



Jesse Arreguín
Councilmember, District 4

ACTION CALENDAR
October 7, 2014

To: Honorable Mayor and Members of the City Council
From: Councilmembers Jesse Arreguín and Kriss Worthington
Subject: Vacancy Registration Fee

RECOMMENDATION:

Refer to the City Manager the establishment of a registration fee for vacant ground floor commercial spaces, as well as undeveloped vacant lots throughout the City of Berkeley.

FINANCIAL IMPLICATIONS:

Unknown. Staff costs associated with the establishment of a fee program; however, some work has already been commenced by staff in response to the original referral. Potential cost recovery upon implementation.

BACKGROUND:

Vacant commercial spaces and lots often create blight, attract undesirable behavior, and cause economic disruptions, whose externalized impacts are felt by surrounding neighbors, businesses, and ultimately the City who must expend considerable resources addressing such impacts.

On December 7, 2010, the Berkeley City Council adopted the “Encouraging Economic Development and Increasing City Revenue from Business Activity” proposal from Councilmembers Capitelli, Wengraf and Moore.

Part of the item referred to the Planning Commission the following issue: “Investigate providing incentives to property owners to encourage leasing and establish disincentives to motivate property owners not to leave their properties vacant.”

On September 20, 2011, Council voted to refer to the City Manager the issue of vacant storefronts and the development of a fee. Subsequently, staff determined after further study that a legally permissible fee would not be sufficiently high enough to achieve the desired incentive and that, given the objective, a tax would be a more effective option; however, a tax must be voted on directly by the voters to go into effect.

In the latest round of considering the placement of ballot measures for the upcoming fall election, a vacancy tax polled favorably at 67 percent approval; however, due to the pressing need for other revenue measures, a vacancy was not pursued for this election

cycle in order to ensure the likelihood that much needed revenue for City infrastructure will be passed by the voters.

This referral only differs from the original referral in its inclusion of undeveloped vacant lots. Throughout Berkeley, especially in residential neighborhoods, undeveloped lots that are not properly maintained become overgrown with vegetation, often posing a fire hazard, attract graffiti and other illegal activities, and harbor pests. The resulting nuisances spur ongoing City intervention and abatement notices. A fee on undeveloped lots will help the City recover the costs associated with monitoring and responding to such lots.

The establishment of a vacancy registration fee in the interim before the next available general election will establish the following goals:

- Begin the recovery of costs incurred by the City responding to issues associated with vacancies
- Provide comprehensive data that does not currently exist on vacancies in order to formulate an effective vacancy tax
- Evaluate the implementation of such a program and any attendant issues in order to inform the creation of a vacancy tax
- Provide an initial incentive for property owners to ensure a positive and active use rather than a vacancy

In establishing a vacancy registration fee program, the City should consider minimum maintenance standards for when or how much of the fee would apply with the potential waiving of the fee if the owner agrees to allow a positive interim use, such as an art exhibit or workspace in the case of vacant commercial storefronts, or a community garden in the case of undeveloped lots. Consistent with the previous proposal, the City should also consider **appropriate waivers in cases of hardship or extenuating circumstances.**

CONTACT PERSON:

Jesse Arreguin, Councilmember, District 4 981-7140

ATTACHMENTS:

1. Council Item: Vacancy Registration Fee. Sept. 20, 2011



Jesse Arreguin
Councilmember, District 4

ACTION CALENDAR
September 20, 2011

To: Honorable Mayor and Members of the City Council

From: Councilmember Jesse Arreguin

Subject: Referral to City Manager: Vacancy Registration Fee

RECOMMENDATION:

Refer to the City Manager the attached proposal for a Vacancy Registration Fee for review and the development of a policy to address the issue of vacant ground floor commercial spaces throughout Berkeley.

BACKGROUND:

On December 7, 2010, the Berkeley City Council adopted the “Encouraging Economic Development and Increasing City Revenue from Business Activity” proposal from Councilmembers Capitelli, Wengraf and Moore.

Part of the item referred to the Planning Commission the following issue:

“Investigate providing incentives to property owners to encourage leasing and establish disincentives to motivate property owners not to leave their properties vacant.”

Vacant storefronts can be found in almost every commercial district in Berkeley. While part of this problem is due to the current recession, it is also often due to the square foot rents that are charged for vacant commercial space, which can be financially prohibitive for some small businesses. As a result, commercial spaces remain vacant, creating a significant financial and economic impact on our community.

The social impact of vacant storefronts is significant. It not only degrades the character of our community, but creates visual blight and affects the desirability of new businesses locating in an area, which in turn affects city tax revenues.

The economic impact of vacant storefronts is also important and is unaddressed. While some property owners cannot find a tenant to fill a vacant space, and should not be unfairly penalized, there are property owners who have charged higher rents for vacant commercial space and have not lowered rents as a way to find suitable tenants. As a result the property remains vacant. Additionally, there have been issues with the maintenance of some vacant storefronts and vacant storefronts sometimes attract undesirable activity. This has resulted in the investment of city resources (Police, Public Works, Neighborhood Services, Health) to address such problems. The city is not

compensated for the cost of providing such services which impacts our city budget and our ability to response to other problems in our community.

There clearly is a social and financial impact from vacant storefronts, which must be addressed. The attached proposal for a Vacancy Registration Fee was developed after reviewing a number of policies adopted by other cities to address vacant property, including vacant ground floor commercial space.

The proposal recommends a vacancy registration fee for commercial properties which would go into effect within 6 months after a vacancy occurs and would implement an escalating fee schedule : a \$180 registration fee and an escalating fee of \$300 for every six months the property remains vacant. The proposal also suggests establishing the requirement that the space meets minimum maintenance/street presence standards, which if not meet the owner would be subject to additional fees.

Many other cities, including cities in California, have adopted vacancy registration fees to deal with the issue of vacant commercial and residential property. See attached chart describing vacancy registration fee policies in other cities. The District of Columbia vacancy registration tax and fee schedule (based on Wilmington, Delaware's) seems most relevant to Berkeley. Current Washington DC has a registration tax of \$250.00 annually, and for Class 2 properties (which are mainly comprised of vacant storefronts), they have a tax of \$1.65 per 100 dollars of assessed value.

In addition, many cities in California charge a vacancy registration fee ranging from \$75 to \$ 603 (though most seem to be in the range of \$150). Many however, seem geared to addressing the problem of vacant residential properties in foreclosure and the fee is meant to raise money for maintenance in order to ensure that the properties do not become blighted.

The policy in San Jose is geared towards all vacancy buildings in general, and involved an escalating fee schedule.

This item does not recommend that the City Council adopt the proposal or that the City Manager specifically recommend this proposal, it is simply referring a suggested framework to the City Manager for consideration in responding to the December 7, 2010 City Council referral.

FINANCIAL IMPLICATIONS:

Unknown. Some staff time will be involved in reviewing, researching and developing a proposal for City Council consideration.

