SAFER, FAIRER HOUSING

PARTNERING FOR A QUALITY HOUSING MARKET
THROUGH
LAND BANKING, LICENSING, AND PROACTIVE INSPECTIONS

Neighborhoods, homeowners, renters, and citizens of Sanford will benefit from land banking, licensing housing, and proactive inspection and enforcement of health and safety standards.
1. Amendments to ordinances to clarify the enforcement and appeals process of building codes (second reading):
   a. Chapter 90: Building Construction; and
   b. Chapter 128: Fire Prevention

2. New ordinances (second reading):
   a. Regulating rental housing as a business through business licensing
   b. Regulating vacant building as a business through business licensing

3. Resolution Creating Land Bank Authority
   a) Exhibit A: Land Bank Budget

4. Order establishing the Land Bank Commission to oversee the Land Bank Authority

5. Order authorizing $250,000 for the creation of a special revenue account for land bank activities such as property acquisition and abating dangerous and abandoned buildings.
It is declared:

• Insanitary and unsafe inhabited dwelling accommodations or blighted areas exist in the municipality of Sanford; and

• There is a shortage of safe or sanitary dwelling accommodations in the municipality of Sanford available to persons of low income at rental or prices that they can afford.
LEVELING THE PLAYING FIELD

• Many Sanford property owners maintaining their properties to safety standards, abide by the law, and work hard to keep their properties in the best condition. They compete in the marketplace against prices and practices by owners who allow their properties to decay, putting the health, lives and well-being of renters, neighbors, and the community at risk.

• Land banking, business licensing and proactive inspections makes it easier for good property owners to run honest, financially-solvent businesses through a partnership with the city to improve the housing market in Sanford.
“...while expansion of commercial and industrial values is important to economic development, so is the preservation of the quality and value of Sanford’s housing stock... in May 2001, there was roughly $600 million in residential assessed value. Should that value decline by 5% due to disinvestment, it would represent a loss of $30 million in taxable value...”

(Housing Age and Condition, Housing Strategy, 2001, Page 12)
LINK Housing and Economic Development

• “If a proactive approach to housing quality is desired... require registration of rental housing units...”

• “Investing in housing stock through code enforcement, rehabilitation, and neighborhood improvement is important to the economic base.”

• Develop new market-rate rental supply
RENTAL HOUSING AGE

<table>
<thead>
<tr>
<th></th>
<th>SINGLE FAMILY</th>
<th>MULTI FAMILY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Age Built</td>
<td>1957</td>
<td>1908</td>
</tr>
<tr>
<td>Built before 1930</td>
<td>16%</td>
<td>78%</td>
</tr>
</tbody>
</table>

78% BUILT BEFORE 1930

AFTER 1930
## Value and Rents

<table>
<thead>
<tr>
<th></th>
<th>Single Family</th>
<th>Multi Family</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Taxes</td>
<td>62%</td>
<td>9%</td>
</tr>
<tr>
<td>Dwellings</td>
<td>6,386</td>
<td>3,044</td>
</tr>
<tr>
<td>Subsidized Units</td>
<td>557 (18%)</td>
<td></td>
</tr>
<tr>
<td>Property Value per Dwelling</td>
<td>$139,000</td>
<td>$43,000</td>
</tr>
<tr>
<td>Population</td>
<td>15,070 (68%)</td>
<td>7,184 (32%)</td>
</tr>
<tr>
<td>Property Value per Person</td>
<td>$1,300</td>
<td>$409</td>
</tr>
</tbody>
</table>

### Average 2 BR Market Rent

<table>
<thead>
<tr>
<th></th>
<th>Rent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maine</td>
<td>$872</td>
</tr>
<tr>
<td>Cumberland County</td>
<td>$1,024</td>
</tr>
<tr>
<td>York County</td>
<td>$946</td>
</tr>
<tr>
<td>Sanford Market Rate</td>
<td>$711</td>
</tr>
<tr>
<td>HUD Regional Subsidized Rate</td>
<td>$968</td>
</tr>
</tbody>
</table>
ABANDONED BUILDINGS

ESTIMATED
110 PROPERTIES IN
BANK FORECLOSURE
LAND BANK AUTHORITY

License Fees

Licensing
- Rental Housing
- Vacant Buildings
- Abating Dangerous Buildings
- Land Development

Land Bank Authority

Land Bank Commission

City Council

REPORTING

Property Taxes

Property Taxes
• The rental housing business license protects the financial investment of good property owners, improving the rental housing market in Sanford, while weeding out property owners that are not concerned with their tenants, property’s future value, safe housing.

