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Promoting affordable housing to ensure healthy and stable communities.

## What is the “Good Landlord Program”

- Local governments have been imposing disproportionate rental fees to rental units due to increased costs to municipalities. The increased costs come from numerous police calls, need for fire fighters, etc. In response to those types of fees, several years ago Utah Apartment Association (UAA) designed the *good landlord program* which is unique to Utah.
- A disproportionate rental fee means a license fee or a tax on rental housing based on the disproportionate costs of municipal services caused by the rental housing or on an enhanced level of municipal services provided to rental housing (Utah Code 10-1-203).
- Currently, Utah statute requires cities that impose a disproportionate rental fee for the first time or cities that increase or decrease the fees, to establish a *good landlord program* allowing the landlord to qualify for a reduction in fees.
- The state law allows enough flexibility for local governments to create a program that’s **realistic for their jurisdiction**. Utah Code 10-1-203 mandates that the only criteria for the “good landlord program” is:
  - Landlord completes a landlord training program approved by the city;
  - Landlord implements measures to reduce crime in rental housing; and
  - Landlord operates and manages rental housing in accordance with applicable city ordinances.
- During the 2011 Utah General Legislative Session, a bill was passed that addresses some of the unintended consequences of this local policy. House Bill 403, which will become law in May 2011, mandates the following:
  - Prohibits an owner from taking action against a renter for requesting assistance from a public safety agency (defined as a governmental entity that provides fire protection, law enforcement, ambulance, medical, or similar services), and
  - Prohibits municipalities with a good landlord program from limiting owner participation in or benefits from the program under certain circumstances

## Public Policies Across the State

- The overall elements of the ordinances passed already by **Brigham City, Clearfield, Ogden City, Midvale, Washington Terrace, West Jordan City, and West Valley City** are:
  - Mandatory Background Check;
  - Mandatory Credit Check;
  - Mandatory Driver’s License or State Identification;
  - Mandatory Employment/Income verification;
  - Mandatory rental references for the last three years;
  - Landlords must refuse to rent to individuals that :
    - Have been convicted of any drug or alcohol related crime and any crime related to property damage, prostitution, violence of any kind, assault, or crimes that involve weaponry of any kind in the past 3 (three) years, or is on probation or parole in the case of West Jordan City; and

- Appear on the Utah Sex Offender Registry
  - Landlord can evict in three days tenants that are involved in drugs, criminal activity, or other illegal activities; and
  - Landlords are terminated from the program if:
    - Landlord fails to fulfill its obligations; or
    - Landlord has more than 2 violations of the ordinance; or
    - There are two calls for service (police) per door (Brigham City, Clearfield and West Valley City). There are no exceptions if the calls are made due to domestic violence situations.
      - With the new law that will take effect in May 2011, this specific issue will be addressed directly so renters will not be evicted for calling public agencies, and landlords will not be dropped from the program if their renters make the calls.
- Other cities that implemented *good landlord programs* are **Salt Lake City (*Landlord/Tenant Initiative*)**, **South Salt Lake**, and **Taylorsville**:
  - **Salt Lake City** has the most inclusive ordinance. Some of its provisions require:
    - Mandatory lease;
    - Require non-discrimination and fair housing as provided in local, state, and federal law;
    - Prohibit retaliation against any tenant as the result of reporting violations of a lease agreement, rental dwelling management agreement, or the City Code;
    - Require two semi-annual meetings between landlords and tenants;
    - Encourage, but not require criminal background check; and
    - Direction on the content of the landlord training.
  - The **South Salt Lake** ordinance requires the landlord to serve notice of eviction upon a tenant within 5 days of receiving substantial evidence that a tenant or tenant's guest has been involved in criminal or nuisance activity on the premise. ACLU of Utah raised issues with such clause when another city was in the process of adopting such ordinance. The clause might violate the procedural due process rights of landlords.
  - Landlords in **Taylorsville** who want to be part of this program have to conduct criminal background checks, assure that landlord doesn't allow any crime on the property and initiate prompt eviction where legally permissible of any tenant committing any crime. Taylorsville's ordinance is the only one so far that has detailed requirements regarding the structure of the building. Some of them are:
    - Provide adequate locks to all exterior doors;
    - Provide kitchen facility with at least one operative sink, free from leaks with hot water of at least one hundred ten degrees Fahrenheit and cooking oven or stove; or
    - Maintain paint, siding, stucco, brick, etc., in good repair, free from peeling, holes or cracks.

### **Potential Issues - Unintended consequences**

- The *good landlord program* is promoted as a voluntary program. A disproportionate rental fee can be as high as \$170/year per rental unit and is applied to all landlords, no matter of the crime statistics for a specific rental unit property. If the landlord decides to be part of the program, the fee, for example, can be reduced to \$10. Due to such significant financial incentive, the *voluntary* argument doesn't really have any standing anymore:
 

***The landlord doesn't have much of a choice but to opt into the program.***
- Except Salt Lake City, these ordinances have no mention of disclosing renters' rights, exclusions, or discretionary practices.
- Housing advocates strongly believe that a disparate impact is created by denying housing to certain at-risk populations:
  - Formerly homeless population (alcohol or drug crime)
  - Domestic violence victims (calls to police)
  - People with a mental illness (public nuisances or disturbances)
  - People with disabilities due to drug usage (criminal record)

- The policies that mandate landlords to not rent to someone with a criminal record don't help rehabilitating the individual and reintegrating him or her into society. Worse, it puts the individual back in the vicious criminal cycle.
- Some of the policies result in many mandates for landlords and their businesses.
- We are not aware of any proposed ordinance that will require landlords to require the submission of evidence of citizenship or eligible immigration status, and/or denying housing based on the immigration status.
- Another trend that is clearly emerging supports the argument that such programs don't fix crime, but relocates crime. The following information is a short analysis based on the statistics available on the FBI Web site just for one crime issue (property crime). Ogden implemented their GLP ordinance in 2006-2007, and the other cities don't have it yet. Roy and Layton are neighboring cities.

