

FILE OF COUNCIL NO. ____

2022

AN ORDINANCE

AMENDING THE CONTRACTOR LICENSING REQUIREMENTS AND RELATED PROVISIONS.

WHEREAS, the City wishes to amend its contracting license requirements and related provisions; and

WHEREAS, by amending these license requirements and related provisions, the City can cut red tape for homeowners, businesses, and contractors, unlocking much needed capacity to construct and rehabilitate the City's housing and commercial stock.

NOW THEREFORE, BE IT ORDAINED AND ENACTED that all prior ordinances that have been codified in Chapter 203—including but not limited to FOC 155, 1999 as amended in its entirety by FOC 63, 2016, as further amended by FOC 98, 2017, and as may have been amended further—are hereby amended or repealed to the extent necessary to amend Chapter 203 in its entirety by replacing Chapter 203 with the following:

Chapter 203 Contractors, Permits, and Inspections

203-1 Definitions.

The following words, terms and phrases when used in this chapter shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning. When not inconsistent with the context, words used in the present tense include the future; words in the plural number include the singular number; and words in the singular shall include the plural.

AGENT

Any director, officer, servant, employee, or other natural person authorized to perform contracting work on behalf of the partnership, corporation, LLC, or other business or non-business entity.

APPRENTICE

A person who is engaged in learning a trade under the direction or instruction of a master contractor or Journeyperson and/or who is enrolled in the United States Department of Labor/Bureau of Apprenticeship training program.

AUTOMATIC FIRE SUPPRESSION SYSTEM CONTRACTOR

A Contractor who installs, erects, alters, extends, maintains, or repairs foam, halogenated, wet-spray, or wet-chemical extinguishing systems or portable fire extinguishers.

AUTOMATIC SPRINKLER SYSTEM CONTRACTOR

A Contractor who installs, erects, alters, extends, maintains, or repairs fire protection systems.

BCO

The Designated City of Scranton Building Code Official, as defined in the UCC and as certified pursuant to the UCC, or their designee, as appropriate.

BOARD

The Housing Board of Appeals as established through Ordinance No. 20 of 1964, Section 7.

BUREAU

The Bureau of Code Enforcement within the Department of Community Development of the City of Scranton.

CARPENTRY CONTRACTOR

A Contractor who performs rough framing, trusses, sheathing, metal framing, paneling, trim, cabinetry, doors, windows, stairs, and incidental hardware work on residential or commercial buildings. This term shall not include the construction of new commercial buildings, the removal or cutting of any structural beam or bearing support on commercial buildings, nor shall the term mean services related to any plumbing, electrical, or mechanical work in either residential or commercial buildings conforming.

CONTRACTOR

Any Person who undertakes, offers to undertake, or agrees to perform any Home Improvement, property improvement, construction, demolition, or other work governed by the UCC.

CORPORATION

A body formed and authorized by law to act as a single person although constituted by one or more persons and legally endowed with various rights and duties.

DEMOLITION CONTRACTOR

A Contractor who performs the demolition and removal of structures and buildings on residential or commercial buildings.

DIRECTOR

The Director of the Bureau of Code Enforcement.

ELECTRICAL INSPECTOR

One who shall enforce all provisions of the Electrical Code as adopted by the City. Said official shall have the administrative authority to promulgate rules and regulations which serve to interpret or supplement the provisions of the code so long as such rules conform to the intent of the code. Said official shall act on questions relative to the installation, alteration, repair, maintenance or operation of all electrical systems, fire protection signaling systems, emergency lighting, alarm and communication systems, devices and equipment, as well as other cases relating to electrical matters. Said official shall issue permits and direct collection of the respective permit fees.

ELECTRICAL CONTRACTOR

A Contractor who performs electrical work, including installing, erecting, altering, extending, maintaining, or repairing electrical, communication, and/or fire alarm systems. This includes a Contractor who carries on such business as an electrical contractor, having the final determination and the full responsibility for the manner in which the work is done, for the materials used and for the selection, supervision, and control of electricians employed on the work engaged in by said Contractor.

ENVIRONMENTAL REMEDIATION CONTRACTOR

A Contractor who identifies or remediates asbestos or other such environmental hazards at a residential or commercial property.

GENERAL CONTRACTOR

A Contractor who performs general construction work, including the construction and/or repairs and renovations of single- and/or multiple-family dwellings, or commercial, educational, institutional, manufacturing, or industrial buildings. This includes a Contractor who carries on such business as a general contractor having the final determination and the full responsibility for the manner in which the work is done, for the materials used and for the selection, supervision, and control of subcontractors and mechanics employed on the work engaged by said Contractor.

HOME IMPROVEMENT

The construction, repair, replacement, alteration, addition, remodeling, conversion, modernization, improvement of/to any land or residential building; and shall also include the construction, replacement, or improvement of porches, garages, landscaping, fences, fallout shelters, above-ground swimming pools, and other improvements to structures or upon land which is adjacent to dwelling. Home Improvement shall not include the sale of goods or materials by a seller who neither arranges to perform nor performs directly or indirectly any work or labor in connection with the installation of or application of the goods or materials. Home Improvement shall not include the construction of a new home, the demolition of a residential structure (except those structures exempt from permit requirements under the UCC), the removal or cutting of any structural beam or bearing support, or the removal or change of any required means of egress, or re-arrangement of parts of a structure affecting the exit requirements, nor shall Home Improvement include the replacement or relocation of any stand pipe, water supply, sewer drainage, gas, waste, vent, or similar piping, electrical wiring, or mechanical conduit.

HOME IMPROVEMENT CONTRACT

An agreement, whether oral or written, or contained in one or more documents, between a contractor and an owner for the performance of Home Improvement, and includes all labor, services, and materials to be furnished thereunder.

HOME IMPROVEMENT CONTRACTOR

A Contractor who performs Home Improvement on residential buildings (one- and two-family dwellings and townhouses), including engaging in the construction, repair, replacement, alteration, addition, remodeling, conversion, modernization, or improvement to any such land, residential building, porch, garage, landscaping, fence, and other such structures or land adjacent to such a dwelling house.

ICC

The International Construction Code, as may be amended.

JOURNEYPERSON

An individual who has sufficient skill and knowledge of a trade, craft, or occupation, either through formal apprenticeship or through practical on-the-job experience, to be recognized by a state or federal registration agency and/or an industry as being fully qualified to perform the work of the trade, craft, or occupation.

MASONRY CONTRACTOR

A Contractor who performs masonry work, including the installation of brick, block, stone, slate, brick pavers, precast stone, precast concrete plank, or any other related masonry products.

MASTER CONTRACTOR

A General Contractor, Electrical Contractor, Mechanical Contractor, or Plumbing Contractor qualified for residential and commercial work, in the relevant field, governed by the UCC.

