

Dayton may expand housing code process

Owners of problem properties can be hard to find; civil process could also help low-income individual owners.



There are dangerous, blighted buildings along North Main Street in Dayton.
MARSHALL GORBY / STAFF

BY CORNELIUS FROLIK - STAFF WRITER

CLOSER LOOK

Dayton has struggled to hold limited liability companies responsible for housing and building code violations in a city with many decaying properties.

Now the city is exploring a new model that officials hope will result in increased compliance.

“Working with our colleagues in law, we identified the need not to change but to expand our options,” said Steven Gondol, Dayton’s deputy director of the department of planning, neighborhoods and development.

About 11,125 properties were sold and transferred in the city of Dayton last year, and more than 30% involved an LLC as the buyer, seller or both, according to data from the Montgomery County Auditor’s office.

More than 9,700 properties in Dayton are owned by LLCs, or more than 13% of the total, the auditor’s office said.

City officials say holding LLCs accountable for code violations under the current criminal system is very difficult.

LLCs shield landlords against personal liability for properties they acquire and own, and often they can conceal their identities.

Businesses must register with the Ohio Secretary of State, but they do not have to identify the owners — just the agents who registered the companies.

Registered agents usually file the paperwork or draft the articles of incorporation, but they usually have nothing to do with the actual legal entity that is created, said Marty Gehres, clerk of Dayton Municipal Court.

If the city files criminal charges against a property owner, notice is sent to the the registered agent, the LLC and the owner if their identity is known, but oftentimes no one appears in court on the owner’s behalf and a warrant is issued for the LLC.

Authorities, however, cannot arrest an LLC, and the outcome of these criminal cases cannot be determined until the owner appears in court, which may never happen, officials said.

A team of people, led by Dayton’s law department, is working on a new proposed civil administrative process for code enforcement cases, said Dayton City Manager Shelley Dickstein.

“That’s all new,” she said.

“We’re trying to figure out all of the intricacies, all of the moving parts.”

A new civil administrative process could help the city respond to a “changing landscape” of property ownership, Gondol said.

Gondol said a new civil process also could help residents who do not have the resources to repair their properties and fix violations.

Administrative hearings could help connect low-income residents and other vulnerable community members with resources to help remedy code issues at their properties, officials said.

“Getting a criminal record on them is not the answer,”

Gondol said.

Dayton’s housing inspectors can issue tickets for housing code violations, which generally are minor misdemeanor offenses with fines up to \$150.

Property owners and tenants also can face fourth-degree misdemeanor charges if they fail to correct violations.

Legal orders are issued to property owners whose properties have exterior or interior violations, and they usually have 30 to 60 days to correct the violation, and failure to obey a legal order is a third-degree misdemeanor.

Between 2019 and 2021, more than 1,140 minor misdemeanor code violation cases were filed in Dayton Municipal Court, and many of these cases were for failing to maintain the exterior of properties.

During the same timeframe, about 130 misdemeanor charges were filed in municipal court for code violations like failing to comply with a legal order or repeated and escalating housing code violations.

Dayton Mayor Jeffrey Mims Jr. said he likes the idea of a “softer” approach to addressing code issues for residents who can’t make improvements and repairs themselves.

“Sending them to criminal court, and giving them these major violations ... really does not help the problem,” he said.

Mims and other Dayton leaders said they are pleased with some updates to the online building permit and code enforcement system, and they praised a recent reorganization of Dayton’s planning department and divisions of housing inspection, enforcement and zoning .

Housing and inspection now has 29 full-time employees, including conservation specialists (housing inspectors) and nuisance abatement specialists — about half of whom were hired in roughly the last year, Gondol said.

City staff conducted about 13,000 inspections in 2021.

“I really appreciate the new approach and the willingness to look at new ideas,” said Dayton City Commissioner Matt Joseph.

