

ORDINANCE NO. 086, 2023
OF THE COUNCIL OF THE CITY OF FORT COLLINS
AMENDING CHAPTER 5 OF THE CODE OF THE CITY OF FORT COLLINS
TO ADOPT A RENTAL HOUSING PROGRAM AS AN IMPLEMENTATION ACTION OF
THE HOUSING STRATEGIC PLAN AND THE OUR CLIMATE FUTURE PLAN

WHEREAS, livable housing has a positive impact on health, economic security, educational attainment and the overall stability of individuals and families in communities; and

WHEREAS, in Fort Collins, the best available data suggests that more than 40% of all housing units are renter-occupied; and

WHEREAS, the renter community, which makes up a significant portion of the City's population, would benefit from proactive rental property registrations and continued complaint-based inspections conducted by the City to ensure the health, safety and habitability of their rental housing; and

WHEREAS, the City Council has thoroughly considered options for advancing the objectives of the Council-adopted Housing Strategic Plan (Strategy 20) and Our Climate Future Plan (Strategy HAH6) through a rental housing program; and

WHEREAS, the City Council has determined that the approach that best balances the costs and benefits of a rental housing program includes rental registration, improvements to the complaint-based inspection system and software, enhanced mediation, education and outreach, and incentives for voluntary compliance; and

WHEREAS, in order to pursue that preferred approach, this Ordinance amends Chapter 5 of the City Code to adopt a rental housing program (the Program); and

WHEREAS, as part of the Program, the City will maintain a complaint-based rental inspection system to promote safe and habitable housing for renters and will engage and maintain communication with nonprofit organizations and landlord groups to understand the impacts and effect of this rental housing registration program on renters and landlords; and

WHEREAS, through the Program the City will provide information and education to tenants and landlords regarding the prohibition against renter retaliation for making complaints or reporting instances of unsafe housing; and

WHEREAS, in order for staff to initiate the Program in 2023, Council is also considering the appropriation of funds for start-up and implementation of the Program; and

WHEREAS, the Council has determined, and now finds, that the adoption of this Ordinance is necessary to ensure safe and stable housing that allows individuals, families and communities to thrive and is necessary for the public's health, safety and welfare.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FORT COLLINS as follows:

Section 1. That the City Council hereby makes and adopts the determinations and findings contained in the recitals set forth above.

Section 2. That Section 5-236 of the Code of the City of Fort Collins is hereby deleted in its entirety.

Section 3. That a new Section 5-221 is hereby created in Chapter 5 of the Code of the City of Fort Collins to read as follows:

ARTICLE VI. HOUSING STANDARDS

Division 1 Generally

Sec. 5-221. Definitions.

For the purposes of this Article, certain terms, phrases, words and their derivatives shall be construed as expressly stated herein and as follows:

Words stated in the present tense include the future; words stated in the masculine gender include the feminine and neuter; the singular number includes the plural and the plural, the singular. Where terms are not defined in this Division and are defined in the City Code, Land Use Code, International Building Code, International Fire Code, International Plumbing Code, International Mechanical Code or National Electrical Code, such terms shall have the meanings ascribed to them as stated in those codes. Where terms are not defined through the methods authorized by this Section, such terms shall have ordinarily accepted meanings in the context used. Whenever the words *long-term residential rental dwelling unit*, *dwelling unit*, *dwelling*, *premises*, *building*, *rooming house*, *rooming unit*, *housekeeping unit* or *story* are stated in this Article, they shall be construed as though they were followed by the words “or any part thereof.”

Agent shall mean any person legally authorized to act on behalf of or in place of the owner or lessee of a long-term residential rental dwelling unit and for receipt of notices and legal service of process related to a long-term residential rental dwelling unit. An *agent* may also be the local contact.

Applicant shall mean any person who seeks to register a long-term residential rental dwelling unit as a long-term residential rental under this Division.

Building shall mean a structure with the capacity to contain, and is designed for the shelter of, humans, animals, or personal property of any kind. Building shall include, without limitation, any house, office building, store, warehouse, or any other residential or nonresidential structure of any kind, whether or not such structure is permanently affixed to the ground upon which it is situated,

and any trailer, semi-trailer, trailer coach, mobile home, or other vehicle designed or used for occupancy by persons for any purpose.

Building official shall mean the Chief Building Official with the administrative and enforcement authority as provided in this Article, and their designees.

Director shall mean the Director of Community Development and Neighborhood Services with the administrative and enforcement authority provided in this Article, and their designees.

