



7.a

Staff Report

Date: November 29, 2016
To: City Council
From: Valerie J. Barone, City Manager
Reviewed by: Victoria Walker, Director of Community and Economic Development
Prepared by: Robert Woods, Chief Building Official
Robert.woods@cityofconcord.org
(925) 671-3119

Subject: **Considering the introduction of Ordinance No. 16-8 Amending Concord Municipal Code Title 15, Chapter 15.20 Multi-Family Housing Inspection Program, the adoption of Resolution No. 16-6042.7 Amending the City of Concord Fees and Charges Schedule, and the adoption of Resolution No. 16-3493.5, approving and authorizing new staffing positions and Policy and Procedure No. 171, “Multi-Family Rental Dwelling Inspection and Maintenance Program.”**

The proposed changes to the Multi-Family Inspection Program are not subject to environmental review under the California Environmental Quality Act (CEQA), as the administration of an inspection program is not considered a “project” pursuant to Public Resources Code Section 21065 and Section 15378 of the CEQA guidelines.

Report in Brief

During the June 27, 2016 and July 26, 2016 City Council workshops on rent stabilization, the Council received testimony on the City’s Multi-Family Inspection program. Some of the topics raised included the need for more inspections of rental properties and the need to increase staff capacity to address complaint-based inspections of the rental units more quickly.

Additionally, some residents expressed discomfort at having to work through Code Enforcement on bedbug enforcement, because it is part of the Police Department. The

City Council also discussed the benefits of establishing a more proactive and consistent outreach program to tenants, landlords, and various community service groups that serve the rental housing population, with the goal of keeping all informed of their rights and responsibilities through the Multi-Family Rental Inspection and Maintenance Program.

In response to the topics raised during the previous City Council workshops on rent stabilization, City Council directed staff to evaluate proposed program changes to the Multi-Family Housing Inspection Program (MFIP) to address these concerns and then provide recommendations. On September 26, 2016, staff presented proposed program changes to the Housing and Economic Development Committee (HED) for consideration and recommendation, including changing the rate for inspections, providing improvements to program services as discussed above, staffing and program administration changes to manage the new inspection rates, and changes to the program fees and billing cycles. The HED Committee (Leone/Helix) recommended the proposed MFIP revisions to the City Council for adoption.

Recommended Action

The HED Committee and Staff recommend that the Council take the following actions:

1. introduce Ordinance No. 16-8 amending Concord Municipal Code Title 15, Chapter 15.20 Multi-Family Housing Inspection Program by reading of the title only and waiving further reading,
2. adopt Resolution No. 16-6042.7 approving amendments to Table 3b, Multi-Family Rental Inspection Program Fee Schedule of Master Fees and Charges, and
3. adopt Resolution 16-3493.5 approving and authorizing new staffing positions and approving Policy and Procedure No. 171, "Multi-Family Rental Dwelling Inspection and Maintenance Program."

Background

The Multi-Family Inspection Program was first adopted by the City Council in 2000 to address complaints about serious life, health and safety violations and to improve the quality of life in the city's multi-family rental housing units. The Council unanimously adopted the Multiple Family Rental Dwelling Unit Inspections and Maintenance Code (referred to as the "Code") by adopting Ordinance 00-2. The purpose of the Code is to proactively identify blighted and deteriorated multi-family residential buildings and to ensure the rehabilitation or elimination of rental housing that does not meet the minimum Building and Housing Code standards and to ensure that rental housing conforms to the Code's interior, exterior, and site maintenance standards.

Current Program Services

The current Multi-Family Housing Inspection Program (“Program”) operates on a 3-year calendar year cycle (Jan – Dec) and covers complexes with 4 or more rental units. The current 3-year cycle runs from calendar year (“CY”) 2016 to CY 2018. During each 3-year cycle a city building inspector inspects the rental dwelling units and the associated common area interior and exterior elements and the site to determine whether the rental property complies with provisions of the Program standards. Structures and premises that do not comply with the provisions of the Program standards must be altered or repaired to the required level of compliance or, in rare instances, must be demolished. The current Program contemplates inspection of 100% of the rental units within a complex over the 3-year cycle of the program. This is called the “Base Program”.

The current Program also allows for well-maintained properties that meet specific criteria to move into a Self-Certification program designed to reduce the overall cost to the property owner over the 3-year program cycle. Complexes desiring to be considered for the Self-Certification program must self-inspect all of their rental units and perform a property/site inspection and submit an application for Self-Certification during the first year of the 3-year cycle. Then, the City inspects 20% of the total units and the property/site to confirm that the complex meets the Program’s standards. Program fees are currently subsidized by the City’s General Fund for rental complexes within the Self-Certification program.

Under the current cycle schedule, all Self-Certification applications are processed and all City inspections are performed during the first year of the 3-year program cycle. Complexes approved by the City to participate in the Self-Certification program must perform their own inspections (“self-inspections”) during the 2nd and 3rd years of the 3-year program cycle and must submit affidavits of inspections along with checklists of inspection for review and approval by the City staff.

The current Program provides for each complex in either the Base program or the Self-Certification program to have its common area interior and exterior and site areas inspected by City staff only once over the 3-year cycle of the program.

The previous CY2013/2014/2015 Program cycle included approximately 395 complexes with approximately 9,566 rental units. In that Program cycle, approximately 60 percent of the complexes were in the Self-certification program. The remaining 40 percent were in the base inspection program (“Base Program”). In addition to the cyclical inspection program, the Multi-Family Inspection Program also responds to complaints from tenants and the public regarding alleged violations of the Program standards. However, bed bug complaints are currently handled through the Police Department’s Code Enforcement Unit.

Program Fees:

New Program fee levels were adopted by City Council in May of 2016, which will become effective on January 1, 2017. These fees are based upon full burdened rates and cover the costs of the unit and property inspections, re-inspections, and enforcement-based inspections for cases where violations of the code are confirmed to exist. The new fee structure was designed to minimize cost for well-maintained properties and allow the City to recoup costs associated with re-inspections and enforcement inspection action on poorly-maintained properties. The fees due to become effective on January 1, 2017 did not anticipate any changes to the Program.

However, with the revisions and expansion of the Program that are proposed in this report, the fee levels would need to increase to achieve cost-recovery for the enhanced Program in order to fully recover the costs and staff time in administering the revised Program. These proposed fee levels for a strengthened Program are discussed later in the report.

Program Staffing Levels:

Prior to the recession, the Multi-Family Inspection Program was managed under the City's Neighborhood Services Division and was staffed by 1 Full time Equivalent (FTE) Supervisor, 2 FTE Building Inspectors, and 0.5FTE Permit Technician. In response to the Recession, and the lack of full cost recovery in this program, the Multi-Family Inspection Program staffing was reduced (The Neighborhood Service Division was disbanded and all major functions reassigned). The program is now staffed by 1FTE Building Inspector, and 0.15 FTE Permit Technician. Oversight of the program is provided by the Chief Building Official (equal to 0.10 FTE) within the Building Division.

Analysis—Summary of Proposed Multi-Family Inspection Program Changes

In response to the ideas raised and discussed at the Council Housing Workshops, staff evaluated the Program and formed recommendations for improvements. They were reviewed and recommended for approval by the Housing and Economic Development Committee on September 26, 2016. The proposed Program changes are detailed in Attachment 1 and summarized as follows:

Unit Inspection Rate and Property Inspection Frequency Changes

Increases to inspection rates are proposed to address concerns regarding ongoing poorly-maintained properties and concerns over deteriorating exteriors, such as balconies, stairs, and guardrails. Some renters stated that the Program should inspect more units annually than the inspection cycles provide. The proposed modifications to the Program will allow the Program Manager to increase the annual unit inspection rates on poorly maintained properties up to 100% per year, if the maintenance patterns warrant such an increase.

The proposed revisions would increase the rate or frequency of inspections for standard units in the Base Program and in the Self-Certification Program. The average annual unit inspection rate would be increased from 33.33% per year to 50% per year for complexes in the Base Program and from 6.67% per year to 12.50% per year for complexes in the Self-Certification Program. 100% of all rental units in the Base Program would be inspected by City staff over a two year cycle and 25% of all rental units in the Self-certification program would be inspected by City staff over a two year cycle.

In addition, the frequency of property/site inspections (which includes inspections of non-dwelling spaces, such as common areas and buildings, pathways, balconies, stairs, exterior railings and parking lots) for complexes in the Base Program would be increased from one property inspection in a three year period to one inspection occurring in each year. The frequency of property inspections for complexes in the Self-Certification program would be increased from once over a three-year period to once every two years.

These proposed changes allow the City to focus on poorly-maintained complexes and also address unsafe exterior and common area deterioration more quickly. They would also help address the low unit sampling rates for complexes in the Self-Certification Program. Currently, in the Self-Certification program, staff inspects an average of 6.7% of the units each year, which is a very low rate. Under the proposed revisions, this level would increase to 12.5% per year, which is still a relatively low level of inspection.

Program Services Improvements

At the Rental Housing Workshop on July 26, 2016, Council discussed the idea that the Multi-Family Inspection Program could be expanded to provide additional stakeholder outreach efforts to tenants, owners and various community service groups that serve the rental population in a proactive and ongoing manner. This recommendation is part of the proposed program enhancements. In addition, all complaint-based enforcement processes related to the interior of the units will be incorporated into the Multi-Family Inspection Program by moving the Bed Bug program from the Code Enforcement Division of the Police Department to the Multi-Family Inspection Program in the Building Division. This proposed change addresses concerns from tenant advocates that some tenants may be uncomfortable calling the Police Department for bed bug related issues. These changes were also recommended by the HED Committee.

Program Administration Changes

Modifications are proposed to several aspects of Program administration. Specifically, the following changes are recommended: moving from a calendar year program to a fiscal year program, allowing properties to enter the Self-certification program in any year, and more evenly distributing the workload of inspections in each fiscal year. To address the issue of bed bug management or other exceptional repair needs, the

Program Manager would be given authority to require the apartment owner to hire and pay for specialized inspection or consulting services. These changes will improve the operational functions of the Program.

Staff also proposes to move the administrative measures of the Program from the Municipal Code into a newly created Policy and Procedure (Attachment 4). As a Policy and Procedure, the City Manager would be authorized to make non-substantive technical changes at an administrative level, to reflect current job titles or departments or to update references to Code provisions. Any substantive changes to the Program's administration would still require Council approval through an amendment to the Policy and Procedure; however, amending a Policy and Procedure is a more streamlined process than amending the Municipal Code.

Staffing Related Changes

To implement the proposals to provide for increased inspection levels, respond to complaints in a timely manner, and create a proactive program to provide ongoing community outreach, additional staff capacity for the Program is needed. The Program is currently staffed by 1 FTE Building Inspector, 0.15 FTE Permit Technician (providing administrative assistance), with oversight provided by the Chief Building Official (currently 0.10 FTE).

The recommended Program would require two new fulltime positions, including one Building Inspector/Supervisor (a working inspector position) and one Administrative Clerk II. With these new positions, the 0.15 Permit Technician allocation would be eliminated and reallocated to Permit Center operations and the Chief Building Official allocation to manage the Program would be reduced slightly from 0.10FTE to 0.05FTE. These staffing changes would provide the Program with the resources needed to provide a more responsive and proactive inspection program as described in this report. With these staff changes, the Program staffing would increase from 1.25 FTE to 3.05 FTE. Additionally, such a change would create capacity within Code Enforcement to concentrate on other code enforcement duties, rather than bed bug complaints.

Changes to the Cost of the Program

In order to discuss and compare fees effectively under the current and proposed MFIP program, staff has converted fees into an annual average per/unit per/month cost over the program cycle. Given the proposed changes in the program cycles from 3-years to 2-years, this allows for an apples-to-apples comparison on costs.

	Cost Per Unit/Per Month*			
	4-unit Complex		40-unit complex	
	Current Program	Proposed Program	Current Program	Proposed Program
Base Program	\$4.08	\$6.59	\$4.08	\$5.64
Self-Certification Program	\$1.47	\$3.48	\$0.86	\$1.72

* Based upon averaged annual costs over the program cycle and the total number of units in the complex.

The increase in inspection fees was calculated using the fully burdened hourly rates that were approved and adopted by City Council in May 2016 as part of the Cost Allocation and Fee Study and time allocation estimates to perform the inspection services. (See Attachments 1, 2, and 3 for more information on fees)

The proposed costing would increase annual program revenues by approximately \$175,000 (from \$295,000 to \$470,000), allowing the program costs to be covered by fees charged to the properties in the Program. The only small area of program costs that would not be covered by fee recovery is a subsidy of approximately \$8,500 to support the inspection of five affordable complexes.

