




Department of Land Use

MEMORANDUM

**To:** Hon. Thomas H. Kovach, Council President  
New Castle County Council Members

**CC:** Paul G. Clark, County Executive  
Gregg Wilson, Acting Chief Administrative Officer  
Chair and Members, Rental Housing Advisory Committee

**From:** David M. Culver, Land Use General Manager 

**Date:** February 9, 2012

**Subject:** Annual Rental Registration and Inspection Report for 2011

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The New Castle County Department of Land Use is pleased to submit this annual report for the rental property registration and inspections program.

**Reporting Requirement.** This report is prepared pursuant to Section 2 of Ordinance No. 05-039, which requires an annual report to be submitted regarding the implementation and effectiveness of the Chapter 19 Residential Rental Property Code.

**Background and Notable Trends.** In 2006, the Department registered 35,000 units, approximately 93% of which were re-registered in 2007. In 2008, in anticipation of a change to the registration procedure, only new rental units were registered. In 2009, all known rental units were again re-registered and, after removing 750 units from the former Brookview Apartments and 123 units in the former Courtyard Apartments, a total of 34,866 rental units were registered for 7,948 parcels. Beginning in 2010, with the passage of Substitute No. 1 to Ord. 10-015, rental units are now being re-registered biennially. In 2011, the County registered 35,433 rental units for 8,333 properties.

When a landlord enters into a new lease, he is required to provide a copy of the "Tenants' Rights and Responsibilities Guide" to the tenants. This document is available in both English and Spanish and may be downloaded from the County web page.

The Department is required by code to use its best efforts to inspect 5% or more of the registered units each year. Code Enforcement inspected 1,612 rental units in 2011, averaging 31 inspections per week, but fell short of the 5% goal by 158 inspections. Of that total, 907

(56.3%) of the units failed the first inspection generating an additional 1,426 re-inspections of which 64.9% passed on the first re-inspection.

**Random Inspections:** The 907 failed units produced 2,403 code violations. Apartment complexes were issued 1,638 violations and single-family rentals generated 765 violations.

The categories representing the most common violations, include:

1. missing or defective smoke detectors (487)
2. mechanical appliances (134)
3. plumbing system & fixture gen. (247)
4. interior surfaces (340)
5. electrical system hazards (332)
6. water heater facilities (149)
7. clothes dryer exhaust (138)
8. interior doors (76)

Of the 1,638 violations issued for apartment complexes, the top violations included:

1. missing or defective smoke detectors (301)
2. interior surfaces (260)
3. electrical system hazards (252)
4. plumbing system & fixtures – general (183)
5. water heater facilities (151)
6. mechanical appliances (97)

Of the 765 violations issued for single-family rentals, the top violations included:

1. missing or defective smoke detectors (186)
2. electrical system hazards (80)
3. interior surfaces (80)
4. clothes dryer exhaust (62)
5. plumbing system & fixtures – general (65)
6. mechanical appliances (37)

**Rental Inspections Synopsis:**

Number of failed inspections down 18%

Number of Code Violations down 16%

Number of Code Violation Apartment Complex down 13%

Number of Code Violations Single Family down 23%

Eight Most Common Violations down 10%

Top Six Violations Apartment Complex down 13%

Top Six Violations Single Family down 21%

**Cost:** The annual cost of the Rental Code program decreased 16% to \$263,336, which represents salary and benefits for 2 certified code enforcement officers, 1 administrative aide, 25% of one Customer Service & Information Technician's time and 10% of an Assistant Land Use Administrator's time. Postage and printing costs remained constant at approximately \$15,000. In addition to the time devoted to scheduling and performing

inspections, staff time was also spent on processing registrations and violations, making telephone calls and responding to inquiries, providing staff support to the Rental Housing Advisory Committee and other miscellaneous tasks related to the inspection and enforcement process. There was no revenue to offset these expenses.

**Observations:** Several code violations have been discovered since the rental inspection program's inception that may not otherwise have been found. The most serious safety violations include missing or inoperable smoke detectors to alert occupants of a fire in the unit and disconnected vent pipes on heater units that discharge poisonous flue gases into the unit. Old, poorly maintained equipment and fixtures, including disconnected bath fans that remove mold spores, have also been found that can be hazardous to the tenants. The inspectors have also found improperly connected dishwashers which may cause a backflow of gray water into the potable water system.

### **Recommendations and Discussion.**

The Rental Code Advisory Committee is charged with advising the County Executive, County Council and the Department of Land Use on the implementation of the Rental Code. That Committee, which has several vacancies, did not meet in 2011, while the University of Delaware studied the current rental inspections process and results. On the recommendation of the Rental Code Advisory Committee, the County hired the University of Delaware to study the County's rental inspections process and analyze the raw inspections data to determine if changes need to be made to ensure the process is truly random and fair and to identify any deficiencies or unintended consequences of the process that is currently being used. The final report of the University has not yet been received.

Following up on another discussion between the Department and Committee, where the Department expressed a concern with the efficacy of a random inspection process and perceived inability to get into the more problematic occupied units, the Department will be evaluating several potential changes to the inspections process, including: eliminating the random component, focusing on rental properties with a history of problems and inadequate upkeep, inspecting only vacant units and shifting the focus of rental inspections to issues that have the greatest potential to cause serious injury or death.

*The Department is available to discuss the contents of this report upon the request of any Council member.*

**Data and Tables.**

**INSPECTIONS ANALYSIS**

<b><u>Units</u></b>	<b><u>Status</u></b>	<b><u>Percent</u></b>
5377	First Inspections	----
1881	Inspected	35%
855	Passed	45%
1026	Failed	54%
2178	No One Home	40%
739	Tenant Refused Access	14%
382	Vacant	7%
190	Section 8	8%
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1772	Reinspections	----
1169	Passed	66%
262	Failed	15%
211	No access	17%
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3653	Total Inspections	----
2024	Passed	55%
1372	Failed	41%