



AGENDA

Housing, Neighborhood Services and Redevelopment Policy Committee

Thursday, September 7, 2023, 10:00 a.m.

VIRTUAL MEETING

City of Aurora

15151 E Alameda Parkway

Public Participation Dialing Instructions

Dial Access Number: 1.408.418.9388 | Access code: 2492 752 4542 | Event password: aurora | This meeting will be live-streamed city's YouTube channel. Watch at [YouTube.com/TheAuroraChannel](https://www.youtube.com/TheAuroraChannel).

Council Member Crystal Murillo, Chair

Council Member Juan Marcano, Vice Chair

Council Member Alison Coombs

The Housing, Neighborhood Services and Redevelopment Policy Committee's goal is to:

- Maintain high quality neighborhoods with a balanced housing stock by enforcing standards, in relation to new residential development, and considering new tools to promote sustainable infill development;
- Plan for redevelopment of strategic areas, including working with developers and landowners, to leverage external resources and create public-private partnerships

Pages

1. Call to Order

2. Approval of Minutes

2.a August 3, 2023

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3. Announcements

4. New Items

4.a Habitability Amendments to Chapter 22 of Aurora City Code

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Agenda long title: FOR AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO, AMENDING SECTION 22-567, SECTION 22-568, AND SECTION 22-610, AND ADDING SECTION 22-611 TO THE CITY CODE PERTAINING TO HABITABILITY

Sponsor name: Councilmember Juan Marcano

Staff source name and title/Legal source name and title: N/A/Michelle Gardner, Sr. Assistant City Attorney

Estimate time: 15 minutes

4.b Ordinance Amending Chapter 86 to add Residential Rental Licensing Program

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Agenda long title: An ordinance of the City Council of the city of Aurora, Colorado amending the Aurora City Code by adding Article VIII of Chapter 86 establishing a system of licensing and inspections of certain long-term residential rental properties and other related matters.

Item Initiator: Juan Marcano, Councilmember

Legal Source: Michelle Gardner, Sr. Assistant City Attorney

Estimated Time: 15 minutes

5. Miscellaneous Matters for Consideration

5.a Updates From Community Members

6. Adjournment

**HOUSING, NEIGHBORHOOD SERVICES & REDEVELOPMENT POLICY
COMMITTEE**
August 3, 2023

Members Present: *Council Member, Chair Crystal Murillo*
 Council Member, Juan Marcano
 Council Member, Alison Coombs

Others Present: Mattye Sisk, Tim Joyce, Cristal Dukes, Michael Bryant, Angela Garcia,
 Daniel Brotzman, Emma Knight, Jessica Prosser, Roberto Venegas,
 Jacquelyn Bayard, Omar Lyle, Melissa Rogers, Bianca Lopez, Alicia
 Montoya, Sandra Youngman, Bianey Castro, Scott Campbell, Emily Fuller,
 Sunny Banka, Michelle Gardner, Jeff Hancock, Sarah Carroll, Kelsey
 DuLaney

WELCOME AND INTRODUCTIONS

Council Member Murillo welcomes everyone to the meeting.

MINUTES

July 6, 2023 minutes are approved

ANNOUNCEMENTS

Alicia Montoya introduced Kelsey DuLaney, the new Housing Compliance Officer at the city, emphasizing that she will represent the city internally and externally, mainly dealing with HUD funding regulations.

NEW ITEMS

Homeless Division Update

Summary of Issue and Discussion

Emma Knight, the Manager of Homelessness provided an update on various initiatives and developments within her division. She discussed an upcoming notice of funding for Homeless Services, which will be released on August 15, with an Info Session and Q&A scheduled for August 21. Applications will be due on August 28, with reviews expected to be finished by September 8, and presentation to the council on September 15. E. Knight also mentioned that funding levels had decreased from previous years, particularly the marijuana fund. She shared outcomes from 2022 to 2023, highlighting that the funds provided services to just under 3,000 people and just over a thousand households. This assistance included employment, education, case management, and behavioral health services.

E. Knight updated the council on the Navigation Campus project, for which they asked for \$22 million from the state and have received matching funds from various sources. She noted that the design of the campus would be finalized once the funding amount was known. She also discussed the recent Point in Time count, a one-night snapshot of homelessness in the area, explaining the HUD definition of "literal homelessness" used in the count. According to the count, the Denver metro area had just over 9,000 homeless individuals, while Aurora had 572. Emma cautioned against using these numbers to infer a decrease in homelessness, noting that many variables can influence the count. She also mentioned ongoing hiring processes within the Homeless Program,

with two outreach workers and a data analyst to be hired soon. The program also sought to replace a position in the abatement liaison staff.

Questions/Comments

Council Member (CM) Coombs inquired about the Point in Time count data, specifically whether the data indicates if individuals became homeless in Colorado or were homeless upon arriving in the state. E. Knight responded that she was unsure if this information was reflected in the MDHI portal and committed to checking this information and getting back to CM Coombs.

