

**TITLE 4
CHAPTER 13
RENTAL LICENSE**

4-13-1: PURPOSE

It is the purpose of this chapter to establish minimum standards for the maintenance and operation of rental dwellings within the City and to ensure the public health, welfare, and safety by establishing licensing requirements for rental dwellings.

4-13-2: DEFINITIONS:

For purposes of this chapter the following terms below have the meanings given them:

APPLICANT: The owner of a dwelling or dwelling unit.

BUILDING CODE: The Minnesota State Building Code.

CHIEF BUILDING OFFICIAL: The Chief Building Official of the City.

CITY CODE: The Inver Grove Heights City Code.

DWELLING: A building or a portion of a building designed for residential occupancy. The term includes single-family dwellings, including twin homes and duplexes, multiple family dwellings, and manufactured homes.

DWELLING UNIT: A single-family dwelling or a discrete portion of a dwelling designed for occupancy by one family. When rented, a dwelling unit shall be considered a rental dwelling unit.

FAMILY: An individual, or two (2) or more persons related by blood, marriage or adoption, or a group of not more than four (4) persons not so related, living together and maintaining a common residence.

HOTEL OR MOTEL: A hotel or motel as defined in Section 10-2-2.

HOUSING OFFICIAL: The City Administrator or designee shall be the Housing Official for the administration of this Chapter. The City Administrator or designee shall have the authority to designate additional staff to assist with enforcement of this Chapter, and said designees shall have the authority and duties of the Housing Official under this Chapter.

LET, RENT, OR LEASE: The terms Let, Rent, or Lease, shall mean to grant the use and possession of a dwelling or dwelling unit to any person other than the record owner of the dwelling or dwelling unit, whether or not compensation is paid for such use.

MANAGER OR PROPERTY MANAGER: An individual who is responsible for maintenance and operation of the rental dwelling and compliance with the requirements of this chapter.

MULTIPLE FAMILY DWELLING: Any residential structure containing three or more dwelling units.

OWNER: Any person or entity that alone, jointly, or separately with others is the legal owner of real property.

PERSON: A natural person and any partnership, joint venture, limited liability company, limited partnership, corporation, or other similar business entity.

PROPERTY MAINTENANCE CODE OR INTERNATIONAL PROPERTY MAINTENANCE CODE: The 2021 International Property Maintenance Code published by the International Code Council.

RENTAL: A dwelling or dwelling unit that is let to any person.

REPAIR: To restore to a sound, acceptable state of operation, serviceability or appearance.

RESIDENCE: A dwelling or dwelling unit used as a person's fixed, permanent and principal home for legal purposes.

ZONING CODE: Title 10 of the City Code.

4-13-3: LICENSE REQUIRED

- A. General Rule: A city issued rental license is required before any dwelling or dwelling unit may be rented or offered for rent to any person. No person shall let a dwelling or dwelling unit, other than those exempt from the licensing requirements of this Chapter, without first having obtained a rental license from the City.
- B. Nontransferable: Rental licenses are issued to a specific person or entity for a specific dwelling or dwelling unit and are non-transferable.
- C. License Period: Rental licenses shall be issued annually for a period from April 1 to March 31.

4-13-4: EXEMPTIONS

The rental license requirements of this chapter shall not apply to the following:

- A. Hospitals;
- B. State licensed group assisted living facilities and community residential facilities licensed under Minnesota Statutes Sections 144G.45 and 245D.02, subd. 4a, with six or fewer residents;
- C. Assisted living facilities;
- D. Nursing homes;
- E. Hotels or motels;
- F. Single-family dwellings in which an individual owns the single-family dwelling and resides in a portion of the home in which there is a rental dwelling unit and there are a total of no more than three (3) persons within the single-family dwelling unit that are unrelated to the owner and to each other;
- G. Two-family buildings where the owner owns the entire building and resides in one of the two units;
- H. Accessory dwelling units pursuant to section 10-18-1 of the City Code;
- I. Supervised student housing pursuant to subsection 10-14-2H of the City Code;
- J. Residential property that has been sold on a contract for deed so long as the vendee occupies the property, and the sale document used to memorialize the sale is a Minnesota Uniform Conveyancing Blanks Form or is recorded with the Dakota County Recorder's Office and a copy is provided to the city upon request; or
- K. Residential property that is occupied by a relative as defined by Minnesota Statutes, Section 273.124, subd. 1(c).

