



Board of Supervisors Retreat January 13, 2018

Maintenance, Revitalization Initiatives,
and Enhancements for Aging
Housing, Hotels, and Motels

Introduction

- The housing and hotel/motel stock is aging.
- A key to maintenance is to proactively address properties with code violations.
- Staff from multiple agencies work together to solve these violations.
- We are committed to maintenance and new initiatives and enhancements with respect to these aging properties.

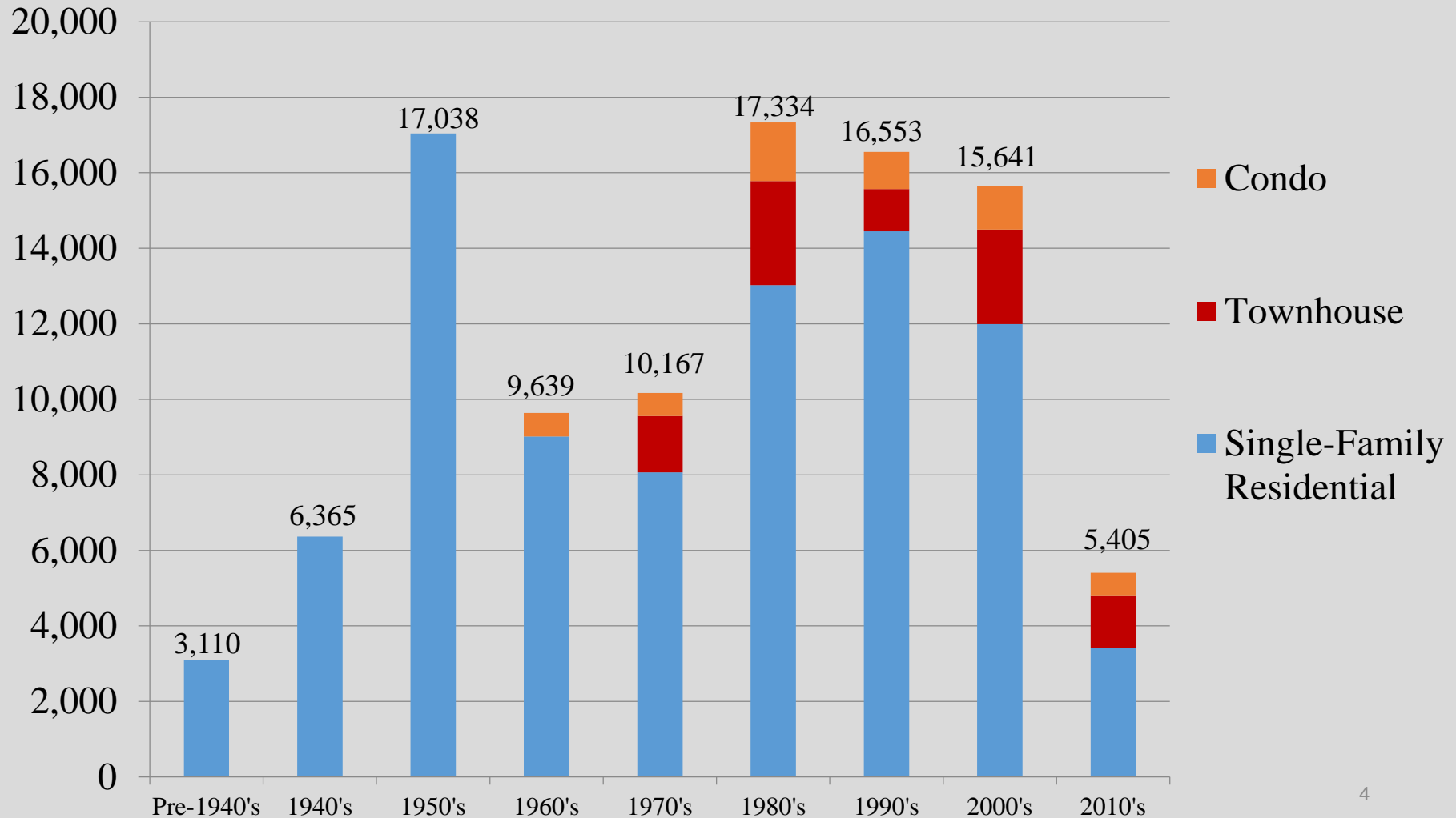
Presentation Outline

- Aging Single-Family, Townhouse, and Condominiums
 - Aging Trends
 - Recent Enhancements
 - Vacant House Initiatives
 - Tax Sales to a Community Land Trust
 - Proposed Derelict Building Ordinance
- Aging Multi-Family
 - Aging Trends
 - Maintenance of Aging Multi-Family Developments Initiative
 - Rental Inspection Program
- 2018 Virginia Maintenance Code Amendment
- Aging Hotels and Motels
 - Aging Trends
 - Nuisance Abatement Program
 - Proposed Incentives

