

SUBSTITUTE BILL NO. 20-23

ORDINANCE NO. 10933-23

**AN ORDINANCE OF THE COMMON COUNCIL OF THE CITY OF SOUTH BEND,
INDIANA, AMENDING CHAPTER 6 OF THE SOUTH BEND MUNICIPAL CODE
BY RESCINDING AND REPLACING ARTICLE 14 TITLED RENTAL SAFETY
VERIFICATION PROGRAM**

STATEMENT OF PURPOSE AND INTENT

On February 25, 2019, the rental safety verification program (RSVP) was established by this Council's adoption of Ordinance No. 10644-19 to ensure safe, decent, quality residential rental units by requiring minimum property standards, and to ensure the health, safety, and welfare of tenants. On October 15, 2019, RSVP was amended by Ordinance No. 10686-19 to revise Sec. 6-86(f) for an update to the City of South Bend accounting fund where RSVP penalties and fees are deposited. At this time, it is necessary to clarify and to improve efficiency of the program by rescinding and replacing Chapter 6, Article 14 of the South Bend Municipal Code. Among the specific changes to the existing ordinance are the following:

1. textual language clarification for better understanding and ease of use;
2. clearer definition of the process to ensure that it matches actual implementation including compliance with state law;
3. references to and clarification of building and other standards to be used for inspections;
4. adding to and improving the definitions; and
5. revision of the City's organizational structure of RSVP within the reorganized Department of Community of Investment.

It is in the best interest of the City and its residents that this ordinance be adopted.

NOW, THEREFORE, BE IT ORDAINED by the Common Council of the City of South Bend, Indiana, as follows:

SECTION I. Chapter 6 of the South Bend Municipal Code shall be and hereby is amended by rescinding the existent version of Article 14 of that Chapter and replacing it with a new Article 14 that shall read in its entirety as follows:

ARTICLE 14. Rental Safety Verification Program

Sec. 6-79. General Concept and Purpose of Rental Inspections.

- (a) The Rental Safety Verification Program (RSVP) is designed to ensure that City of South Bend rental units meet minimum property standards based on the International Property Maintenance Code and Indiana State Code IC 22-11-18, as defined by the RSVP Inspection Standards established by the Department and as amended from time to time, which are

incorporated into this Article 14 by reference and without formal citation. This program authorizes the inspection of rental units that are intended to be occupied or are occupied by anyone other than the owner. A copy of the RSVP Inspection Standards will be available for inspection in the Department's Neighborhoods Office. After the rental unit has passed Inspection and is compliant with the provisions of this Article an Inspection Certificate shall be issued by the Department.

- (b) The purpose of the Inspection, Inspection Report, and Inspection Certificate issued to the owner is to verify that the rental unit is safe and habitable for occupancy with respect to: electrical supply and electrical systems; plumbing and plumbing supply; water supply, including hot water; heating, ventilation, and air conditioning equipment and systems; bathroom and toilet facilities; doors, windows, stairways, and hallways; functioning smoke detectors; and the structure in which a rental unit is located.
- (c) This Article shall be liberally construed and applied to promote its purpose and intent.

Sec. 6-80. Definitions.

- (a) *Authorized individual* means someone authorized or designated by the owner to provide access to a rental unit.
- (b) *Certification Period* means the period between the issuance and expiration of an Inspection Certificate as may be determined under the provisions of this Article.
- (c) *City* means the City of South Bend, Indiana.
- (d) *Condemn or condemned* means to adjudge unfit for occupancy or use.
- (e) *Contract of Sale* means land contract sales or purchases.
- (f) *Department* means the City of South Bend Department of Community Investment or its designee.
- (g) *Dwelling unit* means a single unit providing complete, independent living facilities for one or more persons, including permanent provisions for living, sleeping, eating, cooking and sanitation.
- (h) *Egress* means a place or means of going out or exiting.
- (i) *Habitable space* means the space in a structure for living, sleeping, eating or cooking. Bathrooms, toilet rooms, closets, halls, storage or utility spaces, attics and basements and similar areas are not considered habitable spaces. Finished basements are not considered habitable spaces unless proper egress requirements are met.
- (j) *Housing Cooperatives or housing co-ops* means a type of residential housing whereby a corporation owns the housing structure with individual units for living and to occupy a unit a person must buy shares or a membership of the corporation.
- (k) *Immediate family member* means an individual that is related to a person as follows, parent; sibling; child by blood, adoption, or marriage; spouse; grandparent or grandchild.
- (l) *Indiana Unsafe Building Law* means Indiana Code, Title 36, Article 7, Chapter 9, as it may be amended from time to time.

