

partners shall also be identified; and (3) the address of the rental dwelling unit(s) described in subsection (1) below. The term “person” as used herein shall include corporations, companies, associations, trustees, business trusts, firms, partnerships, societies and joint stock companies, as well as individuals.

(1) A “problem landlord” means either:

(a) a person who owns a rental dwelling unit as defined in chapter 5, sec. 5-92; and

- i. whose rental dwelling unit has been the subject of two or more civil or criminal proceedings within 24 consecutive months wherein the person or entity has either:
 1. been found guilty by a court of law of at least one violation of this chapter; or
 2. pled guilty or no contest in a court of law to at least one violation of this chapter; or
 3. was issued a civil fine by the Department of Licenses and Inspections for a violation of this chapter.

(b) a person who owns a rental dwelling unit as defined in chapter 5, sec. 5-92; and

- i. who does not possess a valid city rental dwelling business license as required by chapter 5, sec. 5-92.

(b) Removal from the list. If a person identified as a problem landlord maintains he or she has corrected the violations that led to the person's name being included on the problem landlord list, or that he or she has obtained a valid city rental dwelling business license, the person may request that his or her name be removed from the list. Such request shall be submitted in writing to the Commissioner. Upon receipt of the written request, the Commissioner shall cause the rental dwelling unit(s) to be inspected to determine whether the violations have been corrected. A fee shall be assessed for such inspection, and the person shall be responsible for payment of the fee. The fee shall be \$250.00 per building for residential buildings with 12 or less rental dwelling units; and \$500.00 per building for residential buildings with more than 12 rental dwelling units. If the Commissioner determines that the person has corrected the violations and possesses a valid city rental dwelling business license, the Commissioner shall remove the person’s name from the problem landlord list. However, no person shall be removed from the list until any and all fines and inspection fees associated with such rental dwelling unit(s) have been paid in-full.

(c) Appeal. If a person identified as a problem landlord believes he or she does not meet the definition or criteria of a problem landlord and should not be included on the problem landlord list, the person may request a hearing before the Commissioner or his or her designee. The request shall be submitted in writing to the Commissioner. The issue on appeal shall be limited to whether the person met the definition or criteria of a problem landlord at the time the person was placed on the list.

(d) Ineligibility for business with the city. No person shall be eligible to do business with the city if the person is identified as a problem landlord, nor shall any entity in which such a person has a substantial ownership interest be eligible to do business with the city. Provided, however, that this prohibition shall not apply to a specific city contract if the head of the city department administering the contract determines the city is unable to acquire the goods or services provided by the person at comparable price and quality, and in sufficient quantity, from other sources; or the public health, safety and welfare requires it. This prohibition shall apply to persons currently on the city's problem landlord list. Any person who has been removed from the list is not subject to this prohibition.

(1) “Business with the city” means

- (a) being awarded a city contract;
- (b) receiving a grant, loan or other form of financial assistance from a city department; or
- (c) having an application for any of the following accepted and processed by the relevant department: (1) an acquisition of city real property; (2) a lease; (3) a street or alley vacation; or (4) a city business license, unless such business license is the reason the person was placed on the problem landlord list.

(2) “Substantial ownership interest” means greater than 10 percent ownership interest; provided, however, that if an entity is publicly traded on an exchange, the term “substantial ownership interest” means any officer or director of the entity.

(e) Enforcement. The Department of Licenses and Inspections shall administer and enforce this Section. The department may issue rules and regulations as necessary for the proper administration this Section.

SECTION 2. This Ordinance shall become effective ninety (90) days upon its date of passage by the City Council and approval by the Mayor.

First Reading..... April 18, 2019
Second Reading.... April 18, 2019
Third Reading.....

Passed by City Council,

President of City Council

ATTEST: _____
City Clerk

Approved this ____ day of _____ 2019.

Mayor

SYNOPSIS: This Ordinance authorizes the Department of Licenses and Inspections to publish a list of “problem landlords” as that term is defined by the ordinance. The ordinance provides the City with an additional enforcement tool in achieving compliance with Wilmington City Code housing standards.

FISCAL IMPACT STATEMENT: This Ordinance has no anticipated fiscal impact.