

Healthy Housing Through Proactive Rental Inspection



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Law & policy innovation for the common good.

DANGERS OF SUBSTANDARD HOUSING

Mold, pests, lead exposure, and other substandard housing conditions are responsible for numerous health problems, particularly for young children, seniors, and people who already suffer from chronic illness. By one estimate, 39% of asthma cases in children under six can be traced to residential exposure to indoor air hazards. Housing-related injuries annually result in roughly four million emergency room visits and 70,000 hospital admissions. Exposure to lead paint chips and related dust are the leading cause of elevated lead levels in American children.



WHAT IS A PROACTIVE RENTAL INSPECTION (PRI) PROGRAM AND HOW CAN IT PROMOTE HEALTH?

Substandard housing conditions can cause or exacerbate health problems, such as childhood lead poisoning, asthma and other respiratory conditions resulting from an exposure to mold and pests, and falls and other injuries, particularly to elderly residents. Most cities or counties (“localities”) maintain code enforcement programs to ensure the safety and welfare of their citizens. Traditionally, these programs have been complaint-based; that is, in response to a resident complaint about a substandard housing condition, a municipal code enforcement officer conducts a housing inspection and, if the complaint is substantiated, the officer begins enforcement proceedings.

Under a PRI program, rather than wait for a complaint to inspect housing, the locality inspects all covered rental housing on a periodic basis to ensure that all rental properties are safe and habitable. Systematically inspecting all rental housing is more effective in protecting tenants’ health and safety.

PRI programs are gaining traction in many communities throughout the United States. Cities such as Sacramento, St. Louis, Boston, Seattle, Los Angeles, and Boulder, have all implemented PRIs in areas that meet certain conditions. Some localities have organized county-wide PRI programs, such as Baltimore and Anne Arundel Counties in Maryland.

WHAT ARE THE BENEFITS OF PRI PROGRAMS?

PRI programs benefit tenants by ensuring that all rental housing is inspected without requiring tenants to make complaints. Vulnerable tenants, including low-income residents, the elderly, and non-English speaking immigrants, may live in the worst housing, but often don’t make complaints about it. These tenants might not know about existing tenants’ rights protections or have difficulty navigating the enforcement code system. They also may fear that complaining will lead to increased rent or their eviction.

Neighborhoods, entire localities, and even landlords also benefit from PRI programs. By alerting landlords to problems before they become severe, and motivating them to perform preventative maintenance on their properties, periodic inspections save landlords the often-far-greater expense of deferred maintenance. PRI programs benefit surrounding neighborhoods and the broader community by ensuring that properties don’t become blighted, so that property values are maintained and available housing stock is preserved. Maintaining property value preserves the local tax base.

PRI PROGRAMS BY THE NUMBERS

Between the establishment of Los Angeles's Systematic Code Enforcement Program in 1998 and 2005, "more than 90 percent of the city's multifamily housing stock [was] inspected and more than one and half million habitability violations [were] corrected. The result [was] an estimated \$1.3 billion re-investment by owners in the city's existing housing stock."¹

Between 2008 and 2013, under Sacramento's Rental Housing Inspection Program, housing and dangerous building cases were reduced by 22 percent.²

According to a study of PRI programs in five North Carolina cities, the City of Greensboro alone brought more than 8,700 rental properties up to minimum standards in four years under its proactive rental inspection program (RUCO).^{3,4}



WHAT ARE THE KEY ELEMENTS OF A PRI PROGRAM?

PRI programs vary according to the types of rental housing in a locality, the needs of the particular locality, the availability of resources, and (to an extent) state law. PRI programs typically share these key elements:

- **Registration of rental properties.** In order to know what rental properties exist and who owns them, most programs require property owners to register their rental properties or obtain a certificate or license in order to rent housing units.
- **Regularly scheduled inspections.** All rental properties subject to the program are inspected on a periodic basis, generally once every two to five years. As an incentive to landlords, many programs allow less frequent inspections or self-certification once a property owner establishes a record of code compliance.
- **Enforcement.** If a property fails inspection, the locality initiates enforcement measures.

WHAT TYPE OF RENTAL HOUSING IS INCLUDED?