- (m) *Inspection* means an Inspector conducting a visual examination of a rental unit, including all its major systems, to verify existence of, and list repairs or improvements necessary to meet minimum property standards as defined by the RSVP Inspection Standards.
- (n) *Inspection Certificate* means an official document issued by the Department, after all fees and penalties due, if any, under this Article are paid, that acknowledges the rental unit has passed the Inspection and is compliant with the provisions of this Article.
- (o) *Inspection Report* means a written record that an Inspector prepares after conducting a visual examination of a rental unit, including all its major systems, to verify existence of, and list repairs or improvements necessary to meet minimum property standards as defined by the RSVP Inspection Standard.
- (p) *Inspector* means an employee of the Department who is charged with the administration and enforcement of this Article.
- (q) *International Property Maintenance Code (IPMC)* means a model code, as amended from time to time, that regulates the minimum maintenance requirements for existing buildings. The IPMC is a maintenance document intended to establish minimum maintenance standards, such as for basic equipment, light, ventilation, plumbing, mechanical, heating, sanitation, and fire safety.
- (r) *Occupancy* means the purpose for which a building or portion thereof is utilized or occupied.
- (s) *Operator* means any person who has charge, care or control of a structure or rental unit which is let or offered for occupancy.
- (t) *Owner* means any person, and the person's property manager, operator, designated representative or authorized agent, having legal or equitable interest in the property; or recorded in the official records of the state, county or municipality as holding title to the property; or otherwise having control over decisions on the use and condition of the property, including the guardian of the estate of any such person, and the executor or administrator of the estate of such person.
- (u) *Owner of Record* means any person who holds any fee interest, life estate interest, equitable interest in a contract of sale or other legal interest and whose identity, including address, can be determined from an instrument recorded in the recorder's office of the county where the rental unit is located; or, written information or actual knowledge received by the Department; or a review of Department records that is sufficient to identify information that is reasonably ascertainable.
- (v) *Person* means an individual, corporation, partnership or association, or any other group acting as a unit, and includes a government, governmental subdivision or agency, business trust, estate, trust, two or more people having a joint or common interest, and any other legal or commercial entity.
- (w) *Premises* means a lot, plot or parcel of land, easement or public way, including any structures thereon.
- (x) *Private Inspector* means, for purposes of Indiana Code 36-1-20-4.1(c)(2)(B)(iii), an inspector of rental units who satisfies the following qualifications prescribed by the City: must be a State of Indiana Licensed Home Inspector.

- (y) *Private Inspection* means an inspection conducted for the purpose of meeting the exemption requirements under Indiana Code 36-1-20-4.1(c).
- (z) *Property Manager* means a person who manages land or buildings as a business including keeping buildings in good condition and renting property.
- (aa) *Re-Inspection* means after the initial inspection a follow up inspection or assessment of a rental unit to confirm the unit meets RSVP Inspection Standards.
- (bb) *Rental Safety Verification Program Warrant (RSVP Warrant)* means a court authorization to enter a rental unit to conduct an inspection and complete an Inspection Report if the owner, tenant or others in possession of a rental unit decline consent to an Inspection.
- (cc) *Rental unit* as used in this Article, means one (1) or more dwelling units in a structure intended to be occupied or is occupied as a home, residence or habitable space by anyone other than the owner and may include a tenancy agreement or lease.
- (dd) *Rental unit community* means one (1) or more parcels of contiguous real property upon which are located in one (1) or more structures containing rental units, if the combined total of all rental units in all of the structures is five (5) or more rental units and the rental units are not occupied solely by the owner or owner's family.
- (ee) *RSVP Inspection Standards* means the minimum property standards a rental unit must comply with based on the International Property Maintenance Code, as modified for smoke detectors, defective paint surfaces, and buildings with two (2) or more dwelling units pursuant to Sec. 6-81(b) of this Article and established by the Department as amended from time to time.
- (ff) *Special Project(s)* means a dedicated and active plan to improve the physical condition of rental units independent of RSVP but engages a unique partnership between the owner and the City due to the shared goals or interests for the welfare and benefit of the community, such as redevelopment, funding sources and adequate housing or rental stock, and the complexity and extent of the improvement plan.
- (gg) *Short term rental* means the rental of a single-family home, a dwelling unit in a single-family home, a dwelling unit in a two-family or multifamily dwelling, or a dwelling unit in a condominium, cooperative, or time share for terms of less than thirty (30) days at a time through a short-term rental platform. The term includes a detached accessory structure, including a guest house, or other living quarters that are intended for human habitation, if the entire property is designated for a single-family residential use. The term does not include property that is used for any nonresidential use.
- (hh) *Structure* means that which is built or constructed or a portion thereof.
- (ii) *Tenancy Agreement* means all agreements, written, oral or implied, and valid rules and regulations embodying the terms and conditions concerning the use and occupancy of a rental unit.
- (jj) *Tenant* means someone who lives in a place owned by someone else, usually paying rent.

