### Rental Safety Verification Program

presented by Suzanna Fritzberg, Deputy Chief of Staff and Policy Director Tracy Skibins, Director of Code Enforcement Marlaina Johns, Deputy Director of Code Enforcement

Prepared for the South Bend Common Council Health and Public Safety Committee February 6, 2019

# Rental Housing in South Bend

There are over **16,000 rental unit**s within South Bend City limits (ACS). Rentals account for about **40% of housing** in the City

Older rental housing is more likely than newer housing to have quality and safety issues that may jeopardize the health of occupants.

Indiana ranked 10<sup>th</sup> in the 2009 housing census of states with the most pre-1939 homes.

In South Bend, 72.1% of our housing units were built before 1969.

Qualitative Engagement: Service Providers, Banks, Property Management, Neighborhood Orgs, CDCs. Lack of decent, safe affordable housing.



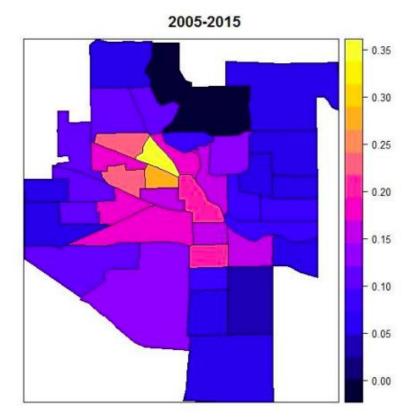
# Local Housing and Health

Census data and Code records suggest that a significant portion of rental units contain hazards that compromise safety and habitability (for example: lead paint, mold, improper ventilation or fire detection systems).

Substandard housing conditions have been shown to be responsible for a range of significant and costly health problems, including asthma, child lead poisoning, and increased rates of injury and mortality.

Lead paint continues to be a health concern as **82.1%** of all housing units are within structures built prior to the ban on lead paint in 1978.

Children Under Age 7 with elevated blood lead levels (>=5 µg/dL) by Census Tract



# Rental Safety Violations

Current Code Enforcement Examples

# : 111

# Interior Inspection Complaints

In 2018, Code Enforcement responded to 825 new housing concerns.

The dots on the map indicate new housing code violations in 2018 and the census tracts.



### RENTAL COMPLAINT



### RENTAL COMPLAINT



### RENTAL COMPLAINT



### Rental Complaint Exterior



### Cosmetic Issues

# Rental Safety Verification Program

Proactive Rental Inspection

# Proactive Rental Inspection



The Rental Safety Verification Program (RSVP) will promote the health and safety of renters in the City by proactively ensuring that rental properties meet existing minimum quality standards of environmental and building maintenance.

- •A Code Enforcement inspector will look at the conditions of the property inside and outside the unit. The inspector will have a checklist of items to look for such as: chipping/peeling paint, visible leaks, working plumbing and electrical systems, proper sanitation, adequate heat.
- •Upon the successful completion of inspection, Code Enforcement will issue a Certificate of Rental Safety, which remains valid for up to 5 years. A rental with a Certificate of Rental Safety is in compliance with minimum rental housing safety standards.
- •Units with a valid Certificate of Rental Safety will be posted on the City website.

# Financial Impact

### City Operations:

Code Enforcement Housing Inspection Team:

3 Housing Inspectors

1 Chief Inspector

Project Coordinator

### **Property Owners:**

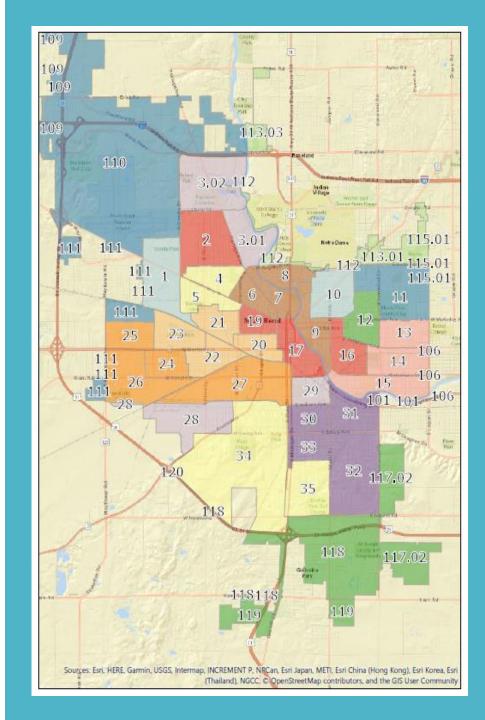
1<sup>st</sup> and 2<sup>nd</sup> inspections: no fee

Financial assistance available for repairs

Data from other cities suggests minimal impact on rental costs or housing turnover

### Program Start Date and Cycle

- •4-month phase-in period for property owners and landlords to make repairs, or request early inspection (and qualify for extra years of validity on passing certificates)
- •After 4 months, Code will phase in the program by Census tract, starting with Census Tract 6. RSVP inspection notices will be sent to Census Tract 6 for owners to schedule appointments.
- •The program will inspect 20% of rental housing per year for the first 3 years of the program.
- •The Certificate of Rental Safety is issued for a period of **five years to one year**.



