

MEMORANDUM

December 12, 2013

TO: Property Maintenance Code Advisory Group
FROM: Ken Gibb, Community Development Director
RE: December 17 meeting packet

During your December 17 meeting we will plan to wrap up the work of the Advisory Group by providing and discussing updated information based on input we have received from you relative to the Property Maintenance Code's content, implementation protocols, approach to education and outreach, and the program budget. I believe these adjustments are significant, and we appreciate the discussion and feedback we've received from the Advisory Group. It has been very valuable for us.

We are attaching several pieces of information for your review and further discussion:

1. Organization charts of the current Corvallis Housing Division and the projected Housing and Neighborhood Services Division;
2. An update of the PMC operating protocols outline;
3. A revised outline of anticipated outreach and education efforts and tools;
4. An updated program budget; and
5. A list of PMC standards being considered for revision relative to the International Code Council's model International Property Maintenance Code.

During past meetings there has been brief discussion of staff's planned approach to PMC program reporting. At this time we anticipate providing reports at least annually to the City Council, or to one of the three Council committees as the Council directs. We would anticipate those reports to cover PMC statistics (complaints/compliance actions) as well as narrative outlines covering implementation issues, program effectiveness, and outreach and education efforts.

Please note that the December 17 meeting will again be held in the Corvallis Benton County Public Library main meeting room, located at 645 NW Monroe. As we mentioned last meeting, we will plan for the meeting to run until 6:30, and hope that still works for everyone.

Finally, a few of you have provided us with e-mail comments since the last meeting, as have members of the public. Copies of those e-mails are included at the end of your packet.

We look forward to seeing you next week.

**CITY OF CORVALLIS
PROPERTY MAINTENANCE CODE ADVISORY GROUP
MEETING AGENDA**

4:00 p.m.

Tuesday, December 17, 2013

Corvallis/Benton County Public Library Main Meeting Room
645 NW Monroe Avenue

- I. Visitor comments (up to 10 minutes)
- II. Review November 12, 2013 meeting notes
- III. Housing and Neighborhood Services Division reorganization chart
- IV. Updated outreach and education program approaches and tools
- V. Updated program budget
- VI. Updated PMC operating protocols
- VII. Outline of changes/additions/deletions relative to model International Property Maintenance Code
- VIII. Next steps
- IX. Other business
- X. Visitor comments (if time allows)
- XI. Adjourn

City of Corvallis
Property Maintenance Code Advisory Group
Notes for the meeting of November 12, 2013

Meeting time: 4:00 p.m. Location: Corvallis Library Main Meeting Room, 645 NW Monroe Avenue

Members present: Allie Bircher, Amy Harding, Charlyn Ellis, Jerry Duerksen, Karen Levy Keon, Kari King, Ken Gibb

Members absent: Rachel Ulrich

Staff present: Dan Carlson, Chris Westfall, Kent Weiss

- I. Visitor comments – None to begin the meeting; visitor comments were offered prior to meeting close (see VII. below).
- II. Chair Gibb asked for comments or corrections regarding the October 29, 2013 Advisory Group meeting notes. None were offered.
- III. Overview of anticipated Property Maintenance Code Compliance and Neighborhood Outreach/Education program budget and staffing. Gibb noted that the session would begin with a staffing and budget overview of the proposed Property Maintenance Code Compliance and Neighborhood Outreach/Education program, followed by a continued discussion of the remaining priority issues Advisory Group members had identified in advance of the October 29 meeting. He introduced Housing Division Manager Weiss to provide an outline of a draft budget for the PMC Compliance and Neighborhood Outreach/Education program.

Weiss began by noting that his budget overview would attempt to address two of the remaining Advisory Group priority issues – program costs and how to pay them, and the City’s capacity to act in the role of “first responder” for the proposed code compliance portion of the program. He referred to a draft budget handout, explaining that it reflects two full-time staff assigned to code compliance work, one full-time staff for the community, neighborhood, and landlord/tenant outreach and education element, and pieces of four other staff positions for administration and program oversight which add up to just under one FTE, bringing the total for the program to roughly four FTE. The total projected budget for personnel costs is \$400,000. Non-personnel costs would include a projected \$78,000 for costs of operation (overhead, materials, vehicle and equipment operations and reserves, supplies, training, etc.); \$10,000 for an abatement reserve fund (to provide funds for boarding up and/or demolishing dangerous buildings); \$30,000 for casual code compliance staff (part-time, on-call staff that would be utilized to help manage workflows in times of higher service demand); and \$10,000 for re-initiating the Neighborhood Empowerment Program, which would only occur if a specific future request to the City Council to fund that program is approved.

Weiss referred back to the expenditures just summarized, noting that staff feel they will be able to operate effectively with that budget in the “first responder” role that the Advisory Group has identified by 1) implementing the operating protocols discussed during the Group’s October 23 meeting, in which a scaled approach to complaint responses was described; and 2) making efficient use of casual employees to balance compliance capacity with demand. Weiss then identified a set of projected first-year, one-time expenditures for a vehicle, computer equipment, phones, and office setup that would be incurred, but for which no funding source has yet been identified. The projected amount, \$42,000, might be covered through a one-time surcharge on program fees,

through a direct allocation of funds by the City Council, through a combination of those sources, or through some other means.

Turning to the sources (revenues) portion of the draft program budget, Weiss explained that in line with City Council direction to staff for approaching program funding, a combination of General Fund (property tax) and fee-based resources is being identified. The \$130,000 in General Fund funding currently directed to Code Enforcement in Development Services would be applied to the PMC budget; an additional \$37,000 in recently-approved five-year levy funding for code enforcement would also be applied. The \$10,000 reflected in the budget for the Neighborhood Empowerment Program is being proposed for funding by the City Council. The balance of funding needed to cover expenditures, approximately \$351,000, would be generated through application of a fee assessed on rental properties much like the current Rental Housing Program fee. To cover the \$351,000, the fee would increase from the current level of \$12 per unit to a projected level of \$30 per unit. Weiss noted that earlier projections had estimated this number at \$35 per unit. This projection presumes the definition of "unit" remains unchanged, and is based on an estimated 13,000 units and a collection rate of 90%. Weiss closed, noting that in this funding projection, 34% of program costs would be borne by property taxes, and the remaining 66% would be supported by fees on rental units.

Amy asked why fees would apply only to rental properties if all properties would be covered by the Property Maintenance Code. Gibb explained that the balance between property tax support and unit fee support ties roughly back to the recent average of approximately 70% of code enforcement actions occurring in rental properties, and 30% in owner-occupied or non-residential properties. Amy asked what would happen with fees if the demand for code compliance remains flat or declines; Gibb answered that staff will plan to evaluate program costs prior to proposing an increase for City Council approval.

Jerry asked whether the current Rental Housing Program (RHP) provides reports on a periodic basis. Weiss responded that the Housing Division provides annual reports on the RHP to the City's Human Services Committee, which is a City Council subcommittee. Jerry suggested that reports on the Property Maintenance Code be similarly provided going forward.

Karen asked whether the budget includes progressive financial penalties that might be charged for repeated violations of the PMC. Gibb responded that the budget does not include those revenues. Staff are still discussing how civil penalties will be assessed; he cautioned that staff would be reluctant to show significant funding coming from this source, given that the program's goal will be to achieve compliance, not assess fines, and that experience in this area will be needed to get a better sense of how much revenue will be generated through fines/civil penalties.

Kari asked how many units are currently being billed through the Rental Housing Program. Weiss responded that approximately 13,000 units were billed for FY 13-14. In response to Kari's observation that the increasing number of rental units should be generating increased revenues, Weiss agreed, noting that this has helped offset the need for more frequent or larger increases in the Rental Housing Program fee. Kari asked about the basis for the current fee. Weiss responded that it is based on the presence of rental agreements, with fees charged to owners based on the number of agreements they hold versus some other means such as the number of bedrooms in a unit. He noted that Amy had made an earlier suggestion that the fee be based on numbers of bedrooms; Amy added that she had suggested this as one potential approach, another would be to assess the fee on a square footage basis.

Kari asked if units with HUD Section 8 tenants are still exempted from paying the RHP fee. Weiss responded that they are, as are units that have long-term commitments to providing low income/affordable housing. Kari suggested that because of the amount of time it must take to track units with Section 8 assistance, the City might look at ending the fee exemption. She then asked when the new fee is expected to be in place. Weiss responded that at this point it will most likely be put in place next fiscal year, and that the same or a similar billing cycle to that used for the RHP fee will be applied.