Sec. 6-81. Compliance required.

- (a) No person shall maintain, or allow occupancy of, a rental unit in the City that fails to meet the

RSVP Inspection Standards enforced by this Article. Failure to comply with the RSVP Inspection Standards is a violation of this Article. Any structure converted into a rental unit is encouraged to have an Inspection completed and receive an Inspection Certificate before occupancy.

- (b) This program is designed to ensure rental units in the City meet the minimum property standards as defined by the RSVP Inspection Standards established by the Department as amended from time to time, based on the International Property Maintenance Code, with the following modifications:
 - (1) Indiana Code § 22-11-18 minimum standards will apply to smoke detectors which conform to the minimum standards for type, components, and maintenance prescribed by the National Fire Protection Association.
 - (2) If based on the RSVP Inspection Standards, defective paint surfaces are identified in a rental unit built before 1978, owners must complete the repairs to such surfaces using lead safe practices in accordance with all applicable federal and state laws and related agency rules and regulations and submit to the Department lawful proof of compliance before being issued an Inspection Certificate. Examples of lead safe practices can be found in Indiana Administrative Code 410 IAC 32 and U.S. Code of Federal Regulations 40 CFR 745.
 - (3) For purposes of enforcement of this Article, RSVP Inspection Standards for buildings with more than two (2) dwelling units will be established following International Residential Code standards.
- (c) The provisions in this Article shall not be construed to prevent the enforcement of other ordinances or regulations which prescribe stricter standards and/or additional requirements than are provided herein.
- (d) This Article applies to rental units located within the City, but shall not apply to the following occupancy arrangements unless such arrangements are created to avoid the application of this Article:
 - (1) Occupancy by the purchaser of a structure with one (1) or more dwelling units under a recorded contract of sale.
 - (2) Short term rental.
 - (3) Owners who occupy the premises and rent to no more than two unrelated tenants.
 - (4) Housing cooperatives, also known as housing co-ops.
 - (5) Occupancy by immediate family member(s) of the owner.
- (e) A rental unit may be exempt from this Article as follows:
 - (1) Rental units built as new construction, for ten (10) years after the rental unit construction is completed. The owner of such rental unit must submit to the Department the required information to prove the new construction date of the rental unit; and
 - (2) Rental units inspected by a State of Indiana licensed home inspector pursuant to a

completed real estate sales transaction, for three (3) years from the date of the inspection. The purchaser of the rental unit must submit to the Department the required information to prove the validity of the inspection meeting the minimum standards of this Article.

- (3) If the Department has reason to believe, or receives a complaint, that the rental unit does not comply with RSVP Inspection Standards, then a new Inspection of the rental unit may be performed.
- (f) An owner that believes RSVP does not apply to their rental unit must submit documentation that the rental unit meets Sec. 6-81(d), Sec. 6-81(e) or Sec. 6-82(o) of this Article to the Department for review and determination. Necessary documentation must be submitted to the Department on or before the due date established by the Department. Failure to do so may result in fees and/or penalties under this Article.
- (g) This Article applies to governmental or public agencies acting as landlords. If the federal or state subsidized, or owned rental units are regularly inspected by a government entity and verification of housing conditions meeting the standards of this Article are delivered to the Department as requested, then such rental units may qualify for an exemption as provided in sub-section 6-82(o).
- (h) An owner shall not allow a rental unit to be occupied that has been issued a vacate and seal order by the Department or is condemned by any agency that has the authority to condemn.
- (i) This Article applies to rental units that have been issued an exemption or an Inspection Certificate. If the Department has reason to believe, or receives a complaint, that the rental unit does not comply with RSVP Inspection Standards, then a new Inspection of the rental unit may be performed.

