

Residents First **Legislative Package**

*Supporting Cleveland residents and
revitalizing Cleveland's neighborhoods.*



CITY OF CLEVELAND
Mayor Justin M. Bibb

Residents First **Legislative Package**

At a Glance



Out-of-town investors must have an in-town agent who can't hide from the courts



Civil tickets and fines to address bad conditions and landlords who refuse to repair



Register vacant buildings, and inspect vacant 1-3 family homes

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Why It's Needed



Percentage of A and B graded properties dropped from 78% in 2015 to 54% in 2023



Over half of all vacant structures surveyed in 2023 were graded D or F



C-graded properties rose from 16% to 37%.



On the east side: 54% of 1-3 family sales went to non-owner occupants in 2021

On the west side: 24%.

Vacant Building **Crisis**

*"[V]acant, abandoned, and deteriorated properties reduce the value of surrounding properties, **leading to decreases in owners' equity and personal wealth.**"*

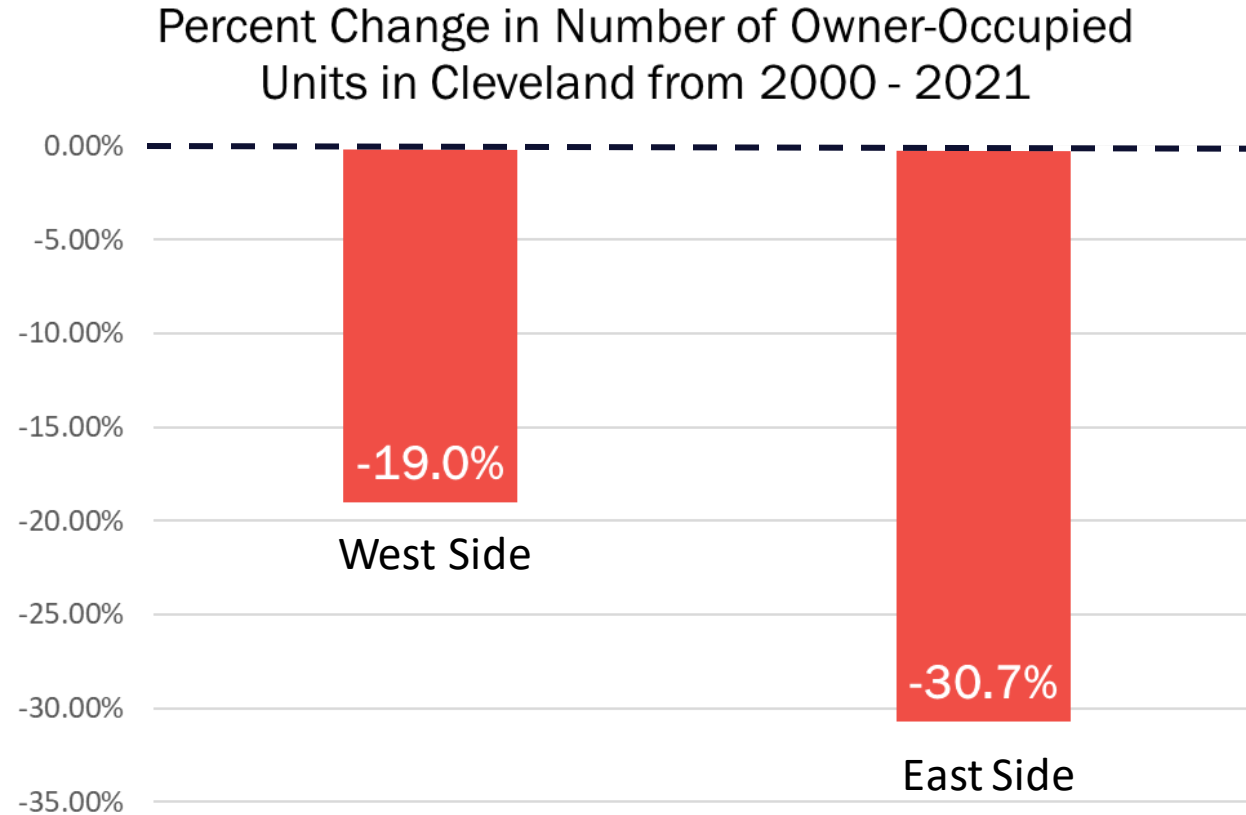
*"In Cleveland, Ohio, properties within 500 feet of a vacant, tax-delinquent, and foreclosed property **lost 9.4 percent of their value.**"*

"How Vacant and Abandoned Buildings Affect the Community," Center for Community Progress,
March 24, 2023



Vacancy + Foreclosure

Has led to steep decline in owner-occupancy, especially on the East side of Cleveland



Source: US Census, US American Community Survey (ACS) and NEO CANDO at Case Western Reserve University; Analysis prepared by Frank Ford, Senior Policy Advisor, Fair Housing Center for Rights and Research, 2023.

