Real Estate Advisory: City of Pittsburgh Rental Registration and Inspection Schedule Gains Final Approval



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On Monday, November 1, 2021, the Pittsburgh City Council approved a proposal to create a rental registration and inspection schedule for City of Pittsburgh rental units. Until now, previous attempts at such a measure had been halted by the court, under a ruling that the City could not enforce such an ordinance until it implements a "fee that is fair, reasonable, and not grossly disproportionate to the cost of maintaining the program."

This revamped proposal, which was approved by all six Council Members present at Monday's meeting, would serve to allow officials to identify rental properties within the City and subject them to inspections, with the stated goal of ensuring that the City's renters are living in safe conditions.

The previous fee structure, which was blocked by the court, proposed a rental registration permit fee of \$65 per unit for up to 10 housing units, \$55 per unit for 11 - 100 housing units, and \$45 per unit for more than 100 housing units.

The updated legislation revised the costs and structure to now constitute a \$16 application fee, a \$5.50 charge for an inspector to travel to the property, and a \$14 charge per housing unit.

Housing units that pass inspection have a very low on-going obligation — if a housing unit passes inspection, it would get a discount, as well as the ability to renew the rental registration permit at half price. Further, passed housing units would only need to be re-inspected once every five years. Housing units failing inspection would be inspected at the discretion of the Department of Permits, Licenses and Inspections until those housing units pass.

Notably exempt from the annual rental registration permit fee are affordable housing properties.

It is very likely that this new measure will again be challenged in court, and to succeed, the measure will have to overcome any further scrutiny by the court given the way that the measure is now constructed.

Assuming that the new measure overcomes all potential court challenges, residential landlords will need to be mindful of these new requirements, the associated administrative burdens, and consider revising their lease agreements in order to determine whether or not they want to pass such costs on to their tenants. Further, it is likely that these requirements would have implications on short-term rental housing units (AirBnb, Vrbo, etc.), as well.

Should you have questions about your rental property in the City of Pittsburgh or any other real estate issue, please contact any member of our Real Estate & Lending Group listed below, or any other Meyer, Unkovic & Scott attorney with whom you have worked.

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