Aging Housing Trends

Single-Family, Townhouse, Condo

Units Constructed by Decade



Aging Housing Trends

Single-Family, Townhouse, Condo

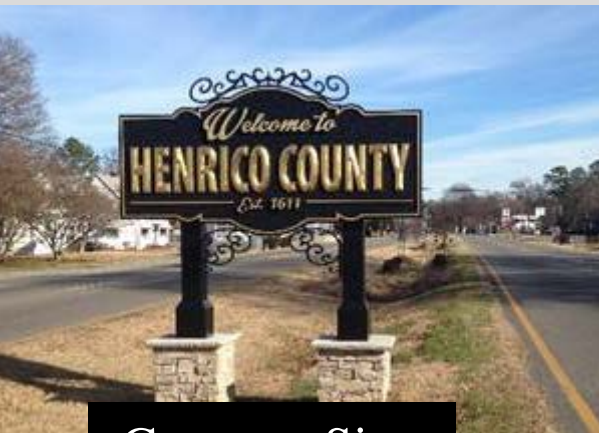
- There are over 101,000 units.
- 59% of the units were constructed 30 years ago or more.
- Coupled with an aging population, maintenance is a challenge.
- Older HOA's have struggled financially.
- Maintenance will require increased efforts.
- Vacant houses are of a particular concern.



Single-Family, Townhouse, Condo

Recent Enhancements

- Additional inspection staff.
- Allocation of \$200,000 for housing repairs to correct building code violations.
- Initiatives to address vacant houses.
- Creation of the Revitalization Focus Areas.



Gateway Sign



Laburnum Avenue Sidewalks



Vacant House Initiatives

- Vacant houses severely impact neighborhoods.
- Generally single biggest threat to the stability of neighborhoods.
- Initiatives in progress or proposed to address this issue.
- Tracking vacant houses is important.



Vacant House Initiatives

Vacant House Tracker Database

- Vacant house tracker database completed.
- Goal is vacant houses are re-occupied or demolished.
- Vacant houses are assigned a path(s).
- The database allows tracking over time.



Vacant House Initiatives

Vacant House Tracker Database

Vacant Housing Tracker

Log Out

Cases

Add Case

Reports

Research

Administration

Back

Case Information

Edit

Case Status

Open

Status Date

11/16/2017

Reason For Insp

complaint

Field Verified

05/18/2017

Reason For Vacancy

Uninhabitable

Notes On Vacancy

historic district requirements delayed closing

Date Opened

11/16/2017 by CAR80

Path Status

Add Path

Path History

Path

Status

Status Date

Acquisition

BEGIN

11/16/2017

Derelict status

Acquisition Details

Location

GIS Map

Address

19 S ELM AVE

City

HENRICO

Zip

23075

GPIN

821-724-8465

SRA

261

Use Code

210 Res - Subd (1 Fam)

DCR Zone

CM09

BI Zone

ES05

Revitalization Area

Highland Springs

Owner Information

Real Estate Application

Jane Doe

HENRICO VA

23075-1215

Code Violations Cases

Case Notes

Case Number

Open Date


Closed Date

Occupancy Status

Notes

Photos

Maintain Photos



Load Date 11/16/2017

[Click here for full-sized image.](#)

1 - 1

Current Assessment

9

Year

Date

Land

Land Use

Improvements

Total

Vacant House Initiatives

Tax Sale Strategies to Enhance Property Values and Revitalization



Tax Sale - Background

- Eligible for tax sale after delinquent 2 years and 1 month, some circumstances just one year.
- Few tax sales in the past.
- There are a number of single-family dwellings with a history of code violations that are tax delinquent.
- These properties have a blighting influence on neighborhoods.
- Worked together to improve the process.
- New strategies and guidelines for tax sales as a revitalization tool.