CM Coombs then asked about the capacity and waitlists for mental health services, especially for youth, expressing concern over the reported shortages in this area. E. Knight mentioned that Aurora Mental Health was expanding its Potomac campus to increase capacity and services. Jessica Prosser added more detail, discussing recent efforts to improve services at the walk-in and crisis clinics. She mentioned the expansion of the Mobile Response Team and collaboration with Aurora Fire Rescue to build capacity in their community health program. She also noted that they don't have a specific funding stream for behavioral health services but are trying to address gaps by leveraging resources from agencies they've already funded.

CM Coombs also asked about the potential jeopardy of state funding due to competition with Denver and other programs, particularly regarding the campus they're building. She sought ideas on the process and potential steps to improve their chances of success.

E. Knight acknowledged the competition from other applicants for the Navigation Campus but reassured that, based on their interactions with the state, they were likely to receive some funding. She invited Jessica Prosser and Roberto Venegas to add any further details on state funding streams.

Jessica Prosser discussed some unsuccessful applications from Aurora and its partners, alongside successful ones from Denver and other areas. She stated that they were monitoring what was getting funded in Aurora and other places. She mentioned that while Denver has received considerable attention recently, Aurora's application for the Navigation Campus, which involves a larger, multifaceted project, is unique, increasing hopes for significant funding. R. Venegas commended the efforts of E. Knight, J. Prosser, and their teams in preparing the application and emphasized that Aurora has a strong case for funding due to committed support, regional collaboration, and city-owned site. He, however, expressed concerns about Denver's possible large funding requests and the state's allocation method.

CM Coombs inquired about updates regarding the Request for Proposals (RFP) for nonprofits operations. E. Knight responded that they should have an update at the next HORNS Meeting, mentioning that the original deadline had been extended upon the request of interested applicants. J. Prosser added that they received feedback from four agencies attending a pre-proposal meeting, commenting that they were asking for a lot. She further elaborated on the composition of the robust committee put together to review these applications, which included representation from counties, staff, and people with lived experiences.

CM Marcano inquired about contingency plans in case they did not receive the necessary funding from the state for the campus. E. Knight stated that the intention was to build the campus regardless of state funding, potentially adjusting the scale according to the amount received. They were committed to increasing capacity for the homeless population and would seek other sources of funding if necessary. R. Venegas stated that even without state funding, they had about \$20 million already committed from ARPA and other funds. If they needed more funding, they would explore

other sources, possibly private, or potentially dip into their General Fund budget. However, they were ready to pursue a scaled-down version of the campus if necessary and would consult the Council about additional fundraising and scaling options.

CM Marcano asked a question regarding the Point in Time count and whether they knew if any homeless individuals had sought shelter in other jurisdictions during a brutal cold snap earlier in the year. E. Knight didn't have specific data on this but acknowledged that such a movement would make sense, especially considering that people might have sought shelter in hospitals or friends' homes during the cold, which they couldn't track. CM Marcano expressed concern about the lack of tracking for homeless individuals who end up in hospitals and stressed the need for improved data collection. E. Knight mentioned that they had ongoing discussions with hospitals to improve the tracking of homeless individuals. They had attempted to collect data by placing personnel outside hospitals during the Point in Time count. These discussions would continue to ensure that the hospitals are involved as much as possible.

CM Marcano suggested involving hospitals financially in their endeavors, particularly if state funding fell short, given the significant impact homelessness has on hospital resources. He mentioned that investment from hospitals in addressing the root cause of homelessness could be more cost-effective than their current primary care role.

Outcome – Informational only.

MISCELLANEOUS MATTERS FOR CONSIDERATION

None.

Next meeting: September 7, 2023

Meeting Adjourned: August 3, 2023 10:45 AM

APPROVED: _____
Committee Chair, Crystal Murillo



CITY OF AURORA

Council Agenda Commentary

Item Title: Habitability Amendments to Chapter 22 of Aurora City Code
Item Initiator: Juan Marcano, City Council Member
Staff Source/Legal Source: Michelle Gardner, Senior Assistant City Attorney
Outside Speaker: None
Council Goal: 2012: 4.5--Maintain high-quality, livable neighborhoods

COUNCIL MEETING DATES:

Study Session: N/A

Regular Meeting: N/A

2nd Regular Meeting (if applicable): N/A

Item requires a Public Hearing: Yes No

ITEM DETAILS *(Click in highlighted area below bullet point list to enter applicable information.)*

- Agenda long title
- Waiver of reconsideration requested, and if so, why
- Sponsor name
- Staff source name and title / Legal source name and title
- Outside speaker name and organization
- Estimated time (For Study Session items only, indicate combined time needed for presentation and discussion)

Agenda long title: FOR AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO, AMENDING SECTION 22-567, SECTION 22-568, AND SECTION 22-610, AND ADDING SECTION 22-611 TO THE CITY CODE PERTAINING TO HABITABILITY

Sponsor name: Councilmember Juan Marcano

Staff source name and title/Legal source name and title: N/A/Michelle Gardner, Sr. Assistant City Attorney

Estimate time: 15 minutes

ACTIONS(S) PROPOSED *(Check all appropriate actions)*

- Approve Item and Move Forward to Study Session Approve Item as Proposed at Study Session
- Approve Item and Move Forward to Regular Meeting Approve Item as Proposed at Regular Meeting
- Information Only
- Approve Item with Waiver of Reconsideration
Reason for waiver is described in the Item Details field above.