Discussion returned to the idea of changing the fee calculation from a per unit basis to a per bedroom basis. Amy, Jerry and Charlyn agreed this approach would be fairer and more logical. Jerry asked Weiss how many rental bedrooms there are in the City. Weiss said he is not sure, but would estimate, at an average of about three bedrooms per unit, there would be roughly 39,000. Using this number as the basis for billing would lower the annual cost for smaller units, and increase the cost for larger units. Weiss also stated that while the City has a good deal of data to determine numbers of bedrooms in units, it is incomplete and sometimes inaccurate. Jerry suggested that property managers could help improve the accuracy as they receive and process billings. Amy suggested that the City consider applying a cap to the total per unit billing amount.

Gibb summarized the conversation on billing, noting that it appears there is consensus that moving to a per bedroom basis is favored over the current per unit basis; he also reiterated that staff providing regular reports on the PMC's activities and effectiveness will be important. Karen noted that the Advisory Group has identified that data tracking and reporting will be important for evaluating success and needs for modifications. She suggested that tools 1) to monitor that the balance of funding to program costs remains appropriate, 2) to measure the impacts of the program, and 3) to provide dashboard indicators, be developed. Gibb agreed that these would be helpful, and noted that future survey work might also help evaluate effectiveness.

Amy asked for clarification of the costs for staffing and operating the new program. Weiss stated that the total projected personnel cost is \$400,000, and non-personnel costs add another \$128,000, for a total of \$528,000. Two existing staff members (Housing Program Specialist Loewen and Code Enforcement Supervisor Westfall) would move into the PMC/neighborhood outreach program. Westfall would focus on code compliance work, Loewen would focus on neighborhood outreach and education work. One new staff person would be hired to perform code compliance work. Portions of time spent by four other existing support/administrative staff would also continue, and would be borne by the program. Added up, the total FTE will be just under four. Funding supporting the two current staff and their program costs will transfer into the PMC program: roughly \$140,000 from the Rental Housing Program (the amount generated by the current \$12 per unit annual fee at a 90% collection rate), and \$130,000 in General Fund support from Code Enforcement. After applying the resulting \$270,000, the balance to get to \$528,000 is \$258,000, to be filled by new resources. This gap would be covered through the addition of \$37,000 in General Fund resources from the five-year levy, \$10,000 from a to-be-requested City Council allocation for Neighborhood Empowerment, and through the marginal increase in the annual per rental unit fee which would go from \$12 per unit to \$30 per unit (using the current basis of calculation). After applying the \$37,000 in levy funding and \$10,000 in Council funding for Neighborhood Empowerment to the \$258,000 gap, the balance is \$211,000; the \$18 per unit increase in the annual per unit fee (from \$12 to \$30), multiplied by 13,000 units (and then reduced to a presumed 90% collection rate), provides that \$211,000.

IV. Continued discussion of prioritized issues related to Corvallis Property Maintenance Code content, standards and applicability. After confirming Advisory Group understanding of the proposed program budget, Gibb turned to a discussion of the remaining priority PMC issues. He noted that an October 29 Advisory Group discussion regarding responsibilities for contracting for garbage service had not reached consensus, and that staff have spent more time discussing the issue. Weiss reminded the group that an area of concern was a proposed requirement that landlords both provide approved garbage containers, and contract with Republic Services for the removal of garbage. As discussed the tenant would be responsible for placing garbage in the approved/ provided containers. He suggested that staff would be comfortable with an approach that would not require the landlord to contract for garbage removal services as long as the Code is clear that in the end, if it is not removed as required, the landlord will be responsible. Westfall clarified that the model International Property Maintenance Code, as written, does not specifically require contracting for garbage service, but that it does require the landlord/property owner to provide approved containers and ensure that garbage is removed. Given this, there would be flexibility to allow landlords to write their leases such that tenants must contract for garbage service.

Kari asked for clarification about approved containers, stating that the only containers Republic Services will empty are the ones they provide. Westfall pointed out that if an owner or tenant does not want to contract with Republic, they currently may remove garbage themselves, in support of which the Code could be modified to define "approved containers" relatively broadly. Gibb suggested that Code language could be written to require landlords to provide approved containers, or require in their leases that tenants contract for garbage removal service. Kari supported this compromise. Amy pointed out that nearly half of the complaints the City receives through its code enforcement services deal with garbage. She has concern that if an owner is not required to contract for removal service, a tenant will choose to stop service and garbage will build up and become a problem. Westfall stated that in such cases it would ultimately be the landlord's responsibility to remove the garbage if the tenant failed to do so. Charlyn pointed out that the current system does not prevent garbage accumulation, and that is a serious issue in her neighborhood. Amy agreed, noting that garbage may often sit for weeks after a complaint is filed, before it gets removed. If the landlord is required to contract for removal services this problem could be resolved more quickly.

Gibb summarized that it appears there is Advisory Group consensus that the owner/property manager of a rental should ultimately be responsible for the removal of garbage, but no consensus on whether owners/managers should be required to contract for garbage removal service. He stated that staff will continue to work on this and bring a summary recommendation to the December 17 Advisory Group meeting.

Weiss summarized the status of discussion on the first two of the Advisory Group's four remaining priority Code issues on the list attached to the meeting packet: the program budget and staffing, and the City's "first responder" capacity. He asked for any further questions on budget or staffing, and there were none. He reiterated that the City will use a measured response approach to deal with Code complaints under which only more severe cases will receive immediate, in-person responses. Less severe cases may receive a letter that provides the appropriate Code standard and direction to address the violation in line with that standard. Capacity to respond will also be achieved through the use of temporary/casual employees as demand for code compliance services increases. Finally, he stated that staff anticipate and acknowledge that there will be a period of time after the new Code is implemented when numbers of complaints will exceed the City's capacity to

address them, but that there is an expectation that by applying the two remedies above and allowing time to catch up, the City should be able to overcome large/long term backlogs.

Gibb began a discussion of the final two PMC priority items, reminding the Advisory Group that the model PMC covers all properties, including owner and renter residential properties, commercial and industrial properties, and vacant property. He asked Westfall to circulate a handout containing photographs of owner-occupied residential properties and other property types with severe condition issues. Westfall provided an overview of the photos, noting that in most cases the City had no Code tool to arrest the deterioration of the properties, and instead had to wait until they reached a point of failure to apply the Dangerous Building Code. Amy asked if deterioration may result from an owner's inability to afford repairs, or from other issues such as mental illness. Westfall agreed this is sometimes the case, and that owner abandonment is also a common cause for deterioration. He suggested that the PMC will help the City move in more quickly in the future to address issues, and to connect owners with assistance resources where that is possible. Amy agreed that early intervention would be helpful.

Amy asked about a picture of peeling paint on a commercial building, and why the Code should find that to be a problem. Westfall pointed out that the paint in the picture contained lead, and as it deteriorated and peeled it caused a lead hazard on the sidewalk below. In response to Amy's question he clarified that interim repair measures could be applied in cases like these if a longer-term, more thorough plan to address the deterioration is in place. This approach would apply whether or not lead is/may be present in the paint.

Gibb stated that he hoped the protocols discussion during a previous Advisory Group meeting had helped demonstrate that staff will apply a reasonable approach to its code compliance efforts in determining how to pursue violations. Staff will look to elected officials to provide overall guidance on these matters. Kari agreed that having better tools to address serious problems is important, but expressed concern that there are minor issues staff could choose to pursue aggressively but inappropriately. Weiss reiterated that the current approach would address health and life safety issues aggressively, but that less aggressive tools (e.g., letters to property owners) would be used for minor issues. Amy also has concerns that the Code will be used inappropriately by people who want to use it to harass a neighbor they don't get along with. Westfall stated that he sees these instances on occasion, and while he would plan to send compliance letters in such cases, he would also provide resources related to mediation if it seems warranted.

In response to Kari's restatement of concern about minor compliance issues being contained in the Code, Westfall pointed to the Administrative Provisions of the Code, under which the Code Official has the ability to use professional judgment in their approach to gaining compliance, and that when conditions are not unsafe, alternative approaches to compliance may be approved. Kari stated that she still feels there are areas of the Code that should be softened.

V. Next steps. Gibb stated that staff will consider the Advisory Group's discussion and consensus items related to the PMC and neighborhood outreach/education program, and will plan to bring a general outline of the program, including provisions and implementation protocols, back for the Advisory Group's final meeting on December 17. Following that meeting, staff will again consider the input of the group as it prepares materials to bring forward for consideration by the City Council.

VI. Other business. There was no other business.

VII. Visitor comments. Debra Weaver stated concern about City staff entering owner-occupied homes to perform inspections of permitted work and then going beyond the scope of those inspections to identify Property Maintenance Code violations. Gibb noted that the program's protocols have been written to limit the likelihood of that occurring in cases other than those in which life safety issues exist.