MECHANICAL INSPECTOR

One who shall enforce all provisions of the Mechanical Code. Said official shall have the administrative authority to promulgate rules and regulations which serve to interpret or supplement the provisions of this code so long as such rules conform to the intent of the code. Said official shall act on questions relative to the installation, alteration, repair, maintenance or operation of all mechanical systems, fire protection and fire suppression devices and equipment. Said official shall issue permits and direct collection of the respective permit fees.

MECHANICAL CONTRACTOR

A Contractor who performs mechanical work, including installing, erecting, altering, extending, maintaining, or repairing heating and ventilation systems, air-conditioning systems, refrigeration systems, process piping, and sheet-metal work.

NON-MASTER CONTRACTOR

A Journeyman, an Apprentice, or, at the discretion of the Director, a participant or graduate of any other trade skills-learning program.

OWNER

Any homeowner, tenant, or any other person who orders, contracts for, or purchases the Home Improvement service of a Contractor, or the person entitled to the performance of the work of a Contractor pursuant to a Home Improvement Contract.

PARTNERSHIP

A legal relation existing between two or more persons contractually associated as joint principals in a business.

PAVING CONTRACTOR

A Contractor who performs the installation, repair, or replacement of driveways, sidewalks, parking lots, and other such impervious surfaces, for residential or commercial properties.

PERSON

An individual, partnership, corporation, trust, association, owner, contractor, salesperson, or any other legal entity.

PLUMBING CONTRACTOR

A Contractor who performs plumbing work, including plumbing or pipe-fitting work which involves the installation of, the roughing in, or openings for one or more water closets, toilets, sinks, washtraps, washbasins, leader connections, floor drains, septic tanks, or other item or equipment utilizing water or other liquids to carry away waste or sewage or for any similar purpose, as well as the repair or installation of water supply pipes or waste sewage lines.

PLUMBING INSPECTOR

One who enforces all provisions of the Plumbing Code. Said official shall have the administrative authority to promulgate rules and regulations which serve to interpret or supplement the provisions of the code so long as such rules and regulations conform to the intent of the code. Said official shall act on questions relative to the installation, alteration, repair, maintenance or operation of all plumbing system devices and related equipment. Said official shall issue permits and direct collection of the respective permit fees.

REFRIGERATION CONTRACTOR

A Contractor who maintains, including evacuating or recharging freon in, a refrigerator, freezer, vending machine, or similar refrigeration unit, for a residential or commercial property. This term shall not include a Contractor who installs HVAC systems or commercial refrigeration units.

RESIDENTIAL BUILDING

Also known as a private residence. Residential building shall be defined as one- and two-family dwellings and townhouses.

ROOFING CONTRACTOR

A Contractor who performs the installation, repair, or replacement of roof coverings, including roof deck installation, roof coating, painting, covering, and installation of nonstructural decking and siding on residential or commercial buildings.

SECURITY AND COMMUNICATION CONTRACTOR

A Contractor who performs security and communication work, including installing, erecting, altering, extending, maintaining, or repairing security systems and/or telephone systems under 50 volts.

SIGN CONTRACTOR

A Contractor who erects, installs, or repairs a freestanding sign or billboard or a sign or billboard attached to an existing building or other structure.

SPECIALTY CONTRACTOR

A Contractor who performs contracting work within a specifically defined field governed by the UCC and related City ordinances on residential or commercial buildings. This term shall not include the construction of new commercial buildings nor any plumbing, electrical, or mechanical work in residential or commercial buildings. Except for Demolition Contractors, this term shall not include the removal or cutting of any structural beam or bearing support on commercial buildings or the removal or change of any required means of egress on commercial buildings. Specialty Contractor shall include, Automatic Fire Suppression Contractor, Automatic Sprinkler System Contractor, Carpentry Contractor, Demolition Contractor, Environmental Remediation Contractor, Masonry Contractor, Paving Contractor, Refrigeration Contractor, Roofing Contractor, Sign Contractor, Security and Communication Contractor, and any other type of Contractor—other than Master Contractor, Home Improvement Contractor, or Non-Master Contractor—performing work governed by the UCC.

UCC

The Uniform Construction Code, as adopted in City Code Chapter 201.

203-2 Contractor License Requirement**A. License Required for Work.**

- (1) Only a Master Contractor, Specialty Contractor, Home Improvement Contractor, or Non-Master Contractor licensed in accordance with this Chapter may perform work governed by the Uniform Commercial Code (UCC) within the City of Scranton, unless an exception in Sub-Section D applies.
- (2) A Master Contractor, Specialty Contractor, Home Improvement Contractor, or Non-Master Contractor may only perform such work that is within the scope of their license.

B. License Required for Permits.

- (1) Only a Master Contractor, Specialty Contractor, or Home Improvement Contractor licensed in accordance with this Chapter may apply for a permit, unless an exception in Sub-Section E applies.
- (2) A Master Contractor, Specialty Contractor, or Home Improvement Contractor may only apply for a permit within the scope of their license.

C. Types of Licenses. Contractors who fulfill the requirements of this Chapter and are determined by the Director or their designee to be qualified to perform contracting work in one of the following fields shall be granted a Contractor license for that type of work, as follows.

(1) Master Contractors.

- i. General Contractor
- ii. Electrical Contractor
- iii. Mechanical Contractor
- iv. Plumbing Contractor

(2) Specialty Contractors.

- i. Automatic Fire Suppression System Contractor
- ii. Automatic Sprinkler System Contractor
- iii. Carpentry Contractor
- iv. Demolition Contractor
- v. Environmental Remediation Contractor
- vi. Masonry Contractor
- vii. Paving Contractor
- viii. Refrigeration Contractor
- ix. Roofing Contractor
- x. Sign Contractor
- xi. Security and Communication Contractor
- xii. Any other type of Contractor, other than Master Contractor, Home Improvement, or Non-Master Contractor work, performing work governed by the UCC

(3) Home Improvement Contractors.

(4) Non-Master Contractors.

- i. Journeyperson
 1. Electrical Journeyperson
 2. Mechanical Journeyperson
 3. Plumbing Journeyperson
- ii. Apprentice
 1. Electrical Apprentice
 2. Mechanical Apprentice
 3. Plumbing Apprentice
- iii. Any other trade skills-learning program, at the discretion of the Director.

D. License Coverage.

(1) Annual Term. All licenses, except Onetime Licenses, shall be issued for a term of one calendar year.

- i. All licenses granted from an Initial Application shall be valid for the remainder of that calendar year.
- ii. All licenses granted from a Renewal Application shall be valid for that entire calendar year.

(2) Onetime. The Director may issue a Onetime License to a Contractor not normally doing contracting work in the City, after the applicant's Initial Application has been reviewed by the Director. This Onetime License shall be for a specific job or construction and shall terminate upon completion of the work. Said work shall be work which shall be permissible under one permit at one location.

E. Exceptions.

- (1) Homeowner.** Any natural person engaged in Home Improvement on a one- or two-unit residential property owned exclusively by them and occupied as their residence shall be allowed to obtain a building permit for and perform such work, without being a licensed Contractor, so long as they meet all other requirements of City Code, including this Chapter and the UCC. This provision does not pertain to commercial buildings or to any electrical, plumbing, or mechanical work.
- (2) Public Utility.** No Contractor license shall be required by any public utility company when acting within the scope of providing public utility services.