PREVIOUS ACTIONS OR REVIEWS:

Policy Committee Name: N/A

Policy Committee Date: N/A

Action Taken/Follow-up: (Check all that apply)

- | | |
|---|--|
| <input type="checkbox"/> Recommends Approval | <input type="checkbox"/> Does Not Recommend Approval |
| <input type="checkbox"/> Forwarded Without Recommendation | <input type="checkbox"/> Minutes Not Available |
| <input type="checkbox"/> Minutes Attached | |

HISTORY *(Dates reviewed by City council, Policy Committees, Boards and Commissions, or Staff. Summarize pertinent comments. ATTACH MINUTES OF COUNCIL MEETINGS, POLICY COMMITTEES AND BOARDS AND COMMISSIONS.)*

Councilmember Juan Marcano is sponsoring this item and has requested to be added to HoRNS Policy Committee Meeting.

ITEM SUMMARY *(Brief description of item, discussion, key points, recommendations, etc.)*

Amendments to Aurora City Code, amending section 22-567, 22-568, and section 22-610, and adding section 22-611 to the City Code pertaining to habitability. Certain definitions and penalties are added to support code enforcement of public health, safety, welfare and human habitability concerns.

FISCAL IMPACT

Select all that apply. (If no fiscal impact, click that box and skip to "Questions for Council")

- | | | |
|--|--|--|
| <input type="checkbox"/> Revenue Impact | <input type="checkbox"/> Budgeted Expenditure Impact | <input type="checkbox"/> Non-Budgeted Expenditure Impact |
| <input type="checkbox"/> Workload Impact | <input type="checkbox"/> No Fiscal Impact | |

REVENUE IMPACT

Provide the revenue impact or N/A if no impact. (What is the estimated impact on revenue? What funds would be impacted? Provide additional detail as necessary.)

BUDGETED EXPENDITURE IMPACT

Provide the budgeted expenditure impact or N/A if no impact. (List Org/Account # and fund. What is the amount of budget to be used? Does this shift existing budget away from existing programs/services? Provide additional detail as necessary.)

NON-BUDGETED EXPENDITURE IMPACT

Provide the non-budgeted expenditure impact or N/A if no impact. (Provide information on non-budgeted costs. Include Personal Services, Supplies and Services, Interfund Charges, and Capital needs. Provide additional detail as necessary.)

WORKLOAD IMPACT

Provide the workload impact or N/A if no impact. (Will more staff be needed or is the change absorbable? If new FTE(s) are needed, provide numbers and types of positions, and a duty summary. Provide additional detail as necessary.)

QUESTIONS FOR COUNCIL

Does Council wish to move this ordinance item forward to Study Session?

LEGAL COMMENTS

Council members have authority to place items on Council agendas. Each such item shall indicate the party requesting the item. (City of Aurora City Council Rule of Order and Procedure Section B.2(a)).

The Council shall have all legislative powers of the city and all other powers of a home rule city not specifically limited by the Constitution of the State of Colorado and not specifically limited or conferred upon others by the Charter. (City Charter Section 3-9).

Council shall act only by ordinance, resolution or motion. All legislative enactments must be in the form of ordinances; all other actions, except as herein provided, may be in the form of resolutions or motions. (City Charter Section 5-1). (M. Gardner)

ORDINANCE NO. 2023 ____

A BILL

FOR AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO, AMENDING SECTION 22-567, SECTION 22-568, AND SECTION 22-610, AND ADDING SECTION 22-611 TO THE CITY CODE PERTAINING TO HABITABILITY

WHEREAS, a dwelling premises is unfit for human habitation when it is dangerous or detrimental to life, limb, or public health for want of repair; defects in plumbing, lighting, ventilation; lack of running water or heat; or unsanitary conditions likely to cause sickness among dwelling occupants; and

WHEREAS, the City Council finds that within the City of Aurora there exist dwellings that are unfit for human habitation due to deterioration, dilapidation, lack of ventilation, light, sanitary facilities, lack of running water or heat, existence of dangerous mold, or other conditions rendering such dwellings as unsafe, dangerous or detrimental to life, limb or public health; and

WHEREAS, the City Council finds that the existing Health and Housing Code adopted under Article XV of City Code should be supplemented with certain provisions consistent with state law and the International Property Maintenance Code (IPMC) that could authorize a health officer to enforce additional habitability provisions related to dwelling units and residential premises determined unfit for human habitation; and

WHEREAS, recognizing provisions of Colorado Revised Statutes Sections 38-12- 501 through 38-12-511 regarding unlawful landlord/tenant habitability encourages owners as landlords and residents as tenants to maintain and improve the quality of housing in the City of Aurora; and

