

Minutes of the Ordinance Committee meeting
Sheffield Lake, Ohio
February 5, 2015

This regular meeting of the Ordinance Committee was held Thursday, February 5, 2015. Chairman Kovach called the meeting to order at 7:15 PM.

ROLL CALL OF MEMBERS:

Present: Kovach, Erdei, Mayor Bring
Absent: Councilman McCullough and Service Director Smith (excused)
Attending: Law Director Graves and Concern Citizens

MINUTES: January 8, 2015, *Motion by Erdei/Second by Kovach to accept the minutes with any corrections. Yeas All.

PRESENTATIONS: None.

CORRESPONDENCE: None.

OLD BUSINESS:

Industrial District – **None.**

Subdivision regulations – **None.**

Housing Study/CRA zone – **REMOVE.**

NEW BUSINESS:

Landlord/Renter; strengthening or create new code – accountability for current taxes/property maintenance, etc. – Law Director Graves advised where we stand right now under Chapter 1395.13 requires annual rental permits for multi-family dwellings and 1395.14 requires bi-annual rental permits for single family rental units. For example; should be filed at the Building Department – he read 1395, which includes requirements and fee schedule. 1395.16 – license suspension or revoke in violation of code. Chairman Kovach asked property maintenance is covered under pretty much what we have? Law Director Graves answered yes I think that is part of the application and it may be suspended or revoked and rental property falls under the code – single family residential units every 2 years would be inspected by the Building Department to ensure that they are meeting our current property code. Councilman Erdei advised so our code covers property maintenance issues, so what we are looking for are the landlords of those rentals who are getting behind on taxes. So we are trying to figure out how we can legally keep them from renting that property until they get paid up on their taxes. Especially for the schools, not much as for us as a community but for schools. The main thing is if they don't have taxes paid up current then they don't get to rent that property out period. Chairman Kovach asked what about properties that are not being rented but are bank owned or properties that are just owned and are behind on taxes. Law Director Graves stated the collection of property taxes is the County Auditor. I thought the discussion tonight was just in regards to the bi-annual rental license and basically/potentially add a current tax obligation as a

condition to doing business in the community, which is what we are licensing. Mayor Bring advised I don't know if any of you know but Mr. Smith did come back today and I did give him a direction of doing something other than what his regular job was. I asked him to compile a list, he is on a computer now and he is checking every house in the City of Sheffield Lake and checking on whether the taxes are paid and whether they are current on their water bills and whether the resident is the owner or rented and he is also getting a current phone number. So he started on that today and he is going to do the entire city. So we will know who is renting and who is not paying their and who is not paying their taxes. So that is what I have him doing right now and he started that this morning. Councilman Erdei asked is it up for discussion if the landlord wasn't paying his taxes, we could get the rent money actually from the tenant and put it into like an escrow account? Chairman Kovach stated I think really we could only go after accountability on taxes on the rental property itself in regards to the bi-annual inspection. Mayor Bring asked do we have to wait for the bi-annual inspection if we find like what we are doing right now, intermediately can we have an inspection on it without that? Law Director Graves advised the permit can be suspended or revoked at any time. We can add that as a condition that obviously the taxes are not being paid on that property that the rental license can be suspended. Councilman Erdei stated so we are not stepping on the county's toes by doing that. Chairman Kovach stated technically we would actually be doing part of their work if we were to push the issue for them to come current on their taxes and eliminate some of the back taxes. What was the dollar amount from the county? Mayor Bring answered for our part it is 1.2 million dollars. Law Director Graves was directed to draw up amendment to annual rental permits /sections 1395.15 and 1395.16. Mayor Bring added the other thing that Mr. Smith will do as soon as the weather warms up and that is he is going to do the property maintenance, he is going to go around and check each house and then if we find a violation we will go through our process. We are going to send a letter out and if we don't get a response then we will send a second letter out and then pursue fining the property owner. Chairman Kovach advised it is a pretty lengthy process and that is fine.