4-3-5: LICENSE APPLICATION

- A. Application: Application for a rental license must be made to the City by the owner of the dwelling or dwelling unit upon the application form provided by the City. The form and contents of the application shall be determined by the City Administrator. Failure to fully complete the application and submit all

information and documents as required will result in an incomplete application; incomplete applications will be returned to the applicant without further action.

- B. Additional Application Materials: All applications shall be accompanied by:
- a. Copies of the background checks completed on all managers, as that term is defined in Minn. Stat. Sec. 299C.67, subd. 4, confirming that they are not disqualified from serving as a manager under Minn. Stat. Sec. 299C.69; and
 - b. A background check authorization for any owner(s) of the dwelling, including owners of a corporate entity, who has key access to the dwelling/dwelling unit.
- C. Fees: Applicants shall pay the application fee set forth in the City Fee Schedule at the time of submission of the rental license application. The license fee is not refundable, except for an application that is withdrawn prior to staff processing the application or if it is determined that a rental license is not required.

4-13-6: LICENSE ISSUANCE

- A. The City Administrator or designee shall approve or deny each new or renewal license application within a reasonable time following receipt of a complete license application. If an application is denied, the applicant shall be notified in writing and be provided information on the appeal process as set forth in Subsection C of this Section.
- B. In addition to those grounds enumerated in Section 3-2-10 of City Code, any license may be denied for one or more of the following reasons:
1. Failure to provide all required application related documents.
 2. The applicant has made fraudulent statements, misrepresentations, or false statements in the application.
 3. The proposed use does not comply with the zoning code.
 4. The property does not comply with a health, building, maintenance, or other provision of this code or state law.
 5. City utility bills or property taxes or assessments for the property where the rental dwelling is located are past due.
 6. The owner of the property or dwelling who is subject to the background check requirements of this Chapter has been convicted of any crime within the past five (5) years that is directly related to the licensed activity, taking into account the considerations listed in Minnesota statutes, Section 364.03, subd. 2, and has failed to show competent evidence of sufficient rehabilitation and present fitness to perform the duties of the business.

7. The applicant has had a rental license issued by the City or any other licensing authority denied, revoked, or suspended within the last five (5) years.
 8. The applicant has violated the City Code for serious or repeated property maintenance or nuisance activities related to rental properties owned or operated in the City or any other City within the last five (5) years.
 9. Excessive consumption of City services, as defined in Title 4, Chapter 15 of City Code.
 10. The owner has rented the dwelling or dwelling unit without a license.
 11. Other good cause.
- C. If a rental license application is denied, the applicant may request a hearing before the City Council for reconsideration of the denial.
1. Within fifteen (15) days of the date of the license denial, the applicant shall submit, in writing, a letter to the City Clerk appealing the license denial along with any applicable supporting documentation.
 2. The City Council shall hold a hearing to consider the appeal. The Applicant shall have an opportunity to be heard, to be represented by legal counsel, and to present any information regarding the application to the Council.
 3. Following the hearing, the Council may approve the license, approve the license with conditions, or uphold the license denial.
 4. The decision of the City Council shall be final.
- D. Applications for renewal of an existing rental license shall be submitted to the City for approval in the same manner as an initial rental license. All renewal rental license applications shall be submitted no later than January 31. An applicant who submits an application for a license renewal after January 31 shall pay a late application fee as listed on the City fee schedule.

4-13-7: LICENSE SUSPENSION OR REVOCATION

- A. A violation of any of the requirements of this Chapter or the existence of any of the grounds listed in Section 4-13-6 above or in Section 3-2-10 shall be grounds for suspension or revocation of a rental license.
- B. Upon determination by the Housing Official that a violation of Section A above has occurred, the Housing Official may recommend to the City Council that a license be suspended or revoked. Notice of the recommendation and the right to a hearing before the Council regarding the alleged violation shall be sent to the license holder at its address on file with the City at least fifteen (15) days before the date of the hearing. The license holder shall have the right to attend the hearing, present information to the Council regarding the alleged violation(s), and to be represented by legal counsel at the hearing.

- C. Following the hearing, the City Council may take any of the following actions:
 - 1. Take no action on the license
 - 2. Allow the licensed activity to continue but add reasonable conditions to the license
 - 3. Suspend the license
 - 4. Revoke the license

The decision by the City Council following a hearing is final.

- D. Upon suspension or revocation of a license, the City will notify all affected tenants that the license has been revoked or suspended.

