

## Section 410 - Rental Licensing

410.00. Purpose. It is the purpose of this ordinance to protect the public health, safety and welfare of citizens of the City who have as their place of abode a living unit furnished to them for the payment of a rental charge to another by adopting licensing regulations for all rental dwellings in the city.

410.05. Definitions. For the purposes of Section 410.00 et. seq., the terms defined in this section shall have the meanings given them in the subdivisions which follow:

Subd. 1. Rental Dwelling. As used in this ordinance the term "rental dwelling" shall mean any rental dwelling with one or more living units. "Rental dwelling" does not include hotels, motels, hospitals and homes for aged.

Subd. 2. Operate. As used in this ordinance, the term "operate" means to charge a rental charge or other form of compensation for the use of a unit in a rental dwelling.

Subd. 3. Short-Term Rental. A Rental Dwelling that is rented for a duration less than 30 days at one time.

410.10. License Required. No person, firm, partnership, corporation or other legal entity shall operate a rental dwelling in the City without first having obtained a license. The license is issued annually for three or more family dwellings and every three years for one and two family dwellings and ~~condominiums~~ condominiums dwelling units and is valid until the date of expiration (*Ord. 2015-13, 4/28/2105*)

410.15. Application for Licenses. Applications for licenses shall be made in writing on forms provided by the City and accompanied by the fee amounts as established by the Council. Such application shall be submitted at least 60 days prior to the expiration date of the license, and shall specify the following:

Subd. 1. Name, business or residence address and telephone number of the owner of the dwelling. If the owner is a partnership, the name of the partnership, the name, residence address of the managing partner, and the full name and address of all partners. If the owner is a corporation, the name and address of the corporation, and the name and address of the chief operating officer; in cases where the owner of a dwelling resides outside of the seven-county metropolitan area consisting of the following counties: Hennepin, Anoka, Washington, Ramsey, Dakota, Scott, and Carver; the owner's agent/contact person shall reside within the seven-county area. *Ord. 2015-13, 4/28/2015*).

Subd. 2. If the owner has appointed an agent authorized to accept service of process and to receive and give receipt for notices, the name, business or residence address, and telephone number of such agent.

Subd. 3. Every applicant, whether an individual, partnership, or corporation, shall identify in the application, by name, residence or business street address and telephone number, and a natural person who is actively involved in, and responsible for, the maintenance and management of the premises. Said natural person shall, if other than the owner, affix his or her notarized signature to the application, thereby accepting joint and several responsibility with the owner (including any potential criminal, civil, or administrative liability) for the maintenance and management of the premises. A post office box or commercial mail receiving service are not acceptable as an address for such person. The individual designated herein may also be the owner of the dwelling or an agent identified in subsection (2) above.

Subd. 4. Street address of the dwelling.

Subd. 5. Number and kind of units within the rental dwelling (dwelling units, tenement units, rooming units or others). For each unit, specify the floor number, and the unit number and/or letter and/or designation.

Subd. 6. In the event that any of the information required to be provided by this section changes, the applicant or licensee shall, within 10 days, notify in writing the Code Official of the change. However, if the natural person designated in Subdivision 3 changes, the licensee or applicant shall file an entirely new application within 10 days. Furthermore, for just cause, the Code Official may request that an applicant or licensee complete and file a new or replacement application for any rental dwelling, giving the licensee or applicant a minimum of 10 days to comply.

Subd. 7. Section 410.42 shall apply to a dwelling as if the dwelling has a rental license in the instance where the dwelling was rented without a license as required by Section 410 but is within 365 days of filing an application for a license. If there have been three or more instances of conduct deemed to be disorderly under Section 410.42 during the 365 days prior to filing the application, the rental dwelling license shall not be issued until 365 days have elapsed since the last violation. If there have been one or two instances of disorderly conduct during the prior 365 days, the license may be issued but the instances of disorderly conduct shall apply to the license. (*Ord. 2008-14, 5/27/2008; Ord. 2016-14, 4/26/2016*)

410.20. Temporary Licenses. The Code Official may issue a temporary license to the owner of a rental dwelling who has submitted an application and paid the license fee. A temporary license shall authorize the continued occupancy of rental dwelling units in actual existence, pending issuance of a rental dwelling license. A temporary license shall authorize the continued occupancy of dwelling units converted to rental usage, which shall be inspected pursuant to Section 410.32. A temporary license indicates only that the owner has submitted an application for a license and paid the required fee, and that the license shall be issued or denied after the building has been inspected for compliance with the minimum standards set forth in Section 410.40. A temporary license is not a determination that the building complies with the housing maintenance code or minimum standards set forth in Section 410.40. (*Ord. 2008-14, 5/27/2008*)

#### 410.21. Short-Term Rentals.

Subd. 1. Only one short-term rental is allowed in a consecutive 30 day period.