Charge back for after hour call-outs – Mayor Bring advised I would like to bring Pat Hastings to one of the meetings to give his thoughts and also tell you what has been going on so we all have a better idea of that. It is kind of hard for us to make a decision when we don't know what the full extent of it is and right now it is kind of tough because they have been really busy. I would like to bring him in and just talk to you guys a little bit about what has been going on and the process and how to move forward. Like I said we are going to have to be kind of careful on how we handle that one. Councilman Erdei asked take it to Worksession? Chairman Kovach advised that would be the best I think. Mayor Bring advised the issue is that we have had many call-outs lately. The first time the sewer plugs up, instead of calling a plumber they are automatically call the city. Nine times out of ten it is

after hours because when the people come home and they go to flush their toilet and it backs up. Well everybody has gone home and then they have to call Pat and they have to run out and check that. He goes through a process before he comes out and tells them it is here or is it there, what is going on. Then right away it is the city's fault. Well nine times out of ten, it is their own line and our guys are getting 3 to 4 hours of overtime every time that happens. Law Director Graves questioned if we could just make that charge-back policy? Mayor Bring advised I don't know, this is where we are at on this because the other day we had 5 call-outs and out of the 5 we had the same line twice and somebody flushed a towel down the first time in the bathroom which plugged up the sewer. Then somebody else flushed something else down there and obviously it was on purpose but that was in our line. We freed both of those but the other 3 phone calls that we had all three were the homeowners problem; 2 of those were rental properties and 1 was a homeowner problem. Out of those 3 those were their own lines but we paid 4 hour call-outs on each one of those lines – 12 hours of overtime at about \$75.00 to \$100.00 a hour. Chairman Kovach asked on those rental properties, were those the renters that called or were those the owners? Mayor Bring answered those were the renters. Councilman Erdei added they should have called the landlord first before they called the city, you would think. Mayor Bring advised they do not notify us that it is a rental property, they just our sewer is backed up, we need you to come out immediately our basement is flooding. When we go down there, it is their line that is plugged up. We are getting a lot of that, it is probably 75% of our calls are homeowner problems – the other 25% are ours. The problem is when we come out it is 4 hours overtime minimum. A lot of times the people have them there, they want to sit there and discuss it. Chairman Kovach advised we will refer that to Worksession. Mayor Bring advised David said he might be able to change the policy but I still would like to have Pat kind of explain to you guys also. Chairman Kovach concurred it would be the better idea so as all members would be aware when they get the calls. Mayor Bring explained some of the stuff that is actually going in our sewers is people that have abandoned houses that have lost them due to their back taxes and so on. A lot of times when they are leaving there they will throw whatever down there or flush it – we have found hammers, toys, you name it.

CITIZEN'S COMMENTARY:

Maria Georgievski, 3830 Walter Rd., North Olmsted 44070 stated in regards to the conversation this evening I did have a question for you. If you are going to consider preventing a landlord from doing business if they owe taxes until they get caught up. Are you also including all businesses in Sheffield Lake, like a restaurant or bar or something like that because you don't want to discriminate against one different business and the other. Do you already have that on the books? Mayor Bring answered we have annual inspections for all multi-family apartments. Mrs. Georgievski stated I mean commercial businesses because do you already for

example like a restaurant if they owe taxes, do you shut them down until they get caught up. Law Director Graves advised right now we don't shut anybody down, that is proposed. The other businesses have to meet the commercial property maintenance code as well. Mrs. Georgievski clarified if I understand you correctly that there was nothing to be included in amending the current ordinance that where a rental/property owner didn't pay property taxes and they were behind – there would be no effort in stopping them from renting out the property. You guys were talking about back taxes, did I understand you correctly that there would be an effort if there were back taxes that you may eventually make an effort to prevent that rental property owner from doing business until he got caught up. Law Director Graves answered the proposal would be to yes, to add the tax delinquency as a criteria to revoke or suspend a rental license or not issue a rental license in the first place which currently all rental property to get. Mrs. Georgievski continued so our you guys finding that there are commercial and when I say that I mean businesses, like again a restaurant or carpet shop – if they are behind what kind of effort are you guys making in revoking their license. Law Director Graves answered we don't really license those; the city doesn't license restaurants and retail establishments. If somebody wants to open a drug store, we don't license that. They have to meet the commercial property and maintenance code but we don't license those. Mrs. Georgievski stated do you see what I am getting at, you don't want to discriminate against one kind of business and not include all types of businesses if you are going to enforce that. Mayor Bring stated the problem is that we regulate the people coming in to do business with us with the rental properties and just like Mr. Graves said we don't regulate Rite Aids or Apples or stuff like that – they already have their business the state or however they file for. But if their codes or violations are not up to what ordinance are then yes we can fine them or whatever but rental properties is what I am seeing right now. I sat on the computer at homes and saw several properties that were just recently purchased and bought them and the taxes were not paid on them but also the property just sat there and nothing has been done with them. It is continuous thing that is going on and if you look at the back taxes of 1.2 million dollars people are seeing that and they are not paying it because the county is not going after them in a timely fashion. So these people come in and they buy these properties and they sit on them and then we have got an eyesore. The people next door – it is not right for them because they are sitting there vacant and there is vandalism; people coming in at night stealing the copper, the wiring and whatever. It is not good for our city, it is not good for any city so we are trying to figure out a way to make sure that these properties are viable and also the taxes are paid up for them. About one in every seven houses that we have in the City of Sheffield Lake right now is a rental property. I have got a lot of people that have been calling me and want something done so we are going to do whatever we possibly can to make sure that these people take care of the properties. I know you are from the Landlord Association, you would be in favor of that because you guys do a good job of taking

