City Council Workshop
December 10, 2012
Agenda

5:30 P.M. Workshop

A. Property Maintenance Code Discussion – Eric Cousens and Roland Miller

B. Androscoggin Greenway Presentations, signage and trails – Roland Miller

C. Community Development Block Grant (CDBG) Funds for Great Falls Park – Reine Mynahan

D. Downtown TIF update -financials, uses, expanding area - Clint Deschene

E. Community Development Block Grant (CDBG) Program Updates – Reine Mynahan

F. Executive Session, Discussion of a real estate matter (1 Minot Avenue), pursuant to 1 M.R.S.A. §405(6)(C).

Executive Session: On occasion, the City Council discusses matters which are required or allowed by State law to be considered in executive session. Executive sessions are not open to the public. The matters that are discussed in executive session are required to be kept confidential until they become a matter of public discussion. In order to go into executive session, a Councilor must make a motion in public. The motion must be recorded, and 3/5 of the members of the Council must vote to go into executive session. An executive session is not required to be scheduled in advance as an agenda item, although when it is known at the time that the agenda is finalized, it will be listed on the agenda. The only topics which may be discussed in executive session are those that fall within one of the categories set forth in Title 1 M.R.S.A. Section 405(6). Those applicable to municipal government are:

A. Discussion of personnel issues
B. Discussion or consideration by a school board of suspension of expulsion
C. Discussion or consideration of the condition, acquisition or the use of real or personal property permanently attached to real property or interests therein or disposition of publicly held property or economic development only if premature disclosures of the information would prejudice the competitive or bargaining position of the body or agency
D. Labor contracts
E. Contemplated litigation
F. Discussions of information contained in records made, maintained or received by a body or agency when access by the general public to those records is prohibited by statute;
G. Discussion or approval of the content of examinations administered by a body or agency for licensing, permitting or employment purposes; consultation between a body or agency and any entity that provides examination services to that body or agency regarding the content of an examination; and review of examinations with the person examined; and
H. Consultations between municipal officers and a code enforcement officer representing the municipality pursuant to Title 30-A, section 4452, subsection 1, paragraph in the prosecution of an enforcement matter pending in District Court when the consultation relates to that pending enforcement matter.

City Council
Workshop Information Sheet

City of Auburn

Council Workshop Date: December 10, 2012 **Item** A

Author: Eric Cousens, Director of Planning and Permitting

Subject: Property Maintenance

Information: Staff would like to discuss the current housing code and history of considering a property maintenance code (PMC) with the Council. In this introductory discussion, we hope to determine if the Council wished to pursue the idea of a PMC and, if so, identify specific areas of concern.

Financial: Staff Time.

Action Requested at this Meeting: Discussion.

Previous Meetings and History: None since 2002.

Attachments:

- Emails to Council and public regarding PMC Survey
- Current Chapter 20-A Housing Code
- Draft Property Maintenance Code tabled in 2002
- Current survey summary and comments
- Dangerous Buildings Statute

Eric Cousens

From:	Eric Cousens
Sent:	Wednesday, October 03, 2012 2:13 PM
To:	Jonathan LaBonte; Joshua Shea; Bob Hayes; David Young; Leroy Walker; Mary Lafontaine; Tizz Crowley
Cc:	Roland Miller; Reine Mynahan; Renee Lachapelle; Denis D'Auteuil; Ravi Sharma; Clint Deschene; Karen Veilleux
Subject:	Property Maintenance Concerns
Attachments:	1999 Property Enhancement Committee Report.pdf; Property Maintenance Ordinance Tabled in 2002.pdf

Dear Mayor and City Councilors,

The current real estate market and weak economy has left more homes in foreclosure than normal and we all notice them in our daily travels and in our own neighborhoods. It has also reduced the amount of money available for maintaining many other residential and commercial properties and we can see evidence of this in our community as well. This is a challenge faced by most communities in the current times.

Mr. and Mrs. Jones' are upset because that house next door is bringing down their property value. The lawn isn't mowed, or if it is, it's not mowed as often or as well as the neatly landscaped Jones' property and they are calling on you to fix it. They have already talked to Code Enforcement and the lawn still looks like a hay field. This situation has become a common occurrence in recent times and it can take months, if not years, to complete a foreclosure process and get a property back to productive use.

The City Manager and staff have discussed the desire of some Councilors to consider a property maintenance code (PMC) for Auburn. This is not the first time this discussion has come up and it deserves careful consideration, including a review of the last proposal. Attached is copy of the PMC that was considered between 1998 and 2002. Based on the file, it started with the Property Enhancement Committee (report attached) in 1998 and was concluded when the PMC was tabled indefinitely in September of 2002. Please note that the Property Enhancement Committee recognized at that time that reinstating a Housing Enforcement Officer was needed to enforce the new code. At that time there were 8 staff dedicated to planning, permitting and code enforcement functions and at the current time there are 6 staff performing the same function with two of those being shared with other departments.

Currently we have standards in the ordinance to address an accumulation of trash and debris, lack of heat, more than one unregistered or uninspected vehicles, health and safety concerns if they are determined to be hazards, etc. Enforcing the existing housing and maintenance standards takes between ½ to 1 staff persons time throughout the City depending on the month and volume of calls. We do not have standards to require mowing of lawns and weeds in gardens or formerly landscaped areas, flaking paint on siding or trim, cracked windows, appearance or an ordinance that would allow the City to correct some of those issues and charge that fee back to a property owner. As we begin this discussion, it's important that we all recognize that additional standards may require additional staff or prioritizing the enforcement of additional standards over some current function.

Based on staff discussions, the City Manager and I recommend that we get some public input early in the discussion before the Council formally considers this. In the past this has been a polarizing discussion and we need to clearly define what we view as the problem and then propose a specific solution that may not be as broad as what is sometimes meant by a "Property Maintenance Code." We are proposing a citizen survey that would help all of us understand what the public would support. I would propose the following questions and would welcome any additions to be sure that the survey is effective and relevant to gathering insight on specific concerns that Councilors may have. Please help us define the questions so the responses will be useful to you in making future decisions. If you like the questions there is no need to respond, but I would welcome any thoughts or suggestions.

1. Have you noticed homes or rental properties that lack maintenance of yards or structures?
2. Do you think the City should regulate the height of lawns or vegetation?
3. Do you think the City should regulate the condition of siding or paint?
4. What types of property should we consider regulating?
   A. Rental Property
   B. Commercial Property
   C. Single and two-family owner occupied homes
   D. Foreclosures
   E. All property
   F. None of the above
5. Should property maintenance regulations be limited to a defined urban/downtown area?
6. What are the specific concerns?
   A. Overgrown lawns or vegetation
   B. Appearance
   C. Private safety
   D. Public health or safety
   E. Flaking paint
   F. Poorly maintained buildings
7. If a property owner fails to mow their lawn or paint a structure do you think the City should be able to correct deficiencies and charge the owner for the service?
8. Please identify any other concerns that the City should address as part of a property maintenance code?

We will plan on putting an online survey together later this month with your input. I will be out of the office next week so my responses will be delayed during that time. Thanks for your help and consideration.

Eric J. Cousens
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Auburn, Maine 04210
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Fax. (207)333-6625
email: ecousens@auburnmaine.gov

Eric Cousens

From: Katelyn Doustout
Sent: Wednesday, November 21, 2012 8:13 AM
To: Katelyn Doustout
Subject: Participate Auburn

Dear Residents and Property Owners,

The current real estate market and weak economy has left more homes in foreclosure than normal and we all notice them in our daily travels and in our own neighborhoods. It has also reduced the amount of money available for maintaining many other residential and commercial properties and we can see evidence of this in our community as well. This is a challenge faced by most communities in the current times. Your City Councilors and City Staff receive complaints about this often and have limited ordinances to address some of the common concerns. A common example is as follows:

Mr. and Mrs. Jones' are upset because that house next door is bringing down their property value. The lawn isn't mowed, or if it is, it's not mowed as often or as well as the neatly landscaped Jones' property and they are calling on your City Councilor to fix it. They have already talked to Code Enforcement and the lawn still looks like a hay field. This situation has become a common occurrence in recent times and it can take months, if not years, to complete a foreclosure process and get a property back to productive use.

The City Manager, Council and staff have discussed the desire of some residents to have the Council consider a property maintenance code (PMC) for Auburn. This is not the first time this discussion has come up and it deserves careful consideration. A PMC was considered between 1998 and 2002 starting with a Property Enhancement Committee in 1998 and was concluded when the PMC was tabled indefinitely in September of 2002.

Currently, we have standards in the ordinance to address an accumulation of trash and debris, lack of heat, more than one unregistered or uninspected vehicles, health and safety concerns if they are determined to be hazards, etc. We do not have standards to require mowing of lawns and weeds in gardens or formerly landscaped areas, flaking paint on siding or trim, cracked windows, appearance or an ordinance that would allow the City to correct some of those issues and charge that fee back to a property owner. As we begin this discussion, it's important that we all recognize that additional standards may require additional staff or prioritizing the enforcement of additional standards over some current function. Funding with fines could also be considered but collecting fines from properties in the foreclosure process can prove to be challenging and can be very time consuming.

We are looking to gather public input early in the discussion before the Council formally considers this. In the past this has been a polarizing discussion and we need to clearly define what we view as the problem and then propose a specific solution that may not be as broad as what is sometimes meant by a "Property Maintenance Code." We have created a citizen survey to help all of us understand what the public would/would not support. Please help us define the public's desires to aid the City Council in making future decisions by filling out a quick online survey at: https://www.surveymonkey.com/s/6VQR9PX . Please also forward this to anyone that you think would be interested in providing input.

Eric J. Cousens
City Planner / Director of Planning and Permitting
60 Court Street, Suite 104
Auburn, Maine 04210

CHAPTER 20A - HOUSING CODE *

ARTICLE 1 - GENERAL PROVISIONS

Section 1.1 PURPOSE OF CODE

The purpose of this code is to establish minimum standards for all dwellings and property incident thereto in the City of Auburn to insure safety, health, and public welfare through the proper construction, maintenance, and use thereof.

Section 1.2 CONFORMANCE TO CODE

No dwelling or dwelling unit shall be deemed to conform with the requirements of this Code until it meets all of the minimum standards of the Code as specified herein.

Section 1.3 COMPLIANCE TO CODE

It shall be unlawful to construct, alter, maintain, occupy, let for occupancy, or use a building or structure, or part thereof, in violation of the provisions of this Code.

Section 1.4 VALIDITY OF OTHER LAWS

Nothing in this Code shall be construed to prevent the enforcement of other laws which prescribe more restrictive limitations.

Section 1.5 VALIDITY OF CODE

If any section or part thereof of this chapter is held invalid by the Court, the remainder of the chapter shall not be affected thereby.

Section 1.6 EXCEPTIONS TO CODE PERMITTED

In seasonal dwellings, mobile homes, buildings erected prior to the adoption of this Code, or in Agriculture and Resource Protection District as defined by the zoning ordinance of this City, or in areas where public water and/or sewerage systems are not available, the Housing Inspector shall upon application grant an exception for the use of buildings for dwelling purposes which do not meet the minimum standards set forth in this Code when he determines that it is not feasible or practicable to comply with such minimum standards and further determines that the safety, health, or general welfare of the occupants and the public will not be adversely affected and also determines that the effect of the granting of the exception will not adversely affect adequate light, air, overcrowding, of persons or property, the provision for public utilities, the character of the neighborhood, or traffic conditions as applied to the welfare of the occupants or the general public.

Section 1.7 PROCEDURE FOR GRANTING EXCEPTIONS

The Housing Inspector shall issue such exception in writing setting forth the date of granting, the reasons for granting the same,

* Amended 9/12/85

the date it shall expire, and the location of the premises. No such exceptions shall be granted for a period of more than five years. Any exception may be renewed one or more times, upon application to the Board of Appeals. Each renewal shall not exceed additional periods of five years for such renewal. Each renewal shall contain the requirements of the original exception and in addition thereto the date of issuance of the original exception and the statement that it is a renewal.

ARTICLE 2 - INSPECTIONS

Section 2.1 HOUSING INSPECTOR AUTHORIZED TO MAKE INSPECTIONS

The Housing Inspector is hereby authorized to make inspections to determine the condition of dwellings, dwelling units, rooming houses, rooming units and premises located within this City of Auburn in order that he may perform his duty of safeguarding the health and safety of the occupants of dwellings and of the general public.

Section 2.2 HOUSING INSPECTOR AUTHORIZED TO ENTER PREMISES

For the purpose of making such inspections, the Housing Inspector is hereby authorized to enter, examine, and survey any or all dwelling units, rooming houses, rooming units, and premises at any mutually agreeable time but in any case within twenty (20) days of notice to the owners or occupant of the intention to make such an inspection.

Section 2.3 OWNER AND OCCUPANT TO GIVE FEE ACCESS TO HOUSING INSPECTOR

The owner and occupant of every dwelling, dwelling unit, lodging house and rooming unit or the person in charge thereof, shall give the Housing Inspector free access to such dwellings, dwelling unit, lodging house or rooming unit and premises at any mutually agreeable time for the purpose of such inspection, examination, or survey, but in any case within twenty (20) days of notice to the owner or occupant of the intention to make such an inspection, examination, or survey.

Section 2.4 OCCUPANT TO GIVE FREE ACCESS TO OWNER

Every occupant of a dwelling, dwelling unit, lodging house, and rooming unit shall give the owner thereof, or his agent or employee, access to any part of such dwelling, dwelling unit, lodging house, rooming unit or premises at all reasonable times for the purpose of making such repairs or alterations as are necessary to effect compliance with the provisions of this chapter or any lawful order issued pursuant to the provisions of this chapter.

ARTICLE 3 - ENFORCEMENT

* Section 3.1 METHOD OF ENFORCEMENT

Whenever the Housing Inspector determines that there are reasonable grounds to believe that there has been a violation of any provisions of this chapter, he shall initiate enforcement proceedings in accordance with the citation system established in Chapter 33 of these ordinances. Alternatively, he may initiate a land use complaint pursuant of 30-A M.R.S.A. Section 4452 in which case the penalties there provided shall apply.

* Amended 3/26/90

1) be put in writing;
2) include a statement of the reasons why it is being issued;
3) set a reasonable time for the performance of any act it requires;
4) be served upon the owner or his agent, or the occupant as the case may require; provided such notice shall be deemed to be properly served upon such owner or agent or upon such occupant if a copy thereof is served upon him personally or by leaving a copy thereof at his dwelling house or usual place of abode with some person of suitable age and discretion then residing therein; or if a copy thereof is sent by registered or certified mail to his last known address or the address as shown on the records in the Tax Assessor's Office of the City of Auburn; and if service is made personally or by leaving at his dwelling house or usual place of abode a statement signed by the person so serving stating the date of service shall be filed in the office of the Housing Inspector;
5) such notice may contain an outline of remedial action which, if taken, will effect compliance with the provision of this chapter;
6) after service of such notice, the owner or occupant to whom it is directed shall correct the condition constituting the violation within the time specified and promptly give notice to the Housing Inspector that such corrective action has been taken.

Section 3.2 METHOD OF PETITIONING FOR HEARING

Any person affected by any notice, which has been issued in connection with the enforcement of any provision of this chapter, may request and shall be granted a hearing on the matter before the Board of Appeals; provided that such person shall file in the office of the Board of Appeals a written petition requesting such hearing and setting forth a brief statement of the grounds therefor within ten days after the day the notice was served. Upon receipt of such petition, the Board of Appeals shall set a time and place for such hearing and shall give the petitioner notice thereof in person or by mail. At such hearing, the Board of Appeals shall take evidence to determine whether such notice should be sustained, modified, or withdrawn. The hearing shall be commenced not later than thrity (30) days after the day on which the petition was filed; provided that upon application of the petitioner the Board of Appeals may postpone the date of the hearing for a reasonable time beyond such thirty (30) day period, if in its judgment the petitioner has submitted a good and sufficient reason for such postponement.

Section 3.3 POWER OF BOARD OF APPEALS TO ALTER NOTICE

After such hearing, the Board of Appeals shall sustain, modify, or withdraw the notice, depending upon its findings as to the compliance with the provisions of this chapter. If the Board of Appeals sustains or modifies such notice, it shall be deemed to be an order. Any notice served pursuant to Article 3, Section 3.1 of this chapter shall automatically become an order if a written petition for a hearing is not

filed in the office of the Board of Appeals within ten (10) days after such notice is served. There shall be an appeal from the Board of Appeals to the Superior Court.

Section 3.4 RECORDING OF PUBLIC HEARING

The proceedings at such hearing, including the findings and decision of the Board of Appeals, shall be summarized, reduced to writing, and entered as a matter of public record in the office of the Board of Appeals. Such record shall also include a copy of every notice or order issued in connection with the matter.

Section 3.5 NOTICE ON SALE

Any person who proposes to sell, transfer or otherwise dispose of lease or sub-let any dwelling unit, lodging house, rooming unit, or other premises against which there is any existing lawful order of the Housing Inspector or the Board of Appeals or any Court of competent jurisdiction shall furnish the proposed Grantee or Transferee a true copy of such order and shall notify the Housing Inspector in writing of the intent to so sell, transfer, or otherwise dispose of lease or sub-let in writing giving the name and address of the person to whom such transfer is proposed within three days of the proposed transfer. Any person who violates the terms of this section shall be in violation of this chapter and shall be subject to a penalty or fine of not less than $50 and not more than $100 to be enforced by complaint in a court of competent jurisdiction.

Section 3.6 DWELLINGS TO BE PLACARDED

If the person so affected fails to appeal to the Board of Appeals or if after an appeal, the Board of Appeals sustains the decision of the Housing Inspector, the dwelling, dwelling unit, lodging house, or rooming unit so affected may be declared unfit for human habitation and placarded by the Housing Inspector. To placard, the Housing Inspector shall issue to the occupants and the owner or operator a written notice to vacate the premises within such time as the Housing Inspector may deem reasonable, but not less than seven (7) days, and a placard prohibiting continued occupancy or re-occupancy may be conspicuously posted on the premises, and a copy of such notice may be filed with the Police Department.

(a) Use of Placarded Buildings Prohibited

No dwelling or dwelling units, lodging house, or rooming unit which has been placarded as unfit for human habitation shall again be used for human habitation until written approval is secured from, and such placard is removed by, the Housing Inspector. The Housing Inspector shall remove such placard whenever the defect or defects upon which the placarding action is based have been eliminated.

(b) No person shall deface or remove the placard from any dwelling or dwelling unit, lodging house or rooming unit, which has been declared unfit for human habitation and placarded as such.

Section 3.7 PREMISES TO BE VACATED

In instances where the Health Officer, Fire Chief, and Chief of Police, or their duly qualified deputies, determine in writing, filed in the office of the Housing Inspector, that extreme danger or menace to the occupants or the public health exists, the Housing Inspector may order immediate correction to be made or, if the circumstances warrant, may order that the occupants vacate the premises in accordance with the regulations set out in Section 3.6.

Section 4.1 PENALTY - Deleted 3/26/90

ARTICLE 5 - DEFINITIONS

For the purposes of this chapter, the following terms, phrases and words shall have the meaning given herein.

Section 5.1 BASEMENT

That portion of a building below the first floor joists having at least one-half of its clear ceiling height above the main level of the adjacent ground.

Section 5.2 HOUSING INSPECTOR

The legally designated housing inspection authority of the City of Auburn, or his authorized representative.

Section 5.3 CHIEF OF POLICE

The legally designated head of the Police Department of the City of Auburn or his authorized representative.

Section 5.4 DWELLING OR DWELLING UNIT

A building or portion thereof arranged or designed to provide living facilities for one or more families.

Section 5.5 DWELLING UNIT

A room or group of rooms located within a building and forming a single habitable unit, physically separated from any other rooms or dwelling units which may be in the same structure, with facilities which are used or intended to be used for independent living, sleeping, cooking and eating purposes. Dwelling units available for rental or occupancy for periods of less than one week shall be considered boarding/lodging units.

Section 5.6 EXTERMINATION

The control and elimination of insects, rodents, or other pests by eliminating their harborage places; by removing or making inaccessible materials that may serve as their food; by poisoning, spraying, fumigating, trapping; or by any other recognized and legal pest elimination methods approved by the Health Officer.

Section 5.7 FIRE CHIEF

The legally designated head of the Fire Department of the City of Auburn or his authorized representative.

Section 5.8 GARBAGE

The animal and vegetable waste resulting from the handling, preparation, cooking, and consumption of food.

Section 5.9 HABITABLE ROOM

A room or enclosed floor space used or intended to be used for living, sleeping, cooking or eating purposes exlcuding bathrooms, water closet compartments, laundries, pantries, game rooms, foyers or communicating corridors and permanent built-in closets and storage spaces.

Section 5.10 HEALTH OFFICER

The legally designated health authority of the City of Auburn, or his authorized representative.

Section 5.11 INFESTATION

The presence or evidence of the presence within or around a dwelling, of any insects, rodents, or other pests.

Section 5.12 MEANING OF CERTAIN WORDS

Whenever the words "dwelling", "dwelling unit", "lodging house", "rooming unit", or "premises" are used in this chapter, they shall be construed as though they were followed by the words "or any part thereof".

Section 5.13 MANUFACTURED HOUSING

A structural unit or units designed for occupancy, and constructed in a manufacturing facility and then transported by the use of its own chassis, or placed on an independent chassis, to a building site, the term includes any type of building which is constructed at a manufacturing facility and then transported to a building site where it is utilized for housing and may be purchased or sold by a dealer in the interim. Manufactured housing shall include newer mobile homes and modular homes as defined in Section 2.2 of the City of Auburn Zoning Ordinance.

Mobile homes, Older - any factory-built home which fails to meet the definition of manufactured housing and more specifically, it shall mean any mobile home constructed prior to June 15, 1976. These units shall be restructed to approved mobile home parks.

* Section 5.14 MOBILE HOME PARK

A parcel of land under single ownership in Rural Residence, Suburban Residence and Cluster Development Districts which has been planned and improved for the placement of not less than three (3) mobile homes for non-transient use.

Section 5.15 MULTIPLE DWELLING

Any dwelling containing more than three dwelling units.

Section 5.16 OCCUPANT

Any person over one year of age, living, sleeping, cooking, or eating in, or having actual possession of, a dwelling unit or rooming unit.

Section 5.17 OPERATOR

Any person, who has charge, care or control of a building or part thereof, in which dwelling units or rooming units are let; or of an area where spaces are let for mobile homes.

SECTION 5.18 OWNER

Any person who, alone or jointly or severally with others:

(a) shall have legal title to any dwelling or dwelling unit, with or without accompanying actual possession thereof; or,

(b) shall have charge, care or control of any dwelling or dwelling unit, as owner or agent of the owner, or an executor, executrix, administrator, administratrix, trustee, or guardian of the estate of owner. Any such person thus representing the actual owner shall be bound to comply with the provisions of this chapter to the same extent as if he were the owner.

Section 5.19 PERSON

Any individual, firm, corporation, association, or partnership.

Section 5.20 PLUMBING

All of the following supplied facilities and equipment: gas pipes, gas-burning equipment, water pipes, garbage disposal units, waste pipes, water closets, sinks, installed dishwasher, lavatories, bathtubs, shower baths, installed clothes-washing machines, catch basins, drains, vents, and any other similar supplied fixtures, together with all connections to water, sewer or gas line.

*Amended 11/6/89

Section 5.21 ROOMING HOUSE

Any dwelling, or that part of any dwelling, containing one or more rooming units, in which space is let by the owner or operator to four or more persons who are not husband or wife, son or daughter, mother or father, or sister or brother of the owner or operator.

Section 5.22 ROOMING UNIT

Any room or group of rooms forming a single habitable unit used or intended to be used for living, and sleeping, but not for cooking or eating purposes.

Section 5.23 RUBBISH

Combustible and non-combustible waste materials except garbage; and the term shall include but not necessarily be limited to the residue from the burning of wood, coal, coke, or other combustible material, paper, rags, cartons, boxes, wood, excelsior, rubber, leather, tree branches, yard trimmings, tin cans, metals, mineral matter, glass, crockery, dust and others.

Section 5.24 SUMMER CAMPS

Seasonal dwelling units intended for and actually used for single-family dwellings only during the months of May, June, July, August, September and October or weekends or other periods of vacations but not to exceed thirty (30) days.

Section 5.25 SUPPLIED

Paid for, furnished, installed or provided by or under the control of the owner or operator.

Section 5.26 TEMPORARY HOUSING

Any tent, trailer, or other structure used for human shelter which is designed to be trasnportable and which is not attached to the ground, to another structure, or to any utilities system on the same premises for more than thirty (30) consecutive days.

ARTICLE 6 - MINIMUM STANDARDS FOR STRUCTURAL ELEMENTS

Section 6.1 GENERAL REQUIREMENTS

All structures and structural elements shall be in accordance with the requirements of the Basic Building Code recommended by the Building Officials and Code Administrators International, Inc., as adopted by the City of Auburn.

Section 6.2 MAINTENANCE

All structures and structural elements shall be maintained structurally sound, in good repair, hazard free and suitable for the intended use.

ARTICLE 7 - MINIMUM STANDARD FOR PLUMBING

Section 7.1 GENERAL REQUIREMENTS

All plumbing facilities shall be in accordance with the requirements of the State of Maine State Plumbing Code.

Section 7.2 MAINTENANCE

All plumbing facilities required by this Code shall be maintained in good sanitary working condition; water-related plumbing facilities required by this Code shall be connected to an adequate supply of water.

Section 7.3 KITCHEN SINK REQUIRED

Every dwelling units shall contain a kitchen sink.

Section 7.4 FLUSH WATER CLOSET REQUIRED

Every dwelling unit shall contain, within a room which affords privacy, a flush water closet and a lavatory basin.

Section 7.5 BATHTUB OR SHOWER REQUIRED

Every dwelling unit shall contain, within a room which affords privacy a bathtub or shower.

Section 7.6 DELETED

ARTICLE 8 - MINIMUM STANDARDS FOR HEATING AND VENTILATING

Section 8.1 GENERAL REQUIREMENTS

All heating and ventilating facilities shall be in accordance with the requirements of the Basic Building Code recommended by the Building Officials and Code Administrators International, Inc., as adopted by the City of Auburn.

Section 8.2 MAINTENANCE

All heating and ventilating facilities shall be maintained in safe operating condition for use without danger of asphixiation or of overheating combustible material.

Section 8.3 REQUIREMENTS WHEN CENTRAL HEATING PLANT NOT AVAILABLE

When heat is not furnished by a central heating plant, each dwelling unit or rooming unit shall be provided with one or more masonry flues and smoke or vent pipe connections, or equal arrangement, in accordance with the provisions of the Basic Building Code to permit the use of heating equipment capable of providing heat as required by this section.

Section 8.4 HEATING FACILITIES REQUIRED IN LET DWELLINGS

Every habitable room, let for occupancy, excepting rooms use primarily for sleeping purposes, shall be served by heating facilities capable of providing a minimum temperature of at least 68 degrees Fahrenheit, at a distance of three feet above floor level, as required by prevailing weather conditions from September 15 through May 15 of each year.

Section 8.5 VENTILATION

Every habitable room shall have a window or windows with a total sash area equal to at least 8% of its floor area opening on a street, alley, yard, or court open to the sky and constructed so that at least one-half of the sash area can be opened, except that an approved method of mechanical ventilation may be substituted for such window or windows

ARTICLE 9 - MINIMUM STANDARDS FOR LIGHTING & ELECTRICAL INSTALLATIONS

Section 9.1 GENERAL REQUIREMENTS

All lighting and other electrical facilities shall be in accordance with the requirements of the National Electrical Code by the National Fire Protection Association, as adopted by the City of Auburn.

Section 9.2 MAINTENANCE

All lighting and other electrical facilities shall be maintained in good, safe, and suitable electrical order.

Section 9.3 LIGHTING IN PASSAGEWAYS AND COMMON STAIRWAYS

Every passageway and stairway shall have at least one ceiling-type or wall-type electric light fixture adequate to provide safe passage.

ARTICLE 10 - MINIMUM STANDARDS FOR SANITATION

Section 10.1 GARBAGE AND RUBBISH

(a) Disposal of Garbage and Rubbish

Every responsible occupant of a dwelling or dwelling unit shall dispose of all his garbage and rubbish in a clean and sanitary manner.

(b) Dwelling Units to be Free of Refuse

Every dwelling shall be clean and free from garbage or rubbish. When a dwelling or dwelling unit is not reasonably clean or free from garbage or rubbish, the Housing Inspector may cause the responsible person to put the dwelling or dwelling unit in a clean and sanitary condition.

Every owner of rental property shall provide his tenants with suitable waste containers as provided in Section 3.3 of Chapter 22 of these ordinances.

Section 10.2 INSECT AND RODENT CONTROL

(a) Owner Responsible for Extermination in Multiple Dwellings

Whenever infestation exists in two or more of the dwelling units in any dwelling, or in the shared or public parts of any dwelling containing two or more dwelling units, extermination thereof shall be the responsibility of the owner.

(b) Occupant Responsible for Extermination

Every occupant of a dwelling containing a single dwelling unit shall be responsible for the extermination of any insects, rodents, or other pests therein or on the premises.

ARTICLE 11 - MINIMUM STANDARDS FOR SPACE AND OCCUPANCY

Section 11.1 FLOOR SPACE REQUIREMENTS

The total area of every dwelling unit shall contain at least 250 square feet of floor area, with an additional 125 square feet for each occupant over two.

Section 11.2 CEILING HEIGHTS

At least one half of the floor area of every habitable room shall have a room ceiling height of at least 7 feet; and the floor area of that part of any rooom where the ceiling height is less than five feet shall not be considered as part of the floor area in computing the total floor area of the room for the purpose of determining the maximum permissible occupancy thereof.

Section 11.3 USE OF BASEMENT

No basement space shall be used as a habitable room or dwelling unit unless it conforms to the BOCA Building Code concerning means of egress, light and ventilation.

ARTICLE 12 - MINIMUM STANDARDS FOR SAFETY

Section 12.1 GENERAL REQUIREMENTS

The construction, use and occupancy of all dwelling shall be in accordance with the Buildings Exits Code and the Fire Prevention Code by the National Board of Fire Underwriters, as adopted by the City of Auburn.

Section 12.2 ADJACENT OCCUPANCIES

No dwelling unit or rooming unit shall be located within a building containing any establishment handling, dispensing or storing flammable liquids, or producing toxic gases or vapors in any quantity, which may endanger the lives or safety of the occupants.

Section 12.3 EXITS

Every dwelling unit and every rooming unit shall have safe, continuous and unobstructed means of egress leading from the interior of the building to safe and open spaces at ground level in accordance with applicable statutes and ordinances.

Section 12.4 OBSTRUCTIONS TO PASSAGE

Every hallway, stairway, corridor, exit, fire escape door, or other means of egress shall be kept clear of obstructions at all times.

Tabled 9/23/02

City Council

Agenda Information Sheet

Council Meeting Date 9/9/02 Agenda Item No /

9/23/02

SUBJECT:

ORDINANCE – CHAPTER 23 – PROPERTY MAINTENANCE CODE

INFORMATION:

The Property Maintenance Code will replace Chapter 20A, the Housing Code. This Code is more inclusive than the current Housing Code and addresses a number of issues relevant to the upkeep and maintenance of properties internally as well as externally. This Code will assist City staff in determining safety of living spaces for members of the community.

STAFF *COMMENTS AND RECOMMENDATION*

Staff has researched a number of Property Maintenance Codes and addressed issues with corporation counsel during the development of this proposed code, which other communities in Maine have previously adopted. Staff feels comfortable in the ability of enforcing and utilizing this code.

REQUESTED ACTION:

Motion for acceptance of second reading and final passage.

VOTE:

CITY OF AUBURN

CITY COUNCIL, AUBURN, MAINE

DATE September 9, 2002

TITLE ORDINANCE – CHAPTER 23 – PROPERTY MAINTENANCE CODE

Be It (~~Ordered~~ – Ordained – ~~Resolved~~) by the Auburn City Council That:

The attached Chapter 23, Property Maintenance Code is hereby adopted.

Motion for acceptance of lst reading: Joseph DeFilipp Seconded by: Joseph H. Theriault
Vote: 5 Yeas, with Councilor Gerry voting Nay.

Motion to waive provisions of the Charter calling for first and second readings on two separate dates:
Seconded by:
Vote:

Motion to dispense with further reading, for acceptance of 2nd reading and for final passage:
Seconded by:
Vote:

Action by Council: **DATE**

ATTEST:

CITY CLERK

PROPERTY MAINTENANCE CODE

CHAPTER 23
ADMINISTRATION

SECTION 101
GENERAL

101.1 Title.

These regulations shall be known as the Property Maintenance Code of City of Auburn, hereinafter referred to as "this code."

101.2 Scope.

The provisions of this code shall apply to all existing residential and nonresidential structures and all existing premises and constitute minimum requirements and standards for premises. Structures, equipment, and facilities for light, ventilation, space, heating, sanitation, protection from the elements, life safety, safety from fire and other hazards, and for safe and sanitary maintenance; the responsibility of owners, operators and occupants; the occupancy of existing structures and premises, and for administration, enforcement and penalties.

101.3 Intent.

This code shall be construed to secure its expressed intent, which is to ensure public health, safety and welfare insofar as they are affected by the continued occupancy and maintenance of structures and premises. Existing structures and premises that do not comply with these provisions shall be altered or repaired to provide a minimum level of health and safety as required herein.

