California Energy Commission

CONSULTANT REPORT

Rental Housing Inspection Programs in California

Characteristics of Existing Programs and Potential for Including Energy Efficiency Requirements

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Contract Number: LGC-16-001

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ABSTRACT

In California, the carbon reduction potential of existing residential buildings is enormous. Energy savings of 40 percent are within reach with cost-effective building improvements. However, in the rental housing sector, achieving deep carbon reductions is complicated because landlords often have little incentive to invest in energy efficiency when their tenants pay the utility bills. Many California jurisdictions use rental housing inspection programs as a mechanism for helping ensure that rental housing meets basic standards for safe and sanitary conditions. To help meet state and local carbon reduction goals, jurisdictions may wish to consider adding energy efficiency requirements to existing rental housing inspection laws, or if developing a new rental housing inspection program, including energy efficiency requirements. For this study, the researchers surveyed and interviewed local government staff from 26 California jurisdictions to understand the characteristics of their rental housing inspection programs. Because the researchers did not identify any California jurisdictions that have energy efficiency requirements as part of their rental housing inspection program, they also interviewed staff in three cities outside of California that do have rental housing inspection programs with a focus on energy efficiency. Those cities are Boulder, Colorado, New York City, and Austin, Texas. Using the information gleaned from the California surveys, the California and out-of-state interviews, literature searches and the research team's experience managing multifamily energy efficiency upgrade programs, key considerations were outlined for use by jurisdictions exploring the idea of a rental housing ordinance with energy efficiency requirements. The study also presented three example scenarios to estimate potential energy and carbon impacts of adding energy upgrade requirements to rental housing inspection programs.

Keywords: multifamily building, energy efficiency, energy upgrade, rental housing, rental housing inspection, rental housing license

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EXECUTIVE SUMMARY

In California, the carbon reduction potential of existing residential buildings, particularly those built before 1978, is enormous. Energy savings of 40 percent are within reach with cost-effective building improvements. However, in the rental housing sector, achieving deep carbon reductions is complicated because landlords often have little incentive to invest in energy efficiency when their tenants are the ones who foot the utility bills, an obstacle known as a "split incentive."

Rental Housing Inspection Programs as Mechanisms for Accelerating Existing Building Energy Efficiency

Many California jurisdictions use rental housing inspection programs as a mechanism for helping ensure that their area's existing rental housing meets basic standards for safe and sanitary conditions. One way to overcome the split-incentive obstacle to energy upgrades in existing rental buildings may be for jurisdictions to layer energy efficiency requirements on top of existing rental housing inspection laws, or if developing a new rental housing inspection program, consider include energy efficiency requirements.

For this study, we surveyed and interviewed local government staff from 26 California jurisdictions to understand the characteristics of their rental housing inspection programs. Because we did not identify any California jurisdictions that have energy efficiency requirements as part of their rental housing inspection program, we also interviewed staff in three cities outside of California that do have rental housing inspection programs with a focus on energy efficiency. Those cities are Boulder, Colorado, New York City, and Austin, Texas. Some of these programs require energy audits, while others go further and require that existing rental properties meet certain minimum standards for energy efficiency.

Using the information gleaned from the California surveys, the California and out-of-state interviews, literature searches and our team's experience managing multifamily energy efficiency upgrade programs, we identified key considerations for jurisdictions exploring the idea of a rental housing ordinance with energy efficiency requirements.

We organized these ordinance feasibility considerations into four steps:

1. Evaluate the baseline rental housing characteristics and existing policies.
2. Assess the resources needed for development, implementation and enforcement.
3. Consider potential impacts on renters.
4. Evaluate approaches to program design.

Layering energy efficiency requirements onto rental inspections, typically focused on health and safety, is commonly considered as one method to address jurisdictions' climate goals. While this report presents key considerations for jurisdictions exploring the idea of a rental housing ordinance with energy efficiency requirements, it does not necessarily endorse implementation of such programs. Jurisdictions may utilize the

information in this report to determine if a rental inspection policy is appropriate for them based upon their baseline characteristics, available resources, program goals, and potential impacts on the community. Jurisdictions that may be considering ways to protect and improve the quality of their rental housing stock can draw on a wealth of information we have presented from 26 established programs. This information will, we hope, help them avoid common pitfalls in program design, implementation and enforcement, and lead to improvements in the quality of rental housing in their communities

Estimating Energy and GHG Impacts

We also attempted to estimate potential energy and carbon impacts of adding energy upgrade requirements to rental housing inspection programs. To do so, we analyzed how three different energy upgrade scenarios would affect a jurisdiction's or region's energy use and greenhouse gas (GHG) emissions.

The calculator we developed shows potential impacts for 12 of the jurisdictions included in our survey and/or interviews, as well as for Alameda County, the nine-county San Francisco Bay Area, and statewide California impacts.

Using the calculator, we have estimated the potential energy and GHG impacts for three upgrade scenarios. In each scenario, we assume that the upgrades are carried out in 20 percent of the jurisdiction's renter-occupied multifamily dwelling units. The three scenarios are:

1. Installing a package of energy efficiency measures that achieve 20 percent energy savings.
2. Replacing a conventional gas-powered water heater with a heat pump water heater.
3. Replacing a conventional gas-powered water heater with a heat pump water heater and installing a solar photovoltaic system.

In California, there are roughly 6.4 million rental housing units. Assuming a 20 percent market penetration of the upgrade scenario yields about 1.3 million rental housing units.

We estimate that the potential statewide impact of applying Scenario 1 to these 1.3 million rental units would be an energy use reduction of 700 GWh and 55 million therms per year. This converts to a GHG reduction of about 419,000 MTCO2e per year. Installation costs would be about $3 billion, with annual utility bills savings of about $224 million.

The potential statewide impact of Scenario 2 would be an increase of about 1,137 GWh and a reduction of about 100 million therms per year. This converts to a GHG reduction of about 327,000 MTCO2e per year. Installation costs would be about $5.5 billion with annual utility bill savings of about $98 million.

The potential statewide impact of Scenario 3 would be an energy use reduction of about 141 GWh and 100 million therms. This converts to a GHG reduction of about 555,000 MTCO2e per year. Installation costs would be about $7 billion with annual utility bill savings of about $170 million.

The calculator we developed, an Excel spreadsheet, is not a public document but may be adapted by other researchers to estimate impacts of energy efficiency requirements on rental housing stock in other jurisdictions or using different assumptions for the number of dwelling units the policy is targeting, the percent of units expected to be upgraded, the average energy savings per dwelling unit, and the GHG conversion factors specific to the local power mix. To obtain a copy of the file, contact Ben Cooper at bcooper@stopwaste.org.

Chapter 1:
Introduction

In response to the global climate crisis, California has enacted a number of laws designed to reduce reliance on fossil fuel energy sources. One of these laws, SB 350, which was adopted in 2015, requires a statewide doubling of energy efficiency savings in electricity and natural gas end uses by 2030. Much of this savings will have to come from reducing building-related energy use. Buildings account for about 70 percent of the state's electricity use and 60 percent of its natural gas use. Meeting California's ambitious goals will require local governments, the building industry, building owners and building tenants to change how buildings are designed, constructed, maintained and operated.

There is no silver bullet for reducing building energy demand to the levels mandated in SB 350. Instead, success will require myriad approaches for new and existing buildings of all types—commercial, industrial, institutional, single-family residential and multifamily residential.

The state has roughly 9.3 million single-family homes and dwelling units in two-to-four unit multifamily buildings, and 3.6 million dwelling units in buildings with five or more units. Approximately 50 percent of these buildings were constructed prior to 1978 when California's first building energy efficiency code was adopted.[1] The energy savings potential of existing residential buildings, particularly those built before 1978, is enormous. According to the California Energy Commission's *Existing Building Energy Efficiency Action Plan*, energy savings as high as 40 percent can be achieved with cost-effective improvements to building envelopes and mechanical and lighting systems.

In the rental segment of residential housing, however, achieving this degree of energy savings is particularly challenging because of what's known as "split incentives." When tenants pay their own energy bills, developers and owners don't perceive that there is a strong benefit to investing in energy efficiency upgrades as they do not receive the direct financial benefit of lowered utility costs. The split incentive issue is a major barrier to progress toward reducing energy demand in existing rental housing.

This study looks at opportunities and issues related to one specific strategy that may accelerate energy efficiency upgrades in the rental housing market despite the split incentive barrier: local rental housing inspection laws that include energy efficiency requirements. Our approach was to:

1. **Conduct primary research** through online surveys of California jurisdictions to understand the prevalence and types of rental housing inspection ordinances

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[1] California Energy Commission, 2011 IEPR, document CEC-100- 2011-001-CMF, page 63.

2. **Conduct in-depth interviews** with a subset of jurisdictions to clarify survey responses and better understand challenges and opportunities associated with these types of ordinances
3. **Conduct interviews** with jurisdictions outside of California that have rental housing inspection or licensing ordinances with energy efficiency components
4. **Estimate the potential impacts** if local jurisdictions were to adopt rental housing laws with energy efficiency requirements

The project team initially set out to assess the prevalence of rental housing inspection laws in California's cities and counties, and how much of the multifamily housing stock is affected by such policies. We first researched whether there are data sources cataloging rental ordinances. Finding none, we then conducted an online survey of local jurisdictions in California. A total of 46 jurisdictions (7 counties and 39 cities) responded to our survey and provided useable data. While this represents only 9 percent of California's 514 cities and counties, the responding jurisdictions account for over 3 million single and multifamily residences in California and cover about 29 percent of the state's renter-occupied housing population.

In addition to the surveys, we conducted interviews with 12 of the respondents (one county and nine cities). While this sample size may not be large enough to allow us to accurately extrapolate statewide prevalence of these ordinances, it did allow us to glean insights and best practices related to the structure and implementation of rental housing policies.

Through our survey, in-depth interviews and research, we identified a series of key considerations for jurisdictions evaluating the potential for implementing a new rental housing ordinance that includes energy efficiency requirements or adding energy efficiency requirements to an existing ordinance.

We organized these ordinance feasibility considerations into four steps:

1. Evaluate the baseline rental housing characteristics and existing policies.
2. Assess the resources needed for development, implementation and enforcement.
3. Consider potential impacts on renters.
4. Evaluate approaches to program design.

Another goal of this study was to identify potential energy and GHG impacts of adding energy efficiency requirements to existing rental housing inspection policies. To estimate these impacts, we developed an energy savings scenario calculator for multifamily rental housing.

We used the calculator to estimate the impacts of three different energy upgrade scenarios for 12 of the jurisdictions that responded to our survey. We also estimated the impacts for Alameda County, the nine-county San Francisco Bay Area and California as a whole.

The calculator is an Excel spreadsheet that can be requested by email from Ben Cooper (bcooper@stopwaste.org). Other researchers may wish to use this calculator to estimate potential energy and GHG impacts of energy upgrade policies for multifamily rental housing in other jurisdictions. To do so, one would change the calculator's assumptions for the number of dwelling units the policy is targeting, the percent of units expected to be upgraded, the average energy savings per dwelling unit, and the GHG conversion factors specific to the local power mix.

Chapter 2:
Overview of Rental Housing Policies and Programs

Many types of policies apply to rental housing. The most common one we found is rental housing inspection programs, which is the main focus of this report. Licensing and inspection ordinances typically are intended to help maintain safe and sanitary housing conditions. Other types of policies, such as rent control or rent stabilization, address how much rent property owners can charge. Since we did not find any rental housing programs addressing energy efficiency in California, we examined existing rental housing inspection policies and programs and looked at the opportunities for layering energy efficiency requirements on them.

Rental Housing Inspection Programs

Rental housing inspection programs require that rental properties be inspected periodically to help ensure they meet health and safety standards. These programs typically require that substandard properties make repairs or improvements. Some programs cover additional issues, such as seismic safety, balcony conditions, or energy or water conservation. Some jurisdictions have both rental housing inspection and licensing/registration programs. These programs are typically administered separately, although both may be written into the same rental housing policy.

The City of Davis, for example, requires all rental units (single-family and multifamily) to be registered with the city and charges the property owners an annual rental resources program fee to cover costs associated with registration, education and program services. They also have a fairly new inspection program that covers only single-family rental housing. At the time of researching this report, Davis charged a sliding scale fee based on the number of multifamily units and a $60 annual fee for single-family homes. The City of Santa Cruz has a rental inspection program for all single-family and multifamily rental housing, and an annual registration fee of $45.

Rental Housing License or Registration Programs

These programs require property owners to register their rental property or obtain a business or rental license to operate it. They require that the license or registration be renewed on a regular basis, usually annually.

Jurisdictions typically charge a fee for the license or registration. Responsibility for program implementation may be a function of the building department, housing and community development department, neighborhood services department, or other departments.

Rental Control or Rent Stabilization Policies

Rent control and rent stabilization policies are used to address affordability and housing security. They are similar policies, but rent control typically has additional tenant protections. Rent control dictates how much a property owner can raise rents per year, puts a cap on rents for a unit, or both. Rent control also limits evictions for unjust causes.

Rent stabilization only protects tenants from excessive rent increases, while still allowing property owners to increase rent each year within a specified maximum rate.

Among the jurisdictions we surveyed that have or are considering adopting rental housing inspection ordinances, eight cities have a form of rent control or rent stabilization—Berkeley, Hayward, Los Angeles, Oakland, Richmond, San Francisco, Santa Monica and West Hollywood. Richmond is the most recent California city to pass a rent control ordinance. The city enacted it in 2016 with the goals of promoting community stability, healthy housing, and affordability for renters. It is unclear if Richmond's rent control ordinance has had any impact on compliance with their rental inspection program, which has a compliance rate of about 80 percent. This is a fairly typical compliance rate for the jurisdictions we surveyed.

Chapter 3:
Insights from California Jurisdictions with Rental Housing Inspection Ordinances

Given the limited timeframe and scope of this study and the fact that there is no statewide repository of rental housing policy information, we were not able to accurately quantify the prevalence of rental housing licensing or inspection ordinances in California. However, based on the survey and interviews we conducted, we can offer qualitative insights and guidance to assist local governments in evaluating the feasibility of adopting rental housing ordinances that include energy efficiency requirements.

This section describes our approach to the surveys and interviews, and discusses what we learned from our cohort of 26 jurisdictions that have rental housing license or inspection programs. At the end of this section, we feature profiles of the inspection programs at two of the responding jurisdictions—the cities of San Pablo and San Rafael.

Survey Process

We used an online survey platform and targeted cities and counties throughout California. We disseminated the survey link in September and October 2018 through local government networks including the Bay Area Air Quality Management District, Bay Area Regional Energy Network, California Building Officials, Green Cities California, League of California Cities, Local Government Coalition, Local Government Sustainable Energy Coalition, San Francisco Department of the Environment, and San Jose Environmental Services Department.

In addition, using online research and suggestions from survey respondents, we identified additional jurisdictions with high rental housing populations or existing rental housing policies and directly requested their participation in the survey.

The survey consisted of 9 to 14 multiple-choice and open-ended questions. Depending on the response to the initial question of whether they have a rental housing inspection or licensing program (yes, no, considering), respondents were directed toward different subsequent questions. Appendix C describes the survey questions and methodology in detail.

Surveyed Jurisdictions

A total of 46 jurisdictions (7 counties and 39 cities) responded to the survey and provided useable data. This represents 9 percent of the state's 514 cities and counties. The respondents included jurisdictions in the San Francisco Bay Area, Sierra Nevada region and Southern California. Central Valley and Northern California jurisdictions did not respond, even after we attempted to contact them directly.

The responding jurisdictions represent nearly 3.1 million single and multifamily dwelling units in California, and cover about 29 percent of California's renter-occupied housing population. The majority of responding jurisdictions are urban and suburban and include some of the largest rental populations in the state. A few responding jurisdictions contain rural areas, such as unincorporated parts of Marin, Sonoma, Santa Barbara and Yolo counties.

Of the 46 jurisdictions responding to the survey with useable data, five have a rental license program and 21 have a rental inspection program. Surveyed jurisdictions with licensing or inspection programs are listed in Table 1.

Eighteen responding jurisdictions do not have any rental licensing or inspection program, while one jurisdiction is considering creating a rental housing ordinance.

We estimate that 57 percent of the renter-occupied multifamily housing stock in the jurisdictions we surveyed is covered by some type of rental inspection or license program. This estimate assumes all multifamily housing (5+ units) is covered and does not account for the exemption of properties where the owner lives on site as this is not a common condition in buildings with five or more units. See Appendix A for details on the jurisdiction data.

Table 1: Survey Respondents with Rental License or Inspection Programs

Single & Multifamily Ordinance	Multifamily Ordinance Only	Single-Family Ordinance Only	Considering an Ordinance
Antioch	**Chula Vista**	Riverside County	**West Hollywood**
Berkeley	Marin County		
Davis	Oakland		
El Cerrito	San Francisco		
Hayward	San Leandro		
Hemet	**San Rafael**		
Los Angeles	Santa Rosa		
National City	South Lake Tahoe		
Novato	Sonoma County		
Palo Alto			
Rancho Cordova			
Richmond			
San Pablo			
Santa Barbara County			
Santa Cruz			
Yolo County			

Jurisdictions in bold were also interviewed.

Survey timeframe: September-October 2018. Interview timeframe: Q1-Q2 2019.

Interviewed Jurisdictions

To clarify survey responses and gain greater insight into issues associated with rental inspection or licensing programs, in the first and second quarters of 2019 we conducted in-depth interviews with 11 jurisdictions that have a rental housing inspection or license ordinance and one jurisdiction considering implementing such an ordinance.

We interviewed these jurisdictions: the cities of Chula Vista, Davis, El Cerrito, Los Angeles, National City, Rancho Cordova, Richmond, San Pablo, San Rafael, Santa Cruz and West Hollywood, and the County of Santa Barbara. These 12 jurisdictions have at least 38 percent renter-occupied housing and a majority of their rental housing stock was built before 1980 (see Appendix A for jurisdiction data details).

From the interviews we learned that rental registration programs are typically administered separately from rental inspection programs, although jurisdictions may have both written into the same rental housing policy.

Of the nine jurisdictions that have a rental housing inspection or licensing ordinance, Davis is the only one that had not initiated inspections because their ordinance was new at the time we conducted the interview. We also interviewed West Hollywood, which at the time of the interview was considering starting an inspection program, in order to understand what was driving their need and what factors should be in place in order for a jurisdiction to launch a program.

Table 2 summarizes the rental inspection programs of the interviewed jurisdictions. More complete notes from the 11 interviews are in Appendix B.

Table 2: Summary of Interviewed Jurisdictions

Interviewed Jurisdiction	Triggers & Inspection Frequency	Self-Certify?	Recourse	Funding Source	Code Reference	Year Adopted
City of Chula Vista	Complaint. 3 to 5 year cycle.	No	Fines and/or penalties	Housing permit fees	California Health and Safety Standards	2003
City of Davis	Complaint. Random selection for single family only.	No	Inspection program had not yet launched	Annual rental resources fees	California Code of Regulations	2017
City of El Cerrito	2 year cycle	No	Citations	Inspection fees	California Code of Regulations	1997

Interviewed Jurisdiction	Triggers & Inspection Frequency	Self-Certify?	Recourse	Funding Source	Code Reference	Year Adopted
City of Los Angeles	4 year cycle	No	Citations	Systematic Code Enforcement Program Fee, inspection fees, additional service fees	California Code of Regulations and Los Angeles Municipal Law	1998
City of National City	Complaint	No	Administrative citation or lien on property	Annual licensing fees	California Code of Regulations	Not available
City of Rancho Cordova	3 to 5 year cycle	No	Fines and/or penalties	License and housing stock fees	California Code of Regulations, Rancho Cordova Municipal Code	2007
City of Richmond	18 month to 3 year cycle	Yes[2]	Citations	Inspection and registration fees	California Code of Regulations	2007
City of San Pablo	Complaint. 1 to 5 year cycle.	No	Fines	Inspection fees	San Pablo Municipal Code	1986
City of San Rafael	Complaint. 5 year cycle.	No	Fines	Inspection fees	International Property Maintenance Code	Not available

[2] Owners with three or more rental units can qualify for annual self-certification if properties have no existing violations. Once every three years the city will inspect 20 percent of certified units.

Interviewed Jurisdiction	Triggers & Inspection Frequency	Self-Certify?	Recourse	Funding Source	Code Reference	Year Adopted
City of Santa Cruz	3 to 5 year cycle	Yes[3]	Fines and/or penalties	Annual registration and inspection fees	2015 International Property Maintenance Code	2010
County of Santa Barbara	Complaint. 3 year cycle.	No	Citations	County General Fund	HUD Housing Quality Standards	Not available

Survey and Interview Findings

This section summarizes what the survey respondents and interviewees told us about their rental housing inspection programs. We've distilled seven themes from their responses:

1. Safe and sanitary housing is paramount.
2. There is no one-size-fits-all model for rental housing inspection programs.
3. Before you start, have a plan for collecting and managing data.
4. A compliance rate of about 80 percent is common—but higher is possible.
5. Multiple triggers for inspection are common.
6. Staff does most of the inspections.
7. Inspections cover—and uncover—more than health and safety issues.

1. Safe and sanitary housing is paramount.

Jurisdictions typically have multiple goals for their rental inspection programs, but ensuring safe and sanitary housing conditions always topped the list.

- **Ensure safe and sanitary housing.** For the majority of respondents, the main goal of their jurisdiction's rental housing program was to maintain and improve the quality of the current rental housing stock. The term most jurisdictions used to describe the goal of their programs is "safe and sanitary housing," in reference to the California Health and Safety Code (CHSC) [4] or the HUD Housing

Jurisdictions that develop rental housing have a vested interest in requiring those properties to meet housing quality standards.

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[3] Units with no history of code enforcement cases can self-certify annually and the city inspects 20 percent of the units every five years.

[4] California Health and Safety Code Division 13, Part 1.5 Chapter 2 Section 17920.3 identifies what defines a substandard building. Any building or portion thereof including any dwelling unit, guestroom or suite of rooms, or the premises on which the same is located, in which there exists any of the following listed conditions to an extent that

Quality Standards (HQS).[5] These standards cover the same building characteristics, although HQS has more specific performance standards.

- **Protect investments in housing development.** Jurisdictions that directly fund rental housing development indicated they have a strong interest in maintaining and managing real estate they have invested in.
- **Address issues with absentee landlords and deferred maintenance.** The topic of absentee landlords came up multiple times during the interviews. An increase in deferred maintenance leading to substandard housing conditions prompted the creation of many jurisdictions' rental inspection programs. In one jurisdiction, for example, a large employer that subsidized housing left the area and housing conditions deteriorated.
- **Educate tenants and landlords.** Some respondents use their programs to educate tenants and landlords on rental laws, as they have had issues with maintenance upkeep and noncompliance with rental laws.
- **Respond to decline in housing quality due to cuts in local government services.** One jurisdiction suffered a recession and a large earthquake in the same time period, which contributed to deferred maintenance and potentially dangerous living conditions. The reduced tax revenue led to cuts in city services and less enforcement of state and local laws. Public outcry prompted the jurisdiction to create an inspection program.

2. There is no one-size-fits-all model for rental housing inspection programs.

No two jurisdictions have the same demographics, rental housing stock, administrative systems and cultures, or political pressures. All rental housing inspection programs cover basic health and safety issues, but jurisdictions considering starting a program need to tailor the ordinance to their locality's unique characteristics. Considerations include:

- **Building types.** Some jurisdictions in our survey and interview cohort have programs that address only single-family or multifamily rental housing, while others address both. A few programs cover only subsidized housing. Some programs exempt newer buildings, such as those less than six years old. Santa Barbara County's program addresses only the county's portfolio of subsidized affordable housing and privately-owned rental properties that accept Section 8 vouchers.

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endangers the life, limb, health, property, safety, or welfare of the public or the occupants thereof shall be deemed and hereby is declared to be a substandard building. If a building meets any of the listed conditions, a building is not considered safe and sanitary.

[5] Code of Federal Regulations Housing Quality Standards states the housing quality standards for housing assisted under the Housing Choice Voucher program. HUD defines it as meeting the housing quality standards which are Sanitary facilities; Food preparation and refuse disposal; Space and security; Thermal environment; Illumination and electricity; Structure and materials; Interior air quality; Water supply; Lead-based paint; Access; Site and neighborhood; Sanitary condition; and Smoke Detectors.

- **Program size.** The number of staff working in the rental inspection program varies by size of jurisdiction and frequency of inspections. A small city that inspects its 4,000 rental units every two years has one inspector and one administrative staff member. A large city that inspects its 850,000 rental units every two to four years has 90 rental inspectors. Jurisdictions looking to start an inspection program should evaluate the potential administrative and inspection workload to determine whether additional staff is needed.
- **Responsible department.** The inspection program is typically part of the code enforcement or community development department. This seems to be the most effective use of resources, as the rental inspectors often refer inspected units to building code enforcement for violations, such as unpermitted construction. Some jurisdictions make the program part of the housing or neighborhood services department. All jurisdictions in our cohort have inspection staff specific to the program, distinct from building or code enforcement inspectors.
- **Program funding.** The most common way to fund the rental housing inspection program is through annual licensing fees and inspection fees or penalties. However, an inspection program might not be able to be sustained by inspection fees or penalties alone, depending on the amount of annual inspections or penalty fees collected. One program in our cohort is funded by their city's general fund, while another chose a fee-based

  Programs funded by annual licensing and inspection fees aren't affected by the ups and downs of the jurisdiction's general fund.

  program specifically so their budget wouldn't be affected by the ups and downs of the general fund. Fees vary from jurisdiction to jurisdiction. One large city that inspects only multifamily buildings charges roughly $43 per unit annually and $200 per unit for an inspection every four years. A small city that inspects only single-family rentals charges $60 annually, which includes a $25 business license. One city noted that they charge a re-inspection fee for no-shows.

3. Before you start, have a plan for collecting and managing data.

In addition to working out how to gather the initial data set of rental housing stock, the program development team needs to have a data management plan in place before starting the program.

- **Sources for initial data.** A significant step in the process of adopting a rental inspection ordinance is gathering the initial data set of rental housing stock. Jurisdictions gather their initial data from a variety of sources, including from business or rental licenses, tax assessor's data, and the building department's permit records and certificates of occupancy. One city worked with their finance department to identify which properties had a mailing address different from where the water bill was sent; this helped them identify property owners who pay the water bills for their rental units.

- **Adding new buildings to the data set.** Jurisdictions may use some or all of the data collection methods described above to identify new rental properties that need to be brought into the inspection program. This may involve aggregating several data sets.

- **Tracking and permitting.** Many programs benefit from cost efficiencies by tracking rental housing inspections through the jurisdiction's building permit tracking software and creating a permit for each inspection.

Look into using your jurisdiction's building permit tracking software to track rental housing inspections.

4. A compliance rate of about 80 percent is common—but higher is possible.

Compliance typically improves over time as owners became familiar with the program's requirements and make improvements to their buildings. A large jurisdiction that has been operating an inspection program for more than 20 years currently has a 96 percent compliance rate. The survey responses and interviews suggest that, due to time and resource constraints and owner noncompliance, jurisdictions are not able to inspect 100 percent of covered rental units during the time interval established by their ordinance. We heard from a number of jurisdictions that of the inspected units, about 80 percent were in compliance. These compliance rates are based on the jurisdiction's known stock of rental units; it would not include illegal or unpermitted units.

Our cohort of jurisdictions offered a lot of advice about how to increase compliance rates.

- **Education, education, education.** Many jurisdictions have problems with property owners refusing entry to units because they aren't aware of the program's requirements. Many jurisdictions emphasized that it's critical to devote considerable time and resources to education. This includes engaging tenants, owners and managers during ordinance development, conducting extensive outreach during initial rollout, and providing ongoing education about the program. Stakeholder engagement should include property owners and managers and their associations, tenants and tenants' rights groups, real estate agents, and contractors who do repair and remodeling of multifamily buildings. One jurisdiction recommended having owners register with the program in person so they can meet city staff and ask questions directly. Another city advised treating the first year or two of the program as a transition period, with a lot of education and no penalties or heavy-handed enforcement during that period. It's also important to make program information easy to find and understand.

- **Help owners figure out how to pay for improvements.**
  Many owners of smaller properties don't have the cash or access
  to credit to finance repairs or upgrades to bring their properties
  into compliance with the ordinance. Some cities emphasized the
  need to have a pathway in place to help owners with the cost of
  improvements. This typically involves providing information about
  financing or incentive programs available from the jurisdiction or
  from third parties.

  *Owners of smaller buildings may
  need help accessing financing or
  incentive programs to bring their
  properties into compliance.*

- **Challenge-proof your ordinance.** One city mentioned ongoing
  legal challenges related to owner and tenant consent to inspections and
  recommended that jurisdictions carefully research and write their ordinance to be
  resistant to legal challenges. During ordinance development, early and extensive
  outreach to stakeholders can help jurisdictions stay ahead of compliance
  problems that might otherwise arise after an ordinance is passed. Some
  jurisdictions emphasized the importance of including staff with inspection and
  enforcement experience in the ordinance development process, so that you don't
  wind up with an unenforceable ordinance. A common sentiment from interviews
  was that ordinances need to have strong code enforcement language and have
  inspectors that are able to enforce that language. Code enforcement language is
  covered in more detail in Chapter 5, Considerations for Developing a Rental
  Housing Ordinance with Energy Efficiency Requirements.
- **Failure to convey requirements at time-of-sale.** Two jurisdictions with
  time-of-sale triggers mentioned issues with real estate agents not telling their
  clients about required inspections, which can lead to noncompliance.

4. Multiple triggers for inspection are common.

Inspections are initiated in a number of ways, with the most common being a
combination of a regular inspection schedule set by the jurisdiction and responding to
complaints—typically, although not always, from tenants—about building conditions.

