

Proposed ASOP #X - Intent to Renovate Program

Background/Purpose: Sometime in November 2007, the Director of Public Works established a program designed to facilitate owners of multiple properties, that were in a state of disrepair, and who faced a potential hardship **from strict enforcement of the International Property Maintenance Code, some relief** based on the volume of repairs that would have to be performed within the time allotted under the standard code enforcement process.

In most cases, this process provides 30 days after a notice is issued for the owner to apply for, if necessary, the required building permits.. Once received, the owner has up to six (6) months to begin working on the project. After that, the work may proceed as long as necessary, provided that required inspections are taking place along the way, with no cessation of work longer than six (6) months.

Variations from this time line include instances where public safety is at risk, which are reviewed on a case-by-case basis, or in the case of a minor infraction such as uncut grass or overgrowth, which has to be addressed within 7 days. Any notice may be appealed to the Housing Board of Review (HBOR) by filing the necessary paperwork along with a \$200 filing fee. The HBOR will rule on the status of the notice based on evidence presented by the City and the property owner. This ruling can be further appealed to the Circuit Court of Maryland.

It has become apparent that there are some critical problems with the Intent to Renovate program as designed by the former Director of Public Works. To wit:

- The program is entirely voluntary, with no City regulation that requires participation.
- The program lacks supporting legislation from Council to make it fully enforceable.
- The program does not provide for enforceable requirements or penalties if the plan filed by the owner is not adhered to.
- Particularly problematic properties have been allowed to remain in a compromised state, with only the program placard posted to inform the public.

It should also be noted that there are elements of this program that have been successful. These include:

- Improved communication between the Code Enforcement Division and many property owners.
- Accelerated work to improve properties by several property owners.
- Restoration of several housing units to our inventory of affordable rental units.

The Office of Housing and Community Development, with support of the Code Enforcement Division and the City Building Official, proposes amending this program to give the City a better tool to work with multiple property owners, which includes better accountability, and a stronger commitment from the property owners based on clear and enforceable penalties. The OHCD also feels strongly that any such amendments, and the program itself, be encoded as part of the City's Property Maintenance ordinance.

Grandfathering: (Section Deleted based on discussions with the Mayor and Council)

~~To deal with the property owners who are already involved in the program, their projects that are already on file, may be included under the updated regulations provided that each property involved has a general scope of required work, an estimated start date, a phasing schedule with dates (roof completion date, siding completion date, window repair/replacement completion date, interior repairs completion date, etc.), and an estimated final completion date on file with the city as of October 1, 2009. By act of Council, no new properties may be added to the current program as of Tuesday, September 15, 2009. Properties already on record with the Department of Public Works shall have their estimated schedules updated and are eligible to remain in the program.~~

~~Properties listed as of September 15, 2009 but having incomplete information regarding either scope of work, estimated start date and/or estimated completion date as of October 1, 2009 shall not be considered properly enrolled, requiring full registration as provided for in this ordinance.~~

~~Properties that are properly enrolled in the program as of September 15, 2009 shall be subject to all new procedures as adopted by Council with the exception of the application fee.~~

All properties enrolled in the program prior to September 15, 2009 and not having received a Building Permit by said date, are hereby ineligible to continue participation in the program by right of grandfathering. Properties enrolled in the program prior to September 15, 2009 are eligible for enrollment into this program and will be subject to all fees, regulations, and requirements of this ASOP.

Registration of Properties:

Beginning February 1, 2010, any property owner wishing to enroll a property in the Intent to Renovate Program shall comply with the following:

The applicant must have no fewer than two (2) properties to enroll, (note to Mayor and Council: Opening the ASOP to any property would not afford the property owner any benefit of the program. A Building Permit issued for a single property would afford the property owner the same time frame and relief from enforcement of the Property Maintenance Code; it would merely cost the property owner extra money to be enrolled in this program.) and each of the properties to be enrolled shall be deemed in disrepair and/or uninhabitable by the Division of Building Safety Services under the current Property Maintenance Code of the City of Cambridge. Properties enrolled in this program will be seeking a Certificate of Occupancy, however, it is not mandated that the property be rented. Properties only seeking exterior renovations are ineligible for enrollment in this program. Additional properties owned by the same entity may be added to the program on an individual basis. New properties purchased after February 1, 2010 by owners of properties enrolled in the program shall be eligible for enrollment in the program as granted by the HBOR. It is the intent of this requirement to discourage owners of derelict housing stock from purchasing additional properties prolonging blighted conditions, however, the intent does not preclude an owner of multiple properties enrolled in the program from possible equitable business transactions and offers enrollment once granted by the HBOR. **Properties receiving any notice of violation and not enrolled in the program prior to the date of the violation notice shall be ineligible for enrollment in the program. The intent of this section is to prevent a property from being enrolled in the program to stall or delay repairs if not already within the program. Properties currently enrolled in the program which change ownership may remain in the program without amendment to that properties established timeframe regardless of the number properties that the single individual, partnership, LLC, or corporate entity owns. Amendments to the timeframe of the enrolled property by the new owner may be granted by the HBOR.**

All properties to be enrolled by the owner shall be titled to a single individual, partnership, LLC, or corporate entity to qualify.

Within thirty days of the adoption of this program, applicants wishing to enroll properties must submit all required information for the properties to be enrolled to the Department of Public Works. Within ninety (90) days of the adoption of this ASOP, a Building Permit must be properly submitted for the property the applicant has designated as the initial property to renovate per their submitted time line. Additional permits for the remainder of the properties may be obtained in successive order of renovation according to the submitted time line. Consideration for the permitting process should be taken into account by the applicant when submitting for permits. Building Permits are valid for six (6) months from the date of the approval by the Building Official, to start the work, and remain valid unless work has stopped for a period of six (6) months or longer.

