Rental housing is a critically important part of every community’s housing stock yet accounts for a disproportionate share of property-related challenges facing cities and towns. The need for rental regulation has become more urgent in many cities in recent years, as the wave of foreclosures resulted in the conversion of many formerly owner-occupied properties into rental units, sometimes bought by speculators. While there are many irresponsible landlords, some of whom plan to “milk” the property for a few years and then walk away, there are also many responsible landlords, who want to hold and maintain their properties. This unit helps cities develop effective rental regulation systems that reward responsible landlords, incentivize and make it easier for landlords to behave responsibly, and deter the genuinely bad actors who operate illegal, substandard, or unsafe rentals.

The modules in this unit can be mixed-and-matched with modules in other units to create a place-based training just right for your community. Contact Courtney Knox at cknox@communityprogress.net to discuss a place-based training structure that would work best for you.

Module 1:

Understanding How Neighborhoods Affect Landlord Behavior 101

Recommended Length: 45-90 minutes

Whether an owner will invest in maintaining a rental property is largely influenced by the property market in that neighborhood. The most effective rental regulation strategies adjust their approaches to enforcement based on these varying conditions. This module helps practitioners understand how to move toward a market-informed approach to rental enforcement in order to increase the stock of safe, well-maintained rental housing in all neighborhoods. Participants will learn how to analyze neighborhood-by-neighborhood property market conditions. They’ll then look at the relationship between those conditions and landlord behavior. Examples of tailored, market-informed rental enforcement from other cities will clarify how this approach can work in practice. Participants will learn how enforcement can be tailored based on, for example, the presence of problem landlords and of responsible landlords, complaint frequencies, or the concentration of student housing. All options will be appropriate for cities working with a tight or shrinking budget; in fact, the overall approach is intended to help cities maximize resource efficiency while also remaining effective and equitable.
Module 2: Identifying the Rental Property Inventory

Recommended Length: 90 minutes

Rental registries are only as good as the number of properties registered and the information collected. A successful registration ordinance collects comprehensive property owner contact information, allowing the municipality to alert property owners to emergencies, provide notice of code enforcement violations, and share information about property owner obligations. While no municipality can expect to have 100% of rental properties registered, the target for an effective program should be at least 80%-90%. This can only happen through a systematic, proactive effort. Whether you are just exploring a rental registration and licensing program or looking to optimize your current program, this module will explore tools and strategies to proactively identify the rental property inventory and encourage landlords and property investors to comply with registration requirements. This module will emphasize tenant and landlord outreach strategies, community reporting, and registration requirements. Best practice examples will be shared with participants to provide a framework for participants to think through the current structures they have in place.

Module 3: Fostering Compliance by Rewarding Success

Recommended Length: 90 minutes

To foster a sound rental housing stock, cities should not simply crack down on violators, but instead develop a mix of strategies designed to encourage good landlords and discourage bad ones. Landlord incentives complement a regulatory strategy by building an ever-growing pool of responsible landlords who meet good practice standards, and directly benefit from doing so. By providing resources to landlords, including model leases, sound property management techniques, tenant selection criteria, and access to fast-track permit approval, municipalities can position landlords to be successful. This module will explore realistic, cost-effective “carrots” as well as “sticks” for communities to consider. Whether participants are undertaking development of rental registration and licensing ordinances or are looking to optimize an existing program, this module will provide the framework necessary to establish or retool a program. By exploring how to foster compliance with rental registration and licensing programs, this module lays the foundation necessary to move toward a performance-based rental regulation system.
Module 4: Implementing a Performance-Based Rental Regulation System
Recommended Length: 90 minutes

A performance-based system uses historical property performance data to set a tiered inspection schedule. The data is used to reduce the frequency of inspections and lessen the financial burden for well performing properties, enable municipalities to focus resources on problem properties, establish remedial measures for problem landlords, and reward high-performing landlords. The two key elements needed to build a performance-based rental regulation system are: (1) a well-functioning rental property registry and landlord licensing process; and (2) historical data on rental property performance beyond just inspection data, including outstanding property taxes, code violations, citizen complaints and police incidents. This module will explore the responsibilities of municipalities and landlords under a multiple tiered performance-based system. Participants will develop an understanding of the pros and cons of both a one-size-fits-all system and a tiered inspection regime. Guided by examples of best practices in other cities, they will learn the elements of an effective performance-based system and leave with a clearer sense of the steps that need to be taken to build the system.

Module 5: Building Relationships with Community and Industry Partners
Recommended Length: 90 minutes

A rental registry is an effective regulatory tool for collecting basic data on a rental property’s location, ownership and management. But a rental registry alone does not paint the full picture of rental property conditions, tenant concerns, property owner struggles, or neighborhood stability. Forming strong partnerships between the municipality and neighborhood associations, industry trade associations, and tenant advocacy groups, and establishing an avenue for them to provide information to the municipality, is critical to the success of a rental regulation system. Partnering with community and industry partners provides an opportunity to build trust between city hall, residents, and landlords. Once established, partners will provide the on-the-ground information needed to identify bad actors, support tenants and responsible landlords, and prevent property and neighborhood decline. This information increases the ability of the municipality to regulate housing quality and support neighborhood stability while ensuring efficient use of limited resources. This module will provide a framework for how to develop and maintain strong partnerships with residents, landlords, tenant advocacy groups, rental associations, and management companies for on-the-ground data gathering.