



DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES

Building Safety Division

m e m o r a n d u m

TO: Laurel Lunt Prussing, Mayor

FROM: Elizabeth H. Tyler, FAICP, Director, Community Development Services

DATE: June 21, 2012

SUBJECT: Amendment to Schedule of Fees to Change Vacant Structures Registration Fees

Description:

On the agenda of the June 25, 2012 meeting of the Urbana Committee of the Whole is an Ordinance Amending Urbana City Code Chapter 14, Section 14-7, Regarding the Schedule of Fees (revising vacant structure registration fee). The proposed amendment would increase fees for registering a vacant structure in the City.

Background & Discussion

The Property Maintenance (PM) Code, adopted by Council in July 2011 as part of the Model Codes Ordinance, includes a provision to address vacant structures that have code violations (excerpt attached). In recent years, a number of Urbana properties have become vacant and have been gradually declining in condition and exterior appearance. In some cases, the property owners have registered their vacant buildings under the City's vacant structure program, but have made little progress in repairing their property for reuse. In other cases, owners have simply walked away, requiring the City to address emergency issues on these properties until ownership and responsibility can be resolved through the courts. In addition, a structure may be dilapidated to the extent that the City must seek a court order for demolition, in order to remove the blighting influence.

Significant City staff time and resources have been required to address the ongoing issues associated with this problem. Increasing the fees associated with non-compliance with this provision of the PM Code would serve to push owners into taking action to resolve the property issues or to sell the property to someone who will initiate reuse of the property. Accrued fees would also provide some of the funding needed to help cover the costs that the City incurs in the case of court ordered demolition.

To register a vacant structure in the City of Urbana, the property owner must submit a timeline for demolition and site clearance, or a viable plan that provides information for the reuse and marketing of the property. The cost to register a vacant structure is \$150 for six-months. The City may extend the compliance period in six-month increments for up to two years, with a \$150 fee for each six-month renewal.

In an effort to achieve a higher rate of compliance regarding the repair and reuse (or demolition) of dilapidated vacant structures in the City, staff believes that incrementally raising the cost of registering a structure will provide a greater incentive for the property owners to take action in addressing the vacant structure.

Recent research completed by Community Development staff regarding vacant property ordinances, registration and fee structures of 18 cities in Illinois, Indiana, Minnesota and Wisconsin revealed that a nominal fee (approximately \$50-\$100) typically accompanies registration on the vacant property list. Thereafter, many communities levy an additional annual fee upon condemned vacant properties, ranging from \$200/year up to \$2,000/year. Bloomington, IL uses a fee structure with increasing fees for each year of non-compliance: \$500 in the first year, \$750 after 18 months and \$2,000 in the 2nd year and each year thereafter. Champaign does not currently require registration of vacant properties.

The purpose of this Ordinance is to amend the Schedule of Fees regarding Vacant Structure Registration. Currently, the City's Property Maintenance Code requires a property to be registered when it has, "become vacant or unoccupied and cited for violation of city ordinance or property maintenance codes within the past six month period" (PM-108.2.2).

The recommended fee schedule for Vacant Structure Registration in Urbana is as follows:

Initial Registration – first six months: \$ 250
Each subsequent six-month period: \$ 500

These proposed fees are near the middle of the range of the fees charged by the cities surveyed. In order to apply the proposed changes in fees in FY 2012-2103, an amendment to the Schedule of Fees must be approved by Council.

Options

1. Approve the Ordinance Amending Urbana City Code Chapter 14, Section 14-7, Regarding the Schedule of Fees (revising vacant structure registration fee).
2. Approve the Ordinance with changes.
3. Do not approve the Ordinance.

Fiscal Impacts

Increasing the fees would mean an additional \$100 for initial registration and an additional \$350 every six months for each structure that remains on the list. Currently there are 20 vacant structures registered with the City. Additional fees from 20 properties (if they register the maximum two years) would total \$9,000 for the first year and \$14,000 the second year.