Electronic record shall mean a record created, generated, sent, communicated, received or stored by electronic means and reproducible in a physical document.

Imminent danger shall mean an existing condition that is reasonably likely to cause immediate serious or life-threatening injury or death.

Lease shall mean an agreement by which an owner of residential rental property conveys the right to use and occupy such property to an occupant or tenant or lessee, in exchange for consideration.

Lessee or *tenant* shall mean a person having a possessory interest in a property under an oral or written lease agreement.

Local contact shall mean one or more persons legally authorized by the owner to access the long-term residential rental dwelling unit, to make decisions regarding the long-term residential rental dwelling unit, to accept service of notices of noncompliance with this Article's requirements in lieu of the owner and have a physical residential or business address no more than seventy (70) miles from the registered long-term residential rental dwelling unit in order to respond to any issues raised by the lessee or the City.

Long-term residential rental dwelling unit shall mean one or more rooms and a single kitchen and at least one bathroom, designed, occupied or intended for occupancy as separate quarters for the exclusive use of a single family for living, cooking and sanitary purposes, located in a single-family, two-family or multi-family dwelling or mixed-use building that is leased, rented or sublet for compensation (including money or services or the sharing of expenses), in part or in whole, for periods of thirty (30) consecutive days or more. *Long-term residential rental dwelling unit* shall not include such land, buildings, and residential units owned by the Board of Governors of the Colorado State University System or utilized by Colorado State University for the housing of students or faculty or for other educational purposes.

Municipal court or *court* shall mean the municipal court of the City as established in Article VII, Section 1 of the Charter.

Owner shall mean any person whose name appears on the tax bill for the property or who, alone or jointly or severally with others, has legal title to any long-term residential dwelling or long-term residential rental dwelling unit, with or without actual possession thereof, or has charge, care or control of any long-term residential dwelling or long-term residential rental dwelling or long-term residential rental dwelling unit as owner, executor, executrix, administrator, trustee,

guardian of the estate of the owner, mortgagee or assignee of rents. *Owner* shall not include any person who holds only a security interest or easement on the real property upon which the long-term residential rental dwelling unit is situated.

Person means any individual, corporation, association, firm, joint venture, estate, trust, business trust, syndicate, fiduciary, partnership, limited partnership, limited liability company, and body politic and corporate, and all other groups and combinations.

Property manager shall mean any person charged with the care and control of rental housing or long-term residential rental dwelling unit who performs services with respect to such rental housing or long-term residential rental dwelling unit under a contract with the owner thereof or who otherwise acts as representative of an owner with respect to such rental housing or long-term residential rental dwelling unit.

Registered premises or *premises* shall mean a long-term residential rental dwelling unit that has a valid registration issued pursuant to Division 3 allowing long-term residential rental of such long-term residential rental dwelling unit.

Rental housing shall mean any building or mobile home or portion thereof, including the lot, tract or parcel of land on which the same is located, containing any long-term residential rental dwelling unit, or guest room which is leased, rented or sublet to a family or person(s) for compensation (including money or services, and the sharing of expenses) in part or in whole, for periods of thirty (30) consecutive days or more. *Rental housing* shall not include such land, buildings, and residential units owned by the Board of Governors of the Colorado State University System or utilized by Colorado State University for the housing of students or faculty or for other educational purposes.

Section 4. That reserved sections in Division 1, Article VI of Chapter 5 of the Code of the City of Fort Collins will be Section 5-222 to Section 5-236.

Section 5. That Article VI of Chapter 5 of the Code of the City of Fort Collins is hereby amended by the addition of a new Division 3, to read in its entirety as follows:

Division 3
Long-Term Rental Registration

Subdivision A. Generally

Sec. 5-280. Purpose.

This registration of long-term residential rental properties is implemented pursuant to this Division to ensure the health and safety of renters of long-term residential properties, to promote safe and stable housing for renters and to improve the City's overall livability.

Sec. 5-281. Administration.

The Director and Building Official shall administer the provisions of this Division and are authorized to jointly promulgate rules and regulations for its administration and implementation.

Sec. 5-282. Reserved.

Subdivision B. Registration

Sec. 5-283. Registration required.

- (a) An owner of a long-term residential rental dwelling unit shall register it with the City and comply with the requirements pursuant to this Division.
- (b) Long-term residential rental units described in one or more of the following paragraphs are exempted from the registration requirements of this Article:
 - (1) A long-term residential dwelling unit occupied by the owner; and
 - (2) A mobile home rental unit in a mobile home park, as defined and described in Chapter 18 of this Code.