However, a license will be required when any public utility company performs work which is outside of the scope of providing public utility services in the capacity of a private contractor.

F. Subcontractors.

- (1) Every subcontractor performing contracting work under a prime contractor must also have a Contractor's License.
- (2) Every Contractor must submit, at a minimum, the name and address of all subcontractors for any project requiring a permit. The Contractor must update such subcontractor list within 15 days of any changes.

G. Other Requirements.

- (1) **Adult.** A Contractor must be at least 18 years old to obtain a license.
- (2) **Business Entities.** In the case of a partnership, corporation, LLC, or other business or non-business entity, a Contractor's license shall only be issued to a natural person, who must show proof of being an authorized Agent of the entity. Only the natural person is licensed, not the entity itself.
- (3) **Apprentice Supervision Required.** An Apprentice shall be supervised by a Master or Journeyman of the trade. A Master Contractor or Journeyman may not supervise more than three Apprentices on the job site.

203-3 Contractor License Eligibility

A. Minimum Requirements. Initial Applications for all Contractors, except Home Improvement Contractors, shall include, at a minimum, the following:

- (1) Name
- (2) Address
- (3) Business name and address, if applicable
- (4) Date of Birth
- (5) Photo ID
- (6) Indemnification Statement
- (7) Disclosure Statement
- (8) Insurance Information (Master and Specialty Contractors only)
- (9) Unsworn Affidavit
- (10) Fee payment
- (11) Any additional information requested by the Bureau

B. Master Contractor Licenses. Initial Applications for Master Contractor Licenses shall consist of either Option A or Option B, as follows.

- (1) Master Option A:
 - (a) All Minimum Requirements
 - (b) Exam Results demonstrating a passing score on a UCC exam or ICC exam in the relevant subject
- (2) Master Option B
 - (a) All Minimum Requirements
 - (b) Reference Letter from a contractor for whom the Contractor was or is employed
 - (c) Reference Letter from an inspector—ICC- or UCC-certified in the relevant field—who has inspected work done by the Contractor
 - (d) Reference Letter from a licensed design professional, such as an engineer or architect, who has worked with Contractor
 - (e) Proof of 4 years of practical experience:
 - (i) Proof of 4 years of practical experience in contracting work, by providing W-2 or 1099 forms; or
 - (ii) Proof of 2 years of practical experience in contracting work, by providing W-2 or 1099 forms, and proof of 4 years of post-secondary education covering contracting work; or
 - (iii) A combination of 2 or more years of practical experience and post-secondary education covering contracting work,

with each year of education equaling half a year of practical experience.

C. Specialty Contractor Licenses. Initial Applications for Specialty Contractor Licenses shall consist of either Option A or Option B, as follows:

- (1) Specialty Option A:
 - (a) All Minimum Requirements
 - (b) Exam Results demonstrating a passing score on a UCC exam or ICC exam in the relevant subject
- (2) Specialty Option B
 - (a) All Minimum Requirements
 - (b) Proof of experience in the relevant contracting work, which shall include 2 Reference Letters

D. Home Improvement Contractors. Initial Applications for Specialty Contractor Licenses shall consist of the following:

- (1) All Minimum Requirements
- (2) Copy of the Contractor's Pennsylvania Home Improvement Contractor registration certificate
- (3) Reference Letter from an employer or client
- (4) Fee payment
- (5) Any additional information requested by the Bureau

E. Non-Master Contractor Licenses.

- (1) **Journeyman.** – Initial Applications for Journeyman Licenses shall consist of either Option A or Option B, as follows.
 - (a) Journeyman Option A:
 - (i) All Minimum Requirements
 - (ii) Proof of successful completion of an apprenticeship program through the U.S. Department of Labor's Bureau of Apprenticeship.
 - (b) Journeyman Option B:
 - (i) All Minimum Requirements
 - (ii) Proof of 2 years of practical experience in contracting work
 - (iii) Reference Letter from an employer
 - (iv) Exam results, certificate of completion, or diploma from an accredited trade school
- (2) **Apprentice.** Initial Applications for all Contractors shall include, at a minimum, the following:
 - (a) All Minimum Requirements
 - (b) Proof of current enrollment in an apprenticeship program through the U.S. Department of Labor's Bureau of Apprenticeship.

F. Renewals. After submitting an Initial Application that resulted in the Contractor receiving a Contractor License, a Renewal Application shall consist of the following:

- (1) **Master and Specialty Contractors.**
 - (a) City of Scranton Contractor License number
 - (b) Updated Insurance Information
 - (c) Any changes in the information on file with the Bureau
 - (d) Unsworn Affidavit
 - (e) Fee payment
 - (f) Master Electrical Contractors only: proof of 8 hours of Continuing Educational Units (CEUs) from an organization deemed acceptable by the Pennsylvania Department of Labor and Industry
 - (g) Any additional information requested by the Bureau
- (2) **Home Improvement Contractors.**
 - (a) City of Scranton Contractor License number
 - (b) Copy of the most recent Contractor's Pennsylvania Home Improvement Contractor registration certificate

- (c) Any changes in the information on file with the Bureau
- (d) Unsworn Affidavit
- (e) Fee payment
- (f) Any additional information requested by the Bureau

(3) Non-Master Contractors.

- (a) City of Scranton Contractor License number
- (b) Any changes in the information on file with the Bureau
- (c) Unsworn Affidavit
- (d) Fee payment
- (e) Any additional information requested by the Bureau

G. Due Dates.

- (1) Initial Applications and Onetime Applications must be submitted and approved prior to performing any work governed by the UCC or applying for any permit.
- (2) Renewal Applications shall be due prior to being approved for a permit that calendar year or by March 31, whichever comes first.
 - (a) A Late Fee shall be added to any Renewal Application received after March 31.

H. Requirement Descriptions.

(1) Insurance Information.

- (a) Certificate of Insurance proving general liability, property damage, and public liability insurance amounting to \$500,000 per person and \$1,000,000 per occurrence; and

(b) Either:

- (i) Proof of workers' compensation insurance; or
- (ii) An affidavit that the contractor does not employ other individuals and is not required to carry workers' compensation insurance; or

(2) Indemnification Statement. Statement indemnifying and holding harmless the City, its officers, and its employees of and from any and all damages caused by any negligence in pursuing and protecting the Contractor's work, or by any unfaithful, imperfect or inadequate work done by virtue of the license issued to them.

(3) Disclosure Statement. Either:

- (a) Disclosure and explanation of any active, pending, or prior litigation regarding the contractor's performance; of any active, pending, or prior contractor license revocation or suspension by the City or any other jurisdiction; and of any active, pending, or prior insurance claims against the contractor; or
- (b) Statement affirming that such disclosure is not applicable to the contractor.