CONTACT PERSONS:

Jesse Arreguin, Councilmember, District 4 981-7140

Attachments:

1. Proposal for Vacancy Registration Fee
2. Chart summarizing vacancy registration fee policies in other cities

Proposal for Vacancy Registration Fee for Berkeley

Background:

Based on research of policies adopted in other cities and square foot rents and economic conditions in Berkeley that have resulted in vacancies, an ideal policy would involve a progressive registration fee schedule with a grace period to allow sufficient time for a property owner to seek a renter/buyer, with a fee high enough to incentivize landlords to lower rents or actively find a renter/buyer, to create a disincentive for leaving commercial space vacant for long periods of time and minimize the impacts on the community. The fee policy should include clear criteria for the maintenance of vacant storefronts with financial disincentives to discourage blight. There should be limited deferrals/exemptions to address situations where a building is being renovated or to address economic hardship. The fee should not only be a disincentive to holding ground floor commercial space vacant but also to help recover some of the costs associated with city response to problems with vacant properties.

Goals:

- **To discourage vacancies of ground floor commercial space and to encourage property owners to maintain vacant property to prevent blight.**
- When would the fee go into effect? One option includes requiring the property to be registered and if there is active pursuit of a tenant/buyer, the fee would not go into effect, however if after 6 months the property is not occupied, the fee would go into effect. Alternatively, the fee could go into effect within 6 months (or another threshold) after a vacancy occurs.
- Introduce progressive fee schedule. Longer the duration of vacancy the higher the fee.
- Set fee at a rate high enough, to incentivize landlords to lower their rents but not too high so as to discourage prospective landlords to buy property in Berkeley, or to create a reputation of Berkeley being “unfair to businesses”.
- Determine exceptions and design a clear policy that would ensure that exemptions are being granted to circumstances that legitimately meet the criteria and are not a loophole around the policy.
- Include a minimum set of standards for maintenance for vacant space, so as to minimize blight. If standards are not met, additional fees would be imposed.
- Determine the consequences of failure to comply with the registration fee requirements. One option could include placing a lien on the property.
- Create a system that would be clear and as efficient as possible. Minimize staff time and costs associated with implementing system.

Legal Issues:

- Legally it is difficult to adopt a “registration tax” without going through a Proposition 218 process or going to the voters.

- A fee is most easily justified and able to be adopted if it is an impact fee, used to cover costs of maintenance and security around vacant store fronts.
- It is also more easily justified if it is a lump sum that escalates depending on the amount of time the space is vacant, rather than varying depending on square footage. It would provide more clarity and predictability for the owner and would make the policy easier to implement. Additionally, the impacts are similar regardless of the size of the property.

Brief discussion of past relevant policies that motivate current proposal:

The District of Columbia vacancy registration tax and fee schedule (based on Wilmington, Delaware's) seems most relevant to Berkeley. Current Washington DC has a registration tax of \$250.00 annually, and for Class 2 properties (which are mainly comprised of vacant storefronts), they have a tax of \$1.65 per 100 dollars of assessed value.

In addition, many cities in California charge a vacancy registration fee ranging from \$75 to \$ 603 (though most seem to be in the range of \$150). Many however, seem geared to addressing the problem of vacant residential properties in foreclosure and the fee is meant to raise money for maintenance in order to ensure that the properties do not become blighted.

The policy in San Jose is geared towards all vacancy buildings in general, and involved an escalating fee schedule.

Suggested Proposal:

Establish a vacancy registration fee for commercial properties, which would apply to vacant ground floor commercial space. Adopt an escalating fee schedule: \$ 180 registration fee and an escalating fee of \$300 for every six months the property remains vacant.

When would the fee go into effect?

One option would require the property owner to register with the city and pay a fee as soon as the commercial space becomes vacant. The fee could be refunded if it is rented within 6 months of vacancy. If the space is vacant for 6 months or more, the fee would go into effect at the beginning of the 6th month of vacancy and would escalate depending on how long the property remains vacant.

Another option is that the fee would go into effect 6 months after a vacancy occurs.

Additionally, during the time the property remains vacant, the property owner is responsible for meeting the minimum standards for maintenance/street presence for the vacant space:

Suggested standards include:

1. **free of graffiti, clean windows, doors and storefront – perhaps with “post no bills” standards with the exception of rental information,**
2. **clean interior space – no “junk” or fixtures visible from the sidewalk/street,**
3. **clean and serviceable awnings,**
4. **signage in good condition,**
5. **“no boarding up” of windows or doors unless legally required,**
6. **landscaping up kept and in good condition,**
7. **parking lots clean of debris, weeds and in good condition and, if exclusive to the storefront, chained to prevent auto access**
8. **24/7 lighting at street and motion lighting as necessary at auxiliary entrance/exits.**

The City could adopt accelerating fines for non-compliance with maintenance/street presence standards, which would increase over time if the property is unmaintained.

Incentives:

As explained above, if an owner rents a space within 6 months of vacancy, then the fee would be refunded.

Additionally, the escalating fee schedule and fees for lack of maintenance of property create incentives for owners to rent and maintain spaces.

Also, the fee could be lowered, if the owner agrees to rent the space temporarily to a positive public use such as arts performance or gallery space.

Reasoning behind this proposal:

Since the Washington DC fee seems very effective, we propose an analogous fee that would be a lump sum (rather than per \$100 of assessed value as is the case in DC).

A Better Assessment?

- Given legal constraints in adopting taxes, it would be better if the fee were legally an impact fee that was based on the costs incurred to the City by these vacant storefronts (and according to the City Manager’s office, vacant lots/storefronts have remained vacant for long periods and can significantly drain city resources.) This fee could be also used as a model to address the issue of vacant commercial and residential lots.

- The City does not currently have this kind of information readily available but can gather it and attempt to quantify the costs. Some of the parameters suggested are: the cost of increased security, Police response, Public Works response and Mental Health services; the amount of time spent in addressing these vacant properties by Neighborhood Services; the opportunity costs of lost revenue in the form of building and business permits, in property taxes and in business license fees.
- If the costs could be properly quantified, it would be easier to determine a progressive fee schedule that ultimately would help recoup some of the costs to the city.

Suggested exemptions:

The property would be exempt from the registration fee requirements entirely or temporarily if they met the following criteria:

1. The property is under active construction, rehabilitation, renovation or repair and has valid building permit(s) to make it fit for occupancy.
2. The owner is actively seeking to sell or rent the property and has not found a tenant/buyer and payment of the fees would be an economic hardship.

The City would need to establish criteria to determine if property meets exemptions. How do you determine if someone is actively seeking to sell or rent the property? Ads for vacant space? Number of open houses? Number of prospective tenants who have expressed interest in property? Also how is economic hardship defined?