Sec. 5-284. Application for registration.

- (a) Any person seeking to register a particular long-term residential rental dwelling unit pursuant to this Division, or renew an existing registration, must file a complete application and pay all applicable fees. The Director may approve or deny registration based on whether the applicant and the premises proposed to be registered or renewed satisfy all the requirements of this Division.
- (b) The Director may require additional information and documentation as the Director deems necessary to determine whether an initial or renewal application meets the requirements of this Division.
- (c) At the time of an initial or renewal application for registration, each applicant shall pay a fee in an amount set by the City Manager in accordance with § 7.5-1.

Sec. 5-285. Registration requirements.

- (a) The following are the minimum requirements that must be satisfied by the applicant for the issuance or renewal of a long-term residential rental dwelling unit registration.
 - (1) The applicant must provide documentation satisfactory to the Director that the applicant is the owner of the long-term residential rental dwelling unit, or the owner's authorized agent.

(2) The long-term residential rental dwelling unit must comply with all applicable federal, state, and local laws including, but not limited to, this Code and the City's Land Use Code.

(3) The property and long-term residential rental dwelling unit must comply with all applicable building, sanitation, mechanical, electrical, structural and fire safety requirements in Chapter 5 of the Code in addition to the administrative regulations adopted pursuant to § 5-281 of the Code.

(i) The applicant shall certify that the property and long-term residential rental dwelling unit comply with all applicable building, sanitation, mechanical, electrical, structural and fire safety requirements in Chapter 5 of the Code in addition to the administrative regulations adopted pursuant to § 5-281 of the Code.

(b) If applicable, the applicant may identify one or more persons who can serve as the local contact. Any such person must have access to the long-term residential rental dwelling unit and be authorized to make decisions regarding the long-term residential rental dwelling unit.

Sec. 5-286. Issuance of registration.

Upon the applicant's compliance with the requirements of this Division, the Director shall register the long-term residential rental dwelling unit.

(a) Each registration shall be applicable only to the long-term residential rental dwelling unit for which approval is granted by the Director and no registration shall be transferrable.

(b) A registration shall terminate upon transfer of ownership of the registered long-term residential rental dwelling unit.

Sec. 5-287. Term of registration and renewal.

Registration issued pursuant to this Division shall be valid for one (1) year. Registration must be renewed annually.

(a) Renewal applications shall be reviewed by the Director in consultation with the Building Official, and are subject to § 5-288 and § 5-308, must meet the standards set forth in § 5-285 and, if applicable, enforcement under § 5-306.

(b) Any prior violation of the provisions of this Article may be considered by the Director during the registration renewal review and may result in non-renewal. In the Director's discretion, after consultation with the Building Official as necessary, the Director may impose conditions upon a registration at the time of renewal to address non-compliance with the terms of the registration, the provisions of this Article, or any other applicable provision of federal, state, or local law. Failure to comply with such conditions may result in suspension, revocation, or non-renewal of the registration pursuant to § 5-308 and, if applicable, enforcement under § 5-306.

Sec. 5-288. Registration regulations.

Upon completion of registration pursuant to this Division, the following requirements must be met for the registration to remain valid.

- (a) The owner shall comply with the terms of the registration and all applicable provisions of this Code, including, but not limited to, this Chapter 5, Chapter 20 regarding nuisances, the Land Use Code, and any other applicable provision of federal, state, and local law.
- (b) The owner shall maintain the long-term residential rental dwelling unit in compliance with the minimum rental housing requirements as provided in § 5-296.

Sec. 5-289. Fees

The fees authorized and imposed under this Division shall be paid by the owner to the City as directed in any notice provided under this Article.

Sec. 5-290. Grounds for denial.

- (a) The following are each grounds for the Director's denial of an application for registration or renewal:
 - (1) Registering the long-term residential rental dwelling unit would violate any applicable federal, state, or local law, and any rules and regulations adopted pursuant thereto.
 - (2) The premises of the long-term residential rental dwelling unit does not comply with the requirements of the Land Use Code or with any applicable provisions of Chapters 5, 9, 12 or 20 of this Code.
 - (3) The applicant fails any inspection, fails to obtain necessary permits for the premises of the long-term residential rental dwelling unit or is in violation of any applicable federal, state, or local law, and any rules and regulations adopted pursuant thereto.