John Wydronek recommended that the Code not include minor violation issues. He stated that he would like the Code to include progressive fines for repeat violations/violators. He opined that there may be legal issues for the City if the Code is applied differently among property types. He asked for a clearer explanation of the PMC/neighborhood outreach program's budget, and stated his opposition to the program's inclusion of the Neighborhood Empowerment program. Gibb noted that Neighborhood Empowerment would be an add-on that if included, would be funded with resources provided by the City Council, not through the per-rental unit fee. Wydronek then stated his opposition to including supervisory code compliance staff, and to a one-FTE neighborhood liaison position, noting that he does not feel the proposed staffing is justified.

Tom Jensen stated support for applying the Code's standards to both renter- and owner-occupied properties. He feels owners should also be charged to support the program. He expressed concern that where expensive repairs are required, people may be priced out of their homes.

VIII. Adjournment. The meeting was adjourned at 6:38 p.m.

Notes relative to items III., IV. and V. of the December 17, 2013 Property Maintenance Code Advisory Group meeting agenda

Item III. – Housing and Neighborhood Services Division reorganization chart

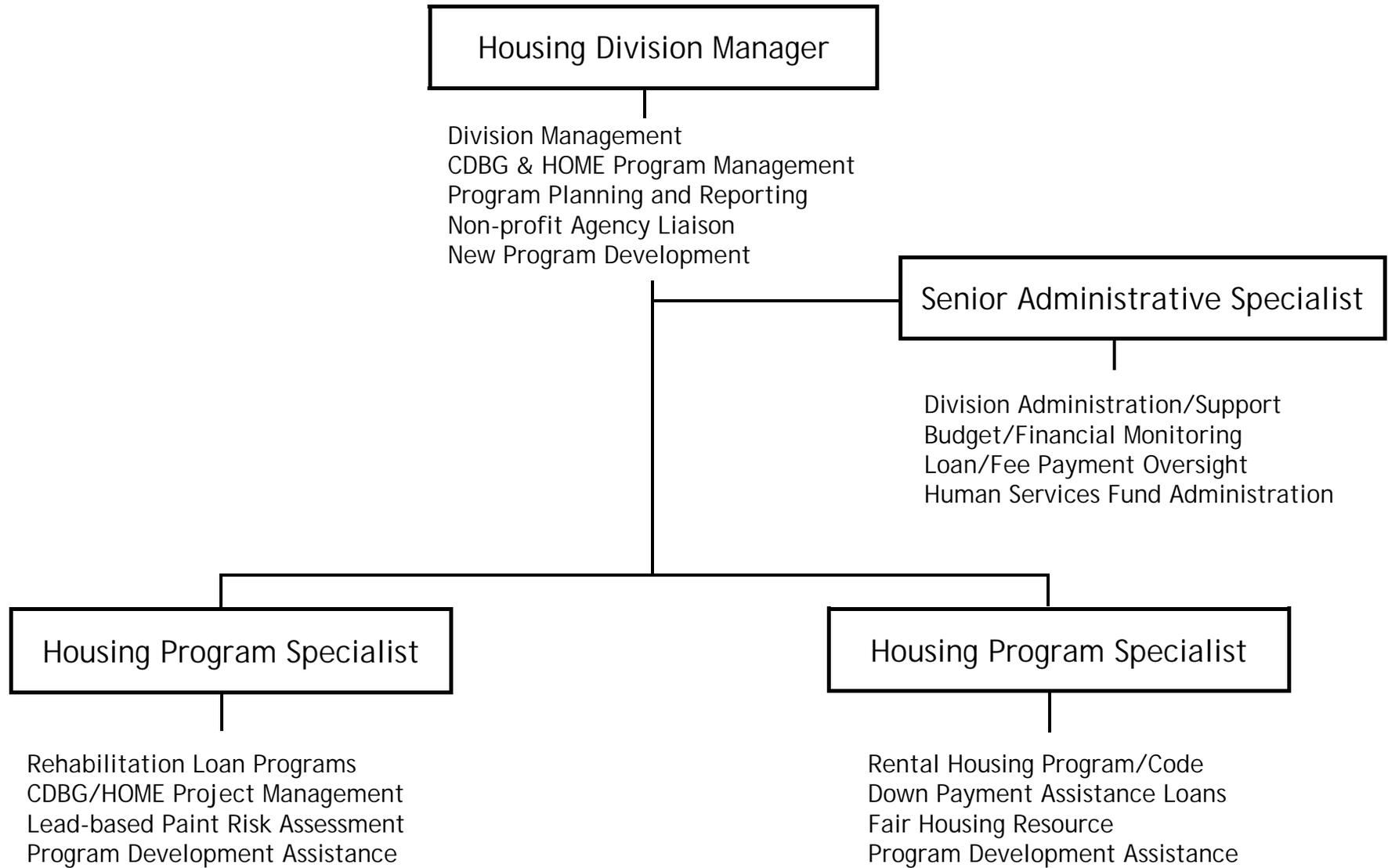
Item IV. – Updated outreach and education program approaches and tools

As recommended by the Collaboration Corvallis Livability Work Group, in conjunction with the implementation of the Corvallis Property Maintenance Code the City intends to implement a broader, more proactive approach to neighborhood and community outreach and education, landlord and tenant relations and education, and collaboration with Oregon State University, neighborhood associations, and other community and City organizational interests. To carry this out, staff envision restructuring the Community Development Department's current Housing Division to reflect the expansion of its role in both code compliance activities, and in neighborhood, community and landlord/tenant outreach and education efforts. With these changes the current Housing Division will become the Housing and Neighborhood Services Division. Organizational charts that reflect the current and proposed Division structures follow, as does an updated outline of staff's currently-proposed approach to conducting neighborhood and community outreach and education efforts.

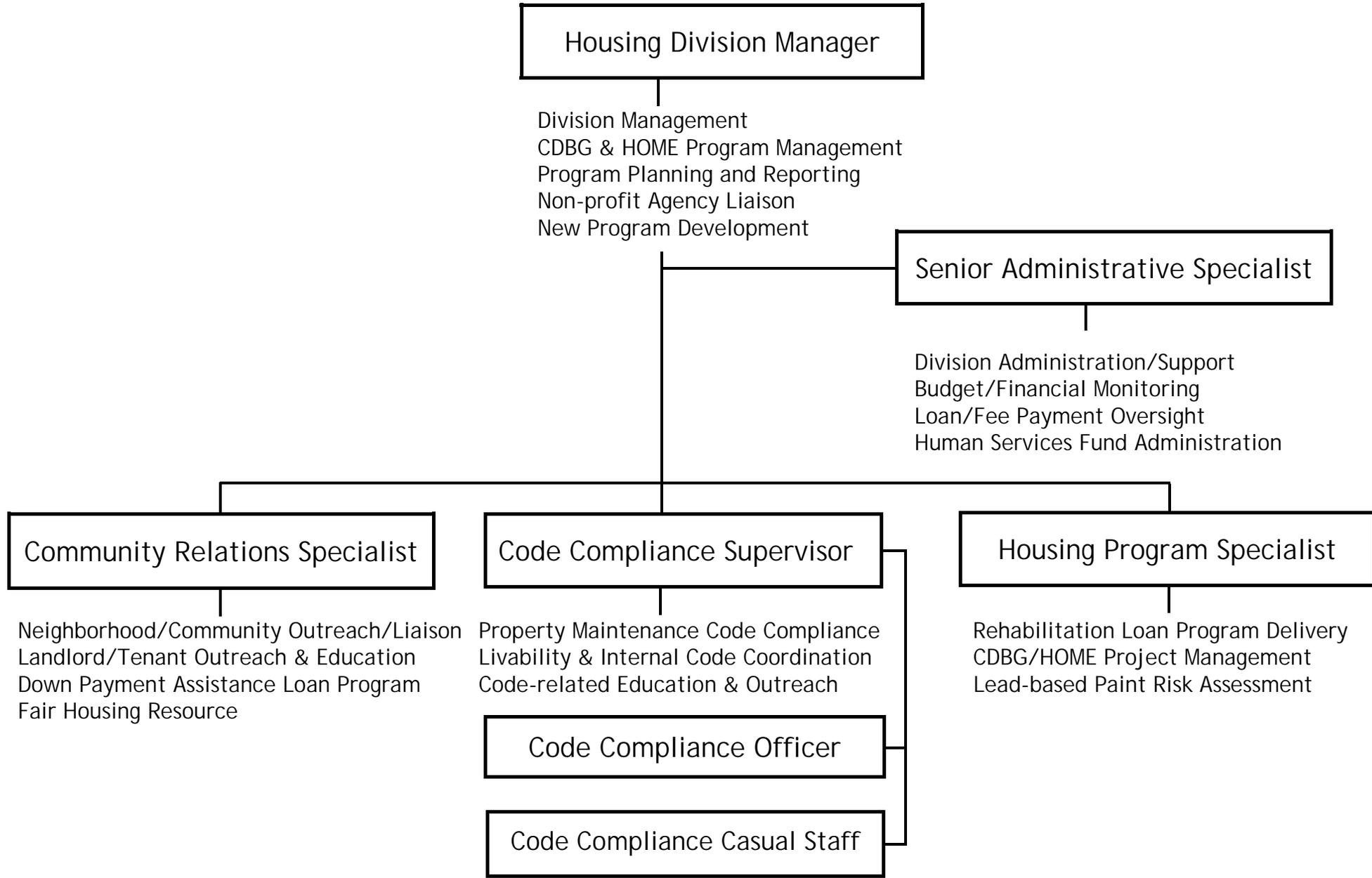
Item V. – Updated program budget

During the Advisory Group's November 12 meeting a suggestion was made that the City consider applying the fee that will be charged to rental properties to support the expanded code compliance and neighborhood services efforts on a per-bedroom basis, rather than on a per-unit basis. The budget contained in this meeting packet includes a new column in the lower right portion of the page that reflects a fee calculated on the estimated 26,000 bedrooms that exist in rental units in Corvallis. The per-bedroom fee that would result from this approach would be \$15. Upon further internal discussion, staff have reservations about this approach based on concerns about impact and equitability, and will be prepared to discuss our perspectives with the Advisory Group in more detail on December 17.

