. A copy of the Matrix is attached.

The adoption of a rental inspection ordinance is just another tool that the City may want to consider adopting to assist in minimizing problems associated with overcrowding, illegal room additions, unsanitary conditions and property maintenance issues.

RECOMMENDATION

Direct staff as appropriate.

Attachments:

- 1) Simi Valley Overcrowding Staff Report, dated February 28, 2005
- 2) Local Inspection Ordinance Matrix
- 3) Simi Valley City Council Staff Report, dated September 26, 2005

**CITY OF SIMI VALLEY
MEMORANDUM**

February 28, 2005

TO: City Council

FROM: City Attorney/Department of Community Services

SUBJECT: OPTIONS FOR REGULATING OVERCROWDING IN RESIDENTIAL DWELLING UNITS

RECOMMENDATION

It is recommended that the City Council:

1. Direct staff to return to the City Council with amendments to the Zoning Ordinance to clarify the City's boarding house and lodging house regulations in residential zones within 60 days;
2. Direct staff to implement an aggressive approach in addressing building and housing code violations related to overcrowding when responding to complaints; and
3. Direct staff to conduct a full review of program alternatives and the financial impacts associated with implementing a rental property inspection program and report back to the City Council within 180 days.

BACKGROUND AND OVERVIEW

At the recent City Council meetings, the City Council discussed the issue of large numbers of persons living in single-family dwelling units, and requested that information be brought back regarding options for regulating overcrowding. In early January 2005, a fire occurred at a single-family home at 2367 Cochran Street, resulting in the death of one of the occupants. It has been reported that more than a dozen people lived in the house. The house had also been modified, with the garage having been converted into two separate bedrooms. People were also residing in trailers in the backyard, and illegal wiring had been added to the home's electrical system.

This memorandum will both review the legal issues associated with regulating overcrowding, and present policy options for the City Council's consideration to address this problem. It should be noted that many of the conditions discovered at the residence on Cochran Street where the fire occurred are already violations of the Simi Valley Municipal Code. In fact, Building and Safety Division staff have advised that the garage had been illegally converted to living space on two

separate occasions. Both times when it came to the City's attention, it was required to be changed back to a garage. Nonetheless, apparently it had been illegally converted a third time.

Legal Issues Related to Regulating Overcrowding

The issue of regulating overcrowding in residential units is a frustrating area for cities throughout the state. In past years this Office has provided information to the City Council setting forth the legal issues that make regulation of overcrowding difficult. For example, in 1988, an extensive staff report was prepared regarding these matters. The following briefly outlines the legal framework relating to the regulation of overcrowding.

In 1980, the California Supreme Court, in the case *City of Santa Barbara vs. Adamson* (1980) 164 Cal.Rptr. 539, ruled that a city may not limit the number of unrelated persons living together in a single housekeeping unit. The ruling was that to do so violated the right to privacy under the California Constitution. Under this decision cities are precluded from treating unrelated persons who live together as a "single housekeeping unit" differently from the way traditionally related families are treated. Because there is no limit on the size of a related family, there can be no limit on the number of unrelated people living together as a "family". Prior to this decision many cities had provisions in their zoning ordinances limiting the number of unrelated persons that could reside in a dwelling unit.

Since the Supreme Court ruling in *Adamson*, other cases in California have extended its reasoning in ways that further limit the ability of cities to regulate the number of persons who can reside in a dwelling unit. For example, in *College Area Renters and Landlord Association vs. City of San Diego* (1996) 50 Cal.Rptr.2d 515, the court held that an ordinance limiting the number of adults in rented single-family dwellings violated equal protection rights. In doing so, the court held that a distinction based upon owner-occupied, as versus non-owner occupied units was not rationally-related to the cities' legitimate interest in alleviating overcrowding problems and cited to the *Adamson* case for the proposition that such ordinances are "less suspect" when they focus on the use rather than on "who are the users."

