

**City of South St. Paul**  
**Dakota County, Minnesota**

**Ordinance No. 1300**

**AN ORDINANCE AMENDING CITY CODE ARTICLE VII OF SECTION 106  
REGARDING RESIDENTIAL RENTAL HOUSING**

The City Council of the City of South St. Paul does ordain:

**SECTION 1. AMENDMENT.** South St. Paul City Code Section 106 is hereby amended as follows:

**ARTICLE VII. - RESIDENTIAL RENTAL HOUSING**

**Sec. 106-230. - Purpose.**

It is the purpose of this article to protect the public health, safety and welfare of the citizens of the city who live in rental units, the property owners who operate and manage rental units, and the general public who reside next to rental units, by adopting a rental dwelling inspection and maintenance program that corrects substandard conditions and maintains a standard for existing and newly constructed rental dwellings in the city. The operation of rental properties is a business enterprise that includes certain responsibilities. Rental owners, operators and managers are responsible for taking such reasonable steps as are necessary to ensure that the citizens who occupy such rental units, as well as neighboring properties, may pursue the quiet enjoyment of the normal activities of life in surroundings that are safe, secure, and sanitary, free from noise, nuisances and annoyances, and free from unreasonable fears about safety of persons and property.

**Sec. 106-231. - Definitions.**

Words used in this article shall have the following meanings unless otherwise defined in this article.

Alternative inspection report means a rental dwelling inspection report that the applicant obtains from an independent building inspector or for insurance-related or mortgage-related purposes, or another inspection report deemed acceptable by the city's building official.

Apartment means a community, complex or building having a common owner and containing at least one rental dwelling unit.

Boardinghouse means a building other than a motel or hotel where, for compensation and by prearrangement for definite periods, meals or lodging are provided for more than three (3) unrelated persons.

City approved inspector's report or inspection report means a rental dwelling inspection report prepared and signed by a housing evaluator.

City administrator means the South St. Paul City Administrator or his or her designee.

Dwelling means a building or one or more portions of a building occupied or intended to be occupied for residential purposes.

Family means those persons legally related to each other in a linear relationship such as spouses, grandparents, parents, children, grandchildren and siblings. Family does not include branching relationships such as aunts, uncles or cousins.

Housing evaluator means an independent inspector who is licensed by the city as an evaluator, pursuant to section 106-181.

Let for occupancy or to let or to rent means to permit possession or occupancy of a dwelling or rental dwelling unit by a person who is not the legal owner of record thereof, pursuant to a written or unwritten lease.

Occupant or tenant means any person living or sleeping in a dwelling unit, or having possession of a space within a dwelling unit.

Operate means to rent, lease or grant the use and possession of a rental dwelling unit, whether or not compensation is paid.

Operator or manager means any person who has charge, care or control of a structure or premises that is let or offered for occupancy.

Owner or licensee means any person, agent, or operator having a legal or equitable interest in the property or recorded in the official state, county or city records as holding title to the property or otherwise having control of the property.

Person may be an individual, corporation, firm, association, company, partnership, organization or any other group acting as a unit.

Rental dwelling means any dwelling used for residential occupancy by one or more persons who are not the owner or a member of the owner's family.

Rental dwelling unit means any room or rooms, or space, in any rental dwelling designed or used for residential occupancy by one or more persons who are not the owner or a member of the owner's family.

Sec. 106-232. - License required.

(a) General rules.

- (1) No person shall operate a rental dwelling or rental dwelling unit in the city without a license pursuant to city code chapter 18 article II.
- (2) No person shall operate a boardinghouse in any zoning district within the city, which means that no more than three (3) unrelated persons may reside in one rental dwelling.

(b) Applications. An application for a license shall be made on a form provided by the city. The license application shall include:

(1) Property owner information.

- a. The name, address, and complete information of the property owner, if the property owner is an individual.