At existing staffing and operational levels, the current Program is expected to recover its costs via the approved fees that will become effective in 2017. However, the proposed changes in the program would require a fee increase as discussed above. Additionally, to start-up the new Program there would be a one-time cost of about \$43,000 for vehicle purchase, software licenses, and maintenance related expenses. The City's General Fund would continue to subsidize approximately \$8,500 annually for the multi-family inspection costs associated with five affordable complexes that were previously funded through the former Redevelopment Agency.

The actual amount of revenue received by Program fees would vary each year depending upon how many complexes and their units are inspected beyond the base-level inspection rates, the re-inspection workload levels, and the enforcement inspection workload that is associated with confirmed violations. In addition, if the proportion of complexes moves from the Base Program to the Self-Certification Program, the

workload for inspections will reduce and corresponding revenue will also decrease. The Program Manager will monitor the Program's workload and revenues each fiscal year and recommend adjustments to address substantive changes in revenues and/or workload.

The proposed fees and billing changes are described in more detail in Attachment 1.

Stakeholder Comments

All interested parties, including tenant advocates, involved property owners, and the CAA were also invited to and attended the September 26, 2016 HED Committee meeting. Four attendees spoke before the Committee on proposed program changes.

On October 18, 2016, staff held a stakeholder meeting with property owners, California Apartment Association (CAA) representatives, and Tenants Together to present the proposed changes to the Program and to receive stakeholder feedback.

At that meeting, tenant advocates and some property owners expressed support for the proposed Program changes and acknowledged that fee increases would be acceptable. The CAA supported the increases in inspection rates and frequencies of the Base Program but not the Self Certification Program changes.

On November 7, 2016, the CAA Executive Director sent a letter (Attachment 6) providing feedback and outlining their concerns with the proposed Program revisions. The CAA does not support increasing the inspection rates for properties in the Self-Certification Program and believes that the increased inspections would not be an efficient use of staff time. The CAA recommends that the Self Certification Program remain "as is," with the City inspecting 20% of the total rental units over a three year cycle and one common area/property inspection over a three-year cycle.

Testimony received during public meetings on rent stabilization from numerous tenants indicates that the level of property maintenance may not be adequate for some properties, even for some properties in the Self-Certification program. Staff is particularly concerned about the possibility of deterioration of exterior elements such as stairs, balconies, and walkways which are currently only inspected by City staff once every three years. Staff is also concerned that the already very low level of City rental unit inspections for Self-Certification properties (average of 6.67% of total units inspected per year) is an inadequate sampling to ensure that the overall maintenance level of a property meets the Program standards. The proposed Program only increases this rate modestly to an average annual unit inspection rate of 12.5% of units inspected annually (25% over a two-year cycle). Staff believes, based upon direct experience, that this increased City inspection level is appropriate and will address the concerns of tenants and public safety associated with deterioration of exposed building elements.

City Council Agenda Report

Introduction of Ordinance No. 16-8, adoption of Resolution No. 16-6042.7, and adoption of Resolution No. 16-3493.5

November 29, 2016

In regard to the proposed fee increases to support the revised Program, the Council could chose to subsidize the Self Certification Program fees instead of requiring full cost recovery. Staff does not recommend reductions in the proposed inspection levels for the Self-Certification Program because of the need to ensure a better review of all rental units and properties.

Financial Impact

As proposed the program would fully recover its operating costs. The only exception would be the continuation of a General Fund subsidy of approximately \$8,500 annually to support five affordable housing complexes subject to the program. In addition, implementation of the strengthened Program will require a one-time start-up cost of \$43,000.

Environmental Determination

The proposed changes to the Multi-Family Inspection Program is not subject to environmental review under the California Environmental Quality Act (CEQA), as the administration of an inspection program is not considered a “project” because it does not cause a physical change to the environment as contemplated under CEQA (Public Resources Code Section 21065 and Section 15378 of the CEQA guidelines).

Public Contact

The City Council Agenda was posted. Notice of the public hearing was published in the East Bay Times newspaper, a newspaper of general circulation. Staff has notified property owners and managers, Tenants Together, and the California Apartment Association.

In addition to the Rental Workshop with the Council and HED Committee, on October 18, 2016, staff met with property owners, Tenants Together, and California Apartment Association representatives to present the proposed changes to the Program and to receive stakeholder feedback.

Attachments

1. Summary of Proposed MFIP Changes
2. Resolution No. 16-6042.7 Amending Table 3b of City of Concord Master Fees and Charges
3. Example Fee Calculations
4. Resolution No. 16-3493.5 with Exhibit A, Policy & Procedure No. 171
5. Ordinance No. 16-8
6. Stakeholder Feedback

PROPOSED MULTI-FAMILY RENTAL INSPECTION PROGRAM CHANGES

Proposed Program Changes

Inspection Rate and Inspection Frequency Changes

1. Provide authority for Program Manager, with the written concurrence of the City Manager or his or her designee, and based upon evidence of violations and history of inaction(s) to correct violations, to set inspection rates and/or the frequency of rental unit and/or property inspections on substandard properties. Such authority will be limited to increasing rental unit inspections up to maximum rate and frequency of 100% of the units per year and property inspections up to a maximum frequency of once in each year. *Rationale: This change will give the city the ability to inspect more units annually or the property more frequently within substandard properties when necessary. The current program does not provide such flexibility or authority.*

2. Change the program from a 3-year program cycle to a 2-year program cycle, beginning in calendar year 2017. The first year of the 2-year program cycle will begin on January 1, 2017 and end on June 30, 2018. This is to allow for the transition to a fiscal year process, as proposed below. *Rationale: Currently, all properties have their site and exterior (“property”) inspected once over a three-year period. Based upon staff’s experience with property conditions, staff believes that no property within the program should go longer than two years without having another property inspection. With a three-year program cycle it is difficult to manage a two-year property inspection process due to the odd numbers of years associated with a 3-year program cycle. With a two-year cycle, it is easier to manage such a process. This change, along with proposed Change No. 3, helps address the safety issues associated with deteriorating exterior elements, such as balconies, stairs, and guardrails, by performing inspections more frequently. Staff believes that this will also help identify changes in maintenance levels of complexes sooner, such as when an ownership changes and the new owner is not as diligent in maintaining the complex as the original owner.*

3. For complexes in the Base Program, increase the level of site and exterior (“property”) inspection from one inspection over a 3-year period to one inspection in each year of the 2-year cycle. For complexes in the Self-Certification Program, require a property inspection once over the complex’s assigned 2-year program cycle. *Rationale: Along with Change No. 2, these changes effectively increase the level of property inspection for all properties for the reasons given in Change No. 2.*

4. For complexes in the Base Program, perform unit inspections at a rate of 100% of the total units in the complex over their assigned 2-year program cycle. *Rationale:* *Currently, Base Program complexes are inspected at an average annual rate of 33.33% per year which is a rate of 100% over the 3-year cycle. The proposed change increases the average annual unit inspection rate to 50% per year. This change addresses concerns expressed that the current program does not inspect sufficient numbers of units in complexes that are in the Base Program mode.*

5. For complexes in the Self-Certification Program, perform unit inspections at a rate of 25% of the total units in the complex over their assigned 2-year program cycle. *Rationale:* *Currently, complexes in the self-certification program have unit inspections at an annual average rate of only 6.67% per year which is a rate of 20% of total units over a 3-year cycle. Staff believes that this is not an adequate level of inspection for any complex. This was also one of the concerns expressed by tenant advocates. With this change, the average annual rate of inspection is increased to 12.50% per year. This is considered by staff to be a very reasonable level of inspection for the self-certification program.*

Program Services Improvements

6. Move the bed bug enforcement process from the Code Enforcement Division of the Police Department to the Multi-Family Inspection Program of the Building Division. *Rationale:* *This is to address concerns that occupants may be afraid to involve police services to address bed bug issues. Tenants may be less afraid to contact a non-police run program service provider. This work is largely administrative, so it would require additional admin-level staffing.*

7. Utilizing an Administrative Clerk position, perform stakeholder and community outreach in a proactive manner to continually educate tenants and property owners on the multifamily inspection program and provide information on 3rd party services available to owners and tenants on an ongoing basis. *Rationale:* *This is not possible with the current staffing levels. This will help address the community needs to provide information on the program, such as how to file a complaint or discuss an issue with staff, and best practices for owners and tenants to eradicate bed bugs.*

Program Administration Improvements

8. Starting in calendar year 2017, change the program from a calendar year program to a fiscal year program. As a special program transition year, the first year of the new 2-year

program cycle will begin on January 1, 2017 and end on June 30, 2018. *Rationale: This change matches up the city's services provided to the city's fiscal budget cycle.*

9. Allow complexes to apply for the self-certification program in any year. The year they enter the self-certification program will normally define the complex's unique 2-year program cycle, but is subject to reallocation by the Program Manager. *Rationale: Currently, a complex may only apply for self-certification in the first year of a fixed 3-year cycle that is the same for all complexes. This change helps to spread the workload for inspections and self-certification admin processing evenly over each year and allows for cost savings to landlords by not having to wait for a new program cycle before applying for the self-certification program.*

10. Beginning in calendar year 2017, authorize the Program Manager to reallocate each complex's 2-year cycle to allow uniform revenues and workloads in each fiscal year. Reallocation of program cycles for existing complexes would begin in calendar year 2017. Perform "transition inspections" (both unit and property inspections) in the skipped year between program cycles to maintain the program's required annual average unit inspection level, with a minimum of one unit inspection and a property inspection in the skipped year. Authorize the Program Manager to move complexes as needed in the future to maintain balanced yearly workloads in each fiscal year. Owners would be given a minimum of 6-months prior notice of a change in their assigned 2-year program cycle. The unit inspection rate used for the transition inspection will be determined by the program the complex was in just prior to the reallocation. This could be at the Base Program, at the Self-Certification Program, or at a Program Manager specified inspection level for substandard properties with increased program inspection rates. *Rationale: This allows the city to manage the yearly workload so that it is more uniform on a year-by-year basis and also keep at least the same minimum level of inspections per year during a complex's transition.*

11. Eliminate the requirement for properties in the self-certification program from having to submit affidavits of self-inspections to the city for review and approval in the second year of their assigned 2-year cycle. *Rationale: By going to a 2-year program cycle, well-maintained properties are less likely going to see significant changes in their condition before the city is back to perform unit and property inspections starting in the next 2-year cycle. Removing this requirement for properties in the self-certification program provides savings to the city from having to perform administrative functions for their review and approval and minimizes the reporting requirements that property owners must do in the second year of their assigned 2-year cycle. It also reduces the self-certification application fee for landlords.*

12. Modify the ordinance to utilize a Policy and Procedure that implements the Program. The Policy and Procedure would set forth the program's inspection standards, inspection rates and inspection frequencies, program cycle to be used, fees for the program, and processes to be followed. *Rationale: Utilizing a Policy and Procedure allows changes in the program to be address more quickly than having to make changes to the Municipal Code. It would also allow changes in mandatory state building regulations to be included in the Policy and Procedure without having to modify the Ordinance or seek approval from City Council.*
13. Authorize the Program Manager to require a rental complex owner to retain and pay for an architect, engineer, contractor, and/or other specialists to investigate areas that are inaccessible to the city inspector or that require specialized knowledge or skill to properly evaluate conditions within rental units or on or within any portion of the property or common area buildings or facilities, and to provide appropriate recommendations to correct confirmed violations of the Program Standards. *Rationale: The current Program does not provide for this explicit authority. This authority is needed where conditions preclude the inspector from being able to access or evaluate specific areas. Here are some examples:*
- *Bed bug evaluation and eradication is a specialized field and requires specialized knowledge and skill.*
 - *Exposed wood-supported balconies that are enclosed in stucco or concrete and that requires special equipment to access the location and knowledgeable workers to perform destructive investigations to get to enclosed wood members for proper evaluation.*
 - *Where structural elements are in need of repair and an architect or engineer is required to provide structural design calculations and details for a suitable repair.*

Staffing Related Changes

14. Create a new 1FTE Building Inspector/Supervisor to oversee the MFIP and also serve as a working building inspector position. *Rationale: This position is needed to oversee the Program and manage the fluctuations in workload associated with the Program. A supervisor position is necessary to limit the overall number of direct reports associated with the Chief Building Official position.*
15. Add a new 1.0 FTE Administrative Clerk II position and eliminate the current 0.15 FTE Permit Technician position. *Rationale: The program changes will utilize this new full time position to respond to and monitor bed-bug cases, to address the additional billing*

requirements starting January 1, 2017, to perform proactive outreach to the community on an ongoing basis, and to provide overall program administration work.

