

Running Head: HAZARD MITIGATION FUND CITY ORDINANCE AND RULES

Leading Community Risk Reduction

Hazard Mitigation Fund City Ordinance and Implementation Rules  
Leading Community Risk Reduction  
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Tiffin, Ohio

March 2007

## **CERTIFICATION STATEMENT**

I hereby certify that this paper constitutes my own product, that where the language of others is set forth, quotation marks so indicate, and that appropriate credit is given where I have used the language, ideas, expressions, or writhing of another.

Signed:

Benjamin E. Nutter

### Abstract

The purpose of this research was to develop legislation and rules to be presented to Tiffin City Council for consideration and creation of a Hazard Mitigation Fund. The problem was that the city lacked the funding necessary to mitigate many problems associated with vacated properties when property owners failed to take financial responsibility. Through the use of action research, questions about laws other chartered cities within Ohio have enacted, what the rules of implementation should be, what would be the economic impact and what funding options were available for creating a Hazard Mitigation Fund were answered. Comprehensive literature research and personal communications were conducted to answer the preceding.

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## Hazard Mitigation Fund City Ordinance and Implementation Rules

### Introduction

The City of Tiffin has vacated properties within its jurisdiction. As a chartered city it has enacted several ordinances mandating the safety of those vacated properties. The problem is the city lacks the funding necessary to mitigate many problems associated with vacated properties. If property owners fail, or are unable to properly maintain, vacated properties the burden lies with the City of Tiffin. Having the financial resources to properly mitigate the hazards associated with vacated properties is essential in effectively reducing those hazards. Not reducing those hazards means that firefighters could be subjected to unnecessary risk if operating at an emergency involving a vacated property. Other at-risk groups, including children, in the community are at an elevated risk as well, if occupying a vacated property.

The purpose of this project is to develop legislation to be presented to Tiffin City Council for consideration of adoption. The legislation will establish a fund, here after referred to as the “hazard mitigation fund.” This fund will be a pool of money to be used in mitigation vacant property hazards existing within the City of Tiffin. This is an action research project and the research questions are:

- 1) What laws have other chartered cities within Ohio enacted to establish funding for mitigating hazards associated with vacated properties?
- 2) What should the rules of implementation be for the proposed “hazard mitigation fund,” with respect to amount, eligible uses, and repayment to fund from property owners?
- 3) What options are available to the City of Tiffin for providing the initial funds to

- the proposed “hazard mitigation fund” other than funds from the General Fund?
- 4) What economic impact will the proposed legislation have on the City of Tiffin if it is adopted by city council?

### Background and Significance

The Tiffin Fire and Rescue Division is established by Codified Ordinance to respond to incidents involving fires, medical emergencies providing advanced life support transport services, rescues, hazardous materials, disaster situations and other emergencies involving possible loss of life, injury or damage to property. Tiffin is a small city with a permanent population of 18,165, encompassing 6.6 square miles. Two universities with a student population of 3,400 and a major mental health facility increase the population to nearly 22,000. As the county seat of rural Seneca County in northwest Ohio, Tiffin Fire and Rescue also provides technical rescue, hazardous materials operations and technician services to the surrounding 11 volunteer fire departments.

The 2004 budget of \$2,713,112 operates two stations with an authorized strength of 38 uniformed personnel and one civilian secretary. Two Chief Officers and the secretary serve in administration. Each shift, working 24/48, consists of a Shift Commander, Captain and 10 fire/EMS personnel.

Being understaffed according to NFPA guidelines, the Fire and Rescue Division has taken a pro-active approach to hazard mitigation within the community. We have developed and regularly review the programs and procedures needed to effectively establish a working relationship with all organizations, businesses and individuals in the community. It is a commonly held view that an engineering solution for risk reduction is the most effective answer to risk reduction. In this regard, removing a hazard all together

is much more effective than responding and mitigating an emergency after it happens. Our goal is to identify hazardous situations, assist in developing solutions to reduce the hazard and provide education to the public on hazard prevention and safety matters. This applied research project is intended to provide funding to remove hazards as they exist in vacated properties around the City of Tiffin when property owners fail to do so. This goal is consistent with the United States Fire Administrations Operational Objectives one, two three, and four as stated in the Executive Fire Officer Program applied research self-study course page 3. The purpose of this applied research is specifically linked to Leading Community Risk Reduction by having a direct effect on hazards facing the City of Tiffin and the Fire and Rescue Division.