• The abandoned building license makes it easier to return vacant buildings back to occupancy, revitalizing neighborhoods, and safeguard property values for all tax paying property owners.
• Through land banking and licensing as a business, all owners commit to maintaining and investing in their properties.
• Enforcing basic quality requirements create a housing market that is fairer to all property owners.
• Better enforcement of housing standards creates appealing neighborhoods, attracts the best tenants and opens the door to new development.
Licensing protects neighborhoods, homeowners, property owners, and renters:

- Better maintained properties lower the risk of fires and create a safer community.
- Licensing information gives emergency services better information, helping them to keep neighborhoods, homeowners, renters and property safe.
• **Compliance**: block by block and building by building

• For less than $8 per month in the first year and even less in the second year—renters will be ensured they have safe housing

• Rental property owners will protect their investments in partnership with the City

• The community will have safer neighborhoods

• **Occupied** single-family homes that are not rented **DO NOT** need a license.
With a rental housing license, all rental housing will be regularly inspected, instead of only in response to complaints.

• Renters will be able to verify their homes meet health and safety standards.
• Owners can be confident they meet their legal responsibility to provide safe housing.

With an abandoned building license, bank foreclosed and vacant buildings will be brought back into occupancy.

• Neighbors will safeguard their property values.
• Abandoned buildings will be a blight no more.
MISSION

COMMUNICATION, RESPECT AND TRANSPARENCY

• **Enforcement** will be respectful to all with expectations and timeframes clearly and firmly communicated;

• **Inspections** will be mutually scheduled, educational, and supportive by providing reasonable responses and possible solutions in responding to inquiries;

• **Violation Notices** will always include a timeframe, expected actions to correct those violations, repercussions if timeframe is not met, how to appeal, and a court date if warranted.

• **Prioritize** non-compliant and problematic properties FIRST balanced with delivering an inspection to all customers.

• **Emphasis** voluntary entry. An administrative warrant can be gained in partnership with the licensees to enter rented dwellings.
ENFORCING EXISTING LAWS

State Law and local property maintenance codes already establish an owner’s legal responsibilities and minimum health and safety standards for all properties. The Ordinance amendments provide a mechanism to enforce minimum codes.

ENFORCEMENT OF LOCAL AND STATE LAWS

- MUBEC – Maine Uniform Building and Energy Code
Bringing unsafe housing up to code:

• Leads to greater housing and job market confidence, sustainable business practices and greater investment in Sanford’s workforce, and housing market.

• Ensures compliance with health and safety standards to improve the quality of available housing.

• Eliminates substandard housings from the marketplace improving the quality of available housing for Sanford’s growing workforce, its families and seniors.
• Licensing instead of property taxes, is a common way to FUND proactive inspection programs nationwide.

• Four other Maine communities license rental housing including: Portland, Orono, Biddeford, and Old Orchard Beach.

• Four other Maine communities license abandoned buildings including: Augusta, Searsport, Bangor, and Winslow.
2001
• Housing Strategy

2015 – 2016
• Economic Foundation
  Workforce, Adequate Housing, Safety, Security, Sanitation

FEBRUARY – TODAY
• 8 Public Meetings: Developed Program, Ordinances, Legal Basis
• Amendments Based on Public Feedback

MARCH – TODAY
• 6 Newspaper and Publications
• Online Discussion
• Direct Public Outreach to Rental Properties

JUNE 20, 2017
• Public Hearing
• First Reading

JULY 11, 2017
• Workshop

JULY 18, 2017
• Second Reading

AUGUST
• City-wide Mailing

JULY 11, 2017
• Workshop

DECEMBER
• Licenses Due
• Two Month Grace Period
PUBLIC FEEDBACK

RENTAL HOUSING

Per dwelling
• Credits for systems in place

Per property
• Based on property and Inspections
• New construction limited exemption
• Owner-occupied unit inspection

Per property
• Mixed use ($100 + $100 max $500
• $100 deduction for owner-occupied units

Grace Period
• 2 months

VACANT BUILDINGS

$300 annual fee

$600 annual fee
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