- **Time-based triggers.** Of the 12 interviewed jurisdictions, 10 conduct proactive
  inspections on a regular schedule.[6] Inspection cycles typically range from every
  two to five years. Some programs decreased the inspection frequency from two
  years to every four or five years because they couldn't cover all the units within
  two years or because properties generally didn't change significantly over the
  course of two years. Some programs inspect properties with a history of
  noncompliance or complaints more frequently than properties with no
  compliance issues.
- **Complaint trigger.** A few jurisdictions use complaints as the sole trigger while
  most use complaints in combination with a time-based trigger. Most complaints

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[6] Davis conducts its inspections based on random selection and complaints received. National City's inspection
program is complaint based.

come from tenants but at least one city remarked that people have lodged complaints against neighboring buildings. Programs with limited staff prioritize the most egregious complaint cases before moving to less serious ones. One program switched from a time-based to a complaint-based trigger because of the high volume of complaints.

A disadvantage to relying on complaints as the trigger is that tenants may not know they have a right to report violations or may fear landlord retaliation in the form of harassment or threats of eviction or rent increase. Fear of retaliation is likely stronger for more vulnerable tenants such as those

Some tenants may hesitate to report issues with housing conditions because of fear of retaliation.

with low income or limited English. This fear is increased in competitive rental markets where finding a new place to live may mean significantly increased rent.

To reduce risk of retaliation, one program reported they have a tenants' rights help line while others said they make an extra effort to inform tenants and landlords about anti-retaliation laws. A rent control ordinance may provide some protection against retaliation. One large city said they have a separate housing complaint group with a separate organizational structure that operates independently of the regular inspection program.

- **Time of building sale or listing trigger.** Some programs call for inspecting a building when it is sold or when it is listed for sale. Three surveyed jurisdictions— City of Novato, City of San Pablo, City and County of San Francisco—have a building time-of-sale trigger, either as the only trigger or in combination with another method. Depending on how often a property changes hands, an inspection policy with time of sale as the only trigger will overlook many properties, some of which may be substandard.
- **Other triggers.** The County of Santa Barbara inspects subsidized housing based on risk assessment factors such as staff turnover, financial capacity, rent rolls, number of complaints, and number of health and safety violations. Some jurisdictions may use other triggers, such as random selection. A downside of random selection is that jurisdictions may be overlooking many substandard properties if the selection processes does not cover all properties over time.

5. Staff does most of the inspections.

Many jurisdictions have inspectors on staff, while others rely partly or entirely on third-party inspectors or allow some degree of self-certification.

- **Staff inspectors.** Some of the jurisdictions use in-house staff as the only method of verifying compliance, while some use in-house staff in combination with third-party assessment and/or self-certification. These inspectors typically only work for the rental housing inspection program and do not also do inspections for the building or code enforcement departments.

Rental housing inspectors typically do not also do inspections for the building or code enforcement departments.

- **Third-party inspectors.** Three jurisdictions use only third-party inspectors to verify compliance, although the building department gets involved if the outside inspector encounters issues such as illegal units or structural concerns. Third-party assessments can reduce the burden on staff resources, allowing more time for administration of the rental housing program and other department duties. Depending on the jurisdiction's needs, using third-party inspectors may be less expensive and provide more flexibility than using staff. Also, the jurisdiction may be able to hire third-party inspectors with specialized training that staff may not have, such as building energy efficiency.
- **Self-certification.** A few programs allow annual self-certification if a property has no history of compliance issues. A typical scenario for programs with a self-certification option is to verify compliance by inspecting 20 percent of the self-certified units every three to five years. Self-certification places a greater burden on owners to understand the program's requirements. Our interviews found that owners rarely, if ever, use a self-certification option.
- **Pre-inspection checklist.** To help streamline the inspection process, one jurisdiction provides a checklist to owners when they renew their business license, so they can address issues before the inspector comes out.

6. Inspections cover—and uncover—more than health and safety issues.

Some jurisdictions inspect only for housing code, health and safety issues while others include additional criteria.

- **Alignment with HUD.** Many use inspection checklists that align with U.S. Housing and Urban Development's housing quality standards inspection checklist. Appendix E provides a sample checklist.

Many jurisdictions use inspection checklists that align with HUD's housing quality standards

- **Other issues.** In addition to basic health and safety issues, some jurisdictions inspect for deferred maintenance, seismic

code compliance, energy and/or water conservation requirements, or visual blight.

- **Unpermitted work.** While carrying out inspections, it's not uncommon for staff to discover work that was done without appropriate permits. In these situations, the inspector generally refers the case to building code enforcement to deal with the violation. This is typically identified because the unpermitted work is illegal or poses health and safety risk.
- **Health and safety.** Six respondents said their rental program only covers housing code and health and safety violations. In California, the health and safety code is covered within the housing code, which could have made this question misleading.

A Closer Look: San Pablo's Residential Health & Safety (RH&S) Inspection Program

OVERVIEW: San Pablo, in Contra Costa County, has a population of about 31,000. Residential rental properties with three or more units are subject to an annual business license fee. Properties with rental units or non-owner occupied units, as well as all residential properties for sale, must also comply with the city's Residential Health & Safety Inspection Program. This program helps ensure that the city's residential units meet state and local building, electrical, fire and plumbing code standards, that structures are safe for occupancy, and that housing stock is maintained to acceptable standards. San Pablo's RH&S inspection checklist is shown in Appendix E.

INSPECTIONS: The business and rental housing licenses are administered separately. The rental license program is administered by the Community and Economic Development Department. Inspections are done by 4LEAF, a consulting firm. The most common health and safety problems found during inspections are smoke and carbon monoxide detector violations, unstrapped water heaters and unpermitted construction. Upon passing inspection, the city issues a rental certificate valid for one to five years based on demerit points received during the inspection. The fewer demerit points, the longer the rental certificate is valid for. Inspections may also be triggered by complaints from tenants about substandard conditions such as mold or leaky pipes. Tenants wishing to file a complaint must send a letter to the owner by certified mail describing the substandard conditions. The owner has 10 business days from receipt to address the issues and begin repairs. If the owner does not take corrective action, the city will set up an inspection, send the owner a report describing the violation and grant them 30 days to correct it. A property sale may also trigger a new inspection. One year after the sale the city will follow up to see if the units are still rentals units or owner occupied.

DATA: Data to track compliance is entered into a spreadsheet and uploaded to the city's permit checking software, TRAKiT (recently rebranded Central Square), which is shared by building, code, planning and public works departments.

FEES: The inspection program is funded by fees paid by the property owners. The fee covers an initial inspection and one re-inspection. For single-family rental properties the fee is $391. For multifamily properties, it is $391 per building and $78 per unit.

COMPLIANCE: About 75 percent of rental properties are in compliance with the business license requirement and about 50 percent are in compliance with the RH&S Inspection Program. Fines and in some cases liens can be issued for noncompliance. Limited staff time is the biggest obstacle to enforcement. At the time of the interview (August 2019), staff was dealing with a backlog of expired inspection certificates, and the program had only one person doing health and safety inspections two days a week.

A Closer Look: San Rafael's Housing Inspection Program

OVERVIEW: San Rafael is a city in Marin County with a population of about 59,000. Residential properties with three or more rental units must pay an annual business license fee to the city's Finance Department. These properties must also comply with the city's Housing Inspection Program (HIP), which is administered by Code Enforcement division in the Community Development Department.

The HIP's goal is to ensure that all residential rental properties are safe and habitable; it does not include energy efficiency requirements. The inspection is based on the International Property Maintenance code and closely parallels California's health and safety code.

INSPECTIONS: All inspections are done by city staff, not by a third party. The inspection schedule is every five years but because of staffing shortages, it can slip to every six or seven years. The program is currently staffed with 1.5 full-time employees. Complaints about a property can also trigger an inspection. In addition to the building exterior, every unit is inspected; inspection of a 60-unit building can take all day. Approximately 600 buildings are subject to inspection, comprising about 8,000 units in total. The most common inspection violations are missing or nonfunctional smoke detectors, broken windows, nonfunctional heaters.

DATA: The HIP staff receives a yearly list from the assessor's office of all parcels with three or more residential units and they use TRAKiT software (recently rebranded to Central Square) to manage code and enforcement data.

FEES: The inspection fee is $400 per building and $25 per unit. The annual business license is paid in two installments on the property tax bill; the fee is whichever is greater: $1.70 for every $1,000 of gross receipts, or $34.85 per unit.

COMPLIANCE: Business license compliance is close to 100 percent. Compliance with the HIP is about 85 percent. When deficiencies are found, the city sends the property owner a written notice of violation and an order to abate. Ample time is given for the needed repairs to be made and a re-inspection is conducted to verify that the corrective work has been done. If the deficiencies are not corrected in the specified time, the property may be subject to an administrative action or civil or criminal prosecution.

Chapter 4:
Case Studies of Rental Housing Energy Programs in Other States

Our survey and interview process did not reveal any jurisdictions in California with an energy efficiency policy or program targeting rental housing. The cities of Boulder, Colorado, Austin, Texas, and New York City have energy efficiency policies that directly affect rental housing. We researched these programs and interviewed staff to glean insights for best practices for policy design.

These three programs differ in essential ways:

- **Boulder's** policy requires rental housing to meet a threshold for energy efficiency.
- **Austin** has an audit policy for multifamily buildings designed to identify opportunities for and encourage energy efficiency upgrades.
- **New York City** has a benchmarking policy for all large buildings to document energy use and encourage upgrades.

Boulder, Colorado: SmartRegs

Year adopted: 2010

Applicability: All residential rental properties

Program summary: As of December 31, 2018, all rental units must have a SmartRegs inspection and meet a basic energy efficiency standard. If SmartRegs requirements are not met, the city will not renew the property's rental license.

Goals: Ensures a basic level of energy efficiency for renters, creates the opportunity for energy efficiency education, and supports Boulder's energy and climate commitments.

Compliance rate: As of 12/31/18, Boulder reported 96 percent compliance with SmartRegs. Out of 22,317 units inspected, 22,029 have complied. See Figure 1 for the current SmartRegs progress report.

Program development: In 2008, as part of a Climate Action Plan (CAP) study session, Boulder's City Council identified key GHG reduction strategies to help meet the city's climate objectives. Reducing building energy use was identified as a major opportunity. SmartRegs was developed as one element of an overall plan to reduce energy use in the building sector.

Prior to developing SmartRegs, Boulder had a rental housing licensing program that required health and safety

inspections. Thanks to this established program, city staff already had a solid understanding of the characteristics of the local residential rental sector.

Relationship to city departments: SmartRegs is part of Boulder's building permitting/planning department. Rental housing issues intersect with many city priorities, so the SmartRegs staff also coordinate with staff in other areas, including sales tax, housing and code compliance departments.

SmartRegs staff interact often with rental owners seeking building permits. In addition to assisting owners with SmartRegs compliance, they help property owners connect with other departments to address issues related to affordable housing, code compliance for zoning, building code, and health, safety and sanitation concerns (trees, waste, animals/rodents, etc.)

Staffing: SmartRegs was adopted in 2010 but property owners were given nearly eight years to comply with the regulations. In time, as more property

owners engaged with the program, the City Council approved hiring additional staff to meet the growing workload.

The city also hired a consultant, CLEAResult, to help develop and manage the program. CLEAResult was involved with SmartRegs from the early stages of program development. Their role included:

- Helping design the prescriptive inspection path
- Providing quality assurance by reviewing all inspections for accuracy
- Providing advisory services to property owners on how to comply
- Developing program metrics and monitoring achievement of compliance goals
- Doing site visits when necessary to properties with compliance challenges
- Administering city-sponsored rebates

Even with added staff and the consultant, meeting the workload was challenging in the last few years before the 2018 compliance deadline as the application submissions rolled in at a very fast pace.

Funding: From 2010 through 2016, Boulder's CAP tax covered the SmartRegs program's operating costs, including owner advising services, rebates and incentives, and outreach. This funding was key to program success. Starting in 2017, in response to reduced CAP funding, Boulder instituted a fee for noncompliance to help cover program costs.

As of 2019, Boulder is no longer offering rebates or advising services for new

SmartRegs licenses. Property owners who need compliance assistance with the ordinance must obtain it from the private sector.

Implementation: SmartRegs was rolled out over an eight-year period, which corresponded to two cycles of four years each in the city's rental housing inspection program. This long implementation gave property owners plenty of time to plan for upgrades that might be required.

Although some owners took advantage of this lead time and planned upgrades accordingly, others delayed engaging with the program until the deadline approached. Because property owners were given eight years to comply, no compliance extensions were given after the 12/31/18 deadline.

Inspections: Inspections for the rental housing license and SmartRegs are separate and are carried out by third-party inspectors approved by the city. Most inspectors have become qualified to do both types of inspections. Boulder has found the inspectors to be important to SmartRegs success because they work closely with property owners.

Energy efficiency goals: SmartRegs energy efficiency requirements are based on Boulder's 2001 building code, which is not the current code. New buildings that meet the current code are exempt from SmartRegs. The program's energy savings targets were calculated by the consultant, CLEAResult, with input from Boulder's sustainability department.

For now, the city does not plan to increase SmartRegs' energy efficiency targets. With 96 percent of residential rental properties having achieved compliance, the city has shifted its focus to other initiatives, including improving commercial building energy efficiency.

Cost to owners: Boulder's consultant estimates that the average cost for a multifamily property to comply with SmartRegs is about $5,000.

Learn more:
https://bouldercolorado.gov/plan-develop/smartregs

Insights

- **Take advantage of the expertise of consultants.** Initially, in-house staff provided inspection and support services to assist property owners with compliance. If they were designing the program today, the city would likely rely more on outside consultants from the outset. The market has changed and there are more experienced consultants now who can assist property owners.
- **A longer onramp isn't necessarily better.** While the eight-year implementation period made sense in 2010, a shorter timeframe would likely be sufficient today because there are more experienced inspectors, contractors and consultants, and more affordable options for energy efficiency home improvements.
- **Having an existing rental license program helped ensure success.** It allowed for a clear financial impact to the property owner: they would lose their rental license if they did not comply with SmartRegs. Without an existing license program, it would be even more important to have a solid outreach plan and strong public support for the ordinance. Also, being able to leverage existing infrastructure (staff, rental housing database) of the rental license program made it easier to get SmartRegs off the ground.

Figure 1: SmartRegs Program-to-Date Progress Report

PROGRAM PROGRESS

RESIDENTIAL LICENSED RENTAL UNITS PARTICIPATING IN SMARTREGS

97% to 2018 Goal

Number of Evaluated Units** — 22317

96% to 2018 Goal

Number of Compliant Units — 22029

Total Number of Licensed Rental Units in City of Boulder

23,000*

Compliance Deadline Dec. 31, 2018

ALL UNITS EVALUATED

- Non-Compliant: 2573, 12%
- 288, 1%
- 3763, 17%
- 4485, 20%
- 11208, 50%

Legend:
- Non-Compliant
- Compliant at Baseline
- Compliant through EnergySmart
- Compliant by Exemption^^
- Compliant by Upgrades (Non-EnergySmart)

UNITS EVALUATED THROUGH ENERGYSMART

- Non-Compliant: 32, 0%
- 117, 1%
- 1375, 18%
- 3223, 41%
- 3110, 40%

Legend:
- Non-Compliant
- Compliant at Baseline
- Compliant by Upgrades^
- Compliant by Quick Installs^
- Compliant by Exemption^^

Total: 7,857

REACHING COMPLIANCE THROUGH UPGRADES

Median Number of Points for Non-Compliant Units to Reach Compliance	14
Average Number of Upgrades to Reach Compliance	2
Average Cost of Upgrades to Reach Compliance	$3,022
Average Total Rebates (County + City) to Reach Compliance (For Properties that Received at Least 1 Rebate)	$579

Most Common Upgrades to Reach Compliance (with average cost)

Attic Insulation	$1,516
Crawlspace Insulation	$1,921
Wall Insulation	$2,040

ENERGYSMART MARKET & COMMUNITY IMPACT

LEVEL OF INVESTMENT				DEEMED ANNUAL SAVINGS***
Private Investment	Rebate : Private Investment Ratio	kWh	Cost	
$7,162,548		1,935,554	$519,625	Electricity savings to date from SmartRegs improvements are equivalent to taking 928 cars off the road each year!
Total Rebates Paid	$1 : $8.05	Therms	mtCO2	
$889,571		459,253	3,917	

Last updated December 31, 2018

Note as of 12/31/2018. The progress report is available at https://bouldercolorado.gov/plan-develop/smartregs.

Case study

Austin, Texas: Energy Conservation Audit and Disclosure

Year adopted: Ordinance passed in 2008; implementation began in 2009.

Applicability: Austin's Energy Conservation Audit and Disclosure (ECAD) Ordinance requires energy audits and disclosures for all homes and buildings served by Austin Energy and located within Austin city limits. Special requirements apply to multifamily properties with five or more residential units.

Program summary: Multifamily properties with five or more residential units are required to have a specialized energy audit every 10 years. The energy audit results must be made available to potential and current residents.

Figure 2 shows a sample Energy Audit Results Report.

An energy guide report must also be provided to prospective tenants. It shows an estimate of the monthly electricity costs for the unit and lists current conditions for some building characteristics such as heating and cooling systems, windows, and attic insulation levels.

Figure 3 show a sample Energy Guide for Prospective Tenants.

Goals: ECAD was established to help the City of Austin meet some of the goals in its Climate Protection Plan. These goals included offsetting 900 megawatts of peak energy demand by 2025 to reduce Austin's carbon footprint, and reducing CO_2 emissions by 20 percent from 2005 levels to 2020.

The ECAD program also helps property owners increase energy efficiency, reduce tenant turnover due to poor conditions, and increase property marketability.

Audit: The audits are carried out by qualified ECAD Energy Professionals. If the auditor determines that the property is a High Energy Use Property (150 percent over average energy use for similar properties), the property owner must reduce energy use by 20 percent.

Properties not deemed high energy users are not required to make improvements, but Austin Energy does offer rebates and other incentives to encourage energy efficiency upgrades.

Compliance rate: Approximately 88 percent of rental units are in compliance. About 300 multifamily properties in total are not in compliance, two-thirds of which have fewer than 20 units.

Penalties for noncompliance: Noncompliance is a Class C misdemeanor with fines from $500 to $2,000. Also, noncompliant properties cannot participate in any Austin Energy rebate programs until they have an ECAD report on file.

Learn more:
austinenergy.com/ae/energy-efficiency/ecad-ordinance

Insights

- **Make stakeholder outreach a priority during ordinance development and implementation.** Have an end game in mind and communicate what the goal is to stakeholders. Be sure to clearly communicate the benefits to the apartment community (owners, agents and tenants). One of Austin's most powerful stakeholders was the local board of realtors; it's very important to address their concerns addressed prior to attempting to pass an energy disclosure ordinance.
- **Broaden your concept of who is a stakeholder.** It's important to communicate about the ordinance with building contractors. Also reach out to other industries that may be unwittingly driving up a building's energy use. Cable companies, for example, often go through ducts or plenums to install cable and then don't put the ductwork back in its original position or don't seal openings after finishing their work.
- **Energy use intensity and unit size.** The ECAD audit report calculates energy use intensity (EUI) for each unit. Small units such as studio apartments and single-room occupancy (SRO) units often have higher EUIs than larger units. Many properties appear at the top of the ECAD program's list of high energy users even though they have made improvements and have low electricity bills,

due to having many studios or small one-bedroom units. Jurisdictions should consider using a scaled EUI that adjusts for small units rather than a standard EUI.

- **Link the energy ordinance to code enforcement.** This will make it easier to enforce the program and require repairs to substandard conditions.
- **Choose the right tracking system for your needs.** Consider how you will collect data, how you will store it, and how you will use the data to facilitate building upgrades and enforce the program.
- **Clearly define the types of buildings and types of ownership the ordinance will apply to.** Austin's ordinance was written in a way that inadvertently created a loophole for condos; they are considered single-family homes but don't get triggered in the single-family program because they are not stand-alone properties. To avoid this, jurisdictions should consider tying the ordinance to building department permits and use either the tax assessor's definitions or zoning categories for compliance. For example, instead of using the terms "single-family" and "multifamily," require compliance for properties with specific multifamily residential zoning designations. This structures the ordinance around use rather than parcel and ensures that condos are included in the ordinance. Also consider avoiding tax loopholes by structuring the ordinance around how the land is being used rather than how it's being taxed.

Figure 2: Sample of Austin's Energy Audit Results Disclosure Notice

MULTI-FAMILY DISCLOSURE NOTICE
ENERGY AUDIT RESULTS

Posted in accordance with the Austin City Conservation Code Chapter 6-7, Energy Conservation Audit and Disclosure Ordinance No. 20110421-001.

1234 SPICEWOOD SPRINGS RD., AUSTIN, TX 78722
STREET ADDRESS

ENERGY EFFICIENCY MEASURES EVALUATED	AUSTIN ENERGY RECOMMENDS	AUDIT RESULTS (AVERAGED)
Air Duct System	Less Than 15%	Over 45% Leakage
Attic or Roof	Between R22–R30	R15
Solar Screens or Window Film	On all East, South and West Windows	Complete

"Average" values are calculated from results obtained from multiple buildings and systems.

CONSTRUCTION YEAR: 1978, 1982   ENERGY UTILITIES: Gas and Electric   ENERGY AUDIT CONDUCTED BY: Greenberg Energy Services, LLC

NUMBER OF UNITS: 57   DATE OF ENERGY AUDIT: September, 2011   DATE OF DISCLOSURE NOTICE: June 16, 2016

The Austin City Code Chapter 6-7 of the Energy Conservation Audit and Disclosure Ordinance applies to multi-family properties 10 years old and older served by Austin Energy and located within Austin city limits. Some exemptions apply. Under the ordinance, the owner of a multi-family facility must post and provide results of an energy audit of the property to current and prospective residents. Detailed copies of the audit are available upon request to the property owner/manager. For more information about the ordinance, visit austinenergy.com/go/ECAD, email ECAD@austinenergy.com or call 512-974-7827.
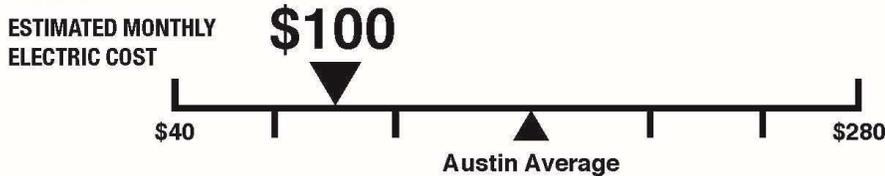
Figure 3: Sample of Austin's Energy Guide for Prospective Tenants

2016

Austin City Code Chapter 6-7, Energy Conservation

ENERGY GUIDE
FOR PROSPECTIVE TENANTS

ESTIMATED MONTHLY ELECTRIC COST

$100

$40 ▼ ▲ $280

Austin Average

THIS PROPERTY
This graph above represents the range of electric costs for Austin properties of a similar type to this one.

This property is:
- all electric
- built before 1985
- 800 sq. ft. average apartment size

Cost information:
- is based on this facility's average size apartment,
- based on a cost of $0.10 per kWh, and
- is updated annually.

1,000 kWh
ESTIMATED MONTHLY ELECTRIC USE
For details, visit the web site austinenergy.com/go/ECAD, call 482-5278 or see QR Code:

YOUR BILL
Your actual bill will depend on many factors:
- Weather (bills are higher in extreme heat and cold – especially if electric heat is used),
- Thermostat settings,
- Number of occupants,
- Lifestyle habits,
- Size and location of unit (upper floors and south and west facing units are generally warmer),
- Energy efficiency measures in place, and
- Age and type of heating/cooling equipment.

ENERGY AUDIT RESULTS FOR THIS PROPERTY:

4321 APARTMENT AVENUE, AUSTIN, TX 78700
STREET ADDRESS

ENERGY EFFICIENCY MEASURES EVALUATED	AUSTIN ENERGY RECOMMENDS	AUDIT RESULTS (AVERAGED)
Air Duct System	Less Than 15%	12% Leakage
Attic or Roof	Between R22–R30	R-26
Solar Screens or Window Film	On all East, South and West Windows	Complete

"Average" values are calculated from results obtained from multiple buildings and systems.

CONSTRUCTION YEAR: 1978, 1982	ENERGY UTILITIES: All Electric	ENERGY AUDIT CONDUCTED BY: A Qualified Auditor
NUMBER OF UNITS: 57	DATE OF ENERGY AUDIT: September, 2011	DATE OF DISCLOSURE NOTICE: June 16, 2016

I acknowledge that I have been given an opportunity to review the results of this multi-family property's energy audit conducted in accordance with Austin City Code, Chapter 6-7.

_____
Signature/Date

_____
Owner's Representative

_____
Signature/Date

New York, New York: NYC Benchmarking Law

Year enacted: Local Law 84 (LL84), the NYC Benchmarking Ordinance, was first implemented 2011. It was expanded in 2016 to include more buildings.[7]

Applicability: The ordinance initially applied to buildings 50,000 square feet or larger. Five years later, it was amended to include properties 25,000 to 50,000 square feet, which resulted in about 20,000 additional properties being subject to the ordinance. The majority of the properties affected by the ordinance are multifamily buildings.

Program summary: The NYC Benchmarking Law requires owners of buildings 25,000 square feet or larger to annually measure their energy and water consumption in a process called benchmarking.

The law standardizes this process by requiring building owners to upload their annual energy and water use to the U.S. Environmental Protection Agency's online tool, ENERGY STAR Portfolio Manager and use the tool to submit data to the city.

The benchmarking data is available online to the public and visualized in the NYC Energy and Water Performance Map (Figure 4).

NYC also has an energy audit and retro-commissioning requirement (Local Law

87) which mandates that buildings over 50,000 square feet undergo periodic energy audit and retro-commissioning measures.

Program goals: To encourage building owners to reduce energy and water usage through education.

Using the LL84 data, New York City has developed resources to help building owners use less energy and save money, as well as inform public policy decisions.

Building a data set this large is a first of its kind and is very important for planning and meeting the city's climate action goals. A majority of the covered buildings are multifamily housing, which gives the city a chance to plan how to accelerate multifamily energy retrofits, potentially leveraging their RetrofitNY Program, in one of the largest national rental markets.

Program development: The policy development team worked with the building and finance departments and the tax assessor's office to determine eligible properties under the ordinance.

They also worked with labor nonprofits and labor unions.

Data collection: Data collection for the benchmarking program was not linked to the city's existing rental inspection

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[7] New York City's Local Law 97 (LL97), which places carbon caps on most buildings larger than 25,000

square feet, went into effect while this report was being written and therefore is not addressed here.

program. That would have limited the building stock covered by the program, leading to a smaller data set.

The development process was very involved and required working with utilities to automate data collection. NYC and utilities had to build automation from existing utility databases into Portfolio Manager. As with most tech projects, data automation did not meet development goals and the utilities had to remove the fees for data sharing.

To identify properties affected by the ordinance, the development team worked with the finance department to identify buildings that trigger the square foot threshold and worked with the tax assessor's office to identify additional covered buildings list and sent out tax notifications.

Staff is currently tracking compliance in Excel. They have found that reporting on single-family properties (1 to 4 units) is almost impossible using Portfolio Manager.

Learn more:
nyc.gov/html/gbee/html/plan/ll84.shtml

Insights

- **Do extensive outreach.** Get the word out during ordinance development and implementation through newsletters, media articles, presentations, information sessions, and notifications in property tax bills. Also include program information with the notifications of fines for noncompliance.
- **Don't use tax lot as the unit of compliance.** If staff were starting the program over from scratch, they would change the basic unit of compliance so that it links to the building rather than the tax lot. Linking to the tax lot leads to confusion about how many buildings of what size are on one lot, and can complicate enforcement. Staff recommends linking to a building ID rather than the building block label.
- **Where to get help.** Jurisdictions considering adopting a rental housing ordinance with energy efficiency requirements should check out the model ordinances developed by the Institute for Market Transformation and also contact the NRDC City Energy Project.