Recommendations

Staff recommends Council approve the Ordinance approving the Amendment to the Fee Schedule.

Memorandum Prepared By:

John A. Schneider, Manager
Building Safety Division

Attachments:

1. Ordinance Amending Urbana City Code Chapter 14, Section 14-7, Regarding the Schedule of Fees (revising vacant structure registration fee).
2. Property Maintenance Code excerpt regarding vacant structure requirements (PM 108.2.2- PM 108.2.5)

ORDINANCE NO. 2012-06-069

AN ORDINANCE AMENDING URBANA CITY CODE CHAPTER FOURTEEN, SECTION 14-7, REGARDING THE SCHEDULE OF FEES

(Vacant structures registration)

WHEREAS, the City Council did on the 7th day of May 2012, pursuant to Ordinance No. 2012-03-028, adopt a Schedule of Fees for the various licenses, permits, fines, and other fees required under the Urbana City Code; and

WHEREAS, the City Council finds that the best interests of the City are served by making limited amendments to that Schedule of Fees, pursuant to Urbana City Code Section 14-7(b), concerning vacant structures registration.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Urbana, Champaign County, Illinois, as follows:

Section 1.

Urbana City Code Chapter 14, "Licenses and Permits," Section 14-7, "Schedule of fees," subsection (E), "Buildings and Structures," Part 7, "Vacant structures registration," is hereby amended with the underlined text indicating new language and the strikethrough text indicating deletions as follows:

7.	<u>Vacant structures registration: (every six (6) months)</u>	<u>\$ 150.00</u>
	<u>(a) Initial Registration - first six months</u>	<u>\$ 250.00</u>
	<u>(b) Each subsequent six-month period</u>	<u>\$ 500.00</u>

Section 2.

Those sections, paragraphs, and provisions of the Urbana City Code that are not expressly amended or repealed by this Ordinance are hereby re-enacted, and it is expressly declared to be the intention of this Ordinance not to repeal or amend any portions of the Urbana City Code other than those expressly set forth as amended or repealed in this Ordinance. The invalidity of any section or provision of this Ordinance hereby passed and approved shall not invalidate other sections or provisions thereof.

Section 3.

This Ordinance shall not be construed to affect any suit or proceeding pending in any court, or any rights acquired, or a liability incurred, or any cause or causes of action acquired or existing prior to the effective date of this Ordinance; nor shall any right or remedy of any character be lost, impaired, or affected by this Ordinance.

Section 4.

The City Clerk is directed to publish this Ordinance in pamphlet form by authority of the corporate authorities, and this Ordinance shall be in full

force and effect from and after its passage.

This Ordinance is hereby passed by the affirmative vote, the "ayes" and "nays" being called, of a majority of the members of the Council of the City of Urbana, Illinois, at a meeting of said Council.

PASSED BY THE CITY COUNCIL this ____ day of _____, _____.

AYES:

NAYS:

ABSENT:

ABSTAINED:

Phyllis D. Clark, City Clerk

APPROVED BY THE MAYOR this ____ day of _____, _____.

Laurel Lunt Prussing, Mayor

ATTACHMENT 2

Section 108.2.2 – 108.2.5 of the Property Maintenance Code (2009 Model Codes Adopting Ordinance)

“Section PM-108.2.2 entitled "Registration of Vacant Structures," is added to read as follows:

PM-108.2.2 Registration of Vacant Structures: Whenever any building in the city becomes a public nuisance as defined within this Code; or is a blighting influence; or hereafter becomes abandoned, vacant or unoccupied and cited for violation of city ordinance or property maintenance codes within the past six months; or where any of the doors, windows, or other openings into such a building are boarded up or otherwise secured by any means other than conventional methods used in the design of the building, the owner thereof shall within 30 days of notification by the Code Official, register such building as a vacant structure. Notification shall be by letter sent by first class postage prepaid to the person who last paid the general real estate taxes on the property. Such registration shall be valid for a period of six months. The required fee for registration is set forth in Chapter 14 of the Urbana Code of Ordinances. The registration of the vacant structure shall not preclude action by the City to pursue demolition of the structure under the provisions of this code.