Housing Division Organization Chart - FY 13-14 (Current) Structure/Functions



Proposed Housing and Neighborhood Services Division Organizational Structure/Functions



***Property Maintenance Code/Neighborhood/Community Outreach and Education Outline
(revised December 12, 2013)***

- I. Current/ongoing outreach activities
 - Property management/landlord meetings
 - Realtor meetings
 - OSU graduate and international student orientations
 - OSU Connect Program
 - OSU Housing Committee
 - Community organizations (as requested)

- II. Program implementation audience/partners
 - Tenants
 - Property owners/managers
 - Linn-Benton Rental Housing Association
 - Neighborhood associations/residents
 - Home Owner Associations
 - Commercial/other property owners/associations
 - OSU
 - City/County departments
 - Benton County Health Department
 - Corvallis School District
 - Advocates
 - Housing assistance providers
 - Attorneys

- III. Oregon State University Education/outreach
 - ASOSU Legal Offices
 - University Housing & Dining
 - OSU graduate and international student orientations
 - OSU Connect Program
 - OSU Housing Committee

- IV. Outreach materials - program information
 - Program description
 - How the program works
 - What the program does/doesn't cover
 - How to access information
 - How to file a complaint
 - Tenant education

- V. Program Awareness
 - Partner network
 - City Web site
 - Social media
 - Staff presentations
 - Neighborhood association/community meetings
 - Brochure/other printed materials

To the degree possible, program materials will be designed and produced to be linguistically and culturally appropriate.

Estimated budget for a complaint-based Property Maintenance Code Compliance and Neighborhood Outreach/Education Program

USES	First-year operating	First-year one-time
Personal services (total compensation) costs (includes two FTE code compliance staff, one FTE community/ neighborhood/landlord liaison staff, and shares of four administrative staff, altogether representing approximately 4 FTE)	\$ 400,000	
Total personal services costs	\$ 400,000	
Non-personal services costs		
Operating costs (equipment, vehicles, supplies, training outreach, printing, other overhead)	78,000	42,000
Abatement fund/reserve	10,000	
Casual code compliance staff	30,000	
Neighborhood Empowerment Program (proposed)	10,000	
Total non-personal services costs	\$ 128,000	\$ 42,000
Total program costs	\$ 528,000	\$ 42,000

SOURCES	Charge on a per-unit basis (assume 13,000)	Charge on a per-bedroom basis (assume 26,000)
Ongoing property tax support	\$ 130,000	\$ 130,000
Five-year levy support	37,000	37,000
Add-on for Neighborhood Empowerment (proposed)	10,000	10,000
Total property tax-based	\$ 177,000	\$ 177,000
Balance	\$ 351,000	\$ 351,000
Projected revenue from annual per-rental unit charge (presumes 90% collection efficiency)	at \$30/unit: \$ 351,000	at \$15/bedroom: \$ 351,000
Percent of program funded by:	Property taxes	34%
	Rental unit fees	66%

Corvallis Property Maintenance Code Implementation Protocols (updated 12/12/2013)

1. As recommended to the City Council by the Collaboration Corvallis Steering Committee, the Corvallis Property Maintenance Code will operate using a complaint-based approach rather than an inspection-based approach:

- Anonymous complaints will not be accepted.
- Complainants must identify themselves, but may request to remain confidential. Confidentiality will be maintained to the extent legally possible.

Reference to the types of complaints that will be accepted has been removed from this section, and clarified in sections 2. and 3. below.

2. Complaints for residences that are renter-occupied:

- PMC will pertain to interior and exterior conditions.
- Intended time frame for and type of response by Code Compliance staff will be determined based on the potential severity of the complaint description:
 - Life/safety/dangerous building issues will receive priority response (ex: dangerous wiring, no smoke detectors).
 - Next priority - health/ livability issues with a targeted 48-hour response (ex: lack of water/hot water, complete lack of heat, rodent harborage).
 - Other issues will receive a targeted 7- to 10-day response (ex: inadequate heat, exterior door locks).
- Tenant complainants will be asked if they have contacted their landlord, and if not Code Compliance staff will suggest that they do. Such contact will not be a required precursor to the filing of a complaint.

The original version of the final bullet above required a tenant to notify their landlord about a potential violation that would be subject to the 48-hour or 7- to 10-day response timeframes. Based on input from the Advisory Group the requirement has been removed but the intent that tenants will be encouraged to work directly with their landlord prior to seeking City assistance is retained.

3. Complaints for owner-occupied residences, commercial, and other building/property types:

- PMC will only pertain to exterior conditions and dangerous building provisions for these use types.
- Follow timeframes above for exterior manifestations of life/safety/dangerous building compliance responses.
- In-person staff response for life/safety, dangerous building, or health issues.
- For other exterior-related issues that do not meet PMC standards but have not yet reached a point of structural deterioration, send a letter noting the reported complaint, providing the applicable Code standard, and providing direction/instruction to reach compliance within a stated timeframe.

This section has been changed to reflect that the PMC standards will apply to owner-occupied and other non-residential uses on a more limited basis than originally described based on the International Code Council's model IPMC.

4. Scope of investigations:

- Investigations of complaints regarding specific, limited conditions would not be used as an opportunity to conduct comprehensive property inspections; complaints alleging a broader scope of concerns may require a correspondingly broad response.
- Issues of a life/safety nature that are identified in the course of a complaint investigation would be addressed.

No changes have been made to this section.

5. Achieving compliance:

- In situations that receive in-person responses but are not deemed to be dangerous buildings Code compliance will be achieved through a series of violation notices. Example of possible scenario:
 - First notice directs compliance and a call for inspection within a stated timeframe.
 - Second notice to be provided if there is no call for inspection or if mitigation is determined to be incomplete. Second notice will 1) direct compliance and call for inspection within a stated timeframe, and 2) state City's intent to initiate legal action if compliance is not achieved within that timeframe.
 - If no call for inspection or for failure to comply with second notice, initiate legal action.

Changes to this section are grammatical or for clarification purposes only.

6. Progressive enforcement - currently investigating additional approaches to be considered:

- Evaluate the use of a Code Compliance matrix that implements a response based on the severity of the violation, the frequency of recurrence of the violation on the subject property, and the frequency of the violation occurring on other properties under the control of the same owner or responsible party.

Changes to the bullet that remains here are for language/clarification purposes. A bullet referencing the investigation of a civil citation/hearings officer process has been removed, as it is anticipated that violations will be considered within the Municipal Court system.

7. Appeals:

- Code compliance system to provide an avenue for appeal of a determination of violation.
- Appeal process will follow the current Development Services Division and Rental Housing Program policies/practices.
- Appeals will be heard by the City's Board of Appeals.

Changes to this section are for clarification purposes only.

Suggested Changes/Additions/Deletions to a Corvallis Property Maintenance Code relative to the International Code Council's model International Property Maintenance Code

December 12, 2013

At the request of the Corvallis City Council, the Corvallis Property Maintenance Code Advisory Group began discussing detailed elements of the International Code Council's model International Property Maintenance Code (IPMC) in August 2013. Those discussions considered various sections and standards of the IPMC with the intent of evaluating the Code's overall "fit" for Corvallis. Through the course of these discussions the Advisory Group has made several suggestions about particular Code elements and whether they should be changed, if not deleted from the Property Maintenance Code recommendation that will go forward to the City Council for its consideration following the conclusion of the Advisory Group's work.

The lists of items that follow represent Code elements staff would recommend changing, adding or deleting relative to the IPMC's standards, based on the Advisory Group's discussions and suggestions, and are presented in that order.

