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Single Family Property Rental Conversion

Adopted by City Council December 8, 2008

What is a rental conversion fee?

A rental conversion fee is a one-time, non-refundable \$500 fee that is applied to a non-rental single family or single family attached property when it is converted to a rental property. Prior to rental license application, the property was not being used as a rental property or was illegally used as a rental property without a valid City rental license. The fee is collected at the time of the initial rental license application.

Why is there a rental conversion fee?

The rental conversion fee helps recover some of the following City costs associated with rental property:

- New license setup.
- Additional staff time for first inspections (typically find more violations, a greater need for more education).
- Development of regulation and educational materials for new landlords and tenants, as well as maintaining current information.
- Cost of new license materials.
- City staff time and resources from multiple departments and prosecution costs required to follow up on unlicensed rental properties and/or violations.
- Various costs to maintain IS/IT systems, accommodate additional licenses and workload.

To what types of property does the conversion fee apply?

The rental conversion fee applies to single family, single family attached, and registered vacant properties. Attached houses are considered single family houses as long as the house itself is not divided into more than one housing unit and has an independent outside entrance. A single family house is contained within walls that go from the basement or the ground floor (if there is no basement) to the roof. Townhouses, rowhouses, and duplexes are considered single family attached housing units, as long as there is no household living above another one within the walls that go from the basement to the roof to separate the units.

- Single family houses.
- Single family attached includes a townhome, rowhouse, duplex.
- Registered vacant properties.

Exceptions

- New construction that has not been occupied.
- Condominium buildings with common entrance or stacked housing units.
- Duplex not meeting the definition stated above.
- Properties that have been used for rental property and issued a rental license from the city for the immediate prior owner.

Actions for Noncompliance

A person who does not pay the rental conversion fee as required by City Ordinance is subject to following:

- 1. Does not qualify for a rental license as required by City Ordinance 12-901.1, and is subject to enforcement actions, and
- 2. Is in violation of City Ordinance 12-902, and is subject to enforcement actions.