The building shall be posted with a “NO TRESPASSING” sign and 24-hour contact information, including phone number, for the owner or owner’s local property management company. The posting shall be no less than 18” x 24” and shall be of a font that is legible from a distance of forty-five feet and shall contain, in addition to the name and 24-hour contact number, the words: “THIS PROPERTY IS MANAGED BY...” and “TO REPORT PROBLEMS OR CONCERNS CALL...”. This posting shall be placed to the front of the property in order to be visible from the street fronting the property as follows: a) Placed on the interior of a window facing the street, or b) secured to the exterior of the building/structure facing the street, or if no such area exists, c) on a stake of sufficient size to support the posting in a location that is visible from the street but not readily accessible to vandals. Exterior postings must be constructed of and printed with weather resistant materials. The owner or owner’s agent shall make monthly inspections to ensure appropriate maintenance and security and shall provide evidence of such inspections to the City upon request.

Exterior property maintenance standards will be strictly enforced for all vacant structures on the registry.

Section PM-108.2.3 entitled "Vacant Structure Plan," is added to read as follows:

PM-108.2.3 Vacant Structure Plan: At the time a structure is initially registered as required under PM-108.2.2 a written vacant structure plan shall be submitted by the owner or agent to the Code Official. The plan shall provide a proposed date for demolition or detail what will be done to reoccupy and bring the building into compliance with all applicable codes, including building, health, fire, and safety laws, rules, and regulations within a specific time frame that is acceptable to the Code Official.

If demolition is not proposed, the plan shall include information regarding potential reuse and/or marketing of the structure, so as to ensure a good faith effort toward re-occupancy of the building. The plan shall also include provisions to correct all exterior code violations and interior and exterior safety issues. The services of a structural engineer may be required by the Code Official to certify the safety of the structure. The plan shall include provisions for securing the structure and continued security and prevention of trespass. If the mechanical systems of the structure are not to be maintained in an operational condition, winterization of systems must be completed and utilities properly terminated to the satisfaction of the Code Official. Other than for emergency conditions that must be repaired immediately, the work provided in the plan shall be completed within six months of the date that the building is first registered under this Article. The Building Official may extend the period of compliance for an additional six months up to a period of two years from the date that the building was originally registered. This extension shall be granted only in instances where the owner has demonstrated a good faith effort to comply with the submitted plan. The original vacant structures plan and time frame shall remain in effect despite a change of ownership. If there is a change of ownership, then a new registration statement shall be properly made within ten days

from the date of said change indicating the names and/or addresses of the new owner(s). The new registration statement shall be made in the same manner and form as herein prescribed.

Section PM-108.2.4 entitled "Inspection of Vacant Structures," is added and reads as follows:

PM-108.2.4 Inspection of Vacant Structures: Upon registration of any building pursuant to Section PM-108.2.2, or when any such vacant building comes to the attention of the Code Official, they shall cause inspections to be made of the premises to determine the condition of such building and premises and whether there exists any fire, safety, or health hazards or violations on the premises. A registered vacant structure shall be inspected for code compliance prior to re-occupancy and clearance of the vacant structure plan.

Section PM- 108.2.5 entitled "Standards for Closure," is added to read as follows:

PM- 108.2.5 Standards for Closure: Any structure required to be closed shall have all unsecured windows and doors sufficiently covered with a minimum of 1/2 inch exterior grade plywood or equivalent material, cut to fit over the opening, and firmly attached with screws to a one inch minimum depth spaced at the maximum of 12 inches apart. The plywood or equivalent material shall be suitably coated with an appropriate neutral color blending with or harmonizing with the exterior colors of the structure as inconspicuously as possible."