

Rental Housing Working Group



2020-2021 Report to the City Council

Submitted on June 2, 2021

Approved by Council on: June 2, 2021

TABLE OF CONTENTS
RENTAL HOUSING WORKING GROUP REPORT

TOPIC	PAGE
Executive Summary	i
Background	1-3
Education	4-5
Housing Programs	6-7
Barriers to Affordable Housing	8-9
Revitalization Strategy	10-11
Rental Registration	12

Appendix

List of Working Group Members & Meeting Dates

Draft Strategy for Tax-acquired properties

Draft Inspection Check List

Rental Ordinance Draft Language

Executive Summary

The Presque Isle Rental Housing Working Group was established by the Presque Isle City Council to explore, examine, and create an official guiding document to assist in planning and revitalization efforts of the City's rental housing stock.

The creation of this report originates from the City's proactive actions in recent years to address dangerous buildings, especially housing units through the condemnation and demolition legal procedures to aid in revitalization efforts. Historically, Presque Isle has allowed rental housing units to regulate themselves via a laissez-faire approach with minimal positive impact. This inaction has caused an increase investment of taxpayer resources over the years that has proven to be an unsustainable model.

Instead, the Presque Isle Rental Housing Working Group is an ad-hoc formation of landlords, tenant advocates, housing authorities, code and community development officials tasked to review the strengths and challenges of Presque Isle's current housing environment while offering policy suggestions and action items for the City Council to consider.

During the first meeting of the working group on August 27, 2020, a green-light-go session was performed to determine what are the challenges and opportunities to rental housing in Presque Isle. It was through this exercise that sections were formed to aid in future monthly discussions: Education, Housing Programs, Barriers to Affordable Housing, Revitalization Strategy, and Rental Registration. This report mirrors the breakdown of policy discussions that took place with the group and each section will provide detailed background as well as policy recommendations for the Council to take. All policy recommendations are advisory only and should be considered a reference guide. Implementation of policy recommendations by City Staff require the express support of the majority of the City Council.

It has been through meeting monthly that the group discovered our City's strengths in historical architecture, public amenities, and available services that make raising a family or living in Presque Isle attractive and desirable. The report also highlights that there are many challenges to affordable housing and low-income unit availability within Presque Isle that can be remedied through state and local actions.

The working group spent countless hours researching, discussing, and contacting experts in the field to understand housing issues and finally completed their report on **May 20, 2021**. We hope this report satisfies the City's desire to address rental housing in a holistic manner that welcomes new residents to safe and affordable housing to the service center for Aroostook County.

Background

The City of Presque Isle is an incorporated municipality with a population of 9,007¹ that has been in a declined trajectory since the 1970's. Presque Isle has historically relied on agricultural and service-related industries as its economic base. In 2020, trends are beginning to shift nationally as more people are migrating urban metropolitan areas in favor of safe and affordable places to raise their families with adequate infrastructure and amenities. Presque Isle is positioned to benefit from these market changes especially has more workers in service-related sectors of the U.S. economy transition to working from home. However, in discussion with landlords who offer annual and transitional rental units, there is not enough adequate and safe housing stock available on the market. This has caused a surge in demand which has caused rental prices to increase for the current housing supply.



73 Chapman Road

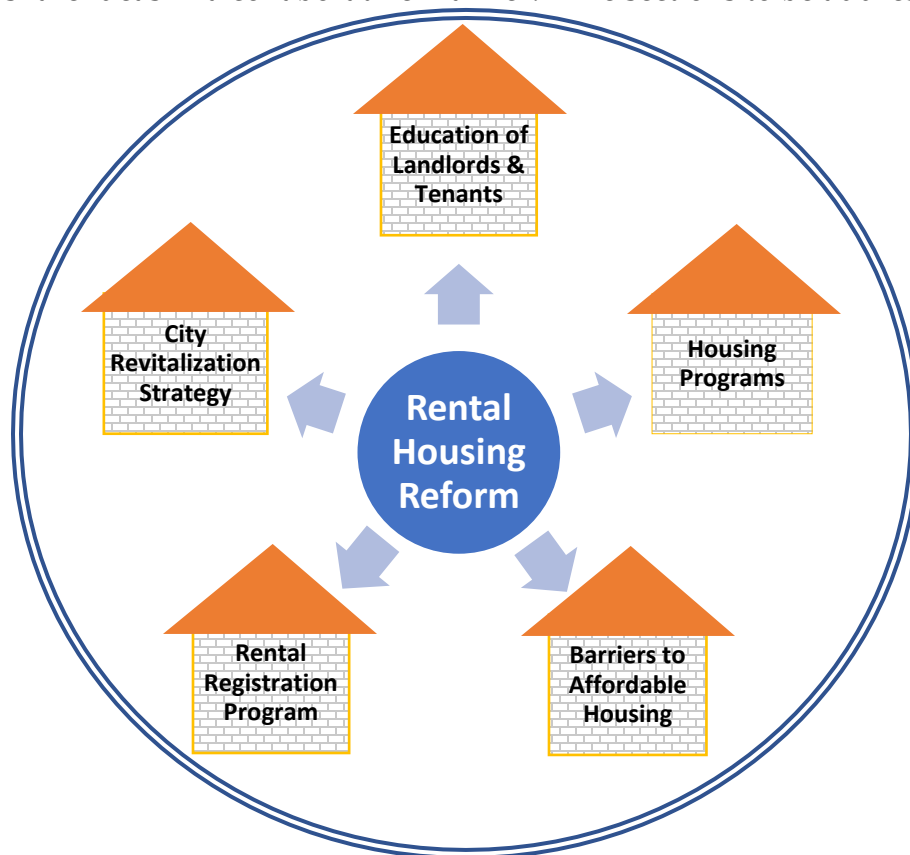
In addition, Presque Isle has aging housing stock that have not been properly maintained by past and current owners. The City Council has experienced an increase in investing taxpayer resources to address dilapidated housing stock via the condemnation and demolition process. As of 2020, the City has spent **\$182,517.78** over a ten-year period to revitalize neighborhoods with limited success².

¹ US Census 2019 Quick Facts for Presque Isle, Maine

² 2020 Financial Report by Penny Anderson, PIDECD Administrative Assistant

Presque Isle's 2020 Downtown Redevelopment Plan revitalized efforts by the City Council to accurately address the City's rental housing stock by sparking the conversation with community stakeholders, landlords, and other municipalities to develop a plan of action that will holistically improve the quality, quantity, and affordability of housing units within Central Aroostook County. The City voted on August 5, 2020 to form an ad-hoc committee known as the 'PI Rental Housing Working Group'³. The composition of the group was comprised of two representatives who are landlords, two city councilors, two planning board members, the Presque Isle Housing Authority, two tenant advocates, in addition to the City's Code Officer and Economic & Community Development Director. The group met monthly as a volunteer board to identify the key strengths, opportunities and challenges to rental housing within Presque Isle while also developing solutions and strategies to meet the goal of fostering revitalization.