(4) Unsworn Affidavit. "I verify that the foregoing facts are true and correct to the best of my knowledge, information, and belief. I understand that false statements herein are made subject to penalties of 18 P.A.C.S § 4904 relating to unsworn falsification to authorities."

(5) Letters of Reference.

- (a) Reference letters should include, but need not be limited to: number of years employed, extent of such experience, professionalism, quality of work performed, reliability, and competence in the field.
- (b) Reference letters must include an Unsworn Affidavit.

I. Miscellaneous.

- (1) **Additional Information.** The Director shall have the discretion to request additional information from an applicant for just cause.
- (2) **Licensing Discretion.** The Director shall have the discretion to issue a license for just cause in the event certain required information pertaining to contractor's licenses cannot be produced.
- (3) **Grandfathering.** All Contractors who held an active or inactive license in 2022 may apply for a 2023 license via a Renewal Application, provided that nothing in

this Chapter shall be interpreted to prevent the Bureau from requiring additional information in such Renewal Applications in order to ensure all such Contractors are in full compliance with all terms of this Chapter, as it has been amended.

203-4 Reserved.

203-5 Reserved.

203-6 Contractor License Fees.

A. Master and Specialty Contractors

- (1) Initial Application, Option A: \$225.00
- (2) Initial Application, Option B: \$250.00
- (3) Renewal Application: \$175.00
- (4) Late Fee: \$50.00

B. Home Improvement Contractors

- (1) Initial Application: \$150.00
- (2) Renewal Application: \$125.00
- (3) Late Fee: \$50.00

C. Non-Master Contractors

- (1) Journeyperson Initial Application: \$50.00
- (2) Journeyperson Renewal Application: \$25.00
- (3) Apprentice Initial Application: \$25.00
- (4) Apprentice Renewal Application: \$25.00
- (5) Late Fee: \$25.00

D. Multiple Types of Contractor Licenses

- (1) Second Initial Application: 20% discount
- (2) Second Renewal Application: 20% discount
- (3) Third and Subsequent Initial Applications: 30% discount each
- (4) Third and Subsequent Initial Applications: 30% discount each

203-7 Permit Requirement and Applications.

A. No person shall perform any contracting work within the City unless they first obtain a permit from the Bureau.

B. When required. It shall be unlawful to construct, alter, repair, add to, remove or demolish or to commence the construction, alteration, repair, addition, removal or demolition of a building or structure or to install, repair, alter, enlarge or replace any equipment related to the operation of a building or structure, including gas, electric or water appliances, heating systems, ventilating systems, air-conditioning systems, sprinkler and refrigeration systems, power facilities, sanitation, toilet and drainage facilities, signs and outdoor display structures, or use of services afforded by a public utility, or any land development, grading, excavating or blacktopping, without first filing with the Bureau an application, in writing, and obtaining a formal permit.

C. Permit application form. An application for a building permit shall be filed with the Bureau by the property owner or a licensed contractor employed in their respective field by the property owner in connection with the proposed work. An application must be signed by the property owner or their agent, and, in the case of a permit being issued to a licensed contractor employed by the property owner, the application must be signed by the contractor. An application for a permit for an electrical installation must be filed by a master electrician. An application for a permit for a plumbing or heating installation must be filed by a master plumber or mechanical contractor. At a minimum, the following information must be contained on said application:

(1) The full names, addresses and contact information of the applicant and of the owner or owners and, if the owner is a corporation, or its authorized agent(s)/officer(s). Agents and officers must provide valid proof that they are the responsible party/agent for the corporation.

(2) The location and intended use of the building or structure, with a pertinent description of the land and number of sublet, allotment, name of owner and street, and of each of the owners of such building, structure or premises.

(3) A description of the proposed work and such additional information as may be required by the Director, BCO, Zoning Officer, plumbing, mechanical and third-party agency to aid said officials in their decision to issue a permit for the proposed work.

(4) In the event that the application is filed by the property owner's licensed contractor employed in connection with the proposed work, a signed contract between the owner and the contractor employed in connection with the proposed work must accompany said application. If the owner is a corporation, said contract must be signed by one of its responsible officers and the contractor employed in connection with the proposed work.

(5) The estimated cost to complete the proposed work, including materials and labor. In the event that the proposed work is being done by the owner, the cost should be as if a contractor was performing the proposed work. If the application for a permit should fail to give the correct estimated cost of the work for which a permit is required, it shall be the duty of the Master Code Official to make the estimates to the best of their ability and add to the cost of the work to be performed.

(6) Proof of current insurance coverage provided by the applicant.

(7) The permit applicant must answer yes or no as to whether the said property is a condemned property in the City.

(8) The permit applicant must answer whether the said property is located within a floodplain zone in the City.

(9) The permit applicant must provide tax/map identification number.

(10) The permit applicant must answer whether said work is being done to an existing or new business.

D. Issuance of the permit.

(1) Before any permit will be issued to the applicant, the following shall be submitted to the BCO.

(a) Zoning approval.

(b) Sewer planning modules.

(c) Site plan stamped and certified by a registered surveyor.

(d) Erosion and sedimentation control plan (residential).

(e) Stormwater management and erosion and sedimentation control plan approved by the Lackawanna County Conservation District (commercial only).

(f) Geotechnical report (commercial only).

(g) Drawings and specifications to include architectural, plumbing, mechanical, sprinkler and electrical stamped and certified by a registered professional in the Commonwealth of Pennsylvania.

(h) Any other documents that the BCO requires for consideration.

(i) A signed copy of the contract on which the permitted work is being performed.

(2) Every permit shall be reviewed by the Director/BCO. No permit shall be issued until all of the appropriate inspectors have reviewed the permit application and approved said application.

(3) The application and final drawings and specifications have been reviewed and approved by the Director/BCO as showing compliance with the applicable provisions of this article and have been approved by any other appropriate agency as showing compliance with any other applicable provisions of the current Uniform Construction Code (Pa. Act 45).

(4) All contractors shall show satisfactory proof of property damage and public liability insurance amounting to \$500,000 per person and \$1,000,000 per occurrence.

(5) It shall be that responsibility of the licensed contractor to secure the permit. In the event that the homeowner is performing the Home Improvement work, the permit may be secured by said owner or its authorized agent(s). Agents and officers must provide valid proof that they are the responsible party for the corporation.

(6) Upon the filing of a written application in such form as the Bureau shall require, and upon payment of the required fee, a permit shall be issued, one copy thereof to be conspicuously posted upon the premises where the work is being done, until the work done has been inspected and approved by the BCO, authorized third-party inspection agency, mechanical and plumbing inspectors and a certificate of occupancy or release of condemnation certificate has been issued by such officials filed with the City.

E. Workers' compensation insurance. Prior to issuing a building permit to a contractor, the contractor must present one of the following:

- (1) Proof of workers' compensation insurance; or
- (2) An affidavit that the contractor does not employ other individuals and is not required to carry workers' compensation insurance.