WHEREAS, the City Council finds the need for enhanced enforcement of habitability and nuisance violations by owners of residential buildings who allow uninhabitable conditions to exist for their residents or who displace residents from their dwellings due to the existence of uninhabitable conditions; and

WHEREAS, the City Council finds that establishing minimum fines for violations of Section 22-604 will promote responsible property management by owners of residential buildings and dissuade uninhabitable or nuisance conditions to exist; and

WHEREAS, the City Council finds it to be in the interest of the health, safety and welfare of the residents of the City of Aurora to amend certain sections of Chapter 22 of City code pertaining to habitability in order to further the intent and purposes aforementioned.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO:

Section 1. Section 22-567 of the City Code of the City of Aurora, Colorado, is hereby amended to add or amend definitions of “*common areas*”, “*International Property Maintenance Code*”, “*mold*”, “*nuisance*”, “*owner*”, and “*residential premises*”, and shall read as follows:

Sec. 22-567. Definitions.

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Applicable health laws means laws promulgated for the purpose of promoting health, life and public welfare by standards, regulations or ordinances duly adopted by the state or an agency thereof or the City.

Approved, as to materials installed and maintained and types of construction, means the approval by the chief building official as the result of investigation and tests conducted by him or her or by reason of accepted principles or tests by national authorities, technical or scientific organizations.

Basement means that portion of the building between floor and ceiling which is wholly or partly below grade and so located that the vertical distance from grade to the floor below is greater than the vertical distance from grade to ceiling.

Building means any structure built for the support, shelter or enclosure of persons, animals, chattels or property of any kind.

Building code means the International Residential Code (I.R.C.) published by the International Code Council as adopted by the City in section 22-131.

“Common areas” means the facilities and appurtenances to a residential premises, including the grounds, areas, stairs, elevators and facilities held out for the use of tenants generally or whose use is promised to a tenant.

Deteriorated means not reasonably weathertight, watertight and rodent resistant, including but not limited to rusting, warping, splitting and buckling, or any portion of a dwelling or mechanical device which does not function as designed and intended.

Dwelling means any building or portion thereof which provides shelter for human habitation or residential purposes.

Dwelling unit means one or more habitable rooms which are occupied by one family with facilities for living and sleeping purposes.

Garbage means any and all rejected or waste household food, offal, swill, kitchen refuse, and every refuse accumulation of animal, fruit or vegetable matter, liquid or otherwise, that attends the preparation, use, cooking, and dealing in or storing of food or meat, fish, fowl, fruit or vegetables.

Garden level means that portion of a building between floor and ceiling which is partly below and partly above grade, but so located that the vertical distance from grade to the floor below is less than the vertical distance from grade to the ceiling.

Habitable room means any room meeting the requirements of this article for living, sleeping, eating

or cooking or combination thereof, but not including bathrooms, toilet compartments, closets, pantries, service rooms, connecting corridors, laundries, unfinished attics, foyers, storage spaces, utility rooms and similar spaces.

Health officer means a person or his or her duly authorized representative appointed to serve the City in such capacity by the city manager.

Hot water means water at a temperature of not less than 120 degrees Fahrenheit.

Infestation means the presence within or around a dwelling of insects, rodents, vermin or other pests of such kind or in such numbers as to cause a hazard to health.

***International Property Maintenance Code* means the International Property Maintenance Code 2021 Edition, first printing, January 2021, published by the International Code Council, Inc., abbreviated as “IPMC”, and is the model code regulations for property maintenance and management of existing buildings.**

Kitchen means a room or a portion thereof used or designed to be used for the preparation of food.

***Mold* means microscopic organisms or fungi that can grow in damp conditions in the interior of a building.**

Nuisance means as follows:

- (1) Any public nuisance known at common law or in equity jurisprudence.
- (2) Any attractive nuisance which may prove detrimental to children, whether in a building, on the premises surrounding a building, **in a common area**, or upon an unoccupied lot. This includes any abandoned wells, shafts, basements or excavations; abandoned refrigerators and abandoned or junked motor vehicles; any structurally unsound fences or structures; or any lumber, trash, fences, debris or vegetation which may prove a hazard for minors; **or any garbage or trash that cannot be contained sufficiently within the required number of exterior receptacles for a building.**
- (3) Whatever is dangerous to human life or is detrimental to health, as determined in accordance with applicable health laws.
- (4) Occupancy in excess of the requirements of this article.
- (5) Ventilation, heating or illumination insufficient to meet the requirements of this article or applicable health laws.

- (6) Sewer or plumbing facilities insufficient to meet the requirements of this article or applicable health laws.
- (7) Uncleanliness in violation of applicable health laws.
- (8) Whatever renders air, food or drink unwholesome or detrimental to the health of human beings as provided by applicable health laws.
- (9) The existence of mold that

Occupant includes any person living, sleeping, cooking or eating in or having actual possession of a dwelling unit or rooming unit.