During the group's first meeting, it was identified that many of the challenges, opportunities and goals can be organized into sections and discussed at future meetings in a comprehensive manner. Focusing efforts on this way has allowed the group to learn and share ideas in a collaborative manner. The sections to be addressed include



³ Presque Isle City Council Meeting Minutes August 5, 2020

Education, Housing Programs, Barriers to Affordable Housing, City Revitalization Strategy, and Rental Registration Program.

Each subsequent meeting featured guest speakers including committee members Matt Dyer (Pine Tree Legal)⁴, Hope Ladd (ACAP)⁵, Deborah Johnson (Maine DECD)⁶, and Steven McDermott, Mark Wiesendanger and Michelle White (Maine Housing)⁷ to educate members regarding various programs, challenges and opportunities regarding rental and affordable housing. Because of the collaborative nature of the group, many of the presenters became regular attendees to offer their guidance and insight into the group's strategy formation and policy recommendations.

In October, information regarding the groups' success in sparking a conversation to develop a plan of action spread to the City of Caribou who share similar challenges facing Presque Isle. Future meetings included the contributions of Lisa Plourde (Caribou Housing) and Ken Murchison (Caribou Code Officer) which offered greater coordination efforts between Presque Isle and Caribou in addressing rental housing stock.

Since then, the group has discussed the challenges facing Presque Isle below with recommendations for programs and policies to address rental housing revitalization in the Star City.

⁴ Presented legal summary how to be a Good Landlord/Tenant September 9, 2020

⁵ Presented budget planning for how to be a Good Tenant September 9, 2020

⁶ Presented Maine DECD Programs October 29, 2020

⁷ Presented Maine Housing Programs October 29, 2020

Education

One of the first topics discussed by the group is the need to better understand rental housing operations and challenges facing both landlords and tenants in the current legal climate.

The group identified an absence of educational programs available in Central Aroostook County to aid residents who want to be a good tenant and how to become a good landlord. Aroostook County Action Program (ACAP) offers a rental educational component for clients who are in the process of finding alternative housing as a condition of receiving rental assistance from the organization. This curriculum has great information that is modeled off a program established by the University of Wisconsin-Madison. However, the curriculum is missing components of helping potential tenants understand the common warning signs of unsafe rental unit (Code information), and is generally a curriculum to react to an already escalated situation. Instead, it is recommended that city, school, and community assistance organizations tailor this program into a comprehensive curriculum that holistically preempts rental tensions by educating high school seniors and the general public.



Commonality Between Curriculums

- Understanding Landlord Tenant Law
- Common Code Violations
- Rental Agreements/Lease Structure



How to be a Good Landlord

- Understanding Eviction Process
- Business Planning
- Avoiding Discrimination Claims



How to be a Good Tenant

- Budgeting Rent (ACAP Program)
- Communicating with Landlord

Another opportunity identified by the group was the decrease of new landlords entering the housing market. Presque Isle has an established list of landlords which own vast holdings of the rental market. The landlord representatives welcome the opportunity for new investors into Presque Isle's rental housing market as their inventory are already filled. Generally, landlords are not adversarial and instead openly communicate with one another when they receive a tenant lead and their rental property inventories are filled. New landlords wishing to enter the market may not understand the complexities of the business or legal challenges they could be faced through the eviction process. The City also noticed that there is the opportunity to educate existing landlords with updates in the building codes as an added benefit to ensure compliance. With these items in mind, the city should explore opportunities to develop a how to be a good landlord workshop with interested parties while also hosting regular symposiums regarding the latest updates in code for builders, plumbers, electricians, and landlords.

Recommendations:

- ★ The City should collaborate with ACAP, SAD1, PI Housing, Pine Tree Legal, and other interested parties in developing a comprehensive program regarding how high school seniors and the general public can be a good tenant.
- ★ The City should explore opportunities to develop an educational workshop with New Ventures Maine, NMDC, Maine Housing and other stakeholders to educate the public who are interested in potentially becoming a landlord.
- ★ The City should explore a coordination effort with the Aroostook Code Officer Association and Maine Fire Marshals Office to host annual events for electricians, plumbers, building contractors, and landlords to learn about the latest updates in building codes.

Housing Programs

The next area explored by the Rental Housing Working Group was the programs available at the local, state and federal level to address housing and rental revitalization efforts. The group was new to the various program funding available and welcomed the opportunity to learn more about the opportunities that can be explored by the group to address the challenges facing Presque Isle.

Maine's Department of Economic & Community Development offer various programs through their Community Development Block Grant (CDBG) funds that are allocated by the United State Department of Housing and Urban Development (HUD). One of the underutilized programs mentioned is their Housing Assistance Program which offers developers of multi-family units funds to complete the project which must house low to moderate income (LMI) individuals. There is a twenty percent (20%) match required by the City to apply for these funds.

Maine Housing offers multiple housing related programs to encourage revitalization and low to moderate income housing stock. One of the most publicized programs is Maine Housing's First Time Homebuyer Program. This program offers below-market rates for mortgage loans of first-time homebuyers in Maine. In addition, this program offers \$3,500 towards the cash needed at closing and up to \$35,000 in funds available to repair the home to be move in ready. There is also a special feature with this program that protects mortgage payments in the event of unemployment. There is an income requirement to qualify for this program.

Maine Housing also administers a Low-Income Housing Tax Credit Program that provides subsidy in the form of a federal tax credit to developers of affordable housing. This can be used in combination with the Affordable Housing Subdivision Program which offers developers of at least 5 low-income home ownership forgivable loans to offset the cost of building. Minimal and maximum forgivable loans are \$100,000 to \$450,000 respectively. In addition, Maine Housing also provides information regarding an Affordable Housing Tax Increment Financing Program. This tool is utilized by municipalities to finance affordable housing projects and support related infrastructure and facilities by designating portions of a municipality as affordable housing development districts.

Aroostook County Action Program (ACAP) administers the regional Home Repair Network which provides zero percent, no payments, deferred or forgivable loans to income eligible homeowners for home repair, replacement of septic systems, lead mitigation, replacement housing and other essential home improvements necessary to continue living in their home. ACAP also offers Weatherization program that creates an energy audit of a property to reduce heating costs through adequate insulation and winterization practices. Both of these programs have income eligibility requirements.

The City of Presque Isle has developed a Winterization and Rental Modernization Program (WARM) to offer low interest (1%) loans to landlords to address the costs of improving energy efficiency of rental units.

Maine Housing shared with the working group that there is a process underway for local housing authorities to receive state funds to assist landlords in renovating their properties to keep tenants from moving because of Code violations. More information regarding this program will be shared with group members as details are developed.