City/County	Fees	Status	EnactedDate	Reg. Timeframe
Alameda	\$603.00 annually	Enacted		90 days
Apple Valley	TBD	Proposed		
Baldwin Park	\$90/year	Enacted	4/15/2009	10 days
Banning		Enacted	9/9/2008	10 days
Barstow	TBD	Enacted	2/16/2010	10 days following vacancy
Beaumont	\$150 annually	Enacted	8/7/2008	10 days
Bellflower	TBD	Enacted	5/26/2009	10 days
Benicia	157.11	Enacted		10 days
Blythe	100	Enacted	10/28/2008	10 days
California City	40	Enacted	8/4/2009	10 days
Calimesa	150	Enacted	6/16/2008	30 days
Canyon Lake	130	Enacted	4/9/2009	15 days
Cathedral City	\$70.00 annually	Enacted	5/28/2008	10 days
Chowchilla	\$150 first time; \$100 renewal	Enacted	8/7/2007	10 days
Chula Vista	\$70.00 *see key points of interest*	Enacted		10 days
Claremont	\$70.00 annually	Enacted	1/1/2009	10 days
Cloverdale	120	Enacted		10 days
Coachella	65	Enacted	6/1/2009	10 days
Coalinga	\$150 per calendar year	Enacted		10 days following vacancy
Colton	\$150; \$75 for renewal	Enacted	5/19/2009	10 days
Commerce	TBD by Council resolution	Enacted	9/18/2009	10 days following vacancy
Compton	35	Enacted	7/22/2010	10 days
Covina	\$100.00 annually	Enacted	9/2/2008	10 days
Desert Hot Springs	\$60.00 annually	Enacted	12/16/2008	10 days
Dixon	n/a	Dead		10 days from filing of NOD or property transfer
Downey	No Fee	Enacted	1/13/2009	10 days
East Palo Alto	300	Enacted	5/4/2010	10 days
El Monte	\$198(Reg) \$200 (Deposit)	Enacted	7/20/2010	10 days following the filing of N.O.D.
Elk Grove	10	Enacted		10 days
Fairfield	\$171.00 annually	Enacted	7/15/2008	10 days
Fresno	None; TBD	Enacted	12/15/2008	10 days
Garden Grove	150	Enacted	12/25/2008	10 days

Glendora		180	Enacted			10 days
Gonzales		107	Enacted			10 days
Greenfield	\$50.00 annually		Enacted	9/23/2008		10 days
Hanford	\$200; pro-rated after July 1st each year		Enacted	12/1/2008		10 days
Hayward	\$205 Annual Fee for failing to Register \$437 Quarterly Monitoring Fee		Proposed			
Hesperia	TBD		Proposed			TDB
Highland		\$65	Enacted	10/13/2009		10 days
Hollister		\$265	Enacted			Upon Notice
Imperial		\$50	Enacted	9/3/2008		10 days
Indio	Initial \$150/ \$100 annually		Enacted	4/4/2008		10 days
Inglewood		150	Enacted	1/1/2011		10 days
Ione		\$50	Enacted	6/1/2009		10 days
Kerman		\$50	Enacted	9/3/2008		10 days
Kingsburg	\$50 annually		Enacted	12/3/2008		10 days
La Mirada	\$100 annually		Enacted	2/24/2009		30 days
La Puente		\$100	Enacted	11/17/2009		10 days
Lake Elsinore	\$71 annually		Enacted	4/25/2008		10 days
Lemoore	None		Enacted			10 days
Lompoc		0	Proposed			TBD
Long Beach	\$155 annually		Enacted	1/4/2011		30 days following vacancy
Los Angeles	\$155 annually**see key points of interest**		Enacted	7/8/2010		10 days
Lynwood		\$250	Enacted	4/21/2009		10 days
Madera		55	Enacted	10/15/2008		10 days
Menifee		\$125	Enacted			0
Modesto		0	Enacted	5/5/2009		10 days
Montclair	TBD		Enacted	1/5/2009		10 days
Montebello		120	Enacted	5/1/2009		10 days
Murrieta	\$70.00 annually		Enacted	3/4/2008		10 days
Oakland	\$568.00 annually		Enacted			30 days
Oakley		65	Enacted	6/24/2010		10 days
Ojai		90	Enacted	9/22/2009		10 days

Ontario	\$110/annually; \$55 for change of information	Enacted	5/5/2009	10 days	
Pacific Grove	\$116	Enacted	4/16/2011	10 days following vacancy	
Palm Springs	\$18.00 annually	Enacted	7/30/2008	10 days	
Palmdale	One time fee of \$110.00	Enacted	2/6/2008	10 days	
Pasadena	\$356.00 annually	Enacted		30 days	
Patterson	\$90; \$80 for renewal	Enacted	12/1/2008	10 days	
Perris	\$130 annually	Enacted	9/14/2008	10 days	
Placentia	First time \$50 Renewal \$20	Enacted	10/7/2008	10 days	
Pomona	TBD	Proposed			
Rancho Cucamonga	No Fee	Enacted	3/18/2009	30 days	
Redlands	\$82.42	Enacted		10 days	
Rialto	\$106.00 annually	Enacted	6/17/2008	10 days	
Sacramento	N/A	Enacted		N/A	
San Bruno	\$150	Enacted	1/10/2009	30 days	
San Diego	None-registration is voluntary	Enacted			
San Diego County	\$0	Enacted	6/16/2009	None	
San Francisco	\$765	Enacted	8/18/2009	30 days	
San Jacinto	TBD	Enacted		10 days	
San Jose	Escalating fee schedule	Enacted	12/18/2007	Upon notice from city.	
Santa Clarita	\$0; Registration is voluntary	Enacted			0
Santee	\$190.00 annually	Enacted	11/1/2007	10 day	
Seaside	\$50	Enacted	3/17/2011	10 days	
Selma	\$200.00 annually	Enacted	8/4/2008	10 days	
Soledad	\$150	Enacted		10 days	
South San Francisco	\$125	Enacted	3/1/2009	10 days	
Stockton	N/A	Dead			
Suisun City	\$50	Enacted	3/17/2009	10 days	
Temecula	None	Enacted	5/7/2008	30 days	
Tulare	\$70	Enacted	6/16/2008	10 days	
Vacaville	\$550 monthly when code violations are outstanding	Enacted	7/22/2008	30 days	
Vallejo	TBD	Proposed		TBD	
Victorville	\$0	Enacted			0

Waterford		160	Enacted		60 days from vacancy/ boarding
Watsonville	\$50.00 annually		Enacted	10/10/2008	10 days
Wildomar		\$100	Enacted		10 days
Winters	none		Enacted	11/17/2009	10 days

