



To: Augusta City Council  
From: Councilor Courtney Gary-Allen, Chair of the Rental Inspection Committee  
RE: Recommendations on Rental Inspection Ordinance  
Date: January 27th, 2024

### Background

In the spring of 2023, City staff presented a proposal to the Augusta City Council, suggesting the adoption of a rental unit inspection ordinance for the City of Augusta. During the City Council Informational Meeting on March 9th, 2023, extensive written and oral comments were provided in opposition to the ordinance by the public. Following the discussion, the Council expressed interest in establishing a committee of stakeholders to comprehensively review the proposed ordinance and related matters, ultimately reporting back to the council with recommendations.

On September 5th, 2023, Mayor Mark O'Brien appointed me as the Chair of the Rental Inspection Ordinance Task Force. Additionally, Councilor Linda Conti (Ward 1), Kim Gleason (McAllister Real Estate), Katy Childs (Pine Tree Legal Assistance), Ratna Liyanage-Don (Capital Area Housing Association), Will Guerrette (Guerrette Properties), and Alec Rogers (Maine Evergreen Hotel) were appointed as committee members. Matt Nazar, Director of Development Services, and Rob Overton, Director of Code Enforcement, were designated as City of Augusta Staff liaisons to the committee. The charge of the committee was as follows:

"The committee is to review the proposed rental inspection ordinance, consider modifications to the ordinance, discuss possible alternatives to address the underlying concerns over safe and sanitary housing stock, and to report back to the council with recommendations, including but not limited to whether the proposed ordinance should be adopted and if so, in what form."

Since that time the committee has held five meetings, including a public hearing to gather input from stakeholders. Each of these meetings have been dedicated to reviewing the materials presented by City Staff, discussing the ordinance, and hearing from the public.

It's noteworthy that the majority of public comments came from landlords, with very few tenants expressing their views on the proposed ordinance. While a substantial portion of the public feedback opposed the current wording of the ordinance, many also highlighted specific aspects that could be deemed acceptable.

In addition to Code Enforcement, the committee heard from the Augusta Fire Chief, the State Fire Marshal, and Corporation Counsel during the review process on various aspects of a rental inspection program. Both the Augusta Fire Chief and State Fire Marshal expressed the same concerns about compliance with existing mandatory codes and the implication for public safety as Code Enforcement staff, and Corporation Counsel provided legal advice related to municipal authority and ordinance construction.

During those conversations, committee members of the taskforce learned about performance versus prescriptive code enforcement. Members of the taskforce who are landlords believe that for the old housing stock, inspection criteria on buildings built prior to 2000 should be considered from a performance basis and not a prescriptive approach. Furthermore, they recommend that engineered plans should not be required when building fire escapes or other structures and that the City should allow property owners to build to the code and then check for compliance at final inspection

### **Summary of Rental Ordinances in Maine Communities**

During our discussions, the Committee examined the rental inspection initiatives of five neighboring cities— Portland, Sanford, Winslow, Waterville, and Lewiston. These municipalities, like Augusta, share the common challenge of maintaining and overseeing numerous residential rental properties, each implementing distinct approaches to address this issue.

Portland and Sanford both have extensive rental inspection and licensing programs like the one initially proposed by city staff. While the committee ultimately rejected that approach, in favor of a 10% sampling of inventory, it's important to note that more extensive approaches are in use in Maine.

Winslow appears to lack a formal ordinance, but we obtained a letter from the Deputy Fire Chief, which outlines a voluntary program. In this initiative, property inspections are offered as a courtesy to protect both building owners and tenants from life safety hazards. The provided check sheet details an "apartment building basic fire and life safety inspection."

Waterville has opted for a voluntary registration process without a registration fee. Owners of residential dwelling buildings are encouraged to register their properties with the Waterville Fire Department through the city's registration portal. The voluntary process entails providing essential details such as the legal owner's name and mailing address, property manager contact information, emergency contact information, property street address, number of units, and information on fire alarm and sprinkler systems if applicable. While voluntary, the ordinance includes a provision that contemplates a mandatory Rental Registration Ordinance with fees and fines if 90% of residential rental buildings are not registered by October 31st. According to the Waterville Fire Department, 54.6% of rentals in Waterville have completed registration.