Figure 4: Screenshot of the NYC Energy & Water Performance Map
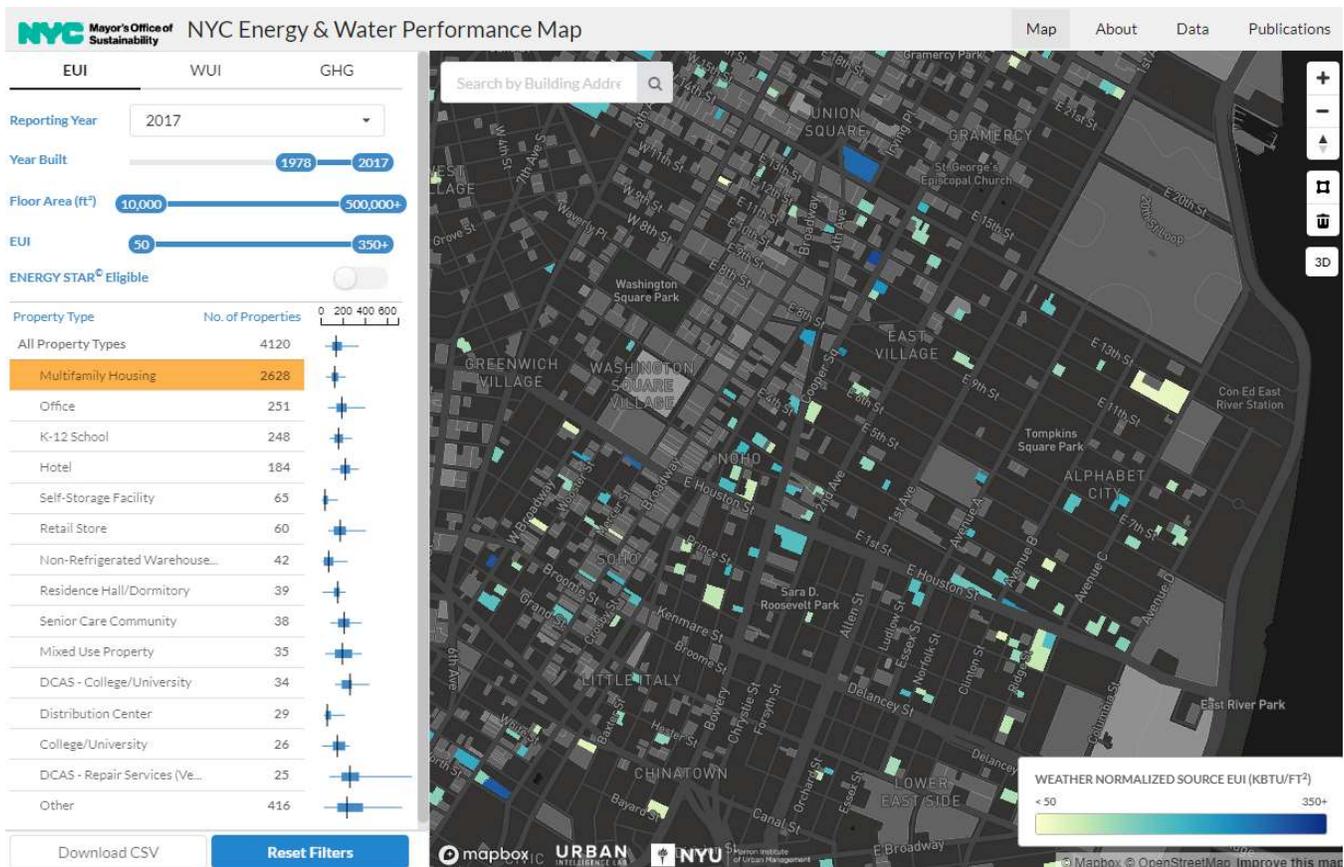
Chapter 5:
Considerations for Developing a Rental Housing Ordinance with Energy Efficiency Requirements

Through our survey, in-depth interviews and research, we identified a series of key considerations for jurisdictions evaluating the potential for a new rental housing ordinance that includes energy efficiency requirements or adding energy efficiency requirements to an existing ordinance.

We have organized these ordinance feasibility considerations into four steps:

1. Evaluate the baseline rental housing characteristics and existing policies.
2. Assess the resources needed for development, implementation and enforcement.
3. Consider potential impacts on renters.
4. Evaluate approaches to program design.

1. Evaluate the Baseline Rental Housing Characteristics and Existing Policies

a. What is the jurisdiction's percentage of rental housing?

☐ More than 35 percent: May be good candidate for an energy efficiency rental ordinance.
☐ Less than 35 percent and/or low number of total rental units: Consider simpler alternatives, such as a building labeling or benchmarking program.

b. What types of rental housing would the ordinance apply to?

Clearly define which types of housing stock would be included in the ordinance and which would be exempted. Of the jurisdictions we studied, some target all rental housing, some multifamily housing only, and some have a mixture of exempt housing types and occupancies.

Also clearly define the basic unit of compliance (e.g., parcel vs. building).

These determinations have implications for implementation and enforcement, and for defining the data sources used to develop the list of properties affected by the ordinance. The included housing types will also inform some aspects of an inspection checklist and improvements if required.

Included Housing Types
☐ Single-family homes
☐ Mobile homes

☐ Multifamily, 2–4 units
☐ Multifamily, 5+ units
☐ Other

Exempt Housing Types
☐ Subsidized housing
☐ Owner-occupied homes/buildings (condos)
☐ Other

Unit of Compliance
☐ Parcel lot
☐ Actual building
☐ Other

Energy efficiency considerations

Jurisdictions considering whether to add energy efficiency requirements to an existing rental inspection program should consider whether the new requirements will affect the same or additional housing stock. Benefits of adding energy efficiency to the stock already covered includes cost sharing with inspections and data tracking, and potentially not needing to bring in new staff.

Expanding the ordinance to cover additional housing stock will have a greater impact on GHG reductions, but may require increased labor time for inspections and tracking, as well as development and implementation of an updated ordinance.

Another option is above-code energy efficiency requirements triggered when applying for building alteration permits. This could apply to all housing stock as defined by the permit requirements rather than the occupancy status of the housing. However, since compliance with permitting requirements for alterations tends to be low, this may not be an effective way of achieving the jurisdiction's goals.

c. **What vintage is the housing stock?**

Distribution of the vintage of rental housing stock will inform the potential impact. Older housing stock will result in more opportunity and more savings. If the majority of the housing stock is recently built then this may not be best option. Based on the potential impacts, consider what vintage of housing the ordinance should address. Make sure the jurisdiction has the data available to determine which properties meet their vintage criteria.

☐ Built prior to 1980: Best potential for habitability and energy improvements
☐ Built between 1980 and 2000: Good potential for habitability and energy improvements
☐ Built after 2000:

☐ Phase in over time
☐ Exempt
☐ Provide building labeling or benchmarking alternative

d. What is the condition of the rental housing stock?

A rental housing ordinance with energy efficiency requirements may be more beneficial in jurisdictions where there is a:

☐ High percentage of older rental housing
☐ High level of deferred maintenance
☐ Large number of housing code compliance violations
☐ Significant volume of tenant complaints
☐ Other

Keep in mind that a low number of habitability complaints does not necessarily reflect actual housing conditions. Some tenants will not file complaints because of fear of retaliation by the landlord, language or cultural barriers, resistance to interacting with government officials, or other reasons.

Windshield surveys (drive-by assessments of exteriors) of the housing stock can be used inform the need for an ordinance to address habitability issues. Often, dilapidated exteriors with some penetrations in the envelope are good indicators of poor interior conditions.[8]

Windshield surveys can provide insight into the level of deferred maintenance but can be labor intensive, particularly for larger jurisdictions. Consider surveying representative samples of neighborhoods and pairing this information with census data, appraisal, or assessor data to characterize the condition of housing stock.

e. What are demographics of renters?

To assess the advantages and disadvantages of a rental housing ordinance for renters, evaluate demographic data.

☐ Medium to high energy burden[9]
☐ Disparities in income levels
☐ Race
☐ Primary language spoken
☐ Other

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[8] Community Tool Box, University of Kansas

[9] Energy burden is the proportion of income a household spends on energy costs. For the purpose of this report, energy burden includes home utility costs only, not transportation. Statewide, the average energy burden is 2.2% and 3.5% for owner- and renter-occupied homes, respectively.

f. Which departments provide services to renters and landlords?

Most of the jurisdictions we interviewed have the rental housing program in either the building code enforcement or community development department. This seems to be the most effective use of resources, as the rental inspectors often refer inspected units to building code enforcement for violations, such as unpermitted construction.

Jurisdictions interact with landlords and renters through several different agencies. To reduce touches and increase efficiency, try to develop collaborative processes and systems to bundle services.

Identify which departments interact with renters and landlords and define the services provided by that department:

☐ Building

    ☐ Landlord services:
    ☐ Tenant services:

☐ Housing and community development

    ☐ Landlord services:
    ☐ Tenant services:

☐ Neighborhood services

    ☐ Landlord services:
    ☐ Tenant services:

☐ Other

    ☐ Landlord services:
    ☐ Tenant services:

If there are many touch points for rental housing owners, the jurisdiction may have an opportunity to improve coordination between departments, to streamline the owner's experience in exchange for updating requirements for rental housing conditions.

g. What existing policies apply to rental housing owners?

Existing policies that already require owners to submit paperwork, pay a fee, or be subject to an inspection may be opportunities for incorporating energy efficiency and to leverage an existing trigger.

☐ **No existing policy:** If there is a concern about housing conditions, the jurisdiction may consider creating a new inspection program, which could include energy efficiency or not. This is resource intensive, but the current housing climate and concerns for tenant rights may present an opportunity to adopt a new program.

☐ **Business license only:** Typically, business licenses require only basic information and payment of a license fee. There may be an opportunity to require submission of a third-party energy audit or benchmarking data, or to require some level of compliance with energy efficiency disclosure or improvements.

☐ **Rental license only:** These are typically more involved than a business license. A rental license requirement may could be administered by a department other than finance, such as housing or community development, which would have more experience with housing conditions. It may be easier for a jurisdiction to incorporate a third-party energy audit requirement or an in-house inspection requirement into an existing rental license program rather than into a business license program.

☐ **Inspection program only:** If a jurisdiction already requires its staff or third-party contractors to perform health and safety inspections, consider adding an energy efficiency component. The program could have inspectors note upgrade recommendations, or it could add minimum energy efficiency standards to the current housing quality standards. As shown in Table 3, most equipment and building components that would be evaluated for energy efficiency are typically already part of an inspection for health and safety, and would require minimal additional data gathering.

☐ **Inspection and licensing program:** A jurisdiction with both inspection and licensing requirements could add energy efficiency measures to existing inspections or could require a third-party audit or other compliance documentation as part of the licensing renewal.

Table 3: Adding Energy Efficiency Checks to a Health and Safety Inspection

Health & Safety Inspection Category	Health & Safety Checks	Related Energy Checks
Swimming pool	Equipment function, water quality	Depth, boiler and pump nameplates*
Laundry room	Leaks, proper venting	Washer type, washer and dryer nameplates
Structural hazards	Foundation condition	Floor insulation
	Walls and vertical supports condition	Wall insulation
	Ceiling and roof condition	Attic/ceiling insulation (top floor)

Health & Safety Inspection Category	Health & Safety Checks	Related Energy Checks
Entries	Doors – operational, lockable	Weather-stripping, thresholds
Electrical wiring	Condition	Electrical panel, lighting upgrades
In-unit light fixtures	Provision, function	Fixture/bulb type
Exterior lighting	Provision, function	Fixture/bulb type, operation schedule
Plumbing	In working order, providing hot and cold water	Flush and flow rates, washing machine make and model, water heater make and model
Mechanical equipment	Heating condition (appliance and distribution)	Type, nameplate
(central and in-unit)	AC condition	Type, nameplate
	Ventilation fan function	Condition, control, make/model
Waterproofing	Roof and walls – deterioration	Insulation
	Windows – condition, lockable	Type, panes
Appliances	Refrigerator – function, condition	Nameplate (make/model), annual energy consumption
	Stove – function, condition	Gas or electric, CO sensor
	Dishwasher – function, condition	Nameplate (make/model), annual energy consumption
	Washer/dryer – function, condition	Nameplate (make/model), annual energy consumption

*Manufacturer nameplates on equipment may show efficiency data as well as make, model and year built.

2. Assess Resources Needed for Development, Implementation and Enforcement

a. What are the hard and soft costs for development of a new program?

Jurisdictions should take into account budgetary considerations including the hard costs and soft costs (staff labor) for the resources already on hand and additional resources that might be needed.

Cost considerations for program development include staff and/or consultant time as well as hard costs for:

☐ **Feasibility and impact evaluation.** This may include outside consultants to evaluate opportunities and complete cost effectiveness studies as needed to demonstrate impact or as required for adoption process. This could run into the tens of thousands of dollars.

☐ **Collecting rental housing data.** This process can take three to six months depending on what programs a jurisdiction already has in place.

☐ **Database development.** The database should be able to track rental properties, inspections completed, and compliance metrics like fees paid, how long properties took to comply, cases sent to code enforcement, etc. This could require several staff in addition to a technical outside consultant for about six months. The scope process is highly dependent on the existing database infrastructure and volume of homes.

☐ **Ordinance adoption and modification.** Staff time is required to support ordinance adoption and/or modifications. There are costs for documentation, fliers, websites, and other types of outreach materials. Jurisdictions may need to hire a consultant to assist in the stakeholder and adoption process.

☐ **Implementation plan development.** The implementation plan should have input from administration, inspection and enforcement staff.

☐ **Stakeholder engagement activities.** This includes marketing and outreach funds for focus groups, workshops, community meetings, and outreach materials.

b. What resources will be needed for implementation and enforcement?

Jurisdictions with a large number of rental units should consider hiring more staff rather than having current staff add this work to their other duties.

Assess the staff that will be needed to implement and enforce the ordinance, which may include:

- ☐ Administrative staff for reporting, tracking inspections, scheduling inspections, sending out compliance notices
- ☐ Inspection and compliance staff
- ☐ Customer service staff
- ☐ Database support staff

Consider at least one administrative staff and one inspector per 4,500 rental units inspected every two years. Staff numbers will fluctuate depending on frequency of inspections. Third-party inspectors or consultants can assist with variable workloads.

For effective implementation and enforcement, ideally there would be a tool or suite of integrated tools that could support multiple program functions including requirements listing, compliance timeline, scheduling capability, inspection results, and submissions from property owners.

Our research indicates that this ideal suite of tools does not currently exist. In fact, several jurisdictions we spoke with are use multiple tools to accomplish these implementation tasks. For jurisdiction with existing policies, consider what alterations you would need to make to current systems and tools to support a revised ordinance. Also consider identifying budget to invest in development of tool(s) over time.

c. **What are the implications of adding energy efficiency measures to an existing ordinance?**

Different levels of effort will be required to add different types of requirements. These are some issues to consider:

- ☐ Will you need to do a cost-effectiveness study to identify potential energy efficiency measures by building type and vintage?
- ☐ Will these measures require staff with special technical knowledge?
- ☐ Can the jurisdiction provide landlords with technical support and free audits to reduce barriers and increase compliance?
- ☐ If you add an energy audit component to existing rental inspections, will you have the budget and resources to cover the additional on-site inspection time and additional training for inspectors?
- ☐ If you require energy upgrades, will you have the resources to cover additional administrative duties such as tracking data and compliance, as well as potential on-site time to verify upgrades?
- ☐ Will there be a need to provide energy upgrade subsidies to lower-income property owners?

d. Are the political conditions favorable for new energy efficiency ordinances?

In some jurisdictions, there is very strong public support for tenant rights and/or climate action and environmental protection. Different ordinance designs may be possible depending on the amount of political support:

- ☐ Which related issues (e.g., energy efficiency, climate change, renter protection) have political support in this jurisdiction?
- ☐ Is there enough public support to require energy efficiency upgrades or only energy use disclosure?
- ☐ Is there enough public support to allocate the required resources for implementation? If so, an in-house inspection program is less costly for property owners, and may be more politically feasible.
- ☐ Is there enough public support to place the program's cost burden onto the private sector? If so, the jurisdiction can minimize the in-house resources needed by requiring third-party audits that are paid for by the property owner. The property owner would submit a completed audit and compliance form to the jurisdiction for review.

e. Do you need revenue to cover the program costs?

Potential funding sources for a rental inspection program include:

- ☐ Rental registration or license or business license fees
- ☐ Property inspection fees
- ☐ Noncompliance fees
- ☐ Per unit fees
- ☐ General fund
- ☐ Other

Annual rental or business licensing or registration fees offer a jurisdiction the ability to track rental housing data and fund a program regardless of the number of inspections completed or citations issued. A property inspection program might not be sustainable based on inspection fees or penalties alone, depending on the number of annual inspections or amount of penalty fees collected.

Funding a program through a jurisdiction's general fund may allow the program to sustain itself regardless of fees collected, but the program's budget could be vulnerable to cuts if the general fund decreases or has competing priorities.

3. Consider Potential Impacts on Renters

Jurisdictions should address impacts of rental policies on tenants during ordinance development, not just after an ordinance is passed. Poor housing maintenance and housing quality shifts costs from property owners to individuals and society in terms of greater health care costs and lost productivity.

Rental housing is more likely to be in substandard condition than owner-occupied housing. Substandard housing includes pest infestation, excessive moisture, and mold. Low-income communities and communities of color are more likely to live in housing with deferred maintenance located in areas with poor outdoor air quality. This population often has health issues such as asthma that are affected by substandard housing conditions.

Poor housing conditions can also result in higher utility bills for the renters. Cost burden indicates a household spends more than 30 percent of its monthly income for housing, which includes rent and utility costs. Severely cost burdened means the household spends greater than 50 percent of its income on housing.

a. **What are the positive and negative impacts of energy efficiency ordinances on renters?**

Benefits may include:

- ☐ Lower energy bills
- ☐ Greater comfort
- ☐ Better indoor air quality

Negative impacts may include:

- ☐ Rent increases
- ☐ Retaliation in response to complaints (threat of eviction, harassment, rent increase)
- ☐ Wrongful evictions

b. **How will tenants be protected while landlords are held accountable for compliance?**

Tenants are not typically knowledgeable of renters' rights. Also, tenants may be reluctant to report problems, especially more vulnerable people such as those with low incomes, limited English, or undocumented status. The jurisdiction should identify mechanisms to minimize risk to tenants, such as:

- ☐ Rent control or rent stabilization
- ☐ Prevention of just-cause evictions
- ☐ Proactive rental inspections triggered by mechanisms other than complaints to reduce retaliation risks
- ☐ Requiring landlord to provide documentation signed by tenants that includes information on ordinance requirements and tenant rights
- ☐ Developing an assessment tool to evaluate risk to tenants. This could include review of rent rolls, history of health and safety violations, number of tenant complaints, property management staff experience and turnover, etc.
- ☐ Resources to educate renters and landlords about tenants' rights
- ☐ Other

4. Evaluate Approaches to Program Design

a. **Will the program be audit-, disclosure-, or performance-based?**

Audit-based programs. Programs with audit-only requirements inform the property owner about energy saving opportunities but do not require property improvements. This is less costly to owners, but is unlikely to produce immediate or direct reductions in energy use. Because an audit-only program is less costly and onerous for property owners, it is likely to encounter less political opposition from the property owner community.

Disclosure programs. Requirements for public disclosure of a building's energy use can help build awareness of its efficiency relative to similar buildings and may spur voluntary energy upgrades.

Performance programs. To reduce energy use, a program needs to require actual improvements. The requirements can range from minimal upgrades to whole building retrofits. The requirements may be in the form of a prescriptive list of measures or a performance threshold or provide both options (i.e. SmartRegs). The measures and metrics can be defined to achieve local goals of energy reductions (kWh and therms) and GHG reductions.

- **A prescriptive list** is simpler to administer, but is difficult to apply across all building types and will likely require many exemptions based on building conditions.
- **A performance threshold** requires energy modeling and a pool of professionals trained to conduct the modeling, but it allows for a compliance path that is more flexible and customized to each building.

Consider the following factors when designing the program:

☐ Desire for actual energy savings

☐ Is there a specific target for amount of savings stated in a climate action plan or other jurisdiction document?
☐ How many properties does the jurisdiction target for upgrades?
☐ What level of energy savings does the jurisdiction target for each upgraded property?
☐ What is the metric to measure savings (kWh, therms, or GHGs)?

☐ Political will

☐ How much community support or opposition is there to requirements that are costly to property owners?
☐ How much community support or opposition is there for requirements that improve rental housing conditions or lower energy costs for tenants?

☐ Prescriptive vs. performance requirements

    ☐ Is the building stock diverse? If so, consider a performance approach.

    ☐ Is there a pool of professionals who are trained or could readily be trained to conduct energy modeling? Alternatively, is there capacity within jurisdiction staff intended for this? If not, consider a prescriptive approach.

    ☐ Consider both options to provide flexibility for different building stock.

b. What is the compliance method and frequency?

If the jurisdiction is adding energy efficiency requirements to an existing rental housing policy, the compliance method should leverage the existing policy. The frequency may the same or less frequent. Maintaining consistency in frequency can minimize administration efforts and increase compliance.

If a jurisdiction is creating a new policy, it can use the compliance methods and frequencies listed here for stand-alone rental housing inspection programs or rental housing inspection programs that include energy efficiency requirements.

Jurisdictions also have the option to create a non-inspection based energy efficiency program that requires upgrades to or above code.

If the jurisdiction has a license or registration requirement for rental housing, consider aligning the self-certification or inspection schedule with the license renewal schedule.

☐ Inspection on a multi-year cycle

    ☐ All units every __ years (typically 2, 3, 4 or 5)

    ☐ Tiered inspection cycle: units with a history of compliance issues inspected more frequently than units with a good compliance record

☐ Self-certification

    ☐ Self-certification allowed for a certain time period before being inspected (for example, Santa Cruz inspects 20 percent of self-certified units every five years)

    ☐ Self-certification in between inspections for properties with good compliance record

    ☐ Annual self-certification with biannual inspection

☐ Complaint-based trigger

    ☐ Inspection only if a complaint is lodged

☐ Inspection on a multi-year cycle or more frequently if a complaint is lodged

☐ Random selection of units in the jurisdiction's database
☐ Time of sale or listing

☐ Inspection at time of sale
☐ Inspection at time of listing on a multiple listing service

c. **Which stakeholders does the jurisdiction need to engage?**

Many of the surveyed jurisdictions found that property owners and landlords were unfamiliar with rental laws, leading to substandard housing conditions and potential violations of tenant rights. In Davis, for example, many landlords were keeping deposits regardless of how much they spent on cleaning and repairs after move-out. In response, the city hosted a landlord training specifically about deposits. Davis also provided outreach and education to property owners and tenants before their inspection ordinance was enacted to help reduce implementation problems.

A key co-benefit of outreach and education is improving compliance with all rental laws, not just inspection ordinances.

To minimize legal issues and improve compliance with an inspection ordinance, make a plan for aggressive outreach and education. Outreach and education should be a two-way street; be sure to solicit input from stakeholders. Ideally, this may create a more cooperative relationship.

Stakeholders for the outreach plan include:

☐ Single-family property owners
☐ Multifamily property owners
☐ Tenants
☐ Residential real estate agents and associations
☐ Local apartment and housing associations
☐ Other

d. **What resources will be available to help property owners comply with the ordinance and make improvements?**

Some of the jurisdictions we interviewed struggled with high rates of noncompliance. Potential solutions include increased funding and staffing resources, as well as penalties for noncompliance and benefits or incentives for excellent compliance.

It may be helpful to have a carrot and stick approach, with the stick being possible fines for noncompliance and the carrot being rebates, financing options and other incentives.

Consider providing to the property owners:

- ☐ Information resources for upgrades and financing
- ☐ Information about incentive programs for repairs and upgrades (these could be third-party or city-run programs)
- ☐ Information about financing for repairs and upgrades, especially for smaller property owners with limited budgets
- ☐ Other

e. How will the jurisdiction enforce the ordinance?

A common theme from our interviews was that ordinances must have clear and actionable code enforcement language and inspectors who are able to enforce the code. Identify clear and specific enforcement strategies that support compliance. The trigger, penalty and benefit must be clearly defined in the ordinance and executable based on process and accessible data. Consider:

- ☐ Including inspection and enforcement staff in the ordinance development process to ensure that the enforcement component is realistic
- ☐ Including strong and actionable enforcement language in the ordinance
- ☐ Mechanisms for assessing and collecting administrative citations or fines for noncompliance
- ☐ Rewards for excellent compliance
- ☐ Other

f. What data set can help to identify the targeted housing stock?

After defining the types of housing stock that might be included in or exempted from the ordinance, consider whether it is feasible for the jurisdiction to obtain the data necessary for identifying the specific properties that will be impacted and for implementing the ordinance and tracking compliance. Consider how to share data across departments (i.e. business or rental licenses) to leverage resources. The data may come from:

- ☐ Assessor's office
- ☐ Tax records
- ☐ Permit records
- ☐ Census data
- ☐ Other data sets

5. Energy efficiency considerations

For jurisdictions considering adding energy efficiency to an existing rental inspection program, does the existing data set include all the metrics and housing characteristics to address energy efficiency? For example, if vintage is a trigger for

energy efficiency measures but vintage is not currently in the rental inspection database, the database will need to be updated.

a. **What are the program metrics and how will you track them?**

The jurisdiction will need to define the program metrics to be tracked. They will also need to choose a tracking database that can accommodate these metrics or research what databases other departments are using to determine the viability of expanding a database already in use. If the building department and rental inspection program use the same permitting system, it's likely to be more cost effective for the jurisdiction than if they use separate systems.

Many jurisdictions have discovered that their tracking databases limit what metrics can be tracked, which limits the department's ability to enforce the ordinance.

Metrics to be tracked may include:

- ☐ Rental properties in the jurisdiction
- ☐ Complaints
- ☐ Inspections completed (date, results)
- ☐ Compliance metrics such as:

  - ☐ Fees paid
  - ☐ How long properties took to become compliant
  - ☐ Which elements of the ordinance are complied with/not complied with
  - ☐ Which cases were sent to code enforcement

- ☐ Other

The database will need to be updated on an ongoing basis with existing and new properties. This will require coordination with the original data source, such as the tax assessor's office or finance department.

b. **What are the program impacts?**

All the program design elements will influence how effective the program is at yielding actual energy savings. An estimate of total energy and GHG impacts of a program depends on many variables. Table 4 demonstrates a simplified calculation of these estimates. Keep in mind that each input requires an analysis of the jurisdiction's specific conditions and program design.

Table 4: Energy Savings Calculation Example for a Rental Inspection Program

Variable #	Variable Description	Example
A	Total rental housing stock (units)	10,000 units
B	Percentage and count of housing stock subject to program requirements (% and units)	8,000 units (80%, built before 1990)
C	Average energy usage of housing stock subject to program requirements (kWh and therms)	2,500 kWh 200 therms
D	Assumed percentage and count of subjected housing stock that will improve energy efficiency	7,200 units (90% for upgrade requirement) 800 units (10% for audit requirement)
E	Assumed annual energy savings per improved property (average kWh and therms for unit; determined by performance modeling or estimated savings of prescriptive list of measures)	375 kWh 30 therms (15% savings)
F	Total annual energy savings (D x E)	2,700,000 kWh 216,000 therms (for upgrade requirement) 300,000 kWh 24,000 therms (for audit requirement)
G	Total annual GHG reductions (kWh multiplied by utility average, 0.000179 MTCO2e/kWh for this example, and therms multiplied by 0.005 MTCO2e/therm)	1,563 MTCO2e (upgrade requirement) 173 MTCO2e (audit requirement)

The next section of this report contains a more in-depth discussion of estimating energy savings impacts of specific measures and the potential of adding energy efficiency to the inspection programs of interviewed jurisdictions.

Chapter 6:
Potential Energy Efficiency Impact

One of the goals of this study was to identify potential energy and GHG (GHG) impacts of adding energy efficiency requirements to existing rental housing inspection policies. To estimate these impacts, we developed an energy savings scenario calculator for multifamily rental housing.[10]

We used the calculator to estimate the impacts of three different energy upgrade scenarios for the 12 jurisdictions that responded to our survey and were interviewed. We also estimated the impacts for Alameda County, the nine-county San Francisco Bay Area and California as a whole.

Using the calculator, we have estimated the potential energy and GHG impacts for three upgrade scenarios. In each scenario, we assume that the upgrades are carried out in 20 percent of the jurisdiction's renter-occupied multifamily dwelling units. The three scenarios are:

1. Installing a package of energy efficiency measures that achieve 20 percent energy savings (Table 5),
2. Replacing a conventional gas-powered water heater with a heat pump water heater (**Error! Reference source not found.**), and
3. Replacing a conventional gas-powered water heater with a heat pump water heater and installing a solar photovoltaic system (Table 7).

Another upgrade that is commonly considered for building electrification projects is replacing gas-powered space heating with heat pump space heating. We did not include a scenario for this option because the database we used for our analysis (described below) did not include the relevant data.

For each of the three scenarios, we used the following conversion factors using the statewide power mix to convert energy savings to GHG savings in metric tons carbon dioxide equivalent (MTCO2e):

- kWh x 0.000179 = MTCO2e
- therms x 0.005311 = MTCO2e

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[10] The calculator is an Excel spreadsheet. While not intended as a public document, other researchers who wish to adapt it to estimate potential energy and GHG impacts of residential building energy upgrade policies may request the file from this report's primary author, Ben Cooper, bcooper@stopwaste.org.

Scenario 1—20 Percent Energy Savings

Scenario 1 assumes 20 percent of the existing multifamily renter-occupied dwelling units in the jurisdiction undergo energy efficiency upgrades to achieve 20 percent energy savings. This savings estimate is commensurate with what we would expect from a property participating in a whole-building energy retrofit program such as the Bay Area Regional Energy Network's (BayREN) Bay Area Multifamily Building Enhancements (BAMBE) program.

In the calculator, we used average energy savings data from an unpublished database developed by the BAMBE program implementers. The database includes BAMBE's results from energy upgrades in 14,000 multifamily dwelling units completed through 2016 in California climate zones 2, 3, 4, 5 and 12.

We used the following assumptions for Scenario 1:

- Average annual electricity savings per dwelling unit: 543 kWh
- Average annual natural gas savings per dwelling unit: 43 therms
- Estimated installation cost per dwelling unit of measures to achieve 20 percent energy savings: $2,332. The installation cost estimate includes equipment, materials and labor.
- Estimated utility bill cost (statewide average): $0.21/kWh and $1.41/therm.

Table 5: Potential Impacts of Scenario 1—20 Percent Energy Savings

Jurisdiction	Total Renter Occupied MF Units	20% Market Penetration MF Units	Energy Savings (MWh/ year)	Energy Savings (Therms/ year)	GHG Savings (MTCO2e / year)	Install Cost ($ million)	Utility Bill Savings ($ million/ year)
City of Berkeley	29,013	5,803	3,151	249,512	1,889	13.5	1.0
City of Chula Vista	171,340	34,268	18,608	1,473,524	11,157	79.9	6.0
City of Davis	7,149	1,430	776	61,481	465	3.3	0.2
City of El Cerrito	1,402	280	152	12,057	91	0.7	0.05
City of Hayward	34,914	6,983	3,792	300,260	2,273	16.3	1.2
City of National City	5,070	1,014	551	43,602	330	2.4	0.2
City of Los Angeles	561,977	112,395	61,031	4,833,002	36,593	262.1	19.6
City of Oakland	95,008	19,002	10,318	817,069	6,186	44.3	3.3
City of Rancho Cordova	4,776	955	519	41,074	311	2.2	0.2
City of Richmond	6,609	1,322	718	56,837	430	3.1	0.2
City of Santa Cruz	4,374	875	475	37,616	285	2.0	0.2
Santa Barbara County	10,659	2,132	1,158	91,667	694	5.0	0.4
Alameda County	305,938	61,188	33,225	2,631,067	19,921	142.7	10.7
Bay Area (9 counties)	983,074	196,615	106,762	8,454,436	64,012	458.5	34.2
Statewide	6,429,804	1,285,961	698,277	55,296,314	418,670	2,998.9	223.8

Table 5 is a simplified version of the calculator's results for Scenario 1. Let's look at one example jurisdiction. Hayward is a mid-sized city with a multifamily rental housing stock of approximately 35,000 dwelling units. If 20 percent of those units were upgraded to achieve a 20 percent energy reduction, one could expect savings of nearly 3,800 MWh of electricity, over 300,000 therms of natural gas, and 2,273 MTCO2e of GHG emissions. The cost of those upgrades would be approximately $16 million and the annual utility bills savings would be about $1.2 million.