Vacant/Abandoned Property Registration Database

City	State	Contact	Overseeing Department	Ordinance Title	City Code	Ordinance Description	Program Website	Program Notes
Chula Vista	CA	Drug Leeper Code Enforcement Manager, City of Chula Vista dleper@ci.chula-vista.ca.us (651) 508-5274	Planning and Building Department	Abandoned Residential Property Program	Ordinance No. 3080 CV/MC 15.60 Abandoned Residential Property Registration	An abandoned residential property is: defaulted residential property which mortgage lenders have confirmed vacant. Penalties: • Within 10 days the owner must exercise the abandonment clause in their mortgage contract. • Owner must register the property with the city and pay annual \$70 fee. • Owner must immediately begin to secure and maintain the property to the neighborhood standard. • Owner must hire a local company to inspect the property on a weekly basis. • The property must be posted with the name and 24-hour contact number of the company responsible for the weekly inspection, maintenance and security of the property. An abandoned property is: a property that is vacant and is under current notice of default or subject to trustee's sale, or pending lien sale, or in deed transfer in lieu of foreclosure sale. Penalty: • When lender sends the first notice of default the lender must inspect the property to see if it is occupied. • If it is not the lender must hire a property management company within 5 miles of the property to maintain the home. • The property management company must inspect the property weekly to ensure its compliance with city codes. • Lenders must notify city within 10 days of a home going into foreclosure. • Title holder must pay annual fee of \$60. • The property must be posted with the name and 24-hour contact number of the property management company. A vacant property is: a property that has been unoccupied for a minimum of 30 consecutive days. Penalties: • Owner must register property annually. • Owner must pay registration fee of \$20 x the number residential & commercial units on the property. • Vacant residential properties are taxed at 5.7 times the rate of occupied properties. Vacant commercial properties are taxed at 2.7 times the rate of occupied properties. • Owner must bring building to code compliance. • If the owner does not bring the building to compliance DCRA has the authority to abate the violation and recover the funds by placing a lien on the property. • City can administer fines up to \$2000 and jail time up to 60 days for unregistered and noncompliant properties. A vacant property is: a building that have been vacant for more than forty-five (45) consecutive days. Penalties: • Owner must register his or her property. • Owner must pay a registration fee for each property that has been vacant for at least one (1) year. • If owner fails to register all vacant properties, to amend the registration statement if applicable, or pay the registration fee the city may institute criminal proceedings against the owner of the property, including a potential fine of \$500. In addition, the city may bring a civil action to collect any unpaid registration fees. Fee schedule: • 1 year vacant: \$500 • 2 years vacant: \$1,000 • 3-4 years vacant: \$2,000 • 5-9 years vacant: \$3,500 • 10 years vacant: \$5,000 • 10+ years vacant: \$5,000, plus an additional \$500 for every year the property is vacant over 10 years.	http://www.ci.chula-vista.ca.us	Enacted April 2, 2008. Modeled on programs in Chicago, Detroit, and Chula Vista.
Desert Hot Springs	CA	Planning Division (760) 328-6411 – ext. 260	Planning Division	Abandoned Property Registration Ordinance	Title 9, Chapter 100		http://www.ci.desert-hot-springs.ca.us	Enacted December 28, 2008. Individuals can report vacant properties by sending a form (available on website) to the city. The property is then inspected for code compliance.
Washington	DC	Department of Consumer and Regulatory Affairs (202) 442-4332	Department of Consumer and Regulatory Affairs	Vacant Property Registration Ordinance	DC Code 42-3131.12		www.dc.gov	Enacted in 1980's and revised in 2003. The \$25 annual fee was reduced with current fee schedule. City estimates that within first three years after the revision vacant property owners spent \$30 million on renovations and recouped 330 vacant buildings.
Wilmington	DE	Department of Licenses and Inspections (302) 576-3096	Department of Licenses and Inspections	Vacant Property Registration Fee Program	Chapter 4, §4-27, 125.0 et seq.		http://www.ci.wilmington-de.us	

Vacant/Abandoned Property Registration Database

Albany	GA	Planning and Development Services P.O. Box 447 240 Pine Avenue/Suite 300 Albany, Georgia 31702 Phone: (229) 438-3923 Fax: (229) 438-3905	Planning and Development Services	Vacant Buildings Ordinance	Ordinance 08-164, Chapter 16, Article 1 §10.2	A vacant structure is: a building unoccupied for 60 days or more. Penalties: • Owners must, within 10 days of notice from Code Enforcement, register their structures with the city's Planning and Development Services. • Registration must be renewed every six months the building is vacant. • Submit a plan including the length of time the owner expects the vacancy to continue, proposed rehabilitation to be made and description of measures taken to secure structure. • submit a form that grants permission for inspection and a description of action that will be taken to secure the structure. • Vacant structure must be up to maintenance code. • If the structure is to be boarded up, owner must apply for a board-up permit and abide by that code.	No program website	Passed Feb 26, 2008. Exemptions for "temporary emergency situations." Enforced by code enforcement inspectors doing block-by-block surveys of targeted areas.
Chicago	IL	Dennis Callinan Vacant Multiple Dwelling Registrations Program Administrator (312) 744-3466	Department of Buildings	The Vacant Building Registration and Insurance Certification Ordinance	Title 13-11.6, 13-1.2	Fee schedule: Unknown, posted in Planning and Development services office. Vacant Property is: a property that has been vacant for 30 or more days. Penalties: • Owner must register building with the City of Chicago within 30 days after it becomes vacant. • Owner must pay \$50 yearly registration fee. • Owner must secure the building. • Owner must post a notice of vacancy on the building. • Owner must maintain the building to code. • Owner must show evidence that they have liability insurance no less than \$300K for residential properties \$1M for commercial or industrial properties in 30 days to defray potential demolition costs.	25924.0502050205020503	Ordinance is under the umbrella of the Vacant Properties Program, which began in 2008 to expand on the Troubled Buildings Initiative.
Revere	MA	Nicholas R. Calimazzo Director of Municipal Inspections Dept. (781) 286-5197	Department of Municipal Inspections	Vacant Property Registration Ordinance	Chapter 8.05	Vacant property is: a building in which no one is residing or no business is being conducted, or buildings in which more than half of the exterior windows and doors are broken, boarded up, or without a functioning lock. Penalties: • Within 45 days of a building becoming vacant, the owner is required to register it with the city's Department of Municipal Inspections. • by Nov. 15 of each year, the owner must pay a registration fee to cover the administrative cost of "monitoring and ensuring the property maintenance" of the building. • Building owners have the right to appeal the fees to the Board of Health, but only based on the issue of whether the building is vacant and for how long. Those who don't register or pay their fees are subject to \$500-per day fines. Fee Schedule: • fees escalate based on the amount of time the structure has been vacant, from \$500 for properties that have been vacant for less than a year to \$3,000 for those vacant for three years or more.	No program website	Enacted in January 2007. Based on Wilmington's code.