Owner includes any person who, alone or jointly or severally with others:

- (1) Has a legal, **contractual**, or equitable interest in a dwelling unit, with or without accompanying actual possession thereof, **including but not limited to lessors, sublessors, and property managers, whether on site or off site;**
- (2) Acts as the agent of a person having a legal or equitable interest in a dwelling or dwelling unit thereof; or
- (3) Is the general representative or fiduciary of an estate through which a legal or equitable interest in a dwelling unit is administered.

“Residential premises” means a dwelling unit, the structure of which the unit is a part, and the common areas.

Rubbish means all accumulations of waste, refuse and rejected animal, mineral or vegetable matter, except garbage and manure.

Running water means water that comes into a structure through pipes.

Story means that portion of a building, other than a basement as defined in the building code adopted in section 22-131, included between the surface of any floor and the surface of the next floor above it, then the space between the surface of the floor and ceiling next above it.

Substandard buildings or premises means all buildings or portions thereof on the premises on which they are located which do not conform to the standards established by this article.

Trash includes ashes, wastepaper, cans, bottles, broken china, sawdust, leaves, grass cuttings, shrubbery and tree trimmings, shavings, packing material, but not including garbage, manure or debris.

Used includes the term "designed" or "intended to be used."

Window means a glazed opening, including glazed doors which open onto a yard, court or a recess from a court, open and unobstructed to the sky.

Section 2. Section 22-568 of the City Code of the City of Aurora, Colorado, is hereby amended and shall read as follows:

Sec. 22-568. Violations. Unless a violation of this article by its nature cannot be corrected, each day's failure to comply with this article shall constitute a separate violation, the mandatory minimum penalty for which shall be the imposition of a fine in the amount of \$~~50.00~~**500.00** that may be suspended only on the condition that the violation shall be corrected within a period of 30 days. Any violation which by its nature cannot be corrected is punishable in accordance with section 1-13. Upon conviction of violation by the municipal court, the city manager or his or her authorized representative may post the building or portion thereof as being substandard. Such notice shall remain until the violation is corrected. **Fines collected under this Section shall be allocated to a designated abatement fund for enforcement of the Health and Housing Code.**

Section 3. Section 22-610 of the City Code of the City of Aurora, Colorado, is hereby amended and shall read as follows:

Sec. 22-610. Unfit for Human Habitation.

A structure is unfit for human habitation whenever the code official finds that such structure is unsafe, unlawful or, because of the degree to which the structure is in disrepair or lacks maintenance, is unsanitary, vermin or rat infested, contains filth or contamination, or lacks ventilation, illumination, sanitary or heating facilities, running water, or other essential equipment required by this article, or because the location of the structure constitutes a hazard to the occupants of the structure or to the public, **or, an adequate number of appropriate exterior receptacles for garbage are not kept in good repair, or floors, stairways, and railings are not maintained in good repair, or there is mold that is associated with dampness, or there is any other condition causing the dwelling unit or habitable room to be damp, which condition, if not remedied, would materially interfere with the health or safety of the tenant, excluding the presence of mold that is minor and found on surfaces that can accumulate moisture as part of their proper functioning and intended use.**

Section 4. Severability. The provisions of this Ordinance are hereby declared to be severable. If any section, paragraph, clause, or provision of this Ordinance shall, for any reason, be held to be invalid or unenforceable by a court of competent jurisdiction, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Ordinance.

Section 5. Pursuant to Section 5-5 of the Charter of the City of Aurora, Colorado, the second publication of this Ordinance shall be by reference, utilizing the ordinance title. Copies of this Ordinance are available at the Office of the City Clerk.

Section 6. All acts, orders, resolutions, ordinances, or parts thereof, in conflict with this Ordinance or with any of the documents hereby approved, are hereby repealed only to the extent of such conflict. This repealer shall not be construed as reviving any resolution, ordinance, or part thereof, heretofore repealed.

INTRODUCED, READ, AND ORDERED PUBLISHED this _____ day of ____, 2023. PASSED
AND ORDERED PUBLISHED this _____ day of _____, 2023.

MIKE COFFMAN, Mayor

ATTEST:

KADEE RODRIGUEZ, City Clerk

APPROVED AS TO FORM:

RLA

Michelle Gardner
MICHELLE GARDNER, Sr. Assistant City Attorney



CITY OF AURORA

Council Agenda Commentary

Item Title: Ordinance Amending Chapter 86 to add Residential Rental Licensing Program
Item Initiator: Juan Marcano, City Council Member
Staff Source/Legal Source: Michelle Gardner, Senior Assistant City Attorney
Outside Speaker: None
Council Goal: 2012: 4.5--Maintain high-quality, livable neighborhoods

COUNCIL MEETING DATES:

Study Session: N/A

Regular Meeting: N/A

2nd Regular Meeting (if applicable): N/A

Item requires a Public Hearing: Yes No

ITEM DETAILS *(Click in highlighted area below bullet point list to enter applicable information.)*

Agenda long title: An ordinance of the City Council of the city of Aurora, Colorado amending the Aurora City Code by adding Article VIII of Chapter 86 establishing a system of licensing and inspections of certain long-term residential rental properties and other related matters.

