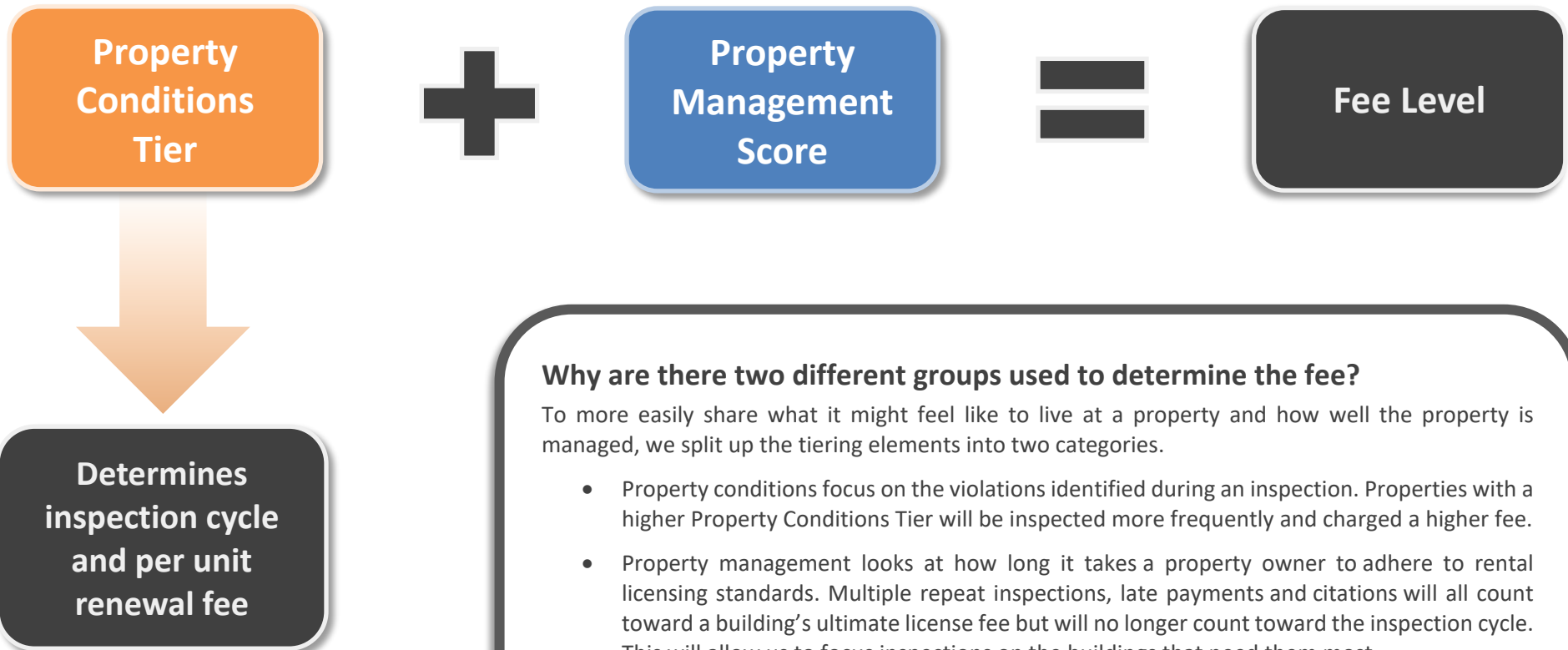


## Frequently Asked Questions: Rental License Tier and Renewal Billing

### What changes were made to tiering?

With most Minneapolis residents renting their housing, ensuring their safety, stability, health and dignity is a high priority for the City of Minneapolis. This year, we worked with property owners, renters and inspectors to improve the tiering process so that the frequency of rental licensing inspections is more closely tied to a property's physical condition. To accomplish this, tiering elements are now split into two categories:



### Why are there two different groups used to determine the fee?

To more easily share what it might feel like to live at a property and how well the property is managed, we split up the tiering elements into two categories.

- Property conditions focus on the violations identified during an inspection. Properties with a higher Property Conditions Tier will be inspected more frequently and charged a higher fee.
- Property management looks at how long it takes a property owner to adhere to rental licensing standards. Multiple repeat inspections, late payments and citations will all count toward a building's ultimate license fee but will no longer count toward the inspection cycle. This will allow us to focus inspections on the buildings that need them most.

## Frequently Asked Questions: Rental License Tier and Renewal Billing

### **What makes up my tier and score? Why are different things worth different points?**

The Property Conditions Tier and the Property Management Score give us two views of each property. These actions, whether they are violations or citations, have different impacts on renters and their surrounding community. The City is focused on ensuring that all renters are protected and provided safe and stable housing. To support this, some elements have more weight than others because they have a more direct impact on the renter. For example, a violation that impacts life safety such as hazardous wiring will raise the conditions tier more than an order to trim vegetation around the property. The complete list of elements and their scores is available on the following page.