101.4 Severability.

If a section, subsection, sentence, clause or phrase of this code is, for any reason, held to be unconstitutional, such decision shall not affect the validity of the remaining portions of this code.

SECTION 102
DEFINITIONS

102.1 Scope.

Unless otherwise expressly stated, the following terms shall, for the purposes of this code, have the meanings shown in this chapter.

102.2 Interchangeability.

Words stated in the present tense include the future; words stated in the masculine gender include the feminine and neuter; the singular number includes the plural and the plural the singular.

102.3 Terms defined in other codes.

Where terms are not defined in this code and are defined in the building, fire prevention, zoning, plumbing or mechanical codes, ASME A17.1 and NFPA 70, such terms shall have the meanings ascribed to them as in those codes.

102.4 Terms not defined.

Where terms are not defined, through the methods authorized by this section, such terms shall have ordinarily accepted meanings such as the context implies.

102.5 Parts.

Whenever the words "dwelling unit," "dwelling," "premises," "building," "rooming house," "rooming unit" or "story" are stated in this code, they shall be construed as though they were followed by the words "or any part thereof."

SECTION 103
GENERAL DEFINITIONS

APPROVED.
Approved by the code official.

BASEMENT.
That portion of a building, which is partly or completely below grade.

BATHROOM.
A room containing plumbing fixtures including a bathtub or shower.

BEDROOM.
Any room or space used or intended to be used for sleeping purposes.

CODE OFFICIAL.
The official who is charged with the administration and enforcement of this code, or any duly authorized representative and shall be known as the CEO.

CONDEMN.
To adjudge unfit for occupancy.

DWELLING UNIT.
A single unit providing complete, independent living facilities for one or more persons, including permanent provisions for living, sleeping, eating, cooking and sanitation.

EXTERIOR PROPERTY.
The open space on the premises and on adjoining property under the control of owners or operators of such premises.

EXTERMINATION.
The control and elimination of insects, rats or other pests by eliminating their harborage places; by removing or making inaccessible materials that serve as their food; by poison spraying, fumigating, trapping or by any other approved pest elimination methods.

GARBAGE.
The animal or vegetable waste resulting from the handling, preparation, cooking and consumption of food.

HABITABLE SPACE.
Space in a structure for living, sleeping, eating or cooking. Bathrooms, toilet rooms, closets, halls, storage or utility spaces, and similar areas are not considered habitable spaces.

IMMINENT HAZARD.
A condition which could cause serious or life-threatening injury or death at any time.

INFESTATION.
The presence, within or contiguous to, a structure or premises of insects, rats, vermin or other pests.

LABELED.
Devices, equipment, appliances, or materials to which has been affixed a label, seal, symbol or other identifying mark of a nationally recognized testing laboratory, inspection agency or other organization concerned with product evaluation that maintains periodic inspection of the production of the above-labeled items and by whose label the manufacturer attests to compliance with applicable nationally recognized standards.

LET FOR OCCUPANCY OR LET.
To permit, provide or offer possession or occupancy of a dwelling, dwelling unit, rooming unit, building, premise or structure by a person who is or is not the legal owner of record thereof, pursuant to a written or unwritten lease, agreement or license, or pursuant to a recorded or unrecorded agreement of contract for the sale of land.

OCCUPANCY.
The purpose for which a building or portion thereof is utilized or occupied.

OCCUPANT.
Any individual living or sleeping in a building, or having possession of a space within a building.

OPENABLE AREA.
That part of a window, skylight or door which is available for unobstructed ventilation and which opens directly to the outdoors.

OPERATOR.
Any person who has charge, care or control of a structure or premises which is let or offered for occupancy.

OWNER.
Any person, agent, operator, firm or corporation having a legal or equitable interest in the property; or recorded in the official records of the state, county or municipality as holding title to the property; or otherwise having control of the property, including the guardian of the estate of any such person, and the executor or administrator of the estate of such person if ordered to take possession of real property by a court.

PERSON.
An individual, corporation, partnership or any other group acting as a unit.

PREMISES.
A lot, plot or parcel of land including any structures thereon.

ROOMING HOUSE.
A building arranged or occupied for lodging, with or without meals, for compensation and not occupied as a one- or two-family dwelling.

ROOMING UNIT.
Any room or group of rooms forming a single habitable unit occupied or intended to be occupied for sleeping or living, but not for cooking purposes.

RUBBISH.
Combustible and noncombustible waste materials, except garbage; the term shall include the residue from the burning of wood, coal, coke and other combustible materials, paper, rags, cartons, boxes, wood, excelsior, rubber, leather, tree branches, yard trimmings, tin cans, metals, mineral matter, glass, crockery and dust and other similar materials. For acceptable curbside collection materials,

STRUCTURE.
That which is built or constructed or a portion thereof.

TENANT.
A person, corporation, partnership or group, whether or not the legal owner of record, occupying a building or portion thereof as a unit.

TOILET ROOM.
A room containing a water closet or urinal but not a bathtub or shower.

VENTILATION.
The natural or mechanical process of supplying conditioned or unconditioned air to, or removing such air from, any space.

WORKMANLIKE.
Executed in a skilled manner; e.g., generally plumb, level, square, in line, undamaged and without marring adjacent work.

YARD.
An open space on the same lot with a structure.

SECTION 104
APPLICABILITY

104.1 General.

The provisions of this code shall apply to all matters affecting or relating to structures and premises, as set forth in Section 101. Where, in a specific case, different sections of this code specify different requirements, the most restrictive shall govern.

104.2 Maintenance.

Equipment, systems, devices and safeguards that are required by this code or a previous regulation or code under which the structure or premises was constructed, altered or repaired shall be maintained in good working order. The requirements of this code are not intended to provide the basis for removal or abrogation of fire protection and safety systems and devices in existing structures Except as otherwise specified herein, the owner or the owner's designated agent shall be responsible for the maintenance of buildings, structures and premises.

104.3 Application of other codes.

Repairs, additions or alterations to a structure, or changes of occupancy, shall be done in accordance with the procedures and provisions of the building, plumbing and NFPA 70 The National Electrical Code. Nothing in this code shall be construed to cancel, modify or set aside any provision of the zoning code.

104.4Existing remedies.

The provisions in this code shall not be construed to abolish or impair existing remedies of the jurisdiction or its officers or agencies relating to the removal or demolition of any structure which are dangerous, unsafe and insanitary.

104.5Workmanship

Repairs, maintenance work, alterations or installations which are caused directly or indirectly by the enforcement of this code shall be executed and installed in a workmanlike manner and installed in accordance with the manufacturer's installation instructions.

104.6Historic buildings.

The provisions of this code shall not be mandatory for existing buildings or structures designated by the state or local jurisdiction as historic buildings when such buildings or structures are judged by the code official to be safe and in the public interest of health, safety and welfare.

104.7 Referenced codes and standards.

Referenced codes and standards. The codes and standards referenced in this code shall be those that are listed in Chapter 8 and considered part of the requirements of this code to the prescribed extent of each such reference. Where differences occur between provisions of this code and the referenced standards, the provisions of this code shall apply.

104.8 Requirements not covered by code.

Requirements necessary for the strength, stability or proper operation of an existing structure or equipment, or for the public safety, health and general welfare, not specifically covered by this code, shall be determined by the code official.

SECTION 105
DUTIES AND POWERS OF CODE ENFORCEMENT OFFICERS

105.1 General.

The code enforcement officers (code officials) shall enforce the provisions of this code.

105.2 Rule-making authority.

The code official shall have authority as necessary in the interest of public health, safety and general welfare, to adopt and promulgate rules and procedures; to interpret and implement the provisions of this code; to secure the intent thereof; and to designate requirements applicable because of local climatic or other conditions. Such rules shall not have the effect of waiving structural or fire performance

requirements specifically provided for in this code, or of violating accepted engineering methods involving public safety.

105.3 Inspections.

The code official shall make all of the required inspections, or shall accept reports of inspection by approved agencies or individuals. All reports of such inspections shall be in writing and be certified by a responsible officer of such approved agency or by the responsible individual. The code official is authorized to engage such expert opinion as deemed necessary to report upon unusual technical issues that arise, subject to the approval of the appointing authority.

105.4 Right of entry.

The code official is authorized to enter the structure or premises at reasonable times to inspect subject to constitutional restrictions on unreasonable searches and seizures. If entry is refused or not obtained, the code official is authorized to pursue recourse as provided by law.

105.5 Identification.

The code official shall carry proper identification when inspecting structures or premises in the performance of duties under this code.

105.6 Notices and orders.

The code official shall issue all necessary notices or orders to ensure compliance with this code.

105.7 Department records.

The code official shall keep official records of all business and activities of the department specified in the provisions of this code. Such records shall be retained in the official records as long as the building or structure to which such records relate remains in existence, unless otherwise provided for by other regulations.

105.8 Coordination of inspections.

Whenever in the enforcement of this code or another code or ordinance, the responsibility of more than one code official of the jurisdiction is involved, it shall be the duty of the code officials involved to coordinate their inspections and administrative orders as fully as practicable so that the owners and occupants of the structure shall not be subjected to visits by numerous inspectors or multiple or conflicting orders. Whenever an inspector from any agency or department observes an apparent or actual violation of some provision of some law, ordinance or code not within the inspector's authority to enforce, the inspector shall report the findings to the code official having jurisdiction.

SECTION 106
APPROVAL

106.1 Modifications.

Whenever there are practical difficulties involved in carrying out the provisions of this code, the code official shall have the authority to grant modifications for individual cases, provided the code official shall first find that special individual reason makes the strict letter of this code impractical and the

modification is in compliance with the intent and purpose of this code and that such modification does not lessen health, life and fire safety requirements. The details of action granting modifications shall be recorded and entered in the department files.

106.2 Alternative materials, methods and equipment.

The provisions of this code are not intended to prevent the installation of any material or to prohibit any method of construction not specifically prescribed by this code, provided that any such alternative has been approved. An alternative material or method of construction shall be approved where the code official finds that the proposed design is satisfactory and complies with the intent of the provisions of this code, and that the material, method or work offered is, for the purpose intended, at least the equivalent of that prescribed in this code in quality, strength, effectiveness, fire resistance, durability and safety.

106.3 Required testing.

Whenever there is insufficient evidence of compliance with the provisions of this code, or evidence that a material or method does not conform to the requirements of this code, or in order to substantiate claims for alternative materials or methods, the code official shall have the authority to require tests as evidence of compliance to be made at no expense to the jurisdiction.

106.3.1 Test methods.

Test methods shall be as specified in this code or by other recognized test standards. In the absence of recognized and accepted test methods, the code official shall approve the testing procedures.

106.3.2 Testing agency.

All tests shall be performed by an approved agency.

106.3.3 Test reports.

Reports of tests shall be retained by the code official for the period required for retention of public records.

106.4 Material and equipment reuse.

Materials, equipment and devices shall not be reused unless such elements have been reconditioned and tested when necessary, placed in good and proper working condition and approved.

SECTION 107
VIOLATIONS

107.1 Unlawful acts.

It shall be unlawful for a person, firm or corporation to be in conflict with or in violation of any of the provisions of this Code. In the case of leased or rental property, the owner shall be responsible for the entire property's compliance with this code, and additionally each tenant shall be responsible for compliance of the portion of the property under the tenant's control.

107.2 Notice of violation.

The code official shall serve a notice of violation or order in accordance with Section 107.

107.3 Prosecution of violation.

If the notice of violation is not complied with, the code official shall institute the appropriate proceeding at law or in equity to restrain, correct or abate such violation, or to require the removal or termination of the unlawful occupancy of the structure in violation of the provisions of this code or of the order or direction made pursuant thereto.

107.4 Violation penalties.

Any person who shall violate a provision of this code, or fail to comply therewith, or with any of the requirements thereof, shall be prosecuted in accordance with 30-A M.R.S.A. 4452. This ordinance is a local land use ordinance with the meaning of 30-A M.R.S.A. 4452(5). Each violation of a provision of this Code shall be a separate offence, and each day that a violation continues after due notice has been served shall also be deemed a separate offense punishable by a fine of $100.00, per violation per day, which cannot be suspended. The violator will also be responsible for the City's reasonable attorney's fees in prosecuting the violation if the City is the prevailing party.

107.5 Abatement of violation.

The imposition of the penalties herein prescribed shall not preclude the legal officer of the jurisdiction from instituting appropriate action to restrain, correct or abate a violation, or to prevent illegal occupancy of a building, structure or premises, or to stop an illegal act, conduct, business or utilization of the building, structure or premises.

107.6 Recovery of Cost of Correction.

If the owner or other person responsible fails to take corrective action within the time period allowed by the code official, the code official may have the corrective action taken and recover the cost in a civil action. If the City is represented by legal counsel in the civil action the defendant (s) are responsible for the City's reasonable attorney's fees if the City is the prevailing party.

SECTION 108
NOTICES AND ORDERS

108.1 Notice to owner or to person or persons responsible.

Whenever the code official determines that there has been a violation of this code or has grounds to believe that a violation has occurred, notice shall be given to the owner or the person or persons responsible therefore in the manner prescribed in Sections 107.2 and 107.3. Notices for condemnation procedures shall also comply with Section 108.3.

108.2 Form.

Such notice prescribed in Section 107.1 shall:

1. Be in writing;
2. Include a description of the real estate sufficient for identification;
3. Include a statement of the violation or violations and why the notice is being issued;

4. Include a correction order allowing a specified reasonable time to make the repairs and improvements required to bring the dwelling unit or structure into compliance with the provisions of this Code which specified time shall be the minimum the CEO determined to be reasonably necessary given the nature of the required repairs and improvements; and

5. Inform the property owner or persons responsible of the right to appeal the CEO's determination of the violation to the Board of Appeals in accordance with section 114.2 of this code, unless it is a violation of Section 302.1 (Sanitation) or Section 305 (Rubbish and Garbage).

108.3 Method of service.

Such notice shall be deemed to be properly served if a copy thereof is:

1. Delivered personally; or
2. Sent by certified or first-class mail addressed to the last known address; or
3. If the notice is returned showing that the letter was not delivered, a copy thereof shall be posted in a conspicuous place in or about the structure affected by such notice.

108.4 Penalties.

Penalties for noncompliance with orders and notices shall be as set forth in Section 106.4.

108.5 Transfer of ownership.

It shall be unlawful for the owner of any dwelling unit or structure who has received a compliance order or upon whom a notice of violation has been served to sell, transfer, mortgage, lease or otherwise dispose of to another until the provisions of the compliance order or notice of violation have been complied with, or until such owner shall first furnish the grantee, transferee, mortgagee or lessee a true copy of any compliance order or notice of violation issued by the code official and shall furnish to the code official a signed and notarized statement from the grantee, transferee, mortgagee or lessee, acknowledging the receipt of such compliance order or notice of violation and fully accepting the responsibility without condition for making the corrections or repairs required by such compliance order or notice of violation.

SECTION 109
UNSAFE STRUCTURES AND EQUIPMENT

109.1 General.

When a structure or equipment is found by the code official to be unsafe, or when a structure is found unfit for human occupancy or is found unlawful, such structure shall be condemned pursuant to the provisions of this code.

109.1.1 Unsafe structures.

An unsafe structure is one that is found to be dangerous to the life, health, property or safety of the public or the occupants of the structure by not providing minimum safeguards to protect or warn occupants in the event of fire, or because such structure contains unsafe equipment or is so damaged, decayed, dilapidated, structurally unsafe, or of such faulty construction or unstable foundation, that partial or complete collapse is possible.

109.1.2 Unsafe equipment.

Unsafe equipment includes any boiler, heating equipment, elevator or moving stairway, electrical wiring or device, flammable liquid containers or other equipment on the premises or within the structure which is in such disrepair or condition that such equipment is a hazard to life, health, property or safety of the public or occupants of the premises or structure.

109.1.3 Structure unfit for human occupancy.

A structure is unfit for human occupancy whenever the code official finds that such structure is unsafe, unlawful or, because of the degree to which the structure is in disrepair or lacks maintenance, is unsanitary, vermin or rat infested, contains filth and contamination, or lacks ventilation, illumination, sanitary or heating facilities or other essential equipment required by this code, or because the location of the structure constitutes a hazard to the occupants of the structure or to the public.

109.1.4 Unlawful structure.

An unlawful structure is one found in whole or in part to be occupied by more persons than permitted under this code, or was erected, altered or occupied contrary to law.

109.2 Closing of vacant structures.

If the structure is vacant and unfit for human habitation and occupancy, and is not in danger of structural collapse, the code official is authorized to post a placard of condemnation on the premises and order the structure closed up so as not to be an attractive nuisance. Upon failure of the owner to close up the premises within the time specified in the order, the code official shall cause the premises to be closed through any available public agency or by contract or arrangement by private persons and the cost thereof shall be ~~charged against the real estate upon which the structure is located and shall be a lien upon such real estate.~~ recovered from the property owner in accordance with section 107.6 above.

109.3 Notice.

Whenever the code official has condemned a structure or equipment under the provisions of this section, notice shall be posted in a conspicuous place in or about the structure affected by such notice and served on the owner or the person or persons responsible for the structure or equipment in accordance with Section 107.3. If the notice pertains to equipment, it shall also be placed on the condemned equipment. The notice shall be in the form prescribed in Section 107.2.

109.4 Placarding.

Upon failure of the owner or person responsible to comply with the notice provisions within the time given, the code official shall post on the premises or on defective equipment a placard bearing the word "Condemned" and a statement of the penalties provided for occupying the premises, operating the equipment or removing the placard.

109.5 Prohibited occupancy.

Any person who shall occupy a placarded premises or shall operate placarded equipment, and any owner or any person responsible for the premises who shall let anyone occupy a placarded premises or operate placarded equipment shall be liable for the penalties provided by this code.

109.6 Removal of placard.

The code official shall remove the condemnation placard whenever the defect or defects upon which the condemnation and placarding action were based have been eliminated to the satisfaction of the Code Officer. Any person who defaces or removes a condemnation placard without the approval of the code official shall be subject to the penalties provided by this code.

SECTION 110
EMERGENCY MEASURES

110.1 Imminent danger.

When, in the opinion of the code official, there is imminent danger of failure or collapse of a building or structure which endangers life, or when any structure or part of a structure has fallen and life is endangered by the occupation of the structure, or when there is actual or potential danger to the building occupants or those in the proximity of any structure because of explosives, explosive fumes or vapors or the presence of toxic fumes, gases or materials, or operation of defective or dangerous equipment, the code official is hereby authorized and empowered to order and require the occupants to vacate the premises forthwith. The code official shall cause to be posted at each entrance to such structure a notice reading as follows: "This structure Is Unsafe and Its Occupancy Has Been Prohibited by the Code Official." It shall be unlawful for any person to enter such structure except for the purpose of securing the structure, making the required repairs, removing the hazardous condition or of demolishing the same.

110.2 Temporary safeguards.

Notwithstanding other provisions of this code, whenever, in the opinion of the code official, there is imminent danger due to an unsafe condition, the code official shall order the necessary work to be done, including the boarding-up of openings, to render such structure temporarily safe whether or not the legal procedure herein described has been instituted; and shall cause such other action to be taken as the code official deems necessary to meet such emergency.

110.3 Closing streets.

When necessary for the public safety, the code official shall temporarily close structures and close, or order the authority having jurisdiction to close, sidewalks, streets, public ways and places adjacent to unsafe structures, and prohibit the same from being utilized.

110.4 Emergency repairs.

For the purposes of this section, the code official shall employ the necessary labor and materials to perform the required work as expeditiously as possible. Costs incurred in the performance of emergency work shall be paid by the jurisdiction. The city solicitor shall institute appropriate action against the owner of the premises where the unsafe structure is or was located for the recovery of such costs.

110.5 Hearing.

Any person ordered to take emergency measures shall comply with such order forthwith. Any affected person shall thereafter, upon petition directed to the appeals board, be afforded a hearing as described in this code.

SECTION 111
DEMOLITION AND ABATEMENT OF DANGEROUS BUILDINGS

111.1 General.

In the case of dangerous buildings, in addition to the remedies provided in this Code, the CEO and the City shall have all the rights and remedies provided pursuant17 MRSA§2851 et seq., as amended., including the right to seek demolition of the building or structure.

SECTION 112
MEANS OF APPEAL

112.1 Application for appeal.

Any person directly affected by a decision of the code official or a notice or order issued under this code, except for a violation of Section 302.1 (Sanitation), Section 302.4 (Weeds) or Section 305 (Rubbish and Garbage), for which there is not appeal, shall have the right to appeal to the board of appeals, provided that a written application for appeal is filed within 5 days after the day the decision, notice or order was served. An application for appeal shall be based on a claim that the true intent of this code or the rules legally adopted thereunder have been incorrectly interpreted, the provisions of this code do not fully apply, or the requirements of this code are adequately satisfied by other means.

112.2 Appeals Process

The Board of appeals shall follow all of the regulations in Chapter 29 Article 6 for Administrative appeals.

112.3 Court review.

A party shall have the right to appeal to Superior Court in accordance with Rule 80B within 30 days of the date the board of appeals made its oral decision.

112.4 Stays of enforcement.

Appeals of notice and orders (other than Imminent Danger notices) shall stay the enforcement of the notice and order until the appeal is heard by the appeals board.

CHAPTER 2
GENERAL REQUIREMENTS

SECTION 201
GENERAL

201.1 Scope.

The provisions of this chapter shall govern the minimum conditions and the responsibilities of persons for maintenance of structures, equipment and exterior property.

201.2 Responsibility.

The owner of the premises shall maintain the structures and exterior property in compliance with these requirements, except as otherwise provided for in Sections 305 and 306. A person shall not occupy as owner-occupant or permit another person to occupy premises which are not in a sanitary and safe condition and which do not comply with the requirements of this chapter. Occupants of a dwelling unit are responsible for keeping in a clean, sanitary and safe condition that part of the dwelling unit or premises, which they occupy and control.

201.3 Vacant structures and land.

All vacant structures and premises thereof or vacant land shall be maintained in a clean, safe, secure and sanitary condition as provided herein so as not to cause a blighting problem or adversely affect the public health or safety.

SECTION 302
EXTERIOR PROPERTY AREAS

302.1 Sanitation.

All exterior property and premises shall be maintained in a clean, safe and sanitary condition. The occupant shall keep that part of the exterior property, which such occupant occupies or controls, in a clean and sanitary condition.

302.2 Grading and drainage.

All premises shall be graded and maintained to prevent the erosion of soil and to prevent the accumulation of stagnant water thereon, or within any structure located thereon.
Exception:
Approved retention areas and reservoirs.

302.3 Sidewalks and driveways.

All sidewalks, walkways, stairs, driveways, parking spaces and similar areas shall be kept in a proper state of repair, and maintained free from hazardous conditions. Stairs shall comply with the requirements of Sections 303.10 and 702.9.

302.4 Weeds.

All premises and exterior property shall be maintained free from weeds or plant growth in excess of 10 inches (254 mm). All noxious weeds shall be prohibited. Weeds shall be defined as all grasses, annual plants and vegetation, other than trees or shrubs provided; however, this term shall not include cultivated flowers and gardens or areas outside the normal perimeter of the property which has been previously maintained as a yard.

302.5 Rodent harborage.

All structures and exterior property shall be kept free from rodent harborage and infestation. Where rodents are found, they shall be promptly exterminated by approved processes, which will not be injurious to human health. After extermination, proper precautions shall be taken to eliminate rodent harborage and prevent reinfestation.

302.6 Accessory structures.

All accessory structures, including detached garages, fences and walls, shall be maintained structurally sound and in good repair.

302.6.1

Gates which are required to be self-closing and self-latching in accordance with the building code shall be maintained such that the gate will positively close and latch when released from a still position of 6 inches (152 mm) from the gatepost.

302.7 Motor vehicles.

Except as provided for in other regulations, not more than one currently unregistered or uninspected motor vehicle shall be stored on the premises unless it is within an enclosed building and no vehicle shall at any time be in a state of major disassembly, disrepair, or in the process of being stripped or dismantled, unless it is within an enclosed building. Any vehicle stored or maintained in violation of this provision shall be removed within (7) days of receipt of a notice of violation issued by the CEO

302.8 Defacement of property.

No person shall willfully or wantonly damage, mutilate or deface any exterior surface of any structure or building on any private or public property by placing thereon any marking, carving or graffiti.

It shall be the responsibility of the owner to restore said surface to an approved state of maintenance and repair.

SECTION 303
EXTERIOR STRUCTURE

303.1 General.

The exterior of a structure shall be maintained in good repair, structurally sound and sanitary so as not to pose a threat to the public health, safety or welfare.

303.2 Protective treatment.

All exterior surfaces, including but not limited to, doors, door and window frames, cornices, porches and trim, shall be maintained in good condition. Exterior wood surfaces, other than decay-resistant woods, shall be protected from the elements and decay by painting or other protective covering or treatment. Peeling, flaking and chipped paint shall be eliminated and surfaces repainted. All siding and masonry joints as well as those between the building envelope and the perimeter of windows, doors, and skylights shall be maintained weather resistant and water tight.

303.3 Structural members.

All structural members shall be maintained free from deterioration, and shall be capable of safely supporting the imposed dead and live loads.

303.4 Foundation walls.

All foundation walls shall be maintained plumb and free from open cracks and breaks and shall be kept in such condition so as to prevent the entry of rodents.

303.5 Exterior walls.

All exterior walls shall be free from holes, breaks, loose or rotting materials; and maintained weatherproof and properly surface coated where required to prevent deterioration.

303.6 Roofs and drainage.

The roof and flashing shall be sound, tight and not have defects that admit rain. Roof drainage shall be adequate to prevent dampness or deterioration in the walls or interior portion of the structure. Roof drains, gutters and downspouts shall be maintained in good repair and free from obstructions. Roof water shall not be discharged in a manner that creates a public nuisance.

303.7 Decorative features.

All cornices, belt courses, corbels, terra cotta trim, wall facings and similar decorative features shall be maintained in good repair with proper anchorage and in a safe condition.

303.8 Overhang extensions.

All canopies, marquees, signs, metal awnings, fire escapes, standpipes, exhaust ducts and similar overhang extensions shall be maintained in good repair and be properly anchored so as to be kept in a sound condition. When required, all exposed surfaces of metal or wood shall be protected from the elements and against decay or rust by periodic application of weather-coating materials, such as paint or similar surface treatment.

303.9 Stair and walking surfaces.

Every stair, ramp, balcony, porch, deck or other walking surface shall comply with the provisions of Section 702.9.

303.10 Stairways, decks, porches and balconies.

Every exterior stairway, deck, porch and balcony, and all appurtenances attached thereto, shall be maintained structurally sound, in good repair, with proper anchorage and capable of supporting the imposed loads.

303.11 Chimneys and towers.

All chimneys, cooling towers, smoke stacks, and similar appurtenances shall be maintained structurally safe and sound, and in good repair. All exposed surfaces of metal or wood shall be protected from the elements and against decay or rust by periodic application of weather-coating materials, such as paint or similar surface treatment.

303.12 Handrails and guards.

Every handrail and guard shall be firmly fastened and capable of supporting normally imposed loads and shall be maintained in good condition.

303.13 Window, skylight and door frames.

Every window, skylight, door and frame shall be kept in sound condition, good repair and weather tight.

303.13.1 Glazing.

All glazing materials shall be maintained free from cracks and holes.

303.13.2 Openable windows.

Every window, other than a fixed window, shall be easily openable and capable of being held in position by window hardware.

303.14 Doors.

All exterior doors, door assemblies and hardware shall be maintained in good condition. Locks at all entrances to dwelling units, rooming units and guestrooms shall tightly secure the door.

303.15 Basement hatchways.

Every basement hatchway shall be maintained to prevent the entrance of rodents, rain and surface drainage water.

303.16 Guards for basement windows.

Every basement window that is openable shall be supplied with rodent shields, storm windows or other approved protection against the entry of rodents.

SECTION 304
INTERIOR STRUCTURE

304.1 General.

The interior of a structure and equipment therein shall be maintained in good repair, structurally sound and in a sanitary condition. Every occupant shall keep that part of the structure, which such occupant occupies or controls, in a clean and sanitary condition. Every owner of a structure containing a rooming house, a hotel, a dormitory, two or more dwelling units or two or more nonresidential occupancies, shall maintain, in a clean and sanitary condition, the shared or public areas of the structure and exterior property.

304.2 Structural members.

All structural members shall be maintained structurally sound, and be capable of supporting the imposed loads.

304.3 Interior surfaces.

All interior surfaces, including windows and doors, shall be maintained in good, clean and sanitary condition. Peeling paint, cracked or loose plaster, decayed wood, and other defective surface conditions shall be corrected.

304.4 Stairs and railings.

All interior stairs and railings shall be maintained in sound condition and good repair.

304.5 Stairs and walking surfaces.

Every stair, ramp, balcony, porch, deck or other walking surface shall comply with the provisions of Section 702.9.

304.6 Handrails and guards.

Every handrail and guard shall be firmly fastened and capable of supporting normally imposed loads and shall be maintained in good condition.

304.7 Interior doors.

Every interior door shall fit reasonably well within its frame and shall be capable of being opened and closed by being properly and securely attached to jambs, headers or tracks as intended by the manufacturer of the attachment hardware.

SECTION 305
RUBBISH AND GARBAGE

305.1 Accumulation of rubbish or garbage.

All exterior property and premises, and the interior of every structure, shall be free from any accumulation of rubbish or garbage.

305.2 Disposal of rubbish.

Every occupant of a structure shall dispose of all rubbish in a clean and sanitary manner by placing such rubbish in approved containers. Rubbish may not be placed adjacent to the road for pick up any earlier than 6:00p.m. the day before scheduled pick up.

305.2.1 Rubbish storage facilities.

The owner of every occupied premises shall supply approved covered containers for rubbish, and the owner of the premises shall be responsible for the removal of rubbish.

305.3 Disposal of garbage.

Every occupant of a structure shall dispose of garbage in a clean and sanitary manner by placing such garbage in the same manner as noted in section 305.2 and placed along the side of the road no earlier 6:00p.m. the day prior to the scheduled pick up.

305.3.1 Garbage facilities.

The owner of every dwelling shall supply one of the following: an approved mechanical food waste grinder in each dwelling unit; or an approved leakproof, covered, outside garbage container.

305.3.2 Containers.

The operator of every establishment producing garbage shall provide, and at all times cause to be utilized, approved leakproof containers provided with close-fitting covers for the storage of such materials until removed from the premises for disposal.

305.4 Hot Ashes

No person shall put out hot ashes for collection, and all ashes put out for collection shall be separate from all other waste.

305.5 Incinerator, Permit Required

No person shall burn trash or refuse in an outdoor incinerator in any location where waste is regularly collected by the city unless a written permit signed by the Chief of the Fire Department or an authorized deputy and by the Health Officer shall have been issued for the use of such incinerator. The Fire department official shall certify that the use of such incinerator would not violate the Fire Prevention Code or otherwise constitute a fire hazard, and the Health Officer shall certify that such use would not create a health menace, result in objectionable odors, or create smoke, ashes, or other debris which would interfere with the proper use of property of adjoining landowners. Reasonable conditions upon the exercise of such use may be stated in writing upon the permit by either the Health Officer of Fire Department Official. Such permit may be terminated upon written notice by either the Health Officer or the Fire Department Official, or his duly authorized deputy, for failure to comply with any such conditions or for any other good cause.

~~305.5~~ 305.6 Commercial Outdoor Burning Restricted

No person shall burn outdoors commercial waste or other solid materials as part of a manufacturing or commercial process with out first obtaining a written permit therefore signed by the Chief of the Fire Department, or his authorized deputy, and by the Health Officer. The Fire Department Official shall certify that such burning would not violate the Fire prevention code or otherwise constitute a fire hazard, and the Health Officer shall certify that such use would not create a health menace, result in objectionable odors, or create smoke, ashes, or other debris which would interfere with the proper use of property of adjoining landowners. Reasonable conditions upon the exercise of such use may be stated in writing upon the permit by either the Health Officer of Fire Department Official. Such permit may be terminated upon written notice by either the Health Officer or the Fire Department Official, or his duly authorized deputy, for failure to comply with any such conditions or for any other good cause.

SECTION 306
EXTERMINATION

306.1 Infestation.

All structures shall be kept free from insect and rodent infestation. All structures in which insects or rodents are found shall be promptly exterminated by approved processes that will not be injurious to human health. After extermination, proper precautions shall be taken to prevent reinfestation.

306.2 Owner.

The owner of any structure shall be responsible for extermination within the structure prior to renting or leasing the structure.

306.3 Single occupant.

The occupant of a one-family dwelling or of a single-tenant nonresidential structure shall be responsible for extermination on the premises.

306.4 Multiple occupancy.

The owner of a structure containing two or more dwelling units, a multiple occupancy, a rooming house or a nonresidential structure shall be responsible for extermination in the public or shared areas of the structure and exterior property.

306.5 Occupant.

The occupant of any structure shall be responsible for the continued rodent and pest-free condition of the structure.

> **Exception:**
>
> Where the infestations are caused by defects in the structure, the owner shall be responsible for extermination.

CHAPTER 4
LIGHT, VENTILATION AND OCCUPANCY LIMITATIONS

SECTION 401
GENERAL

401.1 Scope.

The provisions of this chapter shall govern the minimum conditions and standards for light, ventilation and space for occupying a structure.

401.2 Responsibility.

The owner of the structure shall provide and maintain light, ventilation and space conditions in compliance with these requirements. A person shall not occupy as owner-occupant, or permit another person to occupy, any premises that do not comply with the requirements of this chapter.