Statewide, there are approximately 6.4 million renter-occupied multifamily dwelling units. If 20 percent of those units were upgraded to achieve 20 percent energy savings, one could expect savings of approximately 698,277 MWh of electricity, more than 55 million therms of natural gas, and 418,680 MTCO2e of GHG emissions. The cost of those upgrades would be in the ballpark of $3 billion, with annual utility bill savings of about $224 million.

Scenario 2—Heat Pump Water Heater (HPWH)

Scenario 2 assumes that in 20 percent of the existing multifamily rental housing stock in a jurisdiction, in-unit gas-fired water heaters are replaced with in-unit, high efficiency electricity-powered heat pump water heaters. This fuel substitution strategy might be promoted by a local government that prioritizes building electrification as a pathway to reducing the GHGs.

We used the following assumptions for Scenario 2:[11]

- Average annual electricity increase per dwelling unit: 884 kWh
- Average annual natural gas reduction per dwelling unit: 78 therms
- Estimated installation cost per dwelling unit: $4,251. The installation cost estimate includes equipment, materials and labor.
- Estimated utility bill cost (statewide average): $0.21/kWh and $1.41/therm.

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[11] Average change in energy use and estimated installation cost per unit come from a draft report, "Cost Effectiveness Analysis for Existing Building HVAC Electrification," written by TRC for East Bay Community Energy (Nov. 4, 2019): https://ebce.org/uploads/cost-effectiveness-analysis-for-existing-building-hvac-electrification_draft.docx

Table 6: Potential Impacts of Scenario 2—Heat Pump Water Heater

Jurisdiction	Total Renter Occupied MF Units	20% Market Penetration MF Units	Energy Savings (MWh/year)	Energy Savings (Therms/year)	GHG Savings (MTCO2e/year)	Install Cost ($ million)	Utility Bill Savings ($ million/year)
City of Berkeley	29,013	5,803	-5,132	450,360	1,473	24.7	0.4
City of Chula Vista	171,340	34,268	-30,308	2,659,662	8,700	145.7	2.6
City of Davis	7,149	1,430	-1,265	110,972	363	6.1	0.1
City of El Cerrito	1,402	280	-248	21,763	71	1.2	0.02
City of Hayward	34,914	6,983	-6,176	541,960	1,773	29.7	0.5
City of National City	5,070	1,014	-897	78,700	257	4.3	.08
City of Los Angeles	561,977	112,395	-99,406	8,723,408	28,536	477.8	8.5
City of Oakland	95,008	19,002	-16,806	1,474,782	4,824	80.8	1.4
City of Rancho Cordova	4,776	955	-845	74,136	243	4.1	.07
City of Richmond	6,609	1,322	-1,169	102,590	336	5.6	0.1
City of Santa Cruz	4,374	875	-774	67,896	222	3.7	.07
Santa Barbara County	10,659	2,132	-1,885	165,457	541	9.1	.2
Alameda County	305,938	61,188	-54,116	4,748,988	15,535	260.1	4.6
Bay Area (9 counties)	983,074	196,615	-174	15,259,976	49,919	835.8	14.9
Statewide	6,429,804	1,285,961	-1,137,341	99,808,005	326,496	5,466.5	97.6

Using the same example city as in Scenario 1, Table 6 shows that if gas-fired water heaters were replaced with HPWHs in 20 percent of Hayward's renter-occupied multifamily units, we would expect electricity use to increase by over 6,000 MWh. Natural gas use would drop by nearly 542,000 therms. There would be an estimated net GHG reduction of 1,773 MTCO2e. The total cost of this upgrade would be nearly $30 million, with annual utility bills savings of about $530,000.

Statewide, we estimate Scenario 2 would produce a GHG reduction of about 327,000 MTCO2e. The statewide HPWH upgrade cost would be about $5.5 billion, with annual utility bill savings of about $98 million.

Scenario 3—Heat Pump Water Heater and Solar

Scenario 3 assumes that 20 percent of the existing multifamily rental housing stock is upgraded with in-unit, high efficiency electricity-powered heat pump water heaters and whole-building solar photovoltaic panels. This is essentially the same as Scenario 2 with a solar electric system added.

We used the following assumptions for Scenario 3:[12]

- Average electricity savings per dwelling unit: 109 kWh
- Average natural gas savings per dwelling unit: 78 therms
- Estimated installation cost per dwelling unit: $5,410. The installation cost estimate includes equipment, materials and labor.
- Assumes photovoltaic system sized at 0.6 kW per unit
- Estimated utility bill cost (statewide average): $0.21/kWh and $1.41/therm.

Table 7: Potential Impacts of Scenario 3—Heat Pump Water Heater and Solar

Jurisdiction	Total Renter Occupied MF Units	20% Market Penetration MF Units	Energy Savings (MWh/ year)	Energy Savings (Therms/ year)	GHG Savings (MTCO2e/ year)	Install Cost ($ million)	Utility Bill Savings ($ million/ year)
City of Berkeley	29,013	5,803	634	450,360	2,505	31.4	0.8
City of Chula Vista	171,340	34,268	3,747	2,659,662	14,796	185.4	4.5
City of Davis	7,149	1,430	156	110,972	617	7.7	0.2
City of El Cerrito	1,402	280	31	21,763	121	1.5	0.04
City of Hayward	34,914	6,983	764	541,960	3,015	37.8	0.9
City of National City	5,070	1,014	111	78,700	438	5.5	0.1
City of Los Angeles	561,977	112,395	12,290	8,723,408	48,530	608.1	14.8
City of Oakland	95,008	19,002	2,078	1,474,782	8,204	102.8	2.5
City of Rancho Cordova	4,776	955	104	74,136	412	5.2	0.1
City of Richmond	6,609	1,322	145	102,590	571	7.2	0.2
City of Santa Cruz	4,374	875	96	67,896	378	4.7	0.1
Santa Barbara County	10,659	2,132	233	165,457	920	11.5	0.3
Alameda County	305,938	61,188	6,691	4,748,988	26,419	331.1	8.1
Bay Area (9 counties)	983,074	196,615	21,499	15,259,976	84,894	1063.8	26.0
Statewide	6,429,804	1,285,961	140,613	99,808,005	555,250	6,957.6	169.8

In Scenario 3, Hayward's increase in electricity use due to the heat pump water heaters would be offset by the electricity generation of the PV systems, for a net electricity savings of 764 MWh (Table 7). Natural gas use would be reduced by 541,960 therms.

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[12] Average change in energy use and estimated installation cost per unit come from a draft report, "Cost Effectiveness Analysis for Existing Building HVAC Electrification," written by TRC for East Bay Community Energy (Nov. 4, 2019): https://ebce.org/uploads/cost-effectiveness-analysis-for-existing-building-hvac-electrification_draft.docx

There would be an estimated net GHG reduction of 3,015 MTCO2e. The total cost of this upgrade would be approximately $38 million, with annual utility bills savings of about $922,000.

Statewide, we estimate this scenario would produce a GHG reduction of more than 555,000 MTCO2e. The installation cost of the statewide HPWH plus solar upgrade would be about $7 billion, with annual utility bill savings of about $170 million.

This analysis estimates energy and GHG impacts of three specific energy upgrade scenarios in multifamily buildings and includes approximate installation costs and utility bill savings. However, it does not include the costs of designing and implementing a rental housing energy upgrade program, which should be factored in if a jurisdiction wishes to evaluate the cost effectiveness of a proposed new policy or program.

Appendix A.   Jurisdiction Data

Table A - 1 shows housing counts and percent of rental units for the jurisdictions that responded to the survey and answered the question "Do you have a rental inspection or license program?"

Of the surveyed jurisdictions, 57 percent of the renter-occupied multifamily housing stock is covered by some type of rental inspection or license program. This estimate assumes all multifamily housing (5+ units) is covered and does not account for the exemption of properties where owner lives on site as this is a less common condition in 5+ unit buildings. The source for the number of rental dwelling units and total housing units, type of building and vintage is the U.S. Census Bureau's American Community Survey database.[13]

Table A - 1: Renter-Occupied Dwelling Units in Jurisdictions Responding to Survey

	# of Jurisdictions	Total Rental DUs	Rental DUs as % of All Housing	Single Family Rental DUs	Multi-family Rental DUs	Rental DUs Built pre-1980
Jurisdictions with SF & MF Ordinance	**16**	**1,037,013**	**60%**	**37%**	**62%**	**71%**
Santa Barbara County		**16,919**	**38%**	**63%**	**34%**	**56%**
Yolo County		3,470	44%	54%	39%	46%
Antioch		13,357	40%	73%	26%	48%
Berkeley		26,334	57%	44%	56%	82%
Davis		**13,515**	**55%**	**46%**	**53%**	**51%**
El Cerrito		**4,051**	**41%**	**65%**	**35%**	**83%**
Hayward		21,599	47%	46%	53%	68%
Hemet		12,834	43%	57%	31%	49%
Los Angeles		**847,987**	**63%**	**33%**	**66%**	**74%**
National City		**10,468**	**68%**	**49%**	**48%**	**72%**
Novato		7,590	36%	56%	41%	63%

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[13] https://www.census.gov/programs-surveys/acs

	# of Jurisdictions	Total Rental DUs	Rental DUs as % of All Housing	Single Family Rental DUs	Multi-family Rental DUs	Rental DUs Built pre-1980
Palo Alto		11,424	44%	44%	56%	70%
Rancho Cordova		**10,940**	**45%**	**55%**	**44%**	**59%**
Richmond		**19,321**	**52%**	**65%**	**34%**	**68%**
San Pablo		5,152	58%	60%	37%	70%
Santa Cruz		**12,054**	**56%**	**62%**	**36%**	**68%**
Jurisdictions with MF Ordinance Only	**9**	**441,001**	**55%**	**46%**	**54%**	**77%**
Marin County		8,529	33%	63%	36%	75%
Sonoma County		21,141	36%	77%	18%	62%
Chula Vista		**32,594**	**42%**	**45%**	**53%**	**58%**
Oakland		95,400	60%	50%	50%	80%
San Francisco		224,589	64%	37%	62%	83%
San Leandro		14,326	46%	52%	47%	74%
San Rafael		10,616	46%	39%	61%	73%
Santa Rosa		29,137	46%	62%	37%	57%
South Lake Tahoe		4,670	56%	70%	25%	80%
Jurisdictions with SF Ordinance Only	**1**	**43,543**	**29%**	**65%**	**16%**	**42%**
Riverside County		43,543	29%	65%	16%	42%
Jurisdictions with No Ordinance, Considering	**2**	**51,733**	**75%**	**22%**	**78%**	**84%**
Santa Monica		34,095	73%	25%	75%	80%
West Hollywood		**17,638**	**80%**	**16%**	**83%**	**90%**

	# of Jurisdictions	Total Rental DUs	Rental DUs as % of All Housing	Single Family Rental DUs	Multi-family Rental DUs	Rental DUs Built pre-1980
Jurisdictions with No Ordinance, Not Considering	**18**	**113,945**	**87%**	**56%**	**34%**	**61%**
Contra Costa County		19,831	33%	63%	36%	57%
Ventura County		9,744	30%	70%	23%	65%
American Canyon		1,438	25%	58%	26%	32%
Brisbane		579	33%	58%	36%	54%
Carmel-by-the-sea		593	35%	75%	25%	84%
Cloverdale		1,081	35%	61%	33%	52%
Cupertino		7,665	38%	50%	49%	61%
Fremont		27,540	38%	46%	54%	57%
Live Oak		782	35%	79%	11%	68%
Los Altos		1,612	15%	71%	29%	75%
Menlo Park		5,267	44%	51%	48%	85%
Morgan Hill		3,925	30%	68%	29%	45%
Redwood City		14,045	48%	44%	55%	71%
San Anselmo		1,314	25%	61%	39%	89%
Santa Maria		13,817	50%	60%	37%	60%
Sebastopol		1,520	43%	77%	23%	72%
Sonoma		2,393	47%	76%	21%	59%
Winters		800	33%	77%	16%	44%
Total Surveyed	46	1,687,236	57%	41%	57%	72%
Rest of California	468	4,121,389	41%	57%	41%	60%
Incorporated CA Total	482	5,051,586	48%	50%	49%	64%

	# of Jurisdictions	Total Rental DUs	Rental DUs as % of All Housing	Single Family Rental DUs	Multi-family Rental DUs	Rental DUs Built pre-1980
Unincorporated CA Total	58 counties	757,039	35%	69%	24%	60%
California Total	**-**	**5,808,625**	**46%**	**52%**	**45%**	**64%**

Italics indicates jurisdictions that were interviewed.

Table A - 2: Interviewed Jurisdictions' Income and Energy Burden Profiles

		Total Housing Count (2015)	Income					Energy Burden		
			0-30% AMI	30-50% AMI	50-80% AMI	80-100% AMI	100%+ AMI	Weighted Avg Energy Burden	Energy Burden, <80% AMI	Energy Burden, >80% AMI
Chula Vista	Owner	45,171	7%	9%	14%	5%	64%	2.6%	5.4%	1.4%
	Renter	32,594	26%	18%	23%	6%	28%	3.0%	3.7%	1.6%
	Total	77,765	15%	13%	18%	5%	49%	2.8%	4.7%	1.5%
Davis	Owner	10,898	6%	4%	7%	5%	78%	2.6%	8.2%	1.4%
	Renter	13,515	33%	15%	19%	9%	24%	4.9%	6.5%	1.6%
	Total	24,413	21%	10%	14%	7%	48%	3.9%	7.3%	1.5%
El Cerrito	Owner	5,891	7%	7%	13%	10%	64%	2.3%	5.7%	1.1%
	Renter	4,051	16%	13%	17%	13%	41%	2.6%	4.3%	1.2%
	Total	9,941	11%	9%	15%	11%	54%	2.4%	5.1%	1.1%
Los Angeles	Owner	493,615	9%	10%	15%	9%	57%	4.0%	8.7%	1.7%
	Renter	847,987	31%	18%	18%	8%	25%	4.1%	5.6%	1.3%
	Total	1,341,602	23%	15%	17%	8%	37%	4.1%	6.7%	1.4%
National City	Owner	4,870	12%	12%	23%	7%	46%	3.0%	4.8%	1.4%
	Renter	10,468	35%	21%	21%	5%	18%	3.2%	3.8%	1.2%
	Total	15,337	27%	18%	22%	6%	27%	3.1%	4.1%	1.3%
Rancho Cordova	Owner	13,179	8%	9%	14%	10%	60%	2.9%	5.9%	1.7%
	Renter	10,940	20%	18%	22%	12%	27%	4.7%	6.4%	2.0%
	Total	24,118	13%	13%	17%	11%	45%	3.7%	6.1%	1.8%
Richmond	Owner	17,752	11%	13%	16%	13%	47%	2.7%	4.9%	1.3%
	Renter	19,321	33%	19%	18%	11%	20%	4.0%	5.3%	1.2%
	Total	37,072	22%	16%	17%	12%	33%	3.4%	5.1%	1.2%
Santa Cruz	Owner	4,432	8%	7%	15%	4%	66%	2.7%	6.0%	1.2%
	Renter	17,638	34%	18%	17%	4%	26%	3.6%	4.6%	1.4%
	Total	22,070	23%	13%	16%	4%	44%	3.4%	4.9%	1.3%
West Hollywood	Owner	4,432	9%	6%	10%	6%	70%	2.4%	6.7%	1.0%
	Renter	17,638	22%	11%	15%	9%	43%	2.7%	4.8%	0.9%
	Total	22,070	19%	10%	14%	8%	48%	2.7%	5.2%	0.9%

Appendix B.   Interview Responses

This Appendix includes figures showing the distribution of renters in 10 of the 12 interviewed jurisdictions, as well as notes from our telephone interviews with these jurisdictions. We have not included details from our interviews with San Pablo and San Rafael staff because we provided profiles of those programs in the main report.

City of Chula Vista, CA

Figure B - 1: Percent Renters, Chula Vista
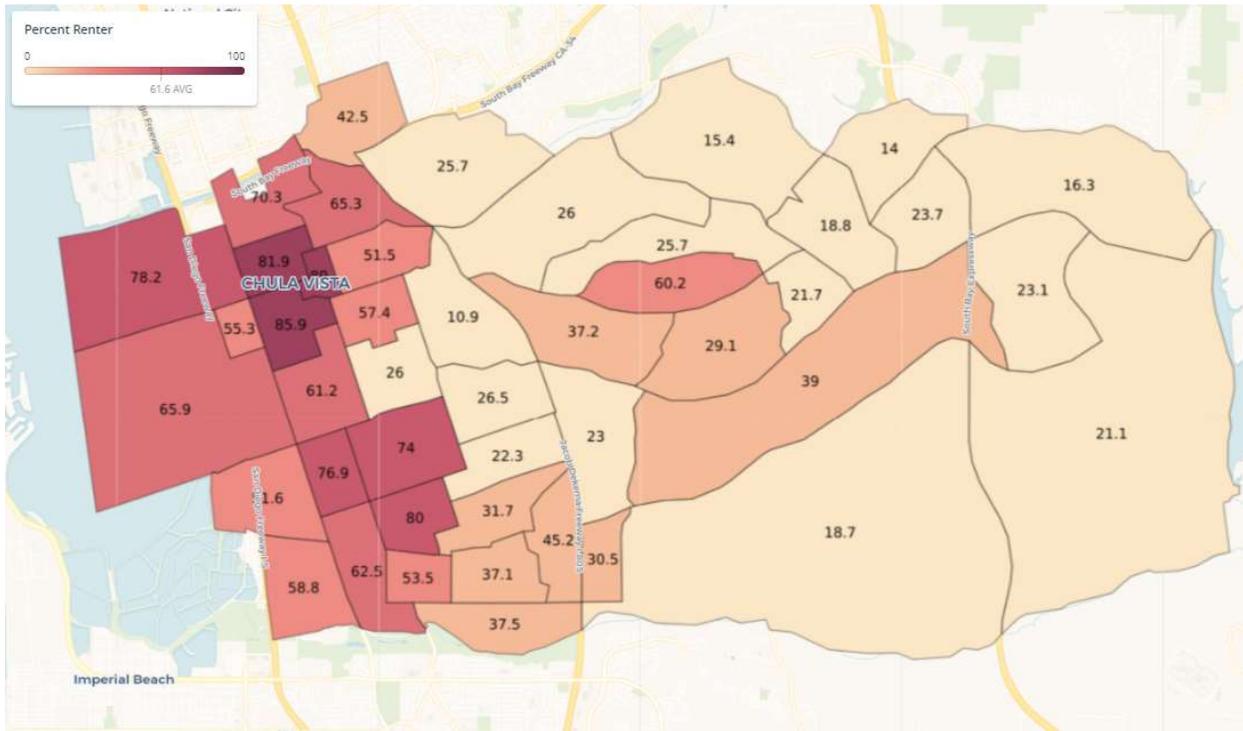
Table B - 1: Interview Notes, Chula Vista

Question	Response
1. Review and summarize survey responses	• Covers non-owner occupied only and • Covers CA health and safety standards (20 data points) • Triggered on 3-5 year cycle, either complaint based or when city completes one inspection cycle • Also cover mobile homes, hotels, and motels • No rent control in Chula Vista

2. What motivated you to create the program?	• Meet CA health and safety standards. • Program was brought back in 2003, and took about 8 years to complete on cycle
3. Expand/elaborate on the structure of the rental licensing/inspection program? Has the program been updated or amended over time?	• No changes known and no requirements to upgrade • 10-100 percent of units selected for inspection based on number of units at property • After inspection, property owners have 30 days to comply with violations then a second inspection is scheduled. If not fixed after second inspection, owners have 30 days to fix violations before fines or penalties are placed on the property. • Properties that don't comply: the city leaves door hanger asking tenants if they can inspect. This is typically smaller, mom and pop properties that don't have a manager onsite or owner lives out of area.
4. Why was the program structured that way?	• Respondent was not at the city when the program was started in mid-1980s)
5. Can you walk us through the development steps?	• Code enforcement works collaboratively with the Housing Department to determine how a property is classified (low income or not).
6. What were the biggest challenges you encountered when you were developing the program? What worked well in program development stage?	Challenges: • New property owner education. New property owners tend to be unsure of city requirements and often don't have records of upgrades. • Unpermitted work that inspectors notice; site owner needs to get permit before next inspection Worked well: • Been consistent with program with tenant and property owner education

7. If you were to start over, what would you change? What would you keep the same?	• No changes
8. Is retaliation an issue with the complaint-based inspections?	• Minor issue with a small number of properties. City provides tenant education of their rights when tenant makes complaint.
a. How are you tracking your success and/or impact of the program?	• Checklist based on CA health and safety code same as uniform housing code. Data collection includes same info as housing quality standards. • No statistics to share, but amount of quality housing has increased over time.
9. What are the next steps for the program?	• Nothing now.
10. What advice would you give to jurisdictions considering a rental inspection/licensing program?	• Property owner and tenant education

City of Davis Rental Inspection Program Interview

Figure B - 2: Percent Renters, Chula Vista
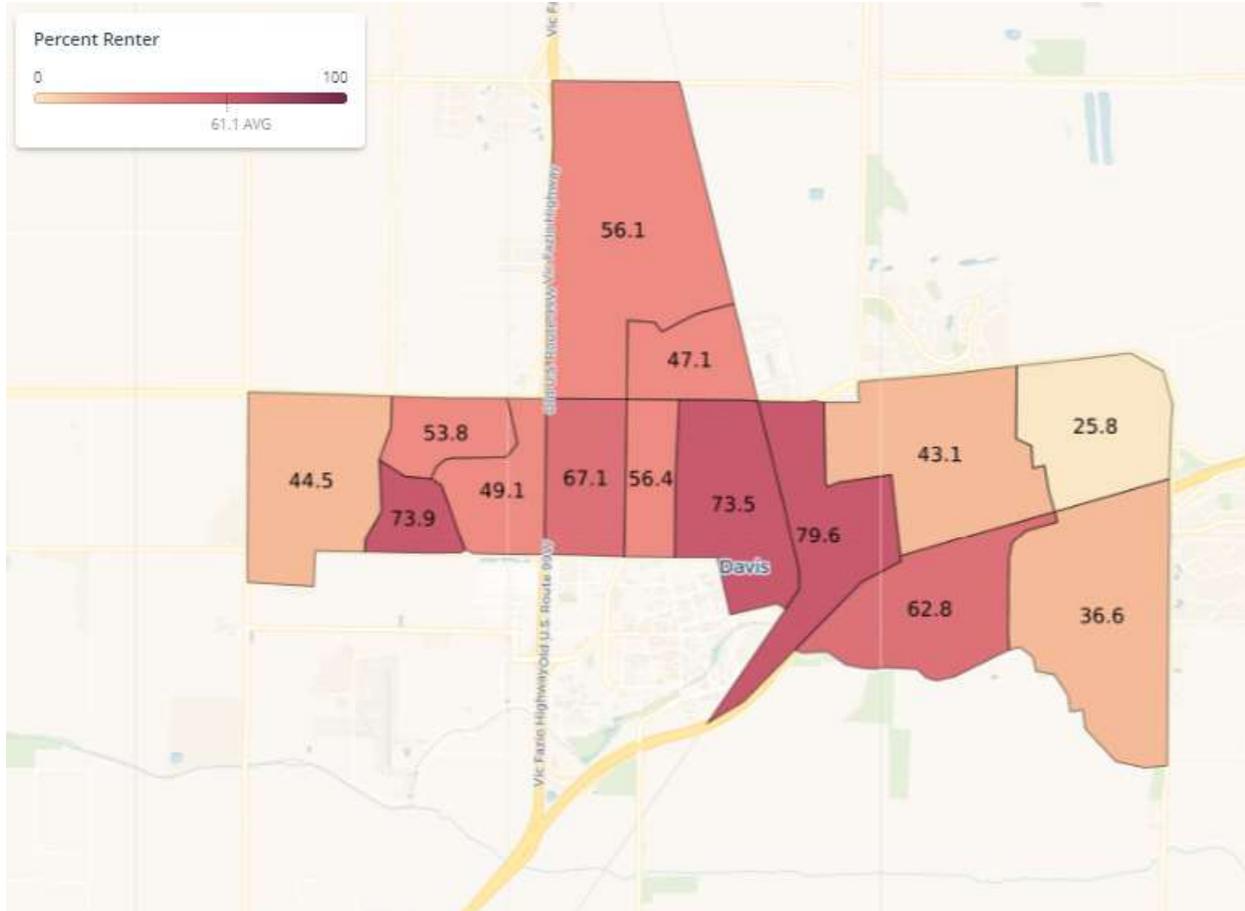
Table B - 2: Interview Notes, Davis

Question	Response
1. Review and summarize survey responses	• All single family and multifamily need register with program. - Checklist at move in and move out for all - Passed in 2016, implemented in 2017 - $60 annually for SF only (including $25 business license, $15 rental $20 inspection). MF sliding fee scale- based on # of units. • RIP is being rolled out underneath rental registration program

Question	Response
	- Only required for single family through a random selection - MF not subject to inspections due to property owner uproar - Charge fees for SF and MF for licensing • Beginning to develop inspection staff to start inspections
2. What motivated you to create the program?	• Renters getting taken advantage of, no renter/landlord education, and habitability issues. 60 percent of housing is rentals and a majority are market rate. • There was 50/50 support for the program.
3. Expand/elaborate on the structure of the rental licensing/inspection program? Has the program been updated or amended over time?	• Owners are billed annually on the city services/water bill.
4. Why was the program structured that way?	• Wanted to include multifamily in ordinance, but had to remove due to property owner protests.
5. Can you walk us through the development steps?	• Worked with City and County of Sacramento and modeled after their inspection ordinance. Compliance with violation can be verified by receipt or picture of work completed. • Community development and sustainability departments, city council, IT, finance all worked together. IT is developing a tracking database. Held focus groups with property managers, public, renters, legal services of Northern California, reps from UC Davis (even though university housing is not included in ordinance). • Sent out letter 2.5/3 months before charges were scheduled to hit. Letter said City has identified this property as a rental, how to contact department, what charges are for, etc.

Question	Response
	• What were the biggest challenges you encountered when you were developing the program? • What worked well in program development stage?
6. What were the biggest challenges you encountered when you were developing the program? What worked well in program development stage?	• What were the biggest challenges you encountered during program implementation? Tracking capabilities and landlord education on rental law. Davis held a class about deposits for landlords & posted video on website, taught by the Sacramento Valley Rental Housing Authority. There is a Davis model lease required for everyone to use. It is owned and maintained by UC Davis but has not been updated since 1980's. City is working with UC Davis to update and put online for easier access.
7. If you were to start over, what would you change? What would you keep the same?	• Started with rentals that have business license and looked at who was taking standard homeowners' exemption. Then looked for mailing address where the water bill matched property address (Davis ordinance water bill must be sent to owner). Also used information from Tax Assessor's office where tax bill was being sent. Now also using a report from the Finance Department to determine when people update their water bill address. Only about half of rentals have actually registered. There are neighbors snitching on neighbors. Davis spent about 6 months gathering data.
8. Is retaliation an issue with the complaint-based inspections?	• Renters are not aware they can complain. Sometimes the full move in/out checklist is not completed, so housing fairs are held for freshmen education specifically focusing on how the walkthrough checklist should be completed. There is no rent control in Davis,

Question	Response
	and the rental population is mostly elderly. Rent control group trying to push rent control through, but unsure if will ever get passed.
9. How are you tracking your success and/or impact of the program?	• N/A
10. What are the next steps for the program?	• Wording fine tuning. Also, ADU's are exempt currently, but the assumption was that the main house was not being rented. Davis is discovering that sometimes garage units or upstairs apartments are rented, which also need to be included in the ordinance and no longer exempt.
11. What advice would you give to jurisdictions considering a rental inspection/licensing program?	• Outreach upfront to get stakeholders on your side, or try to. • Identify financial resources for landlords to make corrections- rebates/financing for landlords. • What is your source of information, how will you vet that information, how will you track it?