16. Reduce the Chief Building Official's program allocation from 0.10 FTE to 0.05 FTE.

Rationale: The proposed Building Inspector/Supervisor position will be a working position and will also perform the supervisory duties that the Chief Building Official currently performs. Thus, the Chief Building Official allocation to the program should be reduced. This effectively reduces the allocation from 8 hours to 4 hours in each two-week period.

17. Include in hiring qualifications a strong desire for Spanish speaking individuals.

Rationale: Many of the tenants that are renters in City of Concord speak Spanish as their primary language. This will help provide the needed communication skills for the community.

Program Fees and Billing Changes

18. Properties applying for the self-certification program will no longer be invoiced for 100% of their units and then reimbursed the difference between 100% and 20% inspection rate, as is done in the current program. Instead, complexes will be invoiced for just the required 25% inspections during the first year of their 2-year cycle and payment will be due in that year. *Rationale: This eliminates the need to reimburse fees and, thus, is more efficient and cost effective for the city. This also eliminates the need for owners to submit W-9 IRS forms for reimbursed funds.*

19. Reduce the self-certification application fee from \$171 to \$85. *Rationale: The administrative work associated with processing self-certifications would be performed by the Administrative Clerk at a lower cost rather than by the Building Inspector, as is currently done. By removing the requirement for properties in the self-certification program to have to inspect and submit affidavits in the second year of their 2-year cycle provides savings to the city by eliminating the need to review and approve the submittals.*

20. Billing and invoicing would be performed during the year and month, or during the next nearest month, the services are actually rendered. *Rationale: Currently, program inspection fees are charged by billing the annual proportion of inspections for each 3-year cycle for projects in the Base Program. This causes the revenues not to be in sync with the actual expenditures in each of the years, creating challenges within the City's financial management systems. By charging the fees during the year and month the inspection services are rendered, the City will better match revenues with expenditures and thus allows staff to better manage the program from a budgeting standpoint.*

21. Modify the program's fee structure to separate the base program fees into its three specific fee components: Unit Inspection Fee, Property Inspection Fee, and Administrative Fee. *Rationale: The Multi-Family Rental Inspection Fees shown in Table 3b of the current fees and charges will become effective on January 1, 2017. The fees in Table 3b are appropriate for the current program. However, they need to be modified to address the proposed changes in the program being considered by City Council. The proposed changes help to clarify the fees and provide a rational methodology to calculate fees for the differing inspection efforts depending upon which program a given complex is under. Previously, the Property Inspection Fee and Administrative Fee were combined into one fee item (see component "C" in Sections "A" and "B.2" in Table 3b), resulting in the inability to allocate the two fees separately. Also, some of the fee items need to be increased to reflect a more robust program. Changes No. 22, 23, and 24 describe these fee components and the proposed changes in the fee levels for them.*
22. Unit Inspection Fee. Modify the program's Unit Inspection Fee by increasing the "A" component by \$1. The resulting Unit Inspection Fee becomes:

$$\text{Unit Inspection Fee} = A + Bx \text{ (per site visit)}$$

Where:

$$A = \text{fixed fee component} = \$102.00$$

$$B = \text{variable fee component per unit} = \$47.00$$

$$x = \text{number units inspected in complex}$$

Rationale: The increase in the "A" component by \$1 is needed due to an error in the original fee adoption process. The Cost Allocation and Fee Study performed and adopted by City Council in June, 2016 indicates that the fee should be \$102 and not \$101. This change will correct the entry.

23. Property Inspection Fee. Modify the program's Property Inspection Fee by decreasing the "C" component item from \$14 per unit to \$9 per unit in the complex. The resulting Property Inspection Fee becomes:

$$\text{Property Inspection Fee} = A + Cy \text{ (per site visit)}$$

Where:

$$A = \text{fixed fee component} = \$102.00$$

$$C = \text{per unit variable fee component for total number of units in complex} = \$9.00$$

$$y = \text{total number of units in complex}$$

For complexes in the Base Program, this fee applies separately to each year of the complex's assigned 2-year program cycle. For complexes in the Self-Certification Program, the fee applies once over the complex's assigned 2-year program cycle. Where

property inspections occur during the same visit as the rental unit inspections, the ‘A’ component will not be charged.

Rationale: This change provides program funding specifically for the property inspection process of the program. Annual recurring administrative costs have been incorporated into the proposed new Administrative Fee item discussed in Change No. 22, thus reflecting a reduction in the “C” component of \$5 per unit.

24. Administrative Fee. Modify the Program’s fee structure by adding a separate fee component to allocate annual recurring administrative program costs on the basis of total units in a complex and on the basis of whether the complex is in the Base Program or Self-Certification Program:

Administrative Fee = Dy

Where:

D = per unit variable fee component for total number of units in complex

= \$8 for Self-Certification Program

= \$34 for Base Program

y = total number of units in complex

The Administrative Fee shall apply in each year of the complex’s assigned program cycle. The Administrative Fee shall be billed in each year.

Rationale: This change provides program funding for the more robust program and distributes the costs based upon 1) complex size in total units and 2) whether the property is in the Base Program or in the Self-Certification Program. This fee component distributes the ongoing annual cost of the program associated with the management, supervision, and a portion of the Admin Clerk to each complex in the program on the bases of the total number of rental units in the complex. The majority of the admin costs have been allocated to the Base Program properties, as the focus of attention by the program staff will be on addressing poorly maintained properties and not on well-maintained properties in the Self Certification Program.

**BEFORE THE CITY COUNCIL OF THE CITY OF CONCORD
COUNTY OF CONTRA COSTA, STATE OF CALIFORNIA**

**A Resolution Approving and Adopting an
Amendment to Exhibit A to Resolution 78-6042 (Fees
and Charges for Various Municipal Services) re
Table 3b (Multi-Family Rental Inspection Program
Fee Schedule)**

Resolution No. 16-6042.7

WHEREAS, the City Council provides a variety of municipal services; and

WHEREAS, the City Council adopted Resolution No. 78-6042 on October 9, 1978,
establishing a master resolution within which various municipal fees and charges would be located;
and

WHEREAS, amendments to Exhibit “A” to said resolution are necessary to amend Table 3b
Multi-Family Rental Inspection Program Fee Schedule; and

WHEREAS, the Director of Finance has recommended that the City Council approve an
addition to certain fees which are currently set forth in Exhibit “A” to Resolution No. 78-6042, Table
3b *Multi-Family Rental Inspection Program Fee Schedule*; and

WHEREAS, the City Council held a public hearing on November 29, 2016, at which time any
and all members of the public were afforded an opportunity to address the City Council regarding this
matter; and

WHEREAS, upon close of the public hearing the City Council deliberated upon the
information received during the course of the public hearing; and

WHEREAS, the City Council has determined that Table 3b of Exhibit A of Resolution No.
78-6042 shall be amended as indicated in Exhibit A of this resolution; and

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CONCORD DOES
RESOLVE AS FOLLOWS:**

Section 1. Table 3b to Exhibit A of Resolution No. 78-6042 is amended as indicated in
Exhibit A of this resolution.

Section 2. The fees established by this resolution shall become effective on January 1, 2017.

Section 3. This resolution shall become effective immediately upon its passage and adoption.

EXHIBIT A

Table 3b - Multi-Family Rental Inspection Program Fee Schedule

The fees in this table shall become effective January 1, 2017.

A. Base Program Fees

A.1 Unit Inspection Fees

$$\text{Unit Inspection Fee} = A + Bx$$

Where:

$$A = \text{fixed fee component} = \$102.00$$

$$B = \text{variable fee component per unit inspected} = \$47.00$$

$$x = \text{number units inspected in complex}$$

The Unit Inspection Fee shall be applied separately for each separate site visit to the complex to perform unit inspections. The Unit Inspection Fee shall be billed in the year and month, or in the next closest month, that the inspections are completed during each separate site visit.

A.2 Property Inspection Fee

$$\text{Property Inspection Fee} = A + Cy$$

Where:

$$A = \text{fixed fee component applied to each site inspection visit} = \$102.00$$

$$C = \text{per unit variable fee component for total number of units in complex} = \$9.00$$

$$y = \text{total number of units in complex}$$

The Property Inspection Fee shall apply in each year of the complex's assigned 2-year cycle. The "A" component of this fee will not apply whenever the unit and property inspections are conducted by the same building inspector during the same site visit. The Property Inspection Fee shall be billed in the year and month, or in the next closest month, that the property inspections are completed.

A.3 Administrative Fee

A program administrative fee shall be charged to each complex in the Base Program based upon the total number of units in the complex as followings:

$$\text{Administrative Fee} = Dy$$

Where:

$$D = \text{per unit variable fee component for total number of units in complex} = \$34.00$$

$$y = \text{total number of units in complex}$$

The Administrative Fee shall apply in each year of the complex's assigned program cycle. The Administrative Fee shall be billed separately in each year of the 2-year cycle.

B. Self-Certification Program Fees

B.1. Self-Certification Application Fee

Self-Certification Application Fee = \$85.00 (fixed fee)

The Self-Certification Application Fee shall be charged and billed in the first year of the complex's assigned program cycle. The fee shall be submitted at the time of application for self-certification program consideration. The fee shall cover review of the application and affidavit of inspection in the first year of the complex's assigned 2-year program cycle.

B.2 Unit Inspection Fees

Unit Inspection Fee = $A + Bx$

Where:

A = fixed fee component = \$102.00

B = variable fee component per unit inspected = \$47.00

x = number units inspected in complex

The Unit Inspection Fee shall be applied separately for each separate site visit to the complex to perform unit inspections. The Unit Inspection Fee shall be billed in the year and month, or in the next closest month, that the inspections are completed during each separate site visit.

B.3 Property Inspection Fee

Property Inspection Fee = $A + Cy$

Where:

A = fixed fee component applied to each site inspection visit = \$102.00

C = per unit variable fee component for total number of units in complex = \$9.00

y = total number of units in complex

The Property Inspection Fee shall apply in only the first year of the complex's assigned 2-year cycle. The "A" component of this fee will not apply whenever the unit and property inspections are conducted by the same building inspector during the same site visit. The Property Inspection Fee shall be charged and billed in the first year of the complex's assigned program cycle. The Property Inspection Fee shall be billed in the month, or in the next closest month, that the property inspections are completed.

B.4 Administrative Fee

A program administrative fee shall be charged to each complex in the Self-Certification Program based upon the total number of units in the complex as followings:

Administrative Fee = Dy

Where:

D = per unit variable fee component for total number of units in complex = \$8.00

y = total number of units in complex

The Administrative Fee shall apply in each year of the complex's assigned program cycle. The Administrative Fee shall be billed separately in each year of the 2-year cycle.

C. Reinspection Fee

C.1. Unit Reinspection Fee

$$\text{Unit Reinspection Fee} = E + Fx$$

Where:

E = fixed fee component = \$61.00

F = variable fee component per unit = \$26.00

x = number units inspected in complex

The Unit Reinspection Fee shall be charged for reinspection of units under the Base Program's unit inspection process. The Unit Reinspection Fee shall be applied separately for each separate site visit to the complex to perform unit inspections. The Unit Reinspection Fee shall be billed in the month, or in the next closest month, that the inspections were completed.

C.2. Property Reinspection Fee

$$\text{Property Reinspection Fee} = \$122 \text{ per hour}$$

The Property Reinspection Fee shall be charged for reinspection of any portion of the property under the Base Program's property inspection process. The Property Reinspection Fee shall be billed in the month, or in the next closest month, that the inspections were completed.

D. Enforcement Inspection Fee (Unit and/or Property)

$$\text{Enforcement Inspection Fee} = \$122 \text{ per hour}$$

An Enforcement Inspection Fee shall be charged for any inspections conducted within a unit or on or in any portion of the property as part of an enforcement action, such as from complaints alleging violations of the Multi-Family Rental Inspection Program. The Enforcement Inspection Fee shall only apply when violations are confirmed by the city building inspector to actually exist based upon the inspections performed. The Enforcement Inspection Fee shall be billed in the month, or in the next closest month, that the inspections were completed.