### **Are points counted the same for all rental properties?**

To support the City's commitment to renters we are counting all violations discovered at an inspection. This is the only way for us to communicate an accurate view of the property's condition. If the same violation is found in multiple units under the same license, however, this will only be counted once.

### **How will this impact what I pay?**

Most of the fee is now based on property conditions. Owners have an opportunity to pay lower fees if they can ensure that violations are resolved as they arise, and do not result in a renter complaint or are found during regularly scheduled inspections

### **What dates did you review for this year's assigned tier?**

Tiers are assigned every year and listed on the rental license certificate. The period reviewed for the rental license tiering was September 30th, 2018 through September 29th, 2020.

### **Where can I find detailed information about my tier score?**

To look up information on a property's tier, please use the 2021 Rental Tier Assignments and Scores dashboard, available on the Tiering home page: [tinyurl.com/MplsTiering](http://tinyurl.com/MplsTiering)

### **What if I have questions about why my property was placed in its respective tier?**

Regulatory Services provides the full rental license tier scoring data online to provide property owners and managers with a helpful resource to reconcile their records with the department's. If you feel that your property was tiered incorrectly, please call 311 and ask for an administrative review.

In requesting an administrative review, you should be prepared to provide the element was scored incorrectly. Administrative reviews are only undertaken if the rental license fee is paid and should be requested by April 30, 2021. A property's tier is only modified if the data is found to be inaccurate.

# 2021 Rental License Tier & Billing Elements

Property Conditions Tier Elements		
Element	Description	Points per Violation
<b>Life Safety Violation</b>	Life Safety Violations indicate an urgent health or safety risk to the renter. Examples include smoke or carbon monoxide detectors, fire exits or emergency lighting.	<b>6</b>
<b>Quality of Life Violations</b>	Quality of Life Violations indicate an urgent issue with a direct impact on habitability. Examples include pests and water heater repair.	<b>5</b>
<b>Additional Code Violations</b>	Any other housing or fire code violations are counted here. Examples include signage, cleanliness, and doorbells.	<b>1</b>
<b>Nuisance Violations</b>	Nuisance Violations include all trash, tall grass, and solid waste orders and letters.	<b>0.5</b>
<b>Notice to Condemn</b>	Notice to Condemn was given to their properties.	<b>10</b>

Property Management Score Elements		
Element	Description	Points per Violation
<b>Inspections</b>	Re-inspections conducted by Regulatory Services at a given property. Does not include initial or final inspections.	<b>2</b>
<b>Administrative Citations</b>	A fee charged to gain compliance.	<b>5</b>
<b>Delinquent License Fee</b>	Late payment on a rental license.	<b>3</b>
<b>Assessments/ Authorizations</b>	Special assessments for unpaid citations & authorizations for grass or trash.	<b>3</b>
<b>Rental License Actions</b>	Actions including Operating Condition Agreements and Tenant Remedy Actions.	<b>10</b>
<b>Revocations</b>	Action taken to revoke a rental license.	<b>40</b>

Tier 1	Tier 2	Tier 3
0 – 19	20 – 39	40+

PC + PM =	Fee Level 1	Fee Level 2	Fee Level 3
	0 – 19	20 – 39	40+

## 2021 Rental License Tier & Billing Example

- Over the past two years a single-family home had violations for:
  - A faulty smoke detector (**life safety violation**)
  - Hazardous wiring (**life safety violation**)
  - Broken window (**quality of life violation**)
  - Too many people living there (**quality of life violation**)
- The **two life safety violations** lead to **12 points** and the **two quality of life violations** lead to **10 points**.
- This amounts to **22 points in property conditions** and results in a **Property Condition Tier 2**.
- The property will be assigned a **Tier 2 inspection cycle** and a **Tier 2 per unit renewal fee**.
- And in the past two years, the following management actions were taken on the license:
  - **Two administrative citations** for violations not resolved by their due date.
  - **Five additional inspections** to resolve the violations.
- The **two citations** lead to **10 points** and the **five inspections** also lead to **10 points**.
- This results in a **Property Management Score of 20**.
- The **property management points** are then added to the **property conditions points**. The total score is 42 and the property is assigned Fee Level 3 supplemental fee.