An appellate case has also held that cities are preempted by state law from applying local rules for minimum floor area or maximum occupancy that are stricter than those contained in the Uniform Building Codes (*Briseno vs. City of Santa Ana* (1992) 8 Cal.Rptr.2d, 486). In addition, the Federal Fair Housing Act, the state Fair Employment and Housing law and the Unruh Civil Rights Act, further limit the ability of cities to regulate group homes for persons with mental or physical disabilities and also contain provisions prohibiting discrimination on the basis of "familial status" (*City of Edmonds vs. Oxford House, Inc.*, 115 S. Ct. 1776 (1995)). The Fair Housing Act does contain an exception permitting reasonable local and state occupancy limits, however, as noted the City is preempted from adopting its own limits as a result of the *Briseno* case.

FINDINGS AND ALTERNATIVES

Regulation in Light of Legal Issues

While there are significant legal limitations, there are some approaches that cities have taken in order to regulate the problems created by overcrowding. A relatively recent California Attorney General's opinion concluded that cities can regulate boarding houses in residential zones (86 Ops. Cal Atty. Gen 30 (2003)). The Attorney General was responding to a request from the City of Lompoc asking whether boarding houses could be prevented in single-family zones. The Attorney General found that they could, stating that "We conclude that a city may prohibit the operation of boarding house businesses in a low-density residential zone in order to preserve the residential character of the neighborhood."

Simi Valley's Zoning Ordinance currently contains several definitions that already reflect an intent to regulate boarding house type facilities and limit dwellings that are other than "single family" dwellings. These definitions include "boarding house" (which is defined to include the furnishing of meals) and "lodging house." Because of the problem of proving the living arrangement that exists in a dwelling unit, and uncertainty over legality in light of the case law described above, the existing Code has not been utilized in recent years to try to address the overcrowding issue. However, given this more recent Attorney General's opinion, the City could amend the Zoning Ordinance to more clearly define the prohibition of such uses in certain residential zones. Lompoc's ordinance, which has been adopted by some other cities since the issuance of the Attorney General's opinion, defines a boarding or rooming house as:

"...a residence or dwelling, other than a hotel, wherein three or more rooms with or without individual or group cooking facilities, are rented to individuals under separate rental agreements or leases, either written or oral, whether or not an owner, agent or rental manager is in residence."

It should be noted that even with revised definitions there will still be problems proving the exact living arrangement that exists among unrelated persons that are residing in the dwelling unit. A group of unrelated persons living together could assert that they are living as a "single housekeeping unit" and try to take advantage of the previously discussed *Santa Barbara vs. Adamson* case. Nonetheless, adopting a definition similar to the one that the Attorney General found acceptable would provide staff with a valuable tool in dealing with overcrowding situations, on a case by case basis.

Overcrowding conditions also often involve violations of various City codes, as is demonstrated by the conditions that existed at the house on Cochran Street where the fire occurred. In order to address these problems, some cities have adopted ordinances requiring registration of rental units and regular inspections. Staff has reviewed several of these programs. Many of the programs are restricted in that they are specifically focused on rental property exteriors, point of sale inspections, multi-family housing, or targeted redevelopment areas. Those programs that involve a pro-active, inspection of both the exterior and interior of the property require a significant investment in administrative, inspection and enforcement

staffing to provide the required notifications, inspections, billing, legal support in obtaining inspection warrants where property owners fail to comply, and follow-up enforcement activities. In Simi Valley it is estimated that up to 4,600 rental properties, or 15% of the City's single-family residential housing stock, could fall under such a program (based on tenure of residents in single-family homes from the 2000 Census).

Staff reviewed two municipal programs in the State that are attempting to proactively address this issue within the confines of various legal and fiscal restraints. Of most interest was the City of Sacramento, which is actively investigating the ability to privately contract for rental property inspection and enforcement services and in turn establishing a fee structure that could support the service. If this approach proves feasible, it could serve as an effective model for Simi Valley. Another option presently utilized by the City of Berkeley is a program that requires property owners to self-certify that their rental units meet housing safety standards on a checklist prepared by the City. The owner is then required to provide a copy of the self-certification list to their tenants. While this approach would reduce some of the high costs and infrastructure required of other programs, it may be less effective in addressing specific issues related to overcrowding, as it relies on the tenants to monitor the status of the units. **Based on this initial research, it is recommended that staff fully review these and other options and the financial impacts associated with each and report back to the City Council within 180 days.**

As to other options, as noted under the *Briseno vs. Santa Ana* case, the City is preempted from adopting its own residential occupancy limits. Accordingly, an additional option is for the City Council to seek changes from the state legislature that would provide the City with more regulatory authority. Finally, the City's Building and Safety and Code Enforcement programs have historically been reactive/complaint based. Another option would be for the City Council to direct staff to undertake a more aggressive approach related to building, health and safety code violations regarding overcrowding issues.