Localities determine the type of housing to include in PRI program based on the most pressing needs in the community and the availability of resources for inspection and enforcement. Some localities target neighborhoods where housing code violations have occurred frequently in the past or neighborhoods with a lot of rental properties. Other PRI programs focus on specific types of properties, such as multi-unit housing complexes. Most programs exempt certain types of properties from inspection, such as owner-occupied properties, government-regulated or subsidized housing, or newly constructed housing.

WHAT ARE THE CHALLENGES OF PRI PROGRAMS?

Transitioning from a complaint-based to a PRI program can present challenges, but with careful planning, a community can manage the change successfully. Many stakeholders in the community – not just landlords – may feel that their interests could be impacted by a change in rental housing inspection policy. Therefore, when designing a PRI program, it is critical to invite input from all community stakeholders, including landlords, tenants, community-based organizations, tenants' rights organizations, and local government officials. In addition, successful PRI programs educate landlords and tenants about their rights and obligations and provide written materials and checklists for tenants and landlords on applicable housing code provisions.

While tenants will ultimately reap many of the benefits of PRI programs, they may initially feel threatened by these inspections. In order to help educate tenants and landlords about rental housing inspections and allay their concerns, some localities have involved community members and nonprofit organizations in the implementation of their programs. In addition, localities provide training to code enforcement officers to ensure that they are prepared to conduct inspections in a culturally sensitive manner; be attentive to the special concerns of particular groups (e.g., seniors, undocumented persons); and employ effective strategies to overcome language and other communication barriers. In particular, having multilingual inspectors and support staff ensures that all tenants are able to communicate effectively throughout the inspection process.



Finally, in extraordinary cases, when an inspection determines that particular rental units are uninhabitable, tenants might be displaced after an inspection. Funded tenant relocation programs can help ease displacement and help low-income tenants avoid homelessness, if the landlord is unable to provide alternative housing for tenants while repairs are being completed.

HOW CAN LOCALITIES FUND PRI PROGRAMS?

PRI programs are generally funded through fees. Localities commonly charge registration, program, and licensing or certificate fees to cover the costs of maintaining a proactive rental inspection program. Many communities also support code enforcement programs through Community Development Block Grant funding.

WHERE CAN I GET MORE INFORMATION?

For more information, see ChangeLab Solutions' *A Guide to Proactive Rental Inspection Programs*, which provides a detailed overview of the elements involved with designing and implementing a PRI program. The guide includes in-depth discussion of the benefits and challenges of proactive rental inspection, strategies for meeting the challenges, and examples of PRI programs from around the country. If you're ready to take action, ChangeLab Solutions has developed model language for establishing a PRI program. The language in our *Model Proactive Rental Inspection Ordinance* offers a variety of policy options that can be tailored to the specific goals and needs of your community.

¹ Harvard Kennedy School, ASH Center for Democratic Governance and Innovation, Systematic Code Enforcement Program. Available at www.innovations.harvard.edu/awards.html?id=7497

² Report to Council, City Council of Sacramento, Ordinance Revisions to City Code Chapter 8.120 Relating to the Rental Housing Inspection Program. May 28, 2013. Available at: http://sacramento.granicus.com/MetaViewer.php?view_id=22&clip_id=3277&meta_id=399614

³ Carol C. Hickey, "Ensuring Housing Quality: Proactive Minimum Housing Code Inspections of Rental Properties in North Carolina Cities 3." Master's thesis, University of North Carolina at Chapel Hill. Apr. 4, 2008. Available at <http://ghc.illkd.com/wp-content/uploads/2008/04/enhancinghousingquality.pdf>

⁴ The state of North Carolina passed legislation in 2011 barring, or preempting, many forms of local periodic rental inspection ordinances, so while the North Carolina programs provide valuable data they are not currently active. See, e.g. CT Mulligan, "New Periodic Inspections Law Brings New Requirements and Legal Risks." North Carolina Bar Association. *The Public Servant*: 2012. February 14, 2012. Available at <http://governmentandpublicsector.ncbar.org/newsletters/publicservantfebruary2012/periodicinspectionslaw>; North Carolina Session Law 2011-281 (S 683). Available at www.ncga.state.nc.us/Sessions/2011/Bills/Senate/PDF/S683v0.pdf

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