401.3 Alternative devices.

In lieu of the means for natural light and ventilation herein prescribed, artificial light or mechanical ventilation complying with the building code shall be permitted.

SECTION 402
LIGHT

402.1 Habitable spaces.

Every habitable space shall have at least one window of approved size facing directly to the outdoors or to a court. The minimum total glazed area for every habitable space shall be 8 percent of the floor area of such room. Wherever walls or other portions of a structure face a window of any room and such obstructions are located less than 3 feet (914 mm) from the window and extend to a level above that of the ceiling of the room, such window shall not be deemed to face directly to the outdoors nor to a court and shall not be included as contributing to the required minimum total window area for the room.

Exception:

Where natural light for rooms or spaces without exterior glazing areas is provided through an adjoining room, the unobstructed opening to the adjoining room shall be at least 8 percent of the floor area of the interior room or space, but not less than 25 square feet (2.33 m2). The exterior glazing area shall be based on the total floor area being served.

402.2 Common halls and stairways.

Every common hall and stairway, other than in one- and two-family dwellings, shall be lighted at all times with at least a 60-watt standard incandescent light bulb or equivalent for each 200 square feet (19 m2) of floor area, provided that the spacing between lights shall not be greater than 30 feet (9144 mm). Every exterior means of egress stairway, other than in one- and two-family dwellings, shall be illuminated with a minimum of 1 footcandle (11 lux) at floors, landings and treads.

402.3 Other spaces.

All other spaces shall be provided with natural or artificial light sufficient to permit the maintenance of sanitary conditions, and the safe occupancy of the space and utilization of the appliances, equipment and fixtures.

SECTION 403
VENTILATION

403.1 Habitable spaces.

Every habitable space shall have at least one openable window. The total openable area of the window in every room shall be equal to at least 45 percent of the minimum glazed area required in Section 402.1.

Exception:

Where rooms and spaces without openings to the outdoors are ventilated through an adjoining room, the unobstructed opening to the adjoining room shall be at least 8 percent of the floor area of the interior room or space, but not less than 25 square feet (2.33 m2). The ventilation openings to the outdoors shall be based on a total floor area being ventilated.

403.2 Bathrooms and toilet rooms.

Every bathroom and toilet room shall comply with the ventilation requirements for habitable spaces as required by Section 403.1, except that a window shall not be required in such spaces equipped with a mechanical ventilation system. Air exhausted by a mechanical ventilation system from a bathroom or toilet room shall discharge to the outdoors and shall not be recirculated.

403.3 Cooking facilities.

Unless approved through the certificate of occupancy, cooking shall not be permitted in any rooming unit or dormitory unit, and a cooking facility or appliance shall not be permitted to be present in a rooming unit or dormitory unit.

Exception:

Where specifically approved in writing by the code official.

403.4 Process ventilation.

Where injurious, toxic, irritating or noxious fumes, gases, dusts or mists are generated, a local exhaust ventilation system shall be provided to remove the contaminating agent at the source. Air shall be exhausted to the exterior and not be recirculated to any space.

403.5 Clothes dryer exhaust.

Clothes dryer venting systems shall be independent of all other systems and shall be vented in accordance with the manufacturer's instructions.

SECTION 404
OCCUPANCY LIMITATIONS

404.1 Privacy.

Dwelling units, hotel units, rooming units and dormitory units shall be arranged to provide privacy and be separate from other adjoining spaces.

404.2 Minimum room widths.

A habitable room, other than a kitchen, shall not be less than 7 feet (2134 mm) in any plan dimension. Kitchens shall have a clear passageway of not less than 3 feet (914 mm) between counterfronts and appliances or counterfronts and walls.

404.3 Minimum ceiling heights.

Habitable spaces, hallways, corridors, laundry areas, bathrooms, toilet rooms and habitable basement areas shall have a clear ceiling height of not less than 7 feet (2134 mm).

Exceptions:

1. In one- and two-family dwellings, beams or girders spaced not less than 4 feet (1219 mm) on center and projecting not more than 6 inches (152 mm) below the required ceiling height.
2. Basement rooms in one- and two-family dwellings occupied exclusively for laundry, study or recreation purposes, having a ceiling height of not less than 6 feet 8 inches (2033 mm) with not less than 6 feet 4 inches (1932 mm) of clear height under beams, girders, ducts and similar obstructions.
3. Rooms occupied exclusively for sleeping, study or similar purposes and having a sloped ceiling over all or part of the room, with a clear ceiling height of at least 7 feet (2134 mm) over not less than one-third of the required minimum floor area. In calculating the floor area of such rooms, only those portions of the floor area with a clear ceiling height of 5 feet (1524 mm) or more shall be included.

404.4 Bedroom requirements.

Every bedroom shall comply with the requirements of Sections 404.4.1 through 404.4.5.

404.4.1 Area for sleeping purposes.

Every bedroom occupied by one person shall contain at least 70 square feet (6.5 m2) of floor area, and every bedroom occupied by more than one person shall contain at least 50 square feet (4.6 m2) of floor area for each occupant thereof.

404.4.2 Access from bedrooms.

Bedrooms shall not constitute the only means of access to other bedrooms or habitable spaces and shall not serve as the only means of egress from other habitable spaces.

Exception:

Units that contain fewer than two bedrooms.

404.4.3 Water closet accessibility.

Every bedroom shall have access to at least one water closet and one lavatory without passing through another bedroom. Every bedroom in a dwelling unit shall have access to at least one water closet and lavatory located in the same story as the bedroom or an adjacent story.

404.4.4 Prohibited occupancy.

Kitchens and nonhabitable spaces shall not be used for sleeping purposes.

404.4.5 Other requirements.

Bedrooms shall comply with the applicable provisions of this code including, but not limited to, the light, ventilation, room area, ceiling height and room width requirements of this chapter; the plumbing facilities and water-heating facilities requirements of Chapter 5; the heating facilities and electrical receptacle requirements of Chapter 6; and the smoke detector and emergency escape requirements of Chapter 7.

404.5 Overcrowding.

Dwelling units shall not be occupied by more occupants than permitted by the minimum area requirements of Table 404.5.

TABLE 404.5
MINIMUM AREA REQUIREMENTS

	MINIMUM AREA IN SQUARE FEET		
SPACE	1-2 occupants	3-5 occupants	6 or more occupants
Living Room a,b	No requirements	120	150
Dinning Room a,b	No requirements	80	100
Kitchen b	50	50	60
Bedrooms	Shall comply with Section 404.4		

For **SI**: 1 square foot = 0.093 m2.

a See Section 404.5.2 for combined living room/dining room spaces.

b See Section 404.5.1 for limitations on determining the minimum occupancy area for sleeping purposes.

404.5.1 Sleeping area.

The minimum occupancy area required by Table 404.5 shall not be included as a sleeping area in determining the minimum occupancy area for sleeping purposes. All sleeping areas shall comply with Section 404.4.

404.5.2 Combined spaces.

Combined living room and dining room spaces shall comply with the requirements of Table 404.5 if the total area is equal to that required for separate rooms and if the space is located so as to function as a combination living room/dining room.

404.6 Food preparation.

All spaces to be occupied for food preparation purposes shall contain suitable space and equipment to store, prepare and serve foods in a sanitary manner. There shall be adequate facilities and services for the sanitary disposal of food wastes and refuse, including facilities for temporary storage.

CHAPTER 5
PLUMBING FACILITIES AND FIXTURE REQUIREMENTS

SECTION 501
GENERAL

501.1 Scope.

The provisions of this chapter shall govern the minimum plumbing systems, facilities and plumbing fixtures to be provided.

501.2 Responsibility.

The owner of the structure shall provide and maintain such plumbing facilities and plumbing fixtures in compliance with these requirements. A person shall not occupy as owner-occupant or permit another person to occupy any structure or premises which does not comply with the requirements of this chapter.

SECTION 502
REQUIRED FACILITIES

502.1 Dwelling units.

Every dwelling unit shall contain its own bathtub or shower, lavatory, water closet and kitchen sink, which shall be maintained in a sanitary, safe working condition. The lavatory shall be placed in the same room as the water closet or located in close proximity to the door leading directly into the room in which such water closet is located. A kitchen sink shall not be used as a substitute for the required lavatory.

502.2 Rooming houses.

At least one water closet, lavatory and bathtub or shower shall be supplied for each four rooming units.

502.3 Hotels.

Where private water closets, lavatories, and baths are not provided, one water closet, one lavatory and one bathtub or shower having access from a public hallway shall be provided for each ten occupants.

502.4 Employees' facilities.

A minimum of one water closet, one lavatory and one drinking facility shall be available to employees.

502.4.1 Drinking facilities.

Drinking facilities shall be a drinking fountain, water cooler, bottled water cooler, or disposable cups next to a sink or water dispenser. Drinking facilities shall not be located in toilet rooms or bathrooms.

SECTION 503
TOILET ROOMS

503.1 Privacy.

Toilet rooms and bathrooms shall provide privacy and shall not constitute the only passageway to a hall or other space, or to the exterior. A door and interior locking device shall be provided for all common or shared bathrooms and toilet rooms in a multiple dwelling.

503.2 Location.

Toilet rooms and bathrooms serving hotel units, rooming units or dormitory units, shall have access by traversing not more than one flight of stairs and shall have access from a common hall or passageway.

503.3 Location of employee toilet facilities.

Toilet facilities shall have access from within the employees' regular working area. The required toilet facilities shall be located not more than one story above or below the employees' regular working area and the path of travel to such facilities shall not exceed a distance of 500 feet (152 m). Employee facilities shall either be separate facilities or public customer facilities.

Exception:

Facilities that are required for employees in storage structures or kiosks, which are located in adjacent structures under the same ownership, lease or control, shall not exceed a travel distance of 500 feet (152 m) from the employees' regular working area to the facilities.

SECTION 504
PLUMBING SYSTEMS AND FIXTURES

504.1 General.

All plumbing fixtures shall be properly installed and maintained in working order, and shall be kept free from obstructions, leaks and defects and be capable of performing the function for which such plumbing fixtures are designed. All plumbing fixtures shall be maintained in a safe, sanitary and functional condition.

504.2 Fixture clearances.

Plumbing fixtures shall have adequate clearances for usage and cleaning.

504.3 Plumbing system hazards.

Where it is found that a plumbing system in a structure constitutes a hazard to the occupants or the structure by reason of inadequate service, inadequate venting, cross connection, backsiphonage, improper installation, deterioration or damage or for similar reasons, the code official shall require the defects to be corrected to eliminate the hazard.

SECTION 505
WATER SYSTEM

505.1 General.

Every sink, lavatory, bathtub or shower, drinking fountain, water closet or other plumbing fixture shall be properly connected to either a public water system or to an approved private water system. All kitchen sinks, lavatories, laundry facilities, bathtubs and showers shall be supplied with hot or tempered and cold running water in accordance with the plumbing code.

505.2 Contamination.

The water supply shall be maintained free from contamination, and all water inlets for plumbing fixtures shall be located above the flood-level rim of the fixture. Shampoo basin faucets, janitor sink faucets, and other hose bibs or faucets to which hoses are attached and left in place, shall be protected by an approved atmospheric-type vacuum breaker or an approved permanently attached hose connection vacuum breaker.

505.3 Supply.

The water supply system shall be installed and maintained to provide a supply of water to plumbing fixtures, devices and appurtenances in sufficient volume and at pressures adequate to enable the fixtures to function properly, safely, and free from defects and leaks.

505.4 Water heating facilities.

Water heating facilities shall be properly installed, maintained and capable of providing an adequate amount of water to be drawn at every required sink, lavatory, bathtub, shower and laundry facility at a temperature of not less than 110°F. (49°C.). A gas-burning water heater shall not be located in any bathroom, toilet room, bedroom or other occupied room normally kept closed, unless adequate combustion air is provided. An approved combination temperature and pressure-relief valve and relief valve discharge pipe shall be properly installed and maintained on water heaters.

SECTION 506
SANITARY DRAINAGE SYSTEM

506.1 General.

All plumbing fixtures shall be properly connected to either a public sewer system or to an approved private sewage disposal system.

506.2 Maintenance.

Every plumbing stack, vent, waste and sewer line shall function properly and be kept free from obstructions, leaks and defects.

SECTION 507
STORM DRAINAGE

507.1 General.

Drainage of roofs and paved areas, yards and courts, and other open areas on the premises shall not be discharged in a manner that creates a public nuisance.

CHAPTER 6
MECHANICAL AND ELECTRICAL REQUIREMENTS

SECTION 601
GENERAL

601.1 Scope.

The provisions of this chapter shall govern the minimum mechanical and electrical facilities and equipment to be provided.

601.2 Responsibility.

The owner of the structure shall provide and maintain mechanical and electrical facilities and equipment in compliance with these requirements. A person shall not occupy as owner-occupant or permit another person to occupy any premises which does not comply with the requirements of this chapter.

SECTION 602
HEATING FACILITIES

602.1 Facilities required.

Heating facilities shall be provided in structures as required by this section.

602.2 Residential occupancies.

Dwellings shall be provided with heating facilities capable of maintaining a room temperature of 65°F. (18°C.) in all habitable rooms, bathrooms and toilet rooms based on the winter outdoor design temperature for the locality indicated in Appendix D of the plumbing code.

602.3 Heat supply.

Every owner and operator of any building who rents, leases or lets one or more dwelling unit, rooming unit, dormitory or guestroom on terms, either expressed or implied, to furnish heat to the occupants thereof shall supply heat whenever required to maintain a temperature of not less than 65°F. (18°C.) in all habitable rooms, bathrooms, and toilet rooms.

Exception:

When the outdoor temperature is below the winter outdoor design temperature for the locality, maintenance of the minimum room temperature shall not be required provided that the heating system is operating at its full design capacity.

602.4 Occupiable work spaces.

Indoor occupiable work spaces shall be supplied with heat whenever required to maintain a temperature of not less than 65°F. (18°C.) during the period the spaces are occupied.

Exceptions:

1. Processing, storage and operation areas that require cooling or special temperature conditions.
2. Areas in which persons are primarily engaged in vigorous physical activities.

602.5 Room temperature measurement.

The required room temperatures shall be measured 3 feet (914 mm) above the floor near the center of the room and 2 feet (610 mm) inward from the center of each exterior wall.

SECTION 603
ELECTRICAL FACILITIES

603.1 Facilities required.

Every occupied building shall be provided with an electrical system in compliance with the requirements of this section and Section 605.

603.2 Service.

The size and usage of appliances and equipment shall serve as a basis for determining the need for additional facilities in accordance with NFPA 70. Every dwelling shall be served by a main service that is not less than 60 amperes, three wires.

603.3 Electrical system hazards.

Where it is found that the electrical system in a structure constitutes a hazard to the occupants or the structure by reason of inadequate service, improper fusing, insufficient outlets, improper wiring or installation, deterioration or damage, or for similar reasons, the code official shall require the defects to be corrected to eliminate the hazard.

SECTION 605
DUCT SYSTEMS

605.1 General.

Duct systems shall be maintained free of all obstructions and shall be capable of providing the required function.

CHAPTER 7
FIRE SAFETY REQUIREMENTS

SECTION 701
GENERAL

701.1 Scope.

The provisions of this chapter shall govern the minimum conditions and standards for fire safety relating to structures and exterior premises, including fire safety facilities and equipment to be provided.

701.2 Responsibility.

The owner of the premises shall provide and maintain such fire safety facilities and equipment in compliance with these requirements. A person shall not occupy as owner-occupant or permit another person to occupy any premises that do not comply with the requirements of this chapter.

SECTION 702
MEANS OF EGRESS

702.1 General.

A safe, continuous and unobstructed path of travel shall be provided from any point in a building or structure to the public way.

702.2 Exit capacity.

The capacity of the exits serving a floor shall be sufficient for the occupant load thereof as determined by the building code.

702.3 Number of exits.

In nonresidential buildings, every occupied story more than six stories above grade shall be provided with not less than two independent exits. In residential buildings, every story exceeding two stories above grade shall be provided with not less than two independent exits. In stories where more than one exit is required, all occupants shall have access to at least two exits. Every occupied story which is both totally below grade and greater than 2,000 square feet (186 m2) shall be provided with not less than two independent exits.

Exception:
A single exit is acceptable under any one of the following conditions:

1. Where the building is equipped throughout with an automatic sprinkler system and an automatic fire detection system with smoke detectors located in all corridors, lobbies and common areas.
2. Where the building is equipped throughout with an automatic fire detection system and the exit is an approved smokeproof enclosure or pressurized stairway.
3. Where an existing fire escape conforming to the building code is provided in addition to the single exit.
4. Where permitted by the building code.
5. The dwelling has an exit door opening directly to the street or yard at ground level.
6. The travel distance from the entrance door of any dwelling unit to an exit does not exceed 35 feet.
7. Horizontal and vertical separation with a fire rating of not less than ½ hour is provided between dwelling units.

702.4 Arrangement.

Exits from dwelling units, rooming units, guestrooms and dormitory units shall not lead through other such units, or through toilet rooms or bathrooms.
702.5 Exit signs.

All means of egress shall be indicated with approved "Exit" signs where required by the building code. All "Exit" signs shall be maintained visible and all illuminated "Exit" signs shall be illuminated at all times that the building is occupied.

702.6 Corridor enclosure.

All corridors serving an occupant load greater than 30 and the openings therein shall provide an effective barrier to resist the movement of smoke. All transoms, louvers, doors and other openings shall be closed or shall be self-closing.

Exceptions:

1. Corridors in occupancies, other than high-hazard occupancies, which are equipped throughout with an automatic sprinkler system.
2. Patient room doors in corridors in health care occupancies where smoke barriers are provided in accordance with the fire prevention code, are not required to be self-closing.
3. Corridors in educational occupancies where each room that is occupied for instruction or assembly purposes has at least one-half of the required means of egress doors opening directly to the exterior of the building at ground level.
4. Corridors that are in compliance with the building code.

702.7 Dead-end travel distance.

All corridors that serve more than one exit shall provide direct connection to such exits. The length of a dead-end corridor shall not exceed 35 feet (10 668 mm) where the building is not equipped throughout with an automatic sprinkler system. The dead-end travel distance limitation shall be increased to 70 feet (21 336 mm) where the building is equipped throughout with an automatic sprinkler system.

Exception:

Dead ends that are in compliance with the building code.

702.8 Aisles.

Arrangements of chairs or tables and chairs shall provide for ready access by aisle accessways and aisles to each egress door. The minimum clear width of each aisle in assembly, educational and health care occupancies shall be maintained in accordance with the requirements of the building code. In all other occupancies, aisles shall have a minimum required clear width of 44 inches (1118 mm) where serving an occupant load greater than 50, and 36 inches (914 mm) where serving an occupant load of 50 or less. The clear width of aisles shall not be obstructed by chairs, tables or other objects.

702.9 Stairways, handrails and guards.

Every exterior and interior flight of means of egress stairs serving any building or portion thereof and having more than four risers shall have a handrail on at least one side of the stair. Every open portion of a stair, landing, balcony, porch, deck, ramp or other walking surface which is more than 30 inches (762 mm) above the floor or grade below shall have guards and/or rails as indicated below.

Existing guards shall not be less than 36 inches high,

Open guards, other than approved existing open guards, shall have intermediate rails or an ornamental pattern such that a sphere 4 inches (10.1cm) in diameter shall not pass through any opening up to a height of 34 inches(86cm)

Existing handrails shall not be less than 30 inches (762 mm) nor more than 42 inches (1067 mm) high.

New handrails shall not be less than 34 inches or more than 38 inches

All handrails shall be measured vertically above the nosing of the tread or above the finished floor of the landing or walking surface.

Exception:
Guards are not required at any location where guards are exempted by the building code.

702.10 Stairway identification.

A sign shall be provided at each floor landing in all interior stairways more than three stories above grade, designating the floor level above the floor of exit discharge. All elevator lobby call stations on all floor levels shall be identified by approved signs in accordance with the requirements for new buildings in the building code.

Exception:

The emergency sign shall not be required for elevators that are part of an accessible means of egress complying with the building code.

702.11 Locked doors.

All means of egress doors shall be readily openable from the side from which egress is to be made without the need for keys, special knowledge or effort, except as provided for in Section 702.11.1.

702.11.1 Locks permitted.

Locks or fasteners shall not be installed on egress doors except in accordance with the following conditions:

1. In mental, penal or other institutions where the security of inmates is necessary, in which case properly trained supervisory personnel shall be continuously on duty and approved provisions are made to remove occupants safely in case of fire or other emergency.
2. In problem security areas, special-purpose door alarms or locking devices shall be approved prior to installation. Manually operated edge or surface-molded flush bolts are prohibited.
3. Where the door hardware conforms to that permitted by the building code.

702.12 Emergency escape.

Every sleeping room located below the third story in residential and group home occupancies shall have at least one openable window or exterior door approved for emergency egress or rescue; or shall have access to not less than two approved independent exits.

Exception:

Buildings equipped throughout with an automatic fire suppression system.

702.12.1 Security.

Bars, grilles or screens placed over emergency escape windows shall be releasable or removable from the inside without the use of a key, tool or force greater than that which is required for normal operation of the window.

SECTION 703
ACCUMULATIONS AND STORAGE

703.1 Accumulations.

Rubbish, garbage or other materials shall not be stored or allowed to accumulate in stairways, passageways, doors, windows, fire escapes or other means of egress.

703.2 Hazardous material.

Combustible, flammable, explosive or other hazardous materials, such as paints, volatile oils and cleaning fluids, or combustible rubbish, such as wastepaper, boxes and rags, shall not be accumulated or stored unless such storage complies with the applicable requirements of the building code and the fire prevention code.

SECTION 704
FIRE-RESISTANCE RATINGS

704.1 General.

The fire-resistance rating of floors, walls, ceilings, and other elements and components required by the building code shall be maintained.

704.2 Maintenance.

All required fire doors and smoke barriers shall be maintained in good working order, including all hardware necessary for the proper operation thereof. Fire doors shall not be held open by door stops, wedges and other unapproved hold-open devices.

SECTION 705
FIRE-PROTECTION SYSTEMS

705.1 General.

All systems, devices and equipment to detect a fire, actuate an alarm, or suppress or control a fire, or any combination thereof, shall be maintained in an operable condition at all times in accordance with the fire prevention code.

705.2 Fire-suppression system.

Fire-suppression systems shall be maintained in proper operating condition at all times.

705.3 Standpipe systems.

Standpipe systems shall be maintained in proper operating condition at all times. Hose connections shall be unobstructed.

705.4 Fire extinguishers.

All portable fire extinguishers shall be visible, provided with ready access thereto, and maintained in an efficient and safe operating condition. Extinguishers shall be of an approved type.

Furnaces shall have a 1 hour fire rated ceiling or the installation of sprinkler head tied into the domestic water supply installed over the furnace.

705.5 Smoke detectors.

A minimum of one approved single-station or multiple-station smoke detector shall be installed in each guestroom, suite or sleeping area in residential and group home occupancies, and in dwelling units in the immediate vicinity of the bedrooms in occupancies in one- and two-family dwellings and multifamily dwellings. In all residential occupancies, smoke detectors shall be required on every story of the dwelling unit, including basements. In dwelling units with split levels and without an intervening door between the adjacent levels, a smoke detector installed on the upper level shall suffice for the adjacent lower level, provided that the lower level is less than one full story below the upper level.

705.5.1 Installation.

All detectors shall be installed in accordance with the building code and the manufacturer's instructions. When actuated, the smoke detectors shall provide an alarm suitable to warn the occupants within the individual room or dwelling unit.

705.5.2 Power source.

The power source for smoke detectors shall be an AC primary power source.
Note: AC powered smoke detectors may also have a battery backup system.

705.5.3 Tampering.

Anyone tampering or interfering with the effectiveness of a smoke detector shall be in violation of this code.

705.6 Fire alarm systems.

Fire alarm systems shall be in proper operating condition at all times.

CHAPTER 8
REFERENCED STANDARDS

This chapter lists the standards that are referenced in various sections of this document. The standards are listed herein by the promulgating agency of the standard, the standard identification, the effective date and title, and the section or sections of this document that reference the standard. The application of the referenced standards shall be as specified in Section 102.8.

CODES

This model property maintenance code is intended to be utilized in conjunction with the other model codes that are adopted by the jurisdiction.

BOCA	1999
NFPA 101	2000
National Electrical Code	1999
State Plumbing Code	Current State Code
NFPA 72 Fire Alarms	Latest Edition

Property Maintenance Code Survey

SurveyMonkey

1. Have you noticed homes or rental properties in the City of Auburn that lack maintenance of yards or structures?

	Response Percent	Response Count
Yes	**82.9%**	**68**
No	17.1%	14
answered question		**82**
skipped question		**0**

2. Do you think the City should regulate the height of lawns or vegetation?

	Response Percent	Response Count
Yes	22.0%	18
No	**57.3%**	**47**
Sometimes (Please explain)	20.7%	17
answered question		**82**
skipped question		**0**

3. Do you think the City should regulate the condition of siding or paint?

	Response Percent	Response Count
Yes	17.1%	14
No	**67.1%**	**55**
Sometimes (Please explain)	15.9%	13
answered question		**82**
skipped question		**0**

4. What types of property should we consider regulating? (May choose more than one answer)

	Response Percent	Response Count
Rental Property	29.6%	24
Commercial Property	25.9%	21
Single and two-family owner occupied homes	4.9%	4
Foreclosures	30.9%	25
All properties	24.7%	20
None of the above	**38.3%**	**31**
answered question		**81**
skipped question		**1**

5. Should property maintenance regulations be limited to a defined urban/downtown area?

	Response Percent	Response Count
Yes	28.2%	22
No	**71.8%**	**56**
	answered question	**78**
	skipped question	**4**

6. What are the specific concerns? (May choose more than one answer)

	Response Percent	Response Count
Overgrown lawns or vegetation	33.8%	22
Appearance	35.4%	23
Private safety	20.0%	13
Public health or safety	**61.5%**	**40**
Flaking / chipping paint	12.3%	8
Poorly maintained buildings	35.4%	23
Plowing sidewalks	36.9%	24
Other (please specify)	32.3%	21
	answered question	**65**
	skipped question	**17**

7. If a property owner fails to mow their lawn or paint a structure do you think the City should be able to correct deficiencies and charge the owner for the service?

	Response Percent	Response Count
Yes	29.3%	24
No	70.7%	58
answered question		82
skipped question		0

8. Please identify any other concerns that the City should consider addressing as part of a property maintenance code?

	Response Count
	43
answered question	43
skipped question	39

Please identify any other concerns that the City should consider addressing as part of a property maintenance code?

1. I think the city should be concerned with trying to regulate whether someone wants to mow their lawn or paint their house. If a property owner is so concerned with this that they want to fine another property owner, that is why gated communities were invented. This is not a fair ordinance and as such should not be considered by the City of Auburn. This would be a slippery slope for the city and I do not think the residents of Auburn deserve to have their rights infringed upon in this manner.
2. Ability of homeowner to pay for corrections
3. We should NOT consider addressing anything that is an aesthetic concern. A person's home is his or her castle and the government should not intrude.
4. regarding #7, we are presuming the property owner is neglectful rather than just unable to maintain. how does one make that call? and would one further penalize the struggling?
5. How about replacing rotted out benches in public parks, such as the one overlooking the falls, or addressing the deficiencies at Edward Little instead of trying to interfere with private landowners.
6. I'll have to ponder what other concerns should be considered. Longmeadow, MA has property maintenance ordinances and when you drive through that town it is apparent that every property is on the same page and it looks very well groomed no matter what season you show up there. The rewards are yours when you maintain your property-a site that people want to see, a saleable property and one that benefits the community.
7. They should consider the fact that they should not be regulating this at all!! This is a slippery slope that should not be entered into.
8. Public safety should be the primary focus. Policing aesthetics is an overreach, and does not belong in government hands. Let neighbors form an association and talk to each other if they have concerns. Maybe create a program to assist homeowners who are unable to afford what appear to be safety repairs. Don't waste resources on this community standard project.
9. I think the City and others should mind their own business, and worry about more important things than chipped and peeling paint.
10. Properly covered trash receptacles.
11. Enforce the present laws on the books.
12. Stick to governing the city stay out of citizens private property. Thats is why you were hired. Not to further you hunger for POWER.
13. In answer to #7 the City should limit it's fee for mowing only. Mowing is a regular activity that the City does and the few lawns that would probably be done would not generate a significant increse in manpower. There are numerous structures that neighbors will want to be painted. That would most likely result in a new manpower needs and cost. Accessory structures like garages and barns that are in deterioting and/or unsafe conditions also need tobe regulated.
14. I pay $5200 for property taxes! I live on Hickory Dr and get NO trash removal or curbside recycling, my road is plowed privately. If you think you will fine me for the height of my lawn or if I have too many weeds you are CRAZY! You will have another for sale sign out front of another

home in Auburn. If people are so damned worried about lawns being mowed at homes that are left behind maybe these people should step up and mow them, is that too much to ask? I think the city council needs to use some common sense and focus on more important issues! This is absurd! Hockey rinks over schools and now the height of our lawns!! I can only shake my head!

15. I don't think this should be something the City spends any time or money on. We have enough things to do and spend money on already. Thank You.
16. WHO will make the determination of WHEN something has gone over the line and needs to be fixed? Also, what will bw the system/process be to ensure those fees charged back to the property owner are fair and equitable? There's a whiff of undue profiteering in something like this, especially when a city is hurting finacially and when a large, disproportionate group in the city (the elderly) could and will be hurt.
17. MIND YOUR OWN BUSINESS !!!
18. This is overstepping boundaries. If someone can't afford to fix it. The town doing it and charge the owner will Most likely cause more cost in the long because someone won't pay that bill.
19. Stop building section 8 housing!!!!
20. The city shouled focus on running the city and stay out of people's private business. There is a fine line here and we have bigger issues in Auburn than adding more regulations.
21. That this will get out of control. Higher taxes and fines for people who are trying.
22. Frankly I think you should pay more attention to unlicensed and unfenced dogs.
23. The City should not be in the business of regulating people mowing lawns. Perhaps if they didn't have to pay 300-400+ a month in taxes the property could be maintained? Focus on reducing tax burden. Thanks for asking for our opinion.
24. I would be in favor of property maintenance codes where commercial and rental properties are concerned but private homes should be left out of it unless there is a real public safety hazard. Let neighbors band together and creatively and in the spirit of neighborliness solve the problems in their own communities. Necessity is the mother of invention. Make it necessary for communities to take care of their own.
25. Stay the hell our of people's lives and spend your time fixing the roads, bridges, etc., not micro-managing grass length and paint condition! This is insane! If people wanted to live in a homeowners' association they would have bought a house in one!
26. As poorly as the buildings may look, and as much as they may hurt values, we live in a country which is supposed to be free, free from government regulation mostly. A mans home is his sanctuary, the last place where he can live in his own world. Please leave homeowners alone and let them live as they wish. Thank you.
27. I think that the city should concern itself more with empty properties.
28. This is just a bad idea
29. See # 6
30. The city needs to take a step back out of our lives.
31. In tough times the city should not burden taxpayers more than they are!
32. Enforcement by way of fines or property tax add-on fees for non-compliance. However, trying to force people to keep their property in good repair will likely end up increasing taxes to cover staff and legal fees.

trash and debris left outside and/or not removed. personal belongings left on sidewalks (bikes, toys etc)

33. In parts of Europe, your property taxes are higher if you do not maintain your property
34. Roofs and heat. Any vacant buildings should be highest priority. Any complaint from tenants about Landlord's failures should be next
35. Thank you for the email and this survey. It gave me the chance to tell you how ridiculous this idea is. As a home owner in Auburn and a local real estate agent, I find this absolutely absurd. If the City of Auburn is seriously considering property maintence codes, I am going to seriously consider moving to another community where my personal freedoms are not being violated. This is a slippery slope...today it's the height of our lawns, what's next?
36. None, existing codes are enough.
37. BROKEN WINDOWS, DELAPIDATED PORCH AND DECKS & STAIRS
38. Part of the reason I purchased my home where I did was the efficient and well-run services provided by the City of Auburn in comparison to surrounding municipalities. I also wanted to make sure I did not purchase a home in a community with a Home Owners Association. I did both of these things because I believe a persons considerable purchase of a home and property grants them the right to maintain their property as they see fit. I personally keep my lawn mowed and landscaping / general appearance kept up regularly, but it is not my place nor the City's to intervene and charge someone a fee if their paint is peeling on their building. Especially in these times, with a slumping economy, a family may be stretching their last dollar to put food on the table. The last thing that family needs is their neighbor calling the city to compain about some peeling paint on their house and having to pay a fine or re-imburse the city for maintenance work on their own property.
39. Sometimes trash bags spill on the sidewalks and pieces of trash will stay there for months. This is disgusting and completely unacceptable.
40. We need to somehow turn the housing market around in the City of Auburn. there are many people in financial binds and are trying to sell their homes to get out of it but can't because of the condition of the market. I believe anything the city can do to help this situaiton should be put in place.
41. I do believe the City should really think about having property and business owners who have sidewalks take care of them thru winter and summer. Also I think public works should be picking up trash on the road side even if it's a state road (Riverside Drive) comes to mind.
42. prevent dumping of trash by others too.

Comments Specific to question 3:

Again, derelict houses or deliberately neglected properties, yes; set color choices, no.