F. Posting of the permit. A true copy of the building permit shall be kept on the site of operations, open to public inspection during the entire time of performance of the work and until the completion of the same.

G. Notice of start. At least 24 hours' notice of start of work under a building permit shall be given to the Code Official.

H. Conditions of permit.

- (1) A permit shall not be issued until the fees have been paid.
- (2) The permit shall be a license to proceed with the work and shall not be construed as authority to violate, cancel or set aside any of the provisions of the code, except as specifically stipulated by modification or legally granted variation as described in the application.
- (3) All work shall conform to the approved application and the approved construction documents for which the permit has been issued and any approved amendments to the approved application or the approved construction documents.
- (4) All new work shall be located strictly in accordance with the approved site plan.

I. Conformance to Code. All work performed shall be in conformity with the provisions of the most recently approved UCC applicable to the type of work to be performed. Additionally, all other local, state and federal standards applicable to the work to be performed must be strictly adhered to. The City reserves the right to modify any standards contained in state, federal, or Uniform Construction Code provisions. Said modifications shall be enumerated by the Director and made available to all interested persons by request from the Bureau.

J. Permit to erect part of a building. Nothing in these regulations shall be construed to prevent the Code Official from issuing a permit for the erection of any part of the building or structure, where plans and detailed statements have been presented for the same, before the entire plans and detailed statements of the building or structure have been submitted, provided that a complete set of all such plans and specifications shall be placed on file before the foundation wall is brought to grade, or to height to receive the first tier of beams, girders or joists; however, no permit shall be issued for erection of the superstructure of any building above the foundation

or basement wall until all copies of approved plans and specifications and details required by the provisions of these building regulations are placed on file in the office of the Bureau.

K. Fee schedule for permits.

(1) The permit fee laid out in paragraph (2) below shall be in addition to the state fee, currently \$4.50, as per Act 45 of 1999, as may be amended.

(2) The permit fee shall be based on the cost of proposed labor and materials as follows. All costs are rounded off to the next higher thousand.

Cost	Fee
\$1 to \$300	\$30
\$301 to \$600	\$40
\$601 to \$1,000	\$50
\$1,001 to \$75,000	\$50 for the first \$1,000 plus \$15 for each additional thousand
\$75,001 to \$500,000	\$1,185 for the first \$76,000 plus \$14 for each additional thousand
Over \$500,000	\$7,148 for the first \$501,000 plus \$13 for each additional thousand

(3) Residential-only permit for hot-water heater: \$5.

L. Fee schedule for inspections. The inspection fees shall be as follows.

(1) Building

(a) Residential

- New Stand Alone Construction _____ \$33.00 plus \$0.0935 per square foot of GFA
- Additions, Alterations, Remodeling & Repairs
 - Under \$500,000 _____ 0.825% of total construction cost
 - \$500,000 to \$1,000,000 _____ \$4,125.00 plus 0.6875% of total over \$500,000
 - Over \$1,000,000 _____ \$7,562.50 plus 0.55% of total over \$1,000,000
- Utility & miscellaneous, such as sheds, decks, fences, pools, towers, concrete slabs, retaining walls, etc. _____ 0.825% of total construction cost
- Demolition (Residential) _____ \$41.25
- Minimum Inspection Rate _____ \$41.25

(b) Commercial & Industrial

- New Stand Alone Construction _____ \$41.25 plus \$0.1485 per square foot of GFA
- Additions, Alterations, Remodeling & Repairs
 - Under \$500,000 _____ 0.825% of total construction cost
 - \$500,000 to \$1,000,000 _____ \$4,125.00 plus 0.6875% of total over \$500,000
 - Over \$1,000,000 _____ \$7,562.50 plus 0.55% of total over \$1,000,000
- Utility & miscellaneous, such as sheds, decks, fences, pools, towers, concrete slabs, retaining walls, etc. _____ 0.825% of total construction cost
- Demolition (Commercial) _____ \$0.0275 per square foot
- Signs & Structural Buildings _____ \$13.75 plus \$1.10 per square foot
- Minimum Inspection Rate _____ \$41.25

(2) Plumbing

- For the first \$1,000 on the permit _____ \$33.00
- For every additional \$1,000 on the permit _____ \$5.50 per \$1,000
- Minimum Inspection Rate (Residential) _____ \$41.25
- Minimum Inspection Rate (Commercial) _____ \$41.25

(3) Mechanical

- For the first \$1,000 on the permit _____ \$33.00
- For every additional \$1,000 on the permit _____ \$5.50 per \$1,000
- Minimum Inspection Rate (Residential) _____ \$41.25
- Minimum Inspection Rate (Commercial) _____ \$41.25

(4) Electrical

(a) Residential

- For the first \$1,000 on the permit _____ \$41.25
- For every additional \$1,000 on the permit _____ \$8.25 per \$1,000
- Minimum Inspection Rate (Residential) _____ \$41.25

(b) Commercial & Industrial

- Under \$500,000 _____ 0.825% of total construction cost
- \$500,000 to \$1,000,000 _____ \$4,125.00 plus 0.6875% of total over \$500,000
- Over \$1,000,000 _____ \$7,562.50 plus 0.55% of total over \$1,000,000
- Minimum Inspection Rate _____ \$41.25

(5) GFA Definition. Gross Floor Area, defined as the total square footage of all floors within the perimeter of the outside walls, including basements, cellars, garages, roofed patios, breezeways, covered walkways and attics with floor to ceiling height of 6'6" or more.

M. Fee schedule for plan reviews. The plan review fees shall be as follows.

(1) Commercial Plan Review Fee Schedule

- Plan review up to \$3,000,000 _____ 0.000715 x cost of building (\$137.50 minimum)
- Plan review \$3,000,000 to \$6,000,000 _____ \$2,145.00 plus 0.000275 x amount over \$3,000,000
- Plan review over \$6,000,000 _____ \$2,970.00 plus 0.00022 x amount over \$6,000,000
- Plan review for electrical _____ 25% of building fee
- Plan review for mechanical _____ 25% of building fee
- Plan review for plumbing _____ 25% of building fee
- Plan review for energy _____ 25% of building fee
- Plan review for accessibility _____ 25% of building fee
- Sprinkler review by number of heads _____
 - 1 to 100 = \$151.25
 - 101 to 200 = \$178.75
 - 201 to 300 = \$192.50
 - 301 to 400 = \$206.25
 - 401 to 500 = \$233.75
 - 501 and over = \$275.00 + \$0.1815 per head

(2) Exception. Special consideration may be given when assessing the fee for computing plan reviews for buildings, such as large warehouses or indoor recreation facilities, because of their plan review simplicity.

N. Transaction Fees. The City may pass on any reasonable transaction fee, such as a credit card fee, associated with processing payment for any service, fine, or other transaction under City Code.

203-8 Revocation of permits; expiration.

A. The Bureau may revoke any permit granted under this article when:

(1) Any work for which a permit is granted which is done in violation of this chapter or work which is not in compliance with the approved final drawings or work which is being done in an unsafe and dangerous manner.

