Background on Rental Registration and Licensing

Housing and Homelessness Working Group September 28, 2017

Office of Councilwoman Kniech
Currently, Denver has approximately 140,000 total rental units in the city’s existing stock, including market rate and affordable units. Approximately 21,000 of these units have a restriction that keeps the unit affordable, or about 15% of the city’s total rental housing stock.

- Housing an Inclusive Denver
The Problem

• A significant obstacle in providing effective and prompt oversight of city rental housing can be the inability to make direct contact with property owners and landlords.

• In the city of Denver, we are in the process of identifying every rental that is contracted for 30 days or less through our short-term rental licensing program, yet, when it comes to long-term rentals the city is unaware of who our landlords are.
Policy Basics

• Ensure rental units are documented, safe to be inhabited, and assists with the enforcement of other requirements such as building codes, posting requirements, lease or rental receipt requirements, occupancy limits, or others.

• Typical program structure:
  • Registration: the municipality requires property owners to register their rental units in order to legally rent them to tenants.
  • Enforcement: If the unit is not registered, or does not meet another requirement linked to registration, the municipality has enforcement measures to deploy (including revoking license to rent)
Policy Type I: Rental Registration

• Local regulation requires landlords to register with the city and provide the city with essential information. (Examples: Raleigh, North Carolina and Roseville, Minnesota.)
  • Enables city to find property owners in case of emergencies or code violations
  • Ensure the owner understands her obligations under city ordinances
  • Modest fee – covers cost of sending out notices and maintaining a rental property database
  • Impose a greater fee as a penalty on owners who fail to register
Policy Type II: Rental Licensing

• Combines rental registration and inspection of the physical unit, and/or confirmation of compliance with other requirements, as a condition of renting property.
  • Most cities that utilize a rental registration program also include a licensing program. Examples: (Boulder, Colorado; Westminster, Colorado; Sacramento, California; Kansas City, Missouri; Santa Cruz, California; Washington, D.C.; Baltimore, Maryland; and others.)
  • Rental property is not eligible for registration unless it is in compliance with key health and safety standards, examples:
    • General inspection
    • Electrical inspection
    • Safety inspection
Purposes of Policy

• Communication with landlords in an emergency
• Preserve safe and healthy rental housing
• Protect tenants
• May preserve neighborhood property values through better maintained housing stock
Administrative Costs

• The staff
• Information systems
• Systems required to maintain rental registries and licensing are generally funded through fees
Councilwoman Robin Kniech
Robin.Kniech@denvergov.org
720-337-7712