



# Rental Licensing Guide

Answers to frequently asked questions (FAQs) and other information regarding rental licensing that guarantee minimum standards for safe and healthy surroundings for all tenants.

## RENTAL PROPERTIES

A rental property is any property occupied by someone other than the owner. The following are exempt from licensing:

- Properties with a Relative Homestead status.
- Properties exempt from property taxes because they are a church parsonage.

All rental units must have a council-approved rental license BEFORE tenants move into the unit.

### HOW TO APPLY:

The property owner must submit:

- An application for Rental License Dwelling License.
- Certification of Financial Responsibility Form.
- MnBIN/Social Security Number Request Form.
- Certificate of Compliance Minnesota Workers' Compensation Law.
- Required license fee
  - Single Family Dwelling \$180
  - Duplex \$250 (\$180 if one unit is owner-occupied).
  - Triplex \$310 (\$250 if one unit is owner-occupied).
  - Fourplex \$370 (\$310 if one unit is owner-occupied).
  - Five or more units (\$370 per building plus \$24 per unit).

Dwelling Type/Fee:	Fee
Single Family	\$170 Flat Fee
Duplex	\$240 Flat Fee (unless one of the units is Owner Occupied, then fee is then \$170)
Triplex	\$300 Flat Fee
Fourplex	\$360 Flat Fee
Five or more units	\$370 Flat Fee
TOTAL: \$370 Per Building Flat fee + \$24 per unit	

## Three steps to getting a rental license:

### 1. INSPECTION

Once the Application for Rental Dwelling License packet and the correct fee has been received, the property owner or designated manager will receive notification of the initial rental inspection by mail. The owner or agent is responsible for letting the tenants know when the inspection will be and the owner or agent must be present during all inspections.

After the initial inspection, any correction orders are mailed to the property owner or designated manager. Correction orders must be completed within 30 days of the inspection. Once the orders are complete, contact the Code Enforcement Manager at 763-531-1143 to schedule a reinspection.

### 2. FINANCIAL RESPONSIBILITY

The city will check if the city utility account and property taxes are current (both must be current and up-to-date to have a rental license). If you have other past-due payments to a government agency, you may have to pay those. If utilities, property taxes or other obligation are past due at the time of any rental license renewal, then the license fee will be doubled.

### 3. CITY COUNCIL APPROVAL

When all the inspection orders have been completed and reinspected, the rental license will be issued after city council approval. If all orders are not completed but the inspector has decided that they would not put tenant health or safety at imminent risk, a Conditional Rental License will be issued after city council approval. You will have 60 days from the initial inspection date to complete the orders and have the property reinspected.

If the orders are not completed within 60 days, citations will be issued and the rental license may be canceled (revoked), and a new rental license will be required. If the property continues to be occupied by the tenants after the license has been canceled, then weekly fines that increase each week may be imposed.

# RESPONSIBILITIES OF OWNING OR MANAGING PROPERTY

## Basic responsibilities

Rental property owners and managers need to:

- Pay taxes and city utilities in-full at all times.
- Know what is happening on your rental property. Owners are ultimately responsible for problems.
- Maintain interior, exterior and grounds of your property.
- Read the "Landlords and Tenants: Rights and Responsibilities" at [www.ag.state.mn.us](http://www.ag.state.mn.us).

## Renew your license promptly every year

Your rental license expires every year. A rental license renewal application is sent about 90 days before the license expires.

The renewal application packet and fee must be returned 60 days before the license expires. If not paid by the due date, a late penalty fee is charged.

## Reporting changes in status

Report any changes in writing within five business days. This includes a new address, a change in contact information, plans to sell the property and when a new person or company has become responsible for the property.

## Transferring ownership

You cannot transfer a rental license to a new owner. If there is a change, the new owner needs to notify the City of Crystal within five business days by calling 763-531-1143. Once the property has a new owner, the old owner's rental license is no longer valid and a new Application for Rental Dwelling License will need to be completed by the new owner.

## Avoiding penalties

Get your rental license BEFORE tenants move in, and turn in your annual rental license renewal 60 days before your rental license expires, to avoid a penalty fee. Also,

- Make sure property taxes and utilities are paid.
- If you are not able to be at the inspection, reschedule inspection appointments 24 hours before the scheduled inspection. Make sure the person present for the inspection is 18 years or older.
- Make sure the owner or agent is present for any inspections and has access to the dwelling.
- Only schedule the re-inspection after all the work is complete to avoid a re-inspection fee.