○	OGDEN	2006 Total population	80,861	Property Crime ONLY	5,029
○	ROY	2006 Total population	36,377	Property Crime ONLY	685
○	LAYTON	2006 Total Population	63,795	Property Crime ONLY	1,953
○	OGDEN	2008 Total population	83,353	Property Crime ONLY	4,200
○	ROY	2008 total population	35,279	Property Crime ONLY	802
○	LAYTON	2008 Total Population	65,029	Property Crime ONLY	2,148

### Other Information

- The cities that adopted this program partner with UAA to provide the mandatory landlord training. UAA provides 70% of the training, and the police and other city staff teach the rest. UAA is charging a fee (an average of \$60) per participant to provide the classes. More information is available on their Web site <http://www.uaahq.org/good-landlord-program.php>.
- Housing advocates have been successful in collaborating with Salt Lake City and Taylorsville to have broader and more renter-friendly ordinances. These two cities didn't include the pre-emptive statement on denying housing to individuals with a crime on their record in the past three years.
- North Ogden, Provo, and St. George are some of the cities looking at creating *good landlord programs*.

### Recommendations to improve the program

#### Goals

Identify goals in order to fulfill Utah code requirements (10-1-203) when imposing disproportionate rental fees on property owners.

#### Standardized Lease

Require the use of a standardized lease for property owners according to Utah's law; the lease shall have a clear statement of fair housing and non-discrimination policies based on local, state, and federal laws.

#### Crime Free Lease Addendum

Renters have to sign a Crime Free Lease Addendum to make sure they are fully aware that illegal activities are not tolerated on the property and are cause for eviction; illegal and criminal activities shall be defined.

#### Public Nuisance

"Public Nuisance" as being one of the causes for eviction, shall be explicitly defined and reasonably enumerated.

#### Fit Premises Act

Property owners and renters must abide by the Fit Premises Act; the Act must be attached to the lease; a reasonable timeline shall be created for the property owners to fulfill their responsibilities; fee charges shall be applied if the problems are not taken care of in a fashionable manner.

**No Retaliation**

Prohibit retaliation against any tenant as the result of reporting violations of a lease agreement, rental dwelling management agreement, City Code or state and federal laws.

**Measures to Reduce Crime**

Define what “implement measures to reduce crime” will involve.

**Crime Victims**

No retaliation against victims of crimes committed against them; a crime victim shall have the right to sign a new lease; same criteria shall be applied as for any other prospective renter; property owner shall have the right to evict the adult leasee who committed the crime.

**Criminal Background Check**

Allow flexibility to property owners to create specific partnerships and additional agreements with renters that have a history on their criminal background check; renters shall bring all necessary documentation to prove time served, good behavior, integration in society, efforts to cease drug usage, etc.

**Supportive Housing**

Constitutionally fit exclusions on supportive housing.

**Record of Housing Denials and Evictions**

Property owners must be required to keep a log of all of the housing denials and evictions when the *Good Landlord Program* is used as a premise for eviction or denial; the log shall be available to the city when requested.

**Communication**

Encourage at least two annual general meetings between the property owner and renters.

**Training Program for Property Owners**

The property owner training program shall be taught in three equal parts by the property owners association, housing advocates or renters association, and city staff; the programs' curriculum shall be clearly defined and enumerated; a reasonable charge fee can be applied to property owners to attend the training.

**Disproportionate Rental Fees**

The disproportionate rental fees applied to property owners shall be structured on an increasing scale based on different criteria, such as non-compliance with fit premises act, allowing crime on the property, complaints from neighbors, etc.

**Incentive to Property Owners**

A clear incentive has to be identified and provided to the property owners who chose to be part of this program.

**Elimination from the Program**

Clearly defined reasons for eliminating a property owner from this program.

**Taskforce**

A taskforce shall be created to address grievances from property owners and renters in regards to this program, including elimination of a property owner, housing denial or eviction of a renter; the taskforce shall be represented equally by the property owners, renters, city staff and a local elected official.

**Responsible Property Owners**

Create an award system for responsible property owners; outline consequences for repetitive violations of the ordinance, including revoking the license.

**Enforcement**

A city office has to be identified to implement this program.

**Property Owners and Renters Rights**

A summary of the property owners' and renters' rights have to be made available in a conspicuous place on the property.

*This policy review on the “good landlord program” is a work in progress and is a collaboration between Utah Housing Coalition and Salt Lake Community Action Program.*

*In spring 2009, Utah Housing Coalition collaborated with a number of agencies and individuals to address this specific public policy. The result was the above recommendations sent to Salt Lake City Council.*

*For more information, please contact:*

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