Recommendations:

- ★ The City should develop a revitalization strategy and plan for tax acquired properties and partner with PI Housing Authority for potential affordable housing developments by utilizing Maine CDBG funds.
- ★ The City should partner with ACAP to highlight the state programs available for first-time homebuyers to get into the landlord business by living in multi-family building
- ★ After receiving registration data and developing a needs assessment, the City should explore an Affordable Housing Development opportunities and funding with the state community development and housing agencies

Barriers to Affordable Housing

The working group continued the conversation next by discussing the barriers to affordable housing within Presque Isle. This topic was complex for the working group when discussing potential solutions to the challenges facing Presque Isle. Further, the conversation demonstrated the need to engage with state and federal policymakers to address the systemic barriers that prohibit affordable housing in rural communities.

Presque Isle's first barrier is an old housing stock. In researching the history of housing structures within the Downtown Area, the majority of buildings were built in 1946. This condition poses concerns and challenges given the cost of maintaining the structural integrity of an older housing stock. Landlords identified major challenges in constructing new rental units being the lack of skilled labor in the County. Construction trades firms could not agree more in that new construction schedules are out in some cases two years. This issue is not new for Aroostook County but the added surge in demand from new migration to the County due to pandemic is making the timelines for projects spread out even further.



NFPA 13 R System



NFPA 13D System

One unique barrier identified as a potential opportunity to seek state reform is regarding the National Fire Protection Association's (NFPA) mandate for sprinkler systems in multi-family rental properties. The group met with State Representative Joseph Underwood, and members of the Fire Marshal's office to discuss the various NFPA sprinkler systems that are required for multi-family and apartments. NFPA 1 states a 13 System (metal commercial grade pipes) are required for large apartment complexes with 100+ units. The next system is called 13R system which is used in cases of 3 or more units up to 100. This system is comprised of a PEX style piping that is generally more affordable than the 13 system but still requires a certain pressure size or

second water or distribution line for the system. The final system discussed was the 13D system. This system utilizes commercial grade PVC that can be looped into the existing plumbing. This system is recommended for single family or duplex style rental properties and is not mandated by the State of Maine. The Fire Marshal offered the group a solution to the 13R system for a three or four-unit apartment by placing a 2-hour fire wall between two units as a way to use the less expensive 13D system. While this was a reasonable and creative way to build new rental units, the status quo of the NFPA codes do not address the lack of licensed installers, inspectors, or barriers to converting older housing stock into multi-family rental units. The working group thought continuing the conversation with the Fire Marshal was a great way of enacting necessary reforms to the barriers facing rural communities in offering affordable rental properties.

Recommendations:

- ★ Explore collaboration opportunities with Northern Maine Community College to expand retention efforts of new graduates of the construction trades
- ★ Continue the conversation with the Fire Marshal's Office and State Representative to explore certification changes for limited license installers and inspectors

Revitalization Strategy

In reviewing a path to move forward, working group members identified that the City has been generally reactive to dangerous and unsafe rental properties which has not benefited the taxpayer or community as a whole. Revitalization efforts in rental housing have not been centralized and concerted by the City's various departments.

In the past, the Finance Department would quickly turnover tax-acquired properties in some cases to another landlord that neglects necessary maintenance and code repairs. This was done to reduce the City's liability for structures to be maintained and owned by the City. The City's Economic & Community Development Department has not focused efforts with the Code Enforcement Office in exploring state grant opportunities via Maine Housing or Maine DECD.

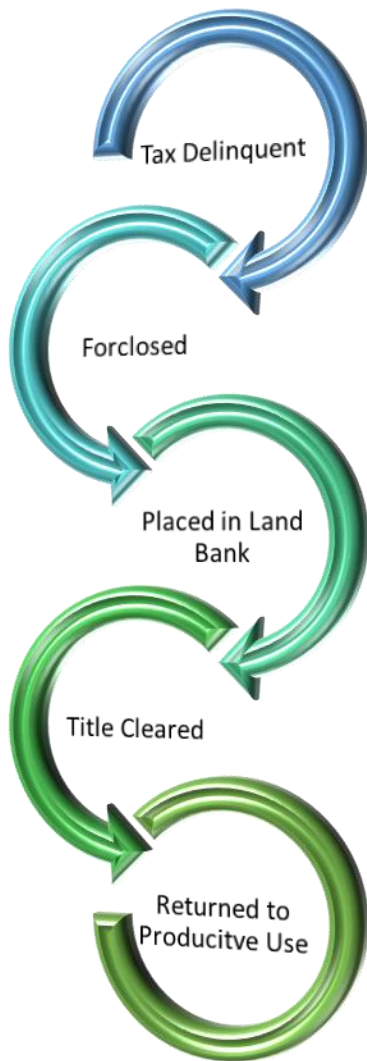


Communication between the various City's Departments and local Housing Authority will be key in developing a strategy moving forward for future tax-acquired or city-

owned properties. While the appendix offers a template that the City can perform on an annual basis, this is by no means a final solution for how to safely acquire and revitalize city-owned properties and transfer back to the open market.



How a Land Banks Works!



The idea of a Land Bank was proposed to the working group by planning officials in Caribou as a way to managing publicly acquired land into redevelopment opportunities. Structure for these entities vary by locality but usually these banks are municipal-appointed officials who are tasked with revitalization, sale, or purchase of properties that encourage reinvestment and expansion of the tax base. Given the neglect of many properties, it may be worth pursuing a land bank that can leverage private, state and local funds for reinvestment. One potential organization already in existence is the City's Community Development Association which is a registered 501C3 non-profit that has not been used to its fullest potential.

Recommendations:

- ★ The City should coordinate with the Presque Isle Housing Authority to develop a plan of action for tax-acquired properties by leveraging other revenues to revitalize housing opportunities within Presque Isle.
- ★ Explore a city-wide or regional land bank under the preview of the City's Department of Economic & Community Development that helps guide the City's Community Development Association or other organization in housing revitalization efforts.
- ★ The City should explore forming an internal staff working team meeting between the Finance Department, Department of Economic Development, Code Enforcement Office, Assessing Department and the City Manager to annually review properties that are eligible to be tax acquired to review potential buyers, property owner's past history with the Code Office and property condition.

Rental Registration Program

The final area discussed by the working group was developing a policy that the City could use to acquire accurate data regarding the current rental housing stock. There was consensus the City should position itself for potential private, state and federal funds by obtaining accurate information regarding the condition of rental properties, affordability and supply & demand of rental properties within the city.