Sec. 6-82. Inspection of rental units.

- (a) Unless sub-section 6-82 (o) below is applicable, rental units covered by Secs. 6-79 and 6-81 within the City may be inspected by the Department.
- (b) The Certification Period will be one (1), two (2) or five (5) years. Thereafter, the Certification Periods are subject to adjustment as established and published by the Department pursuant to Sec. 6-87.
- (c) The Certification and Certification Period process is as follows:

Inspection	Certification Path
Initial Inspection – <i>Passes</i>	<p>Rental unit meets RSVP Inspection Standards at the time of the initial inspection.</p> <p>Single-family property or duplex will be issued a five-year inspection certificate.</p>

	<p>Multi-family property will be issued a five-year inspection certificate.</p>
<p>First Reinspection</p>	<p>If a unit fails its initial inspection, reinspection(s) must be conducted, and RSVP compliance achieved, no later than sixty (60) days from the initial inspection. Critical violations must be addressed within ten (10) days and all other violations must be addressed within sixty (60) days of the initial inspection.</p> <p>Any new violations identified during reinspection(s) must be addressed in no more than thirty (30) days from the inspection date when they were identified or within sixty (60) days of the initial inspection, whichever date is later. If the new violation is a critical violation, it must be addressed in no more than ten (10) days from the inspection date when it was identified.</p> <p>No fees are imposed for the first reinspection.</p> <p>Single-family property or duplex in compliance with RSVP at the time of the first reinspection will result in a five-year inspection certificate.</p> <p>Multi-family property in compliance with RSVP at the time of the first reinspection will result in a five-year inspection certificate.</p>
<p>Additional Reinspection(s)</p>	<p>Reinspection(s) must be conducted, and RSVP compliance achieved, no more than sixty (60) days from the initial inspection. Critical violations must be addressed within ten (10) days and all other violations must be addressed within sixty (60) days of the initial inspection.</p> <p>Any new violations identified during reinspection(s) will be given a deadline of no more than thirty (30) days from the inspection date when they were identified or within sixty (60) days of the initial inspection, whichever date is later. If the new violation is a critical violation, it must be addressed in no more than ten (10) days from the inspection date when it was identified.</p> <p>Failure to address violations within the specified timeframe may result in penalties and fees Units that require inspection(s) beyond the initial inspection and first reinspection are subject to an inspection fee. See Penalties and Fees section in this Article.</p>

	<p>Single-family property or duplex upon passage based on a reinspection that occurred after the initial and first reinspection will result in a one-year inspection certificate.</p> <p>Multi-family property upon passage based on a reinspection that occurred after the initial and first reinspection will result in a two-year inspection certificate.</p>
Failure to comply	<p>If the owner fails to schedule an RSVP inspection, no reinspection is performed, or a unit fails to meet RSVP standards and requirements within the specified timeframe, then the unit is not in compliance. Non-compliant units are subject to penalties and fees and the property may be subject to further enforcement as allowed by law, including the Indiana Unsafe Building Law.</p>
Compliance Deadline	<p>Critical violations must be addressed within ten (10) days and all other violations must be addressed within sixty (60) days of the initial inspection.</p> <p>Any new violations identified during reinspection(s) will be given a deadline of no more than thirty (30) days from the inspection date when they were identified or within sixty (60) days of the initial inspection, whichever date is later. If the new violation is a critical violation, it must be addressed in no more than ten (10) days from the inspection date when it was identified. The violations identified during prior inspection(s) will not receive a repair deadline extension.</p> <p>An extension to a repair deadline can be considered on a case-by-case basis with proper documentation as determined by the Department.</p>

- (d) If a rental unit community has five (5) or fewer rental units, the Department will inspect every rental unit. Rental unit communities with six (6) or more rental units will have at least 20% of the rental units randomly sampled by the Department to inspect and then use those findings to extrapolate the overall quality and condition of the rental units therein.
- (1) If the findings extrapolated indicate the overall substandard conditions of the rental units or such violations that could affect other rental units, the Department may complete Inspections of additional rental units, up to and including all rental units, as deemed necessary.