Changes/Clarifications:

Section 101, Scope and Application. Paragraph 1.102 of this section (and others as may be appropriate) will be modified to state that residential rental properties will be subject to all applicable provisions of the Property Maintenance Code, but that all other property types, including owner-occupied residential properties, will only be subject to the Code's exterior provisions, and to provisions that address life safety, or dangerous building issues. The Corvallis City Attorney has confirmed the legality and feasibility of this approach.

Section 102, Applicability. Paragraph 102.6, which discusses applicability of the PMC to designated historic buildings or structures, will be expanded to apply to "older buildings and structures," which will include legally conforming buildings or structures fifty years of age or older, as well as those that are designated historic under the Land Development Code.

Section 106, Violations. Paragraph 106.3 will be modified to reflect that violations, other than those that would be considered serious offenses, e.g., violations of dangerous building code provisions and/or repeat offenses by one or more responsible parties, will be considered infractions rather than misdemeanors.

Section 308, Rubbish and Garbage. Staff have clarified in prior discussions with the Advisory Group that this section does not require property owners to contract for the removal of rubbish and garbage, but that owners are responsible for providing for the containment of rubbish and garbage in approved

containers, and for removing those materials from their premises. Thus, owners of rental properties will be able to require that their tenants contract for the removal of rubbish and garbage; in such cases the owners will remain responsible for the removal of rubbish and garbage in the event their tenants fail to do so. A definition of “approved containers” will be provide in order to allow containers other than/in addition to those provided by Republic Services.

Section 111, Appeals. This section will be changed to provide for the alignment of the Property Maintenance Code appeals process with the existing provisions of the Municipal Code, consistent with current Building and Rental Housing code processes.

Additions:

Section 308, Rubbish and Garbage. Provisions that will allow for active composting of appropriate materials will be added to this section.

Section 602, Heating Facilities. Provisions will be added such that in the event a permanent source of heat fails, temporary heat sources such as space heaters may not serve to replace them other than on a temporary basis while the permanent heat source is being repaired or replaced.

New language relative to exterior property areas, in a section/paragraph to be identified. Provisions will be added to define indoor furniture, and to prohibit the storage of indoor furniture outdoors.

Deletions:

Section 302, Exterior Property Areas. Paragraph 302.8, Motor Vehicles, will be deleted. The Land Development Code and Corvallis Municipal Code provide the City with the ability to compel the removal or screening of inoperative vehicles.

Section 404, Occupancy Limitations. Paragraph 404.4.2, Access from bedrooms, will be deleted. This paragraph prohibits having one bedroom as the only means of access to another bedroom. Provisions for access to habitable spaces are adequately covered in applicable building codes.

Other:

Other IPMC provisions were discussed by the Advisory Group during the course of its meetings, but are not being recommended for deletion or modification:

Section 309, Pest Elimination. Paragraphs 309.3 and 309.4 require that pest infestations be eliminated from the premises of all properties, which includes exterior areas. This is being retained based on complaints having been received about pests from one property infesting those surrounding it.

Section 503, Toilet Rooms. Paragraph 503.1 requires that shared bathrooms and toilet rooms in multiple dwellings (dwellings larger than single family) have doors with interior locks. Because the PMC's interior standards will not apply to owner-occupied or non-residential structures, this standard will apply only to residential rental properties. The City has received complaints from renters about this issue in the past, so staff will propose that this requirement be retained.

*E-mails received by City staff since the Property Maintenance Code
Advisory Group's November 12, 2013 meeting.*

Weiss, Kent

From: Jerry Duerksen [jerry@duerksenrentals.com]
Sent: Wednesday, November 13, 2013 11:07 AM
To: Weiss, Kent
Cc: Gibb, Ken
Subject: property maintenance code advisory group meeting Oct. 29

Dear Ken & Kent,

If you still have not responded to my email dated 11-4-13 regarding garbage service contracting could you please add a couple more items I feel relevant pursuant to last evenings meeting:

1. The vast majority of all rentals city wide are already in the owners or their property managers name (ie) we only require our tenants who rent single family or duplexes to contract directly with Republic. It would be helpful if Chris or Bob could dig that statistic out.
2. I felt there was a general consensus that the buck really did stop with the owner or their direct representative. Bob has all of that information at his fingertips. Since these two emails are part of the ongoing debate, I trust they will be made part of the public record and forwarded to everyone involved.

I look forward to your response to my question.

Sincerely,

Jerry

Weiss, Kent

From: Westfall, Chris
Sent: Monday, November 18, 2013 10:10 AM
To: Gibb, Ken; Weiss, Kent; Loewen, Bob
Subject: FW: International Property Maintenance Code

Fyi. Jerry indicates his interest to have this forwarded to the advisory group; that is beyond my position.

Christopher Westfall

Code Enforcement Supervisor
Development Services Division
City of Corvallis
(541) 766-6545

From: Jerry Duerksen [<mailto:jerry@duerksenrentals.com>]
Sent: Monday, November 18, 2013 9:44 AM
To: Westfall, Chris
Subject: International Property Maintenance Code

Chris,

As part of our ongoing discussion in regard to the International Property Maintenance Code and the OSU-Corvallis Collaboration efforts Duerksen & Associates, Inc. has assumed a much more aggressive role in helping to police garbage and excess trash issues throughout the city.

All of my contractors and office staff have always been advised to be diligent as they patrol and inspect our units on a daily basis and to knock on doors of those properties with excess garbage or junk outside. They have been advised to approach each situation in a non-confrontational manner in that they are just seeking information on who may be the responsible party and what their intentions are.

As a result of our visit to the 27th & Grant properties, at your request Chris, I made a loop around the block and discovered a couch, box springs and mattress and other assorted items of questionable value. The couch and box spring tenant assured me it would be taken care of ASAP. The others were not home so I left my business card. I will personally follow up.

I do not feel this to be intrusive in any way and historically we have found a great deal of cooperation when properly approached. Our justification for such a proactive approach to these neighboring issues is precisely that they are our neighbors and anything unkempt on their properties is a direct reflection on our properties. I would expect no less from any other concerned citizen if one of our tenants were in violation of city code or our contract with them. At our next property manager –landlord monthly meeting at the Corvallis Elks Lodge on Tuesday November 26th, this issue will be our number one priority.

Our group is also becoming much more closely aligned with the Linn-Benton Rental Housing Association. They offer a monthly training session that covers many of the same areas we have been discussing such as occupant numbers, maintenance, fair housing, landlord-tenant law etc. This combined group could potentially become the most active and involved membership of professional property managers and owner-landlords in the area.

Since my office manager Dawn Duerksen has recently taken over as the Education Director, I told her you would be most happy to be one of our guest speakers regarding City of Corvallis Code Enforcement.

Again, as I have requested previously Chris, please forward this email to Ken, Kent, Bob and the other advisory group members as I'm sure you will agree that it is of timely importance to our ongoing Code discussions.

Sincerely,

Jerry

Weiss, Kent

From: Gibb, Ken
Sent: Monday, November 25, 2013 3:12 PM
To: Weiss, Kent
Subject: FW: Updated Feedback on Proposed PMC

From: John Wydronek [mailto:jgwydronek@aol.com]
Sent: Monday, November 25, 2013 3:08 PM
To: Gibb, Ken
Subject: Updated Feedback on Proposed PMC

Hi Ken,

I just realized the link I provided to an e-mail in my original message will not work as the email will be dropped from the City server prior to the next PMC advisory meeting. I have added the email text to the message below and request that you include this revised message in the meeting packet. Sorry for any confusion.

Best Regards,

John Wydronek

From: John Wydronek [mailto:jgwydronek@aol.com]
Sent: Wednesday, November 20, 2013 5:16 PM
To: 'Ken.Gibb@CorvallisOregon.gov'
Subject: Feedback on Proposed PMC

Ken,

Although I provided feedback at the end of the last PMC committee meeting I would still like to provide written comments for consideration by City staff and the entire PMC committee. I would appreciate it if you can forward this to rest of the committee as I don't have their e-mail addresses.

I know I've made several comments throughout this process that may give people the impression I don't support addressing livability issues in rental and owner occupied housing in Corvallis. This is not the case. I fully support the goals of this program but I don't feel some of the code, procedures and costs that have been proposed are the most effective way to resolve the issues being seen in Corvallis.

I attended several of the collaboration livability meetings and based on comments from the committee, and testimony from the audience, there appears to be a small segment of the rental property owners who will not address serious livability issues such as functional locks on outside doors and windows, missing smoke detectors, non functional plumbing, leaking roofs, inadequate heat, exposed wiring, etc. They recommended adopting a PMC that addresses these issues. In my opinion this doesn't mean the entire 2012 IPMC has to be adopted word for word. There should be flexibility to delete and add content so it addresses the particular problems we are seeing, and want to address, in Corvallis. Several examples have been brought to the attention of the City staff in the PMC meetings, such as locks on bathroom doors and torn window screens, which seem very nitpicky and don't really fall into the category of issues

brought forth during the collaboration meetings. I share this opinion and feel these items should be removed from the code.