Tax Sale – Key Strategies

- Inspection of newly tax delinquent single-family dwellings every six months.
- More aggressive guidelines to sell properties before they deteriorate.
- Properties assessed at less than \$50,000, where delinquent taxes represent 25% of the assessed value, can be conveyed directly to a locality. Recommend using this provision where a non-profit can then rehab or demolish and construct a new house.
- Place conditions on properties sold at public auction.

Tax Sales to a Community Land Trust

- A Community Land Trust is a nonprofit that develops and maintains permanent affordable homeownership for low income households.
- Trust develops single-family homes, sells to low-income buyer, retains ownership of the land. When homeowner sells the house, the trust and the homeowner share the equity. Trust's share stays in the property, not added to the re-sale price.
- Works best in neighborhoods with rapidly rising values.
- Unimproved tax sale properties could selectively be transferred to the currently established Maggie Walker Community Land Trust (MWCLT).
- The MWCLT has a land bank component where certain unimproved tax sale properties could be conveyed for future development. Land bank properties not subject to property taxes to reduce the holding costs.

Vacant House Initiatives

Acquisition of Vacant Houses

Federal CDBG and HOME funds are targeted to acquire vacant blighted properties. The homes are either rehabilitated, or demolished and new homes are constructed. This is one of the most effective means of eliminating these blighted properties from neighborhoods.