It is recommended that the City Council review the foregoing, and provide staff with direction regarding the alternatives discussed in this memorandum. The following alternatives are available to the City Council:

1. Provide staff direction to take the following actions:
 - a) Direct staff to return to the City Council with amendments to the Zoning Ordinance to clarify the City's boarding house and lodging house regulations in residential zones within 60 days;
 - b) Direct staff to implement an aggressive approach in addressing building and housing code violations related to overcrowding when responding to complaints; and

- c) Direct staff to conduct a full review of program alternatives and the financial impacts associated with implementing a rental property inspection program and report back to the City Council within 180 days;
2. Give staff direction regarding another combination of the foregoing alternatives;
3. Provide staff with further direction.

Staff recommends Alternative No. 1.

SUMMARY

As a result of case law and state and federal statutes regarding privacy protection and fair housing rights, regulating residential overcrowding is a difficult undertaking. There are, however, approaches some cities have taken that staff is presenting to the City Council for its consideration. These include prohibiting boarding houses in low-density residential zones, implementing a rental housing inspection program, and aggressive enforcement of building and housing code violations. In addition, since cities in California are preempted by state law from having their own maximum occupancy limits, the City could work with its legislative representatives to seek amendments to provide more regulatory authority. At this time staff recommends that the City Council direct staff to return to the City Council with amendments to the Zoning Ordinance to clarify the City's boarding house and lodging house regulations in residential zones within 60 days, direct staff to implement an aggressive approach in addressing building and housing code violations related to overcrowding when responding to complaints, and direct staff to conduct a full review of program alternatives and the financial impacts associated with implementing a rental property inspection program and report back to the City Council within 180 days.

David H. Hirsch, City Attorney
Office of The City Attorney

Debbie Solomon, Director
Department of Community Services

Local Inspection Ordinance Matrix

Published by the Local Governmental Relations Division California Association of REALTORS®

The following is a chart of various local point-of-sale inspection ordinances and programs.

City	Type of Inspection <i>Mandatory or Voluntary</i>	Properties Affected	Fees - <i>Single Family(SF)</i> <i>Condo(C)</i> <i>Multifamily(MF)</i>	Comments
Belvedere	Mandatory Transfer of Title	All Residential Property	\$150/ Inspection	None
Carson	Mandatory Transfer of Title	All Residential Property	\$100/ Inspection	None
Compton	Mandatory Transfer of Title	All Residential Property	\$60/ Inspection	None
Cudahy	Mandatory Transfer of Title	All Residential Property	\$175/ lot	None
Corte Madera	Mandatory Transfer of title	All Residential Property	\$120 SF \$120+\$50/unit	None
Fairfax	Mandatory Transfer of Title	All Residential Property	\$125 SF \$125+\$35/unit	None
Fresno	Mandatory Upon Complaint	All Residential Property	\$72/visit for enforcement	None
Hawaiian Gardens	Mandatory Transfer of Title	All Residential Property	\$85/ Inspection	Not being enforced consistently.
Hayward	Mandatory Every 5 years	Multi-Family	\$100 /unit	Poorly run program
Larkspur	Mandatory Transfer of Title	All Residential Property	\$120 SF \$80 +\$40/ unit	None
Maywood	Mandatory	All	\$100SF	Difficult Program