Item Initiator: Juan Marcano, Councilmember

Legal Source: Michelle Gardner, Sr. Assistant City Attorney

Estimated Time: 15 minutes

ACTIONS(S) PROPOSED *(Check all appropriate actions)*

- Approve Item and Move Forward to Study Session Approve Item as Proposed at Study Session
- Approve Item and Move Forward to Regular Meeting Approve Item as Proposed at Regular Meeting
- Information Only
- Approve Item with Waiver of Reconsideration
Reason for waiver is described in the Item Details field above.

PREVIOUS ACTIONS OR REVIEWS:

Policy Committee Name: N/A

Policy Committee Date: N/A

Action Taken/Follow-up: *(Check all that apply)*

- Recommends Approval Does Not Recommend Approval

Forwarded Without Recommendation

Minutes Not Available

Minutes Attached

HISTORY *(Dates reviewed by City council, Policy Committees, Boards and Commissions, or Staff. Summarize pertinent comments. ATTACH MINUTES OF COUNCIL MEETINGS, POLICY COMMITTEES AND BOARDS AND COMMISSIONS.)*

Councilmember Juan Marcano requested this item be added to the next HoRNS meeting

ITEM SUMMARY *(Brief description of item, discussion, key points, recommendations, etc.)*

This proposed ordinance amends the Aurora City Code by adding Article VIII of Chapter 86 establishing a system of licensing and inspections of certain long-term residential rental properties and other related matters.

FISCAL IMPACT

Select all that apply. (If no fiscal impact, click that box and skip to "Questions for Council")

- Revenue Impact Budgeted Expenditure Impact Non-Budgeted Expenditure Impact
- Workload Impact No Fiscal Impact

REVENUE IMPACT

Provide the revenue impact or N/A if no impact. (What is the estimated impact on revenue? What funds would be impacted? Provide additional detail as necessary.)

BUDGETED EXPENDITURE IMPACT

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WORKLOAD IMPACT

Provide the workload impact or N/A if no impact. (Will more staff be needed or is the change absorbable? If new FTE(s) are needed, provide numbers and types of positions, and a duty summary. Provide additional detail as necessary.)

QUESTIONS FOR COUNCIL

Does Council wish to move this ordinance item forward to Study Session?

LEGAL COMMENTS

Councilmembers have authority to place items on the Council agenda. Each such item shall indicate the party requesting the item. (City of Aurora City Council Rule of Order and Procedure Section B.2(a)).

The Council shall have all legislative powers of the City and all other powers of a home rule city not specifically limited by the Constitution of the State of Colorado and not specifically limited or conferred upon others by the Charter. (City Charter Article 3-9).

Council shall act only by ordinance, resolution or motion. All legislative enactments must be in the form of ordinances; all other actions, except as herein provided, may be in the form of resolutions or motions. (City Charter Article 5-1). (M. Gardner)

ORDINANCE NO. 2023- ____

A BILL

FOR AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO, AMENDING THE AURORA CITY CODE BY ADDING ARTICLE VIII OF CHAPTER 86 ESTABLISHING A SYSTEM OF LICENSING AND INSPECTIONS OF CERTAIN LONG-TERM RESIDENTIAL RENTAL PROPERTIES, AND OTHER RELATED MATTERS

WHEREAS, the City of Aurora, Colorado, (the “City”), is a home rule municipality, organized and existing under Article XX, Section 6 of the Colorado Constitution and is authorized to pass ordinances and regulate local affairs including ordinances for the administration and the regulation of business activities within the City; and

WHEREAS, the transactions related to the rental and leasing of residential properties within the City are business transactions subject to regulation within the City; and

WHEREAS, the City Council finds that regulating the rental and leasing of certain residential rental properties is in the best interest of the City and promotes the health, safety and welfare of Aurora’s citizens.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO.

Section 1. The City Code of the City of Aurora is hereby amended by adding a new Chapter VIII to section 86, that shall read as follows:

ARTICLE VIII. LICENSING OF RESIDENTIAL RENTAL PROPERTY.

Sec. 800. Legislative intent. The purpose of this article is to regulate the business activity of renting residential real estate property and regulate the habitability of certain buildings, structures, dwelling units or accessory dwelling units that are rented or offered for rent as long-term residential rental properties in the City of Aurora for commercial purposes. This code shall be construed to ensure public health, safety, and welfare insofar as they are affected by the continued occupancy and maintenance of these structures and premises. In the future, efficiency standards for rental properties to ensure improved indoor air quality and affordability of rentals for tenants and landlords may be implemented into these provisions.

Sec. 801. Definitions.

In addition to the definitions provided in section 86-26 of this Chapter, the following terms shall have the respective meanings assigned to them:

(1) *Department* means the Finance Department and its licensing division.

(2) *Director* means the Director of Finance, the Manager of the Licensing Division or designee.

(3) *Dwelling unit* shall have the meaning set forth in the Uniform Development Code.

(4) *Home inspector* means a professional who meets the following qualifications:

a. Certified by either the American Society of Home Inspectors, Inc., the International Association of Certified Home Inspectors, Inc., or the Master Inspector Certification Board, Inc.; and

b. Certified as a Combination Building Inspector by the International Code Council.