- (e) In addition to repairs listed in the Inspection Report, to receive the Inspection Certificate, the owner shall repair pre-existing substandard housing violations that are active with the Department to meet minimum standards under this Article.
- (f) A deadline extension may be granted if a rental unit has all repairs completed excepting either exterior items that cannot be completed due to the weather conditions or repairs that cannot be completed due to unforeseen conditions, as approved by the Department. Documentation indicating timely completion will occur must be provided to the Department for review and determination. A reinspection is needed to confirm compliance prior to the issuance of an Inspection Certificate.
- (g) The Department reserves the right to conduct a reinspection of any rental unit and may adjust the certification period based upon the results of the reinspection.
- (h) The Department may consider documentation submitted by the owner as sufficient proof of compliance on minor violations at the discretion of the Department. The Department will keep a record of any documentation submitted.
- (i) Should the rental unit fail to achieve an Inspection Certificate, the Department may impose penalties, and the rental unit and the owner of record may be subject to further enforcement as allowed by law, including the Indiana Unsafe Building Law, but with all due process or appeal rights as afforded thereunder. The Department may identify the rental unit as “Rental unit is not in compliance with the Rental Safety Verification Program (RSVP) and does not have an inspection certificate.”
- (j) An Inspection Report and Inspection Certificate shall be issued to the owner for each rental unit upon which an inspection is performed within ten (10) business days from the date the Inspection is completed and from the date the Inspection Certificate is issued, unless notified by the Department that additional time is needed.
- (k) An Inspection may be conducted based upon owner voluntary compliance, a complaint, the Department’s reasonable belief that the unit is out of compliance with, or in violation of, RSVP Inspection Standards, or the Department ensuring compliance with this Article based on strategic criteria.
- (l) If the Department has reason to believe that the rental unit no longer complies with the RSVP Inspection Standards or determines that the condition of the rental unit has deteriorated since the issuance of an Inspection Certificate, then a new Inspection of the entire rental unit may be performed.
 - (1) Upon completion, a new Inspection Report and, if appropriate, Inspection Certificate, as approved by the Department, shall be issued to the owner.
- (m) The following procedures shall be used to obtain entry to rental units for completing an Inspection:
 - (1) When the Department has reason to believe that the rental unit does not comply with RSVP Inspection Standards, including observing a violation or receiving a complaint, it may initiate the inspection process.
 - a. Whenever an Inspection is required, the Department will send a first-class

letter to the owner to initiate the process for completing the Inspection.

- b. The owner shall communicate with the Department and make reasonable arrangements for a date and time to complete the Inspection process.
- c. An authorized individual must be present at the Inspection to provide the Inspector with access to the rental unit and any essential functions of the rental unit, such as mechanical equipment, if located outside of the rental unit. The owner may be present at the time the Inspector conducts the Inspection.
- d. Should the owner or tenant take action(s) that prevents the Inspection from occurring during the scheduled date and time, the owner is responsible for rescheduling the Inspection. There may be a \$100.00 fee for each rental unit for the failure to meet the Inspector for a scheduled inspection.
- e. Should the owner fail to schedule a date and time to complete the Inspection and inform the Department per sub-section (b) above, the Department may send a first-class letter to the owner of record explaining the failure to comply and the possible consequences, such as penalties and a RSVP warrant, for such failure if not cured within the time prescribed.
- f. If the owner does not comply with scheduling a date and time to complete the Inspection or does not have the Inspection performed until after the time allowed in sub-section (e) above, the Department may issue penalties under this Article.
- g. The Department may identify the rental unit as “Rental unit is not in compliance with the Rental Safety Verification Program (RSVP) requirements and does not have an inspection certificate”.
- h. Should the owner continue to fail to schedule a date and time to complete the Inspection the Department may send a first-class and certified letter to the owner of record, or provide notice by publication, explaining the failure to comply and the consequences, such as penalties and a RSVP warrant, for such failure if not cured within the time prescribed.
- i. If the owner or tenant refuses to allow entry or schedule arrangements to complete the Inspection the Department may obtain a RSVP warrant from any court of competent jurisdiction.