Another common comment during collaboration meetings (mostly from rental property owners) was the desire to see a progressive enforcement policy that penalized the owners who continually refuse to address serious issues with their properties. Because rental property is owned as a business and expected to return some kind of profit, I feel the best way to modify the behavior of uncooperative owners is to implement aggressive financial fines for those who repeatedly refuse to fix serious livability issues with their properties. If owners know they will receive severe financial penalties, perhaps creating a lien on the property for non compliance, they will have a strong incentive to change their behavior. This also goes for paying the yearly PMC fee. In the budget proposed by Kent Weiss he assumes a 90% payment rate. Why is this so low? Why not assess a large penalty for non-payment after 90 days and then shut off the water supply after 180 days. This sort of penalty system will provide ample incentive for all rental property owners to pay their fair share of the PMC program costs. I know these comments sound very aggressive but property owners who are doing a good job want strict enforcement for those who refuse to do the same.

The current proposal is that the PMC will apply to all properties (rental, commercial, bare land and owner occupied) within the City of Corvallis. Yet there has been a suggestion that enforcement for owner occupied properties will be different than for commercial and rental properties. I don't see how this can be done without being considered a discriminatory practice. It is my understanding that if a code applies to a particular property it must be equally enforced. If the current proposal is pursued I would expect legal action to be taken by property owners who feel they are being held to a more stringent standard than others who are under the same code. This issue warrants further investigation prior to implementation of any new PMC.

During the last meeting the topic of staffing and funding for the new PMC program was discussed. One part of the budget was \$10,000 for Neighborhood Empowerment. Although this seems like a great program, and is proposed to be paid by general fund money, I feel it should be removed from the PMC budget. My reasoning is that it has nothing to do with maintaining a property. Although the current suggestion is to pay for this from general fund money, in the future the general fund contributions may be reduced or eliminated for this program. If this happens then the annual PMC fee assessed to the rental property owners will be expected to cover this expense. This is not the purpose of these funds. My suggestion is to move it to a program that is solely funded by general funds so it can be considered on equal footing with other programs funded by like financial resources.

Ken Gibb stated the only difference between the current and proposed program is the addition of one code compliance staff. When you look at the proposed budget the numbers don't add up. The total labor cost for 4 FTE is \$400,000. If you assume the cost is equal between the staff members you come up with \$100,000/FTE. The proposed fee for the new program is \$30 per rental unit compared to the existing fee of \$12/unit. Assuming 13,000 rental units, a 90% collection efficiency, and \$18/unit fee increase ($\$13,000 \times .90 \times \$18 = \$210,600$), this means an increase in revenue of \$210,600. This increase in revenue doesn't equate to the increase in staffing as we were told. I would like further explanation of this.

We were also told the role for Bob Loewen will be changing. He will no longer take calls from citizens and will spend all of his time on liaison work with the community. I understand in the short term there will be a need for increased communication within the community to make sure all stakeholders are aware of the new program and to answer any questions that may arise. However, I don't see how this can possibly be a full time job. This is especially true considering OSU has added staffing to act as a liaison between OSU and the student community.

The biggest complaint I heard from City staff on the prior program is the lack of resources to complete inspections and achieve compliance. It seems the way to address this is to tailor the job descriptions and skills of those hired so that most, if not all, of the staff can conduct inspections and address noncompliance. To me this means both compliance staff should be spending all of their time inspecting properties and working with property owners to fix actual livability

issues. This should include a portion of time from Bob Loewen when he's not doing liaison work. We were also told that one of the inspection staff would be Chris Westfall. Chris is a supervisor so I don't see how he can give his full attention to addressing complaints from property owners. I feel the program would be better served with a different code enforcement person who is not spending a portion of their time on supervisory duties.

One last comment on staffing is a question of how many people are really needed. Based on the data provided there were a total of 880 complaints in 2012. This equates to an average of 3.5 calls/day (880 calls/50 weeks x 5 days/week). I'm a little surprised that it requires 4 full time employees to respond to 3.5 calls per day. I know there are some complaints that will take a considerable amount of time to resolve but I suspect the vast majority of the complaints get resolved with a simple phone call or letter to the property owner. I don't want to be critical but in the private sector I don't see how a program of this magnitude would justify 4 full time employees.

The final point I would like to comment on is the concern that has been brought up about the flexibility to interpret the code. Whenever a committee member has expressed concerns about how the code will be interpreted or enforced, City staff has assured the members they will act in a nice and flexible way so that the end result is achieved. The members have noted this is great but what happens down the road when there is new staff and how can they be assured current City staff will apply this code in a reasonable manner. I believe these questions are quite valid considering some of the behavior that has occurred with current City staff (some of the same people saying they will enforce these codes in a reasonable manner). I have provided two examples below which illustrate why property owners (rental and owner occupied) should think long and hard when they implement code, as it can be abused. I'm sure the majority of complaints will be handled in a professional manner but there is always the possibility for this not to be the case. Unfortunately these are not isolated occurrences as I'm aware of 2 other similar cases. These examples show how the City can be inflexible/unreasonable with existing code and potentially with the new code being considered even though they've made assurances to the contrary.

Best Regards,

John Wydronek

Below is a copy of an e-mail sent to the Mayor and Councilors by Joyce Deshon on 9/5/13. Although not included, there is an e-mail thread indicating a tort claim was filed against the City and the City insurance company is addressing the issue.

Mayor and Councilors,

In June of 2012, I lost the basement unit of my triplex to flooding from a broken pipe. My tenants were on break, leaving up to two feet of standing water undiscovered for several days. It was a great loss—for my tenants and for me.

My house was built in 1922, and divided into three stacked apartments in 1978. Contractors who bid the repairs told me the electrical and plumbing work had not been done to code. One plumber asked if I really wanted to “open this can of worms.” At the time, I didn't know what he meant. Now, I do.

Two “as is” offers were made on the house, both contingent on the City of Corvallis not knowing about the damage. A contractor offered to do the electrical and plumbing work on a weekend while the city was closed, then rebuild the apartment without permits. Contractors, friends, even a local firefighter advised me to avoid the city at all costs.

I absolutely want my house to be safe, and wouldn't want a future owner to be put in the situation I'm now facing. I wanted to do what was right, so despite the warnings (and growing sense of dread) I hired a general contractor to restore the basement apartment with all necessary permits and full compliance with the City of Corvallis.

My contractor asked about permits at the Development Services counter, and was told a structural building permit wasn't required unless load-bearing walls would be moved. He contracted out the electrical and plumbing work, and I asked the same electrician to replace some heaters and a fan in the middle apartment.

The electrician asked for separate permits for the work, making it clear he'd be doing two different jobs at two apartments within a triplex. He gave the staff woman at Development Services both addresses—243 NW 10th St for the basement unit, and 962 NW Van Buren Ave for the middle unit—but she could only find the Van Buren address (which is how it's identified by the county).

He told her each apartment had its own meter, and had been addressed this way for decades. Instead of questioning the disparity, she told him this was common with older houses around the college and granted him one permit encompassing both jobs, attached to the only address her computer system could access. He was led to believe this was "no big deal," and didn't mention it to me. It was only after the permitted electrical and plumbing work was paid for and nearly completed that a Stop Work Order and Notice of Violation was issued for an "unapproved change of occupancy."

My triplex meets the criteria for a legal nonconforming structure and use as defined in Chapter 1.4 of the Corvallis Land Development Code, as it was lawfully established as a triplex in the 1970s, prior to becoming nonconforming. Correspondence from the fire department and City of Corvallis to previous owners in 1978 and 1979 (concerning stairways and egress exits) identifies the property as an Apartment House or 3-Plex. The City of Corvallis never questioned—nor requested permits to establish—this occupancy. Records from Pacific Power show a meter specifically assigned to 243 NW 10th St (the flood-damaged basement apartment) was installed on March 1, 1978. The Benton County Assessor's Office identifies the property as a 2-4 Plex under the single (Van Buren) address used for the permits.

Plan A

During my first meeting with Code Enforcement Supervisor Chris Westfall and Project Coordinator Johnathan Balkema on January 7, I was told the house I bought in good faith as a triplex in 1989 could no longer be used in that way. It was not (they claimed) a legal triplex, as no change of occupancy permits existed; it was not a legal single-family residence because it had been divided and used as a triplex. Chris laid out minimum permit application requirements for my only two options: converting the house to a single-family residence (SFR) or a duplex.