Vacant/Abandoned Property Registration Database

St. Paul	MN	Steve Wagner Vacant Buildings Supervisor (651) 266-2542	Planning and Development Services	Vacant Building Registration Ordinance	Chapter 45	<ul style="list-style-type: none"> A vacant building is: a building that is unoccupied for 30 or more days and is: <ul style="list-style-type: none"> • Unsecured, or • Secured by other than normal means, or is • A dangerous structure, or is • Contaminated, or • Has multiple housing or Building Code violations, or • Is condemned and illegally occupied, or • Is unoccupied for a period of time longer than one year during which time the Enforcement Officer has issued an order to correct nuisance conditions. <p>Penalties:</p> <ul style="list-style-type: none"> • Owners must submit a Vacant Building Registration Form within 30 days, describing plans for rehabilitating and reoccupying or demolishing the building. • Owners must disclose all pertinent ownership information. • Owners must disclose all pertinent lien holders. • Owners must disclose any current Truth-in-Sale of Housing Disclosure Reports. • Owners must pay an annual Vacant Building Registration fee of \$250.00 within 30 days of receiving this letter. • Owners must provide unnumbered access to all portions of the premises of the buildings to permit the Enforcement Officer to make a complete inspection. • Owners must keep building secure and code compliant. 	11307/www.sfpd.org/4507	Code specifies exemption for houses that have recent fire damage.
Albany	NY	Robert C. Forzsi, Sr. Deputy Chief, Albany Department of Fire and Emergency Services rcforzsi@albany-ny.org (518) 434-8046	Fire Department's Division of Buildings and Codes	Vacant Building Registry (passed in 2000) & Vacant Building Committee (created in 2005)	Ordinance No. 51822-68, Article in XIA § 133-78	<ul style="list-style-type: none"> A vacant building is: a building or portion thereof that is unoccupied or illegally occupied for more than 30 days and is: <ul style="list-style-type: none"> • unsecured or • secured by other than normal means, or • is deemed unsafe by the Dept. of Fire, Emergency and Building Services, or • has multiple housing or building code violations, or • is unoccupied for over 365 days during which time the enforcement officer has issued an order to correct code violations <p>Penalties:</p> <ul style="list-style-type: none"> • Owner must register the property & pay fee. • Owner must submit a vacant building plan for approval - must include either plans and time-frame for demolition, or plans to secure the building to compliance and justification for vacancy, or plans for rehabilitation and occupancy which will be completed in less than 365 days. • If ownership is transferred the new owner must re-register within 30 days. <p>Fee schedule:</p> <ul style="list-style-type: none"> • 1 year vacant: \$250 • 2 or 3 years vacant: \$400 • 4 years vacant: \$1,500 • 5 or more years: \$2,000 	No program website	First enacted in 2000. In Jan 2008 fees increased from \$200 to \$250 the first year. Legislation is currently enforced by the "Block by Block" initiative, which targets streets with the most vacant properties by surveying them looking for violations. The initiative also uses a vacant buildings court to give summonses to unregistered vacant properties.
Binghamton	NY	Kath Heron Vacant Properties Officer 381 Hawley Street, 4th floor Binghamton, NY 13801 (607) 772-7010 (607) 772-7162 fax	Building and Code Department	Vacant Building Registration Ordinance	\$265-6	<ul style="list-style-type: none"> A vacant building is: a building, a portion of a building, or a structure which is any one or more of the below: <ul style="list-style-type: none"> • Unoccupied and unsecured; • Unoccupied and secured by other than normal means; • Unoccupied and an unsafe building as determined by an Enforcement Officer; • Unoccupied and enforcement officer has issued an order to correct code violations; • Illegally occupied; or • Unoccupied for a period of time over 30 days. <p>Penalties:</p> <ul style="list-style-type: none"> • Owner must register and pay an annual \$50 fee. • If the building remains vacant for a year or more, the owner must submit an annual \$500 vacant building fee. • Owner must submit a plan for building's rehabilitation, demolition, or maintenance. 	www.binghamton.gov/1501501502/1501501502	Enacted 5/31/07. Legislation part of "Blight Prevention Initiative" developed by a task force made up of Code, Building and Construction, Police, Legal, Planning, Housing and Community Development, Parks and Rec. and Finance officials. Law modeled after legislation in Albany and Rochester NY, Wilmington, DE, and Evanston, IL.

Vacant/Abandoned Property Registration Database

Cincinnati	OH	Edward Cunningham Supervisor of Inspections edward.cunningham@cincinnati-oh.gov (513) 352-1809	Department of Buildings and Inspections	Vacant Building Maintenance License	Ordinance 59-2006 (Amendment) Sections 1101-77, 78, 128	<p>A vacant property is: a property ordered vacated due to non-compliance of a 13 point code by Buildings & Inspections Dept.</p> <p>Penalties:</p> <ul style="list-style-type: none"> • Applicant must apply for Vacant Building Maintenance License within 30 days of order to vacate. • Applicant must pay fee or request waiver. • Applicant must provide evidence of general liability insurance for property (min of \$300k for residential \$1M for commercial or industrial) • Building must be brought into VBML compliance (demolished, rehabilitated, or up to code) within 60 days of application. • Unpaid fees become liens. <p>Fee schedule:</p> <ul style="list-style-type: none"> • \$800/year for properties that have been ordered or kept vacated for less than 1 year • \$1,800/year for properties that have been ordered or kept vacated for at least 1, but less than 2 years • \$2,700/year for properties that have been ordered or kept vacated for at least 2, but less than 5 years • \$3,500/year for properties that have been ordered or kept vacated for at least 5 <p>A vacant building is: a building that has been unoccupied for 30 days or more and is:</p> <ul style="list-style-type: none"> • unsecured, or • secured by other than normal means, or • a dangerous structure, or • condemned, or • has city code violations, or • condemned and illegally occupied. <p>Penalties:</p> <ul style="list-style-type: none"> • Owner must register & pay annual \$200 fee. • Owner must present a plan for continued care and upkeep with a timetable for restoring the building to appropriate occupancy or a demolition plan. • Owner must keep building secured and maintain the building and its grounds. Building must not be used for storage. • If ownership is transferred the new owner must re-register within 30 days. 	www.ci.cincinnati.oh.us/5522	
Stow Falls	SD	Building Services 605-367-8254	Planning and Building Services	City of Stow Falls Ordinance Article IX Vacant Buildings	Article IX §11	Exemptions made for buildings under permitted construction.	www.ci.stow.vt.us/265-269	
Milwaukee	WI	Marin Collins MCOLL@milwaukee.gov (414) 286-2542	Department of Municipal Inspections	Property Recording Ordinance	Chapter 200, subchapter 8 & Chapter 275 § 32-7	<p>Enacted in 1993 as part of the Property Recording Program. The program is designed to deal with vacant properties, although only records occupied property.</p>	www.ci.milwaukee.wi.us/6462	



Jesse Arreguín
Councilmember, District 4

ACTION CALENDAR

October 7, 2014

(Continued from September 9, 2014)

To: Honorable Mayor and Members of the City Council
From: Councilmember Jesse Arreguín
Subject: Vacancy Registration Fee

RECOMMENDATION:

Refer to the City Manager the establishment of a registration fee for vacant ground floor commercial spaces as well as undeveloped vacant lots throughout the City of Berkeley.

FINANCIAL IMPLICATIONS:

Unknown staff costs associated with the establishment of a fee program; however, some work has already been commenced by staff in response to the original referral. Potential cost recovery upon implementation.

BACKGROUND:

Vacant commercial spaces and lots often create blight, attract undesirable behavior, and cause economic disruptions, whose externalized impacts are felt by surrounding neighbors, businesses, and ultimately the City who must expend considerable resources addressing such impacts.

On December 7, 2010, the Berkeley City Council adopted the “Encouraging Economic Development and Increasing City Revenue from Business Activity” proposal from Councilmembers Capitelli, Wengraf and Moore.

Part of the item referred to the Planning Commission the following issue:
“Investigate providing incentives to property owners to encourage leasing and establish disincentives to motivate property owners not to leave their properties vacant.”

On September 20, 2011, Council voted to refer to the City Manager the issue of vacant storefronts and the development of a fee. Subsequently, staff determined after further study that a legally permissible fee would not be sufficiently high enough to achieve the desired incentive and that, given the objective, a tax would be a more effective option; however, a tax must be voted on directly by the voters to go into effect.

In the latest round of considering the placement of ballot measures for the upcoming fall election, a vacancy tax polled favorably at 67 percent approval; however, due to the pressing need for other revenue measures, a vacancy was not pursued for this election

cycle in order to ensure the likelihood that much needed revenue for City infrastructure will be passed by the voters.

This referral only differs from the original referral in its inclusion of undeveloped vacant lots. Throughout Berkeley, especially in residential neighborhoods, undeveloped lots that are not properly maintained become overgrown with vegetation, often posing a fire hazard, attract graffiti and other illegal activities, and harbor pests. The resulting nuisances spur ongoing City intervention and abatement notices. A fee on undeveloped lots will help the City recover the costs associated with monitoring and responding to such lots.

