



Request for Council Action

SUBJECT: **1st Reading of Ordinance Amending City Code Title 4, Chapter 13 Related to Rental Licenses**

MEETING DATE: August 22, 2022

ITEM TYPE: Regular Business

CONTACT: Bridget Nason, City Attorney, 651.451.1831

ACTION REQUESTED

The Council is asked to approve the first reading of an ordinance amending certain sections of the City's rental licensing ordinance.

BACKGROUND

The City Council has begun discussing the City's rental licensing ordinance and areas where the ordinance could benefit from revision. The attached reflects somewhat of a "Phase 1" when it comes to addressing concerns and making improvements to the existing codes. Additional phases are likely to be brought forward for Council consideration later this fall, but staff felt there was some urgency in moving these specific components forward now.

The attached ordinance is intended to accomplish the following:

1. Prohibit short-term or vacation rentals with IGH. This is accomplished via the addition of a requirement that there is a minimum lease term of 30 consecutive days.
2. Improve the definition of "family." An issue with this recently came up when considering a rental license for a single family home. As drafted, the ordinance would still allow up to four unrelated individuals to live as roommates in a single family home, but it attempts to prevent rentals to multiple individuals that do not intend to occupy the property as a single household.
3. Addition of a six-month waiting period to re-apply for a license in cases where a license has been revoked or denied.
4. Clarification of the language regarding the application fee and the fact that it is non-refundable in cases where an application is withdrawn or denied.

FISCAL IMPACT

n/a

RECOMMENDATION

Staff recommends that Council approve the first reading of the attached ordinance amending the city's rental licensing requirements.

ATTACHMENTS

1. Ordinance Revising Rental Licensing Standards (1st Reading)

**CITY OF INVER GROVE HEIGHTS
DAKOTA COUNTY, MINNESOTA**

ORDINANCE NO. _____

**AN ORDINANCE AMENDING INVER GROVE HEIGHTS CITY CODE, TITLE 4,
CHAPTER 13, RELATED TO RENTAL LICENSES**

THE CITY COUNCIL OF THE CITY OF INVER GROVE HEIGHTS ORDAINS AS FOLLOWS:

Section One. Amendment. Section 4-13-2 of the Inver Grove Heights City Code is hereby amended as follows. The ~~struck-out text~~ shows the deleted wording and the underlined text shows the language added to the code:

4-13-2: DEFINITIONS:

FAMILY: An individual, or two (2) or more persons related by blood, marriage or adoption, or a group of not more than four (4) persons not so related, living together as a single housekeeping unit maintaining a common residence and sharing ~~using~~ common cooking facilities, bathroom(s), and living spaces.

Section Two. Amendment. Section 4-13-3 of the Inver Grove Heights City Code is hereby amended as follows. The ~~struck-out text~~ shows the deleted wording and the underlined text shows the language added to the code:

4-13-3: LICENSE REQUIRED:

- A. General Rule: No person, partnership, business entity, or corporation shall operate a rental dwelling or rental dwelling unit in the city without a license. The licensee shall be the owner. No dwelling or dwelling unit, other than those exempt from the licensing requirements of this Chapter, shall be rented or let for a period of less than thirty (30) consecutive days.
- D. Application Fees: ~~Rental dwelling owners shall pay a fee as set by resolution adopted by the city council. The license fee is not refundable.~~ Applicants for a license shall pay an application fee in amount set annually by the City Council via resolution. The application fee is due at the time the license application is submitted. The application fee is not refundable, even if the application is withdrawn or denied.

Section Three. Amendment. Section 4-13-8(C) of the Inver Grove Heights City Code is hereby amended as follows. The underlined text shows the language added to the code:

4-13-8: LICENSE HEARING:

4. Reapplication Following License Revocation or Denial: Upon denial or revocation of a license, the owner may not reapply for a license for the same rental dwelling or rental dwelling unit for a period of six months.

Section Four. Effective Date. This Ordinance shall be in full force and effect upon its passage and publication as provided by law.

Passed in regular session of the City Council of the City of Inver Grove Heights on the ____ day of _____, 2022.

CITY OF INVER GROVE HEIGHTS

By: _____

Thomas Bartholomew, Mayor

ATTEST:

Rebecca Kiernan, City Clerk