	Transfer of Title	Residential Property	\$100+\$50/unit	to work with
Mill Valley	Mandatory	Multifamily	\$100+\$25/unit	None
Novato	Mandatory Transfer of Title	All Residential Property	\$118 ^{SF} \$90+\$37/unit	None
Pasadena	Mandatory Change of Occupants	Single Family Condo	\$93.73 ^{SF} \$82.40 ^C	Multi-Family inspected every 4 years
Ross	Mandatory Transfer of Title	All Residential Property	\$90/ inspection	None
San Anselmo	Mandatory Transfer of Title	All Residential Property	\$161 ^{SF} \$161+\$18/unit	None
San Bernardino	Mandatory Intervals	All Rental Property	\$60 annually	Inconsistently inspected
San Mateo	Mandatory Every 4 years	Multi-Family	\$59 /unit	None
San Rafael	Mandatory Transfer of Title	All Residential Property	\$115 ^{SF} \$80 \$115+\$12/unit	None
Sausalito	Mandatory Transfer of Title	All Residential Property	\$90/ Inspection	None
South Gate	Mandatory Transfer of Title	All Residential Property	\$50 / Inspection	Very difficult and costly inspection program
Tiburon	Mandatory Transfer of Title	All Residential Property	\$150/ Inspection	None

**CITY OF SIMI VALLEY
MEMORANDUM**

September 26, 2005

TO: City Council

FROM: Department of Community Services
Department of Environmental Services

SUBJECT: CONSIDERATION OF PROPOSED AMENDMENTS TO THE ZONING ORDINANCE RELATED TO BOARDING AND LODGING HOUSE REGULATIONS IN RESIDENTIAL ZONES AND EFFORTS TO ADDRESS SUBSTANDARD HOUSING CONDITIONS

RECOMMENDATION

It is recommended that the City Council:

1. Direct staff to forward the proposed amendments to the zoning ordinance related to the definition of lodging house as presented in this report to the Planning Commission for review and recommendation;
2. Review the models/approaches used by other cities as presented in this report, select one or more as the preferred model(s) and direct staff to develop a program recommendation to include the funding impacts of the preferred model(s) and return to the City Council with a report within 120 days.

BACKGROUND AND OVERVIEW

In early January 2005, a fire occurred at a single-family home at 2367 Cochran Street, resulting in the death of one of the occupants. It was reported that more than a dozen people lived in the house. The house had also been modified, with the garage having been converted into two separate bedrooms. People were also residing in trailers in the backyard, and illegal wiring had been added to the home's electrical system. On February 28, 2005, the City Council directed staff to prepare zoning ordinance amendments to clarify the City's definition and regulations pertaining to boarding and lodging houses in residential zones. The City Council also directed staff to initiate efforts to implement an aggressive approach in responding to reported building and safety housing code violations related to overcrowding and substandard housing conditions and to conduct a review of program alternatives and options.

FINDINGS AND ALTERNATIVES

Staff from Community Services, Environmental Services and the City Attorney's Office have been actively reviewing ways to effectively address substandard housing violations within the various legal and financial constraints. This report recommends proposed amendments to the zoning ordinance, provides the City Council with a status report on the ongoing efforts and research, and seeks City Council direction regarding future approaches that may be considered to address substandard housing conditions.

Proposed Amendments to the Zoning Ordinance Related to Boarding and Lodging House Regulations

The City Attorney's Office had previously recommended that the definition of "lodging house" be modeled after an ordinance approved by the Office of the California Attorney General in opinion No. 01-402 issued on March 19, 2003. The modified ordinance would be as follows:

Section 9-1.213(g) of the Municipal Code is modified to read as follows:

- (g) *Lodging House* shall mean a residence or dwelling, other than a hotel, motel, bed and breakfast, or organizational house, wherein three (3) or more rooms are rented to individuals under separate oral or written rental agreements or leases, whether or not an owner, agent or property manager is in residence.

Section 9-1.203(e) of the Municipal Code is modified to read as follows:

- (e) *Boardinghouse* shall mean a lodging house that provides meals for compensation.

The current ordinance defines a lodging house as a residence where lodging is provided for compensation for five or more persons and requires a Special Use Permit. With the revised definition, a maximum of two rooms could be rented; otherwise a Special Use Permit would be required. To update the current ordinance, it is recommended that the City Council direct staff to forward the proposed ordinance change to the Planning Commission for their review and recommendation prior to City Council action.