Many communities throughout the United States and, indeed, the world have experienced emergency situations involving vacated properties with tragic results. In 1999 the City of Worcester Massachusetts lost six firefighters in a vacant warehouse fire. The firefighters entered the burning structure to rescue homeless people who had gathered in the building for shelter. The fire was apparently started when a homeless couple in the building knocked over a candle during an argument (Eisner, 2000). The fire quickly burnt out of control and the Fire Department was called. The results were devastating to the community to say the least. At the time, it was the worst building fire in terms of loss of life to firefighters in nearly 23 years (Eisner, 2000).

The City of Tiffin experienced a vacant warehouse building fire about a year prior to the Worcester, MA fire. In the 1800's the building was a wagon manufacturer and then in the 1900's it was converted to the Tiffin truck factory. The building had been unoccupied for many years just prior to the fire. Fortunately there were no firefighter

injuries during the fire but, in the subsequent investigation to determine the cause several major hazards were identified. Investigators observed many areas in the unburned portions of the building that appeared to have small arson fires in the past. Several containers of volatile chemicals were found in an unburned portion of the as well. The results of the “wagon works” fire could have been very different if it were not for blind luck. Because of what was learned in the aftermath of this fire, the Tiffin Fire and Rescue Division implemented an aggressive preplan program for unoccupied structures. As recently as Sunday March 25, 2007 the local news paper “The Advertiser-Tribune” printed a summary of a week long series highlighting ten vacant properties of major size throughout the city (Advertiser-Tribune, March 25, 2007, A1)

At times hazardous conditions are identified that require mitigation but, the building owners are either unwilling or unable to put forth the funds required for mitigation. Current city charter would allow the city to pay for the mitigation process and recoup their investment through property tax assessments. The time it takes for the city to recoup expended funds from property tax assessments is great. In cases where a building may need to be razed, the amount of money the city could have tied up for long periods of time, make it impossible for the city to proceed. The result is hazardous conditions exists that could be mitigated, thus reducing community risk, but the conditions are allowed to continue due to lack of funding.

If legislation were developed and introduced allowing for the creation of a fund for use in hazard mitigation, the risk to the community would be significantly reduced, as identified hazards would be corrected immediately. Any funds expended on a specific property could be recouped through one of two processes. First, the property owner

could be taken to Municipal Court and ordered to reimburse the City for funds expended. Or second, the cost of the hazard mitigation could be attached to the property tax assessment.

### Literature Review

As the purpose of this project was to create an original City Ordinance, a review of literature was conducted of existing State and City laws. Most of this research was conducted using “Anderson’s on-line” via the internet. The legal standing of States, Counties, and Cities to establish laws and ordinances for the greater good of their populous is well established. A search of the Learning Resource Center at the National Fire Academy revealed no other papers in this area. A search on-line, of the Tiffin University Library, and the Heidelberg College Library did not provide any reference material in this area.

1. What laws have other chartered cities within Ohio enacted to establish funding for mitigating hazards associated with vacated properties?

As laws vary from state to state with respect to local taxing authority research was limited to cities within Ohio of similar size to the city of Tiffin. This researcher contacted the City of Tiffin Mayor Bernard Hohman on November 11, 2006 for help in identifying similar funds in other Cities. With permission from Mayor Hohman, this researcher contacted the Ohio Mayors Association. The department of legislation advised this researcher that they were not aware of any charter city with a “Hazard Mitigation Fund” or any type of specific fund for use in hazard mitigation other than use of general fund money.

2. What should the rules of implementation be for the proposed “hazard mitigation

fund,” with respect to amount, eligible uses, and repayment to fund from property owners?

Finding existing literature on funds similar to a proposed “hazard mitigation fund” proved difficult. Through this researcher’s personal knowledge of the existence of “Venture Capital Fund” and the “Revolving Loan Fund” the City ordinances and rules for these particular funds were examined. The scope and intent of these funds appeared to be very similar to the concept of a “Hazard Mitigation Fund.” Part One, paragraph A of the City of Tiffin Revolving Loan Fund Program Plan states:

“The geographic area for the Tiffin Revolving Loan Fund consists of all properties within the boundaries of the City of Tiffin.”

This establishes the physical area that is served by the Revolving Loan Fund and would appear appropriate for the proposed “Hazard Mitigation Fund.” This plan goes on to identify the program elements. The intent of this legislation was designed to address specific economic development problems within the city of Tiffin. The complete rules for both funds will be used to establish the rules for the “Hazard Mitigation Fund” with the express permission of the Mayor of the City of Tiffin (Hohman, Personal communication, November 15, 2006). The Proposed Hazard Mitigation Fund By-laws or Rules for implementation are attached as Appendix A.

3. What Financial options are available to the City of Tiffin for providing funds for the proposed “Hazard Mitigation Fund”?