(2) If the tenant contacts the Department to request an RSVP Inspection, the Department may initiate the inspection process.

- a. The tenant(s) may schedule a date and time to complete the Inspection. The Department is not required to provide notification of the Inspection to the owner.
- b. Should the tenant(s) take action(s) that prevent the Inspection from

occurring during the scheduled date and time, the tenant(s) is responsible for rescheduling the Inspection.

- c. Failure to reschedule the Inspection or communicate with the Department will result in no Inspection occurring. However, should the Department have reason to believe that the rental unit does not comply with RSVP Inspection Standards, the Department may proceed under 6-82(m)(1) of this Article.

(3) If the owner contacts the Department to request an RSVP Inspection, the Department may initiate the inspection process.

- a. The owner shall communicate with the Department and make reasonable arrangements for a date and time to complete the Inspection.
- b. An authorized individual must be present at the Inspection to provide the Inspector with access to the rental unit and any essential functions of the rental unit, such as mechanical equipment, if located outside of the rental unit. The owner may be present at the time the Inspector conducts the Inspection.
- c. Should the owner or tenant take action(s) that prevents the Inspection from occurring during the scheduled date and time, the owner is responsible for rescheduling the Inspection. There may be a \$100.00 fee for each rental unit for the failure to meet the Inspector for a scheduled inspection.
- d. Failure to reschedule the Inspection or communicate with the Department will result in no Inspection occurring. However, should the Department have reason to believe that the rental unit does not comply with RSVP Inspection Standards, the Department may proceed under 6-82(m)(1) of this Article.

(4) Should the Department proceed with ensuring compliance with this Article based on strategic criteria, such as geography or rental unit communities, the Department may initiate the inspection process.

- a. Whenever an Inspection is required, the Department will contact the owner to initiate the process for completing the Inspection.
- b. The owner shall communicate with the Department and make reasonable arrangements for a date and time to complete the Inspection.
- c. An authorized individual must be present at the Inspection to provide the Inspector with access to the rental unit and any essential functions of the rental unit, such as mechanical equipment, if located outside of the rental unit. The owner may be present at the time the Inspector conducts the Inspection.
- d. Should the owner or tenant take action(s) that prevents the Inspection from occurring during the scheduled date and time, the owner is

responsible for rescheduling the Inspection. There may be a \$100.00 fee for each rental unit for the failure to meet the Inspector for a scheduled inspection.

- e. Should the owner fail to schedule a date and time to complete the Inspection and inform the Department per sub-section (b) above, the Department may send a first-class letter to the owner of record explaining the failure to comply and the possible consequences, such as penalties and a RSVP warrant, for such failure if not cured within the time prescribed.
 - f. If the owner does not comply with scheduling a date and time to complete the Inspection or does not have the Inspection performed until after the time allowed in sub-section (e) above, the Department may issue penalties under this Article.
 - g. The Department may identify the rental unit as “Rental unit is not in compliance with the Rental Safety Verification Program (RSVP) requirements and does not have an inspection certificate”.
 - h. Should the owner continue to fail to schedule a date and time to complete the Inspection the Department may send a first-class and certified letter to the owner of record, or provide notice by publication, explaining the failure to comply and the consequences, such as penalties and a RSVP warrant, for such failure if not cured within the time prescribed.
 - i. If the owner or tenant refuses to allow entry or schedule arrangements to complete the Inspection the Department may obtain a RSVP warrant from any court of competent jurisdiction.
- (n) The City recognizes there may be Special Projects involving rental units. To provide a more efficient system towards RSVP certification regarding Special Projects involving rental units, and so that orderly inspection schedules can be made by City officials, the Department may coordinate a process for the improvement efforts and timeline with the Owner, memorialized in writing including by email, for the completion of the inspection and repairs of the rental units and the Special Project.
- (o) Private Inspections completed as specified under Indiana Code § 36-1-20-4.1(c) must meet all the requirements for an exemption to be approved by the Department.
- (1) An owner of a rental unit qualifying for an exemption described in Indiana Code § 36-1-20-4.1(c) must apply to the Department for that exemption. The exemption request may be denied if all qualifications of Indiana Code § 36-1-20-4.1(c) are not met.
 - (2) The owner applying to the Department for approval of the exemption must submit a written inspection report that verifies the rental unit is safe and habitable, along with all other necessary proof of the exemption, to the Department on or before the due date established by the Department. Failure to do so may result in fees and/or penalties under this Article.

