LANDLORD LIEN EXEMPTION PROCEDURE AND RULES

Starting July 1, 2012, landlords will be exempt from a tenant's city-owned utility bills as long as proper notification is made. The City of Clinton has developed a form to easily assist landlords in this process. Below are some of the procedures and rules.

1. Complete a Utility Lien Exemption Form

The form is designed to be completed by address with basic information about the tenant (name, address of the property, and dates occupancy begins). We ask that you complete this form for every new renter (or existing renter as of July 1, 2012). Please note that if the tenant is not the City utility accountholder, the form will be invalid.

2. Maintain "Registered" Status

The Finance Department will only recognize a property as a residential rental property if it is registered with the Building and Neighborhood Services Department. If it is not registered with BNS, it is considered an illegal rental and therefore not eligible for a city-owned utility exemption. Failure to maintain the rental property as a registered rental will result in the City having the ability to lien future unpaid utility bills on to the property. Contact Building and Neighborhood Services at 244-3360 for more information about registered rental properties.

3. Provide Change in Status Updates

It is the responsibility of the landlord to notify the City in writing within 30 business days of a tenant vacating a premise. If notice is not provided and a debt is left with the City, the City still retains the ability to place a lien on the property.

Written notice can be done by coming in to the Finance Department and signing the bottom half of the original Utility Lien Exemption form, or by providing a letter to the City which notes the tenant name, address, and specifically states the date that the tenant moved. Please note that while the City receives similar notification from Iowa American Water, notification must come from the landlord and any notification from Iowa American Water shall not be considered a notice of vacancy.

4. Notice of Change in Ownership

A change in the ownership of a residential rental property shall also require written notice be given to the Finance Department within 30 business days of the completion of the change of ownership. Please complete the Utility Lien Exemption Form, noting that this is for a change in ownership.

The lien exemption for a residential rental property does not apply to any special assessments placed on the property for charges related to repairs to a service of sewer systems, storm water drainage systems, sewage treatment, solid waste collection, and solid waste disposal if the repair charges become delinquent.

Have questions? Contact the Finance Department at 242-7545.