Staff Efforts To Address Substandard Housing Conditions

In response to City Council direction, the Environmental Services and Community Services Departments have been working to develop and implement a reporting program and tracking system to jointly identify, monitor and expedite complaints of substandard and egregious housing cases involving unsafe living conditions. These cases often arise from illegal garage conversions, unapproved room additions, detached structures not approved for habitation, closed exits, and the use of recreational vehicles with illegal wiring attached to a dwelling unit. Many of these conditions existed and/or contributed to the Cochran Street incident and are a result of substandard housing conditions related to overcrowding situations. The new tracking system will assist Building & Safety, Planning and Code Enforcement staff in expediting the inspections, notifications, reports and legal documentation required for the City to take action when substandard housing or unsafe living conditions place residents at risk. It will also assist in streamlining dangerous and egregious cases and enable staff to track, obtain and share information with other City Departments including the Police Department and City Attorney. The program will assist in monitoring cases that have the potential for repeat violations (i.e., garage conversions that are corrected then converted back to habitable space). As a result of these joint efforts, staff has been able to increase their effectiveness in expediting City action related to egregious cases. Building & Safety, Planning and Code Enforcement staff will continue to work closely to further develop and expand the use of this system.

Municipal Program Model Options For Addressing Substandard Housing Conditions

City Council members have indicated an interest in obtaining more information on the various models and approaches being used by municipalities to address single and multi-family residential properties as it relates to enforcing unsafe building and housing code violations. Staff has identified four key models/approaches being used by communities in the state of California. The following provides a brief summary of the various approaches and their potential impacts to residents/property owners.

1. "Point of Sale" Residential Property Inspections

A few cities have enacted ordinances requiring mandatory inspections of single-family residences, duplexes and condominiums at the time a house is sold. The cities of Azusa and Pasadena require that residential properties be inspected by City staff prior to the close of escrow. City fees for the program are paid by the seller and range from \$55 to \$120 per home for the inspection, plus any private inspection fees and fines for violations. A copy of the report is provided to the seller, the City and the buyer so that any violations are disclosed prior to the sale of the home. In most cases violations are cured prior to the close of escrow. Municipalities that have implemented mandatory point of sale inspection requirements depend on the real estate community to inform the seller and buyer of the requirement. They have also noted that the early participation and support of the real estate community are critical components to the success and effectiveness of these programs. Thousand Oaks eliminated their mandatory inspection program several years ago due to concerns expressed by the real estate community. Currently their staff simply reviews the building file to make sure no violations are on file. Thousand Oaks does provide the ability for interested individuals to pay for an inspection upon the sale of a home at a cost of \$210. However these inspections are rarely requested. A summary of these programs is included in the chart below. The Simi Valley Board of realtors reported that 1,977 residential properties were sold in Simi Valley last year, representing approximately 6% of the City's housing stock.

POINT OF SALE INSPECTION PROGRAMS

<u>City Name and City Population</u>	<u>Mandatory Inspection by City Staff</u>	<u>Fees Paid to the City by Seller</u>	<u>Comments</u>
<u>Azusa</u> Population: 47,000	Exterior inspections of single family residences, duplexes, and condominiums.	\$120 inspection fee.	City's utility company notifies when there is a change of occupancy.
<u>Pasadena</u> Population: 138,000	Interior and exterior inspections of single family residences and condominiums.	\$115/single family. \$100/condominiums inspection fee.	City utilizes DataQuik system and Chicago Title to track changes of ownership. Realtors also advise sellers/buyers of requirements.
<u>Thousand Oaks</u> Population: 126,000	Not applicable	\$55 mandatory review of building file and inspection report only.	Realtors advise sellers/buyers of requirements.

2. Rental Property Inspection Programs For Multi-Unit Housing

Staff identified approximately a dozen California communities that have mandatory inspection programs for "multi-unit" rental housing. These programs typically cover rental properties with three or more units, including apartments and in some cases hotels. Many of the programs are in older or college communities with an unusually high number of multi-unit rental projects. Three examples of programs in the cities of Pasadena, San Rafael and San Jose are summarized in the chart below. In these three programs an annual "per unit" fee is collected for a Certificate of Occupancy or Certificate of Compliance. Mandatory interior/exterior inspections are conducted once every 4-6 years by City Housing and/or Building & Safety inspectors.