care of these properties. I had a gentleman call me today, he has 3 properties in the City of Sheffield Lake and he was concerned about that but he also asked me if I was going to go after the homeowners as far as property maintenance and I said absolutely. I said we can't go after them for the taxes because that is county's job. We are going to go after everybody with their property maintenance and everything else. We are trying to make the city look a little bit better which is what we are trying to do. Also these properties that continue to sit devalues the property around them and people that are trying to sell their homes or trying to fix their homes they don't want to do that because of the property next door. Chairman Kovach stated the main reason that we sat up this ordinance to begin with several years ago was more so to help make sure that the house you were renting from John Q Landlord was in good viable condition. Whereas if the taxes aren't up it is a good possibility that the house isn't being kept up either. We try to avoid that and it is just another tool to try and make the house better for the person that owns it and rents it rather than letting slum lords in that are just going to rent it to whoever they can for the most and do absolutely to it. So you get the idea of where we are coming from. As far as a business, in most cases they don't own property – they either rent the building and those are covered. Say like our shopping center, the whole thing is covered under the city. In most cases a developer owns that and would be held accountable for – if the taxes weren't up on something like that the county would probably act on it. That would be a much higher dollar than \$300 or \$3000, they would probably 20,000, 30,000 or 40,000 behind in taxes and that would be enforced by the county on that issue. We are trying to maintain and enhance all property values which is something as a landlord you would like to see the homes around wherever you have your properties kept up to a certain standard also. Mrs. Georgievski asked do you guys have a grip on how many of those properties where the taxes are delinquent, how many of them are vacant because I would imagine several of those are vacant. Mayor Bring answered that is what we are working on right now. Chairman Kovach advised what I suggest you do on that one is perhaps we give her Len's phone number and call him in about 30 days on that. Mayor Bring advised this is going to take some time. There was a brief discussion on information that is to be compiled. Mayor Bring advised the only way we catch these people now, people come in and buy a house – we don't know a lot of times that they fix it up and then rent it. Or they stay there for a minimum times and then they rent it out to somebody else or they let somebody stay there. We had 1 house over in the Irving Park area and there was probably a dozen people living in that and the only reason that we knew that is because there was a fire in the house and then all these people start running out of the house. We found beds, we found everything, so this is a process. With the Landlord Association I think you would be happy with this because I don't think this is going to affect you guys in any way at all because you are already doing a good job of taking care of things. This gentleman that called me today, he said I have 3 properties that are pristine and I am worried about the other guys. He told me I am