To answer question number two this researcher began with a personal communication with the City of Tiffin Law Director, Brent Howard on November 10<sup>th</sup> 2006. Mr. Howard was presented with the premise of this researcher’s project and question 2. Mr. Howard

has been the City of Tiffin Law Director for the last eight years giving him exceptional knowledge of the charter of the City of Tiffin.

Mr. Howard advised this researcher to read Article 7, Chapters 727, 729, and 718 of the Ohio Revised Code. Chapter 727 is titled “Power to levy and collect special assessments: method.” After careful review of this section Mr. Howard and this researcher agreed the “hazard mitigation fund” could not be funded through special assessments of any kind. Chapter 729 is titled “assessments, sidewalks and sewers.” It was immediately clear funds could not be secured utilizing this form of assessment (Howard, personal communication, November 16, 2006)

Chapter 718 is titled ‘Municipal income taxes’ and while the City certainly had the ability to levy income tax on its citizenry, that money could only be used to increase money for the “General Fund.” As stated in the background and significance section the City of Tiffin does not have sufficient funding within its General Fund to fund this type of additional program. Further, increasing the General Fund revenue with an overall increase in taxes is exceedingly unpopular with the electorate. This would presumably render the proposed legislation “impassable” by city council.

During the review of the City of Tiffin charter this researcher discovered the similarity between the concept of a “Hazard Mitigation Fund” and the already established “Venture Capital Fund” and “Revolving Loan Fund.” Part two of the City of Tiffin Revolving Loan fund outlines the elements, goals and objectives of the revolving loan fund. Part of the goals and objectives of that fund are as follows:

- To create and retain permanent private sector job opportunities, for persons from low and moderate income households and;

- To expand and retain business and industry in our community;
- To promote new economic development in the City of Tiffin;
- To encourage the expansion and stability of the economic base;
- To encourage increased permanent employment opportunities, particularly for low/moderate income households;
- To diversify the City of Tiffin's economy so that the area is not dependent on a limited type and number of industry.

In summary of the literature review it is obvious that the "Hazard Mitigation Fund" should be molded after the "City of Tiffin Revolving Loan Fund" and "City of Tiffin Venture Capital Fund." The proper mitigation of hazards within a given community can only serve to improve the overall marketability of that community. Obviously, this will have a positive effect on the economy of the community. A key issue uncovered during this research was the potential of the "Hazard Mitigation Fund" being funded by the "Revolving Loan Fund." Research question 4 could not be answered by reviewing literature for obvious reasons.

#### Procedures

In November of 2004 this researcher was elected to a four year term as a Seneca County Commissioner. In the State of Ohio the County Commissioners serve as the local arm of the State General Assembly. Seneca County is located in northwest Ohio and the City of Tiffin serves as the county seat. As a Commissioner for Seneca County this researcher has become keenly aware of the relationship between legislation and funding. Research for this project began with this researcher's familiarization of the political

process in the State of Ohio and how that process could be used to secure funding for projects through “non-traditional” means.

On November 15<sup>th</sup>, 2006 a personal communication was held with Rich Fought, President and CEO of the Seneca County Economic Industrial Development Corporation or SEIDC. Mr. Fought served as the President of the Tiffin Area Chamber of Commerce at the time of this conversation and for the past 14 years. The goal of this conversation was for this researcher to gain information for use in answering questions 3 and 4 of the identified research questions.

Mr. Fought offered several suggestions on financial options including Community Development Block Grant, Venture Capital Fund, and Revolving Loan Fund (Fought, personal communication, November 15, 2006). Mr. Fought further agreed with this researcher that any mitigation of potentially hazardous properties in the City of Tiffin would serve to make those properties more attractive to potential investors. Having quality investment properties within its borders can't help but have a positive effect on the local economy (Fought, personal communication, November 15, 2006). While it is impossible to predict the future outright, common sense would dictate that the improvement of blighted and unsafe properties will stimulate investment activities, thus improving the economy.

A personal communication was also held with the City of Tiffin Law Director Brent Howard on November 10, 2006. During this conversation Mr. Howard advised this researcher on the Ohio Law, and City Charter as it pertained to the proposed “hazard mitigation fund.” As stated previously several chapters of the Ohio Revised Code were

reviewed to gain an understanding of what legal authority the city council would have to establish a fund and how that fund could be financed.

A review of the Ohio Revised Code Chapter 728 was completed using “Anderson’s on line.” A personal communication was held with Chief Ennis on November 10, 2006. Chief Ennis has been the City of Tiffin Fire Chief for the last 11 years. A copy the City of Tiffin City Charter was obtained from Chief W. Ennis and the sections pertinent to this research were reviewed thoroughly (Ennis, personal communication November 10, 2006)

Copies of the City of Tiffin Revolving Loan Fund Program plan and the Venture Capital Program plan were obtained from the City of Tiffin Council Clerk, Patricia Rinker on November 15, 2006. The plan for the proposed hazard mitigation fund was modeled after the aforementioned plans.