- b. The name, address and complete information of at least one officer, manager or director, if the property owner is a business entity.
- (2) Property contact information. For single-family residential dwellings, the license applicant must provide 24-hour contact information for one person in any of the following categories, which shall be kept current for the term of the license. For all other types of Dwellings, the license applicant must provide 24-hour contact information for two people in any of the following categories:
  - a. At least one owner of the rental dwelling or rental dwelling unit;
  - b. At least one person, if different from the owner, who is responsible for compliance with this and any other code requirement pertaining to the rental dwelling or rental dwelling unit, such as a manager.
  - c. Any of the owner's agents responsible for management of the rental dwelling or rental dwelling unit, such as a property management company and the name and contact information of a person at the property management company.
  - d. Any vendors and all vendees, if the rental dwelling or rental dwelling unit is being sold pursuant to a contract for deed.
- (3) Number and type of units. The license application must contain the number of units and types of units (condominium, apartment, townhome, etc.) within the rental dwelling.
- (4) Inspection report. The license application must be accompanied by a satisfactory city approved inspector's report or an alternative inspection report that is dated within the 48 months preceding the application date.
- (5) Notification of changes. The city clerk must be notified in writing of any changes to the information provided on the application.
- (6) Existing license holders. Owners of rental dwellings who hold a multi-year rental property license from the city as of the effective date of this article, shall apply for a license pursuant to this article and shall comply with all requirements contained herein, unless otherwise noted. The license application fee for the owner's new license shall be off-set against the pro-rated portion of the remaining term of the owner's current license. No annual fee shall be due on any renewal license until the current license would have automatically expired. The satisfactory city approved inspection report or alternative inspection report must be dated within the 48 months preceding the application date.

Sec. 106-233. - Investigations:

- (a) In order to protect the general welfare of the public for all applications, a background investigation will be conducted on the owner listed on any new application. The city may request additional information from the applicant regarding all property owners, if the property is owned by individuals or regarding all officers, managers, or directors, if the property is owned by a business entity, and may conduct additional background investigations as it deems necessary. The applicant shall pay a background investigation fee for each background investigation conducted, as set by resolution adopted by the city council.

(b) Authorization: At the time of making a new application, the applicant must provide written authorization to the city to investigate all facts set out in the application and to do a personal and business background investigation on the applicant. A criminal background investigation shall be conducted as part of a personal background investigation. The information obtained from the investigation shall be used to assist the Police Chief in making a recommendation to the City Council as to whether the applicant should be granted a license. The recommendation may be based on the following criteria:

- (1) Whether the applicant was convicted of a crime or offense in the last five years involving or directly relating to the business for which a license is sought; or
- (2) Whether there is a material misrepresentation in the application.

Sec. 106-234. - Changes in ownership.

A license is nontransferable. If there is a change in the ownership of the rental dwelling or rental dwelling unit, a new license is required.

Sec. 106-235. - Changes in the rental dwelling or rental dwelling unit.

If changes are made in the number or type of units, the licensee shall amend its license in accordance with the provisions of subsection 106-232(b).

Sec. 106-236. - Annual license.

Persons desiring to let rental dwellings or rental dwelling units must make an annual application to the city, provide the information required by this section and pay the applicable license fees prior to any new or renewal license being issued.

Sec. 106-237. - Conditions of the license.

As conditions of the license, the licensee must do the following:

- (a) Tenant register. Maintain a current register of tenants and other persons who have a lawful right to occupancy of rental dwellings or rental dwelling units, which must be available for inspection by city officials upon request. The licensee must designate the name of the person or persons who will have possession of the register and must promptly notify the city administrator of any change in the identity, address or telephone numbers of such person. For purposes of this section, "current" means that the register is updated every 30 days.
- (b) Fire certification. Execute a statement that the smoke detectors are properly installed and operable and that the fire exits are accessible.
- (c) Tenant screening certification. Execute a statement that the licensee has a screening process the licensee uses during the approval process of each tenant to attempt to insure quality tenants occupy the rental dwelling.

- (d) Minnesota Crime-Free Lease Addendum. Use the Minnesota Crime-Free Lease Addendum, or its equivalent, as part of its leases.

Sec. 106-238. - Display of license certificate.

The license certificate must be exhibited in a conspicuous place at or near the entrance to the rental dwelling. One license certificate must be displayed for each building. If practical, the certificate must be displayed in the rental office or other common area accessible to all tenants of the licensed building.

Sec. 106-239. - Exemptions.

This section does not apply to and no license shall be required for hotels, motels, hospitals, state-licensed residential care facilities, assisted living facilities or nursing homes.

Sec. 106-240. - Responsibility for acts of manager.

Licensees are responsible for the acts or omissions of their managers as it pertains to the rental dwelling.

Sec. 106-241. - Maintenance standards.