The owner of the properties to be enrolled shall pay a non-refundable application and administration fee of \$100 per property; made payable to the City of Cambridge. (Although a strict cost analysis of staff time to administer this program over a 3 year period would be only slightly more than the \$100 fee for enrollment, it is recommended that the fee be kept low to encourage participation and not as a source of revenue, ultimately affecting repairs to some of Cambridge's derelict housing stock whereby increasing the properties taxable value. During the cost analysis, separate and sole inspection time was calculated into the cost of administering of the program, however, routine progress inspections of enrolled properties can and will be performed during normal neighborhood inspections at minimal cost to the City. Furthermore, it is anticipated that roughly 5 hours per property of administrative time would not be consumed during the 3 year enrollment period. Hard costs of posting the property will be minimal.)

The application for each property shall include the following information:

- Owner's Name, Corporate Entity, Mailing Address and complete contact information.
- **Property managers name, address, and telephone number as per the requirements of the non-owner occupied registration requirements.**
- Property Address
- Property Use (Residential, Commercial, Apartments, etc.), and current zoning.
- General Scope of Work (replace roof, repair rotted wood, general interior and/or exterior rehab, etc.)
- Estimated Start Date (Date permits applications are to be filed with the City, if necessary)
- Phased (if applicable) schedule of repairs with firm dates. (exterior components, interior components, etc.)
- Estimated final completion date.; ~~at least the month and year.~~

Applications filed with the Department of Public Works shall be subject to review and approval by a review committee comprised of the City Building Official, the City Code Enforcement Division, and the Director of the Department of Public Works **or his/her designee**. Decisions rendered by this committee may be appealed to the Housing Board of Review. All appeal fees to the HBOR will be applicable.

Enrollment Longevity and Goal:

Each property may only be enrolled in the program one time, **per bona fide owner**, with an allotted time frame of six (6) months per property, with a cumulative enrollment time of three (3) years for all properties enrolled in the program, unless otherwise granted by the HBOR. (e.g. three properties enrolled by an applicant; all three properties must be completed within 18 months of the enrollment date, however, 10 properties enrolled would not grant 5 years; only 3 years to complete). **It is understood that properties enrolled in this program must meet current livability code requirements, receive the required inspections for all permits required, and be granted a Certificate of Occupancy by the Department of Building Safety Services to be deemed "completed" under this program.** It is the intent of this requirement to offer some relief of strict code enforcement procedures to owners of multiple properties and potential larger scale investors, under a structured and objective program, while offering citizens of communities in which derelict properties are located assurance that such structures will be repaired and maintained structurally sound within a finite time frame.

Identification:

Upon written notification from the Department of Public Works of acceptance of properties into the program, the Department will cause the property to be posted with an "INTENT TO RENOVATE" placard. Said placard shall give notice that the property is enrolled in this program under ASOP #XX, is being monitored by the Department of Public Works, that information pertaining to the program is public knowledge, the Departments contact information, and contain the following information specific to the posted property:

- Owners name
- Estimated start date for renovation.
- Estimated final completion date.

Accountability/Continuity:

Owners of properties enrolled in the program shall provide quarterly updates for each project, including a brief description of work completed relating to the code violation, the nature of any delays, and any requests for extensions of closing dates.

The Division of Building Safety Services shall provide a report on the status of the program to the Mayor and Commissioners on a bi-annual basis, or at Councils request.

One extension of up to 180 days per property may be submitted **to the Building Official** in writing by the owner or his agent and may be approved by the City Building Official in conjunction with any applicable building

permits (including plumbing and HVAC). Said extension by the Building Official will only be granted for the specific properties **timeline and** not to the time frame of all properties enrolled in the program. Additional extensions, extensions for all time frames of enrolled properties, **extensions to the maximum enrollment time**, or extensions of greater than 180 days **for a specific property** must be filed with the Housing Board of Review for review and approval. The current fee for a hearing before the Housing Board of Review shall apply. Requests for extensions or other requests pertaining to this program for review by the Housing Board of Review of multiple properties may be considered a "single" case and scheduled as a "single" hearing before the HBOR. In such cases, the applicant will only be liable for a single appeal fee.

Properties enrolled in the program shall show progressive, continual, renovations. Owners of enrolled properties not completing repairs in the spirit of the program may be dropped at the Departments discretion by written notice. Re-enrollment may be granted by the HBOR. It is the intent of this section to discourage an owner from utilizing this ASOP solely as a means of delaying enforcement of the City's Property Maintenance Code.

The City of Cambridge shall consider applications for participation in the program as Public Information, and persons inquiring about any posted property under the program may review the owner's plan. Copies may be obtained at the requester's expense **per the City's adopted copy fees.**

Durability:

The Mayor and Commissioners will have the opportunity to **review the amend, extend or abolish** the program after two years of its commencement and at that time may abolish this ASOP. The Mayor and Commissioners may amend or extend this program as needed upon public notification.

Enforceability:

Property owners who fail to comply with the application, reporting and/or completion **dates of phases of the project or completion date of** the project(s), or receive violations **to properties enrolled in the program** which must be abated by the Department, shall be subject to disqualification from the program and the property(ies) in question shall revert to standard code enforcement measures as directed by the International Property Maintenance Code 2006 or latest adopted version. Disqualification shall be in writing by the Department of Public Works and disqualification notices may be followed by a Notice to Repair or other appropriate notice under the latest adopted International Property Maintenance Code.