On January 15, 2006 a personal communication was held with Laura Walrobinstien of the Seneca County General Health District. Ms. Walrobinstien is the Deputy Health Commissioner for the Seneca County Health District. She has over 14 years of experience with Seneca County Health District. In her capacity as Deputy Health Commissioner, she has condemned several structures throughout Seneca County and the cities of Tiffin and Fostoria as hazards to the public health and welfare. In 2004 and 2005 the health district was forced to raze two separate one family residential units. The average cost of the respective razing was \$15,000 (Walrobinstien, personal communication, January 15, 2007). Both Mrs. Walrobinstien and this researcher estimated that a good estimate of cost to raze a commercial building would be approximately \$100,000.

On January 12, 2007 a personal communication was held between this researcher and the owner operator of Theis Construction Company William Theis. Mr. Theis has been in the construction business for over 35 years. He has extensive personal experience in the demolition of buildings both large and small. Mr. Theis agreed with this researcher that a good estimate for the complete razing and removal of an averaged sized commercial structure in this area would be approximately \$100,000 (Theis, personal communication, January 12, 2007).

#### Limitations

This applied research project was limited in that in the United States system of government, control over local issues fall within the jurisdiction of the local governments. This was a limitation for the applied research project because it is hard to compare laws in other jurisdictions with laws in our jurisdiction. While this researcher falls short of calling this project “cutting edge,” no evidence of an existing fund of this nature could be found in Ohio. This made comparisons to other laws or modeling after other laws impossible.

An additional limitation relates to the question of economic impact. While some common sense conclusions can be made in this regard time and measure will be the only true testament to the actual economic impact of this proposed legislation. Based on personal communications between this writer and the Economic Development Director Rich Fought, this researcher and he agree that if a property were absent of a hazardous situation it will certainly be more marketable to the private business sector. To this end this project may qualify for the use of funds from the Ohio Department of Development separate from Revolving Loan Fund monies. Unfortunately as of the due date of this

project the Ohio Department of Development, the Ohio General Assembly and Ohio's new Governor had not agreed upon a budget amount and proposed rule changes as they pertain to economic development at the local level.

At several points throughout this applied research project this researcher mentions economic development strategies and improvements associated with hazard mitigation, this association could help in obtaining approval to use monies from the State of Ohio as a source of funds for the Hazard Mitigation Fund once rules and budgets are established at the state level.

### Results

1. What laws have other chartered cities within Ohio enacted to establish funding for mitigating hazards associated with vacated properties?

Personal conversations with the Mayor of the City of Tiffin and John Mahoney of the Ohio Municipal League were conducted by this researcher in an attempt to answer this question. The Ohio Municipal League represents Ohio's 241 Cities and 700 villages before the Ohio General assembly (Ohio Municipal League, [www.omunileague.org](http://www.omunileague.org), November 10, 2006). As stated in the limitations section of this applied research project, no other cities within Ohio have a fund of this nature. Specifically this researcher was unable to find any documented program for funding hazard mitigation other than private sources or use of General Fund money. In the cases where General Fund money is used, the Ohio Revised Code allows city and county government the ability to assess property taxes for the cost associated with hazard mitigation. However, there is significant lag time involved with respect to the replenishment of the General Fund. The proposed City Ordinance establishing the proposed Hazard Mitigation Fund is attached as Appendix B.

2. What should the rules of implementation be for the proposed Hazard Mitigation Fund, with respect to amount, eligible uses, and repayment to fund from property owners?

Using a combination of personal communications and extensive research of the Ohio Revised Code this researcher decided to model the hazard mitigation fund after both the venture capital fund and the revolving loan fund. The rules for implementation of both of these funds were closely followed for the development of the Hazard Mitigation Fund rules.

In addition a personal communication with Laura Walrobinstien revealed the average cost of completely razing a one family residential structure is \$15,000 (Walrobistien, personal communication, January 15, 2007). It is estimated based on a personal communication between this researcher and William Theis that \$100,000 is a good estimate for the complete razing of an averaged sized commercial building. The majority of hazard properties in the City of Tiffin are commercial in nature (Ennis, personal communication, January 15, 2007) Based on this belief by Chief Ennis, this researcher decided on a starting point of \$100,000 for the Hazard Mitigation fund. (See Appendix A)

3. What options are available to the City of Tiffin for providing the initial funds to the proposed “Hazard Mitigation Fund” other than from the General Fund?