MULTI-UNIT RENTAL PROPERTY INSPECTION PROGRAMS

<u>Name of City/Population</u>	<u>Number and Type of Properties/Units Affected</u>	<u>Fees Paid to the City</u>	<u>Comments</u>
<u>Pasadena</u> Population: 138,000	Rental properties with three or more units. # of units unavailable.	\$17.25/per unit for Certificate of Occupancy.	Annual renewal fee. Inspections conducted once every four years.
<u>San Jose</u> Population: 990,000	Rental properties with three or more units. # of units unavailable.	\$31.45/per unit for Certificate of Occupancy, includes fire inspection fee. \$150 a year for business license.	Annual renewal fee. Inspections conducted once every six years.
<u>San Rafael</u> Population: 57,000	Apartments and hotels with three or more units. 7,700 units.	\$207 + \$4.30/per unit over 10 units for Certificate of Compliance/inspections.	Annual renewal fee. Inspections conducted once every five years. Over what period of time is per/year, every five years, since program inception.

3. Single-Family Residential Rental Property Inspection Programs

Staff located two rental inspection programs in the State that address mandatory inspections of single-family residential properties. Many cities have not included residential single-family properties due to the extensive and expensive staffing infrastructure required to identify, track and annually invoice residential rental property owners. In addition, residential rental property inspections require noticing both the owner and occupant and coordination of scheduling with the

occupant. The City of Azusa's program requires mandatory exterior inspections only, with interior inspections conducted at the invitation of the occupant or with an inspection warrant. The City of Hayward's program requires mandatory interior and exterior inspections and is operated by a staff of six full-time employees (five housing inspectors and one administrative support position). The City of Sacramento is currently investigating development of a similar program and is expected to consider it before the end of the year. The process of identifying and developing a database of the rental properties in Simi Valley in itself, would require a considerable investment of time. Staff roughly estimates that approximately 15% of the City's residential housing stock or 4,600 homes are rental properties.

SINGLE-FAMILY RENTAL HOUSING INSPECTION PROGRAM

<u>Name of City</u>	<u>Number and Type of Properties/Units</u>	<u>Fees Paid in the City</u>	<u>Annual Comments</u>
<u>Azusa</u> Population: 47,000	Residential units and apartments. Mandated exterior inspections only. 1,398 properties (# of units unavailable).	\$46 - single family. \$46 + \$8/unit - apartments.	Annual renewal fee. Inspections conducted once every 5 years. Interior inspections are conducted with occupant approval or inspection warrant.
<u>Hayward</u> Population: 120,000	Interior and exterior inspections of all rental units including residential, apartments, and hotels. 21,000 units	\$20 + \$5/unit. \$150/parcel + \$60/unit if violations are found. \$150/parcel + \$60/unit for progress inspection. \$220 - \$1,000 penalty fees subsequent inspections.	Annual renewal fee. Inspections with property owner or representative conducted once every 5 years. Over what period of time?

4. Proactive Property Maintenance Programs

A few cities utilize proactive property maintenance programs to assist in identifying substandard housing situations. For example, Beverly Hills annually conducts two sweeps of the City. San Jose focuses their efforts on blighted areas and Pasadena employs a task force to gather inspection information, legal documentation and inspection warrants. Staff involved in proactive enforcement are trained to identify and document substandard housing conditions and health and safety concerns. Where justified, inspection warrants are pursued by Building and Safety.

The City of Simi Valley's Property Maintenance Program began in 1998 as a reactive program and later developed into a proactive program and has successfully addressed over 2,017 cases of dilapidated and poorly maintained residential and commercial properties in the City. The program is designed to address egregious cases of poor exterior property maintenance which includes overgrown or dead vegetation in front yards; structures with significant surface cracks, missing housing materials, broken windows, peeling or cracking paint; and, roofs, driveways, gates and fences in disrepair. Failure to comply subjects the property owner to administrative enforcement of civil fines. However, in extreme cases, court action has been employed to achieve compliance. The interior of buildings is not included in the Property Maintenance Program since compliance of interior uniform building, plumbing, and electrical codes can only be enforced pursuant to an inspection authorized by a warrant. In order to secure such a warrant there needs to be supporting declarations showing that there is reasonable cause and belief that violations exist and indicating that entry was not allowed by the person in control of the subject property.