(4) *Rent* means receiving or offering money, services, or other remunerations in exchange for occupation of a residential property.

(5) Residential business activity means, an activity that is commercial in nature in which the licensee is engaged as a full-time commercial activity.

(6) *Residential rental property* means any building(s), structure(s), or accessory dwelling unit consisting of two or more residential units that is rented or offered for rent as a residence. Residential rental property does not include a single unit, residential basement or partial basement, or room rented by a person not engaged in residential business activity as defined in this section.

Sec. 802 License required.

(a) *License required – residential rental property: apartment complexes and multi-unit homes.* After January 1, 2024, it shall be unlawful for any person engaged in real estate rental and leasing to offer, provide, or operate a residential rental property consisting of two (2) or more dwelling units on a parcel under that person's ownership without first obtaining a license for that residential rental property as provided in this article VIII, and in compliance with any and all applicable laws. Examples of two (2) or more dwelling units on a parcel include, but are not limited to; apartment complexes, multi-unit structures, and any other type of home where two or more dwelling units are provided for rent. The director may issue a single residential rental property license for any residential property situated on two (2) or more contiguous parcels under the same ownership.

(b) Notwithstanding the provisions of paragraph (a), an applicant for a residential rental property license may continue in operation on and after the date a respective license would be required, if:

(1) The applicant has submitted an application satisfying all provisions of this Article VIII to the department prior to the date that the respective

license would be required;

(2) The application is pending at the time of the date a respective license would be required;

(3) The applicant has completed an inspection subject to the provisions of this Article VIII; and

(4) The applicant complies with all provisions of this Article VIII, and any rules and regulations adopted pursuant hereto.

Sec. 803. Application.

(a) *Application requirements.* All residential rental property license applications shall be made on forms provided by the director and shall include, in addition to any information required by chapter VIII of this Code, all supplemental materials required by this article and any rules adopted pursuant thereto. The director may, at the director's discretion, require additional documentation associated with the application, as may be necessary, to enforce the requirements of this article VIII.

(b) *Referral to other agencies.* Applications for a residential rental property license may be referred to other appropriate city agencies, including but not limited to the department of planning, fire prevention bureau, building division, the department of public works, and Aurora Water.

Sec. 804. Licensing requirements.

In addition to the provisions applicable to all licenses under Chapter 86 of the Code, all residential rental property licensees shall comply with the following provisions:

(a) A residential rental property licensee must maintain premises in compliance with Article VIII, and all rules and regulations adopted pursuant thereto.

Sec. 805. Inspections.

(a) *Inspections.* Except as provided in subsection (c) of this section, the director shall not approve a residential rental property application unless the applicant provides verification of a successful inspection, in the form required by the Director of Finance or designee, that the licensed premises comply with the provisions of Article VIII. Residential rental properties with multiple dwelling units on a parcel shall cause a minimum of ten percent of their units to be inspected at random, or at least one unit at random if there are less than ten dwelling units on the parcel.

(b) *License inspections to be completed by home inspectors.* Inspections for residential rental properties must be completed by a certified home inspector as defined in this Article VIII. Verifications of successful completion shall

include a copy of the home inspector's report as required by this Article VIII.

(d) *Deadlines for inspections.* All inspections shall be completed within 90 days of the application date. The director shall not accept verification of a successful inspection if the verification is not within 90 days of the new residential rental property application date.

(e) *Exemption from initial inspection.* Subsection (a) shall not apply to newly constructed rental properties if the application is submitted within four years after the date of issuance of the certificate of occupancy or temporary certificate of occupancy. This exemption does not apply to existing structures that receive a new certificate of occupancy or temporary certificate of occupancy.

(f) *Other inspections.* All residential rental property licensees shall be subject to inspections as provided in article II of this chapter from the manager of public health and environment or its designee. No person shall be deemed to be in compliance with the provisions of Article VIII solely by virtue of having received a passing inspection from a home inspector.

(g) All inspections described in this section shall be completed at the owner's expense.

Sec. 805. Causes for denial.

In addition to the grounds set forth in the Chapter 86 of this Code, any application submitted pursuant to this Article VIII shall be denied if:

(a) The issuance of a license to the applicant or licensee would not comply with any applicable federal, state, or local law, and any rules and regulations adopted pursuant thereto.

(b) The proposed licensed premises does not conform to the requirements of the UDO, Fire Code, or Building Code.

(c) The applicant or licensee fails to complete any required inspections or obtain any necessary permits for the proposed premises.

Sec. 806 Transferability of license.

No license granted pursuant to this article shall be transferable from one (1) person or location to another.

Sec. 807 Term of the license, renewal.

(a) *Term.* Residential rental property licenses issued under this Chapter VIII shall expire four years (4) from issuance or when ownership of the property

licensed pursuant to this article changes from the person recorded on the face of the license.