## Can you put the utility bill in the tenant's name?

No. All city bills are in the property owner's name. State law considers city water/sewer services to a property the responsibility of the property owner.

The property owner may request a copy of the bill be mailed to the rental property, addressed to "occupant." This bill will be titled "Duplicate Bill."

The city charges \$1 each quarter for this service. The fee is added to the utility bill.

If the property owner requests the duplicate bill be stopped for a period of time, then restarted, a \$5 fee is charged.

The property owner may request a final bill be calculated when renters change the date to a time when the water/sewer meter would not normally be read. The city charges a \$15 fee for this service, which is added to the utility bill.

Unpaid utility bills are given to Hennepin County to be added to the property tax bill of the property.

Contact utility billing at [utilitybilling@crystalmn.gov](mailto:utilitybilling@crystalmn.gov) or 763-531-1120 to set up a duplicate bill or other questions.

## Prevent bad behavior

If you have a rental license, you need to work to prevent disorderly or unruly behavior by tenants or their guests.

Violations will result in "Strike" notices being sent to the owner and/or agent for the rental property. Three "Strikes" may result in the rental license for the property being denied, revoked, suspended or not renewed.

Review City Code 425.21 in its entirety. Behavior outlined in the code includes, but is not limited to:

- Disorderly conduct, noise disturbances, riots.
- Criminal damage of property.
- Public nuisances, garbage and refuse, litter.
- Dog and animal control; dangerous dogs.
- Drug abuse, possession of controlled substances, sale or possession of marijuana, possession or use of drug paraphernalia.
- Sale, consumption and display of liquor and beer.
- Prostitution, indecent exposure, gambling, racketeering.
- Unlawful use or possession of firearms.
- Terroristic threats, assault (excluding domestic assault).
- Contributing to the need for protection or services or delinquency of a minor.
- Interference with a police officer.
- Predatory Offender Registration.
- Crime committed for benefit of a gang.
- Causing or contribution to a child being a runaway.

## COMMON MAINTENANCE ISSUES

Although most buildings have some code violations and/or maintenance problems, the great majority of problems are minor and require little in the way of correction.

On the next two pages are a few of the most common problems found during inspection of a property. This is a guide to correct items before the inspection, but be aware that some work must be done by licensed contractors with a permit.

For questions regarding work that requires a permit, contact city hall at 763-531-1000 or [customerservice@crystalmn.gov](mailto:customerservice@crystalmn.gov).

### Plumbing

Possible plumbing problems include:

- Toilets, sinks, tubs and showers not vented correctly.
- Leaks under sink; rusty sink traps.
- Clean-out covers or plugs that are loose or missing.
- Flexible drain lines only permitted with a smooth interior water way and UPC seal.
- Piping must have smooth interior waterway.
- ABS (black) to PVC (white) plastic plumbing glued together (not permitted).
- Lack of vent fan or window that opens in bathroom.
- Loose toilets or missing tiles in shower/tub area.
- Floor drains without covers.

**NOTE:** Anti-siphon devices prevent water that is not for drinking from being mixed in with drinking water. They must be installed on all outside faucets, laundry tubs with threaded faucets and hand-held shower sprayers that could hang into bathtubs.

### Electrical system

An electrical permit is required for any new or changed wiring. Some electrical problems may be hidden in the walls; however, the city inspector will look for visible conditions that can lead to electric shock or fire. Possible problems that might be found include:

- Bare, damaged, out-of-date or worn wiring; splices or fixtures installed without a junction box.
- Oversized fuses; signs of overloading.
- Loose or damaged fixtures, switches, or outlets.
- Missing outlet or switch covers; missing cover plate on fuse box; missing covers on junction boxes.
- Outside power service lines too low to ground/deck/porch, etc. (Min. 10' above; Pre-1963 a min. of 8' above).
- Incorrectly wired fixtures, switches, or outlets.
- Questionable installations and other hazards.
- Use of extension cords in place of permanent wiring (garage door openers, sump-pumps, etc.) is not permitted.
- Incandescent light bulbs require 12-inch clearance to items that may burn.



