



Council Communication

Office of the City Manager

Date October 13, 2008

Agenda Item No. 55
Roll Call No. 08-
Communication No. 08-591
Submitted by: Larry Hulse, Community
Development Director

AGENDA HEADING:

First reading of an ordinance allowing delinquent fees, fines, penalties and costs imposed in the enforcement of the Neighborhood Inspection Rental Code, Chapter 60, Article #1, to be collected in the same manner as property tax. Resolution approving amendment to the Schedule of Fees imposed under Chapter 60, Article #1 of the City Code.

SYNOPSIS:

Fees, fines, penalties and costs incurred by the Neighborhood Inspections Division and owed to the City of Des Moines for the monitoring and inspection of rental properties have historically been billed at the conclusion of the inspection process. When those fines, fees, penalties and costs are not paid by the landlord in a timely fashion those amounts are forwarded to a collection agency. There is in excess of \$1,757,000 outstanding. State law has recently been updated to permit collecting these delinquent bills in the same manner as property tax as an assessment. These code changes will implement that process.

FISCAL IMPACT:

Amount: There is an average of \$200,000 in rental fees that are unpaid each year.

Funding Source: There are no costs associated with the implementation of this amendment.

ADDITIONAL INFORMATION:

Once assessments are placed on the delinquent properties they will come due with the property taxes. Staff anticipates collecting more outstanding receivables as an assessment against the property than has been received by a collection agency. Over time as property is assessed, and property with unpaid assessments are sold, it is anticipated that the majority of the outstanding billing (\$1,757,031.35) will be recovered.

Staff has been reluctant to take the only remedial action available to them to collect these delinquent bills, that being the forced eviction of the tenants from a rental that didn't have a certificate or declining to inspect a property because of delinquent bills. Staff believes this would create undue hardship on the tenant for the misconduct of the landlord.

PREVIOUS COUNCIL ACTION(S):

Date: April 23, 2007

Roll Call Number: 07-780

Action: Amending the Schedule of Fees and the Schedule of Administrative Penalties, subject to final approval of the ordinance. (Council Communication No. 07-245)

) Moved by Vlassis to adopt. Motion Carried 7-0.

Date: April 21, 2003

Roll Call Number: 03-910

Action: Approving amendment to the Schedule of Fees. Moved by Vlassis to adopt. Motion Carried 5-2.

Date: February 10, 2003

Roll Call Number: 03-318

Action: Final consideration of ordinance above, (waiver requested by Community Development Department), requires 6 votes. Moved by Vlassis that the rule requiring that ordinances must be considered, and voted on for passage at two council meetings prior to the meeting at which it is to be finally passed be suspended, that the ordinance be placed upon its final passage and that the ordinance do now pass, #14,206. Motion Carried 6-1.

BOARD/COMMISSION ACTION(S):

Date: N/A

Roll Call Number: N/A

Action: There is no action required by the Housing Appeals Board, however, they have been informed of the changes to the code and their oversight function. Staff will update them assuming the passage of this amendment to the ordinance.

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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