E. Multi-Family Rental Inspection Program Code Enforcement Fees

E.1. Reinspection Fee = \$183 flat fee

E.2. Extension Fee = \$139.00 fixed fee

E.3. Summary Abatement Fee

Summary Abatement Fee = At Cost

Plus Administrative fee (percent of cost) = 30%

E.4. Public Nuisance Administrative Fines

[per Gov. Code Sections 53069.4, 25132(b), and 36900(b)]

First issuance in 12 months = \$100

Second issuance in 12 months = \$200

Third and subsequent issuance in 12 months = \$500

E.5. Building and Safety Code Violations

[Per Gov. Code Sections 53069.4, 25132(c), and 36900(c)]

First issuance in 12 months = \$100

Second issuance in 12 months = \$500

Third and subsequent issuance in 12 months = \$1,000

F. Failure to pay any Multi-Family Rental Inspection Program fee

Failure to pay fee after due date:

31 – 60 days after due date, percent of initial fee = 20%

61 – 90 days after due date, percent of initial fee = 40%

90 days or more after due date, percent of initial fee = 50%

EXAMPLE FEE CALCULATIONS***Example Fee Calculations for 4-Unit Complex:**

- Base Program:
 - Current Average Annual Costs
 - \$196 per year
 - \$49 per unit per year
 - \$4.08 per unit per month
 - Proposed Average Annual Costs (62% increase)
 - \$317 per year
 - \$79 per unit per year
 - \$6.59 per unit per month

- Self-Certification Program:
 - Current Average Annual Costs
 - \$71 per year
 - \$18 per unit per year
 - \$1.47 per unit per month
 - Proposed Average Annual Costs (136% increase)
 - \$168 per year
 - \$42 per unit per year
 - \$3.48 per unit per month

Example Fee Calculations for 40-Unit Complex:

- Base Program:
 - Current Average Annual Costs
 - \$1960 per year
 - \$49 per unit per year
 - \$4.08 per unit per month
 - Proposed Average Annual Costs (38.1% increase)
 - \$2,706 per year
 - \$68 per unit per year
 - \$5.64 per unit per month

- Self-Certification Program:
 - Current Average Annual Costs
 - \$414 per year
 - \$10 per unit per year
 - \$0.86 per unit per month
 - Proposed Average Annual Costs (100% increase)
 - \$827 per year
 - \$21 per unit per year
 - \$1.72 per unit per month

* These example fee calculations only include the basic Program fees for complexes in the Base Program or the Self-Certification Program. They do not include re-inspection fees, which would be an additional cost.

**BEFORE THE CITY COUNCIL OF THE CITY OF CONCORD
COUNTY OF CONTRA COSTA, STATE OF CALIFORNIA**

**A RESOLUTION APPROVING AND
AUTHORIZING NEW STAFFING POSITIONS
AND ADOPTION OF POLICY AND PROCEDURE
NO. 171 “MULTI-FAMILY RENTAL DWELLING
INSPECTION AND MAINTENANCE PROGRAM”**

Resolution No. 16-3493.5

WHEREAS, on February 22, 2000, the City Council approved the adoption of Ordinance 00-2 which added Section 9820 to Concord Municipal Code Article IX (Building Regulations), Chapter 8(2), pertaining to a Multiple Family Dwelling Unit Inspection and Maintenance Code, (currently Concord Municipal Code Title 15 “Buildings and Building Regulations,” Chapter 15.50 “Multiple-Family Rental Dwelling Units”), in order to address complaints from residents about serious life, health and safety violations and to improve the quality of life associated with multi-family rental housing units and to establish a proactive program to prevent blighted and deteriorated rental housing stock in the City of Concord; and

WHEREAS, on November 29, 2016, in response to complaints regarding the need for increased inspections on poorly maintained properties, the City Council held a public hearing to consider proposed changes to the Multiple Family Dwelling Unit Inspection and Maintenance Code, including changes to the code language, changes in the administration and staffing of the program, changes to the fee structure for inspections, and to consider the implementation of a new policy and procedure to administer the program; and

WHEREAS, upon close of the public hearing the City Council deliberated upon the information received during the course of the public hearing; and

WHEREAS, in furtherance of the goal to eliminate and prevent blighted and deteriorated rental housing in the City, the City Council has determined that the amendments and staffing changes to the Multiple Family Rental Dwelling Unit program are necessary; and

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CONCORD DOES
RESOLVE AS FOLLOWS:**

Section 1. The City Council approves the creation and funding for two new full-time

1 positions to administer the program: a new full-time Building Inspector/Supervisor position to
2 oversee the Multi-Family Inspection Program and to also serve as a building inspector, and the
3 creation of a new full-time Administrative Clerk II position to administer the program; and

4 **Section 2.** The City Council approves the adoption of Policy and Procedure No. 171 “Multi-
5 Family Rental Dwelling Inspection and Maintenance Program,” attached as Exhibit 1.

6 **Section 3.** This resolution shall become effective immediately upon its passage and adoption.

7 **PASSED AND ADOPTED** by the City Council of the City of Concord on November 29,
8 2016, by the following vote:

9 **AYES:** Councilmembers -

10 **NOES:** Councilmembers -

11 **ABSTAIN:** Councilmembers -

12 **ABSENT:** Councilmembers -

13 _____
14 Joelle Fockler, MMC
15 City Clerk

16 **APPROVED AS TO FORM:**

17 _____
18 Susanne Meyer Brown
19 City Attorney

20 Attachment: Exhibit 1 “Policy and Procedure No. 171 – Multi-Family Rental Dwelling Inspection
21 and Maintenance Program”
22
23
24
25
26
27
28



CITY OF CONCORD

Number: 171
Authority: Council Motion
Effective:
Revised:
Reviewed:
Initiating Dept.: CED

**MULTI-FAMILY RENTAL DWELLING INSPECTION
AND MAINTENANCE PROGRAM**

1. PURPOSE

The Multi-Family Rental Dwelling Inspection and Maintenance Program (“Program”) was first adopted by the City in 2000 in order to address complaints from residents about serious life, health and safety violations, to proactively identify blighted and deteriorated multi-family residential buildings and to improve the quality of life associated with multi-family rental housing units. Accordingly, this Policy and Procedure shall provide the appropriate provisions in administering the Program, including establishing the inspection rates and frequencies, the maintenance standards for interior, exterior and common areas for rental units, and the processes and procedures necessary to implement the Multiple Family Rental Dwelling Unit Inspection and Maintenance Code as required under Municipal Code Title 15 (Buildings and Building Regulations), Chapter 15.50 (Multiple-Family Rental Dwelling Units).

2. GENERAL

Any amendments, changes or updates shall be approved by the City Council at a regular or special City Council meeting.

3. DEFINITIONS

The following definitions shall apply to this Program:

Annually. A year corresponding to the City of Concord’s fiscal year.

Program Manager. The City Manager or his or her designee.

Property or Common Area. References to “Property” or “Common Area” shall apply to the interior and exterior elements of common use areas and facilities at each rental complex, including but not limited to buildings, structures, facilities, landscaping, parking areas, driveway areas, exterior walkways and exterior lighting.

Rental Complex. A complex with four or more rental dwelling units that is subject to the Program requirements.

4. PROGRAM CYCLE

4.1. Assigned Program Cycle.

Each rental complex within the Program shall be assigned a 2-year program cycle. Normally, the first year a complex enters or re-enters the Program will define that complex’s first year of their assigned 2-year program cycle, subject to reassignment as provided for in this Policy and Procedure.

4.2. Reassignment of Program Cycle.

The Program Manager is authorized to assign or reassign a complex's two-year program cycle for the purpose of distributing staff workload more evenly on an annual basis. Such authority applies equally whether the complex is in the Base Program, the Self-Certification Program, or is a poorly maintained property with increased inspection rate as provided for in this Policy and Procedure. The Program Manager shall notify the property owner not less than 6 months before the end of the property's current 2-year program cycle of any assignment or reassignment to a new 2-year cycle. The maximum number of skipped years between program cycles shall be one year. This process is referred to herein as "program cycle assignment."

Where such program cycle assignment or reassignment occurs, the City of Concord shall provide annual unit inspections during the skipped year to maintain the average annual unit inspection rate and frequency that would otherwise be required for the property based upon the property's current program status (Base Program, Self-Certification Program, or at the Program Manager's assigned rate and frequency for poorly-maintained properties, as provided for in this Policy and Procedure) and shall include at least one unit inspection and one property inspection in the skipped year.

5. BASE PROGRAM

Each rental complex subject to the Program shall be regulated as a "Base Program" rental complex and shall be inspected at the rates and frequencies provided for in this section, except those complexes that are in the Self-Certification Program or that are in a Program Manager Specified Program as provided for in this Policy and Procedure. Each rental complex in the Program shall comply with the Maintenance Standards specified in this Policy and Procedure.

5.1. Base Program Inspection of Rental Units.

Properties in the Base Program shall have all of their rental units inspected over their assigned two-year program cycle. Inspection of the rental units may occur within either or both the first or second year of a property's assigned two-year program cycle to help balance inspection workloads.

5.2. Base Program Inspection of Common Areas.

Common Areas of each rental complex shall be inspected in each year of the assigned two-year cycle.

6. SELF-CERTIFICATION PROGRAM

Rental complexes may apply to participate in the Self-Certification Program, as set forth below. A property owner may apply for the Self-Certification Program exemption in any year. The application year will define the first year of the property's assigned 2-year cycle, subject to reassignment by the Program Manager.

6.1 Qualification Requirements.

Well-maintained properties with the following characteristics may qualify to participate in the Multiple Family Rental Dwelling Unit Inspection and Maintenance Self-

Certification Program:

- 6.1.1 No previously identified and uncorrected violations of the California Code of Regulations, State Housing Code, California Health & Safety Code, Uniform Code for the Abatement of Dangerous Buildings or Concord Municipal Code at the time the applicant submits the application for self-certification;
- 6.1.2 No outstanding payments associated with the Multi-Family Housing Inspection Self-Certification Program due to the City of Concord;
- 6.1.3 The owner has a current business license for the facility; and
- 6.1.4 The Program Manager shall determine whether the facility is qualified for the Self-Certification Program based upon the criteria within this section.

6.2 Application Process.

To apply for the Self-Certification Program exemption, as set forth in Concord Municipal Code Section 15.50.120(c), the property owner must:

- 6.2.1 Perform self-inspection of all the rental units and the property in the first year;
- 6.2.2 Submit a Self-Certification Application packet certifying to the Program Manager that conditions at the property achieve the rental unit standards and property standards listed on the Multi-Family Housing Inspection Program's Self-Certification Checklist;
- 6.2.3 Pay the Self-Certification Application fee along with the applicable Multi-Family Rental Dwelling Unit Inspection and Maintenance Fees as set forth in the Resolution Establishing Fees and Charges for Various Municipal Services; and
- 6.2.4 Upon approval of the Self-Certification Application, the City will inspect the rental units and property at the rate and frequency as specified herein. The property owner or his/her designee must notify the individual tenants of any inspection and ensure access to units that have been randomly selected for inspection by the City of Concord.

6.2 Self-Certification Inspections.

6.2.1 Rental Unit Inspections.

Complexes in the Self-Certification Program shall have 25% of all of their rental units inspected on a random basis in the first year of their assigned two-year program cycle. Random selection of units to be inspected shall be based upon a computerized random generator. Any fractional unit thereof will be calculated as a whole unit.

6.2.2 Property/Common Area Inspections.

The property/common areas of complexes in the Self-Certification Program shall be inspected once over the complex's assigned two-year program cycle. The inspections shall occur in the first year of their assigned two-year program cycle.

6.3 Ineligibility for Self-Certification Program.

If the Program Manager determines that the property is ineligible to participate in the Self-Certification Program, then the property shall be placed in the Base Program, the rental units and property shall be subject to the inspection rates and frequencies associated with the Base Program, and the property owner shall be assessed the Base Program service fees in the amount set forth in the Resolution Establishing Fees and Charges for Various Municipal Services.

6.4 At all times, the City of Concord shall retain the authority to investigate and address any violation of the California Health & Safety Code, California Code of Regulations, State Housing Code, Uniform Code for the Abatement of Dangerous Buildings or Concord Municipal Code.

6.5 Any property that participates in the Self-Certification Program may be removed from the program at any time if it fails to meet any portion of the standards in this directive or fails to meet any of the qualifications for being considered for the program.

7. PROGRAM MANAGER ASSIGNED PROGRAM

7.1 Assigned Inspection Program.

The Program Manager, with written concurrence of the City Manager or his or her designee and based upon evidence supporting such action, is authorized to set increased levels of inspection rates and/or frequency of inspections for rental complexes determined to be very poorly maintained. Such authority will be limited to increasing unit inspections up to a maximum rate and frequency of 100% of the units in each year and property inspections up to a maximum frequency of once in each year.