Local Agent In Charge

Establishing responsibility and accountability mechanisms for property owners of Cleveland structures who do not reside in the area.



All non-owner-occupied units need to identify a Local Agent in Charge (LAIC).



If a property owner is located outside of Cuyahoga County or a contiguous county, their LAIC must be a human being who resides in Cuyahoga County.



The LAIC is legally responsible for the condition of the property, just like the owner.



For enforcement, the City focuses on the owner first. The owner indemnifies (legally pledges to make whole) the LAIC for any actions the City takes against the LAIC.

Civil Tickets

Establishes legal authority for inspectors to issue civil tickets for nuisances. Becomes a new, powerful tool in the code enforcement toolbox.

Unpaid tickets will be assessed to the property tax duplicate.

- Allows for the issuance of a \$200 fine per infraction. Assessed to tax duplicate if unpaid. \$50 fee for late payments.
- Tickets include specific violations of multiple codes: Building & Housing, Zoning, Fire, Health, etc.
- Health and Fire inspectors also empowered to issue civil tickets when they see infractions.
- Similar process currently utilized by Public Works to address trash cans
- Owners with hardships may appeal tickets within 30 days.
- First appeal is to the Director. If denied, they may appeal to Board of Building Standards and Building Appeals.



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Civil Tickets

Includes numerous nuisance issues, and will more quickly address nuisance properties.

Rubbish and Garbage Disposal

Infestation of Pests

Smoke Detection and Alarm Systems

Maintenance of Exterior Walls and Roof

Lead-Safe Certification Requirements

Portable Storage Containers

Sanitation Responsibilities

Graffiti Removal

Registry Overhaul



Revising and supplementing the City's existing rental registration process



Establishing a new vacant building registry



Eliminating loopholes in registrations and in the Certificate of Disclosure



Holds housing stock to a higher standard to improve rental conditions for tenants as well as property values for owner-occupiers.

RENTAL REGISTRY: Do you own non-owner-occupied property in the City of Cleveland?

Step 1:

Register Your Unit as a Non-Owner-Occupied Residential Unit

- Property Address
- Owner Identity
- Identify Local Agent in Charge

Step 2:

Apply for certificate Approving Rental Occupancy

- Correction of Lead Hazard Control Orders
- 4+ units: HVAC examined by licensed professional
- Lead Safe Certificate
- 4+ units: Up to date on utilities (water, electric, gas if owner paid)
- Up to date on property taxes
- Compliance with any Notices of Violation



Steps 1 and 2
INCOMPLETE:
*ILLEGAL to rent
this unit*



Steps 1 and 2
COMPLETED:
*APPROVED for
rental occupancy*

YES

VACANT REGISTRY: Do you own a vacant building in the City of Cleveland?

YES

Step 1:

Submit Vacant Building Registration annually or until not vacant



Property Address



Owner Identity



Identify Local Agent in Charge



Requires basic upkeep (roof, graffiti, weather)



City inspection required for transfer (sale)

Step 2: Residential Buildings

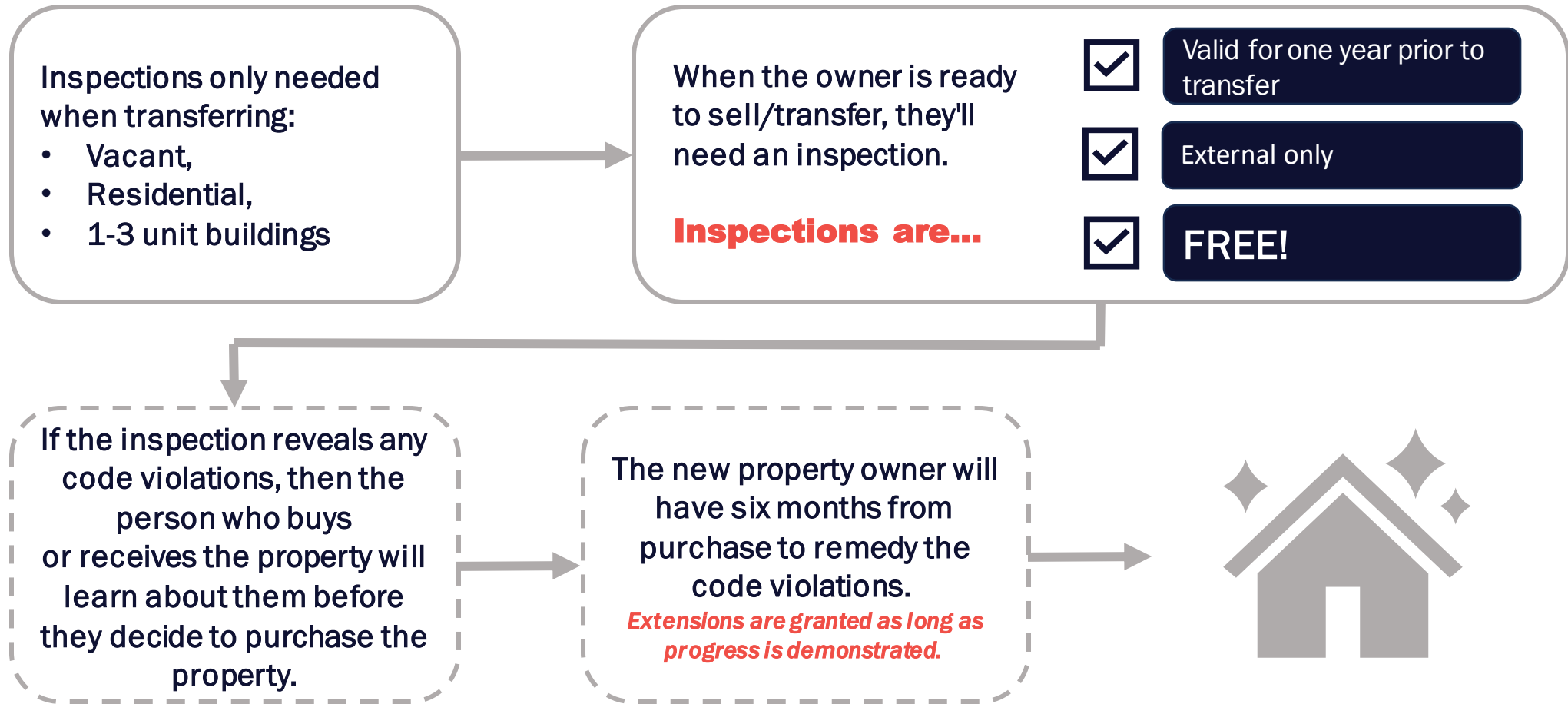
If the pre-transfer inspection found violations, then the buyer has a 6-month window to make code corrections.