(2) Any condition of the permit is violated.

(3) Expiration. Every permit issued by the BCO or their authorized representatives shall expire by limitation and become null and void if the building or work authorized by such permit is suspended or abandoned at any time after the work is commenced for a period of six months.

B. Expiration.

(1) Every permit issued by the BCO or their authorized representatives shall expire by limitation and become null and void if the building or work authorized by such permit is suspended or abandoned at any time after the work is commenced for a period of six months.

(2) Before work can resume, a new permit shall be obtained to do so, and the fee to do so, and the fee therefore shall be one half the amount required for a new permit for such work, provided on changes have been made in the original plans and specifications for such work; and provided further that such suspensions or abandonment has not exceeded six months.

(3) A permittee holding an unexpired permit may apply for a one-time extension provided they can show good and satisfactory reasons, and beyond their control the work cannot be commenced within the six-month period from the issue date. In order to renew work on a permit after it has expired, the permittee shall pay a new full permit fee.

203-9 Denial of additional permits.

The BCO or their authorized representative shall maintain a record of violation notices issued to licensed contractors and corrective actions taken. The BCO or their authorized representative shall, upon receipt of an application for a permit, determine if said contractor is in receipt of any violation notice upon which corrective action has not been taken. The BCO or their authorized representative shall deny any new permits to the licensed contractor until all outstanding violations of the ordinance and any other applicable codes and ordinances have been corrected.

203-10 Work done without permit.

A. Licensed contractors shall not engage in any work requiring a permit unless such permit shall have been issued by the Director/BCO, Zoning Officer, Mechanical or Plumbing inspectors. Any licensed contractor who shall engage in work requiring a permit shall, if such permit has not been issued, be subject to the conditions set forth in § 203-13C in addition to the penalties prescribed under this chapter.

B. Any unlicensed contractor who shall engage in any work for which a permit is required and such permit has not been issued, shall not be licensed by the Director/BCO until a period of one year has elapsed from the date of filing of application for a license in addition to the penalties prescribed thereafter.

203-11 Stop-work order; fines; disputes.

Any person who shall perform any work in or about the structure without first securing a permit for said work shall be issued a stop-work order and be liable for a fine of \$50 if paid within 24 hours. After 72 hours, the fine shall be \$100. If said fine is not paid within 30 days, said person shall be liable for a fine of not more than \$2,000. Each day that said violation shall continue a separate offense and shall be liable for a fine of not more than \$1,000. Said fines are payable to the Bureau. Failure to make payment within the time frame provided, a citation shall be filed with the Magisterial District Judge.

A. Notice of violation. If the Director/BCO finds that the terms of a permit are being violated, they shall order the whole or any part of the work which is being done under the permit to be immediately stopped. The stop-work order shall be in writing and shall be given to the owner of the property involved, or to the person doing the work and shall state the conditions under which the work will be permitted to resume.

B. Unlawful continuance. Any person who shall continue any work in or about the structure after having been served with a stop-work order, except such work as that person is directed to perform to remove a violation or unsafe condition, shall be liable for a fine of not less than \$500 and not more than \$10,000. Said fines are payable to the Bureau. Failure to make payment within the time frame provided, a citation shall be filed with the Magisterial District Judge.

C. Disputes.

(1) If a permit has been issued to a contractor and a dispute should arise between the contractor and the property owner, the Director/BCO shall make an on-site inspection of the work site and certify that all work performed under the current permit is in compliance with these building regulations.

(2) In the event that the inspection reveals that the work performed under the current permit is not in compliance with these building regulations, the Director/BCO shall notify the contractor, in writing, to correct all violations as specified by the Director/BCO within the period set forth, prior to the issuance of another permit. Any person failing or refusing to make the corrections as specified by the Director/BCO within the period set forth shall be subject to revocation of their license and shall be liable for all fines as hereinafter provided.

203-12 Certificate of occupancy (CO) and temporary certificate of occupancy (TCO).

A. For any new or existing commercial or residential building or space which requests or requires a certificate of occupancy a general inspection shall first be performed. Upon completion of the building, structure or space and before issuance of the certificate of occupancy, a final inspection shall be made. When the building or structure has been deemed to be in compliance with the Pennsylvania Uniform Construction Code (UCC), and all current City Zoning, Planning, and Property Maintenance Codes and related City ordinances are in compliance, the Director/BCO shall issue a certificate of occupancy.

B. The fee for a certificate of occupancy shall be \$250 for residential buildings and \$350 for commercial buildings. Said fee shall also comprise the inspection process related to the CO.

C. A building, structure or facility shall not be occupied or used without first obtaining a certificate of occupancy. Any person, corporation or other entity who shall use or occupy a building, structure, facility or space without first obtaining a certificate of occupancy, shall be liable of a fine of not less than \$500 and no more than \$10,000. Each day the violation continues will be considered a separate offense. Said fines are to be paid within 10 days upon notice of violation. Said fines are payable to the Bureau. Failure to make payment within the time frame provided, a citation shall be filed with the Magisterial District Judge.

D. The fee for a temporary certificate of occupancy shall be \$150.

E. If an existing building and/or space has not changed its use classification as per the Uniform Construction Code (UCC) and said use only requires a change of information, a Certificate of Occupancy shall be \$50. This shall only apply when change of ownership and active operation does not exceed 180 days since it was last occupied and operated as such use. Building space and use classification shall require an inspection for verification and code compliance by the Bureau and/or other third-party agency. The above shall also apply to those applicants seeking a duplicate and/or replacement of a certificate of occupancy.

203-13 Prohibited acts.

A. The following acts are prohibited:

- (1) Abandonment or willful failure to perform without jurisdiction any Home Improvement Contract or project engaged in or undertaken by a contractor; or willful deviation from or disregard of plans or specifications in any material respect without the consent of the owner.
- (2) Making any substantial misrepresentation in the procurement of a Home Improvement Contract, or making false promise of character likely to influence, persuade or induce.
- (3) Any fraud in the execution of or in the material alteration of any contract, mortgage, promissory note or other document incident to a Home Improvement transaction.
- (4) Preparing or accepting any mortgage, promissory note or other evidence of indebtedness upon the obligation of a Home Improvement transaction with the knowledge that it recites a greater monetary obligation than the consideration for the Home Improvement work, which consideration may be a time sale price.
- (5) Directly or indirectly publishing any advertisement relating to Home Improvements which contains an assertion, representation or statement of fact which is false, deceptive or misleading; provided that any advertisement which is subject to and complies with the then existing rules, regulations or guides of the Federal Trade Commission shall not be deemed false, deceptive or misleading; or by any means advertising or purporting to offer the general public any Home Improvement work with the intent not to accept contracts for the particular work or at the price which is advertised or offered to the public.
- (6) Willful or deliberate disregard and violation of the building laws of this state or of this City or of the safety or labor workmen's compensation insurance laws of this state.
- (7) Doing any Home Improvement business with or through any person who is subject to the licensing requirements of this chapter with the knowledge that such person is not licensed as required.
- (8) Misrepresentation of a material fact by an applicant in obtaining a license.
- (9) Failure to notify the Director/BCO of any change of control in ownership, management or business name or location.
- (10) Conducting a Home Improvement business in any name other than the one in which the contractor or salesperson is licensed.
- (11) Failure to comply with any order, demand or requirement lawfully made by the Director/BCO under the authority of this chapter.