Given the flood loss in the basement, the house had essentially become a duplex, but between the permitted plumbing and electrical work and flood mitigation, \$31,000 had already been spent on what was now a 900 SF utility room. We felt the best use of the property was to finish restoring the lower apartment, and then combine the middle and upper units to create the second apartment.

I brought a printed copy of Community Development POL 1073 to the meeting, which states:

"...legally established dwelling units that do not meet present day ceiling height...may continue to serve as dwelling units provided...the ceiling height provides an unobstructed headroom clearance of at least 6'6" when measured from the finished floor to the lowest overhead projection..."

I told Mr Westfall then that the ceiling height in my basement was less than seven feet, but would meet the 6'6" requirement. I made it clear I didn't want to waste any more money rebuilding the apartment if I couldn't use it, and specifically asked if the ceiling height would be an issue. I was told it would not be (others in attendance can verify this). The letter summarizing that meeting and requirements to approve the apartment restoration makes no mention

of ceiling height. A structural assessment (but not current code compliance) is a listed requirement for the exterior spiral staircase.

My contractors and I spent the next six months trying to comply with the city's application requirements for a duplex conversion. It was a costly and frustrating process, as the city was vague about some requirements, and changed their decisions on others (see list of damages, below).

To ease their transition, my property manager offered the remaining tenants full deposit refunds and alternate housing options, consulting with Housing Program Specialist Bob Loewen throughout the process. Despite these efforts, my main floor tenants were very angry about the move, saying we should have foreseen this situation and any zoning issues that might arise. I was worried they would file a claim against me, but couldn't meet the city's requirements for discontinuing the "unapproved occupancy" and altering the structure if the tenants stayed. It was a no-win situation for everyone. They were willing to move out at Spring Break, but I will now have to clean, repair, and paint both apartments at my own expense.

We were finally able to submit the required documents, site plan, scaled drawings, permit application and fees for the duplex conversion on April 2, 2013. My general contractor expected approval of the plans by mid-April.

Plan B

Despite our best efforts, approval of our application was never granted. Instead, on May 7, Johnathan Balkema responded to our request with a revised plan review letter for the duplex conversion, imposing a new set of requirements based on Land Development Code revisions enacted in December, but never mentioned before. These new codes were intended for use when adding a new dwelling unit to an existing structure, not for the continued use or repair of a pre-existing one.

According to Corvallis LDC Section 1.4.30.01, reconstruction of structures in existence prior to December 31, 2006 may occur consistent with how the structures previously existed in their legal nonconforming state.

Section 1.4.40.01-Alterations of a Legal Nonconforming Use states: "Nothing in this Chapter shall be construed as prohibiting normal repair, maintenance, and nonstructural alterations to such development, nor the alteration, strengthening, or restoration to safe condition as may be required by law."

Many of the revised plan requirements were impractical, if not impossible; others directly contradicted what we had been told in the past. The spiral staircase was now required to meet current code—which it doesn't. The handrails are 2" too short and 1/8" too narrow, among other things. Certified welders start at \$100/hour, making on-site modification cost-prohibitive. By this time, I had already spent \$150 to demo the concrete treads so they could be restored. The exposed metal continues to deteriorate, and the staircase will now need to be removed.

During my first meeting with Development Services in January, I was told the gravel portion of the parking area off 10th Street could remain unpaved if I could prove it existed prior to 1980. I was able to do this, using an aerial photo taken in 1970. The revised plan required expanding and hard-surfacing this area without cutting, filling, or compacting the soil within a perimeter located 5 feet outside the drip line of an existing tree. A large tree overhanging the parking area made this requirement impossible to comply with, leaving us no option to move forward.

My tenants could have stayed through the summer as they wanted to, and their rent would have offset over \$10,000 of expenses.

Plan C

I then set up a phone appointment with Chris Westfall and Johnathan Balkema to clarify what could be done to use my house again. It was during this conference call on June 27—nearly six months after our initial meeting—that Chris first told me the ceiling height in the basement apartment would need to be seven feet. Johnathan’s letter summarizing that call includes a link to a Portland webpage on attic and basement conversions, allowing for a 6’8” ceiling height. My basement ceiling would meet the minimum 6’6” requirement I asked them to verify at our first meeting over seven months ago, but some areas would not meet the revised 7’ (or 6’8”) requirement I’ve now been informed of.

The email Johnathan sent along with that phone summary letter on 7/5/13 states, “...the possibility to consider a duplex or triplex as a legal nonconformity, that CES Westfall mentioned, is not applicable,” because “the action indicating the property reverted back to a single family use, was after 1981.”

This was the FIRST time I was told an action “indicating” the house reverted to a single family use prevented the continued nonconforming use of my triplex. According to a phone conversation with Chris Westfall on July 24, this assumption was based solely on his interpretation of a single note, hand-written in 1982. Starting in 1978, former owners had ignored permit requirements from the city for corrections to the property (but never its occupancy status), including issues with a new second egress door for the basement apartment and exterior stairs to the upstairs apartment. The note Chris referenced is written on a final notice dated 4/19/82. It says: “Action dropped. Further investigation revealed that exit is not a required exit & that no fire danger exists.”

The bedroom next to the secondary exit door has a large egress window; the note could simply mean the room with the new door was not being used as a sleeping room. Corvallis Phone Books show the property was occupied as a triplex (with three addresses and three sets of tenants) in all the years since that note was written, yet there was never any follow-up from the city concerning the safety, code compliance, or permits for this exit—nor for the exterior spiral staircase and deck railing installed upstairs—until my contractors applied for electrical and plumbing permits over three decades later.

There is no evidence the house reverted to a single-family use after 1981, let alone for the 18 months required to loose legal nonconforming use by Chapter 1.4, Section 1.4.40.03 of the Corvallis Land Development Code. If Chris Westfall had definitive information to the contrary, why was I encouraged to waste seven months and over \$40,000 pursuing an “option” that was not allowed or applicable, in his opinion?

I have never had reason to question the occupancy status of my triplex. The property had three addresses, three electrical meters, three circuit panels, and three apartments when I bought it through a Realtor 24 years ago. All three units were rented and occupied when it was listed, appraised, and approved for bank financing as a triplex. The only code violation found prior to the sale was a wood-burning stove, which was removed. Since the beginning of the Rental Housing Code program, the City of Corvallis has billed me for three rental units. Annual fire inspections required by the program have found no hazards or violations of any kind.

There was no basis for the Stop Work Order. Had my contractor been allowed to continue the repair work, the basement apartment would likely have been fully restored and rented by February or March, my other tenants still be in place, and the repairs paid for. Chris Westfall’s decision—along with conflicting information, miscommunication and misinformation from the Development Services Division—have already cost me over \$40,000.

Plan D

After City Manager Jim Patterson was made aware of my situation, I had a long phone conversation with Chris Westfall. Though he still says a single-family residence is my only option, he did retract the 2012 Land Development Code requirements as an error, saying, “we consider the SFR to be the existing legal use of the structure.” In another reversal, he now says Development Services Policy 1073—the one I brought to our first meeting in January—could be utilized to accommodate a lower ceiling height in the basement.

The problem is, I didn't buy a SFR—I specifically invested in a triplex as a means to help finance my retirement, and have lost far too much money in this long process to rebuild a basement I can no longer rent as an apartment. My Actual Cash Value insurance policy doesn't cover most code upgrades, and has paid only \$20,452 toward the original \$51,988 rebuild bid. I would be responsible for the \$31,536 balance if I rebuilt, and have already lost well over that amount as a direct result of the city's actions. My total losses for the basement would exceed the price I originally paid for the house, and the extra rebuilding costs could not be recovered in the sale of a single-family home.

If the basement remains unfinished, the (now 4 BR) house will have a greatly diminished resale value, and thousands more will be required to "pursue" this occupancy I never wanted:

1. The electrical wiring would need to be permitted for a SFR. Combining all the wiring to a single panel (if required) would be very expensive.
2. The upstairs kitchen will need to be removed and remodeled for some other purpose.
3. If not considered allowable as part of the nonconforming structure, the spiral staircase and upper deck railing installed with the city's knowledge (if not consent) in 1978 would need to be replaced, as they don't meet current code requirements. This would require the removal and rebuilding of a 120 SF manufactured deck I replaced less than two years ago for around \$2,600. The upper egress door would need to be taller, requiring a change to the roofline of the structure.
4. Alternatively, the proposed creation of an internal staircase between the main and upper floor would replace most of the kitchen pantry and/or master bedroom closet. Constructing a new closet would compromise the master bedroom space.

The exterior stairs would still need to be replaced or removed, the upper deck removed and rebuilt, and the deck guardrail replaced or made 2" higher, to meet code. A certified welder and special inspector would be required to extend the height of the railing on-site and inspect each weld as it is done. (All the railing posts were examined during the new deck installation in October of 2011. All front posts were cleaned, repainted, and caulked.)