4-13-5: LICENSE TERMS AND CONDITIONS

- A. No dwelling or dwelling unit required to be licensed under this Chapter may be let for a period of less than thirty (30) consecutive days.
- B. The license holder shall designate a property representative and provide the City with twenty-four (24) hour contact information for that individual. The property representative is required to reside within 75 miles of the municipal boundary of Inver Grove Heights and shall be authorized to act on the license holder's behalf in responding to City Staff regarding property maintenance, criminal activity, or other license-related matters affecting the rental dwelling. Licensees are responsible for the acts or omissions of their managers, property representatives, and agents as they pertain to the rental dwelling.
- C. All new and renewed tenant leases for dwelling units in multiple family buildings shall include a Crime-Free Multi-Housing lease addendum in a form provided by the City to be signed by the tenant. A copy of any and all leases and lease addendums subject to an active rental license under this article shall be made available to the City upon request.
- D. The licensee must notify the city in writing of any changes to the information provided on a rental license application, including, but not limited to, owners, the property management company, property managers, and the property representative.
- E. The licensee must maintain a current register of tenants and other persons who have a lawful right to occupancy of rental dwellings or rental dwelling units. The register must be available for inspection by city staff at all times.
- F. The licensee must ensure that every rental dwelling and rental dwelling unit and the property on which the rental dwelling is located is maintained in compliance with all city code requirements and state laws including the following:

1. Building code (Title 9, Chapter 1)
2. Zoning code (Title 10)
3. Animal control (Title 5, Chapter 4)
4. Fire prevention code (Title 9, Chapter 2)
5. Property nuisances (Title 5, Chapter 9)
6. Miscellaneous offenses (Title 5, Chapter 5)
7. International property maintenance code. (Title 9, Chapter 1)

4-13-8 INSPECTIONS

- A. For the purpose of safeguarding the health and safety of the general public and of the occupants of rental dwellings and to determine compliance with this Chapter, the Housing Official and/or the Chief Building Official (Authorized Officer) may conduct inspections of licensed dwellings and dwelling units to determine the condition of the buildings dwelling units. For the purpose of making the inspection, the Authorized Officer is authorized to enter and inspect the premises in which rental dwelling units are located and rental dwelling units all reasonable times.
1. Notice: Prior to making the inspection, the Authorized Officer will inform the owner or property manager and the building or premises to be inspected of the date and time of the inspection by personal service, posting on the door to the premises, or regular mail postmarked not less than seventy two (72) hours prior to the time the inspection is made.
 2. Access: After the written notice has been given, the owner, occupant or manager of the building, must give the Authorized Officer free access to the building and its premises for the purpose of the inspection, provided that the inspection must not have for its purpose the harassment of the owner, occupant or manager and the inspection, s made so as to cause no unreasonable inconvenience to the owner or occupant.
 3. Emergency Access: The Authorized Officer must be allowed immediate entry:
 - a. At any time when in the opinion of the Authorized Officer an actual emergency tending to create an immediate danger to public health or safety exists; or
 - b. At any time when the inspection has been requested by the owner, the property manager, or a resident of the dwelling or dwelling unit.
- B. Application For Warrant: Upon a refusal of any owner, occupant or property manager to permit the Authorized Officer access to a dwelling, dwelling unit or premises to make an inspection, the authorized officer may make application to the appropriate court for an order or warrant directing the inspection.

- C. Interference With Official Duties: It is unlawful for any person to prevent, delay or interfere with representatives of the city while they are engaged in the performance of their duties. (Ord. 1325, 10-24-2016)

4-13-9 COMPLIANCE ORDERS

- A. : If the city determines that a violation of the requirements of this Chapter has occurred, a compliance order may be issued to the licensee. The compliance order shall contain the following information:
 - 1. A description or address of the property where license violation has occurred;
 - 2. The nature of the violation, including a specific reference to the section of this chapter that is the basis for the violation;
 - 3. A compliance deadline, providing a reasonable time for compliance based on the nature of the violation;
 - 4. A statement that failure to correct the violation may result in the imposition of a fine as set forth in Section 4-13-10, criminal citation or denial, suspension or revocation of the rental license for the dwelling or dwelling unit.
- B. The compliance order shall be served on the licensee by regular or certified mail sent to the licensee's address on the license application or such other address subsequently provided to the City by the license holder or by personal service on the license holder or the Property Manager.
- C. If the licensee fails to take the required corrective actions listed in the compliance order by the deadline in the Compliance Order, the license holder shall be required to pay the listed administrative penalty. Additionally, the Housing Official may recommend further action be taken regarding the unresolved violation, including issuance of a criminal citation or civil legal action.
- D. The owner may, within seven (7) days of issuance of the compliance order, request a hearing the challenge the compliance order before the City Administrator who shall act as a hearing officer. The City Administrator shall conduct an informal hearing to determine if a violation has occurred. The City Administrator shall have authority to dismiss the violation or reduce or waive the penalty. If the violation is sustained by the City Administrator, the owner shall pay the penalty imposed within seven days. Any further appeal of the compliance order shall be to a court of competent jurisdiction.