11/28/2012 7:35 AMView ResponsesCategorize As

- [ ] Only in those cases where the damage to the siding is so bad that the siding is split or falling off the stucture and/or the building is open to the weather.
- [ ] If it's an obvious hazard (siding loose and hanging; broken windows), then, yes. Who would define how much chipped paint is "okay" or "too much" ?
- [ ] NEVER. get out of peoples private business
- [ ] As with the lawns, use some common sense. Plenty of homes have chipped/peeling paint. Shoot for a level that allows some of that, but doesn't let it get to excess neglect.
- [ ] Foreclosures, Rental Property and Commercial Property
- [ ] See #4
- [ ] It would obviously be a subjective decision on your end. I would suggest that structures that need at least 75% painting be strongly recommended to address within 60 days.
- [ ] Depends on how much flaking there is
- [ ] There is a house a couple of blocks from me that is poorly kept, but who am I to criticize? Maybe they really don't have the money. There's a State Police car there sometimes, so maybe the State Police doesn't pay very well or maybe the person has a lot of medical bills.
- [ ] If the property is in such an extreme state of disrepair that it affects the values in the neighborhood.
- [ ] when it is extreme compared to neighbors and when the building is within sight of the neighbors' homes.
- [ ] Rentals and commercial

Comments Specific to question 6:

Unregistered vehicles

- Rampant government intrusion on private landowner's property rights.
- General maintenance is in order. One house in the neighborhood can alter the ambiance of the whole neighborhood- and then one could lead to another.
- decaying, falling down buildings
- My greatest concern is further expenditure of tax money policing private property owners' actions. There are soft power ways to encourage better care of a place if it's unattractive that won't make the city into one giant condo association with picky, choice limiting rules. Public safety issues must be addressed, but beyond that, our homes are our castles and should not be regulated!
- I've covered several of these earlier; sheds, outbuildings, and junk piles should be covered, too. Standards must be equitably administered.
- Private property is not to be regulated by the government!!!!
- Unplanned trees that grow along property lines that can be a saftey problem. Trees that have grown to extreme heights that have blocked the seanic views from New Auburn and Auburn to Lewiston and sunlight on adjacent properties.. Also, consideration needs to be given to removing large old ,dead trees that are now are a signicant fire problem (the ones that are between Charles St.and Western Prom come to mind. A fire in one of the multi-family buildings could quickly spread to these trees and up the hill to other buildings, including multi-families and a school for autistic children. The harvested wood could be sold (it is mostly large oak trees) and/or made part of the City's wood distribution program.
- no concerns
- Some people like their lawns longer than others (and it is more ecologically better for the soil and drought control). I really don't want my elderly neighbor having to mow his lawn every seven days, nor do I.
- Very very limited circumstances
- nothing. work on speeding up foreclosures and letting the market take care of things.
-

I'm not concerned.

☐

I would much rather have the community pull together and help maintain the stressed properties rather than try to "govern" a solution. The idea of punishing a property owner with a fine or a bill when they obviously are intensely cash strapped is a waste of public servants time. Rental and commercial property is another matter. The property owner should be made to be responsible for the upkeep of their property. Public safety should be the primary concern of the City. Appearance is important but should be taken care of by the local community. Our tax dollars are stretched far enough. Maybe an after school program could be organized to help clean up stressed properties and the yards of the old and infirm. The school kids need the physical and emotional exercise of helping their community.

☐

I think the city should step in if there is a health or safety issue with a house but not for general appearance. The economy is not good and some people can not afford to repaint or even mow. If a neighbor is that concerned with the height of someone else's lawn instead of calling the authorities perhaps they should see if the neighbor needs help.

☐

None of the cities business. WAY OVER STEPPING YOUR BOUNDARIES.

☐

None

☐

no concerns - people should be left alone to conduct life the way they want

☐

Unless there is a safety issue involved, as annoying as unmaintained property is, it is not a good use of taxpayer dollars to regulate this. There are people not in foreclosure who just can't afford to paint their house at this time. If you want to live in a pretty regulated community, move to a condo association or a gated community.

☐

Anything visible from the street or neighboring homes

☐

I am most concerned with overgrown lawns becoming habitat for ticks or other pests.

City Council
Workshop Information Sheet

City of Auburn

Council Workshop Date: Dec. 10th, 2012 **Item** B

Author: Clinton Deschene, City Manager

Subject: Androscoggin Greenway Trail and Signage update

Information:
Androscoggin Land Trust secured grants in cooperation with Auburn and Lewiston to develop trail priorities along the river. Portions included a signage and way finding plan. The City has invited them to present a summary of work to date and obtain input.

Financial: To be determined.

Action Requested at this Meeting: Discussion and presentation.

Previous Meetings and History: N/A

Attachments:
PowerPoint to be presented.

City Council
Workshop Information Sheet

City of Auburn

Council Workshop Date: December 10, 2012 **Item** C

Authors: Reine Mynahan, Community Development Director and Daniel Goyette, City Engineer

Subject: Great Falls Park

Information: Park Update (see attached memo)

Financial: N/A

Action Requested at this Meeting: NA

Previous Meetings and History: NA

Attachments:

Memo dated 11-28-2012

City of Auburn, Maine

"Maine's City of Opportunity"

Community Development Program

TO: Clinton Deschene, City Manager

FROM: Reine Mynahan, Community Development Director
Daniel Goyette, City Engineer

RE: Great Falls Park

DATE: November 28, 2012

In May 2012 the Auburn City Council allocated $25,000 from Urban Development Action Grant (UDAG) funds to undertake a master planning effort for Great Falls Park. These funds would have been available for a planner to explore various options for redevelopment of this site as an active park. Per your request, we are now presenting another option for moving this project forward.

The park is currently used as a cut through—there is no particular reason to enter this park space except to get someplace else faster. A short-term approach would be to repave existing walks. We would utilize the UDAG funds budgeted for this location to purchase materials, and rely on the Public Works crew to construct the improvements. The work would involve removing the existing pavement, replacing the gravel base, and installing 2 inches of pavement. The disturbed lawn areas surrounding the pavement area would be restored. We recommend delaying any installation of greenery until the ultimate decisions for this park are made. The estimated cost is $15,000. This improvement provides a cleaner look, but does not provide for enhanced use of the park.

There is clearly a need for children in the Downtown to have access to water in the summer months to cool off and have fun. We envision creating a purpose for this open space with a water feature that will attract families with children. In the summer months local children use Festival Plaza to cool off and have fun. Since the water is recycled and untreated, it is not safe for children. A water feature would be a good use for Great Falls Park. It would most likely be placed in the center of the open space. The cost for a splash pad could be in the range of $150,000 to $200,000. A more simple water feature could be in the range of $50,000.

If the pavement project is to be completed prior to the study phase for future improvements, we recommend re-budgeting planning funds in the FY2013 budget with improvements to be budgeted in subsequent years.

60 Court Street • Suite 344 • Auburn, ME 04210
(207) 333-6601 Extension 1330 • (207) 333-6626 Fax
www.auburnmaine.org

City Council
Workshop Information Sheet

City of Auburn

Council Workshop Date: Dec. 10th, 2012 **Item** D

Author: Clinton Deschene, City Manager

Subject: Downtown TIF #10

Information:
The staff is proposing changes to the Downtown TIF #10. These changes reflect policy direction of the Council. Current facts of the TIF are as follows:

- The TIF is for 30 years expiring on 10-18-2032
- Current encumbrances of the District pay out $400,000 per year until 2022
    - After 2022 it is anticipated a garage could be constructed at Great Falls for a similar amount.
- The City has recently encumbered $250,000 of the current balance for a Transportation Facility.
- The district currently nets $200,000 per year.

The attached map shows the current area of TIF #10. It also shows the recommended expanded area to include the ADAPT Plan, New Auburn Master Plan, and consistency with the Comprehensive Plan.

The staff also intends to amend the TIF plan to expand objectives to include the policy objective of attracting investment to the new area. Some specific areas we intend to include land acquisitions, pedestrian, aesthetic improvements, transportation, etc.

Financial: None

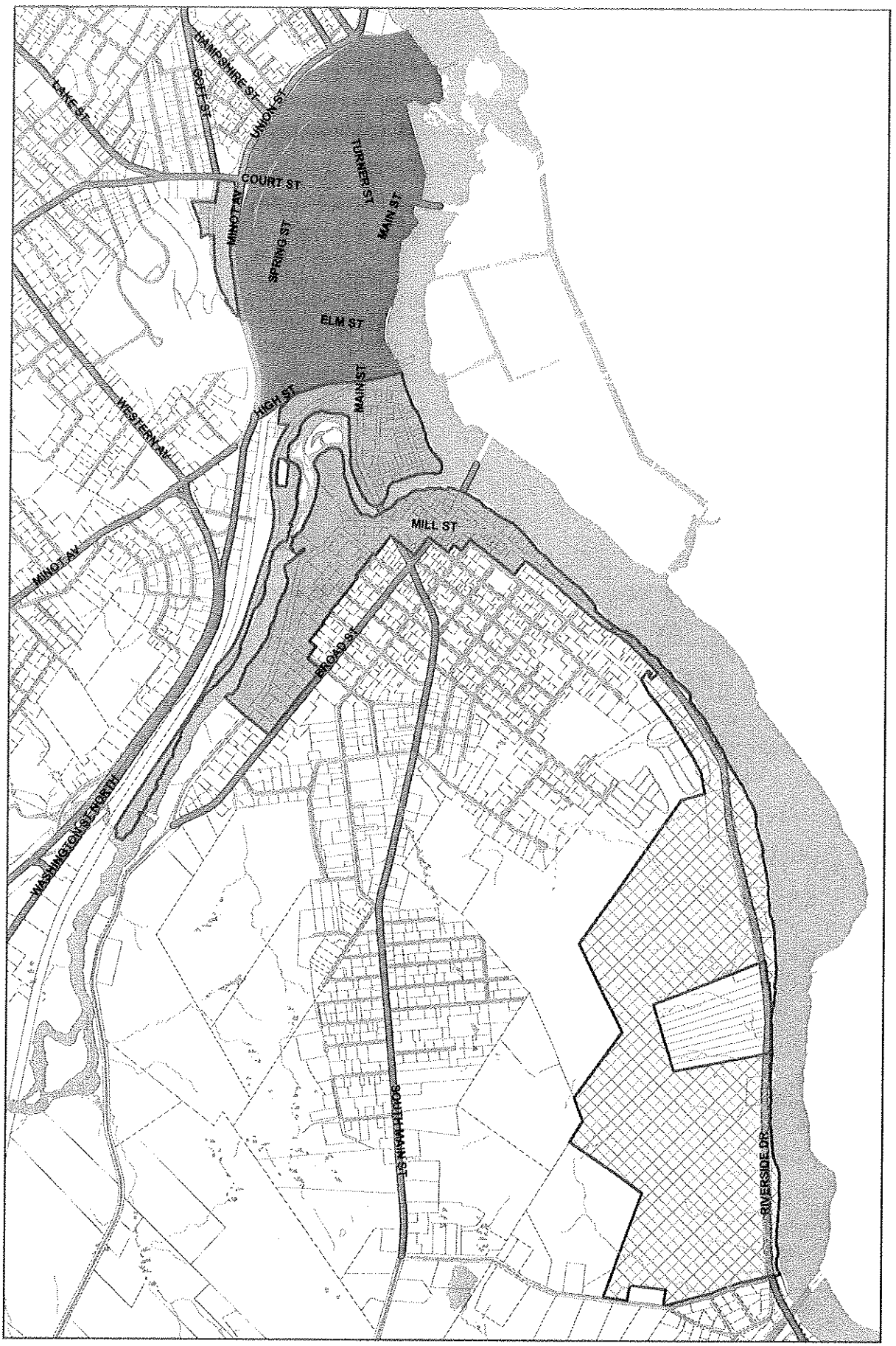
Action Requested at this Meeting: Discussion and presentation.

Previous Meetings and History: N/A

Attachments:
Downtown TIF #10 Map

Downtown #10 TIF District

DRAFT Staff Recommendation



City of Auburn
60 Court Street
Auburn, Maine 04120

PHONE: (207) 333-660

FAX: (207) 333-6623

www.auburnmaine.org

Legend

- Current TIF District
- Recommended
- Potential Extension

N
W E
S

0 0.25 Miles

DISCLAIMER
The City of Auburn offers no warranties or guarantees as to the accuracy or fitness of purpose of this data. Use at your own risk.

City Council
Workshop Information Sheet

City of Auburn

Council Workshop Date: December 10, 2012 **Item** E

Author: Reine Mynahan, Community Development Director

Subject: Modifications to Loan Programs

Information: Modifications to the Community Development and HOME Program guidelines are described on attached sheets. Deleted text has a ~~strikethrough~~ and replacement text has an underscore line. Attached to this sheet is a summary of those changes. Many changes are of a housekeeping nature.

The most significant changes are increases to the loan limits for the Spot Rehab, Residential Rehabilitation, and Homeowner Rehab Programs to keep up with rising trend of construction costs. Further, I am proposing elimination of several Community Development programs. Community Development staff is constantly challenged by federal regulations. Streamlining our offerings will help us to more effectively target the resources and provide greater staff efficiency in administering the programs.

There are two new programs. The Curb Appeal Program will replace the Neighborhood Enhancement Program. The program targets buildings on the transportation corridor of the Downtown by offering loans and grants. The Small Business Program provides a source of capital for the development of small businesses in Auburn.

Financial: N/A

Action Requested at this Meeting: Review proposed changes.

Previous Meetings and History: N/A

Attachments:

HOME INVESTMENT PARTNERSHIPS PROGRAM GUIDELINES
- Homebuyer Program
- Homeowner Rehabilitation Program
- Security Deposit Program

COMMUNITY DEVELOPMENT PROGRAM GUIDELINES
- Rehab Loan Program including Spot, Energy, Residential, Historic Preservation, Lead, and New Neighborhood Enhancement, and Curb Appeal Program
- Down Payment Assistance and Good Neighbor Start-up Grant Program
- Heating Assistance Program
- Commercial and Small Business Program
- Tree Planting Program

SUMMARY OF MODIFICATIONS TO PROGRAM GUIDELINES

HOME INVESTMENT PARTNERSHIPS PROGRAM

Homeowner Rehab

- increase loan limit from $25,000 to $35,000

Homebuyer

- mostly clarifying processes
- change method of calculating income

Security Deposit

- eliminate use of Security Deposit Loan Committee

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

REHABILITATION PROGRAMS

1. Spot Rehab –
   - increase from $15,000 to $18,000
2. Energy
   - eliminate program
3. Residential
   - increase loan limits $15,000 to $20,000
   - increase term from 20 to 25 years
   - reference to Housing Standards
4. Historic Preservation Program
   - eliminate program
5. Lead Program
   - eliminate program
6. Accessible Housing Program
   - eliminate program

7. Neighborhood Enhancement Program
    - Eliminate program/replace with Curb Appeal Program
8. Curb Appeal Program
    - Annual request for proposals/funds awarded based on competitive proposals
    - $10,000 grant to be matched with private funds
    - Up to $10,00 loan at 2% for 15 years
    - Proposals ranked and selected by Curb Appeal Committee
    - Priorities on degree of visual improvement, visual prominence, proximity to other buildings that have been improved, and private investment greater than the minimum required

Down Payment Assistance

- Eliminate program

Good Neighbor Start-up

- Eliminate oil as eligible activity

Heating Assistance Loan Program

- increase loan amount from $500 to $750 for persons between 50-80% area median income
- eliminate reservation of funds for elderly/disabled

Commercial Program

- eliminate match requirement
- change interest rate from 6% to prime plus ½%

Small Business Program

- loan up to $15,000 @ prime plus l/2%
- private match 33%
- microenterprise, up to 5 employees
- purchase of inventory, equipment, working capital, and construction improvements
- create 1 full-time job

Tree Planting Program

- eliminate program

Amended 11-21-2011

AUBURN-LEWISTON CONSORTIUM

HOMEOWNER REHABILITATION LOAN PROGRAM GUIDELINES

A. INTRODUCTION

The Cities of Auburn and Lewiston have formed a consortium to qualify for HOME Investment Partnerships Program funds whereby the grant is shared by both cities. The Home Owner Rehab Program guideline describes assistance that is available to enable low- and moderate-income households to improve the unit they occupy and is available in either city.

B. PROGRAM OBJECTIVE

The objective of the Homeowner Rehabilitation Loan Program is to improve the housing quality of low- and moderate-income property owners by eliminating substandard housing conditions by upgrading the property to meet code requirements for existing buildings, making the building energy efficient, and making general improvements to improve home livability. The Homeowner Rehabilitation Loan Program is subject to all HOME Investment Partnerships Program regulations.

C. OUTREACH

Community Development Department staff is responsible for providing outreach to encourage a full range of potential clients. This shall be accomplished through marketing to homebuyer education classes, newspaper articles, and advertising the availability of the Home Ownership Rehabilitation Program. Advertisements shall include a non-discrimination statement. Outreach shall be done in accordance with the Consortium's Affirmative Marketing Plan.

D. PARTICIPANT ELIGIBILITY

1. The applicant's household income is less than 80% of median income. An eligibility determination based on income shall be valid for a six-month period.

2. The unit to be improved must be owned by the applicant at the time of closing.

3. The unit will be occupied as the principal residence of the applicant. If the owner ceases to occupy the unit as principal residence during the affordability period, the loan will be considered in default and full repayment will be required.

E. PROPERTY ELIGIBILITY

1. The property must be located in Auburn or Lewiston.

2. The applicant must own or have a written agreement to purchase the property to be improved.

3. The property must be one of the following approved forms of ownership: fee simple title, 99-year lease, condominium, or cooperative housing.

4. The property must be a single family 1-4 dwelling units, manufactured or mobile home, condominium or cooperative unit. Mixed-use properties, properties containing commercial uses, are not eligible.

5. Only the owner's unit is eligible for HOME financing. For multi-dwelling properties with rental units, the units occupied by tenants must be improved to meet - Rehabilitation Standards and may be accomplished through other Community Development Programs.

F. IMPROVEMENT STANDARDS

1. After completion, the unit must comply with the program's rehabilitation standards -. Community Development Department staff (CDD) will determine the requirements for building improvements.

2. Eligible improvements are of an essential and permanent nature and may include but not limited to:

    a. structural repairs;
    b. energy improvements;
    c. lead-based paint hazard reduction;
    d. accessibility for disabled persons;
    e. repair or replacement of major housing systems;
    f. incipient repairs and general property improvements of a non-luxury nature;
    g. retaining walls and utility connection;
    h. finishing of unfinished areas to add space to a dwelling unit to make it properly sized for the occupants according to applicable HUD standards;
    i. improvements which would generally increase the economic viability of the property;
    j. engineering and architect costs;
    k. landscaping limited to correction of a drainage problem;
    l. non-living space limited to demolition of deteriorated structure, structural repairs, and weather protection; and
    m. fencing when required to correct a hazardous condition.

4. Improvements that are ineligible are:
    a. new construction;
    b. paving;
    c. appliances or furnishings;
    d. rehabilitation costs attributed to other housing units in the property.

G. LOAN TERMS

1. The minimum loan is $1,000.

2. The maximum loan amount is ~~$25,000~~$35,000.

3. The interest rate is 0% (non-interest bearing).

4. The loan term shall be established by CDD and Loan Committee based on financial capacity of the applicant. The maximum term is 30 years. When the project includes home purchase in the financing package, the term may be 40 years if the extended term is required to meet the loan underwriting standards.

5. There is no match requirement.

6. **Recapture**

   a. Based on the combined HOME loans to applicant(s), the property to be purchased shall be occupied by the applicant(s) as a principal residence for the minimum periods as follows:

      1) 5 years if total of HOME loan(s) are less than $15,000

      2) 10 years if total of HOME loan(s) are between $15,000 and $40,000;

      3) 15 years if HOME loans(s) are over $40,000.

   b. The recapture period shall commence when the HOME rehabilitation is complete and a project completion certification has been issued by CDD. If the property is sold, transferred, or the owner ceases to occupy the property prior to the end of the recapture period, the principal balance of the HOME loan shall be immediately repaid.

H. UNDERWRITING

1. The maximum HOME loan shall be based on the actual cost for the owner's unit and a proportional cost for common improvements based on the ratio of the owner's units to the total units in the building.

2. The after rehab value of the HOME assisted property will not exceed the limits established under:

   a. Section 221(d)(3)(ii) of the National Housing Act, and

b. 95% of the FHA median price purchase price limit.

Documentation shall include either an appraisal or a comparable tax assessment value as determined by the Tax Assessor.

4. All debt - shall not exceed 42% -of gross income.

I. APPROVAL

1. Approval of Auburn Loans

HOME Loans will be reviewed by the Community Development Loan Committee (Committee) who will be responsible for making decisions to approve or deny loan requests and to establish loan conditions.

2. Approval of Lewiston Loans

HOME Loans will be reviewed by the Loan Qualification Committee (Committee) who will be responsible for making decisions to approve or deny loan requests and to establish loan conditions.

3. Appeal Procedure

The reason(s) for rejection shall be given to the applicant. HOME Loans that have been denied may be appealed to the Committee for a period of thirty days after the date of rejection. The applicant(s) will be allowed to present his/her case to the Committee. The Committee may reconsider a prior vote to deny the application after the appeal review has been complete. A decision will be made by the Committee immediately after the appeal has been heard.

3. Loan Considerations

In approving or denying loan requests, the Committee shall be guided by the following loan considerations: cash flow; credit; payment of property taxes or acceptable arrangements; collateral coverage, and broader implications of public benefits including health and safety of the applicant.

J. PROGRAM ADMINISTRATION

1. Non-Discrimination

Administration of this program shall be in accordance with Title VI of the Civil Rights Act of 1964. No person shall, on the ground of race, color, national origin, be excluded from participation in, be denied the benefits of, or subjected to discrimination under this program.

2. **Application Priority**

Applications shall be processed on a first-come, first-served basis. CDD shall use the receipt date of a complete application to establish the order of priority. The applicant will be notified if there is funding available to proceed with the project and if there in inadequate funding, then the application may be placed on a Homeowner Rehabilitation Waiting List.

3. **Definitions**

a. **Household Income**

1) When determining whether a household is income eligible, CDD will calculate annual income using the ~~Census long form method~~IRS Form 1040 method as defined by the Department of Housing and Urban Development.

2) For the purpose of determining eligibility, CDD will calculate annual household income by projecting the prevailing rate of income of each person at the time assistance is requested. Estimated annual income shall include income from all household members.

3) Income may include wages, salaries, overtime, bonuses, fees, tips, commissions, interest and dividend income, net rental income, child support/alimony, Social Security benefits, SSI, retirement, pension or annuity, TANF, unemployment benefits, worker's compensation, and disability or benefits from any source.

b. Household includes all persons who occupy a housing unit. The occupants may be a single family, one person living alone, two or more families living together or any other group of related or unrelated persons who share living arrangements.

c. 80% of Area Median Income is the maximum income a household can earn, adjusted by household size, in order to qualify as low- to moderate income and be eligible for the Homeowner Rehabilitation Loan Program. Income limits for Lewiston-Auburn SMSA are provided by the Department of Housing and Urban Development, and are revised annually.

d. Community Development Department staff (CDD) is the contact person designated as the City's representative to process loan applications in Auburn or Lewiston.

e. Rehabilitation Costs -- The total of contractor estimates from the lowest eligible contractors, self-help expenses, and the contingency determined to be reasonable by CDD.

f. City -- Either the City of Auburn or City of Lewiston, as applicable.

4. Application Procedures

This section shall set forth the procedures for administering the Homeowner Rehabilitation Loan Program.

a. Applications

1) **Priority** -- Applications will be processed on a first come, first served basis. CDD shall establish a priority processing list based on the receipt date of a complete application.

2) **Initial Application** – An application may be obtained from the Community Development Department. A complete application shall include verification of income. An incomplete application will be returned to the applicant.

3) **Income Verification** –The applicant(s) shall provide documentation of all income sources and a federal tax return. CDD shall make a determination of preliminary eligibility based on household size and income.

a) A certified financial statement or additional documentation from an accountant or other acceptable source may be required of an individual whose income is from corporation, partnership, or other business enterprise.

b) If a loan has not closed within six months from the initial income verification, the applicant(s) must submit new income documentation to re-establish eligibility.

b. Multi-Unit Property – If the property has rental units, the owner will provide rental costs, and information about tenants.

c. Initial Inspection – CDD shall make an initial inspection of all housing units within a building to determine -the scope of work. Community Development staff will identify the required improvements in writing. Once the owner has reviewed the inspection report, CDD will prepare technical specifications for contractor bidding.

d. Meeting -Rehabilitation Standards – HOME assisted properties must meet – rehabilitation standards, lead standards, -within six month of the loan closing. -.

e. Lead – A structure which requires more than $5,000 of improvements per unit may require an assessment of lead conditions by a licensed risk assessor. The CDD must consider whether the rehabilitation calls for lead hazard control measures.

1) **Risk Assessment** – A risk assessment will identify whether lead hazards exist and what type of methods must be used to control them or CDD may presume surfaces are covered by lead-based paint. It will be necessary to perform clearance testing of the construction area to confirm the absence of lead hazards after the work is completed. All testing costs will be paid by the CDD.

2) **Priorities**--The order of priority for repairs will be determined by the risk assessment report according to the following criteria:

a) Surfaces that are found to contain lead-based paint levels greater than 9.9 mg/cm2 and are in poor or fair condition.

b) When a component that contains lead-based paint is being repaired because it is in fair condition, the entire surface area may be included in the scope of work.

3) **Displacement** -- The Contractor, owner and CDD will work closely to minimize the need to displace occupants of a dwelling unit. If a tenant must move in order to insure that they are not adversely affected by the corrective work, the owner and CDD will arrange for the relocation. CDD shall pay for temporary moves according to its Residential Anti-Displacement and Relocation Assistance Plan.

f. ~~Construction Proposals -- The applicant shall obtain proposals for the rehabilitation work. Two proposals are required for all major work except when the improvement cost is less than $1,000, or the applicant has attempted to and has been unable to secure a second bid. The applicant is not bound to contract with the lowest qualified bidder, but in the event of choosing the higher bid -- the applicant must provide private funding for the difference in cost. The loan amount will be calculated based on the lowest estimate. Contractors may either be selected from a list of eligible contractors as maintained by the CDD or be able to meet eligibility standards. No contractor may be selected who has been designated ineligible by the CDD. Each contractor will give a proposal on the CDD specification/bid form. The contractor must, if requested, provide a cost breakdown on each portion of the work he is bidding. The contractor must sign the proposal sheet. The CDD may require that information pertinent to materials be submitted for approval.~~

f. Construction Bids

1) The applicant may choose one of two options for obtaining construction bids.

a) Applicants may secure their own bids from contractors of their preference without the assistance of the Community Development Department. Three bids will be required.

b) Applicants may request that the Rehab Coordinator secure bids on

their behalf. The Rehab Coordinator will notify all contractors on Auburn's Contractor List of the project, hold a pre-bid meeting on site, and accept bids on behalf of the applicant at a specified time and place.

c) Contractors may be selected from a list of eligible contractors as maintained by the City of Auburn CDD or contractors must be able to meet the Community Development Department's eligibility standards. No contractor may be selected who has been designated ineligible by the CDD.

d) The applicant is not bound to contract with the lowest qualified bidder, but in the event of choosing the higher bid the applicant must provide private funding for the difference in cost. All loan amounts will be calculated based on the lowest estimate.

e) Each contractor will give a proposal on the CDD specification/bid form. The contractor must, if requested, provide a cost breakdown on each portion of the work he is bidding. The contractor must sign the proposal sheet. The CDD may require that information pertinent to materials be submitted for approval.

g. Contractor Eligibility Standards

1) **Insurance** -- The contractor and subcontractors shall carry Worker's Compensation Insurance for all their employees in accordance with the Worker's Compensation laws of the State of Maine. The contractor and subcontractors shall carry Manufacturer's and Contractor's Public Liability Insurance with a limit of $300,000 for personal injury or death and $100,000 for property damage. The CDD may require bonding for contracts in excess of $100,000. The CDD will require evidence of insurance prior to signing a construction contract.

2) **License and Qualifications** --The contractor shall have in effect a license if required by the State of Maine. The contractor must have completed a Department of Environmental Protection approved lead-smart renovator's course, if pertinent to the work being performed.

3) **Credit** -- The CDD may require a list of credit references, names of suppliers, name of bank where contractor does business, and names and addresses of recent home improvement customers.

4) **Skill and Equipment** – The construction contractor can satisfactorily demonstrate that he/she and/or their subcontractor(s) have the necessary skills and equipment to perform the work in an efficient and expedient manner.

h. Ineligible Contractors - Where a contractor fails to comply with the eligibility standards set forth above, or commits one or more of the following violations, the CDD shall remove the contractor from the list of eligible contractors and shall designate the contractor to be ineligible. The applicant will not award any rehabilitation work, other services, materials, equipment, or supplies to be paid for, in whole or in part, with the proceeds of the loan to any contractor or subcontractor whom the CDD has designated as ineligible. The CDD shall designate a contractor to be ineligible if it finds that the contractor has:

1) Committed one or more material violations of its obligations under a rehabilitation contract and has failed to cure all such violations promptly after 10 days written notice by the applicant or the CDD.

2) Engaged in a pattern of delayed performance or failed to complete the work under a rehabilitation contract, and has received written notice of such delay.

3) Failed to communicate in a courteous, prompt and professional manner, and such failure continued after written notice by the applicant or the CDD.

4) Committed fraud and other illegal acts against the applicant or the City, including but not limited to kickbacks and collusion.

5) Failed to pay subcontractors or suppliers on a timely basis, allowed a lien to be placed on the applicant's property, or otherwise failed to maintain good credit, and such failure continued after written notice by the applicant or the CDD.

6) Threatened, intimidated, or harassed the applicant or CDD.

Once the CDD has designated a contractor to be ineligible, the Contractor shall remain ineligible for a minimum of two years, and shall remain ineligible thereafter until the CDD determines, in its sole discretion, that the contractor has taken all necessary steps to ensure that no further violations will occur, provided that in the case of violations of Sections 9 (d) or 9(f) above the Contractor shall remain permanently ineligible.

i. Labor Performed by the Owner -- A property owner may complete some or all of the tasks required to rehabilitate his/her property if he/she has the degree of skill required to perform the work involved. Self-help is usually appropriate for the accomplishment of tasks of an unskilled nature such as general cleanup, demolition, cartage and disposal of debris, and for work that involves minimal use of costly material and equipment.

1) **Materials and Workmanship** --The CDD will require information regarding the cost of materials for any self-help work prior to approval of the loan. The CDD may require evidence of workmanship on previous projects before accepting the owner's intention to do his/her own work. The amount of the loan may include funds to pay for the materials and rental of equipment to be installed by self-help.

2) **Self-Help Contract** – The Owner will be required to sign a self-help contract that describes the tasks to be accomplished and a deadline for completion. The project deadline shall be within 6 months of the loan closing date.

3) **Qualification** -- The owner must have completed a Department of Environmental Protection approved lead-smart renovator's course, if pertinent to the work being performed.

j. Private Lender's Loan – When additional funds are required to complete the project, the applicant will have the option of using cash or borrowed funds. Additional funds will be deposited into a segregated City account and will be subject to disbursement of funds procedures defined in this guideline. Any funds provided by the Owner or private lenders are subject to the same contractor and self-help requirements as the City's loan.

k. Community Development Loan Committee - The application is presented to the Committee who is responsible for awarding loans.

l. Notices --

1) **Acceptance**—Applicant(s) will be notified of acceptance through a written Commitment Letter.

2) **Rejection** – If the request is rejected, Community Development staff will notify the applicant(s) in writing and give the reason(s) for rejection.

m. Tenant Notification -- Letters shall be sent to the tenants if there will be permanent displacement.

n Loan Closing-- A loan closing shall be completed prior to contractors starting work and shall include, but not be limited to a mortgage instrument to be recorded at the Androscoggin Registry of Deeds, and a promissory note in the full amount of the City's loan. The participant will sign a Rehabilitation Agreement stipulating additional conditions of the loan and Self-Help Contract for any work being done by the participant.

o Amended Loans - If unforeseen project costs exceed the approved rehabilitation loan, the CDD may increase the loan by $1,000 without approval of the Committee provided the amended loan will not exceed the maximum loan amount.

p. Insurance – The participant is required to maintain fire, liability and other hazard insurance on the property for the full term of the note and for an amount at least equal to the total value of all mortgages held on the property, or an amount at least sufficient to cover coinsurance requirements in the State of Maine. The City will be named as a mortgagee on the policy and the participant shall provide evidence of insurance.

q. Construction Contract – The owner and contractor will sign a contract signed at the time of loan closing which is acceptable to the CDD. Assurance will be required of the contractor and owner that the rehabilitation work will be carried out efficiently and within a reasonable period of time. The contractor shall secure all necessary permits prior to the start of work at his/her own expense. The contractor shall contact the CDD for approval of each phase of the work. No change to the rehabilitation contract work shall be allowed unless approved by the CDD, owner, and contractor. Any changes involving cost will be supported through the execution of a change order between the contractor and owner.

r. Inspection - The CDD shall have the right to inspect all rehabilitation work financed in whole or in part with the proceeds of the loan. The CDD will inform the owner and/or contractor of any noncompliance with respect to the rehabilitation work and the corrective action needed. The CDD will verify that all work has been completed according to the specifications. No payment shall be made until the work is acceptable. The owner will take all steps necessary to assure that the CDD is permitted to examine and inspect the rehabilitation work.

s. Escrowing of funds - The CDD will act as escrow agent for the City loan, as well as permit the CDD to disburse such funds to the owner and/or the contractor in the manner set forth in the contract between applicant and contractor. The CDD may require lien waivers as a condition of payment.

t. Disbursement of Funds - After receiving appropriate invoices, receipt of lien waivers for invoices over $5,000, and inspecting the rehabilitation work, progress payments shall be authorized by the CDD. Unutilized funds may be applied to reduce the principal or may be used to complete additional work as approved by the CDD.

u. Records - The applicant agrees to keep such records as may be required by the CDD with respect to the rehabilitation work financed in whole or in by the loan and, furthermore, when the rehabilitated property contains rental units, the applicant agrees to keep such records as may be needed by the CDD with respect to income received and expenses incurred from this property. The applicant will, at any time during normal business hours, and as often as the CDD may deem necessary, permit the CDD to have full and free access to its records with respect to the property.

v. Assumability -- Loans are generally not assumable with the exception of Home Owner projects where the applicant was a lessee.

w. Subordination – Subordination of the HOME loan is generally not allowed. Exceptions will be made for documented emergencies on a case by case basis by Community Development staff. CDD may request documentation in order to evaluate the request. Refinancing may be allowed for the following reasons:

1) limited to the existing first mortgage balance plus reasonable closing costs if refinancing places owner in a better economic situation and does not diminish the City's financial position in the property;

2) exorbitant medical expenses;

3) loss of husband/wife;

4) documented system failure (two estimates from reputable contractors); or

5) legal expenses incurred that would affect the health or stability of the household.

x. **Cancellation** – A loan approval shall be valid for 6 months. If there has been no loan closing or commencement of work, it will be necessary for such a loan to be reconsidered by the Community Development Loan Committee.