Subd. 2. A short-term rental property shall comply will all other requirements of this Code.

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410.23 Mandatory Training. The owner or property manager of a rental dwelling must complete Crime Free Multi Housing training offered by the Police Department or a similar program approved by the Police Department prior to the issuance of an initial rental license, or upon any change in property ownership. Refresher training is required every five years thereafter for individuals who own or manage five or more rental dwelling units in the City. The requirements for mandatory training do not apply to a person who owns or manages one rental dwelling unit in the City. If three or more violations of Code section 410.42 occur in a 365 day period at a single family rental dwelling owned by a person who is not required to have mandatory training, that person must complete the mandatory training before the dwelling license may be renewed. (*Ord. 2008-14, 5/27/2008; Ord. 2015-13, 4/28/2015*).

Subd. 1. An owner that chooses to offer a short-term rental option shall be required to take Mandatory Training as stated.

410.25. License Renewal. Notwithstanding the application signature requirements of Section 410.20, renewals of the license as required annually by this code may be made by filling out the required renewal form furnished by the City Manager to the owner, operator or agent of a rental dwelling and mailing said form together with the required registration fee to the City Manager.

410.27 Tenant Register. The licensee must, as a continuing obligation of its license, maintain a current register of tenants and other persons who have a lawful right to occupancy of apartments within the apartment house or rental home. In its application, the licensee must designate the person or persons who will have possession of the register; and must promptly notify the City of any change of the identity, address or telephone numbers of such persons. The register must be available for the inspection by the City at all times. (*Ord. 2004-24, 10/26/2004; Ord. 2015-13, 4/28/2015*).

Subd. 1. An owner that has a short-term rental must provide the City with tenant name, number of persons staying and a telephone number for each occurrence, prior to the date of lease occupancy.

410.30. License Fees. Rental license fees are set forth in Chapter X.

410.32. Inspections Required. Pursuant to this section, the Code Official shall make inspections to determine the condition of rental dwellings located within the City for the purpose of enforcing the rental licensing standards. The Code Official or designated representative may enter, examine and survey at all reasonable times all rental dwellings and premises after obtaining consent from an occupant of the premises. In the event that an occupant of the premises does not consent to entry by the Code Official or designate representative, and if there is probable cause to believe that an inspection is warranted, then application may be made to the court for an administrative or other search warrant for the purpose of inspecting the premises. (*Ord. 2008-14, 5/27/2008*)

410.35. Posting. Every registrant of a rental dwelling shall post the ~~annual~~-active license issued by the City Manager. The ~~annual~~ active license shall be conspicuously posted by the registrant, in a public corridor, hallway or lobby of the rental dwelling for which they are issued.

410.37 Notices. Whenever a notice is required to be sent to or served upon the licensee of a rental dwelling under this section, notice shall be deemed sufficient if sent certified mail to the owner or owner's designated agent at the address specified in the last license application filed with the City. If a notice sent to the address specified in the last license application is returned, and the owner or owner's agent cannot be found, then notice shall be sent to the person designated in the last license application as responsible for the maintenance and management of the premises, or any other known caretaker or manager, and a notice shall also be posted on the building. (*Ord. 2008-14, 5/27/2008*)

410.40. Maintenance Standards. Every rental dwelling shall maintain the standards in Chapter 405 Housing Maintenance Code in addition to any other requirement of the ordinance of the City or special permits issued by the City, or the laws of the State of Minnesota.

410.41. Use of Rental Dwelling for a Home Occupation. A home occupation may be operated within a rental dwelling in compliance with City Code Section 21145 and as modified below:

No more than one delivery to or shipment from a home in conjunction with the home occupation by a vehicle over 20,000 Gross Vehicle Weight Rating (GVWR) shall be made per week (Sunday through Saturday) to the property. (*Ord. 2015-30, 11/24/2015*)

A short-term rental shall not be used for a home occupation.