The establishment of a vacancy registration fee in the interim before the next available general election will establish the following goals:

- Begin the recovery of costs incurred by the City responding to issues associated with vacancies
- Provide comprehensive data that does not currently exist on vacancies in order to formulate an effective vacancy tax
- Evaluate the implementation of such a program and any attendant issues in order to inform the creation of a vacancy tax
- Provide an initial incentive for property owners to ensure a positive and active use rather than a vacancy

In establishing a vacancy registration fee program, the City should consider minimum maintenance standards for when or how much of the fee would apply, with the potential waiving of the fee if the owner agrees to allow a positive interim use, such as an art exhibit or workspace in the case of vacant commercial storefronts, or a community garden in the case of undeveloped lots. Consistent with the previous proposal, the City should also consider **appropriate waivers in cases of hardship or extenuating circumstances.**

CONTACT PERSON:

Jesse Arreguin, Councilmember, District 4 981-7140

ATTACHMENTS:

1. Council Item: Vacancy Registration Fee. Sept. 20, 2011.



Jesse Arreguin
Councilmember, District 4

ACTION CALENDAR
September 20, 2011

To: Honorable Mayor and Members of the City Council

From: Councilmember Jesse Arreguin

Subject: Referral to City Manager: Vacancy Registration Fee

RECOMMENDATION:

Refer to the City Manager the attached proposal for a Vacancy Registration Fee for review and the development of a policy to address the issue of vacant ground floor commercial spaces throughout Berkeley.

BACKGROUND:

On December 7, 2010, the Berkeley City Council adopted the “Encouraging Economic Development and Increasing City Revenue from Business Activity” proposal from Councilmembers Capitelli, Wengraf and Moore.

Part of the item referred to the Planning Commission the following issue:

“Investigate providing incentives to property owners to encourage leasing and establish disincentives to motivate property owners not to leave their properties vacant.”

Vacant storefronts can be found in almost every commercial district in Berkeley. While part of this problem is due to the current recession, it is also often due to the square foot rents that are charged for vacant commercial space, which can be financially prohibitive for some small businesses. As a result, commercial spaces remain vacant, creating a significant financial and economic impact on our community.

The social impact of vacant storefronts is significant. It not only degrades the character of our community, but creates visual blight and affects the desirability of new businesses locating in an area, which in turn affects city tax revenues.

The economic impact of vacant storefronts is also important and is unaddressed. While some property owners cannot find a tenant to fill a vacant space, and should not be unfairly penalized, there are property owners who have charged higher rents for vacant commercial space and have not lowered rents as a way to find suitable tenants. As a result the property remains vacant. Additionally, there have been issues with the maintenance of some vacant storefronts and vacant storefronts sometimes attract undesirable activity. This has resulted in the investment of city resources (Police, Public Works, Neighborhood Services, Health) to address such problems. The city is not

compensated for the cost of providing such services which impacts our city budget and our ability to response to other problems in our community.

There clearly is a social and financial impact from vacant storefronts, which must be addressed. The attached proposal for a Vacancy Registration Fee was developed after reviewing a number of policies adopted by other cities to address vacant property, including vacant ground floor commercial space.

The proposal recommends a vacancy registration fee for commercial properties which would go into effect within 6 months after a vacancy occurs and would implement an escalating fee schedule : a \$180 registration fee and an escalating fee of \$300 for every six months the property remains vacant. The proposal also suggests establishing the requirement that the space meets minimum maintenance/street presence standards, which if not meet the owner would be subject to additional fees.

Many other cities, including cities in California, have adopted vacancy registration fees to deal with the issue of vacant commercial and residential property. See attached chart describing vacancy registration fee policies in other cities. The District of Columbia vacancy registration tax and fee schedule (based on Wilmington, Delaware's) seems most relevant to Berkeley. Current Washington DC has a registration tax of \$250.00 annually, and for Class 2 properties (which are mainly comprised of vacant storefronts), they have a tax of \$1.65 per 100 dollars of assessed value.

In addition, many cities in California charge a vacancy registration fee ranging from \$75 to \$ 603 (though most seem to be in the range of \$150). Many however, seem geared to addressing the problem of vacant residential properties in foreclosure and the fee is meant to raise money for maintenance in order to ensure that the properties do not become blighted.

The policy in San Jose is geared towards all vacancy buildings in general, and involved an escalating fee schedule.

This item does not recommend that the City Council adopt the proposal or that the City Manager specifically recommend this proposal, it is simply referring a suggested framework to the City Manager for consideration in responding to the December 7, 2010 City Council referral.

FINANCIAL IMPLICATIONS:

Unknown. Some staff time will be involved in reviewing, researching and developing a proposal for City Council consideration.

CONTACT PERSONS:

Jesse Arreguin, Councilmember, District 4 981-7140

Attachments:

1. Proposal for Vacancy Registration Fee
2. Chart summarizing vacancy registration fee policies in other cities

Proposal for Vacancy Registration Fee for Berkeley

Background:

Based on research of policies adopted in other cities and square foot rents and economic conditions in Berkeley that have resulted in vacancies, an ideal policy would involve a progressive registration fee schedule with a grace period to allow sufficient time for a property owner to seek a renter/buyer, with a fee high enough to incentivize landlords to lower rents or actively find a renter/buyer, to create a disincentive for leaving commercial space vacant for long periods of time and minimize the impacts on the community. The fee policy should include clear criteria for the maintenance of vacant storefronts with financial disincentives to discourage blight. There should be limited deferrals/exemptions to address situations where a building is being renovated or to address economic hardship. The fee should not only be a disincentive to holding ground floor commercial space vacant but also to help recover some of the costs associated with city response to problems with vacant properties.

Goals:

- **To discourage vacancies of ground floor commercial space and to encourage property owners to maintain vacant property to prevent blight.**
- When would the fee go into effect? One option includes requiring the property to be registered and if there is active pursuit of a tenant/buyer, the fee would not go into effect, however if after 6 months the property is not occupied, the fee would go into effect. Alternatively, the fee could go into effect within 6 months (or another threshold) after a vacancy occurs.
- Introduce progressive fee schedule. Longer the duration of vacancy the higher the fee.
- Set fee at a rate high enough, to incentivize landlords to lower their rents but not too high so as to discourage prospective landlords to buy property in Berkeley, or to create a reputation of Berkeley being “unfair to businesses”.
- Determine exceptions and design a clear policy that would ensure that exemptions are being granted to circumstances that legitimately meet the criteria and are not a loophole around the policy.
- Include a minimum set of standards for maintenance for vacant space, so as to minimize blight. If standards are not met, additional fees would be imposed.
- Determine the consequences of failure to comply with the registration fee requirements. One option could include placing a lien on the property.
- Create a system that would be clear and as efficient as possible. Minimize staff time and costs associated with implementing system.

Legal Issues:

- Legally it is difficult to adopt a “registration tax” without going through a Proposition 218 process or going to the voters.

- A fee is most easily justified and able to be adopted if it is an impact fee, used to cover costs of maintenance and security around vacant store fronts.
- It is also more easily justified if it is a lump sum that escalates depending on the amount of time the space is vacant, rather than varying depending on square footage. It would provide more clarity and predictability for the owner and would make the policy easier to implement. Additionally, the impacts are similar regardless of the size of the property.

Brief discussion of past relevant policies that motivate current proposal:

The District of Columbia vacancy registration tax and fee schedule (based on Wilmington, Delaware's) seems most relevant to Berkeley. Current Washington DC has a registration tax of \$250.00 annually, and for Class 2 properties (which are mainly comprised of vacant storefronts), they have a tax of \$1.65 per 100 dollars of assessed value.