This researcher reviewed the rules pertaining to the City of Tiffin Revolving Loan Fund. This program is funded by the Ohio Department of Development and administered by the various county and municipal authorities around the State of Ohio. According to the program rules a city or county may grant funds from the Revolving Loan Fund to

another fund for use in economic development of “blighted” areas. It is under this interpretation that this researcher will propose city council to grant an initial \$100,000 to the newly formed hazard mitigation fund.

4. What economic impact will the proposed legislation have on the City of Tiffin if it is adopted by city council?

Personal communication with the president of the Seneca Industrial and Economic Development Corporation revealed few surprises. As long as properties can be cleaned up and made safe without raising the tax burden of the local municipality the economic impact will be positive. As previously stated only time and measure will give this researcher the true reading of economic impact. But a review of economic history around the state and this locality indicate that revitalization is a sure first step in economic development.

#### Discussion

The effect of fire on a structure is dependent on several different variables such as: How long has the fire been burning? What is the structure made of? Was the structure sound before fire impingement? This list of questions is by no means all inclusive, but rather it is intended to illustrate the importance of controlling environment issues that are controllable. How do we reduce risk to ourselves and others?

As firefighters or fire departments we probably can not control when or how long a fire has been burning within a given structure, until we arrive on scene at least. We can, however, control to a certain extent at least, the condition of a structure within our jurisdiction before a fire or emergency situation occurs. This is why most departments have a fire safety inspection program of some type or another. But what happens when

we identify hazardous situations and there is not anyone willing to take financial responsibility of the problem? In the City of Tiffin this researcher has personal knowledge of several properties that have vacated buildings located on them. In some cases they are being visited by unauthorized people daily. This researcher has witnessed the aftermath of several small fires within these structures. One could argue it is only a matter of time until we are called to a working structure fire at one of these locations. The crew that is first to arrive on scene will clear the building for inhabitants and set up suppression activities. The entire time this crew will be hoping the dilapidated old building holds together long enough for them to complete their job.

Firefighting is dangerous business and anyone who chooses to engage in it is aware of the potential risk. Any experienced firefighter can attest that abandoned or dilapidated old buildings can be scary places to work in, especially when they are on fire. As a leader of my fire department it is up to me to make sure that I have done all that it is possible to do to keep my crew safe. Logic dictates that there is no better way to reduce a given risk than to remove the risk entirely.

If city council adopts this proposed legislation, the City of Tiffin Fire Department will have gained a valuable tool in community risk reduction. It should be noted that the benefits of increased economic development can have a dramatic effect on municipal government in the form of increased tax revenue. Increasing the tax base as opposed to the tax rate is always preferred in this area.

#### Recommendations

This applied research project has produced the following proposed legislation (Appendix B) and Hazard Mitigation Fund Rules for implementation (Appendix A).

Through personal communication with experts in the area of building demolition, this research recommends a beginning amount of \$100,000 dollars for the proposed Hazard Mitigation fund. This project further suggests the best way to fund the proposed fund would be to grant money from the existing Revolving Loan Fund to the Hazard Mitigation Fund. The Hazard Mitigation fund would then be replenished by applying to the Seneca County Auditor for attachment of a lien to the property in the amount expended on the property for hazard mitigation in accordance with Ohio law. This would allow for collection of funds from property owners at the time of property transference.

A key to the success of this proposed legislation is that it will not compete with the General Fund for dollars and once funded should remain self sustaining. If adopted, this legislation will serve as an excellent example community risk reduction through engineering solutions. Common sense dictates that the best way to mitigate any hazard is to remove the hazard all together.

In the November elections of 2006 Ohio selected a new Governor, Ted Strickland. In Governor Stricklands campaign he placed a great deal of importance on economic development in Ohio. Soon after taking office in January of 2007, Governor Strickland appointed Lieutenant Governor Lee Fisher to be the Director of the Ohio Department of Development. Lieutenant Governor Lee Fisher has stated in several public appearances and in a meeting attended by this researcher that the Strickland administration will propose an increase in funding for the Department of Development in upwards of \$100,000 dollars, in the Governors Budget Proposal to the General Assembly of Ohio for the 2007-2008 budget cycle. This is significant for this applied research project because this increase in funding may precipitate a rule change at the Department of development

that will allow additional funds, separate from the Revolving Loan Funds, to be used in the proposed Hazard Mitigation Fund.

On March 15, 2006 Governor Strickland proposed his Budget to the Ohio General Assembly and did, in fact, include additional funds for the Ohio Department of Development. The additional funds were to be obtained through allowing certain loopholes in Ohio's Commercial Activities Tax to close, thus increasing tax revenue for the state by some \$400,000 million in new monies. Shortly after the Governors Budget Proposal the Speaker of the House, Mr. John Hustead, claimed the Governor had pledged to keep the tax loophole open. This would only allow for some \$190,000 million in new monies for the budget cycle. At the due date of this project the final outcome had not been determined. This researcher will obtain a definitive answer from the Ohio Department of Development as to the availability of additional funding or separate funding for this project, prior to proposal to Tiffin City Council.

