

ORDINANCE NO. 24-2009

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ELK GROVE AMENDING ELK GROVE MUNICIPAL CODE CHAPTER 16.20 TO ADD ARTICLE XII REGARDING THE RENTAL HOUSING REGISTRATION PROGRAM

The City Council of the City of Elk Grove does ordain as follows:

Section 1: Purpose and Authority

Under California Constitution Article XI, Section 7, the City of Elk Grove may enact ordinances to preserve and protect the public safety, health, and welfare. To this end, the City Council of the City of Elk Grove has undertaken an addition to the Elk Grove Municipal Code adding Chapter 16.20 Article XII "Rental Housing Registration" for the following purposes:

- A. Unsafe housing is a community blight often associated with unlawful activity. While the cost of enforcement is significant, the result of failing to abate substandard housing has more adverse and far reaching consequences such as the loss of housing and displacement of individuals.
- B. The purpose of this Chapter is to ensure that city staff can quickly locate and notify a rental property's owner of issues at their property and further to preserve and enhance the quality of life for residents of the City living in rental property.
- C. City code enforcement and police staff will offer a program to educate rental property owners about state and local laws applicable to rental properties as well as best practices in the screening of tenants and landlord tenant relations in order to assure the highest quality circumstances for both the rental property owner as well as the tenants.
- D. The establishment of such a program requires revenue to fund its implementation costs and to fund the difference between the ongoing costs of such a program and the revenue collected from violators through enforcement fees and penalties. The source of this revenue must be reliable if such a program is to achieve its objectives. Collection of enforcement fees and penalties is inherently unreliable as a funding source, and therefore cannot be relied upon either to establish the initial operating revenue for such a program or to fully support its ongoing operational costs.
- E. It is therefore necessary to levy a Rental Housing Registration Fee for the purpose of generating the revenue required to fund the implementation and ongoing operating costs of such a program. The Rental Housing Registration Fee may be adjusted annually, as necessary, for the purpose of ensuring adequate funding for the program. The Rental Housing Registration Fee is a supplemental funding source for this program, intended to make up for any actual or forecast deficiencies in total program costs not generated from the collection of enforcement fees and penalties from violators.

- F. In the City of Elk Grove, substandard rental housing has caused health and safety risks to its occupants and those who reside in the surrounding neighborhood. Additionally, substandard rental housing has significantly contributed to neighborhood nuisances. As a result, substandard housing is a nuisance that threatens the health and welfare of many members of the community.
- G. To eliminate this nuisance it is imperative to establish a reliable registry for quickly notifying property owners of these nuisances. The purpose of this Chapter is to establish such a registry for maintaining communication with all residential rental property owners in the City and thereby safeguard life, limb, health, property, safety, and welfare of the public.

Section 2: Findings

The City Council finds as follows:

- A. It is imperative to establish a registry of owners for rental residential buildings and to provide a program for enforcing registration which is self-supporting.
- B. A timely method of contacting rental property owners as well as providing them education in best practices is essential in maintaining the high quality of life in Elk Grove.
- C. It is necessary to establish a registration fee, which is separate from the City's general fund, for the purpose of implementing a Rental Housing Registration Program and operating it on an ongoing basis. It is necessary that this source of funds be predictable and reliable for the efficient and continued operation of such a program. The imposition of a Rental Housing Registration Fee is an appropriate means to accomplish this purpose.
- D. It is recognized that the majority of rental housing property owners comply with the State Housing Law and applicable City Ordinances, and that only a relatively small percentage violate these laws. And while it is the intent of this Chapter that this group of violators should pay for as much of the cost of a Rental Housing Registry as practical and feasible, it is also recognized that the collection of enforcement fees and penalties from violators can be a protracted and costly process, and that reliance thereupon as the sole source to fund such a program is inherently speculative and unrealistic. Therefore, while the primary source of revenue for this Rental Housing Registration Program is intended to come from the collection of enforcement fees and penalties from violators, in their absence, the Rental Housing Registration Fee is intended to make up program cost deficiencies. The reliance of such a program on the City's general fund for its cost of operation shall be minimized to the greatest extent possible."

Section 3: Amendment of Chapter 16.20

Title 16 of the Elk Grove Municipal Code is hereby amended adding Chapter 16.20 Article XII "Rental Housing Registration" to read as follows:

ARTICLE XII. Rental Housing Registration

16.20.1200 Rental Housing Registration Fee Requirement

No rental property less than sixteen (16) rental dwelling units shall be occupied by a tenant unless there has been paid to the Department the Rental Housing Registration Fee for such rental dwelling unit.

16.20.1204 Payment of a Rental Housing Registration Fee as a Condition to Rental

There is hereby established, levied, and imposed for each residential rental property within the City which is operated as a rental dwelling unit, as defined by this Chapter, an annual Rental Housing Registration Fee. For each such rental property, the owner shall pay the Rental Housing Registration Fee to the Finance Department in an amount established pursuant to this Chapter. Should an owner or registered property manager of a rental property complete a certified education program, as determined by the City Manager, their registration fee would be in perpetuity only ending when the contact information changes or the property changes ownership.

16.20.1207 Rental Housing Registration Fee

The Rental Housing Registration Fee is payable upon registering a rental property of less than sixteen (16) units. The registration will be good for three (3) years, unless the owner has completed the education requirements set out in EGMC Section 16.20.1240, or whenever the information contained in the registry becomes invalid.