410.42. Rental dwelling licenses: Conduct on licensed premises. Subdivision 1. It shall be the responsibility of the rental license holder to take appropriate action, with the assistance of the City, to prevent conduct by tenants or their guests on the licensed premises which is hereby deemed to be disorderly, in violation of any of the following statutes or ordinances:

Minnesota Statutes, Sections 609.75 through 609.76, which prohibit gambling;

Minnesota Statutes, Section 609.321 through 609.324, which prohibits prostitution and acts relating thereto;

Minnesota Statutes, Sections 152.01 through 152.025, and Section 152.027, Subdivisions 1 and 2, which prohibit the unlawful sale or possession of controlled substances;

Minnesota Statutes, Section 340A.401, which prohibits the unlawful sale of alcoholic beverages;

Section 2025 of this Code, which prohibits noise and noisy assemblies;

Minnesota Statutes, Sections 97B.021, 97B.045, 609.66 through 609.67 and 624.712 through 624.716, and Section 930 of this Code, which prohibit the unlawful possession, transportation, sale or use of a weapon; or

Minnesota Statutes, Section 609.72, which prohibits disorderly conduct, when the violation disturbs the peace and quiet of the occupants of at least one unit on the licensed premises or other premises, other than the unit occupied by the person(s) committing the violation.

Failure to comply with dangerous dog requirements in violation of Section 915 of this Code or Minnesota Statutes Chapter 347.

Indecent exposure in violation of Minnesota Statutes Section 617.23.

Assault, as defined by Minnesota Statutes Sections 609.221, 609.222, 609.223, 609.2231, and 609.224, excluding domestic assaults.

Public nuisance, as defined by Section 960.03, subdivision 1, of this Code or Minnesota Statutes Sections 609.74 - .745.

The unlawful sale, furnishing, use, or possession of intoxicating liquor or non intoxicating malt liquor in violation of Minnesota law or Chapter XII of this Code.

Criminal damage to property in violation of Minnesota Statutes 609.595.

The unlawful sale or possession of small amounts of marijuana in violation of Minnesota Statutes 152.027 subd.4.

The unlawful possession or use of drug paraphernalia in violation of Minnesota Statutes 152.092.

Contributing to the delinquency or status as a juvenile.

Failure to restrain a domestic animal in violation of Section 915 of this Code.

Cruelty to animals in violation of Minnesota law.

Excess number of domestic animals in violation of Section 915 of this Code.

Illegal possession of a wild animal in violation of Section 915 of this Code.

Unlicensed dog in violation of Section 915 of this Code.

Illegal open burning in violation of Section 915 of this Code.

Illegal refuse in violation of Section 600 of this Code.

Abandoned or junk vehicles in violation of Minnesota law.

Illegal exterior storage in violation of Section 21105.11 of the Zoning Ordinance.

Illegal parking or storage of recreational vehicles in violation of Section 21105.11 of the Zoning Ordinance.

Illegal parking or storage of vehicles in violation of Section 21105.11 of the Zoning Ordinance.

False report to public officer in violation of Section 960.03, Subd. 2 of this Code.

Illegal home occupation in violation of Section 21145 of the Zoning Ordinance.

Three cumulative renter violations in a 365 day period of other City Codes or State Statutes on the premises or on the adjacent rights-of-way. These violations include, but are not limited to, parking.

*(Ord. 2015-13, 4/28/2015; Ord. 2015-30, Ord. 11/24/2015)*

Subd. 2. A determination that the licensed premises have been used in a disorderly manner as described in Subdivision 1 shall be made upon substantial evidence to support such a determination. It shall not be necessary that criminal charges are brought to support a determination of disorderly use, nor shall the fact of dismissal or acquittal of such a criminal charge operate as a bar to adverse license action under this section.

Subd. 3. Upon determination by the Compliance Official utilizing established procedures, that a licensed premises was used in a disorderly manner, as described in Subdivision 1, the City shall notify the licensee by certified mail of the violation and direct the licensee to take appropriate action with the assistance of the City to prevent further violations.

Subd. 4. If another instance of disorderly use of the licensed premises at the same specific dwelling or unit occurs within 365 days of an incident for which a notice in Subdivision 3 was given, the City shall notify the licensee by certified mail of the violation and shall also require the licensee to submit a written report of the actions taken, and proposed to be taken, by the licensee to prevent further disorderly use of the premises. This written report shall be submitted to the City within seven days of receipt of the notice (excluding holidays) of disorderly use of the premises and shall detail all actions taken by the licensee in response to all notices of disorderly use of the premises within the preceding 365 days.