Extensions provided when progress is demonstrated

Step 2: Non-Residential Buildings

- No bond needed if no code violations, no board-ups, and no valid complaints over past 3 years.
- No bond needed if under active repair.
- Otherwise, a cash bond is needed:
 - \$5,000 for $\leq 10,000$ sq ft
 - \$15,000 for $> 10,000$ sq ft

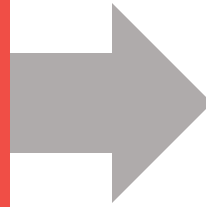
EXTERIOR INSPECTIONS: for Transferring Residential Vacant Buildings with 1-3 Units



Certificate of **Disclosure**

Current State

- Different processes for disclosing issues with small parcels (1-4 units) vs. large parcels (5 units and above)
- Creates confusion
- Does not disclose code violations on larger (5 unit and above) buildings—only discloses eligible property use
- No prosecution for non-compliance for 5+ units



Future State

- Merges Certificate of Disclosure requirements with Statement of Authorized Use into one process
- Minimizes loopholes
- All parcels transferred must provide property condition disclosures and zoning information to buyers uniformly prior to transfer
- Will allow for more aggressive prosecution of negligent landlords

Bottom Line: *These changes protect transferees who will now have information disclosed about their property, no matter the size of the property.*

Inspecting **Parking Garages**

*Follows same process
as the façade
ordinance.*

Inspections will...

- Occur every five years
- Require an inspection report to be submitted to the Director
- Require Notice of Unsafe Condition
- If satisfactory and in safe condition, owners will receive a parking garage certificate

Tall Grass

For tall grass (8") or noxious weeds:

- Post one notice at a property and, if not abated in 72 hours, City may abate that property for the rest of the season without needing to post again
- Residents can appeal their abatement status to Director and BBS.
- Health inspectors now have equivalent authority over grass.

Consistency & Clarification

Adjusts our existing ordinances to promote clarity among departments, consistency in our issuance of citations, and continuity of legal language.

Building, Housing, Zoning, Health, Fire, and Sidewalks Code

- Updating for consistency for service of a nuisance Notice of Violation & providing for service at reasonable address.
- Updating for consistency in making a nuisance violation a first-degree misdemeanor, with each day of violation a separate offense.
- Updating for consistency for who at the City is authorized to make inspections.
- Clarifying procedures and expectations for inspectors to request a search warrant from a judge.

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Vacant Building Inspections

Case Study | Tremont

Fire damage not repaired by owner; sold to out-of-state investor

August 11, 2020



From Twitter, [@ClevelandFire](#)

Vacant Building Inspections

Case Study | Tremont

If Residents First Had Been the Law in 2020: *Vacant Building Registry*

- The property would register as a Vacant Building.
- Vacant registry requires identifying a LAIC—someone we can haul into court for violations.
- Code violations would also be subject to Civil Tickets—no court needed.
- Before owner could sell to out-of-state purchaser, City would require an inspection.
- New buyer would assume all violations and be required to make repairs within 6 months of purchase.

Questions?



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