The group diligently spent many meetings reviewing a draft rental registration ordinance that was developed by City staff that took many positive features from various communities during the process. The original drafts had sections pertaining to rental quadrants, penalties for code violations, and complex registration steps. It was through the working groups' communication with landlords and other community stakeholders outside the meeting discussions that changes were made to make the document more concise and focused on rental registration goals for the City. Features that the working group favored include no fee to register, a citywide randomized inspection process, grading classification system, clear inspection list, and easy to understand registration process.

It is the hope of the working group that the City Council seriously consider this endeavor as a top priority item as the data collection will assist the City in developing the programs and strategy recommendations throughout this report. Great strides have been made by the City in developing this report. Presque Isle is on state policymaker's radar as a community that is striving for lasting change and real reforms to address the challenges we face. As more people move to Aroostook County because of Covid-19, other Cities and Towns will be taking a look at the progress Presque Isle is taking to address rental housing issues that can be replicated in their communities as well.

Recommendation:

- ★ The City Council to direct the Planning Board in reviewing the draft Rental Registration Ordinance included with this report for adoption by the City in aiding other recommendations throughout this report.

List of Working Group Members & Meeting Dates

Working Group Members

Jessica Currier – Landlord Rep	Hope Ladd – ACAP
Douglas Cyr – City Councilor	Brandon McDonald –Planning Board
Matthew Dyer – Pine Tree Legal	Jennifer Sweetser – PI Housing
Kevin Freeman – City Councilor	Kevin Thorstenson – Landlord Rep

City Staff Contributing to Report

George Howe – Code Enforcement Officer
Griffin St. Peter – Code Enforcement Office
Galen Weibley – PI DECD

Special Guests & Presenters

Deborah Johnson – Maine DECD	Rich McCarthy – State Fire Marshall
Steven McDermott – Maine Housing	Scott Cyr – State Fire Marshall
Mark Wiesendanger – Maine Housing	Lisa Plourde – Caribou Housing
Michelle White – Maine Housing	Ken Murchison – City of Caribou
Joseph Underwood – State Representative	

Meeting Dates

September 24, 2020	February 25, 2021
October 29, 2020	March 25, 2021
November 13, 2020	April 22, 2021
December 17, 2020	May 6, 2021
January 28, 2021	May 20, 2021

City of Presque Isle Draft Housing Policy

The Presque Isle DECD maps out current poor condition properties within the city and create a separate of tax acquired properties throughout the city based on deadline from being acquired.

Presque Isle apply for Housing Assistance Grant Program through Maine DECD. Once approved the City transfers 20% match into the fund administered through PI DECD

Total Funds to be utilized as a revolving loan of 0% to the City or low interest (<3%) for private developers for the purposes of demolishing and rebuilding or repairing current buildings to be low to moderate income housing stock.

A point system will be established by the City to annually evaluate which neighborhoods should be presented to the council for action to revitalize with HA funds:

- Two (2) points for each property in a neighborhood that is in poor or dangerous conditions as reestablished by the CEO
- One (1) point for each tax acquired property in possession by the city, two (2) points if the city obtained a clean title from former owner
- Clusters of dangerous buildings or tax acquired properties get an additional (1) point per abutting property (i.e. 2 dangerous property and three abutting tax acquired = +4 points)
- One-half (.5) a point per created Low to Moderate Income (LMI) unit will be allocated when the City is presented with a development plan application for a property

Repayment takes place at point of sale either to a private seller or housing agencies willing to rent to low to moderate income. Any realized profit over the original loan amount from the sale of properties under this program will be transferred into a rental modernization fund to assist property owners in the conversion or creation of 3+ units that are safe and affordable to residents of Presque Isle.

Condemned Properties

A list of condemned and dangerous buildings will be updated annually by the CEO for Presque Isle and a report generated annually to Council.

All structures that are currently dangerous will be evaluated for foundation integrity and cost associated to repair vs. demolish. If a property has an unrepairable foundation or the cost to rehabilitation exceed 50% of total building cost, the building will be listed as dangerous and planned for demolition should council take revitalization efforts.

All dangerous buildings that have been condemned as dangerous buildings by the Council and CEO shall be removed of all tenants and be padlocked from further use until repairs are made by the landowner.

The City hereby establishes a rental modernization and reclamation fund to offer landlords with capital to make repairs to keep rentals in operation. Utilizing these funds for remediation will require a match

by the landowner at 50% of total cost for the project. Use of funds are to assist in minor remediation efforts will be evaluated on a case-by-case basis with the landowner and City.

Tax-Acquired Properties

The City will maintain a list of properties through the tax acquired process. In the event of a property being obtained via tax acquired process, the Finance Department will attempt to obtain a cleared title from the former owner by utilizing a deed reclamation fund appropriated by the City Council to expedite the recovery and revitalization efforts. In the event of not having a cleared title, the city should disclose to potential rehabilitation applicants that there can be a dispute in ownership up to five years from city obtaining the property.

PI DECD & the Finance Department will provide a recommendation if a property should be sold or kept on the property rolls for potential revitalization in future years and will submit a report to the Council annually. If a property is not part of a 5-10 year strategy, the property is recommended to be sold by the City.

Draft Checklist for Rental Inspections

Enforcement reference books to be used:

- **IPMC - International Maintenance Code 2018**
- **NFPA 101 - National Fire Protection Association Life Safety Code 2018**
- **MUBEC – Maine Uniform Building and Energy Code**

Premises Inspection Checklist

- ☐ **SANITATION:** exterior property and premises shall be maintained in a clean, safe, and sanitary condition.
- ☐ **GRADING AND DRAINAGE:** premises shall be graded and maintained to prevent erosion of soil and to prevent the accumulation of stagnant water and within the structure.
- ☐ **SIDEWALKS AND DRIVEWAYS:** all sidewalks, walkways, stairs, driveways, parking spaces, and similar areas shall be kept in a proper state of repair and maintained free from hazardous conditions.
- ☐ **WEEDS:** noxious weeds, excessive plant growth, and grass growth in excess of 10 inches is prohibited.
- ☐ **RODENT HARBORAGE:** all structures and premises shall be kept free from rodent harborage and infestation.
- ☐ **ACCESSORY STRUCTURES:** all accessory structures, including garages, fences, and walls shall be maintained structurally sound and in good repair.
- ☐ **MOTOR VEHICLES:** not more than one unregistered vehicle or uninspected vehicle shall be parked or kept or stored on the premises, and no vehicle shall at any time be in a state of major disassembly, disrepair, or in the process of being stripped or dismantled.
- ☐ **DEFACEMENT OF PROPERTY:** no person shall willfully or wantonly damage, mutilate, or deface any exterior surface of any structure or building by placing any markings, carvings or graffiti.