## Inspection Checklist

20 minute visual inspection

Focus on minimum safety standards

Fire safety (smoke alarms, ingress/egress)

Water

Heat

Properly-installed plumbing and electrical systems

Mold or mildew

Chipping or peeling paint

Leaks

# Eligible Properties

All residential rental properties will be required to be on file with the Department of Code Enforcement and obtain a Certificate of Rental Safety

Certain types of properties, that have been recently inspected by another agency, can apply for an exemption waiver to inspection:

- Rental properties built within the last 10 years
- Federal or state subsidized/owned rental units that are regularly inspected by a government entity and can verify housing conditions meet ordinance criteria

Additionally, the following occupancy arrangements may apply for an exemption waiver to inspection: group homes, contract sales, short term occupancy (less than two weeks duration), owners who live on premises and rent to no more than two occupants (see Zoning §21-11 "Family")

Under IC 36-1-20-4.1(c), owners may engage a private inspector at their own cost to conduct property inspection and apply for a waiver to use this inspection instead of the free City inspection. The Department may also accept certain inspection reports from real estate sales within the last 3 years.

### **Enforcement Tools**

### **Inspection Compliance**

- 1. Post Card to owner as courtesy notice with 30 days to contact Code
- 2. 1<sup>st</sup> Letter notice to owner warn of penalties and possible inspection warrant (14 days from date on letter to schedule)
- 3. Issue weekly penalties
- 4. 2<sup>nd</sup> Letter notice to owner 30 days from 1st letter– penalties continue, warn inspection warrant next step
- Post at rental unit "No Inspection Certificate and Illegal for Non-Owner Occupancy"
- 6. Obtain Inspection Warrant from Court

### **Enforcement Tools**

### **Certification Compliance**

- 1. Initial inspection fails Re-inspection within 60 days
- 2. Additional re-inspection fails Re-inspection(s) within 60 days and inspection fees begin to accrue
- 3. Issue weekly penalties
- 4. Post at rental unit "No Inspection Certificate and Illegal for Non-Owner Occupancy"

### **Enforcement Tools**

### Special Certification Compliance: Occupied Condemned Rental Unit

- 1. Rental unit determined unfit for occupancy and condemned placard posted
- 2. Notice to owner of 24-hour re-inspection date and deadline to repair or move occupants
- 3. If reinspection fails, or occupants are not moved out:
  - Refer occupants to St. Vincent DePaul for relocation assistance and Volunteer Laywers Network for legal aid
  - Issue weekly penalties to owner starts at \$500 and doubles until maximum \$7,500 per week
- Once occupants are out, Post at rental unit "No Inspection Certificate and Illegal for Non-Owner Occupancy"

### Relocation Assistance

Will help people living in housing deemed unsafe through this program and in need of emergency relocation.

Rental households referred by Code Enforcement will be eligible for a one-time relocation grant within South Bend city limits.

Relocation assistance will be based on household size, and not to exceed \$800.

Funds can be used for moving expenses or housing payments to enable the relocated tenant to lease, rent or purchase a decent, safe and sanitary replacement dwelling.

The fund will be administered by St. Vincent DePaul.

### Resources for Landlords

### Lead Hazard Reduction Grants:

The City has secured \$674,000 in State funding and an additional \$2.3 million from federal HUD funds for lead paint remediation and interim control projects. This funding is equally available to owner-occupied and rental housing. More information via 311 or at <a href="https://southbendin.gov/leadsafesouthbend/">https://southbendin.gov/leadsafesouthbend/</a>.

### Home Repair Grants:

The City has a suite of programs available for owner-occupied and rental homes for small and large projects, weatherization, and energy optimization. More information via 311 or at <a href="https://southbendin.gov/south-bend-home-repair/">https://southbendin.gov/south-bend-home-repair/</a>.

# Community Engagement

- St. Vincent DePaul
- Area Landlords and Property Owners: South Bend Mishawaka Area
  Organizations of Realtors, HomeWorks Management, Access Properties,
  Hughes Investment, Coldwell Banker, REIA-NCI (Area Realtors)
- St. Joseph County Health Department
- Lead Affinity Group and Near Northwest Neighborhood INC
- Neighborhood Resource Connection and Neighborhood Assosications
- South Bend Heritage Foundation, Southmore Mutal Properties, Neighborhood Development Associates
- Judy Fox, ND Law Clinic
- Tim Sexton, ND Public Affairs
- United Way, La Casa de Amistad, Proteus (migrant workers), Community Forum for Economic Justice, and other community leaders
- Human Rights Commission and HUD
- South Bend Housing Authority

### Other Cities Consulted:

- Bloomington, IN
- West Lafayette, IN
- Rochester, NY
- Cincinnati, OH
- Cleveland, OH
- •Washington, DC
- Santa Cruz, CA

# Feedback and Changes

Simplification of Minimum Safety Standards

Ex: change from all windows openable to 1 window per habitable space, focus on mobility hazards rather than "good condition"

Removal of certificate transfer fee

Addition of waiver eligibility for real estate sales transaction inspections in 3-yr window

Removal of requirement to post rental occupancy certificate on outside of property

Addition of potential self-inspection protocol for 5-yr certificate holders

Change to multi-unit inspection from 10 units to 6 units

Property-owner designated agent for purposes of scheduling and attending inspection can be tenant

Community education workshops