B. Violation of any of the prohibitions of this section:

- (1) Shall subject any violator to whom the licensing provisions of this chapter apply to the administrative sanctions of this chapter; and
- (2) Shall subject any violator, whether or not required to be licensed by this chapter, to criminal prosecution.

203-14 Grounds for refusal, revocation, or suspension of licenses.

A. The Director, at their discretion shall have the power to refuse, suspend or revoke any licenses issued under the provisions of this chapter where the Director, the BCO, and/or the Bureau finds that the licensee has violated any provisions of this chapter or is performing or attempting to perform any act prohibited by this chapter.

B. Any violation of any of the provisions of this chapter upon the part of any director, manager, partner, officer, salesperson, agent or employee of a contractor shall be cause for suspension or revocation of the license of the contractor, unless it shall appear to the satisfaction of the Director/BCO that the individuals engaged in the management of the contractor.

- (1) Had no knowledge of the wrongful conduct, or

(2) Were unable to prevent the violation.

C. On a first offense, a contractor's license shall be suspended for a period of one to three months. On the second offense, a contractor's license shall be suspended for a mandatory six months. A third offense shall constitute an immediate revocation of a contractor's license.

D. The Director/BCO shall have the authority to immediately revoke a contractor's license for just cause for what the Director/BCO considers a severe violation of this chapter.

203-15 Procedure in case of violations; appeals.

A. Procedure in case of violations. Whenever the Director/BCO determines that there are reasonable grounds to believe there has been a violation of any provision on this chapter, or of any rules and regulations adopted thereto, they shall proceed as follows:

(1) Serve notice in writing of the alleged violation which shall be signed by the Director/BCO or their authorized representative. Said notice shall be in writing and shall be served personal to the responsible party, or served by registered or certified mail with a return receipt requested or where such responsible party cannot be found, by posting the notice in a conspicuous location on said premises, or service may be made by publishing such notice in a newspaper of general circulation for a period of three consecutive days; or served by any other method authorized under the laws of the Commonwealth of Pennsylvania.

(2) Said notice shall contain the section of the reasons why the notice is being issued, the section of the codes and/or ordinances which have been violated and the remedial actions required.

B. Any applicant or licensed contractor aggrieved by any decisions of the Director/BCO, including but not limited to refusal or suspension of license or permit, or any other repeal, may appeal from such decision to the Housing Board of Appeals within 10 days from the date of decision. The forms for appeal may be obtained at the Bureau. Upon completion, all appeal forms must be submitted with a nonrefundable fee of \$300.

(1) Any person making an appeal to the Board will be notified when to appear before the Board within 30 days. The Board will hold a public hearing and upon evidence of testimony submitted will render a decision. The Director/BCO will notify the said party in writing of the Board's decision. Any party not in compliance with a decision regarding extensions of time from the Board shall be subject to the penalties of this chapter. Any party who seeks to reschedule or cancel an appeal hearing must provide a seventy-two-hour notice prior to hearing date. Failure to provide proper notice shall be deemed a violation and subject to a late fee of \$150 payable to the Bureau. All late fees must be paid prior to scheduling another hearing date.

(2) Any person aggrieved by a decision of the Board, whether or not a previous party to the decision, may appeal to the Court of Common Pleas of Lackawanna County. Appeals shall be made to the proper Court within 30 days after the filing of the Board decision and notification in the Bureau to the parties of said decision.

203-16 Inspections.

A. The BCO or their authorized representative are hereby authorized and empowered to inspect or reinspect any and all buildings located within the city and the materials incorporated therein, including all installed plumbing, heating, air conditioning, refrigeration, sprinkler systems, humidification, stokers, oil burners, gas pumps, oil tanks, high and low pressure boilers, apparatus and equipment, gas installations and all electrical installation for light, heat or power for the purpose of determining the safety thereof and the sufficiency from a fire, health or

structural viewpoint. When as a result of such inspections, any buildings or the installations therein as enumerated above are found to be unsafe to life or property or detrimental to health, or not in compliance with the laws of the Commonwealth of Pennsylvania or the ordinances of the city, including the provisions of this article. The Director/BCO shall notify the person installing, owning, using or operating them to place them in a safe and secure condition within 48 hours or within such further time as they shall determine to be reasonably necessary. Any person failing or refusing to make the corrections as specified by the Director/BCO, building, plumbing, mechanical or electrical inspector within the period set forth shall be subject to the penalties herein provided.

B. Right of entry. The BCO or their authorized representative so far as may be necessary for the performance of their duties, shall have the right to enter upon any building, structure, site or premises under construction, repair, alteration, or removal of any building alleged to be unsafe or a menace to public health or damage or menaced by fire upon showing the credentials of their office, and any person or persons interfering with them in the performance of such duties shall be guilty of a summary offense. If it becomes necessary to secure a search warrant to accomplish an inspection, the property owner shall reimburse the City for all costs associated with securing said warrant.

203-17 Reserved.

203-18 Reserved.

203-19 Reserved.

203-20 Forfeiture of license.

No person, partnership or corporation licensed under the provisions of this chapter shall take out a permit in their (or its) name, for use by a person, partnership or corporation not licensed or registered in the City, to perform any work within the City. No person, partnership or corporation licensed under this chapter shall perform any work for which that person, partnership or corporation is not licensed for. Any person performing work for which they are not licensed for shall forfeit any licenses which have been granted.

203-21 Reserved.

203-22 Reserved.

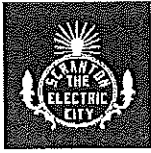
203-23 Violations and penalties.

Any person, firm or corporation violating any provisions of this chapter or the codes hereby adopted, shall upon conviction thereof, be guilty of a summary offense, and shall be subject to a fine of no less than \$500 and no more than \$5,000 for any one offense, recoverable with costs, together with judgment or imprisonment not to exceed 30 days or both, per offense if the amount of such fines and costs shall not be promptly paid. Each day that a violation continues shall be deemed a separate offense.

SECTION 1. If any section, clause, provision, or portion of this Ordinance shall be held invalid or unconstitutional by any Court of competent jurisdiction, such decisions shall not affect any other section, clause, provision, or portion of this Ordinance so long as it remains legally enforceable minus the invalid portion. The City reserves the right to amend this Ordinance of any portion thereof from time to time as it shall deem advisable in the best interest of the promotion of the purposes and intent of this Ordinance, and the effective administration thereof.

SECTION 2. This Ordinance shall become effective January 1, 2023.