- (a) [Tenant responsibilities.] Tenants are responsible for the condition of the rental dwelling units that they occupy. The licensee is responsible for the maintenance of the rental dwelling units, and the lot on which the rental dwelling sits. It is ultimately the responsibility of the licensee to assure that every rental dwelling is maintained in compliance with all city ordinances and state laws. A violation of any of the following laws and ordinances constitutes a public nuisance:
  - (1) Building Code (Sec. 106).
  - (2) Animal Ordinance (Sec. 15).
  - (3) Fire Prevention Code (Sec. 30).
  - (4) Parked or Stored Motor Vehicles (Sec. 58).
  - (5) Public Nuisance Ordinance (Sec. 34).
  - (6) Solid Waste Ordinance (Sec. 46).
  - (7) Exterior Storage (Sec. 118-240).
- (b) Interior inspections of rental dwellings. The building official, building inspector, fire department personnel, police officers and their respective representatives are authorized inspectors who may enter rental dwellings for purposes of making inspections reasonably necessary to enforce this section. The tenant and owner shall be given notice of the inspection by personal service, electronic communication, telephone contact or postmarked letter at least 72 hours prior to the time the inspection is made. All authorized inspectors noted in this section have the authority to enter any rental dwelling or rental dwelling unit at all reasonable times. Each tenant of a rental dwelling or rental dwelling unit shall give the owner, the owner's agent or authorized city official access to any part of such rental dwelling or rental dwelling unit at reasonable times for the purpose of inspection, maintenance, repairs or alterations as are

necessary to comply with the provisions of this article. An owner or tenant may refuse to permit entry to a rental dwelling or rental dwelling unit for an inspection pursuant to this article, in which case, the inspector may seek an administrative search warrant authorizing such inspection.

Sec. 106-242 - Conduct in rental dwelling or rental dwelling unit

- (a) [Provisions.] It shall be the responsibility of the licensee to assure that persons occupying a rental dwelling unit conduct themselves and cause their guests to conduct themselves in such a manner as not to cause the rental dwelling or rental dwelling unit to be disorderly. For the purposes of this section, a rental dwelling or rental dwelling unit is disorderly at any time that any of the following activities occur:
- (1) Violation of subsection 38-79(f) (noisy parties);
  - (2) Violation of the laws relating to disorderly conduct, as defined in Minn. Stat. § 609.72;
  - (3) Violation of the laws relating to the possession of controlled substances, as defined in Minn. Stat. § 152.01;
  - (4) Violation of city code chapter 6 article III (unlawful sale of intoxicating liquor or 3.2 percent malt liquor) or violation of the laws relating to the sale of intoxicating liquor, as defined in Minn. Stat. § 340A.701, 340A.702, or 340A.703;
  - (5) Violation of the laws relating to liquor and minors, as defined in Minn. Stat. § 340A.503(1).
  - (6) Violation of the laws relating to prostitution or acts relating to prostitution, as defined in Minn. Stat. § 609.321, subd. 9, Minn. Stat. § 609.322 or 609.324;
  - (7) Violation of the laws relating to the unlawful use or possession of a firearm in a rental dwelling or rental dwelling unit, as defined in Minn. Stats. §§ 609.266—609.672;
  - (8) Violation of the laws relating to assault, as defined in Minn. Stat. § 609.224;
  - (9) Violation of the laws relating to contributing to the need for protection or services or delinquency of a minor, as defined in Minn. Stat. § 609.378;
  - (10) Violation of Sec. 106-241 (maintenance standards).
- (b) First violation. Upon a determination by the city that a rental dwelling unit was used in a disorderly manner, as described in section 106-242, the city shall give written notice to the licensee and the tenant of the violation and direct the licensee to take steps to prevent further violations. Such notice shall comply with the requirements of a compliance letter issued pursuant to section 38-105 and notify the licensee that if another disorderly incident occurs within three months of the first incident, an administrative citation may be issued.
- (c) Second violation (two incidents within three months). If a second incident of disorderly use of the rental dwelling unit occurs involving the same tenant within three months of the first notice, the city may issue an administrative citation pursuant to section 38-106. In addition, the council may consider denying, revoking or suspending the rental license pursuant to section 106-244.

- (d) Third violation (three incidents within 12 months). If a third incident of disorderly use of the rental dwelling unit occurs involving the same tenant within 12 months after the first violation noted above, the license for that rental dwelling or the rental dwelling unit may be denied, revoked or suspended pursuant to section 106-244. In addition, the city shall issue an administrative citation.
- (e) Fourth violation (four incidents within 24 months). If a fourth incident of disorderly use of the rental dwelling unit occurs involving the same tenant within 24 months after the first violation, the license for that rental dwelling or the rental dwelling unit may be denied, revoked or suspended pursuant to section 106-244. In addition, the city shall issue an administrative citation.