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K. FEDERAL AND STATE REGULATIONS, AS MAY BE AMENDED

a. **Equal Employment Opportunity** – The applicant must abide by the provisions of Executive Order 11246 concerning equal employment opportunity.

b. **Flood Hazard Insurance** – If the property to be improved is located in a Designated flood hazard area, the applicant is required to provide evidence of flood hazard insurance coverage and abide by the regulations of the Flood Disaster Protection Act of 1973.

c. **Civil Rights** – The applicant will be required to comply with Title VIII of the Civil Rights Act of 1968 and the Fair Housing Amendments Act of 1988, barring discrimination upon the basis of race, color, religion, creed, sex, handicap, familial status, or national origin in the sale lease rental, use or occupancy of the subject property.

d. **Conflict of Interest** – No elected or appointed official or employee of the City of Auburn and no members of any municipal board or committee which exercises any decision making functions with respect to the Community Development Programs, shall participate in negotiating or shall exercise any influences in awarding or administering any contract in which he has a direct or indirect pecuniary interest as that terms is defined by 30 M.R.S.A. Section 2250

e. **Lead Based Paint** – If the project involves a property that was constructed prior to 1978, all Title X Lead Based Paint standards shall apply.

f. **Environmental Review Procedures** -- The city shall conduct an environmental

review including, but not limited to determination of whether the property is historically significant and whether the property is located in a flood zone, and shall communicate any findings and special considerations to the applicant.

g. **Uniform Relocation Act** – The city shall comply with the Uniform Relocation Act with respect to tenants who may be permanently or temporarily displaced.

Adopted November 21, 2011

AUBURN-LEWISTON CONSORTIUM

HOMEBUYER LOAN PROGRAM GUIDELINES

A. INTRODUCTION

The Cities of Auburn and Lewiston have formed a consortium to qualify for HOME Investment Partnerships Program funds whereby the grant is shared by both cities. The Homebuyer Loan Program guidelines describe assistance that is available to enable low- and moderate-income households to become home owners in either city.

B. PROGRAM OBJECTIVE

The objectives of the Homebuyer Loan Program are to make home ownership affordable for low- and moderate-income households, to provide funds that will open access to other homebuyer programs, and to increase owner occupancy in targeted areas. The Homebuyer Loan Program is designed to provide an opportunity for low- and moderate-income families to purchase market rate homes. The Homebuyer Loan Program is subject to all of the HOME Investment Partnerships Program regulations.

C. OUTREACH

Community Development Department staff (CDD) is responsible for providing outreach to encourage a full range of potential clients. This shall be accomplished through marketing to homebuyer education classes, newspaper articles, and advertising the availability of the Homebuyer Loan Program. Advertisements shall include a non-discrimination statement. Outreach shall be done in accordance with the Consortium's Affirmative Marketing Plan.

D. PARTICIPANT ELIGIBILITY

1. The applicant(s) household income must be below 80% of median income.–An eligibility determination based on income shall be valid for a six-month period.

2. The applicant(s) shall have a minimum household income of

    a. $25,000, or
    b. $20,000 if the prime mortgage is financed by USDA Rural Development as a subsidized interest rate loan.

3. The applicant(s) is able to obtain standard financing at a fixed rate.

4. The applicant(s) may not own residential property, or be a party in an installment land contract at the time of application.

5. The applicant(s) liquid assets shall not exceed $15,000. Liquid assets are savings accounts, savings accounts, stocks, bonds, money market accounts, certificate of deposits, and cash gifts. It shall not include retirement accounts or life insurance cash values.

E. PROPERTY ELIGIBILITY

1. The property must be located in Auburn or Lewiston.

2. The property may be a single-family dwelling, a rental property with two- to four-dwellings, a condominium unit, a cooperative unit, or a mixed-use property.

3. The property must be one of the following approved forms of ownership: fee simple title, 99-year lease, condominium, or cooperative housing.

4. The maximum property value will not exceed 95% of the median purchase price for that type of housing for the area as published by HUD, Section 203(b). If a property involves rehabilitation, the after-rehabilitation value shall be established prior to approval and shall not exceed 95% of the median purchase price.

5. The property must meet ~~rehabilitation standards, Title X Lead Standards, and be free of code violations.~~Housing Standards. The financing package shall include adequate funds to complete all necessary improvements to meet these standards.

~~6. The maximum property cost of an eligible building shall be 95% of the median purchase price for single family homes and 100% of the median purchase price for 2-, 3-, and 4-unit buildings in Auburn and Lewiston. Median purchase price is determined by Maine State Housing Authority, and is adjusted annually. The following are the maximum allowable property costs that will be in effect until the rates are updated.~~

~~7~~6. The property shall be inspected by CDD prior to the applicant(s) signing a purchase and sale agreement to assure that the property is appropriate for the applicant(s) and has potential to meet all property standards.

F. LOAN TERMS

A HOME loan will be available to make housing affordable based on household income. HOME loan will be applied to reduce the bank loan, and is an interest-free loan with payments beginning immediately after the closing. The loan will be for a term not to exceed 40 years.

1. Homebuyer Financing

~~a. The property must be located within the boundaries of the Home Target Areas as identified by the Cities of Auburn or Lewiston.~~

~~b.~~a. The HOME assistance will be based on the following criteria:

1. HOME Savings Account

   a) The Cities shall assist the applicant to establish a HOME Savings Account (HSA) with Auburn Housing Development Corporation to pay for down payment and closing costs to purchase a home.

   b) The applicant will make monthly deposits to the account for a minimum of six months and a maximum of 3 years. The minimum 6-month deposit period may be reduced to 3 months when 1) the applicant can document that the minimum amount of savings has been deposited into a savings account for a six-month period prior to the application and 2) that the savings to be matched is deposited into the Home Savings Account prior to the beginning of the 3-month period.

   c) The minimum payment shall be $25~~ and the maximum shall be $100.~~

   d) The account will be non-interest bearing.

   e) The City shall match the HSA account ~~three~~ two dollars for each dollar saved by the applicant. The HSA maximum is ~~up to $5,000~~$5,250. Half of the HOME match will be a forgivable loan and half will be a grant. The full amount of the match will be included in calculating the recapture period. The match will be available at the time of loan closing. There will only be one HSA grant per household.

   f) If an applicant is deemed no longer eligible at the time of closing, the amount of savings in the HOME Savings Account will be returned to the applicant.

~~2.~~ HOME Loan: Each applicant will receive a minimum of $1,000 as a loan to be secured by a mortgage, and a maximum of $15,000, based on need. ~~A HOME loan will also be available at a minimum of $1,000 and a maximum of $15,000.~~

~~3.~~2. Homebuyer Counseling: The applicant will be required to participate in the City's Homebuyer Counseling Program throughout the savings period.

3. **Determination of HOME -Loan** -- The maximum HOME loan shall be based on the purchase price plus closing costs minus the maximum amount allowed by the

prime lender provided that the total debt service for mortgage, taxes, estimated rehabilitation, insurance, and mortgage insurance is no less than 25% of the applicant(s) income.

4. **Recapture**

a. Based on the combined HOME -assistance to applicant(s), the property to be purchased shall be occupied by the applicant(s) as a principal residence for the minimum periods as follows:

1) 5 years if total of HOME funds is less than $15,000;

2) 10 years if total of HOME funds is between $15,000 and 40,000; or

3) 15 years if HOME funds is over $40,000.

b. The recapture period shall commence when the building acquisition and HOME rehabilitation are complete and a project completion certification has been issued by CDD. If the property is sold, transferred, or the purchaser ceases to occupy the property prior to the end of the recapture period, the principal balance of the HOME loan shall be immediately repaid.

G. UNDERWRITING

1. The following conditions shall apply to all loans:

a. monthly debt for principal, interest, taxes,insurance, and estimated rehabilitation loan shall not exceed 32% of the applicant(s) income;

b. all debt shall not exceed 42% of applicant(s) income;

H. APPROVAL

1. Approval of Auburn Loans: HOME Loans will be reviewed by the Community Development Loan Committee (Committee) who will be responsible for making decisions to approve or deny loan requests and to establish loan conditions.

2. Approval of Lewiston Loans: HOME Loans will be reviewed by the Loan Qualification Committee (Committee) who will be responsible for making decisions to approve or deny loan requests and to establish loan conditions.

3. Appeal Procedure: The reason(s) for rejection shall be given to the applicant. HOME Loans that have been denied may be appealed to the Committee for a period of thirty days after the date of rejection. The applicant(s) will be allowed to present his/her case to the Committee. The Committee may reconsider their prior vote to denying the

application after the appeal review has been complete. A decision will be made by the Committee once the appeal has been heard.

I. PROGRAM ADMINISTRATION

1. Non-Discrimination

Administration of this program shall be in accordance with Title VI of the Civil Rights Act of 1964. No person shall, on the ground of race, color, national origin, be excluded from participation in, be denied the benefits of, or subjected to discrimination under this program.

2. Application Priority

Applications shall be processed on a first-come, first-served basis. CDD shall use the approval date of the loan committee to establish the order of priority for funding. The applicant will be notified if there is funding available to proceed with the project and if there in inadequate funding, then the application may be placed on a HOME waiting list.

3. Definitions

a. Household Income

1) When determining whether a household is income eligible, CDD will calculate annual income using the ~~Census long form method~~IRS Form 1040 method as defined by the Department of Housing and Urban Development.

2) For the purpose of determining eligibility, CDD will calculate annual household income by projecting the prevailing rate of income of each person at the time assistance is requested. Estimated annual income shall include income from all household members.

3) Income may include wages, salaries, overtime, bonuses, fees, tips, commissions, interest and dividend income, net rental income, child support/alimony, Social Security benefits, SSI, retirement, pension or annuity, TANF, unemployment benefits, worker's compensation, and disability or benefits from any source.

b. Household includes all persons who occupy a housing unit. The occupants may be a single family, one person living alone, two or more families living together or any other group of related or unrelated persons who share living arrangements.

c. 80% of Area Median Income is the maximum income a household can earn, adjusted by household size, in order top qualify as low- to moderate income and

be eligible for the Homebuyer Loan Program. Guidelines for Lewiston-Auburn SMSA are provided by the Department of Housing and Urban Development, and are revised annually.

d. **Community Development Department staff** (CDD) is the contact person designated as the City's representative to process loan applications in Auburn or Lewiston.

g **Purchase and Sales Agreement** is the document executed by the applicant to purchase the chosen property.

4. Application Procedures

This section shall set forth the procedures for administering the Homebuyer Loan Program.

a. Applications

1) **Priority** -- Applications will be processed on a first come, first served basis. CDD shall establish a priority processing list based on the receipt date of a complete application.

2) **Initial Application** – An application may be obtained from the Community Development Department. A complete application shall include verification of income. An incomplete application will be returned to the applicant.

b) Income Verification –The applicant(s) shall provide documentation of all income sources and a federal tax return. CDD shall make a determination of preliminary eligibility based on household size and income.

1) A certified financial statement or additional documentation from an accountant or other acceptable source may be required of an individual whose income is from corporation, partnership, or other business enterprise.

2) If an approved applicant(s) has not signed a purchase & sale agreement within six months from the initial income verification, the applicant(s) must submit new income documentation to re-establish eligibility.

~~d.~~ **Training**

1) **Landlord Training** – If the property is a multi-unit building, the Applicant(s) shall attend a landlord education program.

2) **Home Buyer Training** -- The applicant(s) shall provide a certification of attendance at a HoMEworks approved homebuyer education program.

3) **Post-Home Purchase Counseling** – The applicant(s) will agree to meet annually for the first 3 years, or more frequently if necessary, to review the financial status of the applicant(s).

~~ed~~. **Identifying the Property** -- The applicant(s) will select a property for sale which is consistent with an affordability determination

~~fe~~. **Purchase and Sales Agreement** - The applicant will execute Purchase and Sales Agreement that includes a clause stipulating the sale is contingent upon financial approval from the City and primary lender.

~~gf~~. **Multi-Unit Property** – If the property has rental units, the owner or realtor will be asked to secure tenant data and copies of the existing leases.

g. **Initial Inspection** – CDD shall make an initial inspection of all housing units within a building to determine if there are ~~code violations or~~ conditions that must be corrected to meet Housing Standards. CDD will identify the required improvements in writing.

h. ~~Meeting Appropriate Codes~~Housing Standards – Properties to be purchased through the Homebuyer Loan Program must meet ~~housing quality standards, lead standards, and local code requirements~~ Housing Standards before occupancy. A structure which requires more than $5,000 of improvements per unit may require an assessment of lead conditions by a licensed risk assessor, or the CDD may presume there is lead.

j. **Projects Requiring Improvements** – If the required improvements are to be funded by any of the City's rehabilitation programs, the applicant shall follow the procedures of those programs.

k. **Defining Costs and Funding Resources** – After construction costs are defined, city staff will determine the final total development costs including rehabilitation loans. CDD will proceed with the funding package only after it has been determined that the purchase will result in a monthly payment that does not exceed the amount identified as affordable to the applicant(s).

l. **Financing Package** – The applicant(s) will seek approval of the prime lender and HOME loan. CDD will submit to the request to the loan committee for approval.

~~m. Interim Financing (Lease Only) – The City/AHDC shall complete an application for interim financing to purchase the property.~~

n. **Notices**

1) **Acceptance**—Applicant(s) will be notified of acceptance through a written Commitment Letter.

2) **Rejection** – If the request is rejected, CDD will notify the applicant(s) in writing and give the reason(s) for rejection, and the right to appeal the decision.

o. **Tenant Notification** -- Letters shall be sent to the tenants if there will be permanent displacement.

p. **Insurance** – The participant is required to maintain fire, liability and other hazard insurance on the property for the full term of the note and for an amount at least equal to the total value of all mortgages held on the property, or an amount at least sufficient to cover coinsurance requirements in the State of Maine. The City will be named as a mortgagee on the policy and the participant shall provide evidence of insurance.

q. **Assumability**

~~1) Lease Projects Only – The applicant(s) and AHDC shall be co-applicants for the Rehabilitation Loan. The applicant(s) will assume the loan at the closing for permanent financing.~~

~~2) All Other Projects~~ – The HOME Loan is not assumable.

r. **Subordination** – Subordination of the HOME loan is generally not allowed. Exceptions will be made for documented emergencies on a case by case basis by CDD. CDD may request documentation in order to evaluate the request. Refinancing may be allowed for the following reasons:

1) limited to the existing first mortgage balance plus reasonable closing costs if refinancing places owner in a better economic situation and does not diminish the City's financial position in the property;

2) exorbitant medical expenses;

3) loss of husband/wife;

4) documented building system failure (two estimates from reputable contractors); or

5) legal expenses incurred that would affect the health or stability of the household.

t. **Monitoring** – A recipient of HOME funds is required to own and occupy the property purchased with HOME funds as a principal residence for a specified period of time. CDD will monitor ownership during the recapture period. A default shall occur if the owner ceases to occupy or transfers the interest in the subject property, or fails to respond to requests for occupancy documentation and the HOME loan shall come immediately due.

J. FEDERAL AND STATE REGULATIONS, AS MAY BE AMENDED

1. **Equal Employment Opportunity** – The applicant must abide by the Provisions of Executive Order 11246 concerning equal employment opportunity.

2. **Flood Hazard Insurance** – If the property to be improved is located in a Designated flood hazard area, the applicant is required to provide evidence of flood hazard insurance coverage and abide by the regulations of the Flood Disaster Protection Act of 1973.

3. **Civil Rights** – The applicant will be required to comply with Title VIII of the Civil Rights Act of 1968 and the Fair Housing Amendments Act of 1988, barring discrimination upon the basis of race, color, religion, creed, sex, handicap, familial status, or national origin in the sale lease rental, use or occupancy of the subject property.

4. **Conflict of Interest** – No elected or appointed official or employee of the City of Auburn or Lewiston and no members of any municipal board or committee which exercises any decision making functions with respect to the CDD, shall participate in negotiating or shall exercise any influences in awarding or administering any contract in which he has a direct or indirect pecuniary interest as that terms is defined by 30 M.R.S.A. Section 2250

5. **Lead Based Paint** – If the project involves a property that was constructed prior to 1978, all Title X Lead Based Paint standards shall apply.

6. **Environmental Review Procedures** -- The city shall conduct an environmental review including, but not limited to determination of whether the property is historically significant and whether the property is located in a flood zone, and shall communicate any findings and special considerations to the applicant.

7. **Uniform Relocation Act** – The Homebuyer Loan Program shall comply with the Uniform Relocation Act with respect to tenants who may be permanently or temporarily displaced.

SECURITY DEPOSIT LOAN PROGRAM

I. BACKGROUND

Rental subsidies have decreased in recent years while the cost of available housing has increased. Most landlords require that a security deposit and first month's rent be paid prior to moving into the unit, and security deposits are now equal to a full month's rent. Some tenants who are given a housing voucher are not able to utilize it due to lack of security deposit money.

Persons who are of low-income are unable to save for the security deposit. A program that assists low-income persons with a security deposit will help in the prevention of homelessness.

The Security Deposit Loan Program is funded by the HOME Investment Partnerships Program and is subject to all of the HOME Program rules.

II. PROGRAM OBJECTIVE

A. Reduce the number of persons who are homeless by removing one of the barriers that prevents them from securing housing, and
B. Provide stable housing that is affordable to the participant.

III. DEFINITIONS

A. **Applicant/participant**—a tenant, co-tenant or other adult household members who seek security deposit assistance.
B. **Affordable rent**—total rent and utilities contribution shall be affordable to tenant.
C. **Household income**—estimated annual income determined by projecting the prevailing rate of income from all household members.
D. **Landlord**—the owner or agent who controls the property.
E. **Near Homeless**—Unable to stay in current housing situation.
F. Housing Authority—Auburn Housing Authority or Lewiston Housing Authority

IV. ELIGIBILITY CRITERIA

A. Household income is under 80% of area median income adjusted by household size.
B. The applicant must be homeless, near homeless, displaced by a government action, or there are extenuating circumstances beyond the tenant's control.
C. The applicant must not have taken action to cause his/her own displacement.
D. Household does not have the resources to pay for the security deposit. ~~y deposit or first month's rent.~~

V. APPLICATION PROCEDURE

A. Funding is available to tenants who will receive a rental voucher from Auburn or Lewiston Housing Authority. Applicants ~~who have or will receive rental assistance~~ will apply to ~~either~~ the Housing Authority ~~or the City~~ where they will live. ~~If there is no rental assistance, then the applicant will apply to the Social Service office in the City where they will live. (Appendix A.~~

B. The application process shall include:
   1. Full disclosure and verification of all members expected to occupy the unit.
   2. Location of premises to be rented.
   3. Verification of income, resources, and expenses.
   4. Verification of proposed address, rental cost, occupants, utilities by the landlord ~~(Rental Verification form – Appendix B).~~

VI. LOAN ASSISTANCE

A. The Security Deposit Loan Program will provide assistance in the form of loans that will generate income to re-capitalize the loan pool. ~~For all applicants other than those funded through EFSP funds, l~~Loans shall be an interest-free amortized loan up to the full amount of security deposit. There shall be a ~~5% late~~ fee assessed for late payments. ~~over 15 days~~ late ~~(Promissory Note – Appendix C).~~

B. ~~Emergency Food and Shelter Program (EFSP) When EFSP funds are the resource utilized, the assistance shall be a grant. Grant funds will be used to pay the first month's rent. The Security Deposit Loan Committee is responsible to decide which source of funds will be used on a case by case basis (Grant Agreement – Appendix D)~~

VII. CONDITIONS OF THE LOAN

A. Applicant must find an affordable rental unit in Lewiston or Auburn.
B. The applicant has not already paid the security deposit ~~or first month's rent~~, and has not moved into the rent prior to the approval with the exception of extraordinary circumstances.
C. The applicant must take advantage of all other funding resources available to them. ~~identified by the Committee.~~
D. Approval is valid for 15 days.
E. The assistance cannot exceed one month's rent.
F. Tenant must agree to occupy the unit for a minimum of one year.
G. The applicant will be required to sign a promissory note ~~or grant agreement~~.
H. Landlord must sign a Security Deposit Loan Program Landlord Agreement. The security deposit will be held in accordance with Maine law and returned to the Security Deposit Loan Program when the tenant vacates the ~~unit (Landlord Agreement – Appendix E)~~ unit if the tenant has not already repaid the loan.
I. Proceeds from the loan ~~or grant~~ will be sent directly to landlord.

J. In the event of moving prior to full repayment of security deposit, the Landlord and tenant shall notify the ~~administrator of the Security Deposit Loan Program.~~ Respective Community Development office.

K. An applicant who repays the loan or is good standing on an existing loan is eligible to re-apply for assistance.

VIII. ~~SECURITY DEPOSIT LOAN COMMITTEE~~ RESPONSIBILITIES OF THE HOUSING AUTHORITY

A. The Housing Authorities and the Auburn Consortium will sign a Memorandum of Understanding with respect to further responsibilities of administering the Security Deposit Loan Program.

B. The ~~Security Deposit Loan Committee~~ respective Housing Authorities will be responsible for approving or denying requests for assistance. Applications will be reviewed within five working days of receipt of a complete package.

C. Prior to approval, the Housing Authority will contact the respective City's Social Services and Community Development offices to request information that may have a bearing on the application.

DB. The ~~Security Deposit Loan Committee~~ Housing Authority will not deny or withhold application decisions, or recommendations for security deposit funds based upon race or color, sex, sexual orientation, physical or mental disability, religion, ancestry, national origin or familial status.

E. At least quarterly, the Community Development office will notify the Housing Authority of the status of each loan. The Housing Authority shall attempt to collect on loans by making telephone calls or sending letters to participants who are not paying as agreed.

C. ~~The membership of this committee shall consist of eight active members, two representatives from LAASH and one representative from each of the following agencies: Auburn and Lewiston Housing Authorities, Auburn and Lewiston Health and Social Services, Auburn and Lewiston Community Development.~~

~~D. Security Deposits applications for HOME funds will be processed by four committee members as follows:~~

~~1. Auburn: Auburn Housing Authority, Auburn Community Development, Auburn Health & Social Services, and a LAASH Member.~~
~~2. Lewiston: Lewiston Housing Authority, Lewiston Community Development, Lewiston Social Services, and a LAASH Member.~~

~~3. Applications for other funds will be reviewed by the full committee.~~

~~E. Three Security Deposit Loan Committee members shall constitute a quorum and must be present to take action. A majority of members attending shall constitute a valid vote. In the event of a tie vote, then the remainder of the committee will be contacted electronically for a vote.~~

~~F. The Security Deposit Loan Committee may review special circumstances of the applicant and grant a waiver of program guidelines upon approval of all committee members.~~

F. A record of a decision will be kept by the ~~lead agency.~~ Housing Authority

G. A letter conveying the decision of the ~~Security Deposit Loan Committee~~ Housing Authority will be sent to the applicant. ~~(Favorable Decision Letter—Appendix E).~~

IX. ADMINISTRATION/COMPLETION PROCESS

A. ~~A.~~ The respective Community Development office will conduct the loan closing with the client and accept payments.

~~The Committee shall attempt to collect on loans by making telephone calls or sending letters to participants who are not paying as agreed.~~

~~B. A database will be maintained of all applicants who have applied and those who have been assisted.~~

~~C. These guidelines will be amended by consensus vote of the Security Loan Deposit Committee.~~

~~XII. PROGRAM EVALUATION~~

~~The Security Deposit Loan Program assists the most vulnerable client families in the community by removing the barriers to obtaining and retaining affordable stable housing. The effectiveness of this program is attributed to the "hands on" management of the program by the Security Deposit Committee and the continual evaluation of its program.~~

~~Information collected as part of the evaluation will be aggregated to determine the effectiveness of the program as a whole.~~

~~Evaluation of the program will be reported to LAASH.~~

~~Types of Data:~~

- ~~# of applications received~~
- ~~# approved~~
- ~~# denied~~
- ~~# who were approved but did not follow through~~

~~Sources of Data:~~

- ~~Application~~
- ~~Spreadsheet data~~

Guidelines Adopted 11-9-2005
Amended 1-24-2006
Amended 3-8-2006
Amended 5-24-2006
Amended 1-10-2007
Amended 10-3-2007
Amended 3-25-2009
Amended 10-19-2011

Amended November 7, 2011
Revised 11-26-2012

I. SPOT REHABILITATION LOAN PROGRAM

A. PROGRAM GOAL

The goal of the Spot Rehabilitation Loan Program is to eliminate the specific condition(s) that is detrimental to public health and safety. The Spot Rehabilitation Loan Program is funded by the Community Development Block Grant Program and is subject to all of the Community Development Program rules.

B. ELIGIBILITY CRITERIA

1. The property may be owner-occupied, investor owned, or owned by a non-profit agency.

2. The property to be improved must - be a residential property and be year-round or be converting to a year-round status according to the requirements of the City of Auburn's duly adopted construction codes and zoning ordinance.

3. Investor-owned properties must be in one of the City's target areas.

C. LOAN CATEGORIES AND TERMS

1. Deferred Loans

a. A deferred loan is a non-installment loan bearing no interest and the principal payment is deferred. Deferred loans are available only for owners who occupy their buildings. Deferred loans are subject to the following conditions:

1) The deferred will be repaid in a single payment upon sale, conveyance, or transfer of the property, within one year of death of the applicant(s), or at the time the owner ceases to occupy the property.

2) An applicant who has received a deferred loan will be required to submit documentation of annual income upon request of the Community Development Block Grant Office two years from the date of loan closing, and every two years thereafter. If, at the time of re-evaluation, the applicant's income is above 65% of the median income, the deferred loan will be converted to an installment loan with monthly payments subject to Direct Loan repayment terms. When a borrower(s) has reached age 65 and has been through at least one deferred loan review, no additional reviews will be required.

b. The maximum loan amount is $~~15,000~~18,000.

c. Household income must be below 65% of median income.

4. Direct Loan/Owner-Occupied and Non-Profit Agencies

a. A direct loan is an installment loan with monthly payments.

b. Maximum loan amount is $~~15,000~~ 18,000 for applicants with household income between 65-80% of median income

c. Loan term shall be established by Community Development staff with approval of the Community Development Loan Committee based on financial capacity of the applicant. The maximum term is 20 years if income is between 65-80% of median, and 15 years for all other income groups.

d. Income/Interest Rate Categories

Income Range	Interest Rate
Between 0-80% of median income	0%
80% to 100% of median income	2%
100% to 120% of median income	4%
120% - of median income and above	6%

3. Direct Loan/Investor-Owners

a. Direct loans are available to investor owners who own property in one of the City's target areas. Qualification for the Spot Rehab Program shall be determined by the Community Development Loan Committee based on the severity of the building condition and the building's cash flow.

b. A direct loan is an installment loan with monthly payments.

c. Maximum loan amount is ~~$15,000~~18,000

d. Loan term shall be established by Community Development staff with approval of the Community Development loan Committee based on financial capacity of the applicant. The maximum term is 15 years.

e. Interest rate shall be 6%.

4. **Sewer Connection Assessment Grants**

A grant requires no repayment.

The grant amount shall be one-half of the cost of the assessment, ~~or $1,500, whichever is greater.~~

Available for non-profit agencies or households with income below 80% of median income.

f. A grant is used to pay for the cost of an impact/connection fee charge only when the Auburn Sewer District offers no financing for the assessment.

D. ELIGIBLE IMPROVEMENTS

Eligible activities are those necessary to:

1. eliminate condition(s) detrimental to occupants of the residence or public health and safety; and
2. repair(s) of an emergency nature.

II. ENERGY CONSERVATION LOAN PROGRAM

A. PROGRAM GOAL

The goal of the Energy Conservation Program is to reduce the demand for energy resources. The Energy Conservation Loan Program is funded by the Community Development Block Grant Program and is subject to all of the Community Development Program rules.

B. ELIGIBILITY CRITERIA

1. The property may be owner occupied, investor owned, or owned by a non-profit agency.

2. The property to be improved must be a residential property and be year round or be converting to a year round status according to the requirements of the City of Auburn's duly adopted construction codes and zoning ordinance.

C. LOAN CATEGORY AND TERMS

1. Deferred Loans

a. A deferred loan is a non-installment loan bearing no interest and the principal payment is deferred. Deferred loans are available only for people who occupy their buildings. Deferred loans are subject to the following conditions:

1) The deferred will be repaid in a single payment upon sale, conveyance, or transfer of the property, within one year of death of the applicant(s), or at the time the owner ceases to occupy the property.

2) An applicant who has received a deferred loan will be required to submit documentation of annual income upon request of the Community Development Block Grant Office two years from the date of loan closing, and every two years thereafter. If, at the time of re-evaluation, the applicant's income is above 65% of the median income, the deferred loan will be converted to an installment loan with monthly payments subject to Direct Loan repayment terms. When a borrower(s) has reached age 65 and has been through at least one deferred loan review, no additional reviews will be required.

b. The maximum loan amount is $5,000.

c. Applicant's household income must be below 65% of median income.

d. Applicants must take advantage of Community Concepts weatherization program in lieu of this program, if funding is available. If funding is available, this program would not be offered to an applicant.

2. Direct Loan/Low Income Applicant

a. A direct loan is an installment loan with monthly payments.

b. Maximum loan amount is $5,000.

c. Loan term shall be established by Community Development staff with approval of the Community Development Loan Committee based on financial capacity of the applicant. The maximum term is 15 years.

d. Interest rate is 0%

e. Owner Occupied Housing: the applicant's household income is between 65-80% of median income

3. Direct Loans - Investor Owners and Non Profit Agency Applicants: Financing is offered to owners of rental properties who themselves do not qualify as low income, but the building has renters who meet the low income occupancy requirements. When a majority of the tenants have income that is less than 80% of area median income (for a 2-unit building a minimum of 50% of building occupants, and for 3 or more units a minimum of 51% of the building occupants have income that is less than 80% of area median income) loans will be available for energy type improvements.

a.Maximum loan amount is $3,000 per unit with an aggregate limit of $15,000 per building.

b. Interest rate is 2%.

c. Maximum loan term is 15 years.

D. PRIORITIES

The Rehab Coordinator will determine the order of priority for property improvements according to the following guidelines:
a. Air infiltration

b. Insulation (R-Value)

c. Moisture control

d. Mechanical ventilation

e. Other Improvements to reduce energy consumption

III. RESIDENTIAL REHABILITATION LOAN PROGRAM

A. PROGRAM GOAL

The goal of the Residential Rehabilitation Loan Program is to improve the quality of housing by eliminating substandard housing conditions, upgrading the property to meet ~~code requirements for existing buildings, and making general home improvements~~Auburn's Housing Standards. The
Residential Rehabilitation Loan Program is funded by the Community Development Block Grant Program and is subject to all of the Community Development Program rules.

B. ELIGIBILITY CRITERIA

1. The applicant must own or have a written agreement to purchase the property to be improved.

2. The property may be an owner-occupied - investor-owned, or owned by a non-profit agency. The property must be year-round residential structure or be converting to a year-round status according to the requirements of the City of Auburn's duly adopted construction codes and zoning ordinance.

3. After completion, the property must comply with Housing ~~rehabilitation standards~~ of the Community Development Program. Community Development Department staff will determine the requirements for building improvements.

C. LOAN CATEGORIES AND TERMS

1. Target Area

a. Property must be located within one of Auburn's target areas.

b. The maximum loan amounts are:

1) ~~$~~$25,000 for the first unit (a unit that receives funding under the Homeowner Rehab Program will be considered the first unit);

2) ~~$15,000~~ $20,000 for each additional unit;

c. The interest rate is 2%.

d. Loan term shall be established by Community Development staff with approval of the Community Development Loan Committee based on financial capacity of the applicant. The maximum term is ~~20~~25 years.

e. The city's loan shall be leveraged with a minimum of ~~25%~~ in private funds. ~~The City's rehabilitation loan shall not exceed 75% of the rehabilitation cost.~~ The leverage requirement may be waived by the Community Development Loan Committee if cash flow warrants its elimination.