Pinalto Drive – Before



Rehab Completed



Grayson Avenue – Demolished



New House Completed

Vacant House Initiatives

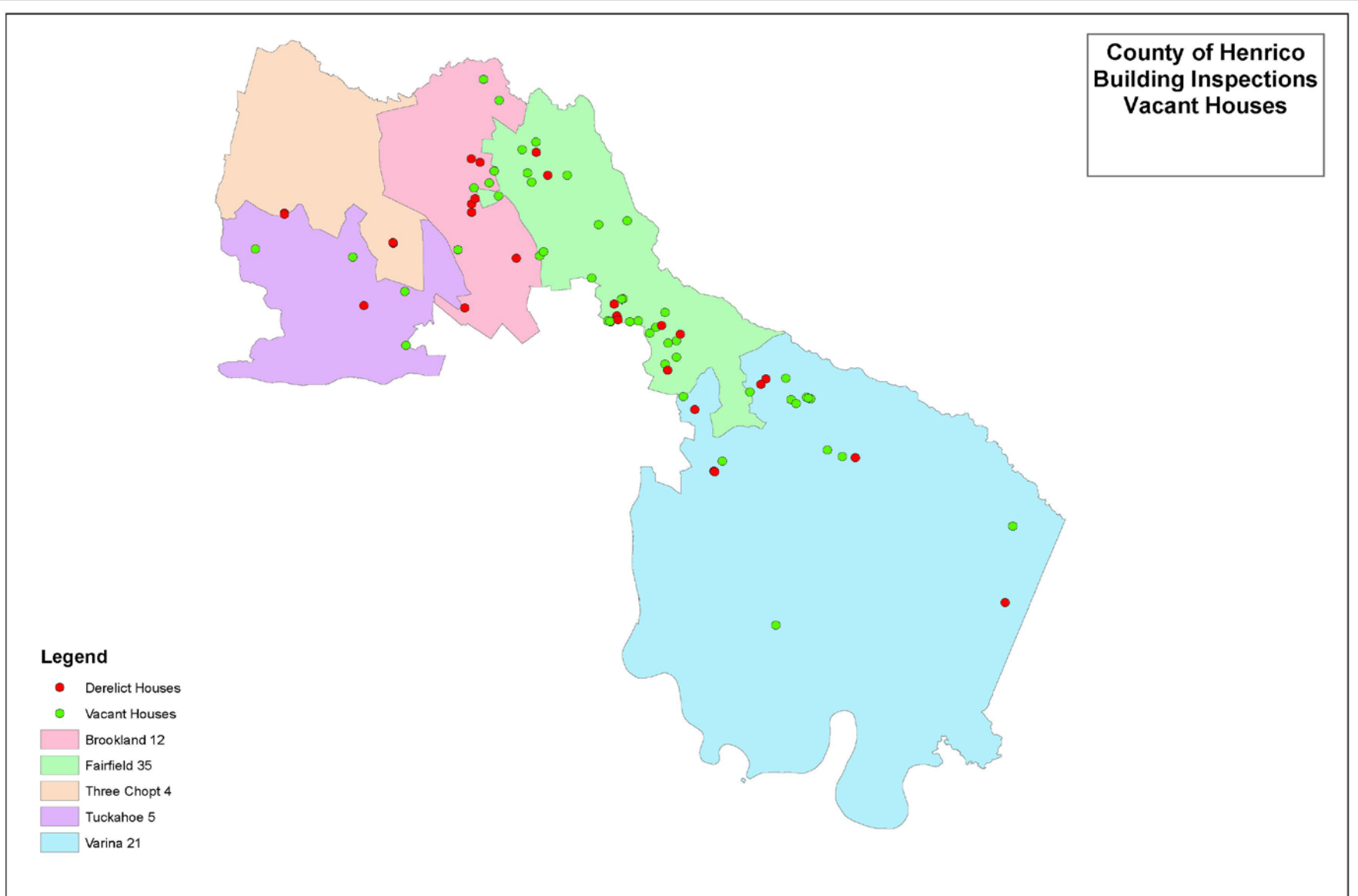
Community Revitalization Abatements

- Often vacant houses require ongoing abatement of violations such as trash and debris and tall grass and weeds. Many of these vacant house properties have become severely overgrown.
- In order to improve the appearance of these properties, abatements now include removal of overgrowth rather than just cutting of the grass and weeds.



Vacant House Initiatives

Building Inspections



Vacant House Initiatives

Proposed Derelict Building Ordinance

- The Code of Virginia permits localities to enact an ordinance to declare a building as derelict:
 - Residential or nonresidential building or structure,
 - Whether construction is completed or not,
 - Vacant and boarded for six months or more, and
 - Not connected to electric, water, or sewer service.
- Under this code authority, the owner must either demolish or renovate the structure.