### Furnaces and chimneys

Gaps or cracks in the furnace, venting and chimney that let exhaust gases leak into the household are serious. Exhaust leaks are difficult to spot and often go unnoticed until someone is harmed.

The inspector may require a licensed contractor check the equipment to ensure it is in proper working order. In such cases, the licensed contractor must inspect the following:

- Heat exchanger for signs of rust-through.
- Venting and chimney/flue for proper connections, slope and signs of rust-through.
- Gas line and gas shut-off valve.
- Wiring and filter.
- Proper distance from items that will burn.
- Tested for carbon monoxide
- Outside combustion air (OAC).

### Smoke detectors/carbon monoxide alarms

Missing, not working or improperly installed smoke detectors and carbon monoxide alarms are the number one problem noted on most compliance orders. A monthly inspection of all smoke detectors by the owner or manager is strongly recommended.

- Smoke alarms should be replaced every seven to 10 years.
- Smoke alarms must be in each bedroom, hallways leading to bedrooms or within 10 ft. of bedrooms and one on each level of the home.
- Carbon monoxide alarms need to be in hallways leading to bedrooms or within 10 ft. of bedrooms.



# COMMON MAINTENANCE ISSUES CONTINUED

## Exits and Egresses

- Every sleeping room must have two acceptable ways to escape a fire such as a door and a properly-sized window.
- All basement sleeping areas must have an egress window.
- Egress window wells more than 44 inches deep must have a ladder attached.
- Must maintain a clear path to all windows and doors.
- All attic access panels must be gypsum/sheetrock.

## Exterior

Items that require correction outside may include:

- Missing, broken or rotted siding, soffits, fascia, and trim.
- Peeling paint (50% or more per side).
- Leaking foundation.
- Missing, broken or torn window, door or storm screens.
- Missing or broken window or door glass.
- Missing or broken shingles; leaking roof (no curled or cupped shingles)
- Driveway, sidewalk, parking lots in poor condition. If replaced, a permit is required.

## Miscellaneous items

- Missing anti-tip protection on kitchen stove.
- Missing/inoperable window locks within six feet of ground.
- Broken windows.
- Improper storage/disposal of materials.
- Structural problems.
- Holes in fire walls and missing door closers on fire doors
- Missing house/building numbers
- Missing, inoperable, or inadequate locks on door
- Junk and debris in yard.
- Evidence of rats, mice, or cockroach infestation.
- Door locks that require keys to open from inside the home.
- Standing puddles or stagnant water.
- Missing/inadequate handrails or guards on stairs with 4 or more risers.
- Not solid and permanently secured sump pump covers. Sump pumps must have an approved GFCI electrical outlet and discharge to the exterior, not to an interior drain.



## DID YOU KNOW?

- All driveways and parking spaces must be hard-surfaced with asphalt or concrete pavement. A permit is required prior to doing the work.
- The owner of an apartment building is responsible for the removal of snow and ice from parking lots, driveways, steps and walkways within 24 hours of the end of the snowfall.
- Insect screens are required from June 1 to Sept. 1.
- The building entrance or foyer doors must be locked and individual apartment doors must also lock.
- A residence is considered overcrowded if there are more residents than one plus one additional resident for every 150 sq. ft. of finished floor space. Finished space excludes kitchens, bathrooms and utility rooms.
- Rental unit heating systems must maintain heat at 68 degrees at a height of three feet above the floor in all habitable rooms between Oct. 15 through April 15.
- Property maintenance appeal orders must be appealed in writing within 10 business days of service of the orders and submitted to the housing official.
- If the property owner does not reside in Hennepin, Ramsey, Anoka, Carver, Chisago, Dakota, Isanti, Scott, Sherburne, Washington or Wright County, a rental dwelling license will not be issued unless the owner designates in writing the name of a resident agent who resides in the listed counties. The resident agent would be able to respond to any issues at the property on behalf of the owner and responsible for maintenance and upkeep.
- The rental license must be posted in a conspicuous location. In an apartment building with three or more units, the current license must be posted in a frame (with glass or plastic cover) in the main entry.
- A notice will be posted on unlicensed rental dwellings noting the unlicensed rental status.