

**MINUTES OF THE HOUSING COMMITTEE**  
**July 2, 2018**  
**East Conference Room**

**Present:** Councilmembers Anderson, O'Malley & Rader

**Also Present:** City Architect Mike Molinski, Fire Chief Gilman, Planning Director Sylvester, Law Director Butler, Council President O'Leary, 3 residents

**Call to Order:** 6:00 p.m.

**ORDINANCE NO. 2-18 – AN ORDINANCE amending various parts of Chapter 1306, Property Maintenance and Safety Code...(light pollution)**

This item was deferred.

**ORDINANCE NO. 18-18 – AN ORDINANCE amending Section 1306.43, Housing and Vacant Property License, and Section 1306.44, License Application Form and Fee, of the Codified Ordinances of the City of Lakewood in order to update the code with respect to the regulation of condominium associations and unit owners in the City**

In response to questions by Councilmember Anderson, Mr. Molinski provided various data appoints on point of sale inspections. Point of sale inspections are required upon the sale of non-owner occupied properties in the City. Fifty-eight POS condo inspections were performed on condos in 2017.

Councilmember Anderson followed up on the discussion from last meeting regarding the potential hiring of an additional property maintenance inspector. Mr. Molinski stated that the cost would be approximately \$55,000.

Councilmember Anderson reiterated the importance of everyone paying their fair share of property tax. The proposed ordinance is expected to help facilitate that by creating a more accurate record of who is living in condo rental units.

Debra, a resident of Berkshire condominium shared an analysis that she did to demonstrate potentially how much property and income tax revenue the City is missing out on due to its current lack of regulation on rental condos. She estimated approximately \$350,000 in lost tax revenues.

Councilmember Anderson expressed his desire to ensure that the ordinance be enforceable if passed.

Mr. Molinski replied that the Building Department will make its best efforts to comply with the ordinance if passed. He did not want to fully commit to taking on an additional property

maintenance inspector. He proposed seeing first if the Department can maintain its current level of compliance without hiring additional staff. He proposed new changes to the Code that if passed, would allow his department to gain efficiencies. Those changes are:

- Amend the Code to have commercial and residential property licenses expire at the same time of year in June.
- Amend the Code to remove repetitive information that housing license applicants must provide each year such as date built, number of stories, etc.

Debra made additional remarks regarding the Ordinance stating that inspection of condo units won't take as long because they are smaller than other homes.

Mr. Molinski countered that assertion, explaining the great deal of administrative work that precedes and follows inspections.

She also asserted that the current lack of regulation over rental condos benefits investors and promotes shady practices. She stated that many housing association boards are controlled by investors

Chief Gilman argued that the more important issue to consider is the infrastructure issues at condo buildings, not issues in individual units.

Director Butler remarked that the ordinance corrects a problem within the existing ordinances that prevents the City from enforcing a rental license policy on owners of rental condo units. He stated that the proposed ordinance will not impact the Fire Department's ability to enter common areas and follow up on issues there.

Chief Gilman reiterated his concerns about the common areas of condos. He expressed his position that homeowners' associations should be enforcing the issues addressed in the proposed ordinance.

Director Butler remarked that the Code is unworkable in its current form; that is middling between two different policies and needs to be clarified.

Councilmember O'Malley expressed support for the Building Department to hire an additional PMI. He stated that he does not wish to see the Department's other priorities slip in trying to keep up with the increased workload of licensing condos. He expressed his position that a loophole exists in the current law which allows landlords to not comply with inspections and regulations in the same way as other landlords in the City do and that it encourages bad behavior.

Councilmember Anderson stated that the Committee will reconvene in a few weeks to continue discussion and consider amendments to Ordinance 18-18.

Housing Committee adjourned at 6:32 p.m.