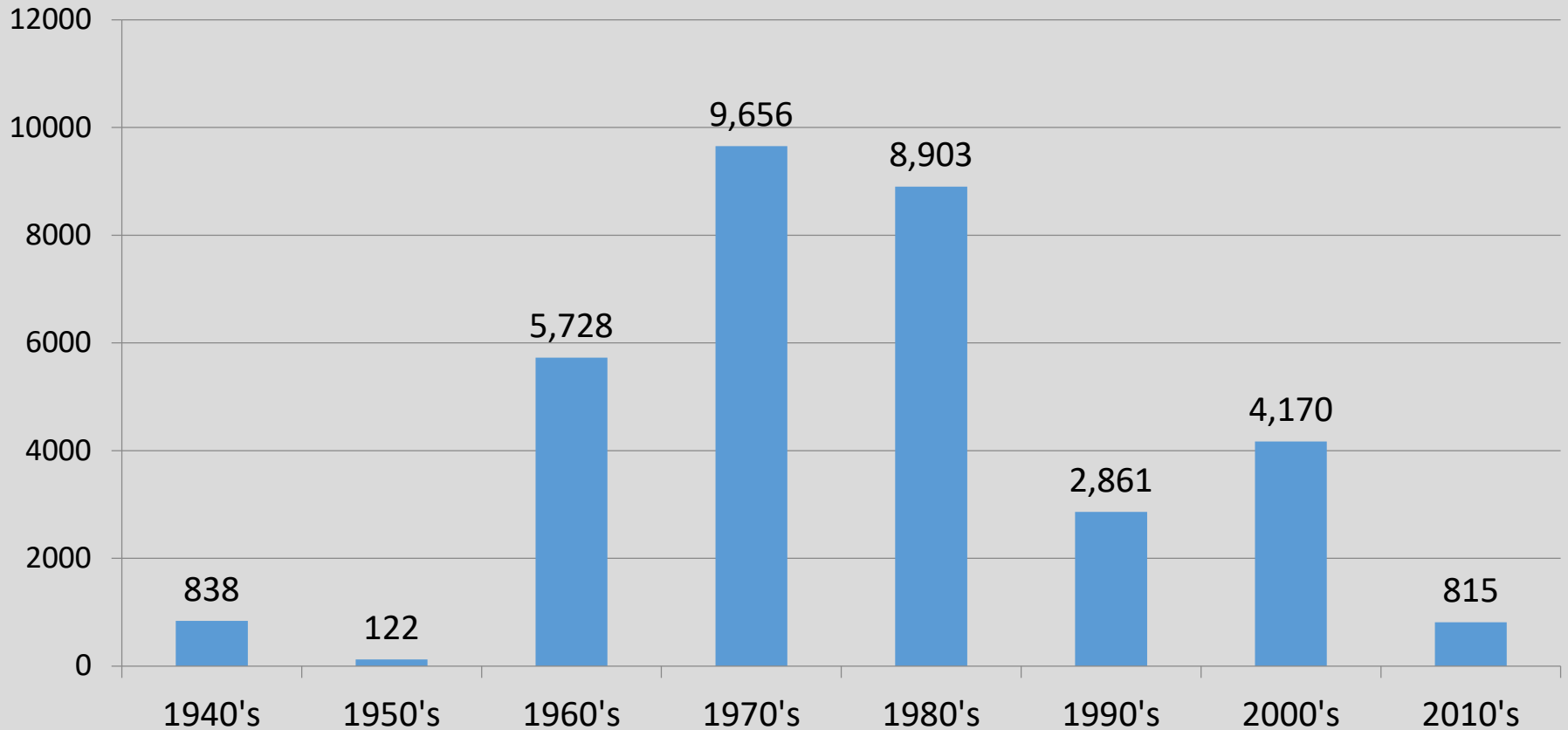
Proposed Derelict Building Ordinance

- The Code of Virginia contains several provisions as summarized below:
 - The locality must have a real estate tax abatement program.
 - The owner must submit a plan that includes a time line for the demolition or renovation.
 - The plan must be approved by the locality.
 - If the plan isn't submitted within 90 days, the owner can be taken to court.
 - If the plan is to demolish and it is completed within 90 days of the permit issuance, the locality must refund the permit fee.
 - If the plan is to renovate, the locality may waive all planning and permit fees or charge no more than 50% of normal fees.
 - The owner may request a tax assessment of the property prior to work beginning and qualify for tax abatement of 15 years.

Aging Housing Trends

Multi-Family

Apartment Units Constructed by Decade



Aging Housing Trends

Multi-Family

- Over 33,000 apartment units in 177 developments.
- Smallest 5 units; largest 1,184 units.
- Built from 1948 to present.
- 72% of the units were constructed 30 years ago or more.
- There is a need to see that they are being maintained.

Maintenance of Aging Multi-Family Developments Initiative

- Prioritization of Properties: includes age of properties, code enforcement, and crime activity.
- Community Revitalization focus: proffers, landscape plans, fencing, parking lots, dumpsters, inoperable motor vehicles, trash and debris, and any other zoning or environmental violations.
- Building Inspection focus: building exteriors, siding, windows, roofing, decks, and other visible structure violations.
- Staff will work with the property owner to resolve identified violations as we would with any other case.

Virginia Maintenance Code

- Essex Village Facts
 - Constructed in 1982
 - 46 Buildings
 - 496 Total Dwelling Units
- Inspection History November 2016 – December 2017
 - 922 Total Inspections
 - 112 Violation Notices Issued
 - 101 Apartments Inspected
- Violations Cited include: Inoperable smoke detectors; Structural defects on exterior decks and exterior stairs; Defective water heaters and HVAC equipment; Inoperable and leaking plumbing fixtures; Exposed electrical wiring and inoperable cooking equipment; Damaged walls, ceilings and flooring; Inoperable windows and doors; Insect and rodent infestations, etc.

Virginia Maintenance Code

Essex Village Inspection Summary

- Every violation cited by Henrico County inspectors to date has been corrected.
- HUD inspections in February and August 2017, found that conditions inside the apartment units failed.
- HUD's solution: Owner self-certifies compliance. The same solution HUD imposed after the February 2017 inspection.
- The new owner has not advised the county of how he intends to specifically address the defects previously found by HUD.
- County access to inspect interior conditions is only available when residents request assistance with addressing problems.

Rental Inspection Program

- State code permits localities to adopt an ordinance to create a Rental Inspection Program within Rental Inspection Districts designated by the Board of Supervisors.
- Proactive interior inspections of rental dwelling units for compliance with the Virginia Maintenance Code.
- The number of units subject to an initial or periodic inspection is limited:
 - 2 - 10%.
 - If violations are found, then may inspect as many units as necessary to enforce the code.
- A minimum 4-year exemption is granted if no code violations are found.
- Fees may be charged to conduct inspections.
- Inspections and enforcement on complaints not affected.