all for this. He actually called to thank us. Chairman Kovach stated to answer your question “do we have a grip on it” – not yet. Mrs. Georgievski stated I appreciate all your comments and I am glad to be here tonight, I hope that we can continue the conversation and put a collaborative effort to help Landlords be better Landlords through training. I know at the Lake Erie Landlord Association, we are really looking for a city to work with where we can put on classes like for example in Lakewood. They do that and naturally require Landlords to attend and we would be very open to working with Sheffield Lake and I hope to continue the conversation on that. Councilman Erdei stated the better looking the property and the higher the rent the more reliable the people are going to be. They are going to be a little bit more careful on damaging property if they are paying a higher dollar, it works both ways. Mrs. Georgievski stated the only thing the Landlord Association does not have unfortunately and most of them don’t do this is that there is just not enough of an effort to go after the tenants. There is a lot of effort going after the Landlords but some day hopefully we can move in that direction. Mayor Bring advised with good conditions the people that rent it are a higher standard people where they take care of things. We do have some properties here that they do the absolute minimum and they barely pass all our codes and then people are moving in, they move in with 1 or 2 people and then there are 7 cars there and you don’t know who is living there. That is part of the problem. Law Director Graves advised we do prosecute tenants, I am also the City Prosecutor and we prosecute people all the time for violations. When you look at real property maintenance issues, it is difficult to hold a tenant responsible for that. That is almost always the responsibility of the owner and that is where the burden is on the Landlord to enforce the provisions in their leases. You know you have got a tenant that is destroying your rental property, hopefully there is something in your lease to get the tenant out of there. Mrs. Georgievski advised there is but it is the way the Ohio code is written, it just doesn’t make it that easy to get them out fast enough. Mayor Bring advised I have 4 rental properties and I have gone through that process and it is very difficult. Basically I ended up paying for everything, it has costs me thousands of dollars several times when people have done that. It is an unfortunate thing and there is more of that going on right now than ever. Right now we are very concerned about our city because of what is going on and we are trying to make it better. This is one of the processes that we are trying to do. Mrs. Georgievski stated in the paper I read that there was discussion about increasing sanctions for Landlords that did not keep you their properties which can include stiffer fines and potential jail time? Mayor Bring advised I think that was put in the paper and we did discuss higher fines but I think right now the fine is \$500.00 for property maintenance violations. Chairman Kovach advised realistically any misdemeanor can but normally doesn’t carry jail time. Law Director Graves corrected no these are minor misdemeanors that do not carry any jail time. So any violations are minor misdemeanors and the penalty of violation of this is \$200.00 fine. Actually a minor misdemeanor is a \$150.00 fine – basically a \$100.00. Mayor

Bring advised we are talking about that, I think it was on one of the meetings. Law Director Graves advised we do have a section that we added a couple of years ago, well a year January 14th which makes it a crime for permitting a public nuisance. So that if you are a landlord and the property has become a public nuisance due to drug abuse going on, gambling, sexual offenses, repeated Police activity, assaults, domestic violence – that the Landlord could be held criminally responsible for permitting a public nuisance and that is a fourth degree misdemeanor – that is up to \$250.00 fine. It is Landlord or the occupant. Councilman Erdei asked do we have anything on the books, say like that meth lab house and who is getting charged and who is paying the bill for our response team and also the owner, is he liable to clean up that house? Law Director Graves explained the explosive materials used, extreme costs involved and prosecution of situation and unfortunately the taxpayers pay for that. Mayor Bring clarified in that particular case, he was not in the process of making anything so there were no chemicals that were actually opened. Law Director Graves advised of course there is forfeiture which the county would handle that. There was a brief discussion on similar cases throughout the County that are being dealt with now.

All ordinances before Council at this time:

Council#005 – EMERGENCY – a resolution authorizing the Mayor to enter into a lease agreement with Exclusive Balloons, LLC for the rental of unit#4114 of the Shoreway Shopping Center and the declaring of an emergency.

MEETING ADJOURNED: With no further business before this committee,

*Motion by Erdei/Second by Kovach to adjourn at 7:52 PM. Yeas All.

CLERK OF COMMITTEE AFFIRMATION:

This Meeting of the City Committee of the City of Sheffield Lake, Ohio, was held and conducted under all Rules and Regulations Governing the Sunshine Laws of the State of Ohio as they may apply. All meetings are recorded and available in Council's Office.

CLERK OF COUNCIL/COMMITTEES

Kay Fantauzzi

I, Kay Fantauzzi, duly appointed Clerk of Committee Of Sheffield Lake DO HEREBY CERTIFY that this Is a true and exact copy of the Minutes of the Ordinance Committee of February 5, 2015.

CHAIRMAN

Chairman Steve Kovach

COUNCIL PRESIDENT

Rick Rosso

and/or

COUNCIL PRO TEM

Alan Smith