

AGENDA ITEM SUMMARY

City Council



STAFF

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SUBJECT

Staff Report: Rental Housing Program Update

EXECUTIVE SUMMARY

The purpose of this item is to provide an update on the Rental Housing Program.

BACKGROUND / DISCUSSION

The Rental Housing Program supports the City's vision to ensure everyone has healthy, stable housing they can afford by implementing a multi-faceted approach of compliance and incentives, with a rental registration process serving as the platform for providing other program components. Through the registration process, the program can accurately identify rental properties and maintain contact with property owners, following up with opportunities and timely information impacting property owners, property managers, and tenants.

Program Background

Exploring options for rental registrations is a strategy in the 2021 Housing Strategic Plan. The Rental Housing Program was approved by City Council in 2023, with 2024 serving as a pilot year in which registration was encouraged and incentivized but not enforced. Now in its second year of full implementation, staff are focused on increasing compliance rates and expanding program components benefiting both property owners and tenants. The Rental Housing Program is staffed with 5 FTEs, although one position, a Coordinator primarily supporting registration efforts, is currently vacant.

In 2025, the program secured almost \$475,000 in revenue and covered over 97% of the total program costs (\$484,877), with remaining program costs supported by general fund revenue. The 2026 program budget is approximately \$506,000, and as of the end of July 2026, the program has collected over \$237,000 of program revenue through registration fees. Around 70% of registration revenue in 2025 was collected in Q1 (36% of total revenue) and Q4 (almost 34% of total revenue), due to the timing of most registration renewals. Q1 of 2026 followed a similar pattern from 2025, and staff anticipate a comparable bump in revenue in Q4 of 2026. The program was designed to be revenue neutral by 2027, covering all program costs through program-generated revenue.

Program Components

Four primary components comprise the Rental Housing Program:

- Rental registration

- Landlord and tenant education
- Grants and incentives
- Complaint-based inspections

Rental Registration

Property owners are required to annually register their rental properties with the City of Fort Collins. Manufactured homes in mobile home parks and owner-occupied rentals are exempt from registering. Registration is intended to:

- Open communication between the City and rental property owners, and to help strengthen landlord and tenant education and outreach;
- Provide better data to help the City understand and support the rental housing market;
- Ensure housing units in the City meet minimum housing requirements by including self-certification as part of the registration process.

The cost to register per rental property varies depending on the number of units in a property. Each property is charged a \$37 flat fee, which includes the first unit, plus \$10 per additional unit. Examples of fees based on property size are included in Table 1.

Table 1. Example Rental Housing Fees by Property Type

Home Type	Property Fee	Unit Fee	Total Fee
Detached home	\$37	\$0	\$37
Condo	\$37	\$0	\$37
Duplex	\$37	\$10	\$47
60-unit Multiplex	\$37	\$590	\$627

Around 80% of rental properties are registered. At this point in program implementation, a substantial challenge involves identifying and contacting those rental properties that remain unregistered and out of compliance. When an unregistered rental property is identified, staff provide information and technical support, if needed, to assist the property owner in registering. If the property owner fails to register after repeated contacts, the City has the authority to cite a property for non-compliance. Since the program’s inception, only five citations have been written for registration compliance issues, with all dismissed or resolved before escalating to the court system.

Landlord and Tenant Education

As part of rental registration, the City provides a packet of information on recent rules and regulations at the local and state levels to help property owners and managers understand their legal obligations. The program has also developed workshops for both property owners and tenants to navigate fair housing requirements, understand new technologies in leasing, and develop skills and knowledge related to owning and managing rental properties. Staff also regularly provide education and resources to tenants, property owners, and property managers requesting assistance from the program through email, phone calls, and in-person conversations. In 2025, the program had over 6,000 contacts with renters, property managers, and property owners in Fort Collins, educating individuals on their rights and responsibilities.

Grants and Incentives

The Rental Housing Program has provided a limited amount of grant funding since 2024 to support upgrades and improvements in rental properties, enhancing safety, energy efficiency, and comfort.

The Rental Property Improvement Grant provides property owners with up to \$7,000 for projects that enhance energy efficiency, water conservation, or climate resilience. Eligible expenses included:

- Window replacement
- Insulation and weatherization
- Furnace or heat pump
- AC or evaporative cooler
- Water conservation upgrades
- Other energy/water efficiency projects

In the Spring 2026 funding round, twelve applications, with requests ranging from \$2,500 to \$7,000 were awarded, totaling about \$75,000. Funding for the grants is provided by 2050 climate tax funds. For most projects, grant awards provided partial funding for improvements, with property owners covering the remainder of the project cost.