Lewiston has implemented a mandatory, no-cost Rental Registration Program based on recommendations from an Ad-hoc Committee, involving landlords, city staff, and stakeholders. Owners of multi-family buildings with three or more residences must register annually before March 1st, utilizing either electronic applications or hard copy forms for mailing or drop-off. Non-compliance incurs fines ranging from \$50 for the first month to \$200 per month for seven through twelve months. To aid property owners in meeting deadlines, the city offers a free Notify Me service for rental registration reminders. The Rental Registration Process is managed by the City Clerk's Office.

### **Recommendations on Augusta Rental Inspection Program**

During the Committee's meeting on December 28th, a motion was adopted with a vote of 5 in favor and 2 abstentions<sup>1</sup> expressing opposition for the rental registration proposal presented to the City Council in the Spring of 2023 in its original form. The decision was influenced by various concerns, including the financial strain on landlords, potentially leading to rental increases for tenants.

---

<sup>1</sup> In Favor: Courtney Gary-Allen, Alec Rogers, Will Guerrette, Ratna Liyanage-Don, and Kim Gleason. Abstain: Linda Conti and Kayty Childs (No minority report was given)

Members also stressed that the cost of increased code enforcement should not fall solely on property owners but should be funded through overall property taxes. Other reservations included the concerns around transferability of inspection licenses during sale, when licenses would be provided to owners, and the desire to explore less costly mechanisms to achieve the City's housing goals.

Despite not endorsing the proposed registration and inspection system, the Committee acknowledges the necessity for safe housing and accurate contact information for emergency situations or routine matters. Consequently, the Committee recommends an alternative no-charge inspection system for rental units in Augusta. In offering considerations and recommendations for any future revisions to the rental inspection ordinance in Augusta, the Committee suggests the following:

- **Funding for Rental Inspection Program:** The Committee acknowledges the existence of problematic buildings and supports their identification and inspection. In the event that additional staff is required for these inspections, a majority <sup>2</sup> of the Committee concurs that funding for such positions should be allocated through the general budget.
- **Buildings to Be Inspected:** The committee, with unanimous agreement, suggests that proposed inspections should encompass a random sampling, specifically targeting 10% of rental units, while advocating for an exemption for State licensed hotels. Substantial discussion also took place regarding whether the sampling should cover all rental units or only buildings with more than 3 units. The committee did not come to a resolution on this matter.
- **Program Under the Fire Department:** The committee is in unanimous agreement in proposing that the inspection program be overseen by the Fire Department, with collaborative efforts from Code Enforcement.
- **Registration and Implementation Process:** The Committee is divided over the question of whether to have a voluntary or mandatory registration process. Landlords on the committee argue against the need for any registration process, suggesting that the City can utilize tax rolls to identify properties for inspection.

---

<sup>2</sup> In Favor: Courtney Gary-Allen, Linda Conti, Alec Rogers, Will Guerrette, Ratna Liyanage-Don, and Kayty Childs  
Opposed: Kim Gleason (Minority report: No new staff are required therefore funding source doesn't matter)

- However, some committee members are uncertain about the feasibility of implementing this process without explicit authorization from the City Council and an ordinance authorizing building inspections. We defer this matter to the City Council and the City Attorney for resolution, with the understanding that our committee intends for the City to have the authority to implement an inspection program.

### Other Recommendations to Consider

The Committee unanimously recommends that the City Council also consider the following:

- **Expand the Tipping Points Business Loan Program to include No-Interest Loans for Landlords seeking to meet Code Requirements:** The City should collaborate with local banks to broaden the Tipping Point Business Loans Program, incorporating interest-free loans for landlords to fund essential repairs and updates required to meet code standards.
- **Celebrate Landlords Who Are Going Above and Beyond:** The City should showcase exceptional properties and their owners/managers on City social media platforms to acknowledge and highlight local property owners who go the extra mile in ensuring safe housing in Augusta.
- **Organize and Provide Code Workshops:** The City Code Enforcement should collaborate with the Augusta Housing Authority, Pine Tree Legal, CAHA, and other organizations to arrange and deliver semi-annual workshops on code enforcement and tenant rights. These sessions aim to educate property owners about identifying code-related issues and understanding the provisions of the Life Safety Code.
- **Develop a Resource Guide for Landlords:** The City should work with community partners to develop a resource guide of social services and social workers in an effort to educate landlords and tenants about the services available to them.