



## 2020 CITY COUNCIL MEETING STAFF REPORT

To: Honorable Mayor and City Council Members  
From: Michelle Leise, Community Engagement Specialist  
Meeting Date: May 11, 2020  
Agenda Item Number: 10.B.

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**Title** – Rental License Program

**Purpose** – The purpose of this item is to review the new proposed timeline and engagement process for the Rental License Program and provide feedback to staff.

**Recommended Action** – Discuss and provide feedback on the process outlined.

**Attachments** – None

**Alignment with 2019 Strategic Plan** –

#5: Re-establish the Rental License Program to assure that rental properties meet basic maintenance and life-safety standards.

**Background** –

The goals for Red Wing's Rental License Program are to help ensure all rental properties are safe and healthy, that people are properly informed about the program, that residents are knowledgeable about their rights and responsibilities, and that communication is consistent and open among the City of Red Wing, tenants, and property owners. To make sure we reach those goals, it's important a solid process is instituted so everyone is well informed and has the time to prepare for upcoming changes.

Since the City Council's annual workshop discussion on January 31, 2020, a few things have happened in making progress toward putting a rental license program into place. An ad hoc committee has met numerous times, and a two-hour public meeting took place with more than 100 residents (mostly property owners) on March 12 in the Public Library.

With the COVID-19 pandemic, things were put on hold for a few weeks, but recently the ad hoc committee began meeting again. (Members are Dean Hove, Becky Norton, Erin Buss, Frank Peterson, Dan Rogness, Kay Kuhlmann, and Michelle Leise.) From those discussions, staff would like to bring forward an updated proposed timeline and process that focuses heavily on education and outreach. This report is presented so Council can discuss the timeline and process and give guidance to staff in moving forward.

This report recommends that the Rental License Program timeline be slowed down so rental inspections would begin July 1 of 2021 instead of July 1 of 2020. This does not mean the City of Red Wing is letting this issue sit silently for a year. On the contrary, the new timeline is meant to give people time to plan for the changes so when the program starts in the summer of 2021, the community is fully informed and ready.

We know strong feelings exist on multiple sides of this subject, and some community members have said they desire more input. There's also high community interest, in part because the program involves where people live, and in many cases it involves their time and money. The Rental License Program also has a unique history of legal disputes, and it's important the public understands the court's decisions since then in favor of this kind of program. One final reason to slow things down: planning needs to take place to incorporate safety protocol into the program due to COVID-19.

Robust community-input processes have worked in the past, such as in the Sidewalk Task Force of 2014-16 and the planning process of the 2040 Community Plan. Strong education and communication efforts have also worked successfully, as they did during the roll-out of the Single-Sort Recycling Program.

A task force-style process may have worked well in the past, but with the coronavirus still a major concern, in-person meetings and activities are not recommended. For that reason, staff is proposing the following process that focuses on the following elements:

#### Components of the Process

- Strong education in the form of short videos, articles, flyers, materials, and mailings
- Interviews with tenants, property owners, and neighbors, with written summary reports provided to the Council. (These interviews are not limited.)
- At least one mailed survey to tenants and one to property owners
- Periodic discussions with advisory organizations (see below) to ensure the program is equitable and takes into consideration how the program affects various populations
- Consistent, easy ways for the public to give feedback and ask questions throughout process
- Numerous Council meeting discussions and periodic Council workshops to involve all Council members in deliberations and decisions

Advisory organizations that staff will periodically reach out to in consultation:

- Housing and Redevelopment Authority
- Goodhue County Health and Human Services Department
- Hispanic Outreach of Goodhue County
- Habitat for Humanity
- United Way of Goodhue, Wabasha, and Pierce Counties

Interviews will continue to be conducted with the following (multiple have happened already):

- ✓ Tenants living in a house or duplex
- ✓ Tenants living in multi-family housing
- ✓ Property owners of small-unit housing
- ✓ Property owners of large-unit housing
- ✓ Neighbors in areas with rental units

## **Discussion –**

Below is a draft timeline. The topics show what areas the city would focus its efforts on in educating and engaging with community members. Brief staff presentations and Council discussions would happen each month at regular Council meetings.

### **May 2020: Program Purpose and Timeline**

#### **June 2020: Tenant and Owner Rights & Responsibilities**

- Educate public on rights and responsibilities of tenants and owners
- Educate on how the complaint-based system works and how to contact city inspectors now
- Produce designed handouts, articles, and short videos; get out information in multiple ways
- Survey will be sent out by mail to tenants and owners. The purpose is to learn more about people's concerns, knowledge base, and ideas, all of which will help guide the rest of the process. Questions may include topics such as how much people understand about their rights and responsibilities, what concerns they have about being a tenant (if any), what feedback they have regarding the drafted inspection checklist, and any concerns (if any) they have about the Rental License Program. Surveys may differ somewhat in those that go to tenants and those to owners.

*\* Providing information on rights and responsibilities early is one way to address problem properties in a timely manner. Hopefully more tenants will come forward to make complaints and get their units fixed.*

### **July 2020: Inspections and What a Safe Home Looks Like**

- Inform both renters and homeowners about what things they should look for in making sure they live in a healthy, safe house or apartment.
- Produce short videos and written materials that inform public about what exactly happens during a rental inspection, why it happens, what's included, and what's not
  - \* Explain ordinances the City already has (i.e. weeds, junk)
  - \* Show draft checklist and explain why certain items are or are not on the list
  - \* Include information on what an inspector can do and what he/she can't
  - \* Reiterate the safety precautions taken during inspections pertaining to Covid-19
  - \* Educate public on the legal foundation of the program based on the courts' decisions

### **August 2020: Council Reviews Community Feedback and Discusses Fee Structure, Schedule, and Other Program Parameters**

*--Council workshop in August to review all community input so far and discuss elements such as fees and fines, inspection regulations, and program benefits for owners and tenants.*

### **September and October 2020: Council Fine Tunes Details**

--Continue to educate and engage on areas that arise that require more communication

*--Council workshop in October to finalize details*

**November 2020** – Council votes on program parameters

**December 2020** – Council votes to approve 2021 budget, which includes this program

**January 2021** – Annual Council Workshop to review parameters of program

**February – March 2021** – Public Hearing and Readings of the Ordinance

**July 2021**– Start Program

Note: Staff would like direction from Council on the continued meeting of the ad hoc committee. The committee could choose to meet periodically, or the Council could direct all discussion to happen at the Council level through regular meetings and workshops.

**Financial plan and impact** –

--Any funds used for the engagement process in 2020 (mostly for materials and mailings) would come from the budget of the Community Engagement Specialist, with the potential of some dollars coming from the Community Development Department, though this is not anticipated.

**Recommended Action** – Discuss and provide feedback on the process outlined.