Enhanced Building Code Enforcement 2018 Virginia Maintenance Code Amendment

- Code of Virginia 36-106
 - Violations are Class 1 Misdemeanors.
 - Punishable by a fine of up to \$2500.
 - Minimum mandatory fines for repeat convictions:
 - Second conviction within less than 5 years: Minimum fine of \$1000.
 - Second conviction between 5 - 10 years: Minimum fine of \$500.
 - Third conviction within 10 years: Minimum fine of \$2500 but no more than \$5000, and jail confinement for not more than 10 days. No portion of the fine shall be suspended.

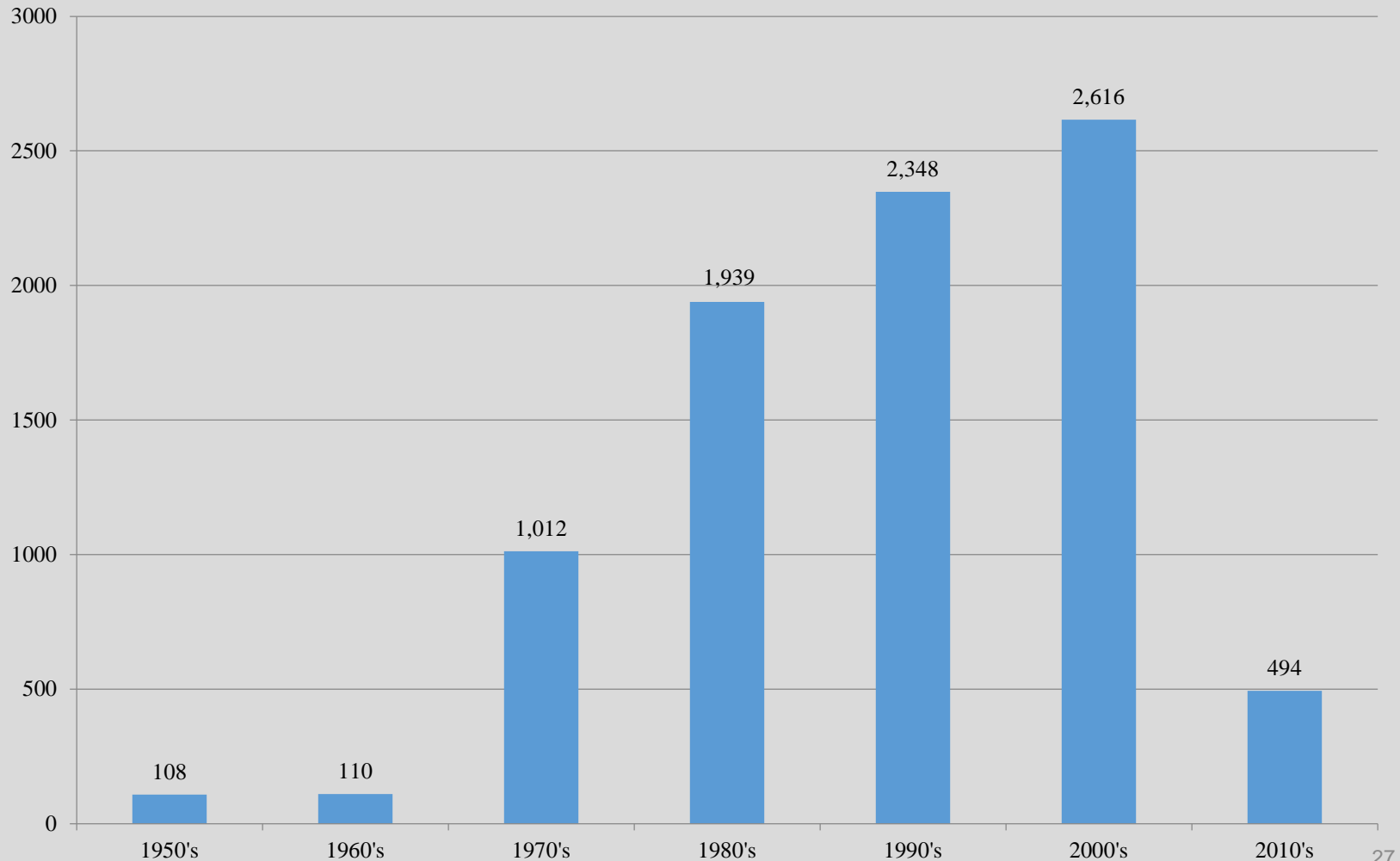
Enhanced Building Code Enforcement 2018 Virginia Maintenance Code Amendment