Building Exterior Inspection Checklist

- ☐ **EXTERIOR:** the exterior of a structure shall be maintained in good repair, structurally sound and sanitary so as not to pose a threat to the public health, safety, or welfare.
- ☐ **PREMISES IDENTIFICATION:** buildings shall have address numbers placed in a position to be plainly legible and visible from the street contrasting from the background a minimum of 4 inches in height and a minimum stroke of 1/2 inch.
- ☐ **FOUNDATION WALLS:** foundation walls shall be maintained plumb and free of open cracks and breaks.
- ☐ **EXTERIOR WALLS:** exterior walls shall be free from holes, breaks, and loose or rotting material and maintained weatherproof.
- ☐ **ROOFS AND DRAINAGE:** the roof and flashing shall be sound, tight, and not have defects that admit rain.
- ☐ **WINDOWS AND DOORS:** windows and doors shall be kept in a sound condition, good repair, and weather tight and shall be free from cracks and holes.
- ☐ **DOORS:** exterior doors, door assemblies, and hardware shall be maintained in good condition. Locks at all entrances to dwelling units, rooming units and guestrooms shall tightly secure the door.

Building Interior Checklist

- ☐ **INTERIOR:** the interior of a structure and equipment shall be maintained in good repair, structurally sound, and in sanitary condition.
- ☐ **INTERIOR SURFACES:** all interior surfaces shall be maintained in good, clean, and sanitary conditions. Peeling, chipping, flaking, or abraded paint, cracked or loose plaster, decayed wood or other defective surface conditions shall be corrected.
- ☐ **STAIRS AND WALKING SURFACES:** stairs and railings shall be maintained in good condition.
- ☐ **RUBBISH AND GARBAGE:** all exterior and interior shall be free from any accumulation of rubbish or garbage.
- ☐ **DISPOSAL OF RUBBISH:** occupancy of a structure shall dispose of rubbish in a clean and sanitary manner in approved containers.
- ☐ **VENTILATION OF HABITABLE SPACE:** every habitable space shall have at least one openable window facing directly outdoors or to a court.
- ☐ **VENTILATION OF BATHROOMS:** every bathroom shall have an openable window facing outdoors or to a court or mechanical ventilation exhausted to the exterior.
- ☐ **MINIMUM ROOM WIDTHS:** habitable rooms shall not be less than 7 feet in any dimension with exceptions for ceiling height area. Kitchens shall have a clear passageway no less than 3 feet between counterfronts, walls or appliances.
- ☐ **BEDROOMS:** bedrooms shall have 70 square feet of floor area for the first person and 50 square feet of floor area for each additional occupant. Kitchens and non-habitable spaces shall not be used for sleeping purposes.
- ☐ **BATHROOM REQUIRED:** every dwelling unit shall contain its own bathtub or shower, lavatory, water closet, and kitchen sink which shall be maintained in a sanitary, safe working condition.
- ☐ **PLUMBING AND FIXTURES:** plumbing fixtures shall be properly installed and maintained in working order, and shall be kept free from obstructions, leaks, and defects.
- ☐ **WATER SUPPLY:** sinks, lavatories, bathtubs or showers, water closets or other fixtures shall be properly connected to the public water supply system or approved private water system and shall be supplied with hot or tempered and cold water.
- ☐ **SANITARY DRAINAGE:** plumbing fixtures shall be properly connected to either a public sewer or private sewage disposal system.
- ☐ **HEAT SUPPLY:** dwellings shall be provided with heating facilities capable of maintaining a room temperature of 68°F in all habitable rooms.
- ☐ **RECEPTACLES:** every habitable space in a dwelling unit shall contain at least two separate and remote receptacle outlets. Every laundry area and bathroom shall contain at least one grounded-type receptacle with a ground fault circuit interrupter.
- ☐ **LIGHTING FIXTURES:** shared hallways, interior stairways, bathrooms, kitchens, laundry rooms, boiler rooms, and furnace rooms shall contain at least one lighting fixture.

Fire Safety Inspection Checklist

- ☐ AISLES: width of escape aisles shall be unobstructed.
- ☐ SPRINKLER SYSTEMS*: automatic sprinkler systems shall be inspected, tested, and maintained.
- ☐ SMOKE ALARMS*: shall be located in every dwelling unit on every level including the basement and within 21 feet of every sleeping room; in every sleeping room; in every interior stairwell of multiple family buildings; installed on a ceiling at least 6 inches from any wall or on a wall located in between 4 to 6 inches from an adjacent ceiling.
- ☐ CARBON MONOXIDE DETECTORS: located in every dwelling unit on every level and within 21 feet of every sleeping room, installed according to manufacturers instructions.

* If grandfathered from new code requirements

Additional Requirements for New Construction

- ☐ PRIMARY AND SECONDARY MEANS OF ESCAPE: every sleeping room and every living area shall have not less than one primary means of escape which shall be a door, stairway, or ramp providing a means of unobstructed travel to the outside of the dwelling unit at finished ground level. Except for buildings protected throughout by an approved automatic sprinkler system, every sleeping rooms and every living area shall have an outside door or window, stairway, passage, or hall meeting certain conditions providing a way of unobstructed travel to the outside of the dwelling at finish ground level that is independent and remote from the primary means of escape.
- ☐ FIRE-RATED ASSEMBLIES: fire-resistance-rated walls, fire stops, partitions
- ☐ FIRE DOORS: fire and smokestop doors shall be maintained and functional.
- ☐ SPRINKLER SYSTEMS: automatic sprinkler systems shall be inspected, tested, and maintained.

CHAPTER

CITY OF PRESQUE ISLE

RESIDENTIAL RENTAL REGISTRATION ORDINANCE



Enacted: Date

Certified By: _____

Revised:

Affix Seal

Table of Contents

Residential Rental Registration Ordinance

<u>Section</u>	<u>Page(s)</u>
A. Title.....	1
B. Preamble.....	1
C. Scope.....	1
D. Definitions.....	1 - 4
E. Registration of Non-Owner-Occupied Rentals.....	5
F. Registration Requirements.....	6 - 7
G. Transfer of Ownership.....	7
H. Inspections.....	7 - 9
I. Assignment of Classification.....	9 - 10
J. Registration & Inspection of Owner-Occupied Rentals.....	10 - 11
K. Registration Renewal for Owner-Occupied Rentals	11
L. Notice of Noncompliance.....	11 - 12
M. Fines.....	13
N. Affirmative Defenses.....	13
O. Administrative Appeals.....	13
P. Conflict with Other Provisions.....	14
Q. Date of Effect.....	14
R. Sunset.....	14

A. TITLE

It is the purpose of the City of Presque Isle's adopted *Residential Rental Registration Ordinance*, herein, to assure that all rental dwellings in the city are maintained in a good, safe, and sanitary condition and do not create a nuisance or blighted conditions to their surroundings. To ensure a proactive approach and aid with upholding the City's adopted International Property Maintenance Code, Building Code, Land Use and Development Code, and other relevant provisions of the City Code and State and Federal laws. The City Council hereby establishes this rental registration and inspection program for all applicable residential rental properties within the City of Presque Isle.