PROACTIVE PROPERTY MAINTENANCE PROGRAMS

<u>Name of City/Population</u>	<u>Type of Program</u>	<u>Comments</u>
<u>Beverly Hills</u> Population: 50,000	Exterior only. Proactive and Reactive – address all code violations.	Conduct two sweeps of the City a year.
<u>Indian Wells</u> Population: 4,025	Exterior only. Proactive and Reactive – address all code violations.	
<u>Pasadena</u> Population: 138,000	Exterior only. Proactive and Reactive – address all code violations.	Task force, led by City Prosecutor, includes Fire Department, Health Department, Police Department, and Code Enforcement. Egregious code violations referred to appropriate Division.
<u>San Jose</u> Population: 990,000	Exterior only. Proactive and Reactive – address all code violations.	Concentrate on blight areas.

It is recommended that the City Council review the information contained in the staff report and provide staff with direction regarding the proposed zoning ordinance amendments, the staff research and efforts discussed in the staff report, and the model(s)/approaches that may be preferred by the City Council. The following alternatives are available for the City Council's consideration:

1. Direct staff to forward the proposed amendments to the zoning ordinance related to the definition of lodging house as presented in this report to the Planning Commission for review and recommendation;
2. Review the models/approaches used by other cities as presented in this report, select one or more as the preferred model(s) and direct staff to develop a program recommendation to include the funding impacts of the preferred model(s) and return to the City Council with a report within 120 days;
3. Take no further action;
4. Provide other direction to staff.

Staff recommends Alternative Nos. 1 and 2.

SUMMARY

The City Council directed staff to prepare amendments to the zoning ordinance to clarify the City's regulations pertaining to boarding and lodging houses in residential zones and directed staff to conduct research and to initiate efforts to implement an aggressive approach in responding to reported building and safety housing code violations related to overcrowding and substandard housing conditions. It is recommended that the City Council review the information contained in the staff report and provide staff with direction.


Debbie Solomon, Director
Department of Community Services


Al Boughey, Director
Department of Environmental Services

ORDINANCE NO. ____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MOORPARK, CALIFORNIA, AMENDING THE MOORPARK MUNICIPAL CODE BY ADDING CHAPTER 15.34 (RENTAL HOUSING INSPECTION) TO TITLE 15 (BUILDINGS AND CONSTRUCTION)

WHEREAS, the City Council wishes to safeguard the inventory of decent, safe, and sanitary rental housing units within the City and to protect persons entering or residing in them by providing for annual inspection of rental housing units and associated common buildings and areas to ensure compliance with the provisions of Title 15 (Building and Construction) and Title 17 (Zoning) of the Moorpark Municipal Code; and

WHEREAS, at its meeting of May 17, 2006, the City Council conducted a hearing on this ordinance to add Chapter 15.34 to the Moorpark Municipal Code related to the inspection of rental housing, received public testimony, and after receiving oral and written public testimony reached a decision; and

WHEREAS, the City Council concurs with the Community Development Director's determination that this ordinance is exempt from the provisions of the California Environmental Quality Act by the general rule that CEQA only applies to projects that may have a significant effect on the environment.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MOORPARK DOES ORDAIN AS FOLLOWS:

SECTION 1. Chapter 15.34 of the Moorpark Municipal Code is hereby added, in its entirety, as shown in Exhibit A.

SECTION 2. If any section, subsection, sentence, clause, phrase, part or portion of this ordinance is for any reason held to be invalid or unconstitutional by any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance. The City Council declares that it would have adopted this ordinance and each section, subsection, sentence, clause, phrase, part or portion thereof, irrespective of the fact that any one or more section, subsections, sentences, clauses, phrases, parts or portions be declared invalid or unconstitutional.

SECTION 3. This ordinance shall become effective thirty (30) days after its passage and adoption.

SECTION 4. The City Clerk shall certify to the passage and adoption of this ordinance; shall enter the same in the book of original ordinances of said City; shall make a minute of the passage and adoption thereof in the records of the proceedings of the City Council at which the same is passed and adopted; and shall, within fifteen (15) days after the passage and adoption thereof, cause the same to be published once in the Moorpark

CC ATTACHMENT 2

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Ordinance No. _____

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Star a newspaper of general circulation, as defined in Section 6008 of the Government Code, for the City of Moorpark, and which is hereby designated for that purpose.

PASSED AND ADOPTED this ____ day of _____, 2006.