Qualitative criteria for such determinations will include, but not limited to, the following types of conditions:

- 1) Repeated and confirmed Housing or Building Code Violations which would cause a substandard condition, that are not addressed within a reasonable period of time, after having been brought to the attention of property owner or agent, manager, or maintenance staff, with no substantial effort to repair or resolve the violation(s) within a reasonable period of time.
- 2) Severely deteriorated, dilapidated, and/or otherwise unsafe balcony, stairway, handrail/guardrail, upper deck walkway, or other property or common area component that has gone unrepaired for any period of time and that has been determined by the Program Manager to create unsafe conditions to residents and others.
- 3) Lack of required water, hot water, electricity, heat to individual units, or other substandard living conditions as defined in the State Housing Code.

- 4) Unsafe conditions within common areas or on property that exists due to action or inaction by owner or owner's agent with no substantial effort to repair or resolve the unsafe conditions within a reasonable period of time.
- 5) Confirmation of a significant number of substandard conditions found to exist in a majority of the rental units inspected under the normal program inspection process or under complaint-based inspections within the same complex over a relatively short period of time.

7.2 Special Evaluations.

The Program Manager is authorized under the Program to require a rental complex owner to retain and pay for an architect, engineer, contractor, and/or other specialists to investigate areas that are inaccessible to the city inspector or that require specialized knowledge or skill to properly evaluate conditions within rental units or on any portion of the property/common area, and to provide appropriate recommendations to correct confirmed violations of the Program Standards.

8. INSPECTION NOTIFICATION AND PROCEDURES.

8.1 Notification of Inspection.

A letter of intent to inspect a property shall be mailed to the owner of the property stating the date and time of the inspection. Such notification shall give a minimum of 14 days' notice.

- 8.1.2 It shall be the responsibility of the owner to notify the individual tenants of the inspection and ensure access to the units to be inspected.
- 8.1.3 Should an inspection need to be canceled or rescheduled by the inspector, a notice shall be mailed to the owner at least ten days prior to the scheduled inspection date.
- 8.1.4 Should an inspection need to be canceled or rescheduled by the owner, the owner shall notify the city in writing at least 10 days prior to the scheduled inspection date. Failure of the owner to do so will result in the issuance of a reinspection fee which will be assessed in the manner described below.
- 8.1.5 The owner or owner's designated agent shall accompany and escort the inspector through the inspection of the property on the scheduled inspection date and time.
- 8.1.6 In the event an owner or tenant in possession of the property to be inspected refuses access to said property, the City Attorney is authorized to obtain from a court of competent jurisdiction any warrant necessary to cause the inspection to take place.

9. RENTAL UNIT AND PROPERTY MAINTENANCE STANDARDS

9.1 Rental Unit Maintenance Standards.

Pursuant to the California Code of Regulations, California Health and Safety Code, and Concord Municipal Code, residential rental buildings shall meet the following rental unit maintenance standards which include, but are not limited to:

- 9.1.1 Every rental housing unit shall have hot water service that is maintained in sound condition, capable of furnishing hot water to every required fixture in the unit with a minimum temperature of one hundred ten degrees (110°). Water heating units shall be equipped with a temperature and pressure relief valve and discharge line. All existing water heater units shall be secured by straps to resist horizontal displacement due to earthquake motion. Strapping shall be installed in accordance with California Health & Safety Code section 19215.
- 9.1.2 Bathroom and kitchen fixtures within rental units shall have sufficient water flow and pressure per the City of Concord Plumbing Code and Housing Code.
- 9.1.3 Within rental dwelling units, the installation of smoke alarms and carbon monoxide alarms shall meet the design requirements found in the City of Concord Construction Code.
- 9.1.4 Interior walls and ceilings shall be kept in sound condition free of holes, cracks or breaks that could injure a person, admit or harbor insects or rodents, or admit dampness.
- 9.1.5 Interior wall and ceiling, cabinet and all appurtenances thereto shall be kept in sound condition free of any loose, cracked, scaling, chipping or peeling paint or plaster.
- 9.1.6 Floor coverings that are torn or loose and located on or near stairway shall be removed and repaired to prevent tripping.
- 9.1.7 Floor coverings such as carpeting, tile, linoleum and similar materials shall be repaired or replaced when the floor covering is severely deteriorated or when the condition of the floor covering creates an unsafe or unsanitary environment.
- 9.1.8 No owner, agent or manager or occupant shall cause any services, facilities, equipment or utilities which are required under the California Code of Regulations to be removed from, shut off or discontinued in any occupied dwelling unit except for such temporary interruption as may be necessary while actual repairs or alternations are in process.
- 9.1.9 Shall not contain any substandard building condition, as defined in the City of Concord Housing Code.

9.2 Property Maintenance Standards.

The property maintenance standards shall apply to the interior and exterior elements of common use areas and facilities which include, but are not limited to, buildings, structures, facilities, landscaping, parking areas, driveway areas, exterior walkways, and

exterior lighting. Pursuant to the California Code of Regulations, California Health and Safety Code, and Concord Municipal Code, residential rental buildings shall meet the following property maintenance standards which include, but are not limited to:

- 9.2.1 Buildings, or portions thereof, shall have exterior walls that are weathertight and watertight and kept free of deterioration, holes, breaks, or loose boards or coverings. Roof surfaces and flashings shall be watertight and not have any defects that will allow water to enter into the structure;
- 9.2.2 The exterior finish of all structures shall be maintained. If the exterior finish of a structure is paint or stain, the structure shall be painted or stained prior to a time when the exterior finish has substantially deteriorated. Paint that is peeling, flaking, scaling, cracking or chalking shall be eliminated and surfaces repainted;
- 9.2.3 All architectural projections such as cornices, moldings, lintels, sills and similar projections shall be maintained in good repair and free of defects;
- 9.2.4 All chimneys, antennas, vents, gutters and downspouts and similar projections or building accessories shall be structurally sound and in good repair. Such projections shall be properly secured, when applicable, to an exterior wall or roof;
- 9.2.5 Windows and exterior glazing shall be soundly and adequately glazed, free from loose and broken glass and cracks that could cause physical injury or allow the elements to enter the structure. Exterior doors shall be maintained weather tight, watertight and rodent proof. Exterior doors of rental dwelling units shall be solid core or equivalent and be provided with a deadbolt-locking device that tightly secures the door;
- 9.2.6 Windows equipped with screens at the time of their installation shall be maintained. All such screens shall be free from tears, holes or imperfections of the frame that could admit insects and other vermin;
- 9.2.7 All structures and exterior property shall be maintained free of rodent, insect or vermin infestation, which creates an unsafe or unsanitary environment on the subject, or adjacent buildings or properties;
- 9.2.8 All accessory structures shall be maintained in a state of good repair or removed from the site. Such structures shall include, but not be limited to, clubhouses, offices, maintenance buildings, carports, retaining walls, fences, garages, swimming pools, spas, hot tubs, and miscellaneous sheds or structures. Placement and erection of these structures shall be in accordance with the Zoning Ordinance of the Concord Municipal Code and all applicable building codes;
- 9.2.9 All signs and building identification markings or lettering, such as numbers or addresses shall be maintained in good repair.
- 9.2.10 Interior and exterior stairs and stair enclosures and their associated components shall be maintained in good repair and free from blockage.

- 9.2.11 Exterior elements of buildings, such as balconies, unit access walkways, and guardrails, shall be maintained in good repair.
- 9.2.12 The accumulation of weeds, vegetation, junk (to include, but not be limited to, abandoned, unused or nonoperational appliances, equipment, vehicles, machinery, or household furnishings), dead organic matter, debris, garbage, stagnant water, combustible materials or similar materials or conditions shall be subject to the applicable provisions of City of Concord Municipal Code Chapters 8.20 and 8.25;
- 9.2.13 All parking areas shall be kept free of potholes, cracks or other deterioration. No dirt, grass or sod parking areas are allowed. All striping and signage, including parking signage and fire lane or access signage, shall be maintained in good condition and clearly legible;
- 9.2.14 All landscaped areas shall be maintained so as not to constitute a public nuisance, a visual blight, and/or a public safety hazard and all dead or severely damaged plant materials shall be removed. The owner then has the option of replacing the plant material or submitting a landscape plan to the Planning Division for approval. Landscape areas are defined as the general landscape area, rights-of-way and detention or pond areas. Driveways, hardscape parking areas, patios or walks are not included as landscape areas; and
- 9.2.15 Refuse (as defined in section 8.20.010 of the City of Concord Municipal Code) enclosures shall be installed and maintained at multifamily dwellings. All refuse shall be kept inside the enclosure. Oversized trash that will not fit within the refuse enclosure shall be removed from the property. In locations where individual receptacles are used, each unit will comply with Concord Municipal Code sections 8.20.060(b) and 8.25.020(1)u.
- 9.2.16 Residential building containing rental units shall not contain any substandard building condition, as defined in the City of Concord Housing Code.

10. PROGRAM FEES AND CHARGES

10.1 Program Fees.

Program fees shall be charged for rental unit inspections and for property inspections as set forth in the Resolution Establishing Fees and Charges for Various Municipal Services. An annual administrative fee shall also be charged, as set forth in the Resolution Establishing Fees and Charges for Various Municipal Services, to allocate program administrative costs on the basis of a complex's size in total number of units. Should the owner fail to pay the required fee, the city will recover it, plus accrued interest and penalties, utilizing any remedies provided by law including nuisance abatement or municipal tax lien procedures established by ordinance or state law.

10.2 Reinspection Fees.

Upon inspection of rental units or the property, the inspector may instruct the owner of the complex to perform work, take action, or refrain from action to ensure compliance

with the Program. The owner of the complex shall be charged a reinspection fee as set forth in the Resolution Establishing Fees and Charges for Various Municipal Services for the inspector to verify that the work, action, or refrainment from action has been complied with. Should the owner fail to pay the required fee, the city will recover it, plus accrued interest and penalties, utilizing any remedies provided by law including nuisance abatement or municipal tax lien procedures established by ordinance or state law.

10.3 Enforcement Inspection Fees.

Where complaint-based or proactive enforcement inspections are performed by the building inspector of units and/or property that have verified violations of program standards (independently of the Base Program, Self-Certification Program, or Program Manager specified inspections) and the inspector confirms violations of the Program are present, the owner of the complex shall be charged an enforcement inspection fee as set forth in the Resolution Establishing Fees and Charges for Various Municipal Services. Should the owner fail to pay the required fee, the city will recover it, plus accrued interest and penalties, utilizing any remedies provided by law including nuisance abatement or municipal tax lien procedures established by ordinance or state law.

10.4 Code Enforcement Fees.

Where code enforcement action is initiated to compel an owner to perform work, take action, or refrain from action to ensure compliance with the Program, the owner of the complex shall be charged a Code Enforcement Fee as set forth in the Resolution Establishing Fees and Charges for Various Municipal Services. Should the owner fail to pay the required fee, the city will recover it, plus accrued interest and penalties, utilizing any remedies provided by law including nuisance abatement or municipal tax lien procedures established by ordinance or state law.

11. REPORT OF INSPECTIONS AND VIOLATIONS

11.1 Report of Inspection.

Upon completion of the property inspection, the inspector may provide written notice of results of the inspection with the owner and/or representative immediately after the inspection at the inspection site. In the event that the property owner and/or his or her representative refuse to accept the written notice of results of the inspection, the inspector may post such notice on the property. The notice shall contain an itemization of any violation(s) and set forth a period of time for correction ranging from 24 hours to up to 120 days. The City may extend the time for correction upon a showing by the property owner that additional time is needed.

11.2 Notice and Order to Correct Violation.

Whenever the inspector determines that a violation of this article code exists, the inspector shall give notice of violation and order to correct to the owner. The notice shall be in writing and shall describe with reasonable detail the violation so that the owner has the opportunity to correct said violation.

11.3 Time for Correction.

The notice and order shall provide a reasonable time, for correction, ranging from 24 hours to up to 120 days, to correct or otherwise remedy the violation. In determining what is a reasonable time, the City may consider the estimate of local professionals including licensed contractors. The City may extend the time for correction upon a showing by the property owner that additional time is needed.

11.4 Service of Notice and Order.

Notice shall be served personally to the owner or by mailing a copy of the notice by certified mail, return receipt requested to the owner at the address shown on county records. Service of such notice shall be effective on the date the notice is mailed.