16.20.1211 Billing Procedure

A. The Rental Housing Registration Fee shall be paid for the registration of the property by the owner of record. All charges for the Rental Housing Registration Fee shall be payable by the owner of record of any such parcel having "rental dwelling units," as shown upon the County Assessor's roll, to the successor in interest to such person, such person's designee, or to any person requesting that such charges be billed to him or her; but in all cases the owner shall be liable for the charges. The Rental Housing Registration Fee may be collected directly by the Finance Department.

B. Adjustments to a Rental Housing Registration Fee bill may be made when appropriate. Any amount paid in excess of the actual computed charge shall be refunded. Any deficiency in the amount paid against the actual computed charge shall be added to the charge for the succeeding billing. No deficiencies or refunds shall be made for a period of more than three (3) years prior to the date that the Finance Department determines that a billing discrepancy exists. An application requesting an

adjustment of billing and stating grounds for an adjustment of refund shall be made in writing to the Finance Department or the Department's designee.

16.20.1214 Rental Housing Registration Fee

The Rental Housing Registration Fee shall be established by the City Council by resolution.

16.20.1218 Rental Housing Registration Requirement.

A. Property Required to Register. It shall be unlawful for any person or persons to rent or lease, regardless of receiving compensation for such rental or lease, a residential property of sixteen (16) or fewer rental dwelling units without registering that property with the City. Property owners shall obtain registration forms from the public counters at City Hall or via the City's website.

B. Registration Information Required. The following information shall be included in every registration:

1. Name and contact information of at least one (1) property title owner;
2. Name and contact information of property manager, if different from owner;
3. Property address or addresses;
4. Number of residential rental units at each address listed;
5. Number of buildings at each address listed; and
6. Name, address and phone number to contact in case of emergency or for purposes of some necessary action by the City. The name or businesses identified as an emergency contact shall have the authority to act as the owner in cases of emergency or for purposes of allowing the City Manager to inspect the residential rental property.

C. Notification of any change to the information required by the registration form, such as a transfer of ownership or change in emergency contact information shall be required and submitted to the City in writing within thirty (30) days of such change.

16.20.1220 Residential Rental Property Education.

A. Owners of residential rental properties who choose to participate in a certified rental property education program will have their Rental Housing registration extended from three (3) years to an indefinite period of time that ends only when the information contained in the initial registration becomes invalid or when the property changes ownership.

B. For residential rental properties with severe and/or repeat violations, as determined by the City Manager, the City shall require the residential property owners and/or their

property managers to attend a Residential Rental Property Management Education program.

- C. The education program shall include, but is not limited to, the following:
 - 1. The rights and responsibilities of residential rental property owners, property managers, agents of owners and tenants;
 - 2. Proper procedures for conducting interior and exterior rental property inspections;
 - 3. Rental property maintenance laws and regulations; and
 - 4. The City's Code Enforcement process.
- D. The Residential Rental Property Management Education program will be administered by the City or another qualified agency as determined by the City.
- E. Failure to attend the required education program will result in a disqualification for perpetual registration per EGMC Section 16.20.1207.

16.20.1227 Enforcement

Each failure to comply with any provision of this Chapter or any regulation promulgated under this Chapter is unlawful and constitutes a public nuisance and shall be enforced in accordance with procedures set out in EGMC Chapters 1.04 and 16.18.

Section 4: No Mandatory Duty of Care.

This ordinance is not intended to and shall not be construed or given effect in a manner that imposes upon the City or any officer or employee thereof a mandatory duty of care towards persons and property within or without the City, so as to provide a basis of civil liability for damages, except as otherwise imposed by law.

Section 5: Severability.

If any provision of this Ordinance or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the Ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this Ordinance are severable. This City Council declares that it would have adopted this Ordinance irrespective of the invalidity of any particular portion thereof and intends that the invalid portions should be severed and the balance of the Ordinance be enforced.

Section 6: Effective Date and Publication

This Ordinance shall take effect thirty (30) days after its adoption. In lieu of publication of the full text of the ordinance within fifteen (15) days after its passage, a summary of

the ordinance may be published at least five (5) days prior to and fifteen (15) days after adoption by the City Council and a certified copy shall be posted in the office of the City Clerk, pursuant to GC 36933(c)(1).

ORDINANCE: **24-2009**
INTRODUCED: December 9, 2009
ADOPTED: February 10, 2010
EFFECTIVE: March 12, 2010



SOPHIA SCHERMAN, MAYOR of the
CITY OF ELK GROVE

ATTEST:



SUSAN J. BLACKSTON, CITY CLERK

APPROVED AS TO FORM:



SUSAN COCHRAN, CITY ATTORNEY

Date signed: February 17, 2010

**CERTIFICATION
ELK GROVE CITY COUNCIL ORDINANCE NO. 24-2009**

STATE OF CALIFORNIA)
COUNTY OF SACRAMENTO) ss
CITY OF ELK GROVE)

I, Susan J. Blackston, City Clerk of the City of Elk Grove, California, do hereby certify that the foregoing ordinance, published and posted in compliance with State law, was duly introduced on December 9, 2009 and approved, and adopted by the City Council of the City of Elk Grove at a regular meeting of said Council held on February 10, 2010 by the following vote:


AYES : **COUNCILMEMBERS:** *Scherman, Detrick, Davis, Hume*

NOES: **COUNCILMEMBERS:** *None*

ABSTAIN: **COUNCILMEMBERS:** *Cooper*

ABSENT: **COUNCILMEMBERS:** *None*

A summary of the ordinance was published pursuant to GC 36933(c) (1).



**Susan J. Blackston, City Clerk
City of Elk Grove, California**