2. Low-Income Households/City Wide and Target Area

a. Applicant's household income is less than 80% of median income.

b. Property may be located within any area of the city.

c. Property must be owner-occupied.

d. The maximum loan amounts are:

1) $~~15,000~~ 25,000 for the first unit (a unit that receives funding under the Homeowner Rehab Program will be considered the first unit); and

2) $~~10,000~~ *$20,000* per unit for each additional unit.

e. The interest rate is 0%.

f. Loan term shall be established by Community Development staff with approval of the Community Development Loan Committee based on financial capacity of the applicant. The maximum term is 25 years.

g. There is no match requirement.

h. Buildings outside the target areas must meet the low-income occupancy requirement (50% for a 2-unit building and 51% for 3 or more units).

D. ELIGIBLE IMPROVEMENTS

Eligible improvements include rehabilitation of a permanent nature which may include, but not be limited to:

1. structural repairs;
2. energy improvements
3. lead-based paint hazard reduction;
4. accessibilitly for disabled persons;
5. repair or replacement of major housing systems;
6. incipient repairs and general property improvements of a non-luxury nature;
7. retaining walls and utility connections;
8. finishing of unfinished areas to add space to a dwelling unit to make it properly sized for the occupants according to applicable HUD standards;

9. improvements which would generally increase the economic viability of the property;
10. engineering and architect costs;
11. landscaping limited to correction of a drainage problem;
12. non-living space limited to delimition of deteriorated structure, structural repairs and weather protection; and
13. fencing when required to correct a hazardous condition.

E. IMPROVEMENTS THAT ARE INELIGIBLE *

1. new construction;

2. paving;

3. appliances or furnishings; and

4. rehabilitation costs attributed to the non-residential portion of a mixed-use property.

~~IV. HISTORIC PRESERVATION PROGRAM~~

~~A. PROGRAM GOAL~~

~~The goal of the Historic Preservation Loan Program is to maintain Auburn's historic structures and to enhance the quality of these properties. The Historic Preservation Program is funded by the Community Development Block Grant Program and is subject to all of the Community Development Program rules.~~

~~B. ELIGIBILITY CRITERIA~~

~~1. The property may be either commercial or residential, but must be used on a year-round basis.~~

~~2. The property must be identified in "Auburn's Historic Downtown Final Report", April 1997.~~

~~3. The applicant must own or have a written agreement to purchase the property to be improved.~~

~~C. LOAN CATEGORY AND TERMS~~

1. The maximum loan amount is $14,000.

2. The interest rate is 0 %.

3. The loan term shall be established by Community Development Block Grant staff with approval of the Community Development Loan Committee based on financial capacity of the applicant. The maximum term is 10 years.

D. ELIGIBLE IMPROVEMENTS

1. Eligible improvements include:

   a. replacement and reconstruction of exterior elements may include but not be limited to such work as porches, rails, window and door trim, eaves, and exterior wall covering;

   b. roofing, flashing, and gutters;

   c. replacement windows and doors;

   d. foundation repair;

   e. masonry re-pointing and reconstruction;

   f. exterior scraping and painting; and

   g. interior lead abatement or interim controls to make the property lead safe.

   h. miscellaneous construction items that contribute to the historic value of the property but are not considered one of the above mentioned items.

E. STANDARDS

All improvements are to be performed in accordance with the "Secretary of the Interior's Standards for the Treatment of Historic Properties", from the Department of the Interior, National Park Service. The Rehab Coordinator staff shall prescribe construction specifications after consultation with the State Historic Preservation Office. The decision to require architectural services shall be at the discretion of the Community Development staff.

F. LEAD HAZARDS

The applicant shall be required to repair or replace surfaces that contain peeling paint where there are surfaces that have been tested by a lead inspector or risk assessor and contain lead based paint levels greater than 1.0 mg/cm2.

~~V. LEAD PROGRAM~~

~~A. PROGRAM GOAL~~

~~The goal of the Lead Program is to make housing lead safe. The Lead Program is funded by the Community Development Block Grant Program and is subject to all of the Community Development Program rules.~~

~~B. ELIGIBILITY CRITERIA~~

~~1. The applicant must own or have a written agreement to purchase the property to be improved.~~

~~2. The property to be improved may be an owner occupied or investor owned year-round residential structure, or be converting to a year-round status according to the requirements of the City of Auburn's duly adopted construction codes and zoning ordinance.~~

~~3. A property inspection performed by a certified risk assessor or lead inspector has identified lead hazards.~~

~~4. Improvements shall consist of eliminating lead hazards in the residential unit, common area servicing that unit, exterior painted surfaces, and the bare soil of the building perimeter and play areas.~~

~~C. LOAN CATEGORIES AND TERMS~~

~~a. The property to be improved must be residential units.~~

~~d. Property may be located within any area of the city.~~

~~e. The maximum loan amount $3,000 per unit.~~

~~f. The interest rate shall be 0%.~~

~~g. If the property requires more than $3,000 per unit, an additional loan to a maximum of $15,000 per building will be provided at a rate of 4%.~~

~~f. Loan term shall be established by Community Development staff with approval of the Community Development Loan Committee based on financial capacity of the applicant. The maximum loan term is 20 years.~~

~~g. There is no match requirement.~~

VI. ACCESSIBLE HOUSING PROGRAM

A. PROGRAM GOAL

The goal of the Accessible Housing Program is to expand the housing stock that is available to persons with physical disabilities by removing the barriers that prevent persons from occupying or visiting a housing unit. The Accessible Housing Program is funded by the Community Development Block Grant Program and is subject to all of the Community Development Program rules.

B. ELIGIBILITY CRITERIA

1. The applicant must own or have a written agreement to purchase the property to be improved.

2. The property to be improved may be an owner occupied or investor owned year-round residential structure, or be converting to a year-round status according to the requirements of the City of Auburn's duly adopted construction codes and zoning ordinance. Only the residential portion of a mixed-use property is eligible for a loan.

C. LOAN CATEGORIES AND TERMS

1. Target Area

a. The property must be located within one of Auburn's target areas.

b. The maximum loan amount is $10,000.

c. The interest rate is 0%.

d. Loan term shall be established by Community Development staff with approval of the Finance Committee based on financial capacity of the applicant. The maximum term is 20 years.

e. There is no match requirement.

2. City Wide and Target Area/Low-Income Households

a. Deferred Loans

1) A deferred loan is a non-installment loan bearing no interest and the principal payment is deferred until some future date.

2) The maximum loan amount is $10,000.

~~4) Household income must be below 65% of median income.~~

~~4) Deferred loans are subject to the following conditions:~~

~~a) The deferred will be repaid in a single payment upon sale, conveyance or transfer of the property, within one year of death of the applicant(s), or at the time the owner ceases of occupy the property.~~

~~b) An applicant who has received a deferred loan will be required to submit documentation of annual income upon request of the Community upon request of the Community Development Block Grant Office two years from the date of loan closing, and every two years thereafter. If, at the time of re-evaluation, the applicant's income is above 65% of the median income, the deferred loan will be converted to an installment loan with monthly payments subject to Direct Loan repayment terms.~~

~~b. Direct Loan~~

~~1) A direct loan is an installment loan with monthly payments.~~

~~2) Maximum loan amount is $10,000.~~

~~3) Loan term shall be established by Community Development staff with approval of the Community Development Loan Committee based on financial capacity of the applicant. The maximum term is 20 years.~~

~~4) Income is between 65-80% of median income.~~

~~5) Interest rate is 0%.~~

~~6) There is no match requirement.~~

~~D. ELIGIBLE IMPROVEMENTS~~

~~Eligible improvements include those that are of a permanent nature and meet ADA standards.~~

~~VII. NEIGHBORHOOD ENHANCEMENT PROGRAM~~

~~A. PROGRAM GOAL~~

~~The goal of the Neighborhood Enhancement Program is to create attractive neighborhoods by improving the visual quality properties in target areas. The Neighborhood Enhancement Program is funded by the Community Development Block Grant Program and is subject to all of the Community Development Program rules.~~

~~B. ELIGIBILITY CRITERIA~~

~~2. The property may be owner occupied, investor owned, or owned by a non-profit organization.~~

~~3. The property to be improved may be a commercial property or a residential property.~~

~~4. The property must be located in one of the City's target areas.~~

~~C. LOAN CATEGORY AND TERMS~~

~~1. Direct Loan~~

~~f. A direct loan is an installment loan with monthly payments.~~

~~g. Maximum loan amount is $20,000 per property.~~

~~h. Loan term shall be established by Community Development staff with approval of the Community Development Loan Committee based on financial capacity of the applicant. The maximum term is 25 years.~~

~~i. Owner Occupied Housing: if the applicant's household income is between 0-80% of median income, the interest rate is 0%.~~

~~j. Non-Profit Housing: if the applicant is a qualified non-profit, the interest rate is 0%.~~

~~k. For all others, the interest rate is 2%.~~

~~2. Match Grant~~

a. The grant amount per property shall not exceed $1,000 per property.

b. For work that involves self help painting, the grant will not require a loan match. The grant will only cover the cost of painting supplies or equipment rental.

c. For contracted projects, the grant shall be equal to ten (10%) percent of the financing up to $1,000.

D. LEAD REQUIREMENTS

Any improvements undertaken with this loan must comply with lead based paint regulations and local codes.

E. PRIORITY REPAIRS

1. The goal of the program is neighborhood beautification. Improvements under this program must address the influences that contribute to blight in the neighborhood.

2. Blight is defined as signs of significant physical decay on the exterior surfaces. These conditions must be improved by the project.

3. The Rehabilitation Coordinator will be responsible to document blighting influences by assessing the physical condition and visual impact of the exterior building elements, recording observable deficiencies, and rating the deficiencies as either severe impact, major impact of minor impact.

4. Only defects that are severe or major will be eligible for funding under this program.

5. In order to assure that the proposed improvements produce a positive impact, severe conditions will be remedied first. If funds remain after severe conditions are remedied, then major conditions will be addressed.

6. Eligible improvements include:

a. mildew removal;
b. prime and paint;

c. ~~replacement of exterior surfaces including siding, porches, steps, railings, decking, fire escapes, windows and door trim, soffits and eaves;~~
d. ~~gutters~~
e. ~~roofs;~~
f. ~~lighting;~~
g. ~~foundation repair;~~
h. ~~wall and chimney re-pointing or reconstruction;~~
i. ~~windows;~~
j. ~~doors~~
k. ~~site improvements and~~
l. ~~repairs to garages, barns and accessory buildings.~~

APPROVAL PROCESS

A. COMMUNITY DEVELOPMENT STAFF

The Community Development -Department has responsibility for administration of the Rehabilitation Program. Community Development performs the underwriting and presents the loan request to the Community Development Loan Committee.

B. PRIVATE FUNDS

1. Private Funds: When matching funds are required, the applicant will have the option of using cash or borrowed funds. Match funds will be deposited into a segregated City account and will be subject to disbursement of funds procedures defined in this guideline.

C. COMMUNITY DEVELOPMENT LOAN COMMITTEE

1. Loans will be reviewed by the Community Development Loan Committee who will be responsible for making a decision to approve or deny loan requests and to establish loan conditions.

2. Appeal Procedure: The reason(s) for rejection shall be given to the applicant. Loans that have been denied may be appealed to the Community Development Loan Committee for a period of thirty days after the date of rejection. The applicant will be allowed to present his/her case to the Community Development Loan Committee. The Community Development Loan Committee may reconsider their prior vote to denying the application after the appeal review has been completed.

3. Waiver of Loan Amount and Term: The City Council may authorize a different interest rate, repayment term or loan amount than what is specified in this program guideline.

D. LOAN CONSIDERATIONS

In approving or denying loan requests, the Community Development Loan Committee shall be guided by the following loan considerations:

1) Underwriting

a) Cash flow -- ability to repay the debt;

b) Credit – good credit history and reputation;

c) Payment of taxes or acceptable arrangements;

d) Collateral – Collateral coverage must be adequate as determined by the Community Development Loan Committee.

e) Security – other assets;

f) Commitment of matching funds;

2) Assessment Private/Public Benefit

The Community Development Loan Committee will also consider the broader implications of private and public benefits.

VIII. REHAB PROGRAM ADMINISTRATION

A. NON-DISCRIMINATION

Administration of this program shall be in accordance with Title VI of the Civil Rights Act of 1964. No person shall, on the ground of race, color, national origin, be excluded from participation in, be denied the benefits of, or subjected to discrimination under this program.

B. APPLICATION PRIORITY

Applications shall be processed on a first-come, first-served basis. Community Development staff shall use the receipt date of a complete application to establish the order of priority. The applicant will be notified if there is funding available to proceed with the project and if there in inadequate funding, then the application may be placed on a Rehabilitation Waiting List.

C. PARTICIPATION BY RELIGIOUS ORGANIZATIONS

1) Religious organizations can apply for Rehabilitation Loans with the understanding that loan funds cannot be used to support inherently religious activities such as worship, religious instruction, or proselytization. The organization can engage in such activities, but they must be offered in a different location. Religious participation by tenants must be voluntary.

2) The organization must not discriminate against a tenant or prospective tenant on the basis of religious belief or refusal to participate in a religious practice.

3) Any units improved with rehabilitation funds must be available for occupancy on the open market.

D. AFFORDABLE RENT STANDARDS

1. Rental units that are improved with Community Development funds shall be available and affordable to low- and moderate-income households.

2. The applicant will be required to furnish rental information to enable Community Development staff to evaluate the impact of the project on rent levels. The applicant will submit the current amount of rental charges for all units in the housing project, utility types, who pays the utilities, and the names of tenants.

3. A rent cap shall apply to ~~all units occupied by low- and moderate-income households.~~ Assisted units of which 51% will be occupied by low income households. The maximum allowable rent shall be equal to the amount of rent and utility costs being paid by the tenant at the time of loan closing. The period of affordability shall be one year after the loan final inspection date.

4. Vacant units at the time of application shall be rented to low- and moderate-income households. The maximum allowable rent for vacant units shall not exceed the Fair Market Rent in effect when the rent is calculated with an adjustment for utility allowance based on Section 8 Existing Housing Allowances for Tenant Furnished Utilities and Other Services. The period of affordability shall be one year from the final inspection date.

5. The borrower will sign a Rent Agreement stipulating rent limitations at loan closing.

E. DEFINITIONS

1. **Fair Market Rent** - An annually published rent level prescribed by the U. S. Department of Housing and Urban Development based on a specified number of bedrooms.

2. **Household Income**

   a. For the purpose of determining eligibility, Community Development staff will calculate income by estimating the annual income of a family or household by projecting the prevailing rate of income of each person at the time assistance is requested. Estimated annual income shall include income from all family or household members.

   b. Income of all members of the household is considered for computing income. This may include wages, salaries, overtime, bonuses, fees, tips, commissions, interest and dividend income, self-employment income, net rental income, income from estates or trusts, child support, alimony, Social Security benefits, SSI

retirement, survivor or disability pension, VA payments, pension, or annuity, Temporary Aid to Needy Families, unemployment benefits, worker's compensation, and disability or benefits from any source. Income will be based on the IRS Form 1040 method as defined by the Department of Housing and Urban Development.

c. Household Occupants

5. Counting Occupants. For the purpose of computing income, a household shall be defined as all persons who occupy a housing unit. The occupants may be a single family, one person living alone, two or more families living together or any other group of related or unrelated persons who share living arrangements.

6. Exception. An exception to calculating household income will be for boarders of the applicant. A boarder is an adult who pays the market rate to rent a room and shares kitchen facilities with the applicant. The applicant must produce verification of rental income such as canceled checks and rental income on a federal income tax form. The gross income of the boarder will not be included in calculating the applicant's household income. Instead, staff will add to household income the amount of rent paid by the boarder or the HUD Fair Market Rent for a 0 bedroom unit, whichever is greater. The boarder will not be counted as a household member when calculating family size.

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4. **Investor-Owner** -- Absentee owner, who may receive rehabilitation assistance in order to improve housing conditions for the tenants.

6. **Mixed-Use** -- A property used in some part for residential purposes and in some part for non-residential purposes.

7. **Owner-Occupied** -- An applicant who holds the entire ownership interest of a property and lives in one unit of the property as a primary residence.

8. **Rehabilitation Costs** -- The total of contractor estimates from the lowest eligible contractors, self-help expenses, and the contingency determined to be reasonable by the Rehab Coordinator.

9. **Residential Property** - A property used entirely for residential purposes (household living space).

10. **Target Area** - A designated neighborhood area defined by the Community Development Office for concentrated use of Community Development Block Grant

Funds under the slums/blight eligibility determination.

F. INCOME LIMITS

To qualify applicants for various loans under the Rehabilitation Program, Community Development staff will use income limits for Lewiston-Auburn SMSA established by the Department of Housing and Urban Development. Revised charts will be used upon receipt.

G. APPLICATION PROCEDURES

This section sets forth the application procedures for rehabilitation loans.

1. **Initial Application** -- Loan application may be obtained from the Community Development Department (CDD).

2. **CDD Responsibilities** – The City will make available the services of a Rehab Coordinator who will solicit applications, determine the scope of work, prepare specifications, document eligibility criteria and underwriting, secure approval, prepare loan documents, and act as a project manager including authorizing progress payments.

3. **Verifications**

   a. Income - Copies of all income sources (i.e. check stubs, statements, W-2 forms, State and Federal income tax returns) shall be provided by the applicant. A certified financial statement or other documentation from an accountant or other acceptable source may be required of a corporation, partnership, or other business enterprise. Written verification may be required from income sources.

   b. Title - The CDD shall verify title by checking the records at the Androscoggin County Registry of Deeds.

4. **Initial inspection** -- If it appears that the applicant and property are eligible for a loan, an initial inspection will be scheduled with the applicant and the Rehab Coordinator. Rehabilitation requirements will be determined during the initial inspection.

5. **Inspection Report and Specifications** -- An inspection report shall be prepared by the Rehab Coordinator and mailed to the applicant. The inspection report shall list the rehabilitation requirements to bring it into compliance. Once the owner has reviewed the inspection report, the Rehab Coordinator creates technical specifications for contractor bidding.

6. **Lead** – The CDD must consider whether the rehabilitation calls for lead hazard control measures.

   a. A risk assessment will identify whether lead hazards exist and what type of methods must be used to control the~~m~~ identified hazards, or the CDD may presume surfaces are covered by lead-based paint.. It will be necessary to perform clearance testing of the construction area to confirm the absence of lead hazards after the work is completed. All testing costs will be paid by the CDD.

b. Priorities

The order of priority for repairs will be determined by the risk assessment report according to the following criteria:

1) Surfaces that are found to contain lead-based paint levels greater than 9.9 mg/cm2 and are in poor and fair condition.

2) When a component that contains lead-based paint is being repaired because it is in poor or fair condition, the entire surface area may be included in the scope of work.

c. The Contractor, owner and Rehab Coordinator will work closely to minimize the need to displace occupants of a dwelling unit. If a tenant must move in order to insure that they are not adversely affected by the corrective work, the owner and CDD will arrange for the relocation. CDD shall pay for temporary moves according to its Residential Antidisplacement and Relocation Assistance Plan.

7. Construction Bids-- -

A. The applicant may choose one of two options for obtaining construction bids.

1.Applicants may secure their own bids from contractors of their preference without the assistance of the Community Development Department. Three bids will be required.

2. Applicants may request that the Rehab Coordinator secure bids on their behalf. The Rehab Coordinator will notify all contractors on Auburn's Contractor List of the project, hold a pre-bid meeting on site, and accept bids on behalf of the applicant at a specified time and place.

B. Contractors may be selected from a list of eligible contractors as maintained by the City of Auburn CDD or contractors must be able to meet the Community Development Department's eligibility standards. No contractor may be selected who has been designated ineligible by the CDD.

C. The applicant is not bound to contract with the lowest qualified bidder, but in the event of choosing the higher bid the applicant must provide private funding for the difference in cost. All loan amounts will be calculated based on the lowest estimate.

D. Each contractor will give a proposal on the CDD specification/bid form. The contractor must, if requested, provide a cost breakdown on each portion of the

work he is bidding. The contractor must sign the proposal sheet. The CDD may require that information pertinent to materials be submitted for approval.

8. **Contractor Eligibility Standards**

   a. Insurance -- The contractor and subcontractors shall carry Worker's Compensation Insurance for all their employees in accordance with the Worker's Compensation laws of the State of Maine. The contractor and subcontractors shall carry Manufacturer's and Contractor's Public Liability Insurance with a limit of $300,000 for personal injury or death and $100,000 for property damage. The CDD may require bonding for contracts in excess of $100,000. The CDD will require evidence of insurance prior to signing a construction contract.

   b. License and Qualifications --The contractor shall have in effect a license if required by the City of Auburn, or State of Maine. The contractor must have obtain a Department of Environmental Protection approved-Repair, Renovate or Paint certification, if pertinent to the work being performed.

   c. Credit -- The City may require a list of credit references, names of suppliers, name of bank where contractor does business, and names and addresses of recent home improvement customers.

   d. Skill and Equipment -- No approval of a contract shall be given unless the construction contractor can satisfactorily demonstrate that he/she and/or their subcontractor(s) have the necessary skills and equipment to perform the work in an efficient and expedient manner.

9. **Ineligible Contractors** - Where a contractor fails to comply with the eligibility standards set forth above, or commits one or more of the following violations, the CDD shall remove the contractor from the list of eligible contractors and shall designate the contractor to be ineligible. The applicant will not award any rehabilitation work, other services, materials, equipment, or supplies to be paid for, in whole or in part, with the proceeds of the loan to any contractor or subcontractor whom the CDD has designated as ineligible. The CDD shall designate a contractor to be ineligible if it finds that the contractor has:

   a. Committed one or more material violations of its obligations under a rehabilitation contract and has failed to cure all such violations promptly after 10 days written notice by the applicant or the CDD.
   b. Engaged in a pattern of delayed performance or failed to complete the work under a rehabilitation contract, and has received written notice of such delay.
   c. Failed to communicate in a courteous, prompt and professional manner, and such failure continued after written notice by the applicant or the CDD.
   d. Committed fraud and other illegal acts against the applicant or the City of Auburn, including but not limited to kickbacks and collusion.

e. Failed to pay subcontractors or suppliers on a timely basis, allowed a lien to be placed on the applicant's property, or otherwise failed to maintain good credit, and such failure continued after written notice by the applicant or the CDD.
f. Threatened, intimidated, or harassed the applicant or City staff.

Once the CDD has designated a contractor to be ineligible, the Contractor shall remain ineligible for a minimum of two years, and shall remain ineligible thereafter until the CDD determines, in its sole discretion, that the contractor has taken all necessary steps to ensure that no further violations will occur, provided that in the case of violations of Sections 9 (d) or 9(f) above the Contractor shall remain permanently ineligible.

10. **Labor Performed by the Owner** -- A property owner may complete some or all of the tasks required to rehabilitate his/her property if he/she has the degree of skill required to perform the work involved. Self-help is usually appropriate for the accomplishment of tasks of an unskilled nature such as general cleanup, demolition, cartage and disposal of debris, and for work that involves minimal use of costly materials and equipment.

    a. Materials and Workmanship --The CDD will require information regarding the cost of materials for any self-help work prior to approval of the loan. The CDD may require evidence of workmanship on previous projects before accepting the owner's intention to do his/her own work. The amount of the loan may include funds to pay for the materials and rental of equipment to be installed by self-help.

    b. Schedule -- The Rehab Coordinator and owner will establish a schedule of work items and projected completion date prior to loan closing.

    c. Qualification -- The owner must have completed a Department of Environmental Protection ~~approved lead-smart renovator's course~~ Renovate, Repair and Paint course, if pertinent to the work being performed.

11. **Private Lender's Loan** - Interest rates and terms of the portion of the rehabilitation work to be funded by the private lender shall be individually negotiated between the loan applicant and the respective lending institution. The private lender's funds are subject to the same contractor and self-help requirements as the City's loan.

12. **Community Development Loan Committee** - The application is presented to the Community Development Loan Committee who is responsible for awarding loans.

13. **Loan Closing**-- A loan closing shall be completed prior to contractors starting work and shall include, but not be limited to a mortgage instrument to be recorded at the Androscoggin Registry of Deeds, and a promissory note in the full amount of the City's loan.

14. **Amended Loans** - If unforeseen project costs exceed the original rehabilitation estimates plus any project contingency, the Rehab Coordinator may increase the loan by $500 without approval of the Community Development Loan Committee.

15. **Assumability** – Loans are generally unassumable~~ with the exception of the Lease-Buy Program where loans will be assumed by the lessee~~.

16. **Cancellation** -- A loan approval shall be valid for 63 months. If there has been no loan closing or commencement of work, it will be necessary for such a loan to be reconsidered by the Community Development Loan Committee.

17. **Construction Contract** – The owner and contractor will sign a contract signed at the time of loan closing which is acceptable to the CDD. Assurance will be required of the contractor and owner that the rehabilitation work will be carried out efficiently and within a reasonable period of time. The contractor shall secure all necessary permits prior to the start of work at his/her own expense. The contractor shall contact the Rehab Coordinator for approval of each phase of the work. No change to the rehabilitation contract work shall be allowed unless approved by the CDD, owner, and contractor. Any changes involving cost will be supported through the execution of a change order between the contractor and owner.

18. **Inspection** - The CDD shall have the right to inspect all rehabilitation work financed in whole or in part with the proceeds of the loan. The CDD will inform the owner and/or contractor of any noncompliance with respect to the rehabilitation work and the corrective action needed. The CDD will verify that all work has been done according to the specifications. No payment shall be made until the work is acceptable. The owner will take all steps necessary to assure that the CDD is permitted to examine and inspect the rehabilitation work.

19. **Records** - The applicant agrees to keep such records as may be required by the CDD with respect to the rehabilitation work financed in whole or in by the loan and, furthermore, when the rehabilitated property contains rental units, the applicant agrees to keep such records as may be needed by the CDD with respect to income received and expenses incurred from this property. The applicant will, at any time during normal business hours, and as often as the CDD may deem necessary, permit the CDD to have full and free access to its records with respect to the property.

20. **Escrowing of funds** - The CDD will act as escrow agent for the City loan, as well as any supplemental funds required to meet the amount of the construction contracts. The owner permit the CDD to disburse such funds to the owner and/or the contractor in the manner set forth in the contract between applicant and contractor. The CDD may require lien waivers as a condition of payment.

21. **Disbursement of Funds** - After receiving appropriate invoices receipt of lien

waivers for invoices over $5,000, and inspecting the rehabilitation work, progress payments shall be authorized by the CDD. Unutilized funds may be applied to reduce the principal of the City and private funds to maintain the 75% City and 25% private participation level, or may be used to complete additional work as approved by the CDD.

CURB APPEAL PROGRAM

A. PROGRAM GOAL

The goal of the Curb Appeal Program is to create attractive neighborhoods by encouraging private investment. The Program will improve the visual quality of properties in target areas, and encourage conformity of appearance and architecture within the immediate neighborhood. The Curb Appeal Program is funded by the Community Development Block Grant Program and is subject to all of the Community Development Program rules.

B. ELIGIBILITY CRITERIA

1. The property to be improved may be a commercial property, residential property, or mixed use owned by the applicant.

2. Residential units must meet the Department of Housing and Urban Development's Housing Quality Standards.

3. The applicant must not owe outstanding property taxes to the City of Auburn and have no outstanding code violations.

4. Property must be in the Downtown, New Auburn or Union Street target areas.

C. ASSISTANCE CATEGORIES AND TERMS

1. Grant
   a. Maximum grant is $10,000 per property.

   b. Only one grant will be awarded per property.

   c. The applicant shall provide a private match. Match funds may be cash or a loan. The match shall be the higher of

      1) amount equal to the grant; or
      2) amount necessary to complete the project.

2. Direct Loan

   a. A direct loan is an installment loan from the City with monthly payments.

   b. Maximum loan amount is $10,000 per property.

   c. A loan will be available if the applicant's project costs exceed the maximum grant and required match.

d. Loan term shall be established by Community Development staff with approval of the Curb Appeal Committee based on financial capacity of the applicant. The maximum loan term is 15 years.

e. The interest rate is two (2%) percent.

D. PRIORITIES

It is anticipated that there will be more demand than available funds. Funding will be provided to applications receiving the overall highest scores until funds are exhausted. The City will issue a Request for Proposals. Applications will be scored on how well the proposed project meets the following program criteria:

1. Degree of visual improvement the proposed project will bring to the streetscape and greatest impact on target area.

2. Design compatibility with neighborhood.

3. Visual prominence of the building and its location. Buildings with frontage on the following streets will be considered a higher priority:

   a. Broad Street
   b. Mill Street
   c. Main Street
   d. Elm Street
   e. Court Street
   f. High Street
   g. Hampshire Street
   i. Goff Street
   j. Turner Street
   k. Minot Avenue

4. Private investment greater than 50% of the project budget.

5. Proximity to other buildings that have been improved.

E. SUBMISSION REQUIREMENTS

1. Description of the project;

2. Explanation of the improvements you want to restore, rehabilitate, modify or replace through this project;

3. Close up photographs of the property in its current condition;

4. Description of private investment sources that will be used to match public

dollars (example list of cash on hand or bank loan.

F. OTHER REQUIREMENTS

Improvements undertaken with this loan must comply with

1. lead-based paint regulations;

2. local codes; and

3. Housing Quality Standards, if residential.

G. PRIORITY REPAIRS

1. The goal of the program is neighborhood beautification. Improvements under this program must address the influences that contribute to blight in the neighborhood.

2. Blight is defined as the characteristics of the built and natural environment that have deteriorated to the point that they constitute a threat to public health, safety, and welfare; contribute to the physical and economic deterioration or neighborhoods, or result in the degradation of the quality of life in the City of Auburn. For residential structures, buildings that do not meet the Department of Housing and Urban Development's Housing Quality Standards are considered blighted.

3. The Rehabilitation Coordinator will be responsible to document blighting influences by assessing the physical condition and visual impact of the exterior building elements and recording observable deficiencies.

4. In order to assure that the proposed improvements produce a positive impact, severe conditions will be remedied first. If funds remain after severe conditions are remedied, then other conditions may be addressed.

5. Eligible activities include:

    a. architectural services;
    b. prime and paint exterior surfaces;
    c. repair or replacement of exterior surfaces including siding, porches, steps, railings, decking, fire escapes, window and door trim, soffits and eaves, and gutters;
    d. roofs;
    e. lighting;
    f. foundation repair;
    g. re-pointing or reconstruction of walls and chimneys;
    h. replacement of windows and doors; and
    i. repair to garages, barns, and accessory buildings.
    j. Repairs to assure the building meets Housing Quality Standards.

H. APPROVAL PROCESS

1. COMMUNITY DEVELOPMENT STAFF

The Community Development Department has responsibility for administration of the Curb Appeal Program. Community Development will also perform loan underwriting, and present requests to the Curb Appeal Committee.

2. PRIVATE FUNDS

When matching funds are required, the applicant will have the option of using cash or borrowed funds. Match funds will be deposited into a segregated City account and will be subject to disbursement of funds procedures defined in this guideline.

3. CURB APPEAL COMMITTEE

a. Grants and loans will be approved by a seven member committee. The committee shall be composed of three members of the Community Development Loan Committee, two Auburn residents with relevant experience in building design/architecture or real estate/development, the City Manager and Director of Economic Development.

b. The Committee will review all applications and rank them prior to making awards. The Committee will determined the terms of the grant and loan, if any, and may place conditions on the grant/loan award including the requirement that improvements be designed by a qualified design professional.

c. In evaluating loan requests, the Committee shall be guided by the following considerations:

i. Cash flow -- ability to repay the debt;

ii. Credit – good credit history and reputation;

iii. Payment of taxes or acceptable arrangements;

iv. Collateral – collateral coverage must be adequate as determined by the Committee

v. Security – other assets;

d. Loan Appeal Procedure: The reason(s) for rejection shall be given to the applicant. Denials may be appealed to the Curb Appeal Committee for a period of thirty days after the date of rejection. The applicant will be allowed to present his/her case to the Committee. The Committee may reconsider their prior vote to deny the application after the appeal review has been completed.

e. Waiver of Loan Amount and Term: The City Council may authorize a different interest rate, repayment term or loan amount than what is specified in this program guideline.

I. REHAB PROGRAM ADMINISTRATION

1. NON-DISCRIMINATION

Administration of this program shall be in accordance with Title VI of the Civil Rights Act of 1964. No person shall, on the ground of race, color, national origin, be excluded from participation in, be denied the benefits of, or subjected to discrimination under this program.

2. PARTICIPATION BY RELIGIOUS ORGANIZATIONS

a. Religious organizations can apply for Rehabilitation Loans with the understanding that loan funds cannot be used to support inherently religious activities such as worship, religious instruction, or proselytizing. The organization can engage in such activities, but they must be offered in a different location. Religious participation by tenants must be voluntary.

b. The organization must not discriminate against a tenant or prospective tenant on the basis of religious belief or refusal to participate in a religious practice.

3. DEFINITIONS

a. Rehabilitation Costs -- The total of contractor estimates from the lowest eligible contractors, self-help expenses, and the contingency determined to be reasonable by the Rehab Coordinator.

b. Target Areas -- A designated neighborhood area defined by the Community Development Office for concentrated use of Community Development Block Grant Funds under the slums/blight eligibility determination. The Curb Appeal Program will be restricted to Downtown, New Auburn and Union Street Target Areas.