11.5 Formal Notice of Noncompliance.

Upon completion of the re-inspection, a formal notice of noncompliance documenting any uncorrected violations shall be mailed to the property owner within ten days of the completion of the re-inspection. The notice of noncompliance shall be filed in the office of the County Recorder, along with a certificate describing the property and certifying that the building is substandard and the owner has been so notified.

11.6 Building Permits.

Building permits for the correction of violations shall be as required by the Municipal Code and California Building Code.

11.7 Re-Inspections.

Re-inspections will be conducted to verify that the violations identified on the initial inspection have been corrected. Violations that were not noted on the initial inspection report, but are discovered on the re-inspection due to subsequent damage or deterioration, shall be subject to correction.

12. APPEAL

Any person aggrieved by a determination of the inspector or a determination by the Program Manager regarding eligibility for participation in the Self-Certification Program may appeal to the Board of Appeals in the manner provided in the City of Concord Municipal Code.

ORDINANCE NO. 16-8

**AN ORDINANCE AMENDING CONCORD MUNICIPAL CODE
TITLE 15 (BUILDINGS AND BUILDING REGULATIONS),
CHAPTER 15.20 (MULTIPLE FAMILY RENTAL DWELLING UNIT
INSPECTION AND MAINTENANCE CODE), SECTIONS 15.50.010
THROUGH 15.50.180.**

THE CITY COUNCIL OF THE CITY OF CONCORD DOES ORDAIN AS FOLLOWS:

Section 1. Concord Municipal Code Title 15(Buildings and Building Regulations), Chapter 15.20 (Multiple Family Rental Dwelling Unit Inspection and Maintenance Code), Sections 15.50.010 and 15.50.180 shall be amended as reflected in Exhibit A.

Section 2. This ordinance shall become effective on January 1, 2017.

Section 3. Ordinance No. 16-8 shall become effective thirty (30) days following its passage and adoption. In the event a summary of said Ordinance is published in lieu of the entire Ordinance, a certified copy of the full text of this Ordinance shall be posted in the office of the City Clerk at least five (5) days prior to its adoption and within fifteen (15) days after its adoption, including the vote of the Councilmembers. Additionally, a summary prepared by the City Attorney’s Office shall be published once at least five (5) days prior to the date of adoption of this Ordinance and once within fifteen (15) days after its passage and adoption, including the vote of the Councilmembers, in the Contra Costa Times, a newspaper of general circulation in the City of Concord.

Laura M. Hoffmeister
Mayor

ATTEST:

Joelle Fockler, MMC
City Clerk

(Seal)

1 Ordinance No. 16-8 was duly and regularly introduced at a regular meeting of the City Council
2 of the City of Concord held on November 29, 2016, and was thereafter duly and regularly passed and
3 adopted at a regular meeting of the City Council of the City of Concord on December 13, 2016, by the
4 following vote:

5 **AYES:** Councilmembers -

6 **NOES:** Councilmembers -

7 **ABSTAIN:** Councilmembers -

8 **ABSENT:** Councilmembers -

9 **I HEREBY CERTIFY** that the foregoing is a true and correct copy of an ordinance duly and
10 regularly introduced, passed, and adopted by the City Council of the City of Concord, California.
11

12
13 _____
14 Joelle Fockler, MMC
15 City Clerk
16
17
18
19
20
21
22
23
24
25
26
27
28

Chapter 15.50

MULTIPLE-FAMILY RENTAL DWELLING UNITS

Sections:

- 15.50.010 Title.
- 15.50.020 Purpose.
- 15.50.030 Scope.
- 15.50.040 Inspections authorized; compliance with applicable codes and standards.
- ~~15.50.050 Exterior maintenance standards.~~
- 15.50.060 ~~Interior-Rental unit~~ maintenance standards.
- 15.50.070 ~~Property~~Site maintenance standards.
- 15.50.080 Notification of inspection; inspection procedure.
- 15.50.090 Annual service fee.
- 15.50.100 Reinspection fee.
- 15.50.110 Delinquent fees; penalty for late payment.
- 15.50.120 Exemption.
- 15.50.130 Violations.
- 15.50.140 Enforcement.
- 15.50.150 Relocation of tenants.
- 15.50.160 Appeal.
- 15.50.170 Retaliatory eviction.
- 15.50.180 Administrative eviction.

Cross references: Zoning, Title 18.

15.50.010 Title.

These regulations shall be known as the Multiple-Family ~~(multifamily)~~ Rental Dwelling Unit Inspection and Maintenance Code of the City of Concord, herein referred to as “this code.”

(Code 1965, § 9820; Code 2002, § 14-391. Ord. No. 00-2; Ord. No. 06-5)

15.50.020 Purpose.

The purpose of this ~~code Article~~ is to proactively identify blighted and deteriorated housing stock, ~~and~~ to ensure the rehabilitation or elimination of housing that does not meet minimum building code and housing code standards, ~~exterior-rental unit~~ maintenance standards, and ~~facility~~property site maintenance standards, or is not safe to occupy, and ~~further~~ to preserve and enhance the quality of life for residents of the city living in multi-family dwelling rental units.

(Code 1965, § 9821; Code 2002, § 14-392. Ord. No. 00-2; Ord. No. 06-5)

15.50.030 Scope and Adoption of Rules and Regulations.

This ~~code Article~~ shall apply to all existing residential rental buildings, including rooming or boarding houses, having four rental units or more on one parcel or site, including parking lots, driveways, landscaping, accessory structures, fences, walls, swimming pools, hot tubs, and spas. Hotels, motels, bed and breakfasts, condominiums, and similar occupancies are specifically excluded from the requirements of this code.

The City Council, by resolution, shall promulgate rules and regulations in administering and participation in the Multi-Family Rental Dwelling Unit Inspection and Maintenance Program pursuant to this code. Such rules and regulations and amendments, upon being filed with City Clerk, shall constitute enforceable provisions of this code and shall be subject to the penalty provided therein. Violations of the rules and regulations adopted pursuant to this section shall be punishable in accordance with this code.

(Code 1965, § 9822; Code 2002, § 14-393. Ord. No. 00-2; Ord. No. 06-5)

15.50.040 Inspections authorized; compliance with applicable codes and standards.

(a) *Inspections; conformance with standards.*

(1) The City Manager or the City Manager’s designated representative, hereinafter referred to as “Program Manger” or “inspector,” may inspect rental dwelling units containing four rental units or more and their associated properties to determine whether such properties comply with applicable provisions of the Municipal Code, applicable state and federal laws, State Housing Law pursuant to California Health and Safety Code Division 13, Part 1.5, and with all previous conditions of approval and agreements. Applicable provisions of the Municipal Code include, but are not limited to, the City of Concord Construction Code –California Code of Regulations including the building, dangerous building, housing, fire, electrical, plumbing, mechanical, and swimming pool, spa, and hot tub codes and the rental unit and property exterior-maintenance standards specified in this code.

(2) When inspections are made, buildings shall be required to be in conformance and maintained in accordance with the code standard that was in effect at the time the building was constructed, except for any additional requirements mandated by the Municipal Code or state law.

(b) *Noncomplying structures.* Structures and premises that do not comply with the provisions of this code and the codes listed above shall be altered or repaired to obtain the required level of compliance or shall be demolished.

(Code 1965, § 9823; Code 2002, § 14-394. Ord. No. 00-2; Ord. No. 06-5)

~~**15.50.050 Exterior maintenance standards.**~~

~~Pursuant to the California Code of Regulations, California Health and Safety Code, and Concord Municipal Code, residential rental buildings shall meet the following exterior maintenance standards which include, but are not limited to:~~

~~(1) Buildings, or portions thereof, shall have exterior walls that are weathertight and watertight, and kept free of deterioration, holes, breaks, or loose boards or coverings. Roof surfaces and flashings shall be watertight and not have any defects that will allow water to enter into the structure;~~

~~(2) The exterior finish of all structures shall be maintained. If the exterior finish of a structure is paint or stain, the structure shall be painted or stained prior to a time when the exterior finish has substantially deteriorated. Paint that is peeling, flaking, scaling, cracking or chalking shall be eliminated and surfaces repainted;~~

~~(3) All architectural projections such as cornices, moldings, lintels, sills and similar projections shall be maintained in good repair and free of defects;~~

~~(4) All chimneys, antennas, vents, gutters and downspouts and similar projections or building accessories shall be structurally sound and in good repair. Such projections shall be properly secured, when applicable, to an exterior wall or roof;~~

~~(5) Windows and exterior glazing shall be soundly and adequately glazed, free from loose and broken glass and cracks that could cause physical injury or allow the elements to enter the structure. Exterior doors shall be maintained weathertight, watertight and rodentproof. Exterior doors of rental dwelling units shall be solid core or equivalent and be provided with a deadbolt locking device that tightly secures the door;~~

~~(6) Windows equipped with screens at the time of their installation shall be maintained. All such screens shall be free from tears, holes or imperfections of the frame that could admit insects and other vermin;~~

~~(7) All structures and exterior property shall be maintained free of rodent, insect or vermin infestation, which creates an unsafe or unsanitary environment on the subject, or adjacent buildings or properties;~~

Concord Municipal Code
Chapter 15.50 ~~MULTIPLE-FAMILY RENTAL~~
DWELLING UNITS

~~(8) All accessory structures shall be maintained in a state of good repair or removed from the site. Such structures shall include, but not be limited to, clubhouses, offices, maintenance buildings, carports, retaining walls, fences, garages, swimming pools, spas, hot tubs, and miscellaneous sheds or structures. Placement and erection of these structures shall be in accordance with the Zoning Ordinance of the Concord Municipal Code and all applicable building codes;~~

~~(9) All signs and building identification markings or lettering, such as numbers or addresses shall be maintained in good repair.~~

(Code 1965, § 9824; Code 2002, § 14-395. Ord. No. 00-2; Ord. No. 06-5)

15.50.060 Rental unitInterior maintenance standards.

Pursuant to the California Code of Regulations, California Health and Safety Code, and Concord Municipal Code, residential rental buildings shall meet the following rental unitinterior maintenance standards ~~which include, but are not limited to:~~as established in the City Council approved policy and procedure. City Council authorizes the Program Manager to modify the rental unit maintenance standards to include new state mandated code provisions or update existing provisions to correspond to state code changes as they occur.

~~(1) Every rental housing unit shall have hot water service that is maintained in sound condition, capable of furnishing hot water to every required fixture in the unit with a minimum temperature of one hundred ten degrees (110°). Water heating units shall be equipped with a temperature and pressure relief valve and discharge line. All existing water heater units shall be secured by straps to resist horizontal displacement due to earthquake motion. Strapping shall be installed in accordance with California Health & Safety Code section 19215.~~

~~(2) Bathroom and kitchen fixtures shall have sufficient water flow and pressure.~~

~~(3) The installation of smoke alarms (detectors) shall meet the design requirements found in section 310.9.1.3 California Building Code. Smoke alarms are permitted to be solely operated by battery in existing buildings, or in buildings without commercial power. Smoke alarms shall be installed in all existing rental housing units in the following locations:~~

~~(a) In each room used for sleeping purposes;~~

~~(b) On the ceiling or wall centrally located in the corridor or area giving access to each sleeping area;~~

~~(c) When the dwelling unit has more than one story and in dwellings with basements, an alarm shall be installed on each story and in the basement;~~

~~(d) In dwelling units where a story or basement is split into two or more levels, the smoke alarm shall be installed on the upper level, except that when the lower level contains a sleeping area, an alarm shall be installed on each level;~~

~~(e) When sleeping rooms are on an upper level, the alarm shall be placed at the ceiling of the upper level in close proximity to the stairway; and~~

~~(f) In dwelling units where the ceiling height of a room open to the hallway serving the bedrooms exceeds that of the hallway by 24 inches or more, smoke alarms shall be installed in the hallway and in the adjacent room.~~

~~(4) Interior walls and ceilings shall be kept in sound condition free of holes, cracks or breaks that could injure a person, admit or harbor insects or rodents, or admit dampness.~~

~~(5) Interior wall and ceiling, cabinet and all appurtenances thereto shall be kept in sound condition free of any loose, cracked, scaling, chipping or peeling paint or plaster.~~

~~(6) Floor coverings that are torn or loose and located on or near stairway shall be removed and repaired to prevent tripping.~~

Concord Municipal Code
Chapter 15.50 MULTIPLE-FAMILY RENTAL
DWELLING UNITS

~~(7) Floor coverings such as carpeting, tile, linoleum and similar materials shall be repaired or replaced when the floor covering is severely deteriorated or when the condition of the floor covering creates an unsafe or unsanitary environment.~~