City of El Cerrito Rental Inspection Program Interview

Figure B - 3: Percent Renters, El Cerrito
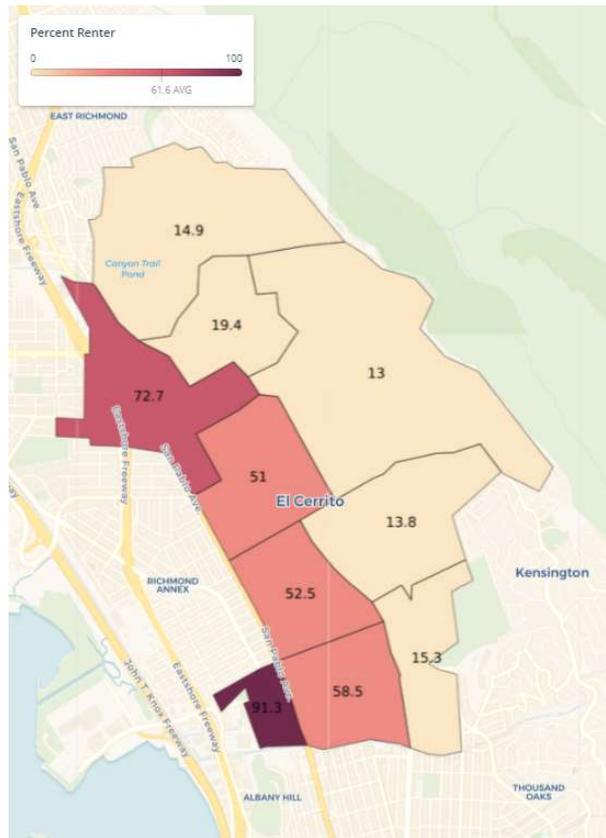
Table B - 3: Interview Notes, El Cerrito

Question	Response
1. Review and summarize survey responses.	• Rental inspection program in non-owner occupied rental units every 2 years completed by city inspection staff. • Interviewed Jay Marlette, Building Inspector/Code Enforcement, who overhauled the RRIP when he was hired.
2. What motivated you to create the program?	• Started in 1997, to assure residents that rentals are safe and sanitary in El Cerrito. • Would need to follow up with someone who has been in the building department when ordinance created to answer question further.
3. Expand/elaborate on structure of the rental licensing/inspection program.	• Program started in 1997, so Jay is unaware of why program is structured the way it is.

Question	Response
Has the program been updated or amended over time?	• Program was administered by 3rd party contractors until Jay Marlette was hired.
4. Why was the program structured that way?	• Whoever wrote the ordinance did not have inspection/enforcement experience, therefore the ordinance language is impossible to meet. Currently collecting recommendations for updates to the ordinance, which should be completed in about 6 months.
5. Walk us through the development steps.	• N/A
6. What were the biggest challenges in developing the program? What worked well in program development?	• Adding the rental inspection process to permit tracking software, essentially creating a permit for the rental inspection • Having at least 1 inspector and 1 admin support to schedule, send out notices, etc. • Enough time between inspections realistic for changes to be made
7. If you were to start over, what would you change? What would you keep the same?	• Expand time between inspections to 4-5 years, because there aren't many significant changes made to rentals every 2 years. • Remove the requirement that inspection be completed with compliance certificate issued before tenants can move in. This helps keep property owner opinion of program as positive, as long as owner is being communicative and complying with eventually completing inspection. • Include specific requirements that aren't as clear (i.e. kitchen counter and bathroom outlets should be GFI protected, handrails for 4 or more steps), basically easy fixes that housing code or property inspection doesn't quite call out • Add a provision addressing tenant refusal to inspect unit (due to constitutional rights 4th, 5th, 14th amendments). This could be some process, fee or letter verifying tenant doesn't want inspection • Use short term rental sites to find nonregistered property owners and bring

Question	Response
	them under compliance. Identifying owners can be done by hiring out for data collection then moved in house for compliance enforcement • Would like to have some type of tracking system for property owners that didn't respond to initial letter signaling need for inspection.
8. Is retaliation an issue with the complaint-based inspections?	• N/A
9. How are you tracking your success and/or impact of the program?	• Compliance check-list available to public before inspection, alerting owner what will be inspected • Inspector uses an inspection report sheet with room for comments on compliance issues. Report then typed up by admin support and compliance letter mailed to owner for fixes. • Report information also tracked in permit tracking system, includes proof of residence
10. What, if any, updates would you like to make to the current program?	• Change time between inspections to 4-5 years, rather than 2 years. • Provide a checklist when business license renewed for owners to start going through and potentially fixing issues before inspector comes out.
11. What are the next steps for the program?	• Update ordinance language to reflect what city if actually enforcing.
12. Have you considered addressing energy efficiency through your rental housing program?	• Would like to see something like Home Energy Score required at time of inspection or offer a discount on rental inspection fees if the city can use property to gather data on building assets.
13. What advice would you give to jurisdictions considering a rental inspection/licensing program?	• N/A

City of Los Angeles Rental Inspection Program Interview
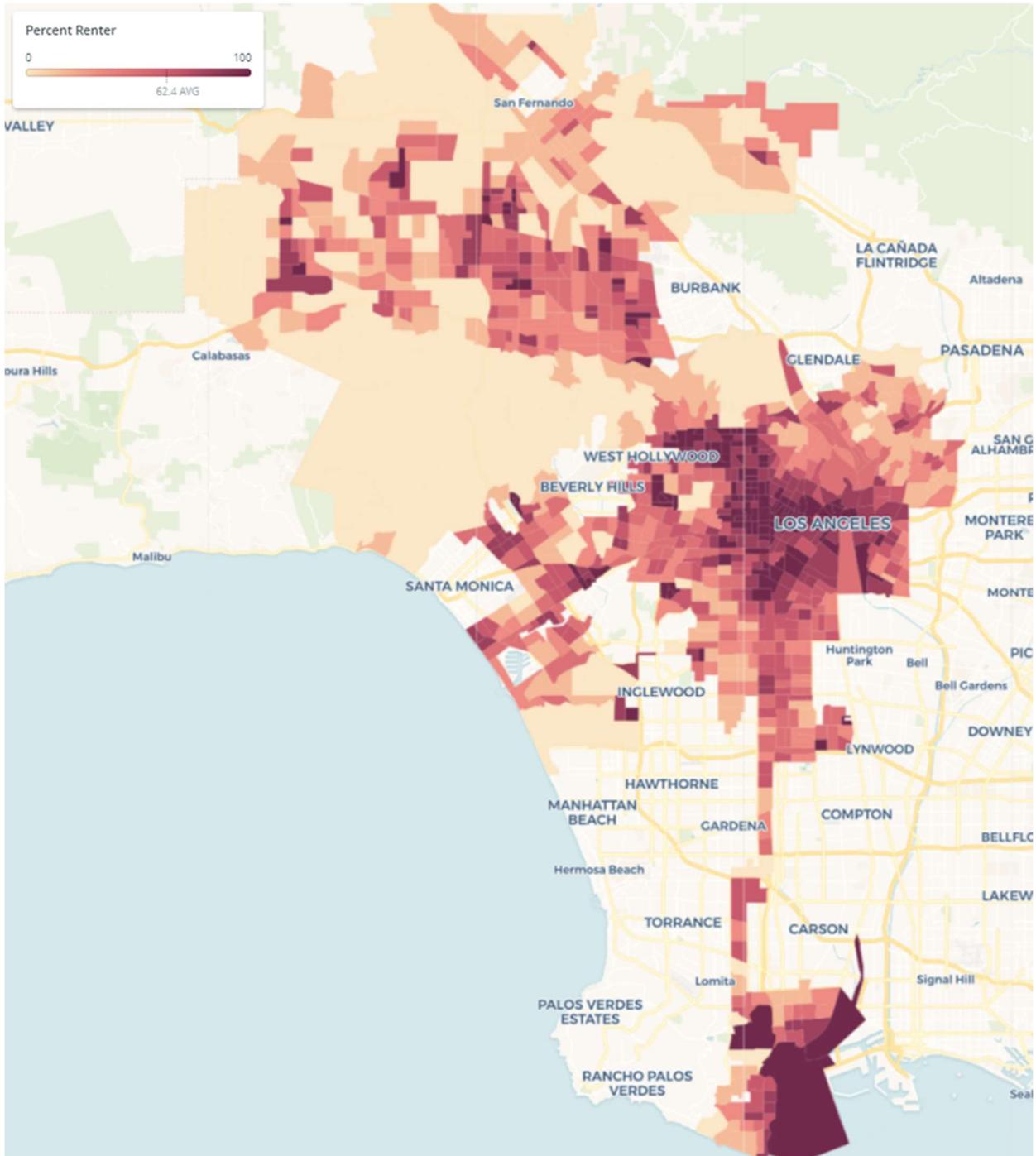
Figure B - 4: Percent Renters, Los Angeles

Question	Response

1. Review and summarize survey responses.	• One Los Angeles Staff member answered the statewide survey that there was no rental inspection program in the City of LA. LA does have a rental inspection program, called the Systematic Code Enforcement Program.
	  - Started Systematic Code Enforcement Program in 1998 to establish regular inspection of rental housing. Program is fee based and regulatory for entire rental housing industry. LA chose a fee-based program to keep off of the city's general fund so program didn't shrink or grow depending on how the general fund was faring. LA's majority of housing stock was built between 1900-1940. LA has 640,000 rent stabilized units.
	  - The program enforces retroactive codes seismic, fire code etc.
	  - LA also has a rent stabilization program that collects rent rolls annually to enforce law.
	  - People are often reluctant to give up a rent stabilized unit. Turnover rate is about 5 years is turnover rate.
	
	• What housing stock does the program cover?
	  - All non-owner occupied 2 or more units on a parcel with 1 unit rented (ADU), non-owner occupied, annual inspection fee
	  - Law is to inspect every unit in city, but often unable to inspect every single unit.
	
	• What triggers the inspection?
	  - Inspection once every 4 years
	  - 3-year cycle originally, but unable to meet rate, so city increased to every 4 years.
	
	• Who completes the inspection?

Question	Response
	- City staff systematic inspectors-96 inspectors, 60 full time.
	• What is the inspector looking for - Enforce CA state law and LA municipal law - Separate buildings into 3 categories based on the law: buildings in need of maintenance and repair, those that aren't in need, and substandard buildings. Substandard buildings require demolition and rebuild, and often are a way for jurisdictions to get around rent stabilization requirements.
	• What is the primary challenge you face with program administration? - Ordinance brought out public policy issues that required dealing with through the city attorney. - There are different types of ownership (mom and pop, LLC, trust, etc.) that change the way the property is maintained - LLC properties for investment tends to have higher risk of neglect than others - Legal challenges- who can consent to an inspection- tenant vs property owner. This is currently an ongoing legal issue with the city.
2. What motivated you to create the program?	• N/A
3. Expand/elaborate on structure of the rental licensing/inspection program. Has the program been updated or amended over time?	• Modified to a 4-year cycle, which is a more realistic time table to complete all inspections. • Added a 2-year cycle for poor performing operators (bad operators). Tier II properties receive demerits based on events that occurred during last inspection cycle like how long they took to comply, if they complied, if the city had to spend extra resources on

Question	Response
	getting them to comply. The number of complaints factor into whether the property is a tier II. There are about 2,000 tier II properties. • Consolidated complaint program into one operating group with their own chain of command rather than having a complaint inspector in each office and supervised by systematic inspector. • LA launched the Gateway to Green program in 2014 which supplements the periodic inspection with a 5-question survey. The purpose of the survey is to offer a 100 percent voluntary informative program to raise awareness and identify green upgrade potential. Questions cover energy efficiency and water topics. LA currently shares the reports with LADWP and SoCal Gas and point to rebates and incentives available. They also leave door hangers on units with quick tips on how to save water. • LA is updating the program for the 2019-2023 cycle to encourage utility incentive programs to focus on a smaller group of incentives with a higher rebate value. • LA has found that the more affluent owners have already taken their own steps for energy and water conservation, solar, etc. • Less affluent owners have a larger potential for conservation.
4. Why was the program structured that way?	• N/A
5. Walk us through the development steps.	• N/A
6. What were the biggest challenges in developing the program? What worked well in program development?	• The ability for the program to charge fees was challenged in the CA Supreme Court.

Question	Response
7. How did you gather your original data set of rental properties?	• Land use codes, County Tax Assessor's office, Department of Building and Safety for permit records and certificate of occupancy.
8. If you were to start over, what would you change? What would you keep the same?	• City council enacted law that violated parts of due process. Would rewrite the law to make sure it is not violating other federal, state or local laws
9. Is retaliation an issue with the complaint-based inspections?	• Retaliation is not a crisis. • Gentrification is not crisis yet, but the city is trying to get ahead of it by enforcing conversions of apartment buildings, enforcing the zoning code for short term rentals, and having bad operators causing a nuisance repair what's broken and identify tenants and explain that the city understands what's going on.
10. How are you tracking your success and/or impact of the program?	• What metrics are you tracking? The complaint-based program is now addressing visual blight (paint disrepair, etc.) on top of the inspection program addressing unsafe housing. Tracking the properties based on whether they comply, how long it takes to comply, whether the city had to spend extra resources on getting them to comply. Metrics used to identify high risk properties. • Can you share some statistics (e.g. percent of housing stock improved, compliance rates, violation rates, units inspected)? LA has seen decrease in high risk properties historically-96 percent of properties compliant historically, 4 percent non-compliant about 32,000 units.
11. What, if any, updates would you like to make to the current program?	• N/A
12. What are the next steps for the program?	• N/A
13. Have you considered addressing energy efficiency	• N/A

Question	Response
through your rental housing program?	

14. What advice would you give to jurisdictions considering a rental inspection/licensing program?	• Make sure they have the will to charge for inspections, rather than having funding come from the general fund.
	• Have a database and data capture plan set up before starting the program.
	  - LA worked with UCLA School of Public Policy to investigate data capture plans
	  - Started with the Housing Inspection Program (HIP) software and modified to meet city's need.
	  - Every inspector has a tablet with software to gather data electronically. This reduces the amount of data reconciliation required. LA is working to develop next generation of software (first developed for hospitals). Inspectors are able to cradle tablets in office for full desktop. LA is open to sharing with other jurisdictions.
	
	• Have a different set of inspectors for a rental program from the code enforcement officers.
	  - Generalist code enforcement officers may not classify buildings correctly (see 1.f.ii.)
	
	• Resources need to be available for owners to make repairs (funding from city, incentives available, etc.)
	• Encourage cities to get ahead of program and enact laws that are resistant to legal challenge.

City of National City Rental Inspection Program Interview
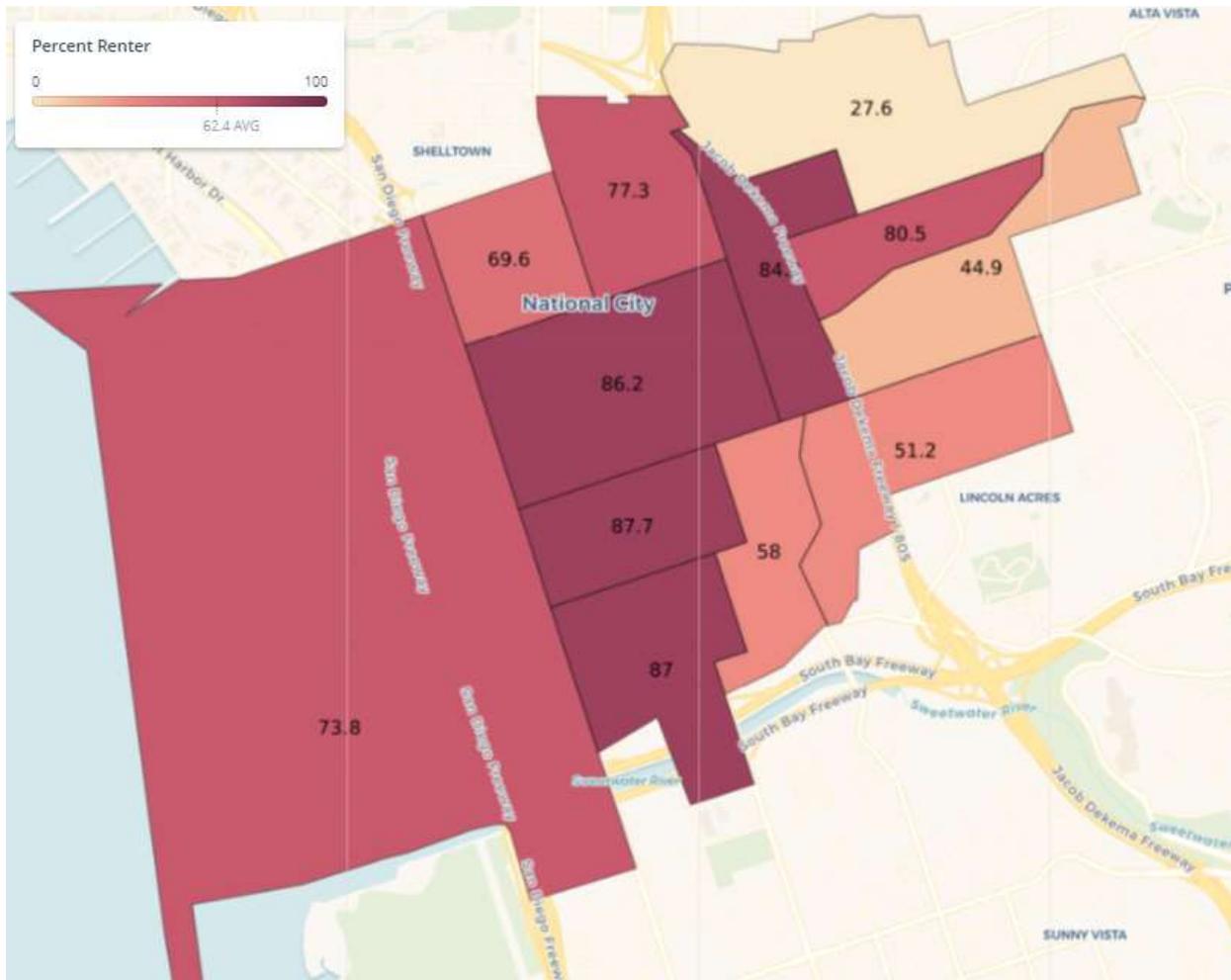
Figure B - 5: Percent Renters, National City

Table B - 5: Interview Notes, National City

Question	Response
1. Review and summarize survey responses.	• Rental inspection program is solely complaint based.
2. What motivated you to create the program?	• Originally, they had a more involved rental inspection program, but the City received complaints from landlords that rental inspection fees were like a tax and they didn't receive a direct benefit. The City has more than 9,000 rental units and couldn't get to regular inspections because they were too busy with complaints. They phased out

Question	Response
	the rental inspection program and focused on complaint based rental housing inspections. • Rank housing depending on conditions and tend to the worst conditions first. Complaint based for health and safety concerns. They use a stick rather than carrot- fix substandard housing or else some type of admin complaint or lien on property.
3. Expand/elaborate on structure of the rental licensing/inspection program. Has the program been updated or amended over time?	• N/A
4. Why was the program structured that way?	• N/A
5. Walk us through the development steps.	• N/A
6. What were the biggest challenges in developing the program? What worked well in program development?	• Delicate legal proceedings that happen because they often get pulled into lawsuits • City has to triage worst cases first before it can move to lesser issues • Lots of hand holding for property owners and have to provide lots of education • Landlords who don't want inspection and don't want to invest in condition upgrades are common
7. If you were to start over, what would you change? What would you keep the same?	• N/A
8. Is retaliation an issue with the complaint-based inspections?	• Tenant retaliation trying to use department to sue for back rent and landlord retaliation raising rent or removing tenant due to complaints • City refers tenants to San Diego Count for tenant/landlord intervention • No rent control in National City and large tenant turn over/low vacancy rates

Question	Response
9. How are you tracking your success and/or impact of the program?	• N/A
10. What, if any, updates would you like to make to the current program?	• N/A
11. What are the next steps for the program?	• Management partner- building more effective housing code/code enforcement program • Changing databases because it is tough to be consistent in case management • Moving the rental inspection program under Housing department and considering moving it under building department code enforcement
12. Have you considered addressing energy efficiency through your rental housing program?	• N/A
13. What advice would you give to jurisdictions considering a rental inspection/licensing program?	• Financial benefit to cities to want to participate • Have carrot and stick separate departments or program- have the bad guys and the good guys • Have inspections under code enforcement and have incentives under another arm of the city to encourage the warm hand off

City of Rancho Cordova Rental Inspection Program Interview

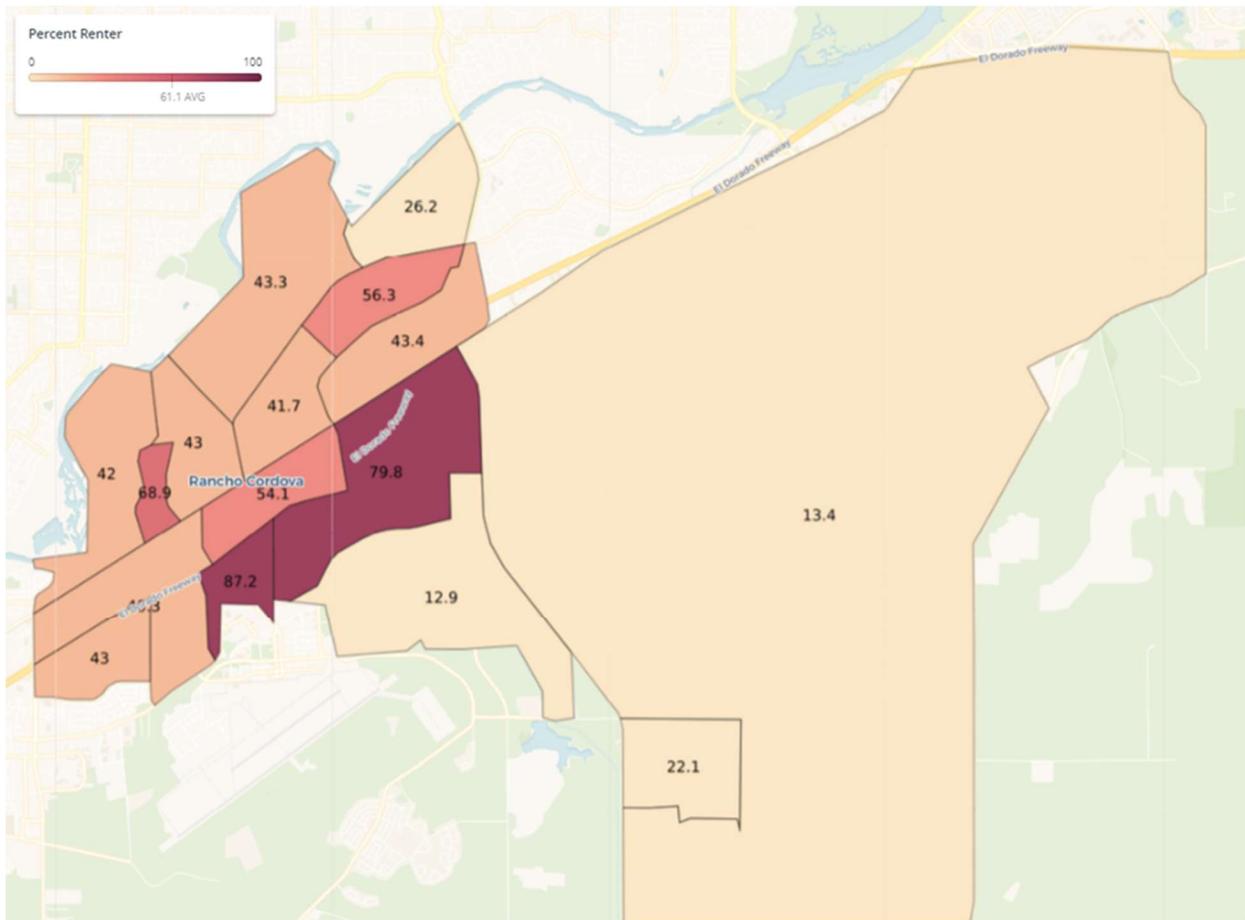## Figure B - 6: Percent Renters, Rancho Cordova

Table B - 6: Interview Notes, Rancho Cordova

Question	Response
1. Review and summarize survey responses.	• Ryan in Community Development Department Neighborhood Services
2. What motivated you to create the program?	• City incorporated in 2003, city council wanted to take care of dilapidated housing, remove blight and raise property values. Rancho Cordova had a large rental stock because Mather Air Force Base. The need for rental housing decreased when Mather closed, which resulted in many of absentee landlords. The program was started in 2007 for $10 per door.

Question	Response
3. Expand/elaborate on structure of the rental licensing/inspection program. Has the program been updated or amended over time?	• The program is 100 percent inspection. Owners pay housing stock fee based on number of units they own, which supports program. Single family dwellings (1-4 units) are inspected on a 5-year rotation, inspection once in 5 years. Multifamily is 5+ units and receives an inspection 100 percent of units once every 3 years. Five years or newer buildings are exempted. Community development department is big on service and citizens want 100 percent if they are going to pay for 100 percent. City Council doesn't support only percent of units or self-certification of units.
4. Why was the program structured that way?	• In the beginning, there were major health and safety violations. Now that the program is in a later phase, the department is dealing with smaller maintenance issues. Less of hardcore health and safety, more broken kitchen countertops, missing assemblies for bathtubs.
5. How do you find the rental housing stock?	• Go off of business licenses. Right now, illegal license issues are in the 10 percent range. Typical to find that in newer development. • Pull county assessor parcel/GIS maps to search for rentals.
6. Walk us through the development steps.	• Marketing and outreach- worked with Sacramento Rental Housing Association now CA Apartment Housing Association, workshops with owners and residents. • What were the biggest challenges you encountered when you were developing the program? Housing stock fee, not high enough to support program • What worked well in program development stage?
7. What were the biggest challenges in developing the program? What worked well in program development?	• High turnover of tenants which means they have to reeducate often and rental rates constantly rising.

Question	Response
8. If you were to start over, what would you change? What would you keep the same?	• N/A
9. Is retaliation an issue with the complaint-based inspections?	• City has a renters' help line for tenants who suffer retaliation. The City receives many complaints about conditions. Property Owners receive education on retaliation laws.
10. How are you tracking your success and/or impact of the program?	• What metrics are you tracking? Work in excel spreadsheet. Getting new software to put rentals into a system to schedule inspections and make it more automated. Track inspections and number of involuntary compliance. They have found the most success with fines because owners are often unresponsive to letters. Potentially moving toward collecting home data. • Can you share some statistics (e.g. percent of housing stock improved, compliance rates, violation rates, units inspected)? 99 percent compliance rate to accept inspection and fix violations.
11. What, if any, updates would you like to make to the current program?	• N/A
12. What are the next steps for the program?	• Re-write to include new aspects of program
13. Have you considered addressing energy efficiency through your rental housing program?	• Energy efficiency violations go to building department for a permit violation, i.e. work done without permits
14. What advice would you give to jurisdictions considering a rental inspection/licensing program?	• Local contact with owner- have owner register rental in person to meet city staff and get questions answered • Include re-inspection fee for no-shows • Treat first year or two as education period- no heavy-handed enforcement lots of education, hold off on penalties to get everyone educated first

Question	Response
	• Utility billing- charge rental inspection fees through utility bill

City of Richmond Rental Inspection Program Interview
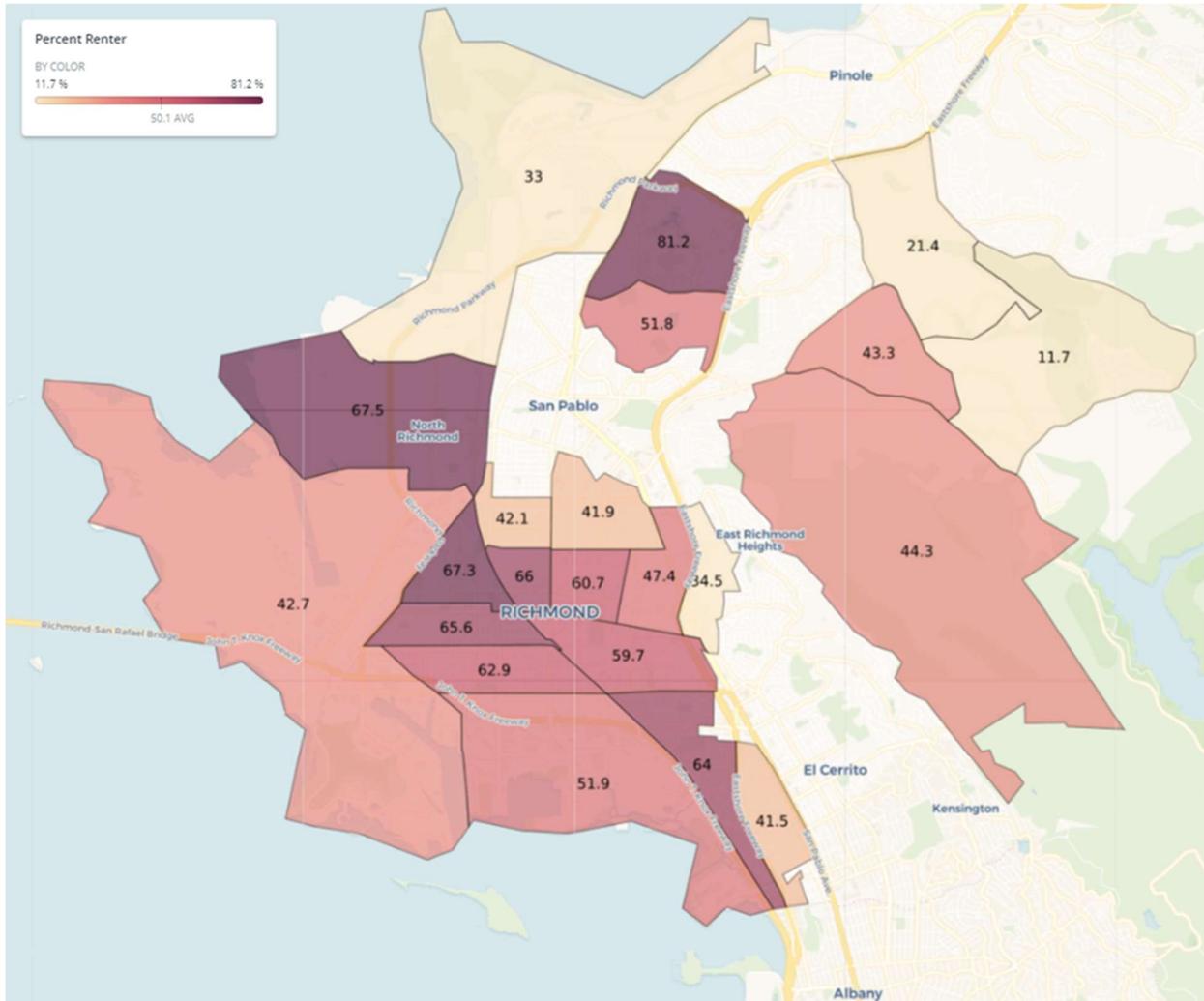
Figure B - 7: Percent Renters, Richmond

Figure B - 7: Percent Renters, Richmond

Table B - 7: Interview Notes, Richmond

Question	Response
1. Review and summarize survey responses.	• All rental units in Richmond, 6 years or older, are included in the program. Subsidized housing, hotels/motels, mobile homes, and B&Bs are exempt.
2. What motivated you to create the program?	• To preserve quality rental housing stock, addressing substandard housing. Started in 2006/2007.
3. Expand/elaborate on structure of the rental	• Single family rentals were not part of program. Originally, owners with 3+ rental

Question	Response
licensing/inspection program. Has the program been updated or amended over time?	units were required to participate, then the ordinance was updated to all owners with 1+ rental unit. The program is funded by inspection and registration fees. There is a 3-year inspection cycle for owners with 3+ rental units, and an 18-month cycle for owners with 1 or 2 units.
4. Why was the program structured that way?	• City provided consultant with all city parcels. They started checking where the owner's address was same as billing address then identified what rental units to target. Larger parcels assumed to be rental units. The challenge is keeping up with who's buying rental properties to keep data up to date. Program development took 7 months and data mining took about 2 months.
5. Walk us through the development steps.	• Development stage was collaboration between city, 3rd party implementer and building dept.
6. What were the biggest challenges in developing the program? What worked well in program development?	• Biggest challenge how to develop document timing letter to be mailed to owners. • What worked well in program development stage? Collaboration between city and inspection department, building, code enforcement, fire, city manager, city attorney. Made a soft introduction to property owners through letter about the program, and focused more on information gathering before invoicing during the first cycle.
7. If you were to start over, what would you change? What would you keep the same?	• Make a stronger enforcement component to get that 20 percent noncompliant through administrative citations and other processes that are allowed in other programs.
8. Is retaliation an issue with the complaint-based inspections?	• N/A
9. How are you tracking your success and/or impact of the program?	• What metrics are you tracking? Reports on number of attempts to bring unit into compliance, history of a parcel, deficiencies at unit, number of attempts getting a unit to pass.