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Appendix A

City of Tiffin Hazard Mitigation Fund Program Plan

Part One

I. Geographic Area and Creation of the HMF Committee

A. Hazard Mitigation Fund Geographic Area

The geographic area for the Tiffin Hazard Mitigation Fund consists of all properties within the boundaries of the City of Tiffin.

B. Hazard Mitigation Fund Committee (HMFC)

The Hazard Mitigation Fund Committee is appointed by the City of Tiffin, according to Ordinance Number (TBD), dated (TBD). Members of the Hazard Mitigation Fund Committee shall be appointed according to Part III, Section A of this plan.

Part Two

II. Program Elements

The City of Tiffin Hazard Mitigation Fund has been designed to address the following safety problems with vacated properties:

- The need to secure vacated properties to ensure only authorized persons are entering and exiting same.
- The need to address safety problems associated with vacant properties in a timely fashion, specifically when property owners are unable or fail to do so.
- The reluctance of city officials to spend General Fund monies in the mitigation of hazards on private property.
- The need to create a source of funds not in direct competition with traditional funding sources such as the General Fund.

A. Statement of Program Goals and Objectives

1. To create a self sustaining fund for use in addressing safety problems with vacated properties.
2. To reduce risk to citizens and public safety personnel from hazards associated with vacated properties.

The Hazard Mitigation Fund Program for the City of Tiffin has been established to meet the following goals:

1. To promote the reduction of hazards associated with vacated properties.
2. To immediately address identified hazards if property owners fail or are unable to do so.
3. To promote new economic development in the City of Tiffin.

To meet these goals, the operation of the City of Tiffin Hazard Mitigation Fund will address the following objectives:

1. Mitigate hazards associated with vacant properties.
2. Create a pool of money to finance the cost associated with mitigating hazards associated with vacant properties.
3. Encourage the redevelopment of blighted and/or vacant land and/or facilities and return them to productive use.
4. Coordinate with other state and local public safety organizations to avoid duplication of effort, to the greatest extent possible.

#### B. Identification of hazardous situations

The City of Tiffin Fire and Rescue Division has a long established, aggressive fire safety inspection program. This program uses the City of Tiffin Fire Code as adopted by the City of Tiffin City Council. Most hazards will be brought to the property owner's attention and corrected by the property owner without incident. In the following instances the properties will be reported to the City of Tiffin Administrator for consideration of use of Hazard Mitigation Funds to correct the problems:

1. The owner of the property in question can not be identified, located or both.
2. The property owner fails to take the appropriate action due to lack of financial ability.
3. The property owner fails to take the appropriate action required by the fire code and the City of Tiffin City Council deems the hazards associated with the property an immediate life safety hazard as defined by the City of Tiffin Fire Code.

#### C. Targeting Criteria

All private property located within the geographic boundaries of the fund are eligible for participation in the Hazard Mitigation Fund program. Eligibility for the program is initially based on this location requirement; however, in the future, changing conditions may result in the targeting of Hazard Mitigation Funds for needs outside of the fund's stated geographic area.

D. Standards for a Hazard Mitigation Fund Project

All individual projects must conform to the following fund requirements. These requirements will determine the Hazard Mitigation Fund's effectiveness as a safety and economic development tool, and will ensure the funds are reaching the intended target.

1. Eligible types of fund expenditures include the following:
  - a. Hazardous material cleanup assistance.
  - b. Unsafe building razing and removal.
  - c. Securing of property to prohibit unauthorized entry.
  
2. Eligible fund expenditures must include a provision for improvement of the area for stabilization or economic development as follows:
  - a. Hazard Mitigation Fund expenditures will normally finance the mitigation of hazards associated with private properties when property owners fail to take financial responsibility.
  - b. Fund activities will be utilized to improve blighted or economically depressed areas as identified by the Ohio Department of Development.
  
3. Ineligible fund expenditures include the following.
  - a. Financing a project that does not meet the preceding requirements.
  - b. Financing projects of a public nature.
  - c. Projects that the fund can not obtain the appropriate assessment of real estate taxes for fund reimbursement.
  
4. The program must be assured that required financing is not available through other sources, and that, without Hazard Mitigation Fund involvement, the project will not proceed and hazards will remain a threat to the public health and welfare. This assurance will be obtained through a financial analysis of the property owner when possible.