Property Condition Points	Tier 2 Renewal Fee for one unit	Property Management Points	Fee Level 3 Supplemental Fee	Total Fee Level <i>(Renewal Fee + Supplemental Fee)</i>
22 (Tier 2)	\$145	20	\$205	\$350

# Life Safety Violations

*Specific requirements may vary building to building. Discuss with your inspector or call 311 for more details.*

Violation	Code(s)	What to look for:
<b>Carbon Monoxide Detectors &amp; Smoke Detectors</b>	<b>HIS322, F70, HIS320</b>	Make sure all required smoke detectors are operational, and there is a carbon monoxide detector within 10 feet of each bedroom. Test it to make sure they still work and don't need a new battery.
<b>Combustible Materials</b>	<b>F038, HIS335</b>	Flammable materials need to be secured and stored, and not piling up or accumulating near gas fired appliances.
<b>Corridor Openings - Doors</b>	<b>F010</b>	All doors in any hallway or common area are open and accessible.
<b>Exit (Egress) Stairways</b>	<b>HIS331</b>	All stairways leading to exits are open, safe, and accessible.
<b>Emergency Lighting Required</b>	<b>F015</b>	Exits must have lighting in the event of a power outage.
<b>Escape Windows</b>	<b>F291, HIS771, HIS772</b>	Each bedroom below the fourth floor must have a window at least or larger than 20 inches wide by 24 inches high. Make sure there isn't anything blocking the window.
<b>Fire Alarm Systems</b>	<b>F288B, F068</b>	The building needs an alarm system capable of alerting all residents in case of fire, and each apartment must be connected to the alarm.
<b>Fire Extinguishers</b>	<b>F063</b>	Make sure all required fire extinguishers are working and re-filled if needed.
<b>Maintenance Of Extinguishing Systems</b>	<b>F092</b>	Systems must be serviced annually with any required repairs done by a licensed contractor. Keep records of your maintenance
<b>Obstruction Of Exits Prohibited</b>	<b>F016</b>	Make sure all exits are open and not blocked by furniture, trash, or other debris.
<b>Open Gas Line</b>	<b>HIS504</b>	All gas lines must be capped as required.
<b>Provide Fire Exits</b>	<b>HIS261</b>	Make sure the building has the required number or fire exits.
<b>Remove Illegal Appliances/Fixtures</b>	<b>HIS227</b>	Any appliance or item affixed to a ceiling or wall needs to be installed correctly. Applies to all areas of the property. Make sure they are up to code and safe for use.
<b>Repair Or Replace Fire Door</b>	<b>HIS263</b>	Make sure all required fire doors close and latch on their own and that they are rated to have one hour of fire resistance.
<b>Repair Support System</b>	<b>HIS251</b>	The structure of the property needs to be sound and not in need of repair. This includes the foundation, beams, footing and joists.
<b>Repair/Remove Illegal/Hazardous Wiring</b>	<b>HIS417</b>	Make sure all wiring is installed to code. Make there isn't any exposed or unsafe wiring.
<b>Storage Under Exit Stairways Prohibited</b>	<b>F027</b>	Applies to buildings with four or more units. Storage under stairways needs to be protected by a barrier rated for one hour of fire resistance.

# Quality of Life Violations

*Specific requirements may vary building to building. Discuss with your inspector or call 311 for more details.*

Violation	Code(s)	What to look for:
Dwelling or Garage Open to Trespass	HISDOT, GOT	On vacant property, make sure no windows or doors are missing or open to let someone easily get into the building. This includes the main structure and any garage or shed.
Electrical Violation	FH499	All electrical needs to be up to code and safe. Make sure all outlets and switches have covers. All light fixtures should be working. There should be no exposed wiring.
Exterminate Insects/Vermin/Rodents	HIS737, FH737, HIS733	Applies to properties with two or more units. Make sure any pest infestations have been dealt with, and there is not evidence of an active pest problem.
Illegal Bedroom	HIS208, HIS226, HIS223	Rooms that are clearly being used for sleeping should be legal bedrooms. The most common example is using an attic or basement as a bedroom when it is not up to code. Sheds or other detached structures that are being used as bedrooms are also illegal.
Install Or Repair Water Heater	HIS519	The property's water heater should be installed as required and working correctly.
Low Heat; MCO 244.430	HIS609	The system heating the property should be able to maintain a temperature of 68 degrees between October 1 <sup>st</sup> and April 30 <sup>th</sup> .
Over Occupancy	HIS230	Bedrooms cannot have more people staying in them than is allowed by ordinance.
Plumbing Violation	FH599	Plumbing fixtures need to be working as intended. Make sure there are no leaks or hazardous water conditions.
Security Doors	FH210	All required security doors to the outside need to close and lock automatically. Make sure your outside doors close and latch completely when you let go of them in the open position.
Unsafe Buildings	F295, F166	Buildings that are unsafe include those that are over-occupied, have fire hazards, don't have easy ways to exit in case of emergency, or have other hazardous conditions.
Snow/Ice Removal	NA	Snow and ice on public walkways need to be cleared within 48 hours. Apartment buildings and commercial buildings need to be cleared within 4 hours.
Lead Orders	NA	Any order to fix lead safety issues from the Health Department.