In addition, many cities in California charge a vacancy registration fee ranging from \$75 to \$ 603 (though most seem to be in the range of \$150). Many however, seem geared to addressing the problem of vacant residential properties in foreclosure and the fee is meant to raise money for maintenance in order to ensure that the properties do not become blighted.

The policy in San Jose is geared towards all vacancy buildings in general, and involved an escalating fee schedule.

Suggested Proposal:

Establish a vacancy registration fee for commercial properties, which would apply to vacant ground floor commercial space. Adopt an escalating fee schedule: \$ 180 registration fee and an escalating fee of \$300 for every six months the property remains vacant.

When would the fee go into effect?

One option would require the property owner to register with the city and pay a fee as soon as the commercial space becomes vacant. The fee could be refunded if it is rented within 6 months of vacancy. If the space is vacant for 6 months or more, the fee would go into effect at the beginning of the 6th month of vacancy and would escalate depending on how long the property remains vacant.

Another option is that the fee would go into effect 6 months after a vacancy occurs.

Additionally, during the time the property remains vacant, the property owner is responsible for meeting the minimum standards for maintenance/street presence for the vacant space:

Suggested standards include:

1. **free of graffiti, clean windows, doors and storefront – perhaps with “post no bills” standards with the exception of rental information,**
2. **clean interior space – no “junk” or fixtures visible from the sidewalk/street,**
3. **clean and serviceable awnings,**
4. **signage in good condition,**
5. **“no boarding up” of windows or doors unless legally required,**
6. **landscaping up kept and in good condition,**
7. **parking lots clean of debris, weeds and in good condition and, if exclusive to the storefront, chained to prevent auto access**
8. **24/7 lighting at street and motion lighting as necessary at auxiliary entrance/exits.**

The City could adopt accelerating fines for non-compliance with maintenance/street presence standards, which would increase over time if the property is unmaintained.

Incentives:

As explained above, if an owner rents a space within 6 months of vacancy, then the fee would be refunded.

Additionally, the escalating fee schedule and fees for lack of maintenance of property create incentives for owners to rent and maintain spaces.

Also, the fee could be lowered, if the owner agrees to rent the space temporarily to a positive public use such as arts performance or gallery space.

Reasoning behind this proposal:

Since the Washington DC fee seems very effective, we propose an analogous fee that would be a lump sum (rather than per \$100 of assessed value as is the case in DC).

A Better Assessment?

- Given legal constraints in adopting taxes, it would be better if the fee were legally an impact fee that was based on the costs incurred to the City by these vacant storefronts (and according to the City Manager’s office, vacant lots/storefronts have remained vacant for long periods and can significantly drain city resources.) This fee could be also used as a model to address the issue of vacant commercial and residential lots.

- The City does not currently have this kind of information readily available but can gather it and attempt to quantify the costs. Some of the parameters suggested are: the cost of increased security, Police response, Public Works response and Mental Health services; the amount of time spent in addressing these vacant properties by Neighborhood Services; the opportunity costs of lost revenue in the form of building and business permits, in property taxes and in business license fees.
- If the costs could be properly quantified, it would be easier to determine a progressive fee schedule that ultimately would help recoup some of the costs to the city.

Suggested exemptions:

The property would be exempt from the registration fee requirements entirely or temporarily if they met the following criteria:

1. The property is under active construction, rehabilitation, renovation or repair and has valid building permit(s) to make it fit for occupancy.
2. The owner is actively seeking to sell or rent the property and has not found a tenant/buyer and payment of the fees would be an economic hardship.

The City would need to establish criteria to determine if property meets exemptions. How do you determine if someone is actively seeking to sell or rent the property? Ads for vacant space? Number of open houses? Number of prospective tenants who have expressed interest in property? Also how is economic hardship defined?

City/County	Fees	Status	EnactedDate	Reg. Timeframe
Alameda	\$603.00 annually	Enacted		90 days
Apple Valley	TBD	Proposed		
Baldwin Park	\$90/year	Enacted	4/15/2009	10 days
Banning		Enacted	9/9/2008	10 days
Barstow	TBD	Enacted	2/16/2010	10 days following vacancy
Beaumont	\$150 annually	Enacted	8/7/2008	10 days
Bellflower	TBD	Enacted	5/26/2009	10 days
Benicia	157.11	Enacted		10 days
Blythe	100	Enacted	10/28/2008	10 days
California City	40	Enacted	8/4/2009	10 days
Calimesa	150	Enacted	6/16/2008	30 days
Canyon Lake	130	Enacted	4/9/2009	15 days
Cathedral City	\$70.00 annually	Enacted	5/28/2008	10 days
Chowchilla	\$150 first time; \$100 renewal	Enacted	8/7/2007	10 days
Chula Vista	\$70.00 *see key points of interest*	Enacted		10 days
Claremont	\$70.00 annually	Enacted	1/1/2009	10 days
Cloverdale	120	Enacted		10 days
Coachella	65	Enacted	6/1/2009	10 days
Coalinga	\$150 per calendar year	Enacted		10 days following vacancy
Colton	\$150; \$75 for renewal	Enacted	5/19/2009	10 days
Commerce	TBD by Council resolution	Enacted	9/18/2009	10 days following vacancy
Compton	35	Enacted	7/22/2010	10 days
Covina	\$100.00 annually	Enacted	9/2/2008	10 days
Desert Hot Springs	\$60.00 annually	Enacted	12/16/2008	10 days
Dixon	n/a	Dead		10 days from filing of NOD or property transfer
Downey	No Fee	Enacted	1/13/2009	10 days
East Palo Alto	300	Enacted	5/4/2010	10 days
El Monte	\$198(Reg) \$200 (Deposit)	Enacted	7/20/2010	10 days following the filing of N.O.D.
Elk Grove	10	Enacted		10 days
Fairfield	\$171.00 annually	Enacted	7/15/2008	10 days
Fresno	None; TBD	Enacted	12/15/2008	10 days
Garden Grove	150	Enacted	12/25/2008	10 days

Glendora		180	Enacted			10 days
Gonzales		107	Enacted			10 days
Greenfield	\$50.00 annually		Enacted	9/23/2008		10 days
Hanford	\$200; pro-rated after July 1st each year		Enacted	12/1/2008		10 days
Hayward	\$205 Annual Fee for failing to Register \$437 Quarterly Monitoring Fee		Proposed			
Hesperia	TBD		Proposed			TDB
Highland		\$65	Enacted	10/13/2009		10 days
Hollister		\$265	Enacted			Upon Notice
Imperial		\$50	Enacted	9/3/2008		10 days
Indio	Initial \$150/ \$100 annually		Enacted	4/4/2008		10 days
Inglewood		150	Enacted	1/1/2011		10 days
lone		\$50	Enacted	6/1/2009		10 days
Kerman		\$50	Enacted	9/3/2008		10 days
Kingsburg	\$50 annually		Enacted	12/3/2008		10 days
La Mirada	\$100 annually		Enacted	2/24/2009		30 days
La Puente	\$100		Enacted	11/17/2009		10 days
Lake Elsinore	\$71 annually		Enacted	4/25/2008		10 days
Lemoore	None		Enacted			10 days
Lompoc		0	Proposed			TBD
Long Beach	\$155 annually		Enacted	1/4/2011		30 days following vacancy
Los Angeles	\$155 annually**see key points of interest**		Enacted	7/8/2010		10 days
Lynwood		\$250	Enacted	4/21/2009		10 days
Madera		55	Enacted	10/15/2008		10 days
Menifee		\$125	Enacted			0
Modesto		0	Enacted	5/5/2009		10 days
Montclair	TBD		Enacted	1/5/2009		10 days
Montebello		120	Enacted	5/1/2009		10 days
Murrieta	\$70.00 annually		Enacted	3/4/2008		10 days
Oakland	\$568.00 annually		Enacted			30 days
Oakley		65	Enacted	6/24/2010		10 days
Ojai		90	Enacted	9/22/2009		10 days