SECTION 3. This Ordinance is enacted by the Council of the City of Scranton under the authority of the Act of the Legislature, April 13, 1971, Act No. 62, known as the "Home Rule Charter and Optional Plans Law", and any other applicable law arising under the laws of the State and Pennsylvania.



DEPARTMENT OF LAW

City Hall | 340 North Washington Avenue | Scranton, PA 18503 | 570.348.4105

November 10, 2022

CODE ENFORCEMENT LEGISLATION COVER SHEET

I. INTRODUCTION

Submitted for your approval are 4 pieces of related legislation, all aimed at improving the City's Code Enforcement operations. Overall, this legislation package will:

- **Cut Red Tape** for contractors, businesses, homeowners, and residents
- **Improve Housing Quality, Health, and Safety** by redirecting resources towards code enforcement that improves our neighborhoods
- **Simplify and Clarify** requirements to make it easier for contractors, landlords, and residents to comply with the code
- **Foster an Improved Business Environment** to increase entrepreneurship

The pieces of legislation are:

1. **Permits Reform.** Repealing outdated requirements for city permits, such as the 25-cent bicycle license fee, and amending other city permit requirements, such as permanently extending the reduction in peddler's license fees.
2. **Contractor Licensing Reform.** Simplifying and clarifying the requirements for obtaining a Contractor License, such as reducing the number of reference letters required for contractors.
3. **Inspection Fee Reform.** Reducing inspection fees by 45%.
4. **Rental Regulation Reform.** Clarifying landlords' responsibilities under City Code, establishing regular inspections of rental properties, increasing compliance across the City, and strengthening enforcement mechanisms.

II. PERMITS REFORM.

City Code has retained a number of permits, licenses, and other fees and provisions that are no longer as beneficial to the City's health, safety, and welfare as they once might have been. This legislation:

- Repeals provisions that the City has not enforced in years
- Repeals provisions that the City currently enforces, but whose benefits do not outweigh the costs
- Repeals provisions that have become obsolete by the enactment of newer, more comprehensive provisions
- Amends provisions that the City finds worthwhile to enforce with adjustment

Repealed Ordinance	Fee Collected 2022
Arcade	\$0
Billiards	\$75
Bowling Alley	\$75
Mechanical Amusements	\$0
Dance Hall	\$0
Performers	\$0
Theaters	\$0
Circuses	\$0
Bicycles	\$0
Buses	\$0
Taxis	\$0
Building Underwriter Inspectors	\$0
Central Heating and AC	\$0
Woodburning Stoves	\$0
Outdoor Furnaces	\$0
Certain encroachments	\$0
Fire Hydrant Openings	\$0
Billposters	\$0
Transient Merchants	\$0
Total	\$150

Amended Ordinance	Fee Collected 2022	Estimated Fee Collected 2023
Dog License (Replacing with State Dog License, which the County administers)	\$4,768	\$0
Peddler License (Extending 2022 fee reduction)	\$4,295	\$4,400
Scale License (Increasing fee)	\$3,550	\$7,100
Gaming Machine License (Reducing fee but increasing enforcement)	\$15,000	\$30,000
Total	\$18,550	\$41,500

The net revenue change is an increase in collections of **\$22,800** due to the proposed changes.

III. CONTRACTOR LICENSING REFORM.

The City has received many concerns that our contractor licensing requirements are too stringent and too unclear, compared to other cities. This legislation balances the need to protect residents from unqualified contractors with the need to encourage construction and rehabilitation of the city's homes and buildings. This legislation:

- **Reorganizes and rephrases** this chapter of City Code to make it more user-friendly
- **Strengthens regulation of subcontractors**
 - Clarifies requirement that all subcontractors must be licensed
 - Requires prime contractors to list all subcontractors for a project and to update the City on any changes
- **Reduces the amount of information required** of applicants for Master Contractor and Specialty Contractor licenses, including:
 - Replaces burdensome notary requirements with an equally effective affidavit statement
 - Reduces the number of reference letters required for contractors who are not proving their qualifications through exam results
- **Reduces the number of years' experience required** for contractors who are not proving their qualifications through exam results
- **Formalizes the renewal process** and reduces the fee for renewing a license
- **Makes other technical changes**, such as replacing references to "LIPS" with "the Bureau of Code Enforcement" and removing unnecessary gendered language

While the lower renewal fee will decrease revenue from contractor licensing, we expect that the other changes to the license application will lead to an increase in contractors applying for licenses, which will offset that decrease in the long-term.

IV. INSPECTION FEE REFORM.

The City contracts with a third-party vendor, NEIC, to perform its building inspections. The current fee schedule was established in 2012, through the initial contract between the City and NEIC that has been renewed several times and remains in effect today. This resolution would authorize City officials to amend the 2012 contract's fee schedule to reduce the fees paid by residents by 45%. The agreement also establishes a "Savings Rate" for timely payments from the City to NEIC that would be lower than the existing rate.

The reduction in inspection fees will help encourage further housing and commercial development within the City.

It is estimated that this change will have an impact on Code Enforcement revenues, but in the context of increased business activity and the associated base of revenue.

V. RENTAL REGULATION REFORM.

The City has long received complaints from residents that many rental properties throughout the City present health and safety risks to neighbors and tenants. While rent prices have shot up, many landlords have continued to neglect their properties in Scranton, failing keep them above the legal minimum standard.

Background:

- 51% of City housing stock is renter occupied
- 53% of City housing stock was built prior to 1939

- Local agents are often unreachable, and ownership is hidden behind an LLC
- The City estimates that only 30% of rental properties currently comply with the City's rental registration requirement

Over the past year, the City has undertaken an extensive research effort to better understand the current program's shortcomings and to identify best practices from our peer cities. The RENTAL Ordinance of 2022 Calls For:

- **Regular Health and Safety Inspections** to check for life safety issues, such as smoke and CO detectors, ingress and egress
- **Improved Rental License Compliance** through dedicating more resources and strengthening enforcement mechanisms, and by using a new list of the 16,000+ likely rental units, identified through county records
- **Improved Condition of Housing Stock** and reduced blight by taking a proactive approach to rental unit inspections

Reinvigorating our Rental Regulation program will also entail new inspectors and repurposed positions, totaling 5 housing inspectors dedicated to rental inspections, and a rental manager. This model that includes regular rental inspections is in line with the majority of our peer cities that maintain a rental regulation program.



DEPARTMENT OF LAW

City Hall | 340 North Washington Avenue | Scranton, PA 18503 | 570.348.4105

November 9, 2022

To the Honorable Council
Of the City of Scranton
Municipal Building
Scranton, PA 18503

Dear Honorable Council Members:

AMENDING THE CONTRACTOR LICENSING REQUIREMENTS AND RELATED
PROVISIONS.

Very truly yours,

Andrew Cutillo, Esquire
First Assistant City Solicitor

AC/dan

RECEIVED

NOV 10 2022

OFFICE OF CITY
COUNCIL/CITY CLERK