- (3) Pursuant to Indiana Code § 36-1-20-4.1(d), the Department may inspect a rental unit that meets the requirements for an exemption, or has been approved for an exemption, if the Department has reason to believe or receives a complaint that the rental unit does not comply with RSVP Inspection Standards.
- (p) Inspection Report will be made available for the tenant who occupies the rental unit at the time of the inspection. Unless other arrangements are made with the Department, the Inspection Report may be sent to the tenant who occupies the rental unit upon request as approved by the Department.
- (q) Stop Work Order. To further the purposes of Secs. 6-79 and 6-81, and in conjunction with Chapter 16, Article 8 of the South Bend Municipal Code, the Department may issue stop work orders.
 - (1) Authority. Whenever any work regulated by this Article is being performed in a manner contrary to the provisions of this Article or in a dangerous or unsafe manner, the Department is authorized to issue a stop work order.
 - (2) Issuance. A stop work order shall be in writing and shall be given to the owner or to the person doing the work. Upon issuance of a stop work order, the cited work shall immediately cease. The stop work order shall state the reason for the order and the conditions under which the cited work is authorized to resume.
 - (3) Emergencies. Where an emergency exists that poses an immediate threat to life, health, or safety of persons or property, the Department shall not be required to give a written notice prior to stopping the work.
 - (4) Failure to comply. Any person who shall continue any work after having been served with a stop work order, except such work as that person is directed to perform to remove a violation or unsafe condition, shall be liable to a penalty of not less than \$500.00 dollars or more than \$2,500.00 dollars per day.
- (r) The owner is required to provide the Department with current contact information.
 - (1) At the time the owner informs the Department of the arrangements made to complete the Inspection, the owner shall provide, or confirm with, the Department their name, telephone number, email address, and mailing address, as well as the name, telephone number, email address, and mailing address of the unit's property manager, if any.
 - (2) Should the ownership or contact information related to a unit change, it is the responsibility of the owner to update official property records with St. Joseph County and to notify the Department.

Sec. 6-83. Approved certification for rental.

- (a) The Inspection Certificate will be issued after the rental unit passes Inspection and all fees and penalties due under this Article are paid.
- (b) An Inspection Certificate will not be issued for a rental unit, and may be revoked, if:

- (1) a unit does not meet RSVP Inspection Standards, or
 - (2) there are any fees or penalties due under this Article.
- (c) Non-compliant units are subject to penalties and fees and the property may be subject to further enforcement as allowed by law, including the Indiana Unsafe Building Law.
- (d) The Department encourages that the Inspection Certificate be placed in a conspicuous location, such as in the façade of the building facing a public street and containing a building entry, or in a conspicuous interior location.

Sec. 6-84. Revocation of Inspection Certificate.

- (a) Revocation of Inspection Certificate means the Department canceling an issued Inspection Certificate whenever it discovers that such certificate was issued in error or based on incorrect information or discovers other causes demonstrating a lack of compliance with the provisions of this Article.
- (b) The Department may revoke an Inspection Certificate, by sending notice to the owner of record via first-class, or certified mail and publication if mail service is returned undeliverable, for causes such as:
- (1) The rental unit has deteriorated, does not meet RSVP Inspection Standards, and the owner is unresponsive or refuses to make repairs.
 - (2) The rental unit has deteriorated significantly to the point of becoming condemned.
 - (3) The Department has reason to believe, or receives a complaint, that the rental unit does not comply with RSVP Inspection Standards since the Inspection Certificate was issued and the owner is unresponsive or fails to have a new Inspection performed.
 - (4) The owner supplied false information knowingly with intent to deceive or falsify a private inspection.
 - (5) Since the Inspection Certificate was issued, the owner or tenant illegally converted space in the rental unit to increase the occupancy.
 - (6) Since the last Inspection, the owner failed to correct violations within the time allowed.
 - (7) The rental unit has been designated as a chronic problem property pursuant to the South Bend Municipal Code.