4. APPLICATION PROCEDURES

a. Requests for Proposals – Requests for Proposals will be available in the Community Development office. Community Development Department (CDD) staff will publish a notice in the local newspaper and on the City's web site.

b. CDD Responsibilities – Once a project has been selected, the CDD will prepare specifications, prepare loan documents, and act as a project manager including authorizing progress payments.

c. Inspection Report and Specifications – An inspection report shall be prepared by the Rehab Coordinator and sent to the applicant. The inspection report shall identify the scope of work. Once the owner has reviewed the inspection report and approves the scope of work , the Rehab Coordinator will create specifications for contractor bidding.

d. Lead – The CDD must consider whether the rehabilitation calls for lead hazard control measures.

1. A risk assessment will identify whether lead hazards exist and what type of methods must be used to control them or the CDD may presume surfaces are covered by lead-based paint. It will be necessary to perform clearance testing of the construction area to confirm the absence of lead hazards after the work is completed. All testing costs will be paid by the CDD.

2. Priorities

The order of priority for repairs will be determined by the risk assessment report according to the following criteria:

a) Surfaces that are found to contain lead-based paint levels greater than 9.9 mg/cm2 and are in poor and fair condition.

b) When a component that contains lead-based paint is being repaired because it is in poor or fair condition, the entire surface area may be included in the scope of work.

e. Construction Bids

1. The applicant may choose one of two options for obtaining construction bids.

a. Applicants may secure their own bids from contractors of their preference without the assistance of the Community Development Department. Three bids will be required.

b. Applicants may request that the Rehab Coordinator secure bids on their behalf. The Rehab Coordinator will notify all contractors on Auburn's Contractor List of the project, hold a pre-bid meeting on site, and accept bids on behalf of the applicant at a specified time and place.

2. Contractors may be selected from a list of eligible contractors as maintained by the City of Auburn CDD or contractors must be able to meet the Community Development Department's eligibility standards. No contractor may be selected who has been designated ineligible by the CDD.

3. The applicant is not bound to contract with the lowest qualified bidder, but in the event of choosing the higher bid the applicant must provide private funding for the difference in cost. All loan amounts will be calculated based on the lowest estimate.

4. Each contractor will give a proposal on the CDD specification/bid form. The contractor must, if requested, provide a cost breakdown on each portion of the

work he is bidding. The contractor must sign the proposal sheet. The CDD may require that information pertinent to materials be submitted for approval.

f. Contractor Eligibility Standards

1. Insurance -- The contractor and subcontractors shall carry Worker's Compensation Insurance for all their employees in accordance with the Worker's Compensation laws of the State of Maine. The contractor and subcontractors shall carry Manufacturer's and Contractor's Public Liability Insurance with a limit of $300,000 for personal injury or death and $100,000 for property damage. The CDD may require bonding for contracts in excess of $100,000. The CDD will require evidence of insurance prior to signing a construction contract.

2. License and Qualifications – The contractor shall have in effect a license if required by the City of Auburn, or State of Maine. The contractor must have obtain a Department of Environmental Protection approved-Repair, Renovate or Paint certification, if pertinent to the work being performed.

3. Credit – The City may require a list of credit references, names of suppliers, name of bank where contractor does business, and names and addresses of recent home improvement customers.

4. Skill and Equipment – No approval of a contract shall be given unless the construction contractor can satisfactorily demonstrate that he/she and/or their subcontractor(s) have the necessary skills and equipment to perform the work in an efficient and expedient manner.

g. Ineligible Contractors – Where a contractor fails to comply with the eligibility standards set forth above, or commits one or more of the following violations, the CDD shall remove the contractor from the list of eligible contractors and shall designate the contractor to be ineligible. The applicant will not award any rehabilitation work, other services, materials, equipment, or supplies to be paid for, in whole or in part, with the proceeds of the loan to any contractor or subcontractor whom the CDD has designated as ineligible. The CDD shall designate a contractor to be ineligible if it finds that the contractor has:

1. Committed one or more material violations of its obligations under a rehabilitation contract and has failed to cure all such violations promptly after 10 days written notice by the applicant or the CDD.
2. Engaged in a pattern of delayed performance or failed to complete the work under a rehabilitation contract, and has received written notice of such delay.
3. Failed to communicate in a courteous, prompt and professional manner, and such failure continued after written notice by the applicant or the CDD.
4. Committed fraud and other illegal acts against the applicant or the City of Auburn, including but not limited to kickbacks and collusion.

5. Failed to pay subcontractors or suppliers on a timely basis, allowed a lien to be placed on the applicant's property, or otherwise failed to maintain good credit, and such failure continued after written notice by the applicant or the CDD.
6. Threatened, intimidated, or harassed the applicant or City staff.

Once the CDD has designated a contractor to be ineligible, the Contractor shall remain ineligible for a minimum of two years, and shall remain ineligible thereafter until the CDD determines, in its sole discretion, that the contractor has taken all necessary steps to ensure that no further violations will occur, provided that in the case of violations of Sections 9 (d) or 9(f) above the Contractor shall remain permanently ineligible.

h. Labor Performed by the Owner – A property owner may complete some or all of the tasks required to rehabilitate his/her property if he/she has the degree of skill required to perform the work involved. Self-help is usually appropriate for the accomplishment of tasks of an unskilled nature such as general cleanup, demolition, cartage and disposal of debris, and for work that involves minimal use of costly materials and equipment.

1. Materials and Workmanship – The CDD will require information regarding the cost of materials for any self-help work prior to approval of the loan. The CDD may require evidence of workmanship on previous projects before accepting the owner's intention to do his/her own work. The amount of the loan may include funds to pay for the materials and rental of equipment to be installed by self-help.

2. Schedule -- The Rehab Coordinator and owner will establish a schedule of work items and projected completion date prior to loan closing.

3. Qualification -- The owner must have completed a Department of Environmental Protection Renovate, Repair and Paint course, if pertinent to the work being performed.

i. Private Lender's Loan – Interest rates and terms of the portion of the rehabilitation work to be funded by the private lender shall be individually negotiated between the loan applicant and the respective lending institution. The private lender's funds are subject to the same contractor and self-help requirements as the City's loan.

j. Curb Appeal Committee – The application is presented to the Curb Appeal Committee who is responsible for awarding grants and loans.

k. Loan Closing – A grant/ loan closing shall be completed prior to contractors starting work and shall include, but not be limited to a mortgage instrument to be recorded at the Androscoggin Registry of Deeds, and a promissory note in the full amount of the City's loan.

l. Assumability – Loans are generally unassumable

m. Cancellation – A loan/grant approval shall be valid for 3 months. If there has been no loan closing or commencement of work, it will be necessary for such a loan to be reconsidered by the Community Development Loan Committee.

n. Construction Contract – The owner and contractor will sign a contract signed at the time of loan closing which is acceptable to the CDD. Assurance will be required of the contractor and owner that the rehabilitation work will be carried out efficiently and within a reasonable period of time. The contractor shall secure all necessary permits prior to the start of work at his/her own expense. The contractor shall contact the Rehab Coordinator for approval of each phase of the work. No change to the rehabilitation contract work shall be allowed unless approved by the CDD, owner, and contractor. Any changes involving cost will be supported through the execution of a change order between the contractor and owner.

o. Inspection – The CDD shall have the right to inspect all rehabilitation work financed in whole or in part with the proceeds of the loan. The CDD will inform the owner and/or contractor of any noncompliance with respect to the rehabilitation work and the corrective action needed. The CDD will verify that all work has been done according to the specifications. No payment shall be made until the work is acceptable. The owner will take all steps necessary to assure that the CDD is permitted to examine and inspect the rehabilitation work.

p. Records – The applicant agrees to keep such records as may be required by the CDD with respect to the rehabilitation work financed in whole or in by the loan and, furthermore, when the rehabilitated property contains rental units, the applicant agrees to keep such records as may be needed by the CDD with respect to income received and expenses incurred from this property. The applicant will, at any time during normal business hours, and as often as the CDD may deem necessary, permit the CDD to have full and free access to its records with respect to the property.

q. Escrowing of funds – The CDD will act as escrow agent for the City loan/grant, as well as any supplemental funds required to meet the amount of the construction contracts. The owner permit the CDD to disburse such funds to the owner and/or the contractor in the manner set forth in the contract between applicant and contractor. The CDD may require lien waivers as a condition of payment.

r. Disbursement of Funds – After receiving appropriate invoices receipt of lien waivers for invoices over $5,000, and inspecting the rehabilitation work, progress payments shall be authorized by the CDD. Unutilized funds may be applied to reduce the principal of the City and private funds to maintain the private participation level, or may be used to complete additional work as approved by the CDD.

Amended 10-19-2009
~~11/26/2012~~

~~DOWN PAYMENT ASSISTANCE PROGRAM GUIDELINES~~

~~I. PROGRAM GOAL~~

~~The goal of the Down Payment Assistance Program is to encourage home ownership.~~

~~II. ELIGIBILITY CRITERIA~~

~~A. Low and Moderate Income~~

~~1. The applicant's income is below 80% of median income (by family size).~~

~~2. The property may be located any where in the City of Auburn.~~

~~3. The property may be a single, 2, 3 or 4 family structure.~~

~~B. Above 80% of Median Income~~

~~1. When the applicant's income is above 80% of median income (by family size):~~

~~a) The property must be located in the Downtown, New Auburn, or Union Street Community Development Block Grant Target Areas.~~

~~b) The property must be a 3 or 4 family structure and minimum of 51% of the rental units shall be occupied by tenants with incomes below 80% of median income for a period of one year.~~

~~1) The applicant will be required to obtain and furnish rental information to enable Community Development staff to evaluate rent levels. The applicant will submit the current amount of rental charges, utility types, who pays the utilities, and the names of tenants for the two units.~~

~~2) The maximum allowable rent shall be equal to the amount of rent and utility costs being paid by the tenant at the time of application. The period of affordability shall be one year after the loan closing.~~

~~h. Vacant units shall be rented to low- and moderate income households for a period of one year. The maximum allowable rent for a vacant unit shall not exceed the Fair Market Rent in effect when the rent is calculated with an adjustment for utility allowance based on Section 8 Existing Housing Allowances for Tenant Furnished Utilities and Other Services.~~

~~e) The borrower will sign a Rent Agreement stipulating rent limitations at loan closing.~~

~~C. All Applicants:~~

~~1. The applicant does not own residential property and is not a party in an installment land contract at the time of application.~~

~~2. The applicant does not owe taxes or fees to the City of Auburn at the time of application.~~

~~3. The applicant's net assets do not exceed $10,000 (net assets shall include recreational vehicles, stocks, savings accounts, and Certificates of Deposit, less the cost of withdrawal of those assets. It shall not include deferred retirement savings plans, IRAs or life insurance cash values.)~~

~~4. The applicant is able to pay the minimum down payment required by the private lender.~~

~~5. The applicant agrees to attend educational sessions in budgeting, home ownership, and landlord/tenant operations, and to participate in all property inspections.~~

~~III. ELIGIBLE PROPERTIES~~

~~The property must meet all of the following criteria:~~

~~A. The property to be purchased must be either a traditional one to four unit owned fee simple, a condominium unit, a cooperative unit, or a manufactured home. A mobile home may be purchased if it is permanently installed according to the Auburn Zoning Ordinance and on land that will be deeded with the purchase.~~

~~B. The property must meet applicable State and Local land use laws.~~

~~C. The property must meet federal Housing Quality Standards and comply with Title X Lead Standards.~~

D. The property must be a year-round residence or shall be a property converting to a year-round status according to the requirements of the City of Auburn's duly adopted conservation codes and zoning ordinance.

IV. LOAN TERMS

A. The maximum loan amount shall be as follows:

# of Units	Loan Limit
Single Family Dwelling	$7,500
Two Family Dwelling	$9,000
Three and Four Family Dwelling	$10,500

B. The maximum of liens for the purchase of the property, including the City loan shall not exceed 105% of the value of the property.

C. A maximum of $1,000 of the amounts noted in A of this Section IV may be for the purpose of financing closing costs and bank fees.

D. The loan payment shall be deferred for one year, then repaid over a twelve year period. The minimum monthly payment amount shall be $25.

E. The loan shall be interest free.

F. The loan is not assumable.

G. The borrower shall be required to occupy the purchased property as a principal residence for the duration of the loan.

V. LOAN ACCELERATION

A. The loan shall be immediately repaid if the borrower ceases to occupy the property prior to the final payment.

B. The loan shall be immediately repaid if the applicant sells or transfers title to the property during the term of the loan.

C. The loan shall be repaid within one year of the death of the borrower(s).

VI. APPROVAL PROCESS

A. Community Development Staff

~~The Community Development Block Grant office has responsibility for administration of the Downpayment Assistance Program. The Community Development Coordinator performs the underwriting and presents the loan request to the Community Development Loan Committee.~~

~~B. Community Development Loan Committee~~

~~1. Loans will be reviewed by the Community Development Loan Committee who will be responsible for making a decision to approve or deny loan requests and to establish loan conditions.~~

~~2. Appeal Procedure: The reason(s) for rejection shall be given to the applicant. Loans that have been denied may be appealed to the Community Development Loan Committee for a period of thirty days after the date of rejection. The applicant will be allowed to present his/her case to the Community Development Loan Committee. The Community Development Loan Committee may reconsider their prior vote to denying the application after the appeal review has been completed.~~

~~C. Loan Considerations~~

~~In approving or denying loan requests, the Community Development Loan Committee shall be guided by the following loan considerations:~~

~~1. Underwriting~~

~~a) Cash flow – ability to repay the debt;~~
~~b) Credit – good credit history and reputation;~~
~~c) Collateral coverage~~

~~VII. ADMINISTRATION~~

~~A. Non-Discrimination~~

~~Administration of this program shall be in accordance with Title VI of the Civil Rights Act of 1964. No person shall, on the ground of race, color, national origin, be excluded from participation in, be denied the benefits of, or subjected to discrimination under this program.~~

~~B. Definitions~~

~~1. Household Income~~

~~a). For the purpose of determining eligibility, the Community Development Coordinator will calculate income by estimating the annual income of a family or household by projecting the prevailing rate of income of each person at the time assistance is~~

~~requested. Estimated annual income shall include income from all family or household members.~~

~~b). Income of all members of the household is considered for computing income. This may include wages, salaries, overtime bonuses, fees, tips, commissions, interest and dividend income, self-employment income, net rental income, income from estates or trusts, child support, alimony, Social Security benefits, SSI retirement, survivor or disability pension, VA payments, pension or annuity, Temporary Aid to Needy Families, unemployment benefits, worker's compensation, and disability or benefits from any source.~~

~~e). Household Occupants~~

~~1) Counting Occupants: For the purpose of computing income, household shall be defined as all persons who occupy a housing unit. The occupants may be a single family, one person living alone, two or more families living together or any other group of related or unrelated persons who share living arrangements.~~

~~2) Exception – An exception to calculating household income will be for boarders of the applicant. A boarder is an adult who pays the market rate to rent a room and shares kitchen facilities with the applicant. The applicant must produce verification of rental income such as canceled checks and rental income on a federal income tax form. The gross income of the boarder will not be included in calculating the applicant's household income. Instead, staff will add to household income the amount of rent paid by the boarder or the HUD Fair Market Rent for a 0 bedroom unit shall be added to household income. The boarder will not be counted as a household member when calculating family size.~~

~~2. Fair Market Rent~~

~~Fair Market Rent is an annually published rent level prescribed by the U. S. Department of Housing and Urban Development based on a specified number of bedrooms.~~

~~C. Income Limits~~

~~To qualify applicants under the Downpayment Assistance Program staff will use income limits for Lewiston-Auburn SMSA established by the Department of Housing and Urban Development. Revised charts will be used upon receipt.~~

~~D. Application Procedures~~

~~1. Loans will be processed on a first come, first served basis according to the date of submission of a completed application. The applicant will be notified if there is funding available to proceed with the project and if there is inadequate funding, then the application may be placed on a Downpayment Assistance Waiting List.~~

~~2. The Community Development Coordinator will be responsible to solicit applications. To document eligibility the applicant shall supply copies of all income sources (i.e. check stubs, statements, W-2 forms, State and Federal income tax returns). Written verification may be required from income sources. The Community Development Coordinator shall perform loan underwriting, perform housing inspections to establish if the property meets Housing Quality Standards, secure approval, and prepare loan documents. If renovations are required to meet Housing Quality Standards, the Community Development Coordinator will work with the Rehabilitation Coordinator or with a private lender.~~

Amended October 19, 2009

GOOD NEIGHBOR HOME OWNERSHIP START-UP PROGRAM

A. PROGRAM GOAL

The goal of the Home Ownership Start-up Program is to ease the cost burden of transitioning from tenancy to home ownership.

B. ELIGIBILITY CRITERIA

1. The applicant must purchase residence home located in the City of Auburn to use as their primary residence and must use one of the City's homebuyer programs to assist in the financing of this purchase. .

2. The property may not be used for religious purposes or be publicly owned.

3. The property must be a year-round, 1-4 unit residential building.

4. The applicant owns no other property.

5. The applicant does not owe taxes or fees to the city of Auburn at the time of application.

C. GRANT CATEGORIES AND TERMS

1. A grant requires no repayment.

2. The maximum grant amount is $500 or eligible items with an additional $500 for the purchase of stove, refrigerator, lawn mower ~~or heating fuel~~. The maximum grant is $1,000.

3. Household income must be below 80% of median income.

D. ELIGIBLE EXPENSES

Eligible expenses include the following verifiable start-up costs:

1. Connection to utilities;

2. Paint and minor repairs for projects where there will be no rehabilitation;

3. Refrigerator or stove;

4. Landscaping;

5. Curtains;

6. Mailbox;

7. Pest control;

8. Moving costs;

9. Cleaning supplies;

10. Rental of equipment;

11. Lawnmower; and

~~12. Purchase of heating fuel when the recipient can demonstrate establishment of a monthly budget plan with an oil dealer and the owner's cost share has been paid. Payments will be made in three monthly installments covering no more than one-half of the plan's monthly payment. The maximum payment for oil shall be $500.~~

E. APPLICATION PROCESS

~~1.~~ Initial Application -- The request for Good Neighbor Funds is considered the date of the application for ~~one of~~ the City's homebuyer programs. Loans will be processed on a first-come, first-

~~2.~~ served basis.

F. NON-DISCRIMINATION

Administration of this program shall be in accordance with Title VI of the Civil Rights Act of 1964. No person shall, on the gound of race, color, national origin, be excluded from participation in, be denied the benefits of, or subjected to discrimination under this program.

HEATING ASSISTANCE LOAN PROGRAM

I. INTRODUCTION

In the past several years, the cost of heating a home has increased dramatically. Concurrently, other living expenses, particularly homeowner's insurance, taxes, food, and health care, have also increased. Wages and benefits have not kept up with these costs resulting in a significant disparity between income and expenses. What was once affordable housing is no longer affordable for low- and moderate-income home owners.

Federally funded government programs that alleviate the burden of high heating costs are inadequate, and there is concern in the community that many low-income homeowners will not be able to pay for the cost of heating their homes.

A Heating Assistance Loan Program (HALP) was created as a response to the heating crisis. HALP will provide low-income homeowners with a source of funds to supplement personal resources to heat their homes. HALP is funded as a public service activity by the Community Development Block Grant Program and is subject to all of the Community Development Program regulations.

HALP will be administered through collaboration between the Community Development Department (CDD) and Health & Social Services (HSS) offices of the City of Auburn.

II. PROGRAM OBJECTIVES

A. To provide an additional resource to assist low-income homeowners to pay for heating fuel.
B. To prevent homelessness that may be a result of inadequate resources to pay for heating fuel.
C. To reduce the incidence of frozen pipes that could cause physical damage to the homes of low-income households.

III. ELIGIBILITY CRITERIA

A. The property must be located in the City of Auburn
B. The property must be a residential property.
B. The applicant(s) must own and occupy the property as a primary residence on a year-round basis.
D. The applicant(s) has applied for assistance from other programs during the heating season for which the applicant(s) are requesting heating assistance funds.
E. The applicant(s) must first apply for General Assistance. If they do not qualify, then HALP will be pursued. Upon approval, the Director of Social Services will send a commitment letter that requires the applicant to close the loan within 2 weeks.
F. Funds must be used within one heating season, and within 3 months of the closing date. The heating season is September to May.
G. Applications will be accepted between the months of November through March.

IV. LOAN ASSISTANCE

A. The maximum loan amount is $1,000 per heating season for households with income under 50% of area median income.
B. The maximum loan amount is ~~$500~~ $750 per heating season for households with income
- between 50-80% of area median income.
C. The maximum aggregated loan assistance is $10,000.
D. Loan assistance shall be in the form of a deferred loan. The deferred loan will be repaid in a single payment upon sale, conveyance, or transfer of the property, within one year of death of the applicant(s), or at the time the owner ceases to occupy the property.
E. The loan shall be at an interest rate of 2%.

V. CONDITIONS OF THE LOAN

A. The applicant(s) is current on City of Auburn tax payments and any Community Development Department loan payments.
B. The applicant(s) will sign promissory note and mortgage documents.
B. The applicant(s) have less than $10,000 in liquid assets.
C. The applicant(s) must take advantage of other programs available to them.
D. The applicant(s) may make payments on the loan at any time.

VI. PROGRAM ADMINISTRATION

A. NON-DISCRIMINATION

Administration of this program shall be in accordance with Title VI of the Civil Rights Act of 1964. No person shall, on the ground of race, color, sex, sexual orientation, physical or mental disability, religion, ancestry, national origin, or familial status, be excluded from participation in, be denied the benefits of, or otherwise subjected to discrimination under this program.

C. APPLICATION PRIORITY AND FUND RESERVATION

1) Applications shall be processed on a first-come, first-served basis. The receipt date of a complete application shall be used to establish the order of priority.

2) ~~50% of the annual funding allocation will be reserved for elderly or disabled households. An elderly household is an owner whose age is 62 or over. A disabled applicant is an owner who receives Workmen's Compensation, is on SSI or SSDI, or has a VA Disability~~.

D. CALCULATING INCOME

1) For the purpose of determining eligibility, annual income will be calculated by estimating the prevailing rate of income of each person living in the household at the time assistance is requested.

2) Income of all members of the household is considered for computing income. This may include wages, salaries, overtime, bonuses, fees, tips, commissions, stipends, interest and dividend income, self-employment income, net rental income, income from estates or trusts, child support, alimony, Social Security benefits, SSI retirement, survivor or disability pension, VA payments, pension, or annuity, Temporary Aid to Needy Families, unemployment benefits, worker's compensation, and disability or benefits from any source unless prohibited by state of federal law to be counted as income.

3) For the purpose of computing income, a household shall be defined as all persons who occupy a housing unit. The occupants may be a single family, one person living alone, two or more families living together or any other group of related or unrelated persons who share living arrangements.

4) Income limits for this program are established by the Department of Housing and Urban Development for Lewiston-Auburn SMSA. Income limits are updated annually.

D. PROGRAM PROCEDURES

This section sets forth the application procedures for heating assistance loans.

1) Application -- Loan applications may be obtained from the HSS office of the City of Auburn.

2) Verifications -- Copies of all income sources (i.e. check stubs, statements, W-2 forms, and Federal income tax returns) shall be provided by the applicant. Written verification is required from all income sources.

3) Loan Approval - The request for assistance will be approved by the Community Development Administrator and Director of Health and Social Services.

4) Loan Closing – The loan closing shall be held in the HSS office and shall occur prior to authorization of payments for heating assistance.

5) Escrowing of funds – The HSS office shall notify CDD of the loan. The CDD will then establish an escrow account in the client's name.

6) Use of Funds – Heating assistance loan funds must be used to pay for eligible costs to heat the home. Heat sources may be oil, natural gas, propane gas, electricity, wood, or other sources approved by HSS. The borrower will be allowed to take advantage of the City of Auburn's bulk oil purchasing by utilizing the City of Auburn's supplier, whenever possible.

7) **Disbursement of Funds** – Funds shall be paid directly to the supplier upon authorization by the borrower, HSS and CDD.

8) **Appeal Procedure**

1) Rejection of an application shall be given in writing with the reason for rejection.

2) Applicant(s) may appeal to the Community Development Loan Committee by providing a written request for the appeal within 7 days from the date of rejection.

3) The applicant(s) will be allowed to present his/her case.

4) The Community Development Loan Committee may reconsider and overturn a decision after the review has been completed.

5) A letter conveying the decision of the appeal will be sent to the applicant(s).

6) The decision of the appeal will be final.

Amended 10-19-2009

I. COMMERCIAL PROGRAM

A. PROGRAM OBJECTIVE

The Commercial Program is designed to create or retain jobs and eliminate blighting influences in certain areas of Auburn by providing businesses with a source of low interest financing to encourage commercial development.

B. APPLICANT

1. The applicant must own or have a written agreement to purchase the property to be improved.

2. The applicant may be an individual, limited liability company, corporation, partnership or non-profit.

3. The applicant may be a lessee if there is acceptable collateral.

C. PROPERTY

1. All taxes due on the property must be paid in full or acceptable arrangements are made with the Treasurer of the City of Auburn.

2. The intended use of the property must be for commercial purposes. No residential development will be included under this program.

3. The property must be located within one of the three Community Development identified target areas, Downtown, New Auburn, Union Street, or within the boundaries of the Auburn Downtown Action Plan for Tomorrow (ADAPT).

D. LOAN TERMS

1. Commercial Loans

a. The maximum commitment of the Commercial Loan Program is ~~75% of the eligible development cost up to $~~ $50,000 per property. CDBG funds will not be substituted for non-federal financial support.

~~b. The for profit interest rate of 6% and non-profit is 2%.~~
Interest rate is prime plus ½%.
~~c.~~ b. The applicant shall secure commitments for 100% of the total development

cost. The portion of development cost not financed by the City may be a combination of personal funds public or private lenders. The applicant must obtain a commitment from the lending institution which describes the terms and conditions of the commitment.

~~b.~~ The term of the loan will be equal to the financial institution's term or 25 years, whichever is less.

~~2. Microenterprise Loans~~

~~a. Microenterprise is a business having 5 or fewer employees, one or more of whom owns the business.~~

~~b. The Commercial Loan Program commitment shall be 90% of the eligible activities up to $10,000 per property. CDBG funds will not be substituted for non-federal financial support.~~

~~c. The applicant shall secure commitments for 100% of the total development cost. The portion of development cost not financed by the City may be a combination of personal funds public or private lenders. The applicant must obtain a bank commitment from the lending institution which describes the terms and conditions of the commitment.~~

~~d. The rate is 0% for low income owners and 4% for non low income microenterprise businesses.~~

~~e. The term of the loan shall not exceed 15 years.~~

E. NATIONAL OBJECTIVES

Projects will be eligible under only one of two national objectives: low-income benefit through creation or retention of jobs or slums/blight. The allocation of loan pool funds each year will be a minimum 75% for job creation projects. Projects will be processed under the job creation criteria whenever possible, or under the Slums/Blight criteria as a last resort.

1. Jobs Creation Criteria

Applicants will be required to directly create 1 full-time equivalent permanent job per $25,000 of Commercial Loan Program funds within a period of three years after loan closing, 51% of which will be available to or taken by persons of low and moderate income according to income limits established by the U. S. Department of Housing and Urban Development for Lewiston-Auburn SMSA. Spin-off, jobs that have an indirect link to the project and financing, and turn-over jobs, jobs that were previously taken by an employee and are now open, are not eligible to be counted as new jobs. To satisfy the job requirements, the jobs that are counted under other government funded programs cannot be recounted for this project. During the application process, jobs will be evaluated to determine if there is potential to satisfy the 51% low-mod requirement. The applicant will be required to sign a Job Agreement as a condition of the loan and comply with all required reporting.

2. **Jobs Retained Criteria**

Applicants will be required to demonstrate 1 full-time equivalent job retained per $25,000 of Commercial Loan Program funds, 51% of which will be held by persons of low and moderate income according to income limits established by the U. S. Department of Housing and Urban Development for Lewiston-Auburn SMSA. The jobs retained criteria will only be allowed when it can be clearly and objectively demonstrated that without CDBG assistance, the jobs would be lost.

3. **Slums/Blight Criteria**

The project must be located either in the Downtown, Union Street, or New Auburn target area.

~~4. Microenterprise Criteria~~

~~a) Low-Income Owner~~

~~The owner's current income is less than 80% of area median income. For projects that create new jobs, 51% must be taken by low- and moderate-income households. The owner's job shall count as a low income job. If no jobs will be created by the project, then the owner's job shall count as the only required job to satisfy the low-income benefit.~~

~~b) Above Income Owners~~

~~Applicants will be required to directly create a minimum of 1 full-time equivalent permanent job per $25,000 of Commercial Loan Program funds within a period of three years after loan closing. If only 1 job is created, that job must be available to or taken by a person of low and moderate income according to income limits established by the U. S. Department of Housing and Urban Development for Lewiston-Auburn SMSA. If more than one job is created by the project, 51% of the jobs must benefit persons of low- and moderate income. Spin-off and turn-over jobs are not eligible to be counted as new jobs. To satisfy the job requirements, the jobs that are counted under other government funded programs cannot be recounted for this project. During the application process, jobs will be evaluated to determine if there is potential to satisfy the 51% low-mod requirement. The applicant will be required to sign a Job Agreement as a condition of the loan and comply with all required reporting.~~

F. ELIGIBLE ACTIVITIES

1. Job Creation and Job Retained Projects

Eligible activities include hard and soft construction costs for both interior and exterior improvements of a permanent nature. Improvements may include, but not limited to, development fee, structural repairs, mechanical and aesthetic improvements, finishing of unfinished areas, architects and engineers costs, paving, landscaping, new construction and loan closing costs. Up to 25% of Auburn's loan may be for newly purchased business equipment that is necessary for the operation.

2. Slums/Blight Projects

Eligible activities for the Commercial Loan Program include improvements to the exterior of the building and interior improvements limited to correction of building code violations. Code violations include improvements necessary to satisfy Life Safety Code, Maine State Plumbing Code, National Electrical Code, and the BOCA Building Code. No new construction will be allowed under the slums/blight section.

II. APPROVAL PROCESS

A. ~~Loan Recommendation~~

~~Loans will first be reviewed by the Director of Community and Economic Development, Community Development Administrator, and Community Development Coordinator, who will make a recommendation to the Community Development Loan Committee.~~

B. Community Development Loan Committee

Loans will be reviewed by the Community Development Loan Committee who will be responsible for making a decision to approve or deny loan requests and to establish loan conditions in accordance with the guidelines.

C. Loan Considerations

In approving or denying loan requests, the Community Development Loan Committee shall be guided by the following loan considerations:

1. Underwriting

Projects under the Commercial Loan Program will be analyzed to determine risk according to typical lending considerations.

a) **Required for All Loans:**

1) **Cash Flow**
Ability to repay the debt will be the most important consideration with a minumum debt coverage ratio of 1.1. to 1.

2) **Collateral Coverage- minimum of 100%**
- Real Estate: 100% of market value
- Business Equipment: 90% of market value
- Inventory: 60% of market value
- Accounts Receivable: 90% of market value
- Furniture & Fixtures: 80% of market value
- Vehicles: 90% of retail value
- Marketable Securities: 100% of market value
- Personal Assets: (same as above)

3) **Owner Equity: minimum 10%**

b) **Additional Considerations** - the following shall be evaluated by the Loan Committee before making a decision.

1) **Security - Assignment of Leases and Other Assets**
2) **Commitment to the project is strongly encouraged**
May include, but not be limited to:
Personal guarantees from owners with 25% or greater ownership
Deferral of development fee
Lease Commitments
Owner Equity
Cash Contribution
3) **Management experience in running the business**
4) **Business Plan**
5) **Market Analysis**
6) **Experience in development team**
Developer, architect, contractor, property manager, banker
7) **Character**
Good credit history and reputable, no bankruptcies in past 5 years
8) **Project is Financially Appropriate**
- Project costs are reasonable
- All sources of financing are committed
- To the extent practicable:
  * CDBG funds not substituted for non-federal financial support
  * Project is financially feasible
  * The return on the owner's equity investment is not unreasonably high
9) **Terms of the Bank Loan**
(as defined in the commitment letter)

2. Assessment of Public Benefit

The Community Development Loan Committee will also consider the broader implications of public benefits in making a decision to approve or deny the loan and will make a necessary and appropriate determination that the amount of assistance is reasonable in relation to the public benefit to be achieved. The Community Development Loan Committee will consider the following factors in assessing public benefits:

Number and type of jobs
Increase in needed services
Increase in tax base including real estate and personal property
Development which is likely to be stimulated in the area by the activity
Other public benefits

D. Appeal Procedure

The reason(s) for rejection shall be given to the applicant. Loans that have been denied may be appealed to the Community Development Loan Committee for a period of thirty days after the date of rejection. The applicant will be allowed to present his/her case to the Community Development Loan Committee. The Community Development Loan Committee may reconsider their prior vote to denying the application after the appeal review has been completed.

E. Waiver of Loan Amount and Terms

The City Council may authorize a different interest rate, repayment term or loan amount than what is specified in this program guideline.

III. ADMINISTRATION

A. Non-Discrimination

Administration of this program shall be in accordance with Title VI of the Civil Rights Act of 1964. No person shall, on the ground of race, color, national origin, be excluded from participation in, be denied the benefits of, or subjected to discrimination under this program.

B. Participation by Religious Organizations

1. Religious organizations can apply for commercial loans with the understanding that loan funds cannot be used to support inherently religious activities such as worship, religious instruction, or proselytization. The organization can engage in such activities, but they must be offered in a different location. Religious participation by beneficiaries must be voluntary.

2. The organization must not discriminate against a beneficiary or prospective beneficiary on the basis of religious belief or refusal to participate in a

religious practice.