B. PREAMBLE:

This Ordinance is intended to supplement current City ordinances and adopted Codes mentioned in Section A.

C. SCOPE:

This Ordinance applies to premises and its accessory units that are leased as structures that contain leased dwelling units located within the City of Presque Isle, with the following exceptions:

1. Nursing Homes;
2. Hotel and motels;
3. University/Community College certified on site dorm housing;
and
4. Bed & Breakfast and temporary lodging facilities, as licensed by the Maine Department of Health and Human Services (DHHS)

D. DEFINITIONS:

The following words and phrases, when used in this ordinance, shall have the meanings respectively ascribed to them in this section, except where the context otherwise requires.

- **Building Inspector:** A building inspector shall be defined as a person employed or appointed by the municipality to inspect rental units throughout Presque Isle for compliance with this Ordinance
- **Code Enforcement Officer:** A Code Enforcement Officer (CEO) is defined under 30-A MRSA §4451 (2-A) as a person employed by a municipality to enforce all enabling state laws and local ordinances in the following areas: Shoreland Zoning, land use regulations, internal plumbing, subsurface wastewater disposal, and building standards.
- **Chapter 38C** means the Property Maintenance Code of the City Ordinance, as amended. (A copy of which can be found on the City of Presque Isle's website).
- **Duplex** means a building with two (2) dwelling units.
- **Dwelling Unit** means a single unit providing complete, independent living facilities for one or more persons, including permanent provisions for living, sleeping, eating, cooking, and sanitation.
- **Initial Registration Period** means the twelve (12) months after the effective date of this ordinance in which owners of leased dwelling units are required to register said units with the City's Code Enforcement Office.
- **Lease or Let** means to permit, provide or offer possession or occupancy of a dwelling, dwelling unit, rooming unit, building, premise or structure by a person who is or is not the legal owner of record thereof, pursuant to a written or unwritten lease, agreement or license, or pursuant to a recorded or unrecorded agreement of contract for the sale of land.

- **Manager** means one (1) or more persons who has charge, care, or control of a building, or part thereof, in which rental units are maintained.
- **Multi-unit building** means a structure that contains three (3) or more rental units.
- **Non-Owner-Occupied Rentals** shall mean all residential rental property that is not occupied by the owner to be rented to the general public regardless of rental duration. This definition does not include any of the exemptions defined in Section C.
- **Occupant** means any individual with a legal right to be living or sleeping in a building, or having possession of a space within a building.
- **Owner** means any person, manager, agent, firm or organization having a legal or equitable interest in the property; or recorded in the official records of the state, county or municipality as holding title to the property; or otherwise having control of the property, including personal representatives or guardians of the estate of a person as authorized by a court. As used herein, an organization shall include a corporation, trust, estate, partnership, association or any other legal or commercial entity. The term shall not include a lessee who previously occupied a rental unit and who is subleasing the unit for the remaining part of his or her lease.
- **Owner-Occupied Rental** means an owner-occupied rental property that is rented to the general public.
- **Person** means an individual, corporation, partnership or any other group acting as singular entity.
- **Premise** means a lot, plot or parcel of land, easement or public way, including any structure thereon.
- **Rental Property** means a structure with one (1) or more dwelling units which are leased for occupancy.

- **Rental Agreement** means all agreements, written or oral, and rules and regulations embodying the terms and conditions concerning the use and enjoyment of rented premises. It shall also include subleases.
- **Rent, rented or rental** means any payment made to an owner or an owner's agent pursuant to a rental agreement.
- **Rooming House** means a building arranged or occupied for lodging in which three (3) or more persons, whether individually or as a family are lodged, with or without meals, for compensation and not occupied as a one- or two-family dwelling.
- **Rooming Unit** means any room or group of rooms forming a single habitable unit occupied or intended to be occupied for sleeping, living, but not cooking purposes.

Word usage.

Words used herein but not specifically defined shall have the same meaning as defined in the current edition of the International Property Maintenance Code as adopted by the City of Presque Isle. Any words not defined herein or in the International Property Maintenance Code shall carry the common meaning as defined in the dictionary.

Meaning of certain words. Whenever the words "dwelling," "dwelling unit," "rooming house," "rooming unit," "premises," "structures" are used in this ordinance, they shall be construed as though they were followed by the words "or part thereof."

Be it ordained by the City Council of the City of Presque Isle as follows:

E. REGISTRATION OF NON-OWNER-OCCUPIED RENTALS:

This Ordinance requires every residential rental property (regardless of leasing terms) within the City of Presque Isle be registered with the Code Enforcement Office and inspected to ensure compliance with the minimum maintenance standards of Chapter 38C. Upon receiving an application for residential rental registration, the Code Enforcement Office shall place the property on the inspection list for future inspections as determined by this ordinance. There shall be an initial registration period in which Owners shall have twelve (12) months after the effective date of this ordinance to register all dwelling units located within or upon their premises with the Code Enforcement Office and comply with the provisions of this ordinance, together with other applicable code(s) and ordinance(s) of the City of Presque Isle.

Owners of residential rental dwelling units covered by this ordinance shall be available to respond to an emergency on a 24-hour per day basis. If the owner resides more than sixty (60) miles from the City's municipal limits, the owner, shall designate in writing to the Code Enforcement Office, a manager whom will be available to respond to an emergency on a 24-hour per day basis. If a manager is used, the owner shall provide the city with the name, mailing address, physical address of manager's office, if applicable, email address, and telephone number(s) of the local manager in addition to the owner's contact information. The manager shall have authority to act on behalf of the owner and shall accept service for all notices to be provided hereunder. The use of the word owner or manager herein shall be interchangeable.

After the initial registration period, it shall be unlawful for any owner, as defined herein, to lease or operate a rental property without registering it with the City's Code Enforcement Office and complying with the provisions of this ordinance, together with all other applicable code(s) and ordinance(s) of the city.

The registration of the rental dwelling shall not be considered a representation or warranty that the rental dwelling is in compliance with all the City of Presque Isle's adopted codes, ordinances, rules and regulations.

F. REGISTRATION REQUIREMENTS:

Residential rental registrations shall be filed with the Presque Isle Code Enforcement Office within the initial registration period. Any new residential rental units created after the initial registration period has expired, shall register such units within ninety (90) days after their being Leased for occupation. A residential rental registration shall be valid for the classification term outlined by this ordinance. By default, all registered units will be classified as “not rated” until its first inspection.

Owners shall provide updated information to the Code Enforcement Office upon a change in ownership, management, or number of dwelling units located in or upon a premises, by submitting a renewal of the residential rental registration. If there are no changes in ownership, management, or number of units, no registration renewal shall be required. There will be no cost to renew a rental registration for another term.