E. Fund expenditure Policies and Techniques

1. The estimated average size of loans is \$5,000- \$50,000, with \$50,000 the maximum available to a single borrower. On a case by case basis, however, the Committee will consider granting a waiver of the loan cap for larger projects.

2. In addition to those ineligible expenditure activities stated in this plan, projects that will not be considered for financing assistance by the Hazard Mitigation fund are as follows:

- a. Projects where the cost of the expected mitigation exceed the estimated value of the property by more than 120%.
- b. The property owner has the ability to make the needed improvements to the property without fund assistance.

3. The hazard Mitigation Fund will charge interest on funds expended and the total amount will be placed on the tax duplicate and collected in accordance with current tax State of Ohio tax code.

4. The Hazard Mitigation Fund Committee will identify and direct the property owner, when possible, to other programs offered by federal, state and local authorities. These programs should be investigated by the committee and the property owner and used to the maximum extent feasible, reserving the Hazard Mitigation Fund program as a last resort.

5. Disbursement of Hazard Mitigation Funds may only be made after final Hazard Mitigation Fund Committee approval. The City of Tiffin and the committee must also ensure that the Hazard Mitigation Fund disbursements are only for the items approved under the guidelines of the program rules.

### Part III

#### III. Administration Elements

##### A. Governing Body

The Hazard Mitigation Fund Committee will be solely responsible for the following functions:

1. Review, selection and approval/disapproval of loan applications.
2. Establishment of policies and procedures for the Hazard Mitigation Fund program.
3. Review/revision of such policies and procedures, as necessary.
4. Final decisions concerning Hazard Mitigation Fund expenditures.

The Hazard Mitigation Fund Committee will meet as necessary to review recommendations of the City Administrator. The Committee will review each recommendation to determine the following:

1. Amount of financing required for the proposed project.
2. Specific hazards to be mitigated and how.

3. Ability of property owner to repay the fund.
4. Estimated value of property after final mitigation of hazards.
5. Any special economic development benefits.

B. Staff Capacity

1. The City of Tiffin Fire Chief or his designee will serve as the Hazard Mitigation Fund administrator. The Fund Administrator will possess skills in the areas of fire safety, building construction and hazardous materials. The assistance of outside consultants for the following may be required:

a. Legal Counsel- Preparation of appropriate documents, including but not limited to review of title examination of property involved in project; review and preparation of legal documents related to appraisals of property for a determination of estimated property value; preparation of legal documents related to real estate taxes and assessments and invoking judicial procedures as required and all other legal matters as directed by the Director of Law. The attorney serving the Hazard Mitigation fund program shall be appointed by the Director of Law in accord with provisions of Section 6.02(E), Tiffin City Charter, and shall be under the supervision of the Director of law. Compensation for the Hazard Mitigation Fund legal council shall be as determined by the Mayor and Director of Law, from funds appropriated by City Council for such purpose. All documents, contracts, and legal proceedings shall be approved by the Director of Law in behalf of the City, or as delegated by him for approval by Hazard Mitigation Fund council.

Other consultants, which may be required on a case-by-case basis, will be required to also execute a letter of agreement with the Hazard Mitigation Fund Committee, and payment of any consulting fees must be approved by the Mayor.

The Fund administrator will be responsible for the following: Eligible project identification and preliminary analysis of projects based on program criteria and potential economic benefits to the project area.

C. Fund expenditure and approval process.

1. Review and Approval Process

The Fund administrator will recommend to the Hazard Mitigation Fund Committee the approval of expenditures for hazard mitigation, when the guidelines and spirit of this program have been met. The committee shall then review all pertinent information and approve or disapprove the said proposed project.

## 2. Specific Procedures

The fund administrator will prepare a monthly management report which describes the projects as either current or completed and actions taken to ensure proper procedures for fund reimbursement have been followed.

- a. The Fund administrator will conduct a timely follow up to ensure that the promised actions occur.
- b. A project will not be considered complete until funds have been repaid to the Hazard Mitigation Fund.

### C. Re-Capitalization of Hazard Mitigation Fund Strategy

Projects that are financed through the use of Hazard Mitigation Fund monies shall be obligated to repay any and all expenditures forwarded by said fund. Methods of repayment shall include but are not limited to the following:

1. Payment of cash directly to the Fund from the responsible property owners.
2. Payment from the County Auditor from funds received from real estate assessment in accordance with Ohio law.

The Hazard Mitigation Fund will be a special fund in the City of Tiffin General Depository. It will earn its share of interest monthly as determined by the Director of Finance.