4-13-10 VIOLATIONS AND PENALTIES

- A. Violations of this chapter are subject to the administrative penalties in this Section. Violations shall also constitute a misdemeanor offense, and are subject to criminal prosecution or other legal civil action. Each day such violation shall continue shall constitute a separate offense.
- B. Violations of any of the terms of this Chapter shall be subject to the following administrative penalties:

Violation	Fine
First violation	\$100.00
Second violation within 12 months or failure to comply with an initial compliance order	\$200.00
Third or more violations within 12 months or failure to comply with a subsequent compliance order	\$300.00

- C. Multiple violations occurring concurrently shall be considered one violation. If the violations have different fine amounts established in this Section, the higher fine amount shall prevail.
- D. If an administrative penalty is not paid within the time specified, it shall constitute:
 - a. A lien upon the real property upon which the violation occurred if the property or improvements on the property was the subject of the violation and the property owner was found responsible for that violation; or
 - b. personal obligation of the violator in all other situations.

A lien may be assessed against the property and collected in the same manner as taxes. A personal obligation may be collected by any appropriate legal means. Failure to pay an administrative penalty is grounds for suspending or revoking a license or permit or other approval associated with the violation.

4-14-11 NO WARRANTY BY CITY

By enacting and undertaking to enforce this chapter, neither the city nor its city council, agents or employees warrant or guarantee the safety, fitness or suitability of 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. (Ord. 1325, 10-24-2016)

**TITLE 9
BUILDING AND DEVELOPMENT**

9-1-4: International Property Maintenance Code

A. Adoption Of International Property Maintenance Code: Except as modified or amended by the Minnesota state building code (or as it may be amended) or by city ordinance, or by this chapter, the international property maintenance code is adopted by reference for Title 4, Chapter 13 only and is made a part of this code as if fully set out at length. The following provisions of the international property maintenance code are modified as follows:

1. References to plumbing, mechanical, fire, and electrical codes shall be replaced by current Minnesota state adopted plumbing, mechanical, fire, and electrical codes.

2. Section 101.2 is replaced as follows:

Scope. The provisions of this code shall apply to all residential rental structures and premises and constitute minimum requirements and standards for premises, structures, equipment and facilities for light, ventilation, space, heating, sanitation, protection from the elements, life safety, safety from fire and other hazards, and for safety and sanitary maintenance; for the responsibility of owners, managers and occupants, for the occupancy of existing structures and premises and for the administration and enforcement of this code.

3. The following sections are deleted: Sections 102.3 (Application Of Other Codes), 103 (Department Of Property Maintenance Inspection), 104 (Duties And Powers Of The Code Official), 106 (Violations), 107 (Notices And Orders), 109 (Emergency Measures), 110 (Demolition), 111 (Means Of Appeal).

4. Section 102.7.1 is replaced as follows:

Conflicts. Where conflicts occur between provisions of the international property maintenance code and the Minnesota state building code, the provisions of the Minnesota state building code shall apply.

5. In section 202 (General Definitions), the following definitions are deleted: Exterior Property, Garbage, Inoperable Motor Vehicle, Rubbish, Yard.

6. In section 202 (General Definitions), the following definitions are replaced with the definitions in section 4-13-2 of the city code: Dwelling Unit, Let, Owner, Structure.

7. The following sections are deleted: Sections 302.1 (Sanitation), 302.3 (Sidewalks And Driveways), 302.4 (Weeds), 302.7 (Accessory Structures), 302.8 (Motor Vehicles), 302.9 (Defacement Of Property), 303 (Swimming Pools, Spas And Hot Tubs), 304.3 (Exterior Structures - Premises Identification), 304.6 (Exterior Structures - Exterior Walls), 308 (Rubbish And Garbage). (Ord. 1325, 10-24-2016)