~~104.5.6~~ 105.6 Further action when violation not corrected. If the responsible party has not complied with the notice of violation, the code official may ~~shall~~ submit a written request to the legal counsel of the locality to institute the appropriate legal proceedings to restrain, correct or abate the violation or to require the removal or termination of the use of the building or structure involved. In cases where the locality or legal counsel so authorizes, the code official may issue or obtain a summons or warrant. Compliance with a notice of violation notwithstanding, the code official may request legal proceedings be instituted for prosecution when a person, firm or corporation is served with three or more notices of violation for the same property.

- Proposed Effective Date: July 1, 2018

Aging Hotel and Motel Trends

Rooms Constructed by Decade



Aging Hotel and Motel Trends

- There are 8,627 hotel (motel) rooms on 75 properties.
- Built from 1952 to present.
- There are 23 hotels constructed 30 years ago or more.
- Many older hotels, particularly ones where there is direct access to the individual rooms, present a challenge.
- As hotels have aged and lost their appeal to the traveling public, many have become long-term housing to low income persons and the lack of controlled access to the rooms attracts criminal activity.
- Older hotels were not designed for long-term stays, and, often, there are zoning and building code violations.

Nuisance Abatement Program

Henrico County Multi-Agency

One Team Approach

Nuisance Abatement Goal

- The owner shall comply with all; Fire Codes, Building Codes, Health Codes, Zoning Regulations, and Criminal Codes.
- Nuisance Abatement is designed to reduce or eliminate drug blighting and physical blighting conditions to prevent crime and enhance the overall quality of life for the community.

Aging Hotel and Motel Properties

- Initially, three (3) Hotel/Motels were identified with drug blighting and physical blighting conditions:
 - **The Legacy Inn Hotel, 5252 Airport Square Lane**
 - Exigently closed – Building Inspections – June 12, 2014.
 - Demolition completed in 2015.
 - **The Virginia Inn Hotel, 5221 Brook Road**
 - Closed and Sold 7-1-14.
 - Demolition completed 2014.
 - Economic Revitalization – New Walmart Market Place Built.
 - **The Days Inn Hotel, 5701 Chamberlayne Road**
 - Closed February 15, 2014 [as of today, it remains closed].
 - SOLD on May 9, 2014.

Property Owner Notification

Message from the Chief of Police

- In our experience, the single biggest factor in reducing and controlling crime and disorder, at a given property, is your application of good management practices.
- Due to your property's dangerous crime and safety issues, the County of Henrico is weighing all legal options, including: criminal prosecution, administrative fines, and civil litigation.

Fire Marshal's Office

Virginia Statewide Fire Prevention Code

- **109.1 Inspection.** The fire official may inspect all structures and premises for the purposes of ascertaining and causing to be corrected any conditions liable to cause fire, contribute to the spread of fire, interfere with firefighting operations, endanger life, or any violations of the provisions or intent of the SFPC.
- **109.1.1 Right to entry.** The fire official may enter any structure or premises at any reasonable time to inspect subject to constitutional restrictions on unreasonable searches and seizures. If entry is refused or not obtained, the fire official may pursue recourse as provided by law.

Fire Marshal's Office

Code of Virginia

- § 27-98.1. Inspections of buildings, structures, properties and premises.
- § 27-98.2. Issuance of warrant.
- § 27-98.3. Duration of warrant.
- § 27-98.4. Conduct of inspections, examinations, testing, or collection of samples.
- § 27-98.5. Review by courts.
- § 27-100. Violation a misdemeanor.

Not in Henrico



Aging Hotels and Motels

Proposed Incentives

- 10 of the 12 oldest hotels are located in the Enterprise Zone, and 9 of them have direct access to the rooms.

Incentives

- An enhanced Enterprise Zone demolition grant could encourage redevelopment of these properties, such as a third of the cost of demolition up to \$100,000.

And/Or

- Enhanced Tax Abatement for hotels over a certain age and with direct access to the rooms, such as allowing unlimited replacement square footage and a full 15 years of tax abatement.



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