### D. Other Requirements

As discussed above, compliance with applicable federal and state requirements will be dealt with via monitoring activities, conducted by the Fund administrator as follows:

#### 1. Assurance regarding compliance with:

##### a. Environmental

- i. The National Environmental Policy Act of 1969, as amended;
- ii. The National Historic Preservation Act of 1966
- iii. The Clean Air Act, as amended;
- iv. The Federal Water Pollution Control Act, as amended;
- v. The Wild and Scenic Rivers Act;
- vi. The Endangered Species Act of 1973;
- vii. The Historical and Archaeological Data Preservation Act, as amended; and
- viii. Safe Drinking Water Act.

b. Civil Rights

- i. 13 CFR Sub-Title A, Part 8, “Civil Rights and Title VI of the Civil Rights Act 1964;” and
- ii. 13 CFR Part 311, Sub-Part D, “Non-discrimination.”

c. Access for the Handicapped

All projects involving construction of new facilities will provide for accessibility to the handicapped.

- 2. The preliminary project review will identify any potential area of non-compliance with the Civil Rights, environmental, and handicapped access. The review will take place prior to approval of the project.
- 3. Corrective action may be instituted on the basis of monitoring on-site visits and/or complaints received, dependent upon the area of required compliance.
- 4. Conflict of interest

Elected officials and those responsible for administering the Hazard Mitigations Fund program and are also responsible for maintaining the integrity of the Hazard Mitigation Fund program.

Conflicts of interest are prohibited. For any entity associated with another entity that controls or influences Hazard Mitigation Fund activities, that entity may not undertake the following:

- a. Obtain personal or financial interest of benefits, including money, favors, gratuities, entertainment or anything of value that might be interpreted as conflict of interest; or
- b. Obtain a direct or indirect interest in any contract, subcontract or agreement for any Hazard Mitigation Fund activity. This prohibition extends to contracts in which the entity’s spouse, minor child, dependent or business associate may have personal or financial interest. This prohibition extends for a period of one year after the person leaves his/her position with a Hazard Mitigation Fund activity.
- c. A project which is funded and fails to comply with any of the above items, after the date of project approval must be brought into compliance within a time frame to be established by the Hazard Mitigation Fund Committee in conjunction with the appropriate federal and/or state authorities. If the project fails to comply with these requirements within the established time frame, the project and expended funds may be

terminated and recalled immediately. This Stipulation will be included in the project requirements.

The rules and conditions contained here in are agreed to and accepted by the Mayor of the City of Tiffin, who here unto sets his hand on this the (TBD) year of our lord (TBD).

Signed,

\_\_\_\_\_  
Signature (Mayor)

\_\_\_\_\_  
Title

\_\_\_\_\_  
Type Name

\_\_\_\_\_  
Date

Appendix B

ORDINANCE NO. \_\_\_\_\_

Introduced by \_\_\_\_\_

Date: \_\_\_\_\_

**ORDINANCE AUTHORIZING THE ESTABLISHMENT OF THE CITY OF TIFFIN HAZARD MITIGATION FUND UTILIZING A GRANT FROM THE REVOLVING LOAN FUND, AND GOVERNED WITH BY-LAWS MODELED AFTER THE TIFFIN REVOLVING LOAN FUND.**

**The Council of the City of Tiffin, Ohio, finds:** There has been a need expressed by the administrators of the Fire and Rescue Division to mitigate hazards associated with vacated properties located within the geographical borders of the City of Tiffin when property owners fail to take financial responsibility for said properties. It is therefore necessary to create a new fund, called the Hazard Mitigation Fund, in which to place granted monies from the revolving loan fund. The new fund would be established and governed by by-laws modeled after those governing the Revolving Loan Fund for the City of Tiffin. The creation of this new fund would be reflected in the line items for the City budget.

**THE COUNCIL OF THE CITY OF TIFFIN THEREFORE ORDAINS:**

SECTION 1: There is hereby established the Hazard Mitigation Fund, which shall contain funds obtained by a grant from the Revolving Loan Funds. Interest obtained by the Hazard Mitigation Fund shall remain with Hazard Mitigation Fund. Hazard Mitigation Fund By-laws will be modeled after Revolving Loan Fund By-laws.

SECTION 2: Ordinance 93-79 (Budget) is hereby amended to add a separate fund entitled Hazard Mitigation Fund and such subtitled line items as are necessary to carry out the requirements of this Ordinance. The Director of Finance is hereby authorized to made such adjustments as are necessary to create this fund, segregate its monies from those of Revolving Loan and Block Grants, and adjust existing funds to reflect the ordered changes.

**Authenticated:**

\_\_\_\_\_  
Presiding Officer of Council

and

\_\_\_\_\_  
Clerk of Council

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Approved: \_\_\_\_\_  
Mayor

Date Approved: \_\_\_\_\_

Effective Date: \_\_\_\_\_

Appendix C

Contact information of individuals used in personal communications for purposes of this applied research project:

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