Patrick Hunter, Mayor

ATTEST:

Deborah S. Traffenstedt, City Clerk

Exhibit A: Chapter 15.34 of the Moorpark Municipal Code

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EXHIBIT A

RENTAL HOUSING INSPECTION

CHAPTER 15.34

Sections:

- 15.34.010 Purpose.**
- 15.34.020 Scope.**
- 15.34.030 Rental authorization permit.**
- 15.34.040 Inspections.**
- 15.34.050 Smoke detectors required.**
- 15.34.060 Revocation.**
- 15.34.070 Appeals.**

Section 15.34.010 Purpose.

The purpose of this chapter is to safeguard the inventory of decent, safe, and sanitary rental housing units within the City and to protect persons entering or residing in them by providing for annual inspection of rental housing units and associated common buildings and areas to ensure compliance with the provisions of Title 15 (Building and Construction) and Title 17 (Zoning) of the Moorpark Municipal Code.

Section 15.34.020 Scope.

The provisions of this chapter shall apply to single-family dwellings, two-family dwellings, multiple family dwellings, second dwellings, boardinghouses, bed-and-breakfast inns, hotels, and motels as defined in Title 17. The following uses are specifically exempt from this chapter:

- a. Owner-occupied housing units not operated as boardinghouses or bed-and-breakfast inns.
- b. Second dwellings not occupied by person(s) paying rent or providing other goods or services in-lieu of a rent payment.
- c. Accommodations in any hospital, extended care facility, residential care facility, convalescent home, hospice, or state-licensed community care facility.
- d. Mobile homes within mobile home parks.
- e. On-campus dormitories operated by secondary schools, colleges, or universities.

Section 15.34.030 Rental authorization permit.

No person shall rent or lease a housing unit unless a valid rental authorization permit has been obtained. The application for a rental authorization permit shall be made on a form provided by the community development director with payment of a fee as

of the rental authorization permit

established by resolution of city council. The permit shall be valid for a period of one (1) year, unless revoked for cause. Renewal is the responsibility of the property owner, with an application for renewal required to be filed at least fifteen (15) calendar days prior to expiration if the housing unit is to continue to be rented. A valid city business registration permit is also required for any person engaged in the rental of housing units.

Section 15.34.040 Inspections.

- a. Prior to issuance of the initial rental authorization permit as well as each annual renewal, the community development director shall cause the subject rental housing units(s) to be inspected for compliance with applicable municipal code sections relating to building, housing, zoning and property maintenance.
- b. Inspections shall be made by appointment with the property owner. The property owner shall be responsible for making the rental housing unit(s) available for inspection. If the owner or tenant denies the city inspector access to the rental housing unit, an authorization to rent permit shall not be issued. If the rental housing unit is occupied, the city may pursue any remedy available to the city under the laws of the State of California, including but not limited to, obtaining an inspection warrant.
- c. The initial inspection shall include an inspection of both the exterior and interior of the rental housing unit. Annual permit renewal inspections shall be made of the exterior of the rental housing unit, unless the exterior inspection gives evidence of possible interior violations, in which case the interior of the rental housing unit may be inspected.
- d. Where inspection reveals a violation, the property owner shall be provided with a written notice describing the violation, location and a reasonable time for compliance. A rental authorization permit shall not be issued until all violations have been corrected and re-inspected by the city. A re-inspection fee as established by resolution of City Council shall apply.

Section 15.34.050 Smoke detectors required.

At the time of the application for a rental authorization permit, the property owner shall certify that each rental housing unit has at least one (1) working smoke detector in each bedroom and one (1) working smoke detector in the area outside of the bedroom (i.e. hallway). Where required by the building code, smoke detectors shall be hard-wired with battery back-ups. All smoke detectors shall be tested by city inspectors as part of the interior inspection, when interior inspections are required.

Section 15.34.060 Revocation

A rental authorization permit may be revoked by the community development director at any time if municipal code violations are discovered on the property that make the rental housing unit unsafe or unfit for occupancy.

Ordinance No. _____
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Section 15.34.070 Appeals.

Any person aggrieved by the determination of the community development director under this chapter may appeal to the planning commission in accordance with the appeal procedures in Chapter 17.44.