~~(8) No owner, agent or manager or occupant shall cause any services, facilities, equipment or utilities which are required under the California Code of Regulations to be removed from, shut off or discontinued in any occupied dwelling unit except for such temporary interruption as may be necessary while actual repairs or alternations are in process.~~

(Code 2002, § 14-395. Ord. No. 06-5.5)

15.50.070 PropertySite maintenance standards.

~~The property maintenance standards shall apply to the interior and exterior elements of common use areas and facilities which include, but are not limited to, buildings, structures, facilities, landscaping, parking areas, driveway areas, exterior walkways, and exterior lighting. Pursuant to the California Code of Regulations, California Health and Safety Code, and Concord Municipal Code, Residential rental buildings shall meet the property maintenance standards as established in the City Council approved policy and procedure. City Council authorizes the Program Manager to modify the property maintenance standards to include new state mandated code provisions or update existing provisions to correspond to state code changes as they occur.~~

~~Residential rental sites shall meet the following site maintenance standards:~~

~~(1) The accumulation of weeds, vegetation, junk (to include, but not be limited to, abandoned, unused or nonoperational appliances, equipment, vehicles, machinery, or household furnishings), dead organic matter, debris, garbage, stagnant water, combustible materials or similar materials or conditions shall be subject to the applicable provisions of chapter 8.25, and chapter 8.20, of this Code;~~

~~(2) All parking areas shall be kept free of potholes, cracks or other deterioration. No dirt, grass or sod parking areas are allowed. All striping and signage, including parking signage and fire lane or access signage, shall be maintained in good condition and clearly legible;~~

~~(3) All landscaped areas shall be maintained so as not to constitute a public nuisance, a visual blight, and/or a public safety hazard and all dead or severely damaged plant materials shall be removed. The owner then has the option of replacing the plant material or submitting a landscape plan to the Planning Division for approval. Landscape areas are defined as the general landscape area, rights of way and detention or pond areas. Driveways, hardscape parking areas, patios or walks are not included as landscape areas; and~~

~~(4) Refuse (as defined in section 8.20.010 of this Code) enclosures shall be installed and maintained at multifamily dwellings. All refuse shall be kept inside the enclosure. Oversized trash that will not fit within the refuse enclosure shall be removed from the property. In locations where individual receptacles are used, each unit will comply with Concord Municipal Code sections 8.20.060(b) and 8.25.020(1)u.~~

(Code 1965, § 9825; Code 2002, § 14-396. Ord. No. 00-2; Ord. No. 06-5)

~~15.50.080 Notification of inspection; inspection procedure.~~

~~(a) A letter of intent to inspect a property shall be mailed to the owner of the property stating the date and time of the inspection. Such notification shall give a minimum of 14 days notice.~~

~~(b) It shall be the responsibility of the owner to notify the individual tenants of the inspection and ensure access to the units to be inspected.~~

~~(c) Should an inspection need to be canceled or rescheduled by the inspector, a notice shall be mailed to the owner at least ten days prior to the scheduled inspection date.~~

Concord Municipal Code
Chapter 15.50 MULTIPLE-FAMILY RENTAL
DWELLING UNITS

~~(d) Should an inspection need to be canceled or rescheduled by the owner, the owner shall notify the city in writing at least 10 days prior to the scheduled inspection date. Failure of the owner to do so will result in the issuance of a reinspection fee which will be assessed in the manner described in Sec. 15.50.100 below.~~

~~(e) The owner or owner's designated agent shall accompany and escort the inspector through the inspection of the property on the scheduled inspection date and time.~~

~~(f) In the event an owner or tenant in possession of the property to be inspected refuses access to said property, the City Attorney is authorized to obtain from a court of competent jurisdiction any warrant necessary to cause the inspection to take place.~~

~~(Code 1965, § 9826; Code 2002, § 14-397. Ord. No. 00-2; Ord. No. 06-5)~~

15.50.090 Annual service Program service fees.

Owners of all buildings subject to inspection shall pay the required service fees ~~in the amount as~~ set forth in the City Council adopted policy and procedure for the Program and the Resolution Establishing Fees and Charges for Various Municipal Services. The fees will be used to finance the cost of inspection and enforcement Program by the City of Concord. Should the owner fail to pay any portion of the required fees, the city will recover it, plus accrued interest and penalties, utilizing any remedies provided by law including nuisance abatement or municipal tax lien procedures established by ordinance or state law. ~~The~~ is fees shall be known as the Multiple Family Rental Dwelling Unit Inspection and Maintenance Fees.

(Code 1965, § 9827; Code 2002, § 14-398. Ord. No. 00-2; Ord. No. 01-4; Ord. No. 06-5)

~~**15.50.100 Reinspection fee.**~~

~~Upon inspection, the inspector may instruct the owner of the facility to perform work, take action, or refrain from action to ensure compliance with said codes. If the inspector discovers upon reinspection that the work, action, or inaction requested was not performed, the owner of the facility shall be charged a reinspection fee to the extent set forth in the Resolution Establishing Fees and Charges for Various Municipal Services. Should the owner fail to pay the required fee, the city will recover it, plus accrued interest and penalties, utilizing any remedies provided by law including nuisance abatement or municipal tax lien procedures established by ordinance or state law.~~

~~(Code 1965, § 9827; Code 2002, § 14-399. Ord. No. 01-4; Ord. No. 06-5)~~

15.50.110 Delinquent fees; penalty for late payment.

If an owner of a building, subject to inspection, fails to pay the Multiple Family Rental Dwelling Unit Inspection and Maintenance Fee after 30 days, the owner shall be required to pay the service fee plus a penalty. The penalty shall be calculated as set forth in the Resolution Establishing Fees and Charges for Various Municipal Services, follows:

TABLE INSET:

<u>Failure to Pay Service Fee After Due Date</u>	<u>Penalty</u>
31-60 days after due date	20% of the initial service fee
61-90 days after due date	40% of the initial service fee
91 days or more after due date	50% of the initial service fee

(Code 1965, § 9827; Code 2002, § 14-400. Ord. No. 00-2; Ord. No. 06-5)

15.50.120 Exemption.

(a) *Newly Constructed Buildings.* Newly constructed buildings shall be exempt from this ~~Article code~~ for a period of five years. The exemption period shall begin to run on the date the Building Division issues a certificate of occupancy.

(b) *Subsidized Residential Rental Buildings.* Those properties where the rents and tenant incomes on 100% of the units (with the exclusion of managers' units) are restricted by Federal, State or Local governmental programs for a period of

Concord Municipal Code
Chapter 15.50 MULTIPLE-FAMILY RENTAL
DWELLING UNITS

not less than 30 years, and the restricting agency inspects a percentage of the units at least annually, shall be exempt from this Article code.

(c) *Self-Certification Program.*

(1) Well-maintained properties with the following characteristics may qualify to participate in the Multi-~~ple~~ Family Rental Dwelling Unit Inspection and Maintenance Self-Certification Program per the City Council approved policy and procedure:

(a) No previously identified and uncorrected violations of the California Code of Regulations, State Housing Code, California Health & Safety Code, Uniform Code for the Abatement of Dangerous Buildings or Concord Municipal Code at the time the applicant submits the application for self-certification;

(b) No outstanding payments associated with the Multi-Family Housing Inspection Self-Certification Program due to the City of Concord; and

(c) The owner has a current business license for the facility.

~~(2) For qualifying participants, the number of inspections will be limited to 20% of the complex's total units, and the property owner will be allowed to remove the property from the full program for a period of three years, provided that the conditions do not deteriorate during that time to the point where the property would no longer meet eligibility standards for program participation.~~

~~(3) Eligibility requires the property owner or his/her designee to conduct a self-inspection of all rental units including interior conditions, exterior conditions and site conditions, and~~

~~(a) Certify that conditions at the property achieve the interior, exterior, and site standards listed on the Multi-Family Housing Inspection Program's Self-Certification Checklist;~~

~~(b) Complete the Self-Certification Application Packet;~~

~~(c) Pay the application fee for self-certification and pay the Multiple Family Rental Dwelling Unit Inspection and Maintenance Fee as set forth in the Resolution Establishing Fees and Charges for Various Municipal Services.~~

~~(4) Upon receipt of the request to participate in the program and payment of the application fee and Multiple Family Rental Dwelling Unit Inspection and Maintenance Fee, the City will inspect 20% of the property's total units. Any fraction thereof will be calculated as a whole unit. The property owner or his/her designee must notify the individual tenants of any inspection and ensure access to units that will be randomly selected for inspection by the City of Concord. If the City Manager or his/her designee determines that the property is qualified to participate in the Self-Certification Program, then the property owner will only be charged for the number of units that are inspected. The full cost for this service will be deducted from the Multiple Family Rental Dwelling Unit Inspection and Maintenance Fee. Any residual funds shall be returned to the property owner. The property owner will thereafter be required to conduct an annual self-inspection and complete the re-certification application form for the next two subsequent years.~~

~~(5) If the City Manager or his/her designee Program Manager determines that the property is ineligible to participate in the Self-Certification Program, then the property shall be placed in the Base Program, all the units shall be inspected the rental units and property shall be subject to the inspection rates and frequencies associated with the Base Program, and the property owner shall be assessed the full annual Base Program service fees in the amount set forth in the Resolution Establishing Fees and Charges for Various Municipal Services, for all units, per year.~~

~~(6) At all times, the City of Concord shall retain the authority to investigate and address any violation of the California Health & Safety Code, California Code of Regulations, State Housing Code, Uniform Code for the Abatement of Dangerous Buildings or Concord Municipal Code.~~

Concord Municipal Code
Chapter 15.50 MULTIPLE-FAMILY RENTAL
DWELLING UNITS

~~(47) Any property that participates in the Multi Family Housing Inspection Self-Certification Program may be removed from the program at any time if it fails to meet all of the interior and exterior standards listed on the Self-Certification Checklist any portion of the standards in this code or fails to meet any of the qualifications for being considered for the program. The Self-Certification Checklist shall be created by the City Manager or his/her designee.~~

(d) Notwithstanding any of the above-mentioned exemptions, if a property fails to conform, comply or meet any of the aforementioned requirements, the City of Concord may use all available legal means to enforce any provision of this Article code.

(e) Any structure and/or premises that does not comply with the provisions of this section shall be subject to an inspection of all the units along with the fees as shall be set forth in the Resolution of Fees and Charges for Various Municipal Services.

(Code 1965, § 9827; Code 2002, § 14-401. Ord. No. 01-11; Ord. No. 06-5; Ord. No. 03-7)

15.50.130 Inspection Reports; Corrections of Violations.

(a) *Report of Inspection.* Upon completion of the property inspection the inspector may leave written notice of results of the inspection with the owner and/or representative. In the event that the property owner and/or his or her representative refuse to accept the written notice of results of the inspection, the inspector may post such notice on the property. The notice shall contain an itemization of any violation(s) and set forth a period of time for correction ranging from 24 hours to up to 120 days. The city may extend the time for correction upon a showing by the property owner that additional time is needed.

(b) *Notice and Order to Correct Violation.* Whenever the inspector determines that a violation of this article code exists, the inspector shall give notice of violation and order to correct to the owner. The notice shall be in writing and shall describe with reasonable detail the violation so that the owner has the opportunity to correct said violation.

(c) *Time for Correction.* The notice and order shall provide a reasonable time, ~~for correction, ranging from 24 hours up to not to exceed~~ 120 days, to correct or otherwise remedy the violation. In determining what is a reasonable time, the City may consider the estimate of local professionals including licensed contractors. The city may extend the time for correction upon a showing by the property owner that additional time is needed.

(d) *Service of Notice and Order.* Notice shall be served personally to the owner or by mailing a copy of the notice by certified mail, return receipt requested to the owner at the address shown on county records. Service of such notice shall be effective on the date the notice is mailed.

(e) *Formal Notice of Noncompliance.* Upon completion of the re-inspection, a formal notice of noncompliance documenting any uncorrected violations shall be mailed to the property owner within ten days of the completion of the re-inspection. The notice of noncompliance shall be filed in the office of the County Recorder, along with a certificate describing the property and certifying that the building is substandard and the owner has been so notified.

(f) *Building Permits.* Building permits for the correction of violations shall be as required by the Municipal Code California Building Code.

(g) *Re-Inspections.* Re-inspections will be conducted to verify that the violations identified on the initial inspection have been corrected. Violations that were not noted on the initial inspection report, but are discovered on the re-inspection due to subsequent damage or deterioration, shall be subject to correction.