Question	Response
	- Inspections running out of inspection software for housing authorities (scheduling, noticing). Custom built database for rental program, database that tracks compliance and reporting. Also tracking housing code, health and safety, HQS checklist. Inspectors trained to look out for illegal construction. The city uses a 3rd party for inspections, and the building department becomes involved if inspectors see illegal units, illegal construction, structural concerns, etc.
	• Can you share some statistics (e.g. percent of housing stock improved, compliance rates, violation rates, units inspected)? Eighty percent of rental units compliant
10. What, if any, updates would you like to make to the current program?	• N/A
11. What are the next steps for the program?	• Nothing scheduled for re-writes, but the rent control ordinance passed have increased referrals to building department and enforcement staff, leading to need for stronger enforcement. Referrals to rental inspection from rent control ordinance are complaint based. Staff thinks the rental control ordinance has given tenants more protection from retaliation- tenants more open to coming forward and lodging complaints.
12. Have you considered addressing energy efficiency through your rental housing program?	• N/A
13. What advice would you give to jurisdictions considering a rental inspection/licensing program?	• Carrot instead of stick • Consolidate enforcement programs into one program • Write in strong enforcement language • Consider not only ideal property owners, but also assume a percentage of noncompliance

Question	Response
	• Be clear on target population (all units, some units, etc.) • Database tracking- be able to track documents going out and coming in, enforcement action, inspection processes. What's the end goal and how they are going to track it on the back end?

County of Santa Barbara Rental Inspection Program Interview

Figure B - 8: Percent Renters, Santa Barbara County
Figure not available.

Table B - 8: Interview Notes, Santa Barbara County

Question	Response

1. Review and summarize survey responses.	• Ordinance covers subsidized housing to be inspected every 3 years and/or more frequently based on complaints. Inspection is completed by county staff and they are required to go onsite.
	• There is a self-checklist that owners can complete, but inspections still have to be completed. Multifamily isn't really defined in the program. Staff considers it to be 16+ units. This program is not County code enforcement; this program is run separately.
	  • Housing Quality standards – checklists covered
	  • Housing code violations
	  • Health and safety violations such as mold, pest infestation, smoke and carbon monoxide alarms, egress
	  • Lead and asbestos
	  • Deferred maintenance issues or blight
	  • Universal physical conditions standards – longer and more detailed – this would require additional effort. Not sure if this would require credentials in the building industry.

2. What motivated you to create the program?	• HUD identified that there was no monitoring for HUD subsidized programs that the county administers. Required to provide monitoring to receive federal funds.
3. Expand/elaborate on structure of the rental licensing/inspection program.	• If there is a violation, a letter is sent to the property owner, and they have so many days to correct problem. County verifies correction either by secondary inspection or photo submitted.

Question	Response
Has the program been updated or amended over time?	
4. Why was the program structured that way?	• Portfolio is growing and what is required by HUD is increasing. If issues are identified, then County has to go out more frequently. • County also collect rent rolls on an annual basis and requires owners to send audited financial statements. County then performs a risk assessment annually. Factors include staff turnover, poor financial capacity, rent rolls (max rent that can be collected). This helps to identify what projects to visit each year.
5. Walk us through the development steps.	• County has been monitoring portfolio since inception but the records were not there to support compliance. Implemented a more robust compliance program and hired a dedicated staff member. No public input required because they are not spending federal dollars.
6. What were the biggest challenges in developing the program? What worked well in program development?	• Too many forms, duplicative data collection for property managers • Initial roll out was too heavy on paperwork and processes and challenging for property managers to meet requirements. The County made it a simpler process for the property owners and reduced paper work. Now it is the annual process – send out letters and ask for information and then let them know if they will come out to inspect based on risk assessment. • Inclusionary housing side- County must ensure tenants meet income criteria, but doesn't require physical inspections. Any inspections would be referred to building and safety or planning • Annual basis review rent roll and copy of leases to verify owner of property to provide below market rate for given amount of time. 10 units that are allocated for below market --- if one unit has a balcony is offline, then

Question	Response
	adjust timeline for agreement to ensure that 10 habitable units are provided for the full term. Meet the obligation to provide low income housing
7. If you were to start over, what would you change? What would you keep the same?	• N/A
8. Is retaliation an issue with the complaint-based inspections?	• N/A
9. How are you tracking your success and/or impact of the program?	• Housing quality standards from HUD
10. What, if any, updates would you like to make to the current program?	• N/A
11. What are the next steps for the program?	• N/A
12. Have you considered addressing energy efficiency through your rental housing program?	• N/A
13. What advice would you give to jurisdictions considering a rental inspection/licensing program?	• If you do not have to report on it – do not collect it. • Do what you have to do to meet requirements, keep as streamlined as possible. • The additional asks must be built into existing work flow. How do they comply with different funding sources? • As an example – energy audit could be built into HQS form – what does this then require? Additional compliance?

City of Santa Cruz Rental Inspection Program Interview

Figure B - 9: Percent Renters, Santa Cruz
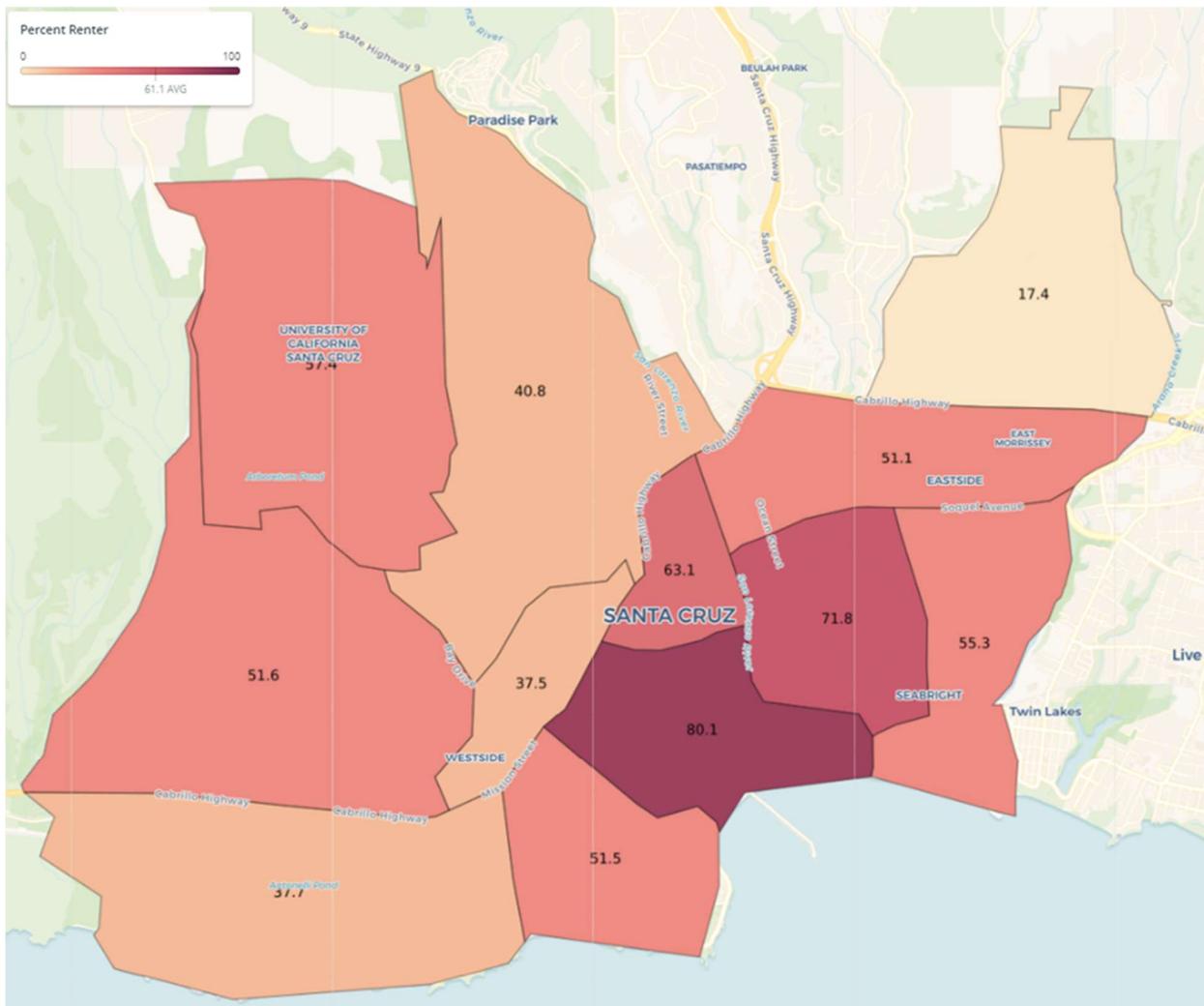
Table B - 9: Interview Notes, Santa Cruz

Question	Response
1. Review and summarize survey responses.	• Santa Cruz has both a rental registration and rental inspection program that work in tandem. • Rental inspection program on single family and multifamily housing in city limits. Units with an active code enforcement case or a history of code enforcement cases are inspected once every 3 years. Units with no cases or history of cases are inspected once

Question	Response
	every 5 years at a sampling rate of 20 percent and can qualify for self-certification annually. • Santa Cruz requires an annual registration fee of $45 per property and does not require long term rental owners to operate under a rental business license. There is no rent control in the city. They recently tried to pass a rent control/no cause eviction measure, but it failed. • Goal is to maintain quality and quantity of housing stock and reduce evictions due to unsafe conditions.
2. What motivated you to create the program?	• Program was created after UC Santa Cruz complained about not having enough student housing that was safe and sanitary. Eventually UCSC's role in the program was phased out and the City maintained the program.
3. Expand/elaborate on structure of the rental licensing/inspection program. Has the program been updated or amended over time?	• Program has not been updated
4. Why was the program structured that way?	• N/A
5. Walk us through the development steps.	• N/A
6. What were the biggest challenges in developing the program? What worked well in program development?	• Santa Cruz did not perform enough outreach to stakeholders in the region to get buy-in, causing complaints from owners and other stakeholders now. • Ordinance was written too vaguely. It does not explicitly spell out what inspectors can and can't look for. This is causing issues with property owners who don't believe the city has the right to inspect units.

Question	Response
7. If you were to start over, what would you change? What would you keep the same?	• Rewrite the ordinance to be more specific on what inspectors can inspect. Had the ordinance been written differently, it could prevent about 80 percent of the issues the department is experiencing now. • Perform more stakeholder outreach and education before the ordinance becomes law to prevent pushback after.
8. Is retaliation an issue with the complaint-based inspections?	• Retaliation has occurred, but there is no way for the department to track or get involved once it becomes a civil matter.
9. How are you tracking your success and/or impact of the program?	• Whether a property has an open code case or a history of many code cases. • Compliance rate is between 50 and 75 percent. • Just based on comments from the public, housing conditions have improved due to regular inspections and number of evictions to remedy unsafe conditions is very low.
10. What, if any, updates would you like to make to the current program?	• Rewrite the ordinance, see above.
11. What are the next steps for the program?	• No updates planned
12. Have you considered addressing energy efficiency through your rental housing program?	• N/A
13. What advice would you give to jurisdictions considering a rental inspection/licensing program?	• Make sure you have a well written and specific ordinance • Anticipate database needs before launching program, know what metrics you need to track and how you will need to report out and/or send letters to property owners. • Plan for a 6 month or 1-year assessment of program • Have the correct staff working on ordinance during development, roll out and implementation.

Question	Response
	• Perform extensive stakeholder outreach and education to negate any issues that can come up (owner push back, noncompliance, etc.)

City of West Hollywood Rental Inspection Program Interview
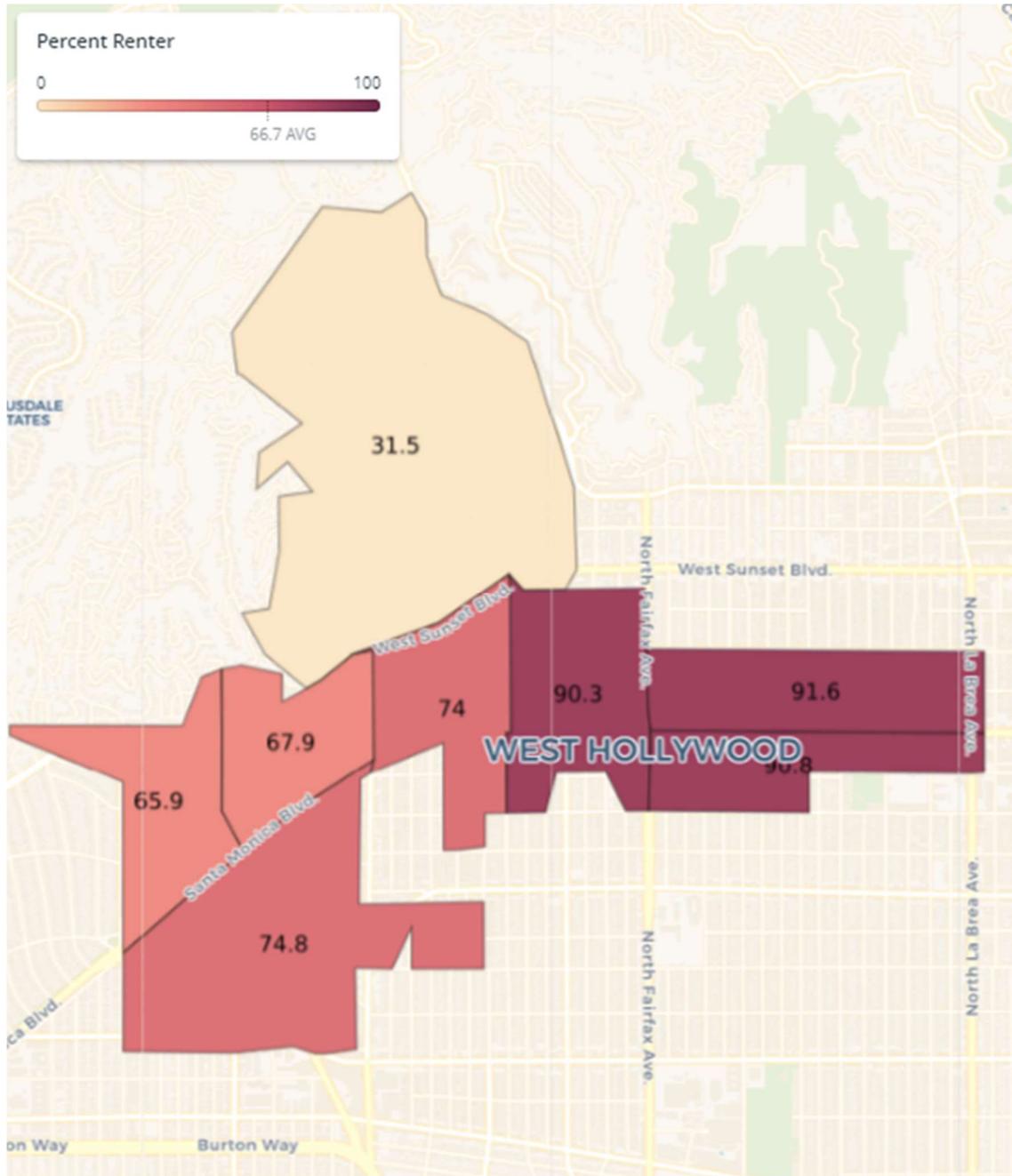
Figure B - 10: Percent Renters, West Hollywood

Table B - 10: Interview Notes, West Hollywood

Question	Response

1. Review and summarize survey responses.	• Robyn Eason- Senior Sustainability Manager of West Hollywood and first in this position, started in 2016
	• 2007 green building ordinance for new construction passed
	• 2011 Climate Action Plan adopted
	  - recommended time of sale ordinance for energy efficiency
	  - Updating Climate Action Plan in 2019; investigating how to be more impactful for existing buildings. Also currently updating the green building ordinance, but city is largely built out.
	  - Rent controlled units have a check-in process every year or 6 months – similar to licensing program, via checklist, although not sure if they have a fee
	• West Hollywood has a very small single-family stock.

2. What motivated you to create the program?	• Robyn is championing this because existing buildings have the largest GHG emissions. • City Council provided sustainability directives and Robyn has been navigating to get those things going, like programs for solar or green building. Once these have been provided solutions, then they will to focus on existing buildings. • Green building ordinance 2007 requires minimum number of points, similar to LEED, and triggers incentives for 90+ points.
3. Expand/elaborate on structure of the rental licensing/inspection program. Has the program been updated or amended over time?	•
4. Why was the program structured that way?	•

Question	Response
5. Walk us through the development steps.	•
6. What were the biggest challenges in developing the program? What worked well in program development?	• Combination of political will, staff resources, tracking, and lack of owner engagement. People are scared of change, and finding the messaging why this is important will be biggest challenge • Seismic readiness in existing buildings has been controversial, specifically who pay for this. Need to be sensitive to what is the financial impact already, and take lessons learned and apply them to an existing buildings policy. • Community was loud to the council during the seismic readiness ordinance. Reaching out to landlord community prior to ordinance development is necessary. It would be helpful to understand what are the current challenges in maintaining buildings. There are many mom and pop landlords, so the City needs to be mindful of audiences and how the standards can address that.
7. If you were to start over, what would you change? What would you keep the same?	• N/A
8. Is retaliation an issue with the complaint-based inspections?	• N/A
9. How are you tracking your success and/or impact of the program?	• N/A
10. What, if any, updates would you like to make to the current program?	• The ability to provide incentives would be very helpful to winning over owners and increasing compliance and ease the financial burden. • Host of different incentives either from city/county or pair with what is already out there (utility program).
11. What are the next steps for the program?	• N/A

Question	Response
12. Have you considered addressing energy efficiency through your rental housing program?	• N/A
13. What advice would you give to jurisdictions considering a rental inspection/licensing program?	• N/A

Appendix C.   Survey Methodology

To identify the prevalence and types of rental housing policies or programs in California, the project team developed a survey to be disseminated to city and county jurisdictions statewide. We chose the online survey builder site GetFeedback.com for its administration ease and user-friendly interface. The survey was deployed from September 12 to October 31, 2018.

Survey Dissemination

To cast a reach as many jurisdictions as possible, we disseminated the survey through local government networks including the Bay Area Air Quality Management District, the Bay Area Regional Energy Network, California Building Officials, GreenCities CA, the League of California Cities, the Local Government Coalition, the Local Government Sustainable Energy Coalition, San Francisco Department of the Environment, and San Jose Environmental Services Department.

A total of 46 jurisdictions (7 counties and 39 cities) responded to our survey and provided useable data. Responding jurisdictions represent 3,079,132 single-family and multifamily residences in California, and cover about 29 percent of California's renter occupied housing population.

The majority of responding jurisdictions are urban and suburban communities such as Los Angeles, Rancho Cordova, San Francisco and Santa Rosa, and include some of the largest rental populations in the state. A few responding jurisdictions can be considered rural, such as unincorporated Marin, Sonoma, Santa Barbara and Yolo counties.

In addition, we sent the survey directly to jurisdictions that have high rental housing populations or existing rental housing policies, as well as to jurisdictions recommended by survey respondents. This approach to survey dissemination resulted in responses from approximately 10 percent of California's 514 jurisdictions.

We chose nine jurisdictions with a rental inspection or license policy and one jurisdiction considering implementing a rental policy to interview for additional information.

Survey Questions

The survey consisted of 9 to 14 questions that were a mix of multiple choice and open ended. Depending on the initial response to whether they have a rental housing inspection or licensing program (yes, no, considering), respondents were directed toward different question sets. The secondary question sets covered trigger, method of compliance, and goal of program or what factors were preventing a jurisdiction from implementing a program.

Lessons Learned from Inconsistent Survey Responses

The initial survey question required the respondent to distinguish between rental licensing and rental inspection programs. We believe this phrasing was confusing because it didn't nuances such as a jurisdiction that has both types delivered by different departments, a jurisdiction with license policy that includes some level of inspection, or a jurisdiction has integrated licensing and inspection integrated into one program.

Many jurisdictions surveyed have both a rental licensing/registration program and a rental inspection program that operate independently and do not trigger each other, but cover the same housing stock. Further research would be required to determine more precisely how many jurisdictions have both. The question would have been better phrased as individual policy questions and associated departments which implement the respective policies.

In some cases we had multiple people from one jurisdiction respond to the survey and provide inconsistent answers. A respondent's job classification, role and department affects their knowledge of policy and implementation. For example, different departments within one jurisdiction had opposite answers to questions such as "do you have a rental inspection or license program" and "how is multifamily defined in the program." It would have been beneficial to have included a question about the respondent's role in reference to the rental inspection policy and/or rental license requirements. This additional question coupled with the revision of the first question would have provided a clearer picture of the overlap of rental inspection program and license requirements in jurisdictions.

Survey Content

The purpose of this survey is to gather information about rental housing programs in California to evaluate the potential for a rental policy to drive energy efficiency improvements. By completing this survey, you will help us understand the opportunity to support local governments to increase energy efficiency upgrades across the state.

We appreciate you taking the time to complete the survey. We will share the results in the feasibility report, once it is complete.

1. Your contact information
   a. Name
   b. Jurisdiction
   c. Title
   d. Email
   e. Phone Number
2. Do you have a rental inspection or license program? [multiple choice]
   a. Yes, rental inspection program
   b. Yes, rental license program
   c. No

d. Considering

If respondent answers "Yes" the following questions will be shown.

3. What housing stock is impacted by your program? [check all that apply]
    a. Multifamily
    b. Single Family
    c. Only select vintages
    d. Only Subsidized housing
    e. Non-owner occupied MF housing (i.e. owner does not live in one of the apt. on site)
    f. Other [fill in the blank]
4. How is multifamily defined in the program?
    a. [open field]
5. What triggers your program? [multiple choice]
    a. Licensing requirements
    b. Time (i.e. regularly required inspections)
    c. Time of Sale
    d. Complaint driven
    e. Other (please elaborate below) [fill in the blank]
6. What procedure is used to verify compliance with the program/ordinance? [multiple choice]
    a. City staff inspection
    b. Self-reported checklist
    c. Third-party audit/assessment
    d. Other [fill in the blank]
7. What aspects of the home/ building are currently covered? [check all that apply]
    a. Housing code violations
    b. Health and safety violations such as mold, pest infestation, smoke and carbon monoxide alarms, egress
    c. Lead and asbestos
    d. Deferred maintenance issues or blight
    e. Seismic, soft story, or unreinforced masonry buildings (URM)
    f. Other
8. What are the primary challenges you face in program administration/implementation? [check all that apply; include comment box]
    a. Lack of funding
    b. Lack of staff resources to implement
    c. Lack of property owner response
    d. Lack of tracking capability (e.g. database issues)
    e. Trigger does not occur frequently enough
    f. Other [fill in the blank]

9. How is the ordinance funded? [multiple choice]
   a. Inspection fees or penalties from property owners
   b. Annual licensing fees
   c. General fund
   d. Other [fill in the blank]
10. What is the goal of your program? [open ended]
11. Is there anything else you would like to share (links, program statistics, best practices, etc.)? [open ended]
12. Please list any other jurisdictions you know of that may have rental inspection or licensing programs or policies. [fill in the blank]
13. Best contact at your jurisdiction to discuss this topic, if other than you [fill in the blank]
    a. Name
    b. Jurisdiction
    c. Title
    d. Email
    e. Phone Number

If respondent answers "Considering" the following questions will be shown.

2. What kind of program design are you considering? [multiple choice]
   a. Rental inspection program
   b. Rental license program
   c. Other [fill in the blank]
3. What procedure is used to verify compliance with the program/ordinance? [multiple choice]
   a. City staff inspection
   b. Self-reported checklist
   c. Third-party audit/assessment
   d. Other [fill in the blank]
4. What will be the trigger for compliance? [multiple choice]
   a. Licensing requirements
   b. Time (i.e. regularly required inspections)
   c. Time of Sale
   d. Complaint driven
   e. Other [fill in the blank]
5. What is motivating you to consider a new rental program or policy? [multiple choice]
   a. Climate action plan goals (reduce emissions)
   b. Large rental housing stock
   c. Age of housing stock
   d. Hazard/Emergency/ Resilience preparedness

    e. Housing/Energy burden populations

    f. Other [fill in the blank]

6. What challenges do you expect to encounter? [multiple choice- all that apply]

    a. Political will to pass ordinance

    b. Staff resources to develop

    c. Staff resources to implement

    d. Tracking triggers and implementation

    e. Lack of building owner engagement

    f. Other [fill in the blank]

7. Is there anything else you would like to share with us (links, program statistics, best practices, etc.)? [fill in the blank]

8. Please list any jurisdictions you know of that may have rental inspection or licensing programs or policies. [fill in the blank]

9. Best contact at your jurisdiction to discuss this topic, if other than you [fill in the blank]

    a. Name

    b. Jurisdiction

    c. Title

    d. Email

    e. Phone Number

If respondent answers "No" the following questions will be shown.

2. What are your reasons for not having a rental inspection or licensing program? [multiple choice]

    a. There is no need (not enough rental housing, no complaints to date, etc.)

       i. Please elaborate why there is no need [fill in the blank]

    b. There are not enough resources (staff time, funding, etc.)

       i. Please elaborate why there are not enough resources [fill in the blank]

    c. There is no political will (property owner opposition, etc.)

       i. Please elaborate why there is no political will [fill in the blank]

    d. Other [fill in blank]

3. Do you have past experience or ideas for increasing energy efficiency in your rental housing? [open ended]

4. Is there anything else you would like to share with us (links, program statistics, best practices, etc.)? [fill in the blank]

5. Please list any jurisdictions you know of that may have rental inspection or licensing programs or policies. [fill in the blank]

6. Best contact at your jurisdiction to discuss this topic, if other than you [fill in the blank]

    a. Name

b. Jurisdiction
c. Title
d. Email
e. Phone Number

Appendix D.   Housing Characteristics Methodology and Findings

Methodology

The project team conducted research and mapping to characterize the housing stock in order to quantify different opportunities for rental housing policies. With datasets that have different resolutions, data was layered geographically using mapping software to create profiles.

Data Sources

Most data were pulled from the Low-Income Energy Affordability Data (LEAD) Tool,[14] which aggregates a variety of public datasets. The data provided by the LEAD tool include much of this precursory data used in their disaggregation and calculations, but ultimately this analysis was concerned with two primary outputs: housing counts, and energy burden. These data are sliced geographically at the tract, county, city, and state level, all of which were considered in this analysis. The LEAD data set includes year built, number of units in building, primary heating, area median income, and tenure.

Data Quality and Considerations

It is recognized that there are inherent limitations to the scope and accuracy of an analysis of this scope largely due to data quality and data availability issues. LEAD tool solves many of these problems as it provides a standardized approach to evaluating many of these metrics. Its scope and transparency ensures that comparative analyses are not influenced as heavily by anomalies specific to one dataset.

Year Published

The LEAD tool pulls from data provided in 2015 and while it is assumed that most metrics provide good estimates for 2018 it is recognized that certain values may not be as accurate as others. This is particularly true with respect to newer building stock built since 2015 which may have a higher proportion of multi-family housing, electric heat, etc. Because of the disaggregated nature of the data, it was determined that adjusting housing count estimates by using more current housing *totals* was inappropriate and would ultimately introduce more unexplained variance. Therefore, the estimates for housing counts for 2010+ is conservative. For our analysis, we focused on older housing stock, but as this housing stock ages overtime, there may be more potential. That said, the codes became increasingly more stringent over time, particularly in 2013, so the energy efficiency opportunity will not be as significant.