The Rental Housing Program also partnered with Water Conservation this summer to provide eight new water efficient washing machines to rental properties.

As the Rental Housing Program grows, identifying other City partnerships and funding sources to provide grants to property owners, particularly those renting at or below fair market rent including deed-restricted affordable units, will help strengthen the program's ability to support safe and habitable rental housing and provide greater benefit to the rental community.

Complaint-Based Inspections

Tenants may request an inspection of their property if there are concerns about habitability or quality. As of mid-May 2026, the Rental Housing Program had received 134 inspection requests over the course of program implementation. Of those requests:

- 6 units were inspected and found to meet housing standards;
- 70 units were inspected and required at least one violation to be corrected; and
- 58 units were not inspected.

The number of issues or violations identified per unit can vary greatly. Table 2 provides additional information on the types and numbers of issues identified during rental housing inspections.

Table 2. Types of Inspection Issues and Violations

Category	Examples	# of Issues
Electric Facilities	Adequate wiring, receptacles/outlets	169
Exterior General	Building, sidewalks, fences, exterior stairs in good repair	101
Fire Safety Requirements	Emergency escapes; working smoke alarms, carbon monoxide detectors	120
Illegal Dwelling	Illegal dwelling	4
Interior General	Floors, walls, doors, windows in good repair; locks on doors and windows; windows can open and are screened	238
Light	Adequate lighting in common hallways and stairways	1

Category	Examples	# of Issues
Mechanical Facilities	Chimneys/vents; adequate heating	77
Occupancy General	Adequate space to store/prepare food; provide privacy from adjoining spaces	9
Plumbing Facilities	Hot and cold water; no leaks from fixtures; provide tub/shower, lavatory, water closet, and kitchen sink	82
Unpermitted Work	Work without permit	83
Unregistered Rental	Property not registered with City	23
Ventilation	Window/exhaust fan in bathroom; clothes dryer exhaust	29

The high number of units *not inspected* points to the program's intent to encourage voluntary compliance whenever possible. In many of these cases, staff may be able to provide information to the property manager to correct issues voluntarily, without needing to complete an inspection. In other cases, issues identified are not related to the physical condition of the property and are instead resolved through referrals to other programs or resources, such as Conflict Transformation Works or external service providers. Program staff frequently help educate both tenants and property managers what issues do and do not constitute a violation.

Staff also resolve many issues raised by tenants or property managers before an inspection request is submitted. In 2025 and 2026, program staff have helped resolve 103 issues through phone calls or in-person discussions by answering questions, providing resources, and communicating with the parties involved to find a resolution.

Partnerships

The Rental Housing Program relies on partnerships internal and external to the City to provide workshops and programs, and to refer residents contacting the program for support.

Key partnerships and examples of how the Rental Housing program works with each include:

- **Building Services and Code Compliance:** Minimum housing standards education, inspection coordination, habitability guidance, common violations education, public nuisance awareness, property maintenance communications
- **Access Fort Collins:** Customer service referrals, community resource navigation, housing-related service requests
- **Conflict Transformation Works:** Mediation referrals, communication resources
- **Financial Services:** Registration payment processing, financial reconciliation, collections coordination, customer assistance for online payments
- **Utilities and Environmental Services Department:** Energy efficiency grants, water conservation outreach, sustainability education, resource coordination, neighborhood and community engagement
- **CSU Student Housing:** Housing fairs, student renter education, off-campus housing resources

The Rental Housing program also coordinates frequently with community service providers and organizations in the housing industry including:

- Northern Colorado Rental Housing Association
- National Association of Residential Property Managers

- Colorado Apartment Association
- Fort Collins Board of Realtors
- Larimer County Office of Housing Stability
- Colorado Poverty Law Center
- Healthy Housing Coalition
- Homeward Alliance
- ISAAC of Northern Colorado
- Denver Metro Fair Housing Center

Future Program Developments

Several developments and new opportunities are forthcoming for the Rental Housing program:

- In Q4 of 2026, City staff will begin the process to assess and update the Rental Housing fee structure
- Staff continue to support testing and implementation of FC Clear and the new registration software replacing the current system
- Staff are building and enhancing data collection and analysis processes to provide more robust information for program evaluation; some work will require full implementation of FC Clear

As the program continues to grow, staff will be focused on identifying additional beneficial resources and opportunities to provide to tenants, property managers, and property owners to promote housing stability, health, and safety throughout Fort Collins.

ATTACHMENTS / LINKS

1. Presentation