Subd. 5. If another instance of disorderly use of the licensed premises at the same specific dwelling or unit occurs within 365 days after the second of any two previous instances of disorderly use for which notices were sent to the licensee pursuant to this section, the rental dwelling license for the premises may be denied, revoked, suspended, placed on probation, or not renewed. An action to deny, revoke, suspend, place on probation, or not renew a license under this section shall be initiated by the City in the manner described in Section 410.45, and shall proceed according to the procedures established in Sections 410.45 and 410.50.

Subd. 6. No adverse license action shall be imposed where the instance of disorderly use of the licensed premises occurred during the pendency of eviction proceedings (unlawful detainer) or within 30 days after a notice is given by the licensee to a tenant to vacate the premises, where the disorderly use was related to conduct by that tenant or the tenant's guests. Eviction proceedings shall not be a bar to adverse license action, however, unless the licensee

diligently pursues them. A notice to vacate shall not be a bar to adverse license action unless a copy of the notice is submitted to the City within 10 days of receipt of the violation notice. Further, an action to deny, revoke, suspend, place on probation, or not renew a license based upon violations of this section may be postponed or discontinued by the Compliance Official at any time if it appears that the licensee has taken appropriate action to prevent further instances of disorderly use. (Ord. 2001-24, 7/24/2001, Ord. 2008-14, 5/27/2008)

410.45. Revocation, Suspension, or Probation. Subd. 1. Every license or permit issued under this ordinance is subject to the right, which is hereby expressly reserved, to suspend, revoke, or place on probation the same should the license holder or their agents, employees, representatives or lessees directly or indirectly operate or maintain rental dwellings contrary to the provisions of this ordinance or any other ordinance of the City or any special permit issued by the City or the laws of the State of Minnesota. (Ord. 2001-24, 7/24/2001)

Subd. 2. The license may be suspended, revoked, or placed in a probation status by the Council after a written notice is sent to the license holder specifying the ordinance or law violations with which they are charged. This notice shall also specify the date for hearing before the Council, which shall not be less than 10 days from the date of the notice. (Ord. 2001-24, 7/24/2001)

Subd. 3. At such hearing before the Council, the license holder or their attorneys may submit and present witnesses on their behalf.

Subd. 4. After a hearing the Council may fine, suspend, revoke, or place on probation the license if they deem it necessary to protect the public health, safety or general welfare. (Ord. 2001-24, 7/24/2001) The following penalties are presumed to be appropriate but the council may deviate from the presumptive penalty where the council finds there are appropriate reasons to deviate:

<u>Offense</u>	<u>Presumptive Penalty</u>
<u>1st Violation</u>	<u>\$500 fine and six month probation</u>
<u>2nd Violation</u>	<u>\$1,000 fine and six month suspension</u>
<u>3rd Violation</u>	<u>\$2,000 fine and one year suspension</u>
<u>4th Violation</u>	<u>Revocation</u>

410.50. Summary Action. Subd. 1. When the condition of the rental dwelling of any license holder or their agent, representative, employee or lessee is detrimental to the public health, safety and general welfare as to constitute a nuisance, fire hazard or other unsafe or dangerous condition and thus give rise to an emergency, the Compliance Official shall have the authority to summarily condemn or close off such area of the rental dwelling.

Subd. 2. Any person aggrieved by a decision of the Compliance Official to cease business or revoke or suspend the license or permit shall be entitled to appeal to the Council immediately, by filing a Notice of Appeal. The City Manager shall schedule a date for hearing before the Council and notify the aggrieved person of the date.

Subd. 3. The hearing shall be conducted in the same manner as if the aggrieved person had not received summary action.

Subd. 4. The decision of the Compliance Official shall not be voided by the filing of such appeal. Only after the Council has held its hearing will the decision of the Compliance Official be affected.

410.55. Applicable Laws. Licenses shall be subject to all of the ordinances of the City and the State of Minnesota relating to rental dwellings; and this ordinance shall not be construed or interpreted to supersede or limit any other such applicable ordinance or law. (*Ord. 2011-29, 10/25/2011*)