Sec. 106-243 - Reserved

Sec. 106-244. - License denial, suspension, or revocation and administrative penalties.

- (a) Grounds for denial, suspension or revocation. The city council may deny, revoke or suspend a license for any of the following:
  - (1) Any of the reasons enumerated in city code section 18-47(b) (revocation, suspension or denial of a business license).
  - (2) Any uncorrected violations of section 106-241 (maintenance standards).
  - (3) Violations of subsection 106-242(a) (code of conduct).
  - (4) Any other violation of this article.
- (b) Nonexclusive remedy. Enforcement actions provided in this section are not exclusive, and the council may take any action with respect to a licensee, a tenant or the licensed premises as is authorized by the city code, state or federal law.
- (c) Reapplication. Upon suspension or revocation of a license, the owner may not reapply for a license for a period of six months. Upon expiration of the six-month period, the applicant must re-apply by complying with all the provisions of section 106-232.
- (d) Notification to tenants. Upon suspension, revocation or nonrenewal of a license, the city will notify all affected tenants that the license has been revoked, suspended or not renewed, which may affect their requirement to pay rent.

Sec. 106-245. - Summary action.

- (a) Emergency. The building official has the authority to summarily condemn or close individual rental dwelling units or areas of the rental dwelling on the following basis:
  - (1) When the conduct of any owner or owner's agent, representative, employee or lessee is detrimental to the public health, sanitation, safety and general welfare of the community;
  - (2) When the condition of the rental dwelling or rental dwelling unit is detrimental to the public health, sanitation, safety and general welfare of the community;
  - (3) When the property in or on which it is located, is in a condition such that it is detrimental to the public health, sanitation, safety and general welfare of the community; or

- (4) When the behavior of the residents of the rental dwelling or rental dwelling unit constitutes a nuisance, fire hazard, or other unsafe or dangerous condition.
- (b) Notice. Notice of summary action will be posted at the units or areas affected and will describe the units or areas affected. No person shall remove the posted notice, other than the building official or a designated representative.
- (c) Appeal. Any person aggrieved by a decision or action of the building official to condemn all or part of a rental dwelling shall be entitled to appeal to the council by filing a notice of appeal with the city administrator. The city administrator must schedule a date for hearing before the council and notify the aggrieved person of the date. The hearing will be conducted pursuant to subsection 18-31(b).

Sec. 106-246. - Posted to prevent occupancy.

Whenever any rental dwelling or rental dwelling unit is found to be unfit for human habitation under the State Building Code, it shall be posted by the building official or any other designated representative of the city, on the door of the rental dwelling or rental dwelling unit, whichever the case may be, to prevent further occupancy. No person, other than the building official or the city representative, shall remove or alter any posting. The building official or city representative will post the date the rental dwelling or rental dwelling unit shall be vacated and no person shall reside in, occupy or cause to be occupied that rental dwelling or rental dwelling unit until the building official, the city representative or council permits it.

Sec. 106-247. - No warranty by city.

By enacting and undertaking to enforce this article, neither the city nor its council, agents or employees warrant or guaranty the safety, fitness or suitability or any rental dwelling or rental dwelling unit in the city. Owners and occupants should take appropriate steps to protect their interests, health, safety and welfare.

**SECTION 2. SUMMARY PUBLICATION.** Pursuant to Minnesota Statutes Section 412.191, in the case of a lengthy ordinance, a summary may be published. While a copy of the entire ordinance is available without cost at the office of the City Clerk, the following summary is approved by the City Council and shall be published in lieu of publishing the entire ordinance:

The rental licensing ordinance was amended to require background checks for new license applicants, remove the requirement that a criminal or administrative citation be issued prior to the issuance of a warning letter, requiring that all landlords use the crime free lease addendum as part of their leases and the removal of the STAR program. The ordinance also clarified that boardinghouses are not allowed, which means that no more than 3 unrelated people can reside in one rental unit.

**SECTION 3. EFFECTIVE DATE.** This ordinance shall be in full force and effect from and after its passage and publication according to law.

Approved: February 1, 2016

Published: February 7, 2016

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Christy Wilcox, City Clerk