Sec. 5-291. Appeal.

An owner may appeal any decision whether to grant, renew, suspend, or revoke an application or registration under this Division to the City Manager in accordance with Chapter 2, Article VI of this Code. The City Manager's decision shall be final.

Secs. 5-292 – 5-295. Reserved.

Subdivision C. Inspections

Sec. 5-296. Complaint-Based Inspections.

The Building Official has the right to inspect a property pursuant to any other provision of this Chapter 5, including, but not limited to, inspections based on a request of a tenant, owner, manager, or complainant.

Secs. 5-297 – 5-305. Reserved.

Subdivision D. Violations and Penalties

Sec. 5-306. Violations and penalties.

(a) In addition to the suspension, revocation or refusal to renew any registration hereunder and except as provided in subsection (b) below, any owner who violates any provision of this Division may be punished by a fine or imprisonment or both in accordance with § 1-15 of this Code as described below. Each day that a violation of this Division continues shall be deemed a separate offense. Additionally, the City may take any other legal action available to address violations of the provisions of this Article.

(b) It shall be unlawful for any owner to lease or to allow the use, maintenance, or occupancy of any long-term residential rental dwelling unit that does not have a current, valid registration as described in §§ 5-285 and 5-287. Such violation is a civil infraction pursuant to § 1-15(f) of this Code.

Sec. 5-307. Enforcement.

(a) The Director or Building Official may cause to be issued a summons and complaint for prosecution in municipal court in accordance with the procedures established in Chapter 19 of this Code.

(b) Upon conviction of any person for a violation of this Division, the Director may place a notice of the violation on the City's website that contains the address of the subject long-term residential rental dwelling unit and a statement that the long-term residential rental dwelling unit was found not to comply with a requirement or limitation of this Division. Such notice shall remain on the City's website only until such time as the owner of the subject long-term residential rental dwelling unit establishes, to the reasonable satisfaction of the City, that the condition that caused the violation has been corrected.

Sec. 5-308. Suspension, revocation, or nonrenewal of registration.

(a) In addition to the grounds set forth in § 5-306, the Director may suspend, revoke, or not renew any registration issued pursuant to this Division if the Director determines that either of the following have occurred:

(1) Fraud, material misrepresentation or false statement in the initial application for registration or any renewal application; or

(2) Failure to comply with the requirements of § 5-288.

(b) Procedures for investigation of registration violations and for suspension, revocation or other registration sanctions as a result of any such violation shall be as provided in § 5-307 of this Division and any rules and regulations promulgated as provided in § 5-281.

(c) The suspension or revocation of a registration shall not affect any lease or other arrangement for possession between the owner and the tenant. However, the owner shall not enter into any new arrangement for possession, nor renew any arrangement, during active suspension or revocation of its registration. Additionally, the owner must comply with any conditions related to the disciplinary action.

Sec. 5-309. Public nuisance.

A violation of any provisions of this Division is hereby declared to be a public nuisance, subject to abatement by the City in accordance with the procedures established in Chapter 20 of this Code.

Secs. 5-310 – 5-344. Reserved.

Section 6. That the Council directs the City Manager to develop and implement the administrative and financial processes for this registration program.

Section 7. That the Council directs the City Manager to bring this matter to the attention of the Council for a progress report and update from City staff in a work session no later than July 2024.

Section 8. That Section 5-256 of the Code of the City of Fort Collins is hereby amended to read as follows:

Sec. 5-256 Enforcement authority; rules and procedures.

The Building Official is hereby authorized and directed to enforce all of the provisions of this Article. For such purposes, the Building Official shall have the authority to adopt and promulgate administrative rules and procedures consistent with the provisions of this Article; to interpret and implement the provisions of this Article; to secure the intent thereof; to enforce all provisions of this Article pursuant to the terms of this Article or pursuant to the authority granted by the Chief of Police under Paragraph 2-503(b)(2); and to designate requirements applicable because of local climatic or other conditions. Such rules shall not have the effect of waiving structural or fire performance requirements specifically provided for in this Article, or of violating accepted engineering methods involving public safety.

Introduced, considered favorably on first reading, and ordered published this 6th day of June, 2023, and to be presented for final passage on the 20th day of June, 2023.

Mayor

ATTEST:

Chief Deputy City Clerk

Passed and adopted on final reading this 20th day of June, 2023.

Mayor

ATTEST:

Chief Deputy City Clerk