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[14] https://www.energy.gov/eere/slsc/low-income-energy-affordability-data-lead-tool

Differences in Disaggregation

Within the LEAD dataset, city data is not sliced in the same way as tract-, county-, and state-level data. The LEAD data does provide city-level data, but it is not disaggregated as finely as other geographies. For example, we could determine how many 2-4 unit homes have wood as a primary heating fuel in tract 404200. If we wanted to run the same analysis for the entire city of Oakland, we would only be able to find a count by 2-4 unit homes *or* wood heating fuel, but not both.

The reason for these two datasets is because city jurisdictions do not usually follow tract boundaries and are not strictly speaking a U.S. census geography. For this analysis, we desired at least an approximate assessment of some of these multi-level sliced metrics (i.e., heating fuel by vintage).

To address this, GIS was used to approximate city boundaries by overlapping tracts. Tracts with a majority (>50 percent) of their area within a city boundary were included; all else were excluded. In general, this led to at most 10 to 15 percent over-estimation of total home counts. Exact counts were not explicitly noted for these multi-level approximations; they were used only for proportional estimates useful as comparative analyses.

Vacancies

Census data, by definition, is tabulated at the resident level, not the residence. In other words, home counts only include residences that are actively occupied and not vacant. In California, vacancy rates vary from jurisdiction to jurisdiction. As such, the estimates provided herein are relatively conservative as they do not account for these vacant homes. A rental housing ordinance applied to occupied rental housing. Therefore, this dataset is useful to understand the impact from a policy, but not the entire pool of rental housing stock. If a jurisdiction had a high vacancy rate, the potential impact from rental housing improvements would be underestimated.

Building Types

The LEAD tool provides varying bin sizes for unit count for different geography types (i.e., tract versus city level). This is largely a result of the original data sources and what resolution is available. Tract- and county-level datasets provide distinction between "5-9 Unit" and "10-19 Unit" developments, whereas city-level datasets group "5-19 Unit" buildings together. Similarly, at the tract and county level, "2 Unit" and "3-4 Unit" developments are distinct bins, whereas they are grouped together at the city level ("2-4 Unit"). Therefore, for all analyses building types were grouped together as "5-19 Unit" and "2-4 Unit."

Single Family and Multi-Family Distinctions

U.S. census data does not explicitly define what constitutes a multifamily building. In California, programs, codes, and ordinances have varying definitions of single-family and multifamily. Financing and loan programs such as Fannie Mae also have their own

distinctions and typically classify multifamily as 5+ units. For this study, we defined single family as 1-unit attached, 1-unit detached, and 2-4 unit. We defined multifamily as 5+ units. Any aggregate tables in this report showing single-family or multi-family housing counts reflect our definitions.

Characteristics of California Rental Housing

In 2018, there were approximately 14,157,590 housing units, with 92.6 percent or 13,113,840 of those homes occupied. This is 3.0 percent higher than the 12,717,801 occupied units reported by the LEAD tool in the U.S. Census Bureau's 2015 American Community Survey.[15] This discrepancy can be explained by new housing built since 2015, decreased vacancy rates since 2015, and slightly different methodologies in accounting.
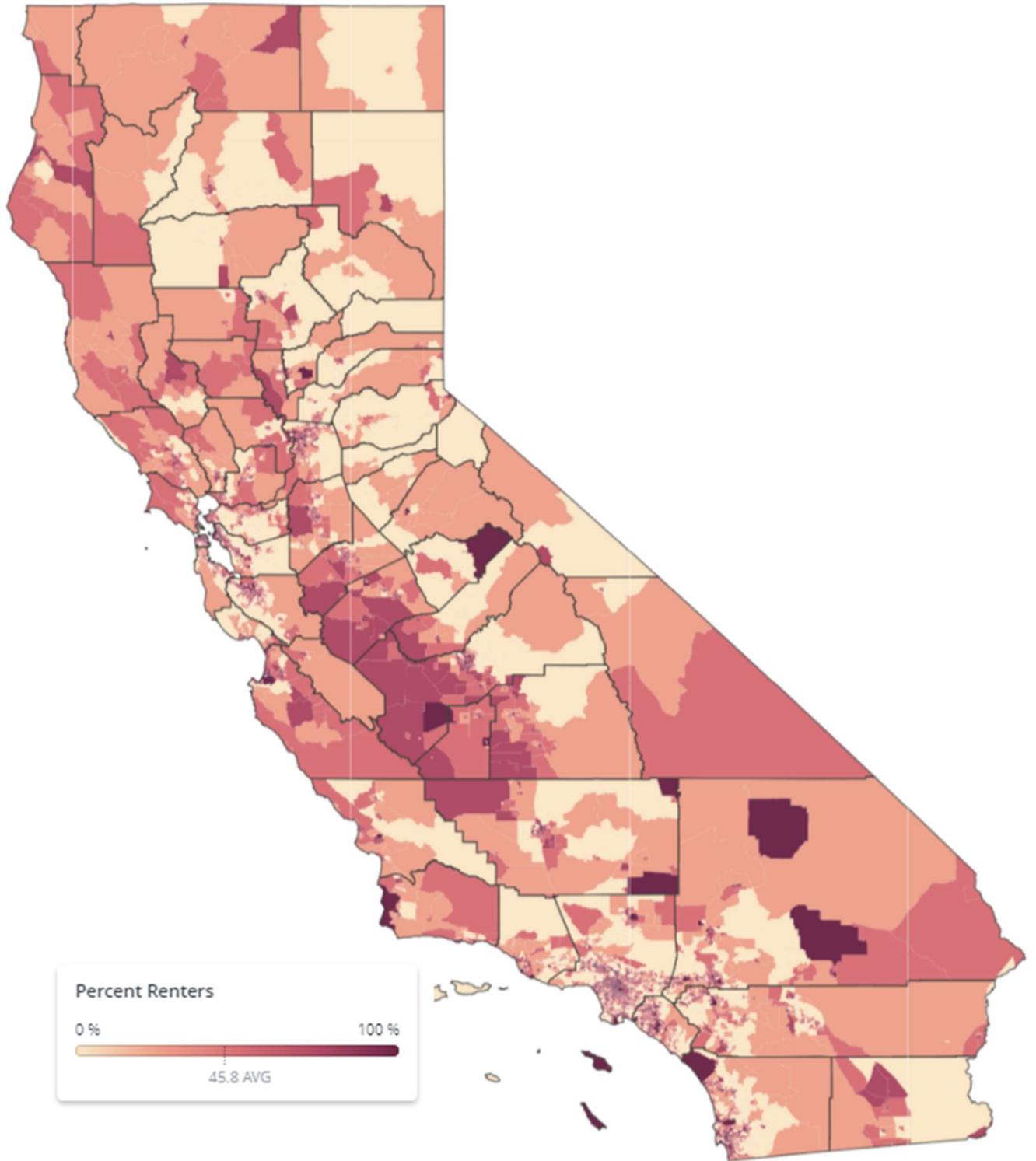
Statewide Renter- and Owner-Occupied Homes

In California, 45.7 percent (5,601,089) of all homes are renter-occupied. Of these, 62.9 percent qualified as low income according to HUD guidelines, falling below 80 percent of annual median income (AMI). The prevalence of renters tends to be higher in urban areas, although this also varies widely across the state. Higher renter populations can be attributed to factors such as high cost of housing, migratory populations, and universities.

Figure F - 1 shows the concentration of renters at the tract level, and Figure F - 2 shows these same data aggregated by county (including both unincorporated and incorporated areas of the counties. Figure F - 2 is ordered by percent renter occupied and shows that in all jurisdictions with the exception of Santa Clara the majority of renters earn more than 80 percent of AMI. This threshold, <80 percent AMI, is typical in defining low-income for program eligibility. The threshold of <80 percent AMI will be used to estimate low income housing for this study, as the census data does not disaggregate between market rate and low income housing.

There are obvious inequities especially in urban centers. In San Francisco, for instance, which has both the highest percentage of total renters (64 percent) and the highest percentage of renters below 80 percent AMI (35 percent of total homes, or 55 percent of renter-occupied homes), also has the lowest percentage of low-income owners (12 percent of total homes) in the state. This housing squeeze is not new in California, but does suggest both high opportunity for rental ordinances in terms of both gross housing counts and when considering the need of disproportionately housing-burdened (including energy burdened) renters or property owners. This is discussed further in Energy Burden section.

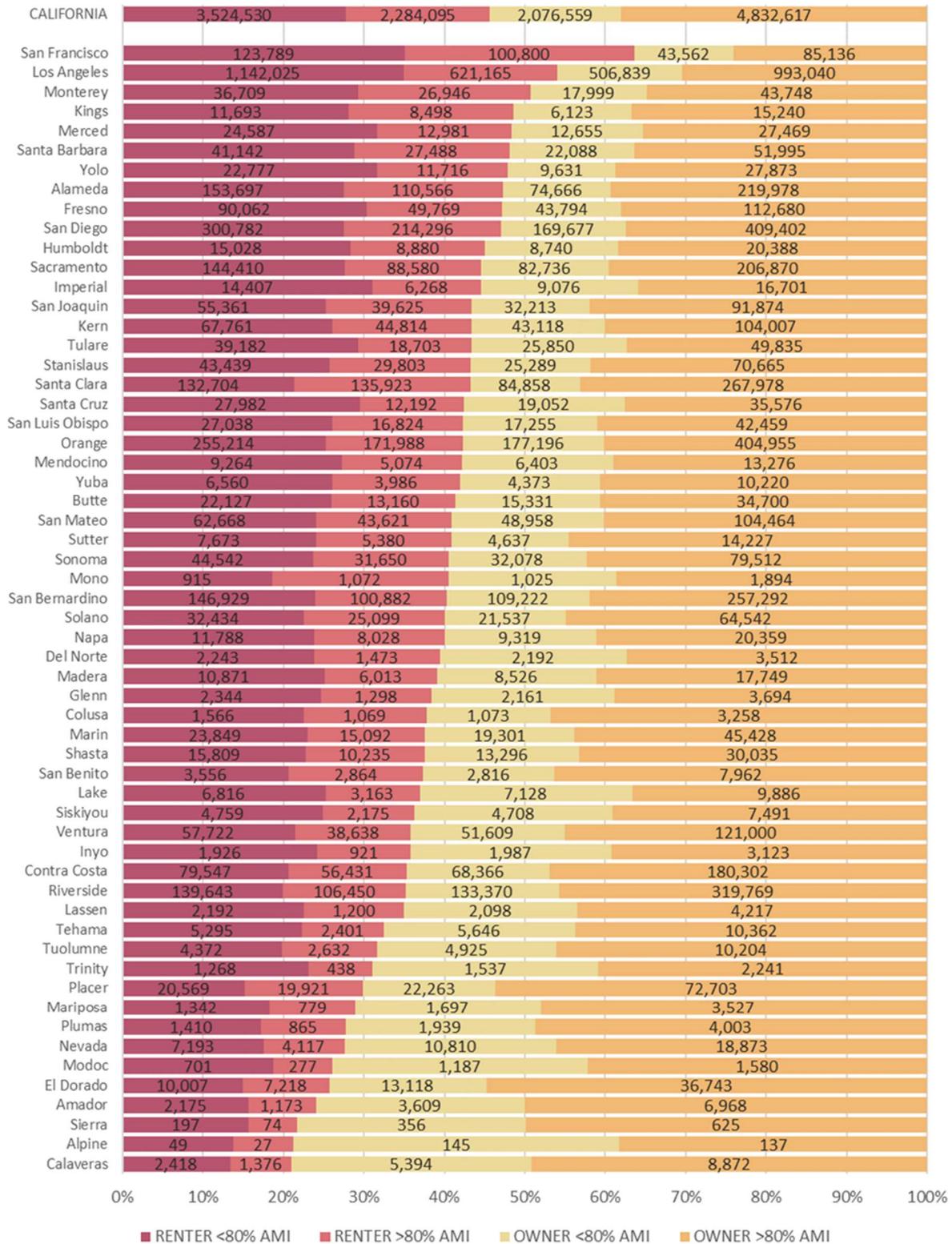[15] https://www.census.gov/programs-surveys/acs

Figure F - 1: Tract-Level Renter Tenancy

Percent Renters

0 %   100 %

45.8 AVG

Shows percent of all homes that are renter-occupied at the tract level.

Figure F - 2: Renter- vs. Owner-Occupied Homes by County

County	RENTER <80% AMI	RENTER >80% AMI	OWNER <80% AMI	OWNER >80% AMI
CALIFORNIA	3,524,530	2,284,095	2,076,559	4,832,617
San Francisco	123,789	100,800	43,562	85,136
Los Angeles	1,142,025	621,165	506,839	993,040
Monterey	36,709	26,946	17,999	43,748
Kings	11,693	8,498	6,123	15,240
Merced	24,587	12,981	12,655	27,469
Santa Barbara	41,142	27,488	22,088	51,995
Yolo	22,777	11,716	9,631	27,873
Alameda	153,697	110,566	74,666	219,978
Fresno	90,062	49,769	43,794	112,680
San Diego	300,782	214,296	169,677	409,402
Humboldt	15,028	8,880	8,740	20,388
Sacramento	144,410	88,580	82,736	206,870
Imperial	14,407	6,268	9,076	16,701
San Joaquin	55,361	39,625	32,213	91,874
Kern	67,761	44,814	43,118	104,007
Tulare	39,182	18,703	25,850	49,835
Stanislaus	43,439	29,803	25,289	70,665
Santa Clara	132,704	135,923	84,858	267,978
Santa Cruz	27,982	12,192	19,052	35,576
San Luis Obispo	27,038	16,824	17,255	42,459
Orange	255,214	171,988	177,196	404,955
Mendocino	9,264	5,074	6,403	13,276
Yuba	6,560	3,986	4,373	10,220
Butte	22,127	13,160	15,331	34,700
San Mateo	62,668	43,621	48,958	104,464
Sutter	7,673	5,380	4,637	14,227
Sonoma	44,542	31,650	32,078	79,512
Mono	915	1,072	1,025	1,894
San Bernardino	146,929	100,882	109,222	257,292
Solano	32,434	25,099	21,537	64,542
Napa	11,788	8,028	9,319	20,359
Del Norte	2,243	1,473	2,192	3,512
Madera	10,871	6,013	8,526	17,749
Glenn	2,344	1,298	2,161	3,694
Colusa	1,566	1,069	1,073	3,258
Marin	23,849	15,092	19,301	45,428
Shasta	15,809	10,235	13,296	30,035
San Benito	3,556	2,864	2,816	7,962
Lake	6,816	3,163	7,128	9,886
Siskiyou	4,759	2,175	4,708	7,491
Ventura	57,722	38,638	51,609	121,000
Inyo	1,926	921	1,987	3,123
Contra Costa	79,547	56,431	68,366	180,302
Riverside	139,643	106,450	133,370	319,769
Lassen	2,192	1,200	2,098	4,217
Tehama	5,295	2,401	5,646	10,362
Tuolumne	4,372	2,632	4,925	10,204
Trinity	1,268	438	1,537	2,241
Placer	20,569	19,921	22,263	72,703
Mariposa	1,342	779	1,697	3,527
Plumas	1,410	865	1,939	4,003
Nevada	7,193	4,117	10,810	18,873
Modoc	701	277	1,187	1,580
El Dorado	10,007	7,218	13,118	36,743
Amador	2,175	1,173	3,609	6,968
Sierra	197	74	356	625
Alpine	49	27	145	137
Calaveras	2,418	1,376	5,394	8,872

Legend: ■ RENTER <80% AMI ■ RENTER >80% AMI ■ OWNER <80% AMI ■ OWNER >80% AMI

Includes incorporated and unincorporated areas, separated by %AMI and sorted by percentage of homes that are renter-occupied.

Building Type Among Renter-Occupied Homes

Figure F - 3 shows the percent of renter-occupied units that are in multifamily buildings (5+ units) by county, including incorporated and unincorporated areas. Figure F - 4 shows the distribution of renter-occupied housing by building type. The vast majority of multifamily housing (91 percent or 2,634,798 units) is renter-occupied, leaving 9 percent to be owner occupied units. Statewide, multifamily homes make up 46 percent of total renter-occupied units.

Figure F - 3: Renter-occupied Multifamily Housing Units (%)
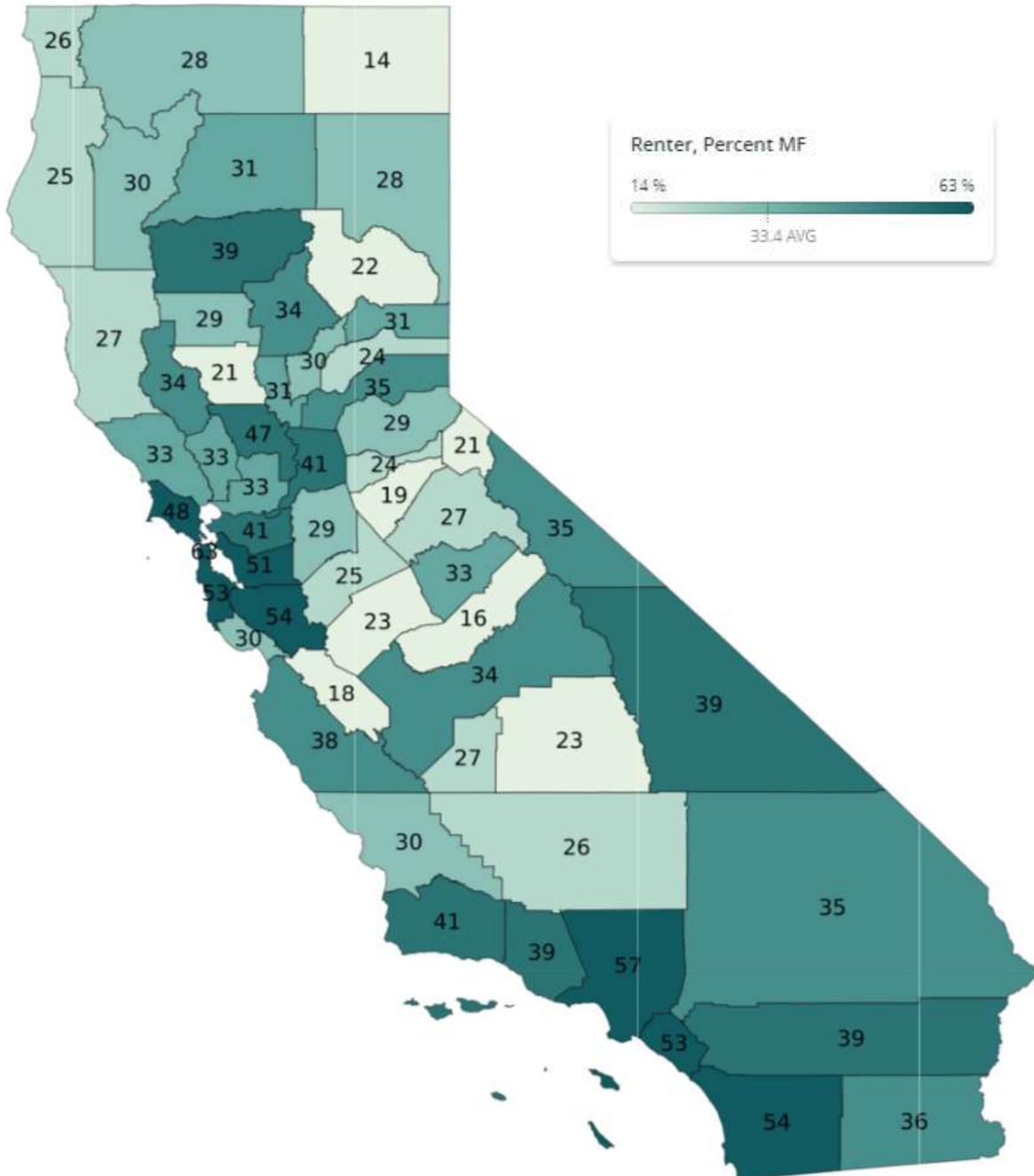
Figure F - 4: Building Type for Renter-occupied Homes by County

County	1 ATTACHED	1 DETACHED	2-4 UNIT	5-19 UNIT	20+ UNIT	OTHER UNIT
CALIFORNIA	406,590	1,754,246	883,992	1,316,199	1,318,600	128,999
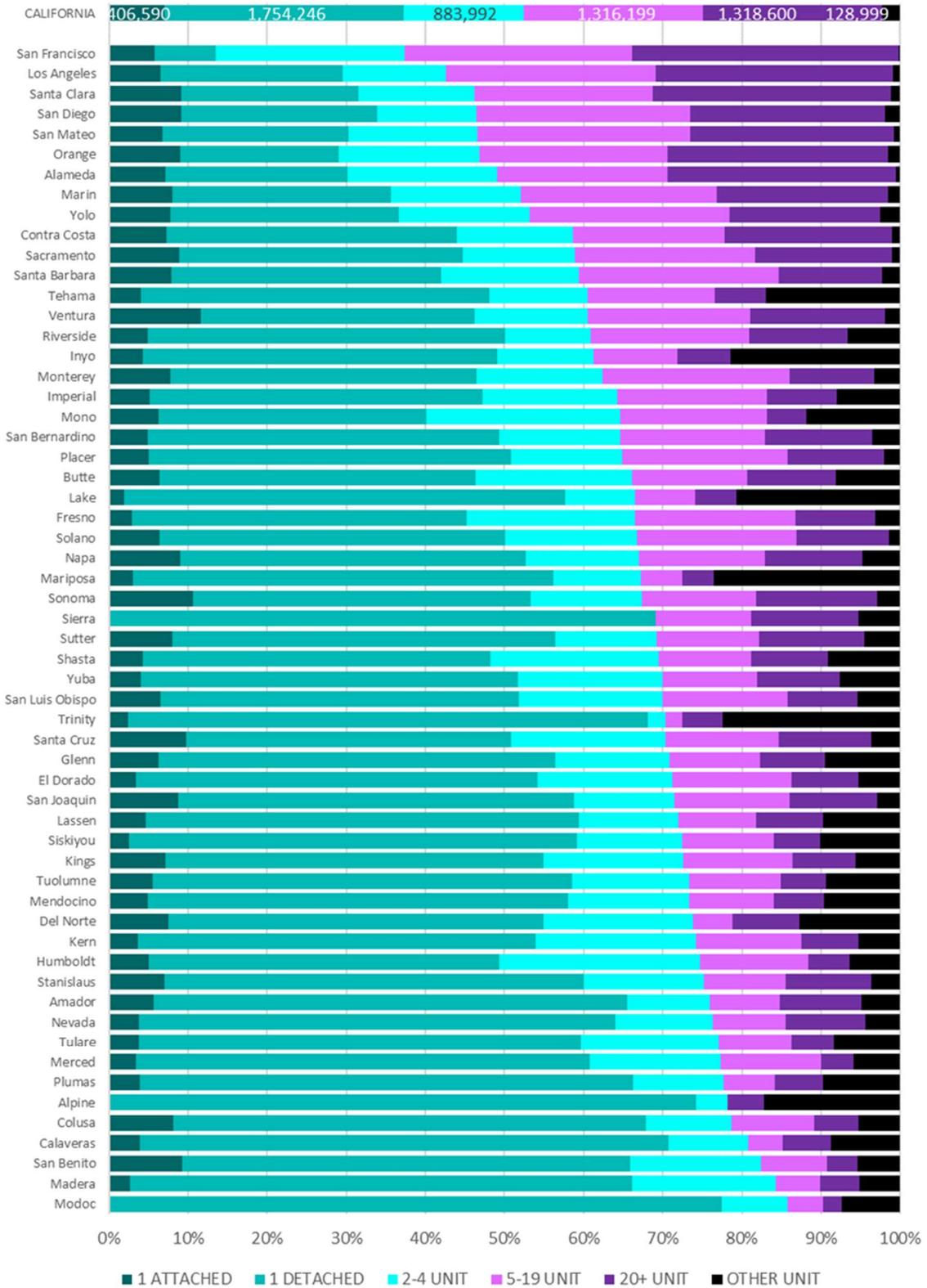
Shows all incorporated and unincorporated areas, sorted by percentage of homes that are multifamily

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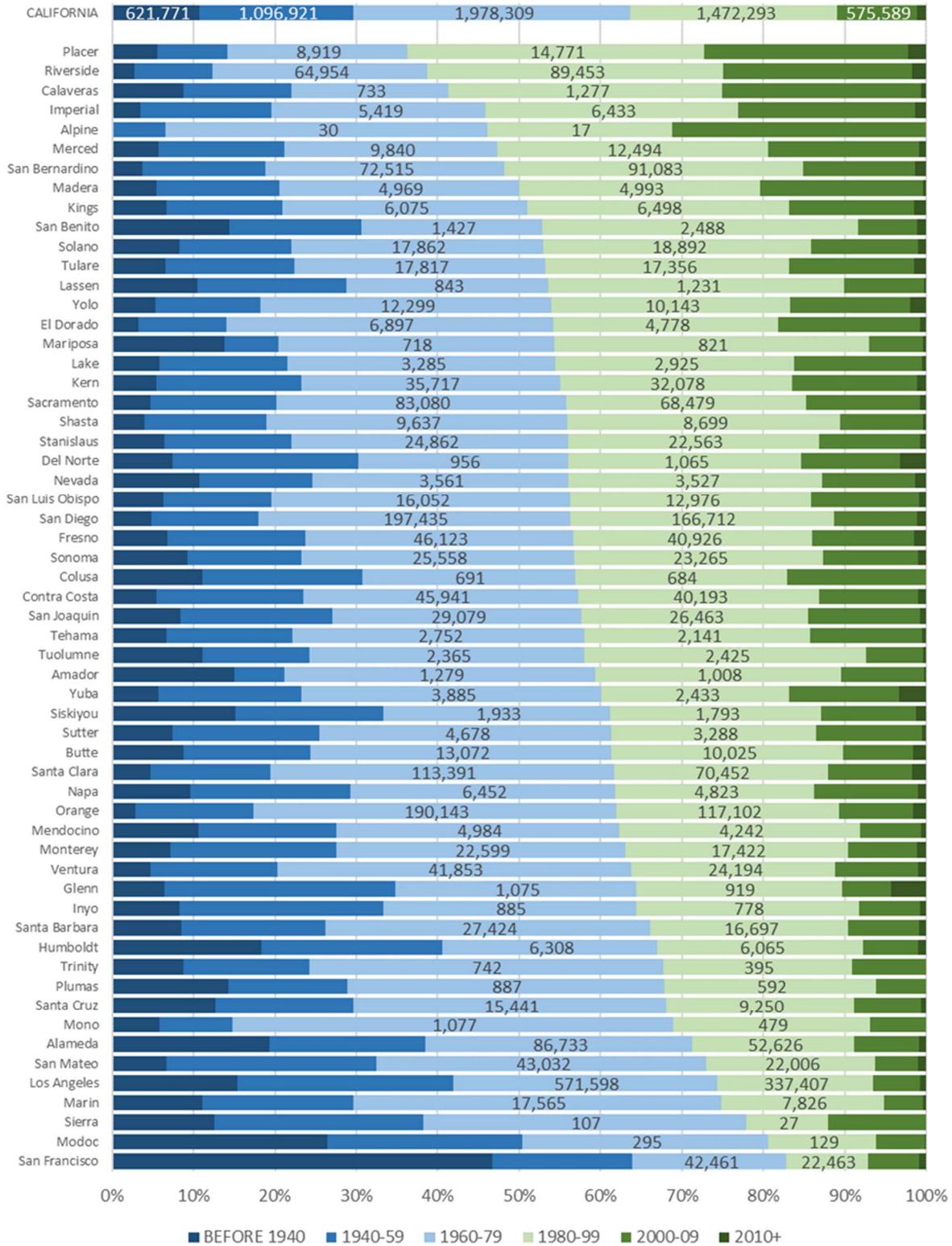**Housing Vintage Among Renter-Occupied Homes**

The distribution of renter-occupied housing by county is shown in Figure F - 5, and Figure F - 6 shows the percent of renter-occupied pre-1980 vintage housing. Statewide, 64 percent of renter-occupied and 59 percent of owner-occupied housing predates 1980. For the most part, trends in vintage among renter-occupied homes follow statewide trends, though there are some notable differences between owner- and renter-occupied housing:

- Statewide, renters are 8 percent more likely to live in a home built before 1980. Renters are more likely to occupy a home built before 1980 in 49 of 58 counties statewide.
- Statewide, renters are 33 percent more likely to live in a home built before 1940.
- Median vintage varies significantly with geography and is in many cases difficult to estimate, however, a conservative estimate of median home values supports previous findings that renters tend to inhabit older homes than owners. On average, renter-occupied homes predate owner-occupied homes by at least two years statewide and by as much as a decade in some counties (San Benito, Amador, Modoc, Mariposa, Tuolumne). In fact, in only a handful of counties is the estimated median vintage older for owners than renters (Orange, Mendocino, Alameda, Los Angeles, San Francisco, Marin, Alpine, Santa Clara, and San Mateo).

The reasons for this difference are likely complex and impossible to deduce solely from aggregate data but combined with the prevalence of low income renters, again highlights the need and opportunity for rental ordinances with energy efficiency requirements.

The first building energy code was adopted in California in 1978; therefore homes built prior to 1980 have greater opportunity for energy efficiency improvements. Due to split incentive issues, where the landlord pays for maintenance and the tenant pays utility costs, landlords are typically not incentivized to deliver energy efficiency upgrades for which the tenant would receive the greatest benefit.

