## **REPORT TO CITY COUNCIL**

## DATE: JULY 12, 2006 TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL FROM: GREG RAMIREZ, CITY MANAGER BY: NATHAN HAMBURGER, ASSISTANT TO THE CITY MANAGER SUBJECT: DISCUSSION OF POSSIBLE OVERCROWDED RESIDENTIAL UNITS

Staff has received several requests from members of the Agoura Hills community to look at addressing an issue of concern to them. The issue of "overcrowded housing" has been presented to the City staff as a health and safety issue that is not currently addressed by the City's existing codes and regulations. The issue revolves around the question of whether or not single-family homes that are rented to tenants serve as housing to a large amount of people that the house and its facilities were not intended to serve.

Based on statistical data obtained from Claritas, Inc., there are approximately 1,243 rental units available in Agoura Hills. Of these units, only 352 would be considered single-family homes or condominium/townhouse. This is approximately 4.8% of the entire housing stock in the community.

The City's Code Enforcement Division has received several requests to investigate the living arrangements of various tenants residing in several single-family homes in our community because they feel that the amount of people residing in these homes is too large and that it creates a health and safety violation. In addition, these requestors have stated that they believe that these homes are possibly being used as a "boarding house" or "lodging house." The existing City code does not specifically address this issue and does not authorize any powers to investigate this issue further in its present state. Although the majority of the concerns raised by the above mentioned requestors focus on single-family homes, this discussion should also include multi-family dwellings as they are typically rental units.

The issue of regulating overcrowding in residential units is one in which the municipal agencies throughout California struggle with. Several Supreme Court case decisions have limited the powers granted to municipal agencies in areas such as verifying the number of related vs. unrelated individuals that may reside in a home, as well as limit the municipality's ability to restrict group homes for the mentally or physically disabled.

The cities of Moorpark and Simi Valley have adopted ordinances requiring rental properties (single and multiple-family) to obtain a rental permit that would be typically coupled with an inspection by a code enforcement officer or building and safety official prior to renting out a unit or home. The inspections typically are done when there is a change in tenant although the rental

permit is renewed on an annual basis. The reasoning behind their ordinances was to address problems that are typically related with overcrowding such as illegal room additions, illegal garage conversions, unsanitary conditions, and property maintenance issues. The City of Sacramento has introduced a pilot program to address this issue that requires an inspection of all rental properties. Their program truly focuses on areas that have had a large amount of public safety requests or a large number of code enforcement violations. Although their program is very innovative, they have a far larger number of rental units and homes and have discovered the need to add staff completely dedicated to their inspection program. Sacramento's pilot program also targets substandard housing areas identified within the city, which does not appear to be the case with the requests received by the code enforcement staff here in Agoura Hills. These examples are meant to serve only as a reference to how other cities are dealing with this issue.

Staff is requesting direction from the City Council on how to further address this situation. There are several items related to this issue that staff would request the City Council to consider when providing their feedback and direction:

- a) How to define and determine whether or not a home is a rental.
- b) How would enforcement occur? Would it be through an annual permitting process that would be accompanied by a subsequent property inspection? This has resulted in increased staff levels at other municipal agencies to process permits, conduct inspections, follow up with property owners/tenants, and make arrangements for final inspections.
- c) Would this program be proactive or response based?
- d) Would the City Council prefer to see fines and penalties given to the home owner or the occupants renting the home?
- e) If a permitting process was chosen, should the fees be a flat fee or aim at 100% recovery of costs for additional staff and overhead?

The following are options in which the City Council may choose to give direction from:

- 1) Instruct staff to draft an ordinance addressing the issue of overcrowded housing including clarification to the City's boarding house and lodging house regulations, provide details on possible enforcement processes including any associated costs (staff, overhead, etc.), and report back to the City Council within the next 90 days.
- 2) Take no further action.
- 3) Provide other direction to staff.

## RECOMMENDATION

Staff respectfully recommends the City Council provide feedback and direction to staff by choosing one of the three outlined options.

Attachments: Moorpark Ordinance City of Sacramento Report (June 8, 2006)