(b) *Application materials and deadlines.* Residential rental property license renewals shall be governed by the standards and procedures set forth in Chapter 86 of this Code. Applications to renew a residential rental property shall be made in the manner provided by the director.

(c) *Inspection prior to renewal.* Residential rental property licensees shall cause the licensed premises to be inspected as described in section 805 prior to renewal. The director shall not accept verification of a successful inspection if the verification is not within 90 days of the renewal application date.

(d) *Denial of renewal.* An application to renew a residential rental property license may be denied if there are causes for denial, suspension, revocation, non-renewal or other licensing sanctions as provided in Chapter 86 of this Code, this article VIII, or rules and regulations promulgated thereto. When a renewal is denied, the licensee can appeal the decision to a hearing officer appointed by the director. Any decision from a hearing officer can be appealed within twenty-eight (28) days to the Arapahoe District Court under Colorado Rule of Civil Procedure, Rule 106(a)(4) and Rule 106(b).

Sec. 808. Suspension, revocation, and other sanctions.

(a) *Disciplinary actions.* In addition to the grounds set forth in Chapter 86 of this Code, a residential rental property license may be suspended or revoked for any of the grounds for denial set forth in this article VIII.

(b) *Disciplinary procedures.* Procedures for investigation of license violations and for suspension, revocation, or other licensing sanctions as a result of any such violation shall be as provided in Chapter 86 of the Code and any rules and regulations promulgated by the director.

(c) *Effect on leases.* The suspension or revocation by the City of a license under this Article VIII shall not affect any lease or other arrangement for possession between the licensee and a tenant nor the obligations and covenants of the landlord and the tenant under the lease. However, the licensee shall not enter into any new arrangement for possession, nor renew any arrangement, during active suspension or revocation of its license. Additionally, the licensee must comply with any conditions related to the disciplinary action.

(d) *Enforcement.* An owner or operator who violates the provisions of this Article VIII is subject to the penalties and procedures set forth in Chapter 86 and this Article VIII of the Code. Any residential rental licensee failing to comply with Chapter 86 as applicable and this Article VIII, may be subject to suspension, revocation, or sanctions.

Sec. 809. Rules and regulations.

The director may adopt such rules and regulations as may be necessary for the administration and enforcement of the provisions of this Article VIII. It shall be a violation subject to discipline under Chapter 86 of the Code any violation of a rule or regulation adopted by the director pursuant to this section.

Sec. 810 Reporting.

Report to City Council. The director shall report in writing to city council by the 1st July of each year, beginning in 2024, regarding the number of rental licenses issued within the year.

Sec. 811 Generally.

The application and license fees required by this Code are set out as follows:

Residential rental property fees.

Residential rental property owners are subject to the following fees beginning on January 1, 2024:

(1) Application fee: **Two (2) or more dwelling units on a parcel(s) \$50 (Fee is \$25 if application is submitted before January 1, 2024).**

(2) License fee, per year:

A). 2 – 10 dwelling units on a parcel(s) \$100

B). 11 – 50 dwelling units on a parcel(s) \$250

C). 51 – 250 dwelling units on a parcel(s) \$350

D). More than 250 dwelling units on a parcel(s) \$500

E). Application and license fees shall be waived for the following residential rental properties:

(1) owned in whole or in part by or leased and operated by a federal, state or local agency.

(2) owned by or leased and operated by any organization that has been exempted from federal income tax as a nonprofit organization in good standing under section 501(c)(3) of the United States Internal Revenue Code of 1986, as amended, and has been designated as income-restricted housing in section; and

(3) affordable housing projects that are constructed with the support of any combination of federal, state or local financial resources, including private activity bonds, tax credits, grants,

loans, or other subsidies to incentivize the development of affordable housing, including support from the affordable housing permanent funds created in section, or properties where the tenants are recipients of low income housing assistance and that are restricted by law, contract, deed, covenant, or any other legally enforceable instrument to provide housing units only to income qualified households where 80% of the total units are income restricted.

Section 2. Severability. The provisions of this Ordinance are hereby declared to be severable. If any section, paragraph, clause, or provision of this Ordinance shall, for any reason, be held to be invalid or unenforceable by a court of competent jurisdiction, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Ordinance.

Section 3. Pursuant to Section 5-5 of the Charter of the City of Aurora, Colorado, the second publication of this Ordinance shall be by reference, utilizing the ordinance title. Copies of this Ordinance are available at the Office of the City Clerk.

Section 4. Repealer. All orders, resolutions, or ordinances in conflict with this Ordinance or with any of the documents hereby approved are hereby repealed only to the extent of such conflict. This repealer shall not be construed as reviving any resolution, ordinance, or part thereof, heretofore repealed.

INTRODUCED, READ, AND ORDERED PUBLISHED this _____ of _____, 2023.

PASSED AND ORDERED PUBLISHED BY REFERENCE this _____ day of _____, 2023.

MIKE COFFMAN, Mayor

ATTEST:

KADEE RODRIGUEZ, City Clerk

APPROVED AS TO FORM:

RLA

Michelle Gardner
MICHELLE GARDNER, Sr. Assistant City Attorney