

**FILED**

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MUNCIE CITY CLERK

12.1.16 AMENDMENT

**MUNCIE COMMON COUNCIL ORDINANCE NO. 48-16**

**AN AMENDMENT TO THE ORDINANCE TO ESTABLISH A RENTAL REGISTRATION PROGRAM FOR THE CITY OF MUNCIE**

WHEREAS, the Indiana Association of Realtors worked with the Indiana General Assembly to pass HEA 1403, enacting Indiana Code §36-1-20, authorizing political subdivisions to establish registration programs for rental units within their jurisdiction subject to specific conditions and limitations; and

WHEREAS, Indiana Code §36-1-20 caps the amount local units may charge for rental registration fees at five (\$5) dollars per parcel; and

WHEREAS, in preparation of this ordinance, several ordinances and best practices were carefully reviewed, including the Evansville rental registration program, approved September 8, 2014, and the South Bend landlord registration program, approved September 15, 2016; and

WHEREAS, acknowledging data from the U.S. Census Bureau's 2015 American Community Survey recognizes that approximately fifty percent (50%) of all housing units in the City of Muncie are rental units; and

WHEREAS, such a program would be beneficial to the people and government of the City of Muncie, with some specific benefits including:

- Providing a direct contact to owners of rental properties for complaints about the property
- Developing positive and improved communications among landlords, tenants, and the community
- Providing accurate information which is informative and accessible to landlords, tenants, and the general public
- Enhancing housing quality and neighborhood stability through improved information and communication

NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF MUNCIE THAT:

SECTION 1. There is hereby established the rental registration program, which shall read as follows:

- I. Indiana Code §36-1-20 et, seq., authorizes political subdivisions in the State of Indiana to establish registration programs for rental units within their jurisdiction subject to specific conditions and limitations.
- II. Definitions: For the purposes of this Article, the following definitions shall apply:
  1. *Building* means any residential structure, dwelling unit or accessory building in which is affixed to the land.
  2. *Building Commissioner Department* means the Office of the City of Muncie Building Commissioner.
  3. *City* means the City of Muncie, Indiana.

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4. *Dwelling Unit* means a group of rooms or a room occupied or intended for occupancy as separate living quarters, and may encompass permanent provisions for living, sleeping, eating, cooking, and sanitation.
5. *Lease* means offering a building or dwelling unit for use or occupation for a definite period of time in exchange for remuneration, whether it be for money, property, or any other form of payment.
6. *Property Manager* means a person, operator, firm, partnership, corporation, or other legal entity designated by the owner to manage a residential rental building including the authority to receive notices or citations that lives within the state of Indiana.
7. *Real Property Owner* means any person who, alone, jointly, or severally with others, shall have title to any building or dwelling unit with or without accompanying actual possession thereof; this includes any real property owner's designated agents.
8. *Rent or Rental* means offering a building or dwelling for use in exchange for remuneration that is automatically renewed periodically.

### III. Program

1. Compliance Deadline. Beginning January 1, 2017, all real property owners that lease or rent their property as a dwelling unit within the City must register with and pay a rental registration fee to the City Building Commissioner Department. A six (6) month transition period for all of these real property owners or their designated agent or property manager to register and pay all fees due is allowed for the first year only. The deadline for compliance of the first year of this rental registration program is June 1, 2017. Subsequently, all compliance deadlines for this rental registration program is January 1 of each year.
2. Rental registration information needed. The rental registration form must be completed in full, signed, and dated and shall include:
  - A. The name, telephone number, email address, and a physical business or domicile address of the real property owner. A secondary address may be used for availability to the public and must be indicated on the rental registration form.
  - B. The name and address of:
    - i. The property manager authorized to manage the rental unit; and
    - ii. The person who is designated and authorized to act as an agent for the owner for purposes of service of process and receiving and receipting for notices and demands.
  - C. The parcel and alternate identification key number of each parcel which the real property owner, designated agent, or property manager is submitting for registration purposes; a list of each dwelling unit will be required if the parcel includes multiple dwelling units.
  - D. An affirmation that the dwelling units, the real property of which the dwelling units are a part, and any other dwelling unit property owned by the owner in the City are not in violation of any State and Local Codes and Ordinances.
  - E. A statement of the number of dwelling units on each separate parcel of real property covered by the registration.
  - F. If there is a change in the real property ownership and the new owner continues to lease the real property, the new owner must pay a rental registration fee and provide updated

registration information no later than thirty (30) days after the change of ownership; no refund of the former real property owner's registration fee is permitted.

G. Any noncompliance to these requirements may result in penalties imposed by the City.

3. Rental registration fee. The real property owner must pay a fee of \$5.00 for each parcel used as a dwelling unit. This fee must be paid by January 1<sup>st</sup> of each year.
4. Location to register. The real property owner, designated agents, or property managers shall register by fully completing, signing, and dating the Rental Registration Application form, found either in the City Building Commissioner Office, 3<sup>rd</sup> Floor, City Hall or online at the City Building Commissioner website.

IV. Rental Registration Fund. Pursuant to Indiana Code §36-1-20-3, the funds generated from this program may not divert into the general fund at any time or any other fund of the political subdivision. Funds must be maintained in a special fund designated as the Rental Registration Fund and dedicated solely to reimbursing the costs reasonably related to services actually performed by the political subdivision that justified the imposition and amount of the fee. Each fund shall be maintained as a separate line item in the political subdivision's budget.

V. Penalties and Enforcement

1. Failure to register as required is subject to admission of violation and payment of a Rental Registry penalty for each rental unit or rental unit community in violation of one thousand dollars (\$1,000.00).
2. Failure to update the registration within thirty (30) days of a change in ownership as required is subject to admission of violation and payment of a penalty for each rental unit or rental unit community of five hundred dollars (\$500.00).
3. Failure to renew the registration as of January 1 each calendar year as required is subject to admission of violation and payment of a penalty for each rental unit or rental unit community in violation of three hundred dollars (\$300.00).
4. Failure to pay any fees and registry fines will result in a lien being placed on the property for the amount owed.
5. Pursuant to Indiana Code §36-1-20-6, the penalties above may not be imposed until after:
  - A. A notice of violation has been issued to the real property owner or the real property owner's designated agent by First Class U.S. Mail; and
  - B. Passage of thirty (30) days, which must be stated in the notice for the violation to be cured; and
  - C. Failure of the violation to be cured within the time stated in the notice.

VI. Community Aspects

1. The City will appoint a government liaison who will host proactive meetings with government officials, Ball State University, and local landlord associations yearly.
2. The list of registered dwelling unit properties will be available showing registered properties to allow the public to find information about properties near them as well as to advertise the compliant real property owners.
3. The complete list of registered properties, available properties, and registered landlords will be available through the City website.