(Code 1965, § 9828; Code 2002, § 14-402. Ord. No. 00-2; Ord. No. 06-5)

15.50.140 Enforcement.

If an owner fails to correct any violation after receiving notice of the violation, the city may pursue any civil, criminal and/or administrative remedies in order to gain compliance. Further, the city intends to utilize the provisions of Revenue and Taxation Code § 24436.5 to encourage the elimination of substandard conditions in rental housing. Said section provides for the disallowance for state income tax purposes of interest, depreciation, taxes, or amortization deductions which are derived from the ownership of rental housing which is not in compliance. The city is also

Exhibit A

Concord Municipal Code
 Chapter 15.50 MULTIPLE-FAMILY RENTAL
 DWELLING UNITS

authorized to use the remedies set forth in the City of Concord Municipal Code, ~~California Building Code~~ and State Housing Code, ~~the California Health & Safety Code~~.

(Code 1965, § 9829; Code 2002, § 14-403. Ord. No. 00-2; Ord. No. 06-5)

15.50.150 Relocation of tenants.

If any rental unit is found to be unsafe to occupy, the costs and expenses of relocation of any tenant from that unit shall be the responsibility of the owner. The owner may appeal such costs and expenses before the Board of Appeals pursuant to the procedure set forth in the City of Concord Municipal Code, ~~2001 California Code of Regulations, Title 24~~.

(Code 1965, § 9830; Code 2002, § 14-404. Ord. No. 00-2; Ord. No. 06-5)

15.50.160 Appeal.

Any person aggrieved by a determination of the inspector or a determination regarding eligibility for participation in the Self-Certification Program may appeal to the Board of Appeals in the manner provided in the ~~California Code of Regulations~~ City of Concord Municipal Code.

(Code 1965, § 9831; Code 2002, § 14-405. Ord. No. 00-2; Ord. No. 06-5)

15.50.170 Retaliatory eviction.

It shall be unlawful for a landlord to recover possession of a rental unit in retaliation against a tenant for exercising his right pursuant to state law.

(Code 1965, § 9832; Code 2002, § 14-406. Ord. No. 00-2; Ord. No. 06-5)

15.50.180 Administrative eviction.

Whenever the City is required to obtain an inspection and/or abatement warrant to inspect and/or abate a violation, a warrant fee to recover attorney's fees and court costs shall be assessed in the amount set forth in the Resolution Establishing Fees and Charges for Various Municipal Services.

(Code 2002, § 14-407. Ord. No. 06-5)



M E M O R A N D U M

DATE: November 14, 2016
TO: City Councilmembers
FROM: Victoria Walker, Director of Community and Economic Development *W*
SUBJECT: **Rental Inspection Program Changes**

Attached is a letter from Theresa Karr of the California Apartment Owners' Association. In the attached letter, the Association is asking that Council delay their decision on making adjustments to the multi-family rental inspection program to allow more time for staff and them to work together. The Association has shared with staff that it is their desire that the self-certification program maintain or reduces the inspection levels and costs to their membership. Council is scheduled to consider changes to the multi-family inspection program at their meeting of November 29th.

The current self-certification program is subsidized by the City's General Fund and has an inspection level of 6.67% of a complex's units inspected by City staff each year (the property owner inspects all units within the complex each year). The proposed self-certification program (that staff and the Housing and Economic Development Committee are recommending to Council) removes the City's General Fund subsidy to the program and increases annual inspections of rental units by City staff to 12.5% of all units each year (the complex owners continue to inspect all units each year). The proposed changes would also increase site and exterior building inspections from the current rate of once every three years to once every other year. These changes, plus the elimination of a City subsidy to the program, would increase costs to multi-family complex owners should Council adopt the changes. Staff has met with both the Apartment Owner's Association and Tenants Together to explain staff's recommendation, answer questions and hear recommendations.

Staff and the Apartment Owners Association have a long history of working well together and both parties continue to work to maintain this relationship. At this point, staff remains available to meet with Theresa Karr and her membership and such a meeting has been offered. However, in making this offer, staff indicated that they did not anticipate modifying their recommendation to Council at this

point, given that staff's recommendations address issues raised by the Housing & Economic Development Committee. Staff did let Ms. Karr know that they will ensure that the Apartment Owners Association's point of view (as well as Tenants Together's point of view) is presented to the Council for consideration along with staff's recommendation on the 29th.

Tenants Together has indicated to staff that the City's proposed modifications to the multi-family rental inspection program are not enough to assure health and safety within the City's rental units and they believe the program should become even more robust. From these two conflicting points of view, it seems clear that this is a topic where all stakeholders are not going to agree on the best approach.

Additional Background: Theresa Karr is correct that in 2015 the Apartment Owner's Association had recommended to staff that the City move to a four year program and a reduced inspection schedule—as a means of addressing the City's goal of eliminating the Multi Family Rental Inspection Program's General Fund subsidy. At that time, staff indicated a more in depth conversation that included all stakeholders would be needed. Such a conversation was programed into the Building Division's work program to occur in 2017, but the topic was accelerated due to the discussions around rent stabilization that have been occurring this year. Both Tenants Together and the Apartment Owners Association have been participating in the various rent stabilization conversations that have occurred at public meetings and with City staff and staff has kept both groups fully informed of meetings and their recommendations.

cc: Valerie Barone, City Manager
Robert Woods, Chief Building Official
Cindy Turlington, Building Inspector



November 11, 2016

Via Email

Mayor Laura Hoffmeister
Vice Mayor Ronald Leone & Council Members
City of Concord
1950 Parkside Drive MS/501
Concord, CA 94519

Re: Purposed Multi-Family Rental Inspection Program Changes

Dear Mayor Hoffmeister, Vice Mayor Leone and Council Members:

As you are aware, the California Apartment Association (CAA) Contra Costa Napa Solano Division has been involved in the city's rental inspection program since its inception over fifteen (15) years ago. We have successfully worked with city staff and city councils for the past fifteen (15) years. We have regularly met with staff on an annual basis to review and discuss the program.

Earlier this year we met with staff and discussed the new line-item budgeting and the loss of the 25% redevelopment program allocation. It was made clear that the rental inspection program needed to be self-supporting and with the loss of the redevelopment allocation the program costs would increase. During this meeting, staff suggested that the properties on the self-certification inspections move to a 4-year inspection cycle and increasing the unit inspections by five (5) percent. Without prior notice, it was suggested that the inspection cycle for the multi-family rental inspection program be changed to a two (2) year cycle. When we asked for fact based rationale for the change, staff only provided empirical data. To our knowledge the 3-year inspection cycle other than the inspection schedule and billing process worked well. Moving to a four (4) year cycle for self-certified properties appeared to benefit both the city and owner in efficiencies and cost.

Following the October 18, 2016 Proposed Multi-Family Inspection Program Changes presentation by the city staff and an internal meeting with our members we requested a meeting with staff to further discuss the program proposed changes specifically for the self-certified properties. We were told due to the upcoming holiday they had to have their City Council Meeting staff reports in early for the November 29, 2016 meeting and staff was unable to meet with us to discuss and/or consider any program changes. We were advised if we had any concerns we would need to address them directly with the city council members.

We believe over the last fifteen (15) or more years we have followed the rental inspection program rules working with city staff towards the same goal of providing healthy and safe rental housing. We have

CAA Contra Costa Napa Solano Division 3478 Buskirk Ave., Ste. 1000 Pleasant Hill, CA 94523
925.746.7131 ext. 3634 www.caanet.org

met this goal through credible, efficient and equitable processes which have benefited the city, the owners and the tenants.

The self-certification option was adopted as an incentive to the owner with a built-in accountability for the city with mandated owner annual unit and property inspections including a signed affidavit. We believe the proposed two (2) year inspection cycle is unnecessary for self-certified properties unless there is a compulsory reason. One stated reason given by staff was that they felt the exterior of multi-housing needed additional inspections to identify exterior safety issues. Annual exterior property inspections are done and can be included in the owner's mandatory unit inspection reports that are currently sent to the city. Two (2) year inspections for both interior and exterior on self-certified properties is unnecessary and an inefficient use of staff time. Although we believe a four (4) year inspection cycle for self-certified properties is the better alternative, we would like the opportunity to meet with staff to review and discuss the possibility of continuing the current three (3) year inspection cycle for self-certified rental properties.

We are requesting an opportunity to meet and work with staff before you make any final decisions on the proposed Multi-Family Inspection Program Changes at your November 29, 2016 meeting.

Thank you for your time and consideration.

Sincerely,



Theresa M. Karr, Vice President of Public Affairs
CAA Contra Costa Napa Solano Division

Cc: Valerie Barone, City Manager
Victoria Walker, Community & Economic Development Director
Robert Woods, Chief Building Official
Cindy Terlington, Multi-housing Inspection Program Inspector



November 7, 2016

Via Email

Mr. Robert Woods
Chief Building Official
City of Concord
1950 Parkside Drive MS/51
Concord, CA 94519

Re: Purposed Multi-Family Rental Inspection Program Changes

Dear Mr. Woods:

Thank you for your October 18, 2016 presentation outlining proposed changes to the city's multi-family inspection program. The California Apartment Association (CAA) Contra Costa Napa Solano Division has been involved in the city's rental inspection program since its inception over fifteen (15) years ago. The self-certification option was adopted as an incentive, with additional requirements (annual owner/operator inspections), to encourage owners to not only maintain their properties but financially enable them to upgrade. This option was added following a full citywide rental inspection of 4 + units. We have stayed involved meeting with city staff on a semi and/or annual basis to go over the program and discuss program variations.

Concord was the first city to implement a self-certification option to its rental inspection program. Almost every city in California with a rental inspection program has since adopted Concord's model. It has been proven to be an efficient and equitable program. This program, to our knowledge has worked well for the last 15 years. Earlier this year we met with staff to discuss possible program changes including increased program fees due to a budgeting change and the loss of redevelopment. Twenty-five percent (25%) of the program was covered with redevelopment funds. We discussed and agreed upon something very different than what was presented at the October 18th presentation.

Earlier this year staff presented us with a reasonable fee increase and suggested extending the self-certification cycle to every four (4) years. October 18th, we were presented with a two (2) year rental inspection cycle, with a new additional site (exterior) inspection fee at \$102 plus \$9 per unit. In addition to the new site inspection fee an annual administrative fee of \$8 per unit is also being added. First re-inspection Interior and exterior fees were not previously charged if violations were remedied in a reasonable time following the initial inspections. Under the new fees an interior unit re-inspection will be a flat \$61 plus \$26 per unit inspected and an exterior re-inspection fee, if necessary, is \$122 per hour. We asked for real-time data to support the reason for moving the current three (3) year cycle to a two (2) year cycle with the addition of site (exterior) inspections. Only empirical data was presented with

numerous references in the staff report to “poorly maintained properties” as justification for changes to the program. We agree poorly maintained properties need to be addressed. Our members and other responsible property owners who participate in the self-certification rental inspection program option don’t understand why staff, who was previously in favor of extending this option to a four (4) year inspection cycle, now have taken the position that the self-certification properties need to be done every two (2) years. Staff has always had the ability to approve and remove properties from the self-certification program that were not in compliance. What reason other than generating more revenue is there for changing something that has been working for fifteen (15) years? The newly proposed rental inspection cycle is not an efficient use of city staff time on self-certified properties. A fee increase for additional staff may be justified but additional interior unit, exterior and new re-inspection fees are not justified.

Our member’s interaction with city staff and the city council throughout the lifetime of this program has been very positive. We believe we can all agree that the rental inspection program’s self-certification option has worked well throughout the last fifteen (15) years and any discrepancies and inspection delays may be due to limited staffing. We would like to continue our good relationship going forward and meet with staff prior to November 17, 2016, if possible, to discuss options before these proposed program changes go to the city council for review and approval. If necessary, we are prepared to approach the council members individually prior to the council meeting and at the council meeting. We believe we can reach a compromise with staff and continue the three (3) year inspection cycle for self-certified properties and work together to insure safe and healthy rental housing without adding more inspections and additional fees.

We look forward to continuing our working relationship. Please advise when you are available to meet and discuss proposed program changes and potential options going forward.

Thank you.

Sincerely,



Theresa M. Karr, Vice President of Public Affairs
CAA Contra Costa Napa Solano Division

Cc: Valerie Barone, City Manager
Victoria Walker, Community & Economic Development Director
Cindy Terlington, Multi-housing Inspection Program Inspector