~~C. Household Income~~

~~1. Household Income~~

~~a) For the purpose of determining eligibility, Community Development staff will calculate income by estimating the annual income of a family or household by projecting the prevailing rate of income of each person at the time assistance is requested. Estimated annual income shall include income from all family or household members.~~

~~b) Income of all members of the household is considered for computing income. This may include wages, salaries, overtime, bonuses, fees, tips, commissions, interest and dividend income, self-employment income, net rental income, income from estates or trusts, child support, alimony, Social Security benefits, SSI retirement, survivor or disability pension, VA payments, pension, or annuity, Temporary Aid to Needy Families, unemployment benefits, worker's compensation, and disability or benefits from any source.~~

c) ~~Household Occupants~~

~~1) Counting Occupants. For the purpose of computing income, a household shall be defined as all persons who occupy a housing unit. The occupants may be a single family, one person living alone, two or more families living together or any other group of related or unrelated persons who share living arrangements.~~

~~2) Exception. An exception to calculating household income will be for boarders of the applicant. A boarder is an adult who pays the market rate to rent a room and shares kitchen facilities with the applicant. The applicant must produce verification of rental income such as canceled checks and rental income on a federal income tax form. The gross income of the boarder will not be included in calculating the applicant's household income. Instead, staff will add to household income the amount of rent paid by the boarder or the HUD Fair Market Rent for a 0 bedroom unit, whichever is greater. The boarder will not be counted as a household member when calculating family size.~~

D. Income Limits

To determine income for certain benefits under the Commercial Loan Program, Community Development staff will use income limits for Lewiston-Auburn SMSA established by the Department of Housing and Urban Development. Revised charts will be used upon receipt.

E. **Loan Processing**

Applications shall be processed on a first-come, first-served basis. Community Development staff shall use the receipt date of application to establish the order of priority. The applicant will be notified if there is funding available to proceed with the project and if there in inadequate funding, then the application may be placed on a Commercial Waiting List.

IV. APPLICATION PROCEDURES

This section sets forth the application procedures for the Commercial Loan Program.

A. **Initial Application** - Loan application may be obtained from the (Community Development Department (CDD).

B. **CDD Responsibilities** - The City will make available the services of the Community Development Coordinator who will solicit applications, prepare deficiency listing for slums/blight projects, secure the documentation for loan underwriting and national objective, secure a staff recommendation and the approval from the Community Development Loan Committee, prepare or coordinate preparation of City loan documents, and act as project manager including authorizing progress payments.

C. **Financial Submissions** - The applicant shall submit the application form, the last two years of business and personal tax returns as well as personal financial statements or other documentation from an accountant or other acceptable source required by the CDD. The applicant may be asked to supply a listing of personal property and inventory.

D. **Business Plan** - The applicant shall submit a business plan that 1) describes the business (type of business, the status of the business, the form of ownership, the profit potential, employment opportunities and other market/community benefits, and location and hours of operation); 2) the market (products/service, customers, market size, competition, estimated market share, production and distribution, image/packaging, advertising, and pricing); 3) operations/management (organizational management, management responsibilities, professisonal services, background and experience); 4) financial plan (cash flow projection, balance sheet, profit and loss statement, chart of accounts, equipment list, and sources and uses of funds); and 5) supporting documents (personal resume, personal financial statement, job descriptions, letters of reference, copies of leases, contracts, etc.), as applicable.

E. **Initial Inspection** - If it appears that the applicant and property are eligible for assistance, an inspection will be scheduled with the applicant. During the initial inspection, construction requirements will be determined.

F. **Inspection Report** - An inspection report shall be prepared by the CDD identifying the work that will be covered by the loan and will identify whether or not the applicant needs to secure architectural or engineering services.

G. **Technical Specifications**

~~Applicants will be required to secure the services of a building architect or engineer to provide design guidance, write technical specifications, and produce bid documents, whenever there are structural changes or when the total project cost exceeds $20,000.~~ The Community Development Department will prepare technical specifications to be used to obtain bids.

H. ~~Construction Proposals~~ ~~The applicant shall obtain a minimum of two proposals for the construction work and for new equipment. Projects with construction costs exceeding $20,000 will be required to utilize a general contractor. The work shall be awarded to the lowest responsible bidder unless there are valid reasons for awarding to a higher bidder. The applicant will provide written justification for selecting a higher bidder and must pay for the difference in cost. Auburn's loan amount will be calculated based on the lowest estimate. Contractors proposal will be on the bid document forms supplied by CDD and will be signed by the owner of the company. The contractor must, if requested, provide a cost breakdown on each portion of the work. The CDD may require that information pertinent to materials be submitted for approval.~~

1. The applicant may choose one of two options for obtaining construction bids.

   a. Applicants may secure their own bids from contractors of their preference without the assistance of the Community Development Department. Three bids will be required.

   b. Applicants may request that the Rehab Coordinator secure bids on their behalf. The Rehab Coordinator will notify all contractors on Auburn's Contractor List of the project, hold a pre-bid meeting on site, and accept bids on behalf of the applicant at a specified time and place.

2. Contractors may be selected from a list of eligible contractors as maintained by the City of Auburn CDD or contractors must be able to meet the Community Development Department's eligibility standards. No contractor may be selected who has been designated ineligible by the CDD.

3. The applicant is not bound to contract with the lowest qualified bidder, but in the event of choosing the higher bid the applicant must provide private funding for the difference in cost. All loan amounts will be calculated based on the lowest estimate.

4. Each contractor will give a proposal on the CDD specification/bid form. The contractor must, if requested, provide a cost breakdown on each portion of the work he is bidding. The contractor must sign the proposal sheet. The CDD may require that information pertinent to materials be submitted for approval.

~~1. Contractor Eligibility Standards. Contractors may either be selected from a list of eligible contractors as maintained by the CDD or be able to meet eligibility standards. The contractor shall carry Worker's Compensation Insurance for all their employees in accordance with the Worker's Compensation laws of the State of Maine. The contractor shall carry Manufacturer's and Contractor's Public Liability Insurance with a limit of $300,000 for personal injury or death and $100,000 for property damage. The contractor shall have in effect a license if required by the City of Auburn, or State of Maine. The City may require a list of credit references, names of suppliers, name of bank where contractor does business, and names and addresses of recent customers. No approval of a contract shall be given unless the construction contractor can satisfactorily demonstrate that he/she has the necessary skills and equipment to perform the work in an efficient and expedient manner. The CDD may require bonding before contracts for construction work in excess of $100,000. The CDD will require evidence of insurance prior to signing a construction contract.~~

1. Contractor Eligibility Standards

1. Insurance -- The contractor and subcontractors shall carry Worker's Compensation Insurance for all their employees in accordance with the Worker's Compensation laws of the State of Maine. The contractor and subcontractors shall carry Manufacturer's and Contractor's Public Liability Insurance with a limit of $300,000 for personal injury or death and $100,000 for property damage. The CDD may require bonding for contracts in excess of $100,000. The CDD will require evidence of insurance prior to signing a construction contract.

2. License and Qualifications --The contractor shall have in effect a license if required by the City of Auburn, or State of Maine. The contractor must have obtain a Department of Environmental Protection approved-Repair, Renovate or Paint certification, if pertinent to the work being performed.

3. Credit -- The City may require a list of credit references, names of suppliers, name of bank where contractor does business, and names and addresses of recent home improvement customers.

4. Skill and Equipment -- No approval of a contract shall be given unless the construction contractor can satisfactorily demonstrate that he/she and/or their subcontractor(s) have the necessary skills and equipment to perform the work in an efficient and expedient manner.

~~J. Ineligible Contractors - Until such time as a contractor proves to be less than qualified, a contractor may remain on the list of "Eligible Contractors". When contractors prove to be irresponsible in the execution of the construction work, as determined by the CDD, they will be removed from the list of eligible contractors. The applicant agrees not to award any contract or purchase order for construction work, other services, materials, equipment, or supplies, to be paid for, in whole or in part, with the proceeds of the loan to any contractor whom the applicant has been advised is unacceptable for contracting by the CDD.~~

J. **Ineligible Contractors** - Where a contractor fails to comply with the eligibility standards set forth above, or commits one or more of the following violations, the CDD shall remove the contractor from the list of eligible contractors and shall designate the contractor to be ineligible. The applicant will not award any rehabilitation work, other services, materials, equipment, or supplies to be paid for, in whole or in part, with the proceeds of the loan to any contractor or subcontractor whom the CDD has designated as ineligible. The CDD shall designate a contractor to be ineligible if it finds that the contractor has:

1.Committed one or more material violations of its obligations under a rehabilitation contract and has failed to cure all such violations promptly after 10 days written notice by the applicant or the CDD.

2.Engaged in a pattern of delayed performance or failed to complete the work under a rehabilitation contract, and has received written notice of such delay.

3.Failed to communicate in a courteous, prompt and professional manner, and such failure continued after written notice by the applicant or the CDD.

4.Committed fraud and other illegal acts against the applicant or the City of Auburn, including but not limited to kickbacks and collusion.

5.Failed to pay subcontractors or suppliers on a timely basis, allowed a lien to be placed on the applicant's property, or otherwise failed to maintain good credit, and such failure continued after written notice by the applicant or the CDD.

6.Threatened, intimidated, or harassed the applicant or City staff.

Once the CDD has designated a contractor to be ineligible, the Contractor shall remain ineligible for a minimum of two years, and shall remain ineligible thereafter until the CDD determines, in its sole discretion, that the contractor has taken all necessary steps to ensure that no further violations will occur, provided that in the case of violations of Sections 9 (d) or 9(f) above the Contractor shall remain permanently ineligible.

~~K. Labor Performed by the Applicant -~~

~~1. Unskilled - An applicant may complete certain unskilled tasks such as general clean-up, demolition, cartage and disposal of debris, painting and any work that involves minimal use of costly materials if the applicant can demonstrate that he/she has the time available to complete the task(s). The~~

~~applicant will be required to submit a time schedule for each self-help activity along with an itemized list of required materials from a materials supplier prior to approval of the loan. The portion of loan funds for self-help will be limited to costs for building materials.~~

~~2. Skilled -- An applicant may complete certain skilled tasks when it can be demonstrated that he/she is a contractor and has prior experience in doing the work. An example of prior experience is a person who is a contractor and has work done on similar projects for others, persons who have licenses in the trades (electrical, plumbing, etc.). The applicant will be required to submit a time schedule for such self-help activity along with an itemized list of required materials from a materials supplier prior to approval of the loan. The portion of loan funds for self-help will be limited to costs for building materials.~~

~~**K. Labor Performed by the Owner** -- A property owner may complete some or all of the tasks required to rehabilitate his/her property if he/she has the degree of skill required to perform the work involved. Self-help is usually appropriate for the accomplishment of tasks of an unskilled nature such as general cleanup, demolition, cartage and disposal of debris, and for work that involves minimal use of costly materials and equipment.~~

~~a. Materials and Workmanship --The CDD will require information regarding the cost of materials for any self-help work prior to approval of the loan. The CDD may require evidence of workmanship on previous projects before accepting the owner's intention to do his/her own work. The amount of the loan may include funds to pay for the materials and rental of equipment to be installed by self-help.~~

~~b. Schedule -- The Rehab Coordinator and owner will establish a schedule of work items and projected completion date prior to loan closing.~~

~~c. Qualification -- The owner must have completed a Department of Environmental Protection Renovate, Repair and Paint course, if pertinent to the work being performed.~~

L. **Private Lender's Loan** - Interest rates for the portion of the project to be funded by a private lender shall be individually negotiated between the loan applicant and the respective lending institution. To assure that CDBG funds are not substituted for non-federal financial support, the Commercial Loan Manager shall communicate with the participating lending institution to establish the maximum participation by the lender and to coordinate loan underwriting. Loan closings by the City and private lender shall be conducted jointly. The private and/or bank funds shall be subject to disbursement approval by the CDD.

M. **Escrowing of Funds** - The applicant will permit the CDD to act as escrow agent for the City loan as well as the applicant's personal commitment to the project. The CDD will have control of all funds. With the applicant's approval,

the CDD will disburse City, personal, and bank funds to the appropriate party. The CDD may require lien waivers as a condition of payment.

N. **Loan Closing** - Loan documents shall include a promissory note, mortgage, security agreements, job agreement, construction agreement, and any other documents necessary to secure the terms and conditions of the loan. Legal and underwriting costs incurred by the CDD for closing documents will be the responsibility of the owner. Closings occur prior to the starting of the project. Work that has commenced and equipment that was ordered before the loan closing will be ineligible for financing under this program.

O. **Pre-Construction Meeting** - The Owner and Contractor shall attend a pre-construction conference at the office of CDD. At that time the contractor will be required to submit a schedule of work indicating the order in which the contractor proposed to carry out the work, and the dates he/she will start and complete work on various items. The CDD shall review all project components, the responsibilities of each party, and payment process as well as program requirements for complying with federal regulations.

P. **Construction Contract** - The owner will sign a construction contract at the loan closing. The construction contract will be approved by the CDD and will be maintained in the CDD's file. The contractor shall provide a work schedule that demonstrates the construction work will be carried out promptly and efficiently within a reasonable period of time. The contractor shall secure all necessary permits prior to the start of work at his/her own expense. The contractor shall contact the Commercial Loan Manager and the appropriate plumbing, electrical, building, or fire inspector for approval of each phase of the work.

Q. **Changes to the Work** – All Changes to the original scope of work must first be approved by the CDD, then the applicant and contractor. The CDD will require the execution of a change order for any changes that involve the use of different materials or that result in a price increase/decrease. The CDD may order work to cease if unauthorized work is observed.

R. **Progress Inspections** - The CDD shall have the right to inspect all work financed in whole or in part with the proceeds of the loan. The CDD will inform the owner and/or contractor of any noncompliance with respect to the contract for construction work, and the corrective action needed, and will verify that all work has been done according to the City of Auburn codes and associated specifications. No payment shall be made until the work is acceptable to both the CDD and the owner. The owner will take all steps necessary to assure that the CDD is permitted to examine and inspect the construction work.

S. **Records** - The owner agrees to keep such records as may be required by the CDD with respect to the rehabilitation work financed, in whole or in part, with the aid of the loan. The owner will, at any time during normal business hours, and as

often as the CDD may deem necessary, permit the CDD to have full and free access to its records with respect to the project.

T. **Disbursement of Funds** - Personal funds will be disbursed first. Bank and City funds will then be disbursed on a pro-rata basis. After receiving appropriate invoices and inspecting the work, progress payments shall be authorized by the CDD. Payment shall consist of the total value of work completed, the value of materials properly stored on site and a deduction of 10% of the total amount to be retained until final payment. The value of materials properly stored on site shall be based upon the estimated quantities of such materials and the invoice prices.

U. **Un-utilized Funds** - Un-utilized funds may be applied to reduce the principal of the City and private lender's loan, proportionally, or may be used to complete additional work which is approved by the CDD.

V. OTHER PROGRAM REQUIREMENTS

All loans will comply with applicable Federal Regulations, as amended, of the Community Development Program as listed below:

A. **Civil Rights** - The owner will be required to comply with Title VIII of the Civil Rights Act of 1968, as amended, barring discrimination upon the basis of race, color, religion, creed, sex, handicap, familial status, or national origin in the sale, lease, rental, use, or occupancy of the property.

B. **Federal Labor Standards Provisions** - The owner must abide by established minimum wage rates (Davis-Bacon Act) for the area for construction work exceeding $2,000.

C. **Conflict of Interest** - No elected or appointed official or employee of the City of Auburn, and no member of any municipal board or committee which exercises any decision-making function with respect to the Community Development Program, shall participate in negotiating or shall exercise any influence in awarding or administering any contract in which he has a direct or indirect pecuniary interest as the term is defined by 20 MRSA Section 2250.

D. **Prohibition Against Payment of Bonus, Commission, or Fee** - The owner cannot pay any bonus, commission, or fee for the purpose of obtaining the City of Auburn's approval of the loan application, or any other approval or concurrence required by the City of Auburn or its designee obtain a loan under these guidelines.

E. **Equal Employment Opportunity** - The owner must abide by the provisions of Executive Order 11246 as amended by Executive Order 11375 concerning equal employment opportunity and will not discriminate against any employee or applicant for employment because of race, color, creed, religion, sex, familial status, handicap, or national origin.

F. **Lead-Based Paint Hazards** - Any loan made by the City of Auburn for construction work is subject to requirements of the Department of Housing and Urban Development's with respect to treating lead-based paint hazards as set forth in Title 24 CFR, Part 35.

G. **Flood Hazard Insurance** - If the property to be improved is located in a designated flood hazard area, the owner will be required to purchase flood hazard insurance or show evidence of coverage, and abide by the regulations of the Flood Disaster Protection Act of 1973.

H. **Section 3 Clause** - For projects with costs in excess of $100,000, the owner will be required to comply with the Section 3 clause where to the greatest extent feasible, opportunities for training and employment will be given to lower income residents of the project area and contracts for work in connection with the project will be awarded to business concerns which are located in or owned in substantial part by persons residing in the area of the project.

I. **Environmental Review Procedures** - All projects shall be subject to environmental review procedures of the National Environmental Protection Act.

SMALL BUSINESS LOAN PROGRAM

A. PROGRAM OBJECTIVE

The Small Business Loan Program is designed to encourage the creation or enhancement of business enterprises by providing a source of low interest financing. The program objective is to create new employment opportunities for low- and moderate-income (LMI) households.

B. ELIGIBLE APPLICANT

1. The applicant may be for a sole proprietorship, limited liability company, corporation, partnership, S-corporation or non-profit who will operate a business in the City of Auburn.

2. The business may be a start-up or an established business that has 5 or fewer employees.

3. Any taxes due on property owned by the borrower must be paid in full or acceptable arrangements are made with the Treasurer of the City of Auburn.

4. Only one loan will be made per applicant.

C. ELIGIBLE ACTIVITIES

1. Purchase of equipment or inventory.
2. Working capital (line of credit for operating expenses)
3. Construction improvements
    a. If the project involves construction activity, then the administration to the loan shall follow the guidelines of the Rehabilitation Loan Program.

D. LOAN TERMS

1. The maximum loan amount is $15,000.

2. The match requirement is 33% of the City's loan.

4. The interest rate is prime plus one-half (1/2%) percent based on rates published on the date of loan approval.

5. The applicant shall secure a commitment for 100% of the total project cost. The portion of the cost not financed by the City may be a combination of personal funds, or funds from a public or private lender. The applicant must obtain a commitment from the lending institution which describes the terms and any conditions of the commitment.

6. The maximum loan term is 5 years for equipment, 3 years for inventory and working capital, and 10 years for construction improvements.

E. JOB CREATION CRITERIA

Applicants will be required to create permanent jobs.

1. Microenterprises Activity

   When the applicant's income is less than 80% of area median income, there will be no job creation requirement. The owner's job shall satisfy the requirement for low-moderate income benefit (LMI).

2. Special Economic Development Activity

   a. When the applicant's income is above 80% of area median income, a minimum of 1 full-time equivalent job will be created within six months after the loan is made.

   b. 51% of any jobs created will be taken by LMI households based on income limits established by the U. S. Department of Housing and Urban Development for Lewiston-Auburn SMSA. Jobs will be tracked for three years.

   c. Spin off jobs, jobs that have an indirect link to the project and financing, and turn-over jobs, jobs that were previously taken by an employee and are now open, are not eligible to be counted to satisfy the jobs requirements.

   d. During the application process, jobs will be evaluated to determine if there is potential to satisfy the 51% low-income job requirement.

   e. The applicant will be required to sign a Job Agreement as a condition of the loan and comply with all required reporting.

F. APPROVAL PROCESS

1. Community Development Loan Committee

Loans will be reviewed by the Community Development Loan Committee who will be responsible for making a decision to approve or deny loan requests, and to establish loan conditions in accordance with the guidelines.

2. Loan Considerations

Applications under the Small Business Loan Program will be analyzed to determine

risk according to typical lending considerations. In approving or denying loan requests, the Community Development Loan Committee shall be guided by the following loan considerations:

a) Ability to repay

b) Credit history

c) Collateral

d) Cash contribution

e) Business plan/niche

f) Previous experience

g) Terms of other financing as defined in commitment letter.

3. Appeal Procedure

The reason(s) for rejection shall be given to the applicant. Loans that have been denied may be appealed to the Community Development Loan Committee for a period of thirty days after the date of rejection. The applicant will be allowed to present his/her case to the Community Development Loan Committee. The Community Development Loan Committee may reconsider their prior vote to deny the application after the appeal review has been completed.

4. Waiver of Loan Amount and Terms

The City Council may authorize a different interest rate, repayment term or loan amount than what is specified in this program guideline.

G. ADMINISTRATION

1. Non-Discrimination

Administration of this program shall be in accordance with Title VI of the Civil Rights Act of 1964 as amended. No person shall, on the ground of race, color, national origin, sex, age, disability, religion or familial status be excluded from participation in, be denied the benefits of, or subjected to discrimination under this program.

2. Participation by Religious Organizations

a. Religious organizations can apply through the Small Business Loan Program with the understanding that funds cannot be used to support inherently

religious activities such as worship, religious instruction, or proselytizing. The organization can engage in such activities, but the business must be at a different location than the place of worship. Jobs must be open to non-religious
members, and religious participation by beneficiaries must be voluntary.

b. The organization must not discriminate against an employee or prospective employee on the basis of religious belief or refusal to participate in a religious practice.

3. Household Income

For the purpose of determining eligibility, Community Development staff will calculate income by projecting the prevailing rate of income of each person at the time assistance is requested. Estimated annual income shall include income from all household members. Income will be based on the IRS Form 1040 method as defined by the Department of Housing and Urban Development.

4. Income Limits

To determine income for certain benefits under the Small Business Loan Program, Community Development staff will use income limits for Lewiston-Auburn SMSA , established by the Department of Housing and Urban Development and available in the Community Development Department. Revised income limits will be used upon receipt.

5. Loan Processing

Applications shall be processed on a first-come, first-served basis. Community Development Department staff shall use the receipt date of application to establish the order of priority. The applicant will be notified if there is funding available to proceed with the project and if there in inadequate funding, then the application may be placed on a Small Business Program Waiting List.

H. APPLICATION PROCEDURES

This section sets forth the application procedures for the Commercial Loan Program.

1. **Initial Application** - Loan application may be obtained from the (Community Development Department (CDD).

2. **Loan Processing** - Community Development staff will evaluate eligibility of the application. The application will then be referred to the Economic Development Department for further processing. There will be a joint presentation of the application to the Community Development Loan Committee by Community Development and Economic Development staff. After approval, Community Development staff will hold a loan closing.

Disbursement of funds will require approval of both Community Development and Economic Development staff.

3. **Financial Submissions** - The applicant shall submit the application form, the last two years of business and/or personal tax returns as well as personal financial statements or other documentation from an accountant or other acceptable source. The applicant may be asked to supply a listing of personal property and inventory.

4. **Business Plan** - The applicant shall submit a business plan that

   a) **describes the business** (type of business, the status of the business, the form of ownership, the profit potential, employment opportunities and other market/community benefits, and location and hours of operation);

   b) **the market** (products/service, customers, market size, competition, estimated market share, production and distribution, image/packaging, advertising, and pricing);

   c) **operations/organizational management** (management responsibilities, professional services, background and experience);

   d) **financial plan** (management (costs, revenues/chart of accounts, assets, liabilities, cash flow projections, balance sheet, equipment list, and sources and uses, business pro-forma, chart of accounts, equipment list, and sources and uses of funds); and

   e) **supporting documents** (personal resume, personal financial statement, job descriptions, letters of reference, copies of leases, contracts, etc.), as applicable.

5. **Loan Closing** - Loan documents shall include a promissory note, mortgage, security agreements, job agreement, and any other documents necessary to secure the terms and conditions of the loan. Any legal costs incurred by the CDD for closing documents will be the responsibility of the owner and may be paid for with loan proceeds.

6. **Disbursement of Funds** - Personal funds will be disbursed first. Bank and City funds will then be disbursed on a pro-rata basis.

7. **Post Closing Counseling** – The applicant will agree to meet with the Economic Development Department quarterly during the first two years after the closing, or more frequently, if necessary, to review the financial status of the business.

I. OTHER PROGRAM REQUIREMENTS

All loans will comply with applicable Federal Regulations, as amended, of the Community Development Program as listed below:

1. **Civil Rights** - The owner will be required to comply with Title VIII of the Civil Rights Act of 1968, as amended, barring discrimination upon the basis of race, color, religion, creed, sex, handicap, familial status, or national origin in the sale, lease, rental, use, or occupancy of the property.

2. **Federal Labor Standards Provisions** - The owner must abide by established minimum wage rates (Davis-Bacon Act) for the area for construction work exceeding $2,000.

3. **Conflict of Interest** - No elected or appointed official or employee of the City of Auburn, and no member of any municipal board or committee which exercises any decision-making function with respect to the Community Development Program, shall participate in negotiating or shall exercise any influence in awarding or administering any contract in which he has a direct or indirect pecuniary interest as the term is defined by 20 MRSA Section 2250.

4. **Prohibition Against Payment of Bonus, Commission, or Fee** - The owner cannot pay any bonus, commission, or fee for the purpose of obtaining the City of Auburn's approval of the loan application, or any other approval or concurrence required by the City of Auburn or its designee obtain a loan under these guidelines.

5. **Equal Employment Opportunity** - The owner must abide by the provisions of Executive Order 11246 as amended by Executive Order 11375 concerning equal employment opportunity and will not discriminate against any employee or applicant for employment because of race, color, creed, religion, sex, familial status, handicap, or national origin.

6. **Lead-Based Paint Hazards** - Any loan made by the City of Auburn for construction work is subject to requirements of the Department of Housing and Urban Development's with respect to treating lead-based paint hazards as set forth in Title 24 CFR, Part 35.

7. **Flood Hazard Insurance** - If the property to be improved is located in a designated flood hazard area, the owner will be required to purchase flood hazard insurance or show evidence of coverage, and abide by the regulations of the Flood Disaster Protection Act of 1973 located in or owned in substantial part by persons residing in the area of the project.

8. **Environmental Review Procedures** - All projects shall be subject to environmental review procedures of the National Environmental Protection Act.

Adopted June 21, 2004

~~TREE PLANTING PROGRAM GUIDELINES~~

~~I. Program Objective~~

~~The Tree Planting Program (TPP) is designed to encourage owners of residential and commercial properties to create community green spaces to moderate the effects of heat, sound, air pollution, excess storm water runoff, soil erosion and living space for wildlife.~~

~~II. Applicant~~

~~The applicant must own the property to be improved.~~

~~III. Property~~

~~A. The property may be either a commercial or residential owner occupied, mixed use, or investor owned property.~~

~~B. All taxes due on the property must be paid in full.~~

~~C. The property must be within the boundaries of the Downtown, New Auburn, or Union Street Target Area.~~

~~IV. Loans and Grants~~

~~A. The maximum loan is $500 per property. The maximum grant is $500 per property. All projects will be equally matched between loan and grant.~~

~~B. Loans will be interest free (0%) amortized for a period up to 24 months.~~

~~V. Administration~~

~~A. The Program shall be administered by Auburn's Community Development Department (CDD). There will be no discrimination on the basis of race, color, national origin, sex, age, religion, disability or familial status. The CDD's responsibilities will include marketing the program, and guiding the process which will include soliciting applicants, working with applicants to secure proposals, reviewing the scope of work, documenting underwriting requirements, securing approval, preparation of closing documents, inspection and authorization of payments.~~

~~B. Oversight for the program will be performed by a Tree Planting Review Committee (TPRC) made up of the Community Development Administrator, an employee of the Parks Department, and an employee of the Public Works Department.~~

~~C. Appeal Procedure: An applicant may appeal the decision of the TPRC at the next scheduled meeting date after denial. The applicant shall be present for the appeal. If the decision remains, the applicant may then appeal the decision to the City Council.~~

~~VII. Review Criteria~~

~~In evaluating applications for loans and grants, the committee shall considered criteria outlined below:~~

~~A. Conformance to Tree Planting Program Guidelines~~

~~B. Selected Species: Only trees deemed to be an acceptable species will be planted. A list of acceptable species will be maintained by the TPRC. Criteria for consideration will include trees that have potential for being safe and vigorous, diverse species, varieties that are free from excessive insect, disease, and environmental damage, and trees favorable to birds and other wildlife.~~

~~C. Location: Trees will be located on private property and within public view. Locations will take into consideration the growth of the tree and potential conflicts such as proximity to utility lines, obscuring line of sight vision to traffic signals and signs, branches obstructing vehicular and pedestrian passage, and buildings and other structures.~~

~~D. Minimum Specifications: Deciduous trees will have a minimum of 1-1/2 inch caliper and non-deciduous trees will have a minimum height of 4 feet.~~

~~VIII. Application Procedures~~

~~A. Application: Applications may be obtained from the CDD and will be processed on a first-come, first-served basis by date received.~~

~~B. Verifications:~~

~~1. The CDD will verify title by checking records at the Auburn Assessor's office.~~

~~2. The CDD will verify that taxes are paid with the Auburn Treasurer's office.~~

~~C. If it appears the applicant and property are eligible for a loan, an initial inspection will be conducted with the applicant. During the initial inspection, tree planting requirements will be determined.~~

~~D. An inspection report will be prepared by the CDD and mailed to the applicant listing 1) the work to be done and 2) any other stipulations or conditions to be complied with.~~

~~E. If a contractor will do the work, the applicant shall obtain a minimum of two proposals for the work. The applicant and the CDD shall evaluate the proposals to determine which is the best~~

~~price. All things being equal, the applicant will be required to select the contractor with the lowest priced proposal.~~

~~E. Contractor. The CDD may require credit references, names of suppliers, names of bank where contractor does business, and names and addresses of recent customers. No approval of a contractor shall be given unless the contractor can satisfactorily demonstrate that he/she has the necessary skills and equipment to perform the work in an efficient and expedient manner. The contractor will:~~

~~1. agree to complete the installation according to procedures defined by the Maine Landscape & Nursery Association;~~

~~2. carry Workmen's Compensation Insurance for all their employees in accordance with the Workmen's Compensation laws of the State of Maine;~~

~~3. carry Manufacturer's and Contractor's Public Liability Insurance with a limit of $300,000 for personal injury or death and $100,000 for property damage; and~~

~~4. Guarantee: Trees will carry a 1-year replacement guarantee.~~

~~G. Where a contractor has been found to be irresponsible in the execution of work by the CDD, the contractor will be removed from the list of eligible contractors. The applicant may not award a contract for work to any contractor whom the applicant has been advised is unacceptable for contracting by the CDD.~~

~~H. Self Plant: A homeowner may be allowed to complete the work provided that he/she can satisfactorily demonstrate that he/she has the necessary skills and equipment needed to perform the work in an efficient and expedient manner. Funds may be used to purchase tree stock, mulch, fill, staking materials, etc. Funds may not be used to purchase tools or equipment for planting. The homeowner will:~~

~~1. agree to complete the installation according to procedures defined by the Maine Landscape and Nursery Association;~~

~~2. agree to abide by the terms of the Tree Planting Agreement;~~

~~3. agree to abide by the aforementioned Review Criteria.~~

~~I. The application will be presented to the TPRC who is responsible for awarding or denying loans and grants.~~

~~J. The CDD will prepare closing documents, including a promissory note in the full amount of the loan, and grant award stipulating its conditions.~~

K. The CDD will act as escrow agent for the funds. The applicant will permit the CDD to disburse the funds in the manner set forth in the contract between the applicant and contractor or supplier.

L. The contractor will not start work until a construction contract is signed by both by parties. No change will be allowed unless approved by the CDD through the change order process.

M. The CDD will inspect all work financed with the proceeds of the loan and grant before payment is made.

N. Both the applicant and CDD will authorize the payment to the contractor.

P. Applicant will agree to maintain trees according to CDD requirements.

City Council
Workshop Information Sheet

City of Auburn

Council Workshop Date: December 10, 2012

Subject: Executive Session

A. **Information:** Executive Session, Discussion of a real estate matter (1 Minot Avenue), pursuant to 1 M.R.S.A. §405(6)(C).

Executive Session: On occasion, the City Council discusses matters which are required or allowed by State law to be considered in executive session. Executive sessions are not open to the public. The matters that are discussed in executive session are required to be kept confidential until they become a matter of public discussion. In order to go into executive session, a Councilor must make a motion in public. The motion must be recorded, and 3/5 of the members of the Council must vote to go into executive session. An executive session is not required to be scheduled in advance as an agenda item, although when it is known at the time that the agenda is finalized, it will be listed on the agenda. The only topics which may be discussed in executive session are those that fall within one of the categories set forth in Title 1 M.R.S.A. Section 405(6). Those applicable to municipal government are:

A. Discussion of personnel issues
B. Discussion or consideration by a school board of suspension of expulsion
C. Discussion or consideration of the condition, acquisition or the use of real or personal property permanently attached to real property or interests therein or disposition of publicly held property or economic development only if premature disclosures of the information would prejudice the competitive or bargaining position of the body or agency
D. Labor contracts
E. Contemplated litigation
F. Discussions of information contained in records made, maintained or received by a body or agency when access by the general public to those records is prohibited by statute;
G. Discussion or approval of the content of examinations administered by a body or agency for licensing, permitting or employment purposes; consultation between a body or agency and any entity that provides examination services to that body or agency regarding the content of an examination; and review of examinations with the person examined; and
H. Consultations between municipal officers and a code enforcement officer representing the municipality pursuant to Title 30-A, section 4452, subsection 1, paragraph in the prosecution of an enforcement matter pending in District Court when the consultation relates to that pending enforcement matter.