Figure F - 5: Renter-occupied Homes Built Before 1980 by County

Renter, pre-1980

% 36   % 83

59.1 AVG

Shows percent of renter-occupied homes built before 1980, by county (all incorporated and unincorporated areas)

Figure F - 6: Building Vintage for Renter-occupied Homes by County

Shows all incorporated and unincorporated areas, sorted by percentage of homes built before 1980.

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Heating Fuel Among Renter-Occupied Homes

The dominant heating fuels in California are gas and electricity. Statewide, wood fuel, bottled gas (propane), and other fuels make up a relatively small percentage for both owners and renters, although in rural areas wood and bottled gas are often the primary heating fuel (Figure F - 7). Propane, an unregulated fuel, is more expensive than electricity or gas.

The key difference is the prevalence of electricity as a primary heating fuel among renter-occupied homes. Renters are twice as likely as owners to have electricity as a primary heating fuel (36 percent of renter-occupied homes compared to 18 percent of owner-occupied). Figure F - 8 shows the breakdown among different fuels by county. The cost of primary heating fuels affects energy efficiency opportunities as well as energy burden.

Figure F - 7: Most Commonly Reported Primary Heating Fuel by Tract
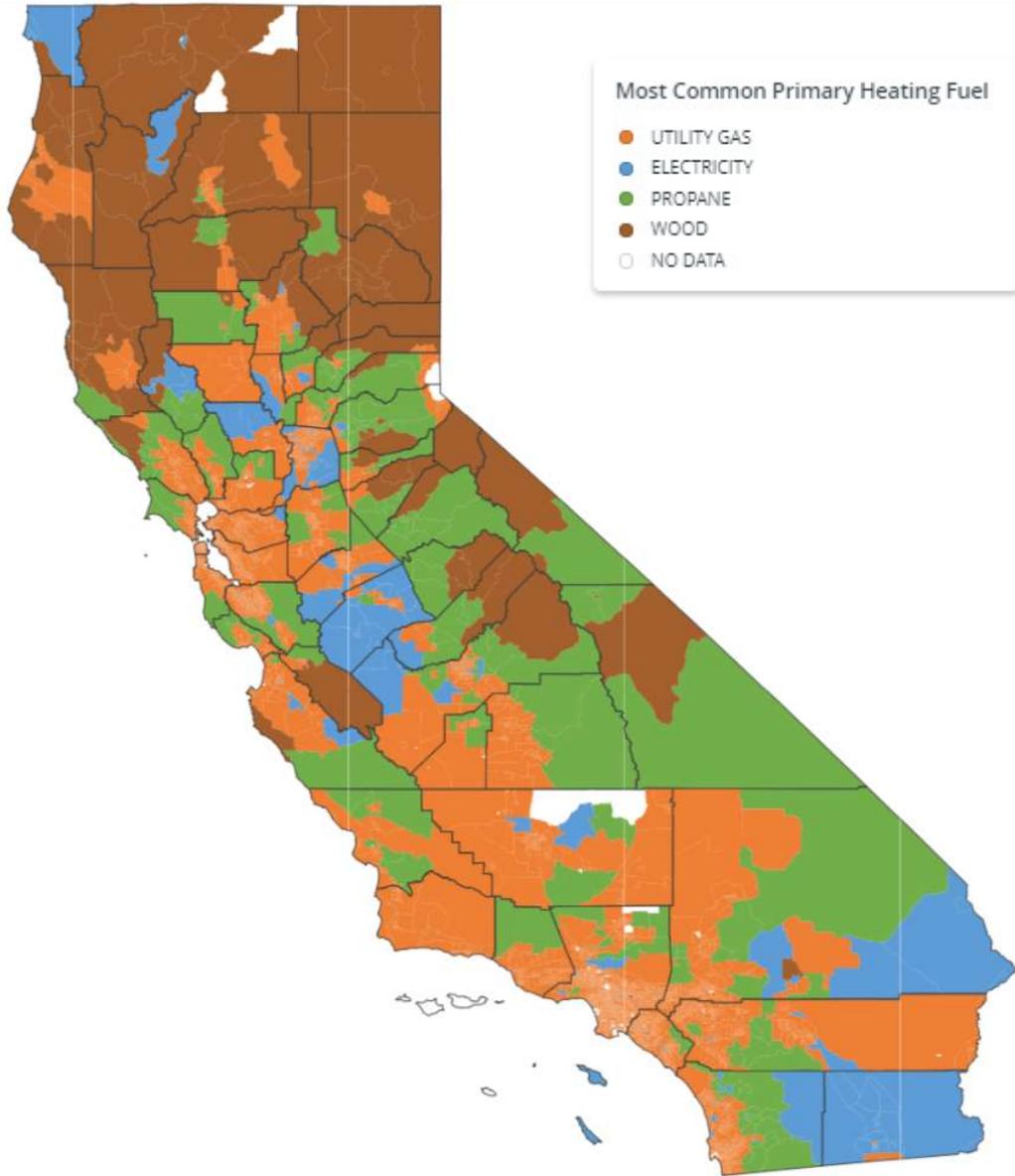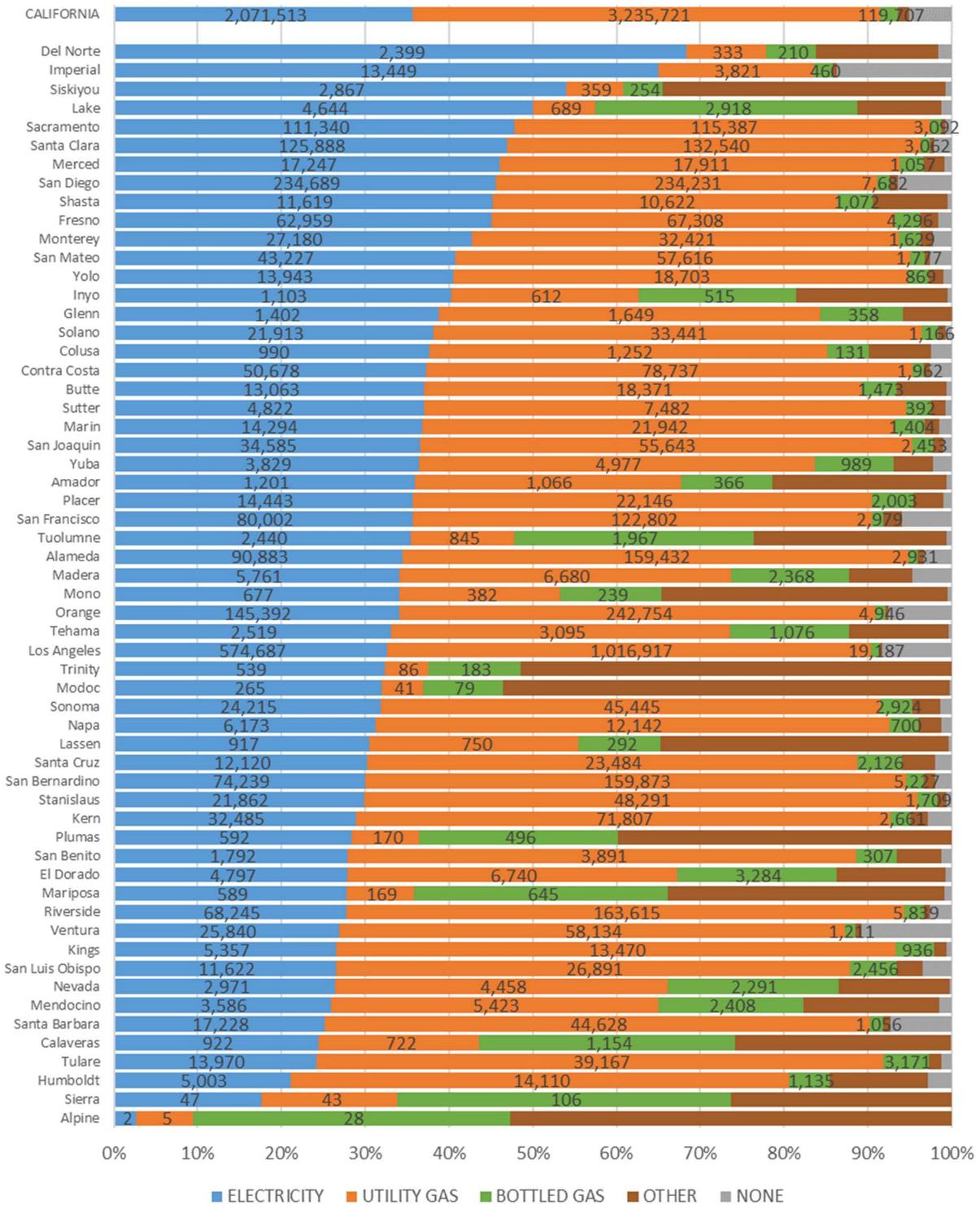
Figure F - 8: Primary Heating Fuel for Renter-occupied Homes by County

Data are shown by county (aggregated incorporated and unincorporated areas) and sorted by percentage that have electricity as their primary heating fuel.
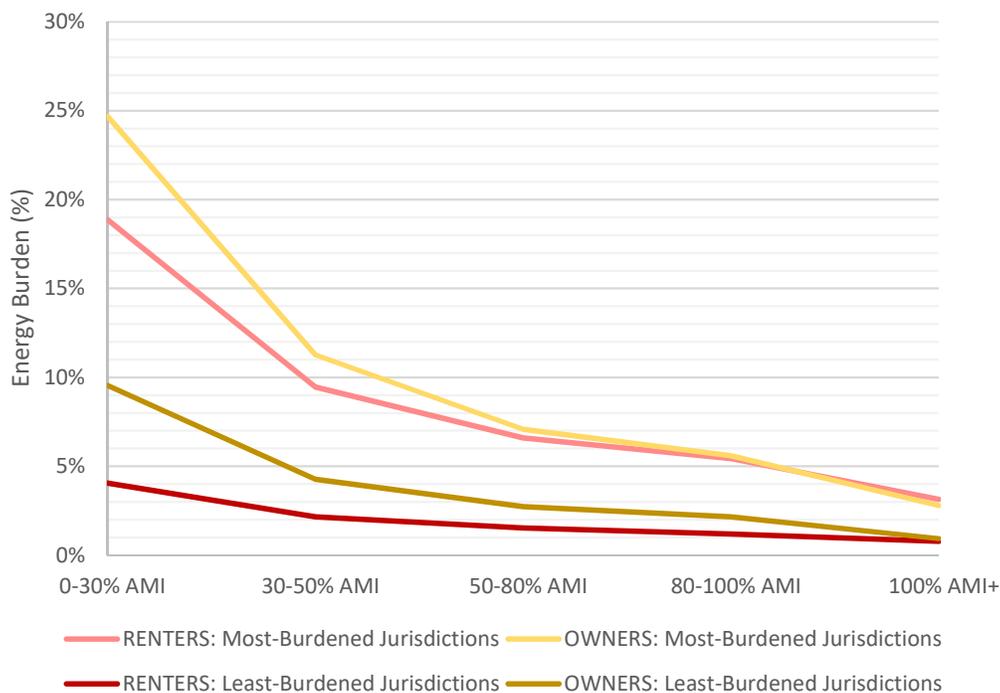
Energy Burden

Energy burden can be defined as the proportion of income a household spends on energy costs. For our purposes this does not include things like transportation but refers strictly to home utility costs. Statewide, the average energy burden is 2.2 percent and 3.5 percent for owner- and renter-occupied homes, respectively. This figure appears low, yet these averages obscure energy burden inequity resulting from such factors as income, heating fuel, building type, and vintage (discussed in later sections).

Energy Burden Relative to Income

Obviously, income is a primary driver of energy burden. The most straightforward cause of this can be explained by a basic level of subsistence energy usage required regardless of income. As incomes rise, energy use scales disproportionately.

There is a negative correlation between income and energy burden in all jurisdictions, but this inequity predictably scales much less severely in wealthier jurisdictions. Figure F - 9 shows this trend among the 10 most- and least-burdened cities in California. Regardless of the average energy burden of a particular jurisdiction, owners consistently pay more than renters in the same income bracket.

Figure F - 9: Energy Burden and Income levels in Most and Least Burdened Cities

While Figure F - 9 shows the percentage of units with energy burden by income bracket for 20 jurisdictions, the difference between owners and renters is somewhat nuanced with regards to energy burden. Overall, renters tend to have lower incomes and therefore spend a higher percentage of their income on utilities—roughly 22 percent.

However, owners spend 27 percent more on utilities on average than renters in the same income brackets. This can partially be explained by the following:

1. There are more renters than owners in lower income brackets.
2. Renters often do not pay utility directly for their own utilities. They may only pay for electricity for example and not for gas. Therefore, they may spend a lower percentage of income on utilities.
3. There is a much higher prevalence of central systems among multi-family residences, which tend to be renter-occupied.

Appendix E.   Sample Rental Inspection Checklists

Figure E - 1: El Cerrito Rental Safety Checklist[16]

Rental Safety Checklist
THE CITY OF EL CERRITO

PART A: Unit Identification – Please print legibly
Address of Unit: **Unit Number:**

PART B: Door Locks
Note: Double cylinder deadbolts that use a key on both sides are prohibited and impede fire escape. IPMC 702.3 CHSC 17920.3(l), CHSC 17920.3(a)(10)

Verified	N/A	
☐	☐	Exterior entry doors have working deadbolts.
☐	☐	All individual apartment entry doors have working deadbolts and entry knobs with deadlocking latches.
☐	☐	All exterior doors open and close properly, and do they lock and unlock easily.

PART C: Electrical Wiring IPMC 605, CHSC 17920.3(d)

Verified	N/A	
☐	☐	All accessible electrical outlets and light switches are secure and installed completely behind cover plates.
☐	☐	All electrical outlets and light switches are functional.
☐	☐	Is the unit free from exposed or bare live wires?
☐	☐	There are GFCI receptacles in the bathrooms, all kitchen counters, in the garage, and all exterior plug receptacles (with exterior receptacle covers)
☐	☐	Every public hall, interior stairway, toilet room, kitchen, bathroom, laundry room, boiler room and furnace room has at least one electrical light (luminaire).

PART D: Electrical Heating IPMC 602, CHSC 17920.3(a)(6)

Verified	N/A	
☐	☐	Are the permanently installed electrical heaters not obstructed, free of built-up dust and properly functioning?

PART E: Gas Heating Systems IPMC 602, CHSC 17920.3(a)(6), 17920.3(f)

Verified	N/A	
☐	☐	Confirm the gas heater is operating normally and is provided with minimum combustion air in accordance with California Mechanical Code, Chapter 7.
☐	☐	All fuel burning appliances, including fireplaces terminate above the roof line and have vent caps?

PART F: Appliances IPMC 501,505,601, CHSC 17920.3(a)(5) CHSC 19211

Verified	N/A	
☐	☐	Do stove burners and oven/s work safely with functioning door/s and knobs that turn completely off and on?
☐	☐	If there is a gas stove, is it free of gaseous odors indicating a gas leak?

Note: Immediately report gas leaks or gaseous odors to PG&E and Owner/Manager.

☐	☐	For stoves that are not self-vented, is there a working stove vent?

Note: Some older model gas stoves are designed to be vented through a vent or flue for safety purposes. If designed as such, the appliance must be properly vented through a vent or flue.

☐	☐	Is the water heater in working order, and does it provide water at a minimum 110°F?
☐	☐	Does the water heater have a working temperature and pressure relief valve?

Verified	N/A	
☐	☐	Is the gas water heater vented per code?
☐	☐	Is the water heater strapped to resist earthquakes?
☐	☐	If installed in a bedroom or bathroom are water heaters installed in accordance with California Plumbing Code, Chapter 5, Section 505.1?

PART G: Handrails & Guardrail Condition IPMC 307

Verified	N/A	
☐	☐	Are handrails and guardrails tightly fastened, sound, without movement and in good condition?

PART H: Elevated Exposed Decks, Balconies or Walkways IPMC 306, 304

Verified	N/A	
☐	☐	All elevated exterior decks, balconies and/or walkways that are located more than 6 feet above grade & exposed to the weather appear structurally sound and show no visible signs of sagging, leaning, cracking, or other defects that may permit moisture intrusion and potentially lead to structural deterioration.

PART I: Interior and Exterior Staircase & Stairway Condition IPMC 306

Verified	N/A	
☐	☐	Are stair treads, risers and landings sound, in good condition, without movement and have no missing, broken

or loose parts?

PART J: Roof Conditions IPMC 304, CHSC 17920.3(g)

Verified	N/A	
☐	☐	Are ceilings and walls free from roof leaks?

PART K: Drain/Waste/Vent, Plumbing and Gas Lines IPMC 506 , 504, CHSC 17920.3.(a)(1)(2)(3)(4)(14), CHSC 17920(e)

Verified	N/A	
☐	☐	Are all service gas lines in the unit free of leaks and any gaseous odors?

Note: *Immediately report gas leaks or gaseous odors to PG&E and Owner/Manager.*

☐	☐	Do all gas lines in the unit have shut-off valves and flex line at the appliance connection?
☐	☐	Do all gas heating appliance vent pipes terminate above the roofline and have vent caps?

Note: *Direct vent heaters exempt.*

☐	☐	Do house drain vents terminate above the roofline? (Not in the walls or attic)
☐	☐	Do all the sinks & showers drain properly? (Including toilet & sewer line)
☐	☐	Are all sinks, bathtubs, showers and toilets free of water leaks?
☐	☐	Does the unit have a toilet, lavatory, a shower or bathtub?
☐	☐	Is there a proper kitchen sink?

PART L: Mechanical Ventilation IPMC 403, 17920.3(a)(7)

Verified	N/A	
☐	☐	If bathrooms have fixed windows or no windows, verify the required mechanical ventilation system is in working order?
☐	☐	If the kitchen has fixed windows or no windows is the required mechanical ventilation system in working order?

PART M: Smoke Detectors/Hallways and Bedrooms IPMC 704

Verified	N/A	
☐	☐	Are smoke detectors installed in the hallways on each floor and in each sleeping room?
☐	☐	Do all smoke detector work properly and alarm sound when tested?

PART N: Carbon Monoxide Devices (Alarm/Detector) SB 183 CHSC 17926

Verified	N/A	
☐	☐	Are the CO devices in the single family dwelling installed accordingly? Are the devices operational?
☐	☐	Are the CO devices in the unit (Within the multi unit apartment building) installed accordingly? Are the devices operational?

PART O: Exteriors IPMC 702, ECMC 17.05.401, CHSC 17920.3(c)(o)

Verified	N/A	
☐	☐	If window bars are installed in sleeping rooms, do they have a quick release mechanism that operates properly.
☐	☐	Are there apparent structural failures including excessive settlement and/or foundation damage?
☐	☐	Is the building free of excessive tilting?
☐	☐	Is the property free of nuisance as defined by the El Cerrito Municipal Code 17.05.401?
☐	☐	Do the exteriors sufficiently resist water intrusion? For example, is siding and paint in good condition?
☐	☐	This building is used appropriately (example: A single family rental should not be used as a boarding house).

PART P: Window Operation and Repair IPMC 702, 304, CHSC 17920.3(a)(8), CHSC 17920.3(g)

Verified	N/A	
☐	☐	Are the windows required for egress in sleeping rooms able to open completely and fully operable?
☐	☐	Are glass window panes intact, unbroken and not cracked?
☐	☐	Is there sufficient natural light and ventilation per the CBC 303.1?

PART Q: Fire Protection and Exiting IPMC 702, CHSC 17920.3(h)(j)(m).

Verified	N/A	
☐	☐	Are the exits kept clear and unobstructed all the way to the public right of way?
☐	☐	Are all "EXIT" signs and exit lighting in working order?
☐	☐	Is the area on and beneath exit stairs clear of any combustible materials?
☐	☐	If required, is the fire extinguisher service up to date?
☐	☐	Is the property free of conditions that could cause or spread a fire (Examples: excessive vegetation, improperly stored combustibles, devices or apparatus that could cause a fire)?

PART R: Interiors, walls, ceilings, fireplaces, Floors & Trip Hazards IPMC 305, CHSC 17920.3 (a)(9)(11)(12), CHSC 17920.3(b) (2)(3)(4)(5)(6)(7)(8)(9).

Verified	N/A	
☐	☐	Are all floors and floor coverings free of trip hazards due to deterioration, damage or structural defect?
☐	☐	Are rooms at least 70 square feet with dimensions no less than five feet (except Kitchens)?
☐	☐	Are rooms free from dampness?
☐	☐	Is the rental unit free of insects, vermin, or rodents?
☐	☐	Are members of walls, partitions or other vertical supports free of excessive deterioration or failure?
☐	☐	Are ceilings and roof supports free of excessive deterioration or failure?
☐	☐	Are fireplaces and chimneys free of excessive damage or failure?

REVISED August 2016

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16 Available from https://www.el-cerrito.org/DocumentCenter/View/513/rrip_checklist_v072709?bidId=

Figure E - 2: City of Santa Cruz Residential Rental Inspection Program Self Inspection Checklist[17]

Planning and Community Development Department
809 Center Street ~ Room 107 ~ Santa Cruz, CA 95060
831.420.5140 ~ rental@cityofsantacruz.com ~ www.cityofsantacruz.com/rentalinspections

Residential Rental Inspection Program
Self Inspection Checklist

SANTA CRUZ

Owner Information (Please print legibly)

First Name:	Last Name:	OWN ID: (found on letter)

Property Address (Please use one form per address / unit)

Street Address:	Unit #:

Item #	Part I: Exterior Inspection	Pass	Fail	N/A	Comments
1.1	**Legible and Visible Address Number and Unit Identification** (Address numbers clearly visible from street/number or letters for units- minimum 4 in high, if new)				
1.2	**Roof** (Must be free from any visible holes or penetrations that allows outside elements - rain & cold - in and heated air out.)				
1.3	**Storage of Junk and Rubbish and/or Overgrown Vegetation** (Household trash, tires, scrap wood, scrap metal, etc. shall be stored and protected in an orderly fashion as to not be an attractive nuisance – Property must be clear from any overgrown/dry vegetation and/or weeds capable of being ignited and endangering the property)				
1.4	**Dumpsters/Trash Cans** (Must be in enclosure if provided/stored out of public right-of-way/ free from trash overflow)				
1.5	**Inoperable/Unregistered Vehicles** (Inoperable vehicles must be stored out of the front yard or exterior side yard and on a paved surface)				
1.6	**Foundation Vent Screens/Crawl Space Covers** (Spaces must be properly covered. Screens must be in good working condition)				
1.7	**Stairways – Landings/Treads/Risers/Balusters** (Should be in good condition/free from visible structural defects (loose threads, missing balusters or handrails, rotting or deteriorating materials) and anything that could cause a trip or fall hazard.)				
1.8	**Exterior Walkways/Exit Passageways/Common Areas** (Must remain clear at all times and in a safe and sanitary condition)				
1.9	**Exterior Lighting** (Approved lighting fixtures at entrance/exiting doors, all exterior hallways, as applicable)				
1.10	**Electrical Panel** (Must have a panel cover and breakers labeled with appropriate identification, as applicable)				
1.11	**Water Heaters** (Must have proper strapping, proper drain lines, and venting)				
1.12	**Required Covered Parking** (Garage doors operable, parking available if needed, not in front yard or exterior side yard)				
1.13	**Infestation** (Property must be clear of all infestations - insect, rodent, etc.)				
	For Multi Family (3+ units) Only				
1.14	**Fire Extinguishers** (Must be properly serviced, labeled, and stored – minimum size 2A10-BC)				
1.15	**Fire Sprinkler System** (If provided – Certification of 5 year inspection required)				
1.16	**Electrical/Gas Meters** (Must have proper labeling, be properly protected, and must not be tampered with. Utilities in an exterior closet or room may require signage)				
1.17	**Existing Fire Lanes Clearly Marked** (Signage or paint or both needed)				

I certify and declare under penalty of perjury that I have inspected the aforementioned unit and the information above is true and correct to the best of my knowledge.

Name (Please print): _____ Relationship to Property: _____

Phone Number: _____ Date: _____

Signature: _____

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[17] Available from http://www.cityofsantacruz.com/Home/ShowDocument?id=35354

Figure E - 3: City of San Pablo Residential Health and Safety Checklist Guide[18]

Community & Economic Development
Building Division Handout
13831 San Pablo, CA 94806 • Ph: (510) 215-3030 • www.sanpabloca.gov

CITY of SAN PABLO
City of New Directions

RESIDENTIAL HEALTH AND SAFETY CHECKLIST GUIDE

Why do I need a Residential Health and Safety Inspection?

The Residential Health and Safety Program requires periodic inspections for all single and multiple family, non-owner occupied units, and for all dwellings sold within the San Pablo city limits. This program ensures the City's residential units comply with existing state and local building, electrical, and plumbing code standards. The purpose of this important inspection is to ensure structures are safe for occupancy and the existing housing stock is maintained to acceptable standards.

Building Owners and Property Managers should note that this checklist guide is not inclusive and there may be items that are not specifically listed below. It is the property owner's responsibility to ensure that their units are in compliance with the most recent California Building, Plumbing, Electrical and Mechanical codes, as well as California Health and Safety Code 17920-17928 and San Pablo Municipal Codes.

I want to prepare my property for inspection. What items are the Inspectors looking for?

EXTERIOR AND COMMON AREAS

o Foundations are functioning as designed, maintained and in good condition.
o Exterior walls, trim and architectural details are maintained and show no signs of deterioration, buckling or bulging.
o Exterior paint and weatherproofing are maintained and in good condition, with no major missing, weathered or peeling paint.
o Staircases, balconies, decks, and elevated walkways are structurally sound and are in good condition.
o Guardrails and handrails are sound, secure, and in good condition.
o Exterior lighting is maintained and in good condition. All light fixtures and covers must be present and in good working order.
o Electrical service panels, meter and enclosures must be maintained. All electric and gas meters must be labeled to the units they serve (Multifamily Applications). All breakers must be properly labeled.
o All areas must be unlocked and be available on day of inspection; this is to include all apartments, bedrooms, garages, storage rooms, sheds, utility closets, etc.
o All buildings are clearly labeled as to the street address or unit number.

DOORS, LOCKS, AND WINDOWS

o Solid core or exterior rated doors required for all main entry doors. Doors must operate and be free from damage.
o Entry door deadbolts (If equipped) must be single-sided deadbolts.
o All windows and sliding patio doors work properly and free of damage; this includes all locking and latching mechanisms.
o All operable patio doors and windows must have screens that are in good condition and are not missing bent or torn.

GARAGES / CARPORTS / PARKING AREAS

o Structures are maintained and functioning as originally designed.
o Wiring and lighting are maintained and in good working order.
o Driveways, sidewalks, and parking spaces are maintained with no trip hazards.

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[18] https://www.sanpabloca.gov/DocumentCenter/View/7852/RHS-Checklist?bidId=

YARDS AND LANDSCAPING

- o All yards are sanitary, maintained and are free from excessive weeds, shrubbery, and overgrowth.
- o Yards are free of garbage, recycling materials, dismantled vehicles, and excessive personal storage.
- o Storage sheds / patio covers / outdoor structures are maintained and constructed with permits as required by Building and San Pablo Zoning Code.
- o Yard and structures are free of rodent, pest, or insect infestations.

INTERIOR AREAS

- o Smoke detectors are required to be less than ten years old, functioning, and installed in all sleeping rooms, hallways, and on each floor level.
- o Carbon monoxide detectors are required in hallways leading to sleeping rooms and at each floor level.
- o All floor coverings are sanitary, maintained, and are free from damage and trip hazards.
- o All wall surfaces, cabinets, countertops, doors and trim work are to be sanitary, maintained, and free of damage.
- o Appliances – all appliances are to be sanitary, maintained, and functional.
- o Dwelling units do not contain excessive personal storage, and a clear egress path is maintained to all exterior doors and windows.
- o No visible evidence of roof, window or wall leakage.

ELECTRICAL REQUIREMENTS

- o All electrical outlets and light switches are functioning, maintained, and have the appropriate cover plates.
- o All GFCI outlets are functioning and installed at the appropriate locations.
- o No exposed wiring splices or improper wiring methods. There is limited use of extension cords and power taps.
- o All light fixtures are functioning with the appropriate covers or globes installed.
- o All electrical systems, including main and subpanels, are maintained. There are no open spaces in panel dead front, and all breakers are labeled to the unit/circuits they serve.
- o All exterior wiring is properly installed in an approved manner.

PLUMBING AND MECHANICAL REQUIREMENTS

- o All plumbing fixtures and drains are maintained and functioning. All fixtures are properly installed and maintained with no visible leaks.
- o Bathtubs and shower surrounds are maintained and in good working condition.
- o Towel bars, grab bars, and accessories are properly secured.
- o Water heaters are properly installed and maintained. All appliances are seismically braced; two straps are required. Strapping must be located at points within one-third of the upper and lower one-third of the water heater. (Please note plumbing tape is not permitted as strapping material.) Vent connector is required to be connected to appliance and at each flue section with three sheet metal screws. Temperature & pressure relief valve and drain line are properly installed and discharge to an appropriate location. (See handout on Water Heater Installation for more detailed information.)
- o Furnaces – All heaters are to be available for inspection, maintained, properly installed and functioning at time of inspection.
- o Ventilation hoods, bath fans, and related ductwork are to be maintained, sanitary, and operational at time of inspection. All filters and light covers must be present and clean.

OTHER IMPORTANT ITEMS

- o All Multifamily properties have the appropriate Business Licenses and are in compliance.
- o Property is free from any open or outstanding Code Enforcement cases.
- o Property is in compliance with City of San Pablo's Municipal Codes.
- o Property is free from unpermitted work, and all work was conducted with the benefit of permits.

I need more information regarding the Residential Health and Safety Program and Inspections. What is the best way to contact your department?
Our offices are located at 13831 San Pablo Ave., Building 3, San Pablo, CA 94806 – Ph. (510) 215-3030; Fax (510) 215-3014
Hours of operation – Monday to Thursday 7:30 AM - 6:00 PM, Closed Fridays