Sec. 6-85. Transfer of Inspection Certificate.

- (a) An Inspection Certificate may be transferred to a new owner, except as prohibited in this section, by the owner filing with the Department the required owner information and agent information, if applicable. In addition, the new owner must file documentation with St. Joseph County to ensure that official property records are accurate and up to date. This

includes transfers of ownership between corporations or other legal entities even where there is identical ownership interest in the acquiring legal entity as in the previous legal entity.

- (b) The new owner shall have thirty (30) days from the date the rental unit was transferred to the new owner to file with the Department the required owner information and agent information, if applicable, and failure to do so may result in a penalty of \$250.00.

Sec.6-86. Penalties and fees.

- (a) There is no fee for the initial inspection and the first reinspection.
- (b) There may be a \$100.00 fee for the second reinspection per rental unit and the fee of \$200.00 for each reinspection per rental unit thereafter.
- (c) There may be a \$100.00 fee for each rental unit for the failure to meet the Inspector for a scheduled inspection.
- (d) The owner of record will be notified by first-class mail before a penalty may be issued in accordance with Indiana Code 36-1-20-6. Penalties may be imposed as follows:
 - (1) A \$250.00 penalty per week for a rental unit that has not been inspected or certified.
 - (2) A \$300.00 penalty per week for a rental unit that has an expired certification, whether posted or not.
 - (3) A \$250.00 penalty for the removal of signage identifying the rental unit as not in compliance with the Rental Safety Verification Program (RSVP) may be imposed for each incident of removal.
 - (4) A \$500.00 penalty for the removal of a condemned notice from the rental unit may be imposed for each incident of removal.
 - (5) A \$500.00 penalty the first week of occupancy in a condemned structure. After the first week, the penalty doubles each week thereafter until a maximum of \$7,500.00 per week.
 - (6) A penalty of not less than \$500.00 dollars or more than \$2,500.00 dollars per day may be imposed for failure to comply with a stop work order.
 - (7) A \$250.00 penalty for failing to file with the Department the required owner information and agent information, if applicable, within thirty (30) days from the date the rental unit was transferred to the new owner.
- (e) The fees and penalties imposed under this section shall be enforced through the City's Ordinance Violations Bureau as prescribed in Chapter 2, Article 19 of the South Bend Municipal Code, with all due process or appeal rights as afforded thereunder, and do not prohibit or restrict the enforcement for violations under other applicable ordinances, state or federal laws.
- (f) Penalties and fees received from the Rental Safety Verification Program shall be deposited into the Rental Units Regulation Fund, Fund No. 221, as that fund is further

detailed in Chapter 2, Article 14, Section 2-169.5.

(1) Acts of God or other conditions beyond the control of the property owner or caused by the tenant's negligent, wrongful or malicious acts or omissions will not qualify for short-term relocation assistance.

(g) Penalties under this section will be imposed pursuant to Indiana Code § 36-1-20-6(b).

(h) If the owner of record fails to pay penalties, fees, costs and expenses, the Department may pursue collections against the person and against the property as allowed by law, including in the same manner as prescribed under Indiana Code § 36-1-6-2, Indiana Code § 36-7-9-13 and Indiana Code § 36-7-9-13.5 except that amounts collected shall be deposited and used according to Rental Units Regulation Fund.

Sec. 6-87. Monitoring progress.

(a) The Department will review this Article at least biennially, providing adequate time for implementation of the process, to determine if processes are effective and assisting the program in meeting anticipated goals. Updates may be provided by written report or presentation to Common Council, through a committee or full Council, no more often than on an annual basis.

Sec. 6-88. Severability clause.

(a) The provisions of this ordinance are severable, and the invalidity of any phrase, clause or part of this ordinance shall not affect the validity or effectiveness of the remainder of the ordinance.

Secs. 6-89—6-93. Reserved.

SECTION II. This ordinance shall be in full force and effect from and after its passage by the Common Council, approval by the Mayor and any legal publication required by law.

Passed on April 24, 2023 by the Common Council of the City of South Bend, Indiana.

Presented to approve and signed by Mayor James Mueller on May 1, 2023.

Approved: Sharon L. McBride, President of the Common Council

Dawn M. Jones, City Clerk