Revisions to the registration form(s) may be made by the Code Enforcement Office to keep the form relevant with useful data to aid in the city’s revitalization efforts. A summary of all changes or revisions to the application form(s) will be reported to the City Council under the manager’s report.

Residential rental registrations shall be submitted to the Code Enforcement Office within the initial registration period, and renewals within thirty (30) days of the changed status requiring renewal as outlined above, and shall include the following information:

1. Name, street/ mailing address, email address and telephone/cell number of the owner of the rental unit;
2. Name, street/ mailing address, email address, and telephone/cell number of the owner’s manager responsible for the management of the premises of the rental unit;
3. Legal address of the premises;

4. Number of units in each building within the rental dwelling;
5. Signed statement of owner and owner's manager indicating that he/she is aware of the City's Property Maintenance Code and Land Use and Development Code (density) and the legal ramifications for knowingly violating said codes;
6. Name, street/ mailing address, email address, and telephone/cell number of the registered agent, if the owner is a corporation; and
7. Name, street/ mailing address, email address, and telephone number of the mortgage holder(s), if there is a mortgage on the rental property.

G. TRANSFER OF OWNERSHIP:

Every Owner of a residential dwelling unit shall give notice, in writing, to the Code Enforcement Office within five (5) business days after having transferred or otherwise disposed of the legal control of any rental dwelling. Such notice shall include the property address of the transferred premises and the name and contact information of the person(s) succeeding to the Ownership or control of such rental dwelling. The new Owner shall have ten (10) business days after taking legal ownership to provide a residential rental registration to the Code Enforcement Office providing the information outlined in Section F above.

H. INSPECTIONS:

Both the interior and exterior of registered properties under this ordinance shall be periodically inspected by the Building Inspector as set forth herein. Only the portion of owner-occupied rental properties that are rented to the public shall be inspected.

1. **Establishment of randomized inspection.** At beginning of registration of rental properties, the Code Enforcement Office shall establish a schedule of periodic inspection of multi-unit, single-family, rooming houses, and duplex rental units to ensure compliance with this ordinance, as well as Chapter 38C and Chapter 16 of the City of Presque Isle Ordinance. These inspections shall be randomized citywide. A list of all properties to be inspected within the City shall be made available at the beginning of each year and communication to the owner and manager of the pending inspection rental property to schedule inspection dates. This list shall be available on the City of Presque Isle website.
2. **Future Inspection Frequency.** The inspection schedule for multi-unit, single-family, rooming houses, and duplex rental units shall be determined in randomized sampling by:
 - a. Inspection rating assigned to a particular building, pursuant to Assignment of Classifications.
3. This shall not preclude a tenant or neighbor complaint(s) about a particular rental unit, and/or as indicated by fire or police calls of exterior nuisance complaints about a structure. Any life safety complaint received will be considered an inspection request by the Code Enforcement Office and be placed on the list of inspected properties for that year regardless of classification.
4. Notice of inspection of rental units, pursuant to this section, shall be given in writing to each owner or manager of such rental unit, a minimum of thirty (30) calendar days prior to the inspection and shall be addressed to such owner or manager at the address provided for such owner or manager in the application to register the rental dwelling.
 - a. The owner or manager shall be responsible for notifying all the tenant(s) in the rental unit of the date and time of the inspection.

- b. The notice shall advise that objections to such inspection may be lodged by telephone, e-mail or in person at the City within five (5) business days of the scheduled inspection.
 - c. If any owner, manager, or occupant denies entry to a periodic inspection, no inspection of the rental unit shall be undertaken, and court action shall be initiated for an administrative search warrant issued by a court of competent jurisdiction, setting forth the general scope of the inspection.
 - d. Failure to reschedule an inspection or respond to a notice of inspection within five (5) business days shall be treated as agreement to the date and time of the proposed inspection. The owner shall be liable for the cost of re-inspection if the owner or his/her manager fails to provide access to the rental dwelling as scheduled. Failure to provide access as scheduled or rescheduled, shall also constitute a violation of this section.
 - e. The notice and warrant requirements of this subsection do not apply to inspections conducted pursuant to other parts of the City Codes.
 - f. The City of Presque Isle Code Enforcement Office shall develop a checklist to be used for inspection purposes to determine violations and code conformity with the International Property Maintenance Code, National Fire Protection Association, Life Safety Code, and Maine Uniform Building and Energy Codes for residential rental units. This checklist and later revisions must be approved by the Presque Isle City Council before being enforceable.
5. This shall not preclude an owner to request a voluntary inspection by the city to rate the rental property for the purposes of sale or transfer to a new owner. The City may charge a reasonable fee for expedited inspection requests that are done on a voluntary basis.

I. ASSIGNMENT OF CLASSIFICATIONS:

Upon completion of a rental property inspection, the property shall be classified by the Building Inspector according to the classification system set forth herein. The rental property will be considered classified as “not rated” until an inspection has occurred. However, an inspection shall not be necessary for designation as Class F in subsection (e).

Special Note: Classifications granted by the City under this ordinance should not be construed as an increase or decrease of assessed value for a property.

- a. **Class A.** Building has no violations of applicable city codes and is maintained in excellent condition. Building inspected as lower priority after five (5) years or thereafter if selected by random sampling. This includes new rental properties that have received a Certificate of Occupancy from the Code Enforcement Office.
- b. **Class B.** Building has minor violations of applicable city code(s) and the violation(s) less than five (5) do not pose an immediate threat or danger to the life, health and safety to the occupants of the building and do not require immediate correction, but is maintained in good condition, overall. Building inspected on three (3) years or thereafter if selected by random sampling.
- c. **Class C.** Building has violations of applicable city codes that are in excess of five (5) in numbers and/or that affect the overall livability of the building, but do not pose a threat or danger to the life, health or safety of the occupants of the building. Building inspection on a one (1) year or thereafter if selected by random sampling.
- e. **Class F.** Building has violations and is either unsafe, contains unsafe equipment, is unfit for human occupancy or is unlawful. Properties rated Class F are not in compliance with the rental registration ordinance, may

be condemned for habitation of deemed unsafe and shall not be occupied for rental. Violations leading to Class F designation are violations which:

1. Render the unit unsuitable for habitation according to the city's health, life, safety and/or property maintenance codes after notification and reasonable opportunity to remedy such violations; or
 2. Exhibit repeated and willful violations of the city's property maintenance code and Land Use and Development Code, including, but not limited to, occupancy requirements
- f. ***Not Rated.*** Building is registered with the City but has not received an inspection by the Code Enforcement Officer. Property will be inspected and rated when selected for the random inspection.

The Class F designation shall be withdrawn when the underlying violation(s) have been remedied and will be rated according to classification.