5. The main and upper floors will need to be cleaned, repaired, and painted at my expense, and the \$1,950 monthly loss of rent for these units is ongoing.
6. The gutted basement will need to be cleaned; the old refrigerator, range, bathtub, and other plumbing fixtures removed; and old electrical and plumbing lines hauled away. Something will need to be done with the new tub and shower surround, left outside since the Stop Work Order was issued in December.

More than a year after the flood, I'm faced with mounting debt; a gutted basement; no rental income; a 3,000 SF house I still can't use, repair, or sell for a reasonable price; and the prospect of starting this whole process again—just to ultimately create a single-family house with fewer bedrooms, less income potential, and a lower resale value than the triplex I invested in 24 years ago. This has already taken a huge emotional and financial toll, and I see no end in sight.

The work begun in December was not to convert a basement or create a new dwelling. With permits granted by the City of Corvallis, I am simply trying to restore an apartment that has existed for 35 years, in the triplex I've owned and cared for since 1989. I have invested considerable time and resources trying to comply with the city's ever-changing code requirements. Besides the damages listed on the pages below, the decreased income potential of my property (if I'm able to keep it) is an ongoing loss that will impact my retirement income.

I ask each of you to imagine yourself or a family member in this situation, and lend some reason and oversight to this process. Specifically, I am asking for compensation for my losses, and the recognition of my property for what it is—a pre-existing, nonconforming triplex—so I can repair and/or sell it as such.

Each day I wait for permission to use my property, I lose \$100 to taxes, utilities, maintenance, and unrealized rental income. Your prompt reply would be very appreciated.

Sincerely,

Joyce DeShon

Damages

- \$1,120** Corvallis CAD's charge to create scaled "as is" and "proposed" floor plan drawings, per Chris Westfall's instructions, for the duplex conversion he later disallowed.
- \$969** Udel Engineering nearly conducted an unnecessary \$1,875 boundary survey, based on 4.5 hours of consultation with various city employees and departments in a fruitless effort to determine what they required. The city reversed their decision on this three times. Udel charged me \$365 for "dealing with the City of Corvallis," \$304 for the duplex site plan, and \$300 for an unsuccessful corner pin locate required by the city for the duplex conversion "option."
- \$1,755** Demolition not covered by insurance, required to upgrade plumbing to the damaged basement apartment I've now been told cannot be restored.
- \$2,800** Permitted plumbing for that damaged apartment (insurance payment subtracted). It would cost over \$3,000 more to attach plumbing fixtures. The new tub/shower unit has been lying outside since the Stop Work Order was issued last year.
- \$4,797** Permitted electrical work done to rebuild the basement apartment before the Stop Work Notice was issued (insurance payment subtracted). The city may now require me to have the wiring changed and permitted *again*—at my own expense—to meet new requirements for a single-family dwelling.
- \$997** Plan Review & Permits required by the City of Corvallis to apply for a change of occupancy to duplex, before they decided this was not an option.
- \$5,023** Overhead & Profit to my contractor for this project, to date
- \$700** Fuel costs to contractor
- \$2,700** SDB Time on project (Communications and meetings) charged by my contractor

\$150 Demo of concrete on exterior spiral staircase to repair damage to tread. This required my tenants to move out, and was done before the city told me the staircase would have to meet current code.

\$88 Travel to meet with Development Services (155 miles round trip)

Total

\$21,099

Losses since the use of rental property was denied (through July, 2013)

\$12,964 Lost rent 2/15/12 to 7/31/13 only. My remaining tenants moved out prematurely, as required (to cease occupancy of the "separate, created dwelling units" and allow for stairway construction to combine their apartments for the duplex conversion later rescinded by the city). My tenants suffered a hardship, and each day the project is delayed, I lose \$86 in potential rent income (management fees subtracted).

\$1,152 Benton County property taxes (at last year's annual rate of \$3,269) prorated for March 25-July 31 only. While Corvallis suffers a rental housing shortage, I pay the county \$272 a month for a vacant rental I can't use.

\$380 City of Corvallis water & sewer bills since house was vacated (through July)

\$216 Management fees since tenants moved out (through July)

\$322 Electric Bills since tenants moved out (through July)

\$1,000 Conservative estimate of future cost to clean, repair, and paint the two upper apartments. Tenants were offered full deposit refunds as incentive to move out early so their apartments could be combined.

Total

\$16,034

Ongoing Monthly Losses after July 31, 2013

\$2,845 Gross rental income loss (at last year's rate) for each month of delay after July.

\$272 Property taxes per month (at last year's rate) for unusable rental property.

\$31 Pacific Power basic electric bill (3 meters)

Total

\$3,148/month

Total Damages through August 31 = \$40,281

Although this second email from Karen Krakauer doesn't give details, the circumstances are almost identical to the first example. The owner wants to do the right thing and gets a permit for minor work; City arrives and points out numerous issues and lack of permits on file for work done over 20 years ago; City refuses to work with the owner in a reasonable manner and requires significant changes to the property.

Re: incorrect rental housing billing #7037/193485

- *To:* Chris Westfall <Chris.Westfall@xxxxxxxxxxxxxxxxxxxx>
 - *Subject:* Re: incorrect rental housing billing #7037/193485
 - *From:* mayor@xxxxxxxxxxxxxxxxxxxxxxxxxxxx
 - *Date:* Wed, 2 Oct 2013 10:39:41 -0700 (PDT)
-

Thank you for your prompt reply.

----- Original Message -----

From: "Chris Westfall" <Chris.Westfall@xxxxxxxxxxxxxxxxxxxx>
To: "tkmm" <tkmm@xxxxxxxxxxxx>
Cc: "City Manager" <CityManager@xxxxxxxxxxxxxxxxxxxx>, "Mayor" <mayor@xxxxxxxxxxxxxxxxxxxxxxxxxxxx>, "Bob Loewen" <Bob.Loewen@xxxxxxxxxxxxxxxxxxxx>, "Carla Holzworth" <Carla.Holzworth@xxxxxxxxxxxxxxxxxxxx>
Sent: Monday, September 30, 2013 9:24:27 AM
Subject: RE: incorrect rental housing billing #7037/193485

Mr. Stewart,

I will be pleased to provide clarification to you and to the Housing division staff of the process that you are currently navigating to return the structure and use to a single family residence (SFR) at 501 NW 19th.

Permit number BLD13-00299 to accomplish the work for returning to the SFR use was issued on 5-1-13, and then revised per your submittal on 5-14-13. We have not been contacted to perform any inspections in the interim. There are separate permits for electrical and a mechanical for a bath fan; we have only done a partial approval for basement electrical to supply the bath fan.

The permits and the violation cases remain open and unresolved at this time. We will be pleased to inspect at the earliest opportunity to confirm that the use and configuration has been returned to a SFR. Please contact me to schedule.

I very much appreciate your continued attention to this matter.

Respectfully,

Christopher Westfall
Code Enforcement Supervisor
Development Services Division
City of Corvallis
(541) 766-6545

-----Original Message-----

From: Loewen, Bob
Sent: Monday, September 30, 2013 8:32 AM
To: 'tkmm'
Cc: City Manager; Mayor; Westfall, Chris

Subject: RE: incorrect rental housing billing #7037/193485

Mr. Stewart & Ms. Krakauer:

I have made the correction to your account, reducing the invoice from \$36 to \$12. I was unaware that this matter had been settled.

Please do not hesitate to contact me with any other concerns regarding the invoicing of this property. There should not be any further billing issues.

Best regards

Bob Loewen
Housing Specialist
City of Corvallis Housing Division
541-766-6944
541-766-6946 (fax)

-----Original Message-----

From: tkmm [mailto:tkmm@xxxxxxxxxxxxxx]
Sent: Saturday, September 28, 2013 1:38 PM
To: Loewen, Bob
Cc: City Manager; Mayor; Westfall, Chris
Subject: incorrect rental housing billing #7037/193485

We continue to be very frustrated by the City's inflexible decisions and the lack of communication between agencies.....it makes us extremely reluctant to support any city programs or proposed levies.

The City Development Services Dept. declared us in violation of land use code at our 501 NW Tyler triplex over a year ago; disrupting our retirement finances, our tenants, their neighbors, and likely increasing the pressure on our overburdened police department. We responsibly rented this property as a triplex for 20 years; were permitted to install 3 separate water meters by the city, and had the basement unit inspected and declared safe by the Corvallis Fire Dept. We have now complied with the order to return the property to a single family residence. We informed your dept. a year ago when we asked for a refund on our rental code bill; we told the Utilities Dept. this summer when we returned the water service to a single meter. In this day and age there must be a way for City departments to COMMUNICATE.

Tim Stewart and Karin Krakauer

Sent from my iPad