J. REGISTRATION & INSPECTION OF OWNER-OCCUPIED RENTALS

1. This Ordinance requires every owner-occupied rental property within the City of Presque Isle to be registered with the Code Enforcement Office and inspected to assure compliance with the minimum maintenance standards of Chapter 38C. All owner-occupied rental properties legally in existence on the effect date of this ordinance shall have twelve (12) months to register said property with the Code Enforcement Office and comply with the provisions of this ordinance, together with other applicable code(s) and ordinance(s) of the City of Presque Isle.
2. Every owner of an owner-occupied rental property covered by this ordinance shall live on site and be available to respond to an emergency on a 24-hour per day basis. The owner shall provide the city with the name, street/ mailing address, and telephone/ cell number and email address.

3. After the effective date of this ordinance, it shall be unlawful for any owner, as defined herein, to lease or operate an owner-occupied rental property without registering it with the City's Code Enforcement Office and complying with the provisions of this ordinance, together with all other applicable code(s) and ordinance(s) of the city.
4. The registration of the owner-occupied rental property shall not be considered a representation or warranty that the rental dwelling is in compliance with all the City of Presque Isle's adopted codes, ordinances, rules and regulations.
5. The Code Enforcement Office inspect owner-occupied rental properties throughout the city on a four (4) year basis or upon receiving a complaint. All properties will need to pass the inspection standards of the International Property Maintenance Code, National Fire Protection Association, Life Safety Code, and Maine Uniform Building and Energy Codes.

K. REGISTRATION RENEWAL FOR OWNER-OCCUPIED RENTALS:

Said registration shall be valid for four years. Renewal of the registration may be made by submitting the registration renewal form furnished by the Presque Isle Code Enforcement Office. There will be no cost to renew an owner-occupied rental registration for another term. In the event that the owner of the owner-occupied rental moves, said owner will notify the Code Enforcement Office and register as a non-owner-occupied rental property. Said properties will follow all rules for a non-owner occupied rental.

L. NOTICE OF NONCOMPLIANCE:

1. When the Code Enforcement Office or Building Inspector determines that a rental property has failed to register or allow for the inspection of a property as outlined in the Ordinance, the Code Enforcement Office shall issue a notice of noncompliance advising the Owner, or Manager that will set forth the alleged items must be corrected. This notice shall:

- a. Be in writing. (Initial contact may be by telephone or e-mail with a consent agreement reached and recorded with a copy sent to the owner or manager.
 - b. Describe the rental dwelling where the articles of noncompliance is alleged to exist or to have been committed.
 - c. Set forth the articles of noncompliance.
 - d. Provide 10 calendar days for the correction of any articles of noncompliance alleged.
 - e. Be served upon the owner, manager or occupant of the rental dwelling personally or by email, and mail to the last known place of residence of the owner or manager. If one or more persons to whom such notice is addressed cannot be found after diligent effort to do so, service may be made upon such person(s) by posting a notice in or about the rental dwelling or by causing such notice to be published in a newspaper of general circulation.
2. At the end of the period of time allowed for the correction of any articles of non-compliance alleged, the Code Enforcement Office shall follow through legal remedy through the court with jurisdiction.

M. FINES:

Any owner or manager in charge of a rental dwelling who has received a notice of noncompliance of this Ordinance and fails to take the necessary corrective actions shall, upon conviction thereof, be subject to pay a fine of not less than One Hundred Dollars (\$100.00) together with the cost of prosecution as set by the City. Each day of continued noncompliance shall constitute a separate offense.

The Code Enforcement Officer may refuse to register or may revoke the existing registration of any rental dwelling which falls within the provisions set forth as the basis of the Class F designation. In the event that the Code Enforcement Officer denies or revokes registration of a rental property, the tenants of the subject dwelling shall be informed by the City of the decision and of their need to obtain other housing. An owner, or the manager, may appeal a registration denial or revocation according to the guidelines set forth under Administrative Appeals.

N. AFFIRMATIVE DEFENSES:

- A. The following shall not be affirmative defenses to articles of noncompliance of this Ordinance:
 - 1. The owner or manager did not receive notice, provided that the City issued notice according to the provisions of this Ordinance; or
 - 2. The property was inspected and issued a classification indicative of the City's satisfaction with the state of the property at the time of said inspection.
- B. The following are affirmative defenses to articles of noncompliance of this Ordinance:
 - 1. Full correction of each and every article of noncompliance charged against the defendant;
 - 2. Articles of noncompliance has been caused by the current occupant(s) and the owner and/or manager has persuasive evidence in support of the defense; and

3. Current occupant(s) has refused entry to the owner or the manager to that part of the dwelling or dwelling unit after written legal notice to inspect has been given by the owner to the tenant to address the required correction, for the purpose of correcting the violation(s).

O. ADMINISTRATIVE APPEALS:

An owner, or manager, may appeal a registration denial or revocation to the Zoning Board of Appeals within twenty (20) calendar days of the date of written notice to such owner, or manager, of the denial or revocation of registration. The appeal must be in writing and state the reasons the owner or manager disagrees with the determination to deny registration of the reasons for the revocation. The Zoning Board of Appeals shall conduct a hearing and make a determination of whether the denial or revocation should be upheld. The hearing shall be scheduled during the next regularly scheduled meeting of the Zoning Board of Appeals. The hearing shall be recorded. The Zoning Board of Appeal shall make written findings of fact and issue a written decision which shall be promptly mailed to the owner or manager, if any.

P. CONFLICT WITH OTHER PROVISIONS

In any case where a provision of this Ordinance is found to be in conflict with a provisions of any, zoning, building, fire safety or health ordinance or code of the City of Presque Isle existing on the effective date of the Ordinance, the provision which establishes a higher standard for the promotion and protection of health and safety of the people shall prevail. In any case where provisions of this part is found to be in conflict with provisions of any other Ordinance of Code of the City of Presque Isle existing on the effective date of this part which establishes a lower standard for the promotion and protection of the health and safety of the people, the provisions of this part shall prevail, and such other Ordinance(s) or Code(s) are hereby declared and repealed to the extent that they may be found in conflict with this part.

That if any section, subsection, sentence, clause or phrase of this Ordinance is, for any reason, held to be unconstitutional, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council of the City of Presque Isle hereby declares that it would have passed this Ordinance, and each section, subsection,

clause or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses and phrases be declared unconstitutional.

Q. DATE OF EFFECT

That the City Clerk shall certify to the adoption of this Ordinance and cause the same to be published as required by law and this Ordinance shall take full force and effect after this date or final passage and approval.

R. SUNSET PROVISION

This Ordinance shall be in force for the term of four (4) years from its effective date noted. This Ordinance shall become null and void upon the expiration of four (4) years from said effective date: unless recommended and required by the City Council to remain effective prior to such expiration date.