Ontario	\$110/annually; \$55 for change of information	Enacted	5/5/2009	10 days	
Pacific Grove	\$116	Enacted	4/16/2011	10 days following vacancy	
Palm Springs	\$18.00 annually	Enacted	7/30/2008	10 days	
Palmdale	One time fee of \$110.00	Enacted	2/6/2008	10 days	
Pasadena	\$356.00 annually	Enacted		30 days	
Patterson	\$90; \$80 for renewal	Enacted	12/1/2008	10 days	
Perris	\$130 annually	Enacted	9/14/2008	10 days	
Placentia	First time \$50 Renewal \$20	Enacted	10/7/2008	10 days	
Pomona	TBD	Proposed			
Rancho Cucamonga	No Fee	Enacted	3/18/2009	30 days	
Redlands	\$82.42	Enacted		10 days	
Rialto	\$106.00 annually	Enacted	6/17/2008	10 days	
Sacramento	N/A	Enacted		N/A	
San Bruno	\$150	Enacted	1/10/2009	30 days	
San Diego	None-registration is voluntary	Enacted			
San Diego County	\$0	Enacted	6/16/2009	None	
San Francisco	\$765	Enacted	8/18/2009	30 days	
San Jacinto	TBD	Enacted		10 days	
San Jose	Escalating fee schedule	Enacted	12/18/2007	Upon notice from city.	
Santa Clarita	\$0; Registration is voluntary	Enacted			0
Santee	\$190.00 annually	Enacted	11/1/2007	10 day	
Seaside	\$50	Enacted	3/17/2011	10 days	
Selma	\$200.00 annually	Enacted	8/4/2008	10 days	
Soledad	\$150	Enacted		10 days	
South San Francisco	\$125	Enacted	3/1/2009	10 days	
Stockton	N/A	Dead			
Suisun City	\$50	Enacted	3/17/2009	10 days	
Temecula	None	Enacted	5/7/2008	30 days	
Tulare	\$70	Enacted	6/16/2008	10 days	
Vacaville	\$550 monthly when code violations are outstanding	Enacted	7/22/2008	30 days	
Vallejo	TBD	Proposed		TBD	
Victorville	\$0	Enacted			0

Waterford		160	Enacted		60 days from vacancy/ boarding
Watsonville	\$50.00 annually		Enacted	10/10/2008	10 days
Wildomar		\$100	Enacted		10 days
Winters	none		Enacted	11/17/2009	10 days

Vacant/Abandoned Property Registration Database

City	State	Contact	Overseeing Department	Ordinance Title	City Code	Ordinance Description	Program Website	Program Notes
Chula Vista	CA	Drug Leeper Code Enforcement Manager, City of Chula Vista dleper@ci.chula-vista.ca.us (651) 508-5274	Planning and Building Department	Abandoned Residential Property Program	Ordinance No. 3080 CVMC 15.60 Abandoned Residential Property Registration	An abandoned residential property is: defaulted residential property which mortgage lenders have confirmed vacant. Penalties: • Within 10 days the owner must exercise the abandonment clause in their mortgage contract. • Owner must register the property with the city and pay annual \$70 fee. • Owner must immediately begin to secure and maintain the property to the neighborhood standard. • Owner must hire a local company to inspect the property on a weekly basis. • The property must be posted with the name and 24-hour contact number of the company responsible for the weekly inspection, maintenance and security of the property. An abandoned property is: a property that is vacant and is under current notice of default or subject to trustee's sale, or pending lien sale, or in deed transfer in lieu of foreclosure sale. Penalty: • When lender sends the first notice of default the lender must inspect the property to see if it is occupied. • If it is not the lender must hire a property management company within 5 miles of the property to maintain the home. • The property management company must inspect the property weekly to ensure its compliance with city codes. • Lenders must notify city within 10 days of a home going into foreclosure. • Title holder must pay annual fee of \$60. • The property must be posted with the name and 24-hour contact number of the property management company. A vacant property is: a property that has been unoccupied for a minimum of 30 consecutive days. Penalties: • Owner must register property annually. • Owner must pay registration fee of \$20 x the number residential & commercial units on the property. • Vacant residential properties are taxed at 5.7 times the rate of occupied properties. Vacant commercial properties are taxed at 2.7 times the rate of occupied properties. • Owner must bring building to code compliance. • If the owner does not bring the building to compliance DCRA has the authority to abate the violation and recover the funds by placing a lien on the property. • City can administer fines up to \$2000 and jail time up to 60 days for unregistered and noncompliant properties. A vacant property is: a building that have been vacant for more than forty-five (45) consecutive days. Penalties: • Owner must register his or her property. • Owner must pay a registration fee for each property that has been vacant for at least one (1) year. • If owner fails to register all vacant properties, to amend the registration statement if applicable, or pay the registration fee the city may institute criminal proceedings against the owner of the property, including a potential fine of \$500. In addition, the city may bring a civil action to collect any unpaid registration fees. Fee schedule: • 1 year vacant: \$500 • 2 years vacant: \$1,000 • 3-4 years vacant: \$2,000 • 5-9 years vacant: \$3,500 • 10 years vacant: \$5,000 • 10+ years vacant: \$5,000, plus an additional \$500 for every year the property is vacant over 10 years.	http://www.ci.chula-vista.ca.us	Enacted April 2, 2008. Modeled on programs in Chicago, Detroit, and Chula Vista.
Desert Hot Springs	CA	Planning Division (760) 328-6411 – ext. 260	Planning Division	Abandoned Property Registration Ordinance	Title 9, Chapter 100		http://www.ci.desert-hot-springs.ca.us	Enacted December 28, 2008. Individuals can report vacant properties by sending a form (available on website) to the city. The property is then inspected for code compliance.
Washington	DC	Department of Consumer and Regulatory Affairs (202) 442-4332	Department of Consumer and Regulatory Affairs	Vacant Property Registration Ordinance	DC Code 42-3131.12		www.dcr.dc.gov	Enacted in 1980's and revised in 2003. The \$25 annual fee was reduced with current fee schedule. City estimates that within first three years after the revision vacant property owners spent \$30 million on renovations and recouped 330 vacant buildings.
Wilmington	DE	Department of Licenses and Inspections (302) 576-3096	Department of Licenses and Inspections	Vacant Property Registration Fee Program	Chapter 4, §4-27, 125.0 et seq.		http://www.ci.wilmington-de.us	

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Albany	GA	Planning and Development Services P.O. Box 447 240 Pine Avenue/Suite 300 Albany, Georgia 31702 Phone: (229) 438-3923 Fax: (229) 438-3805	Planning and Development Services	Vacant Buildings Ordinance	Ordinance 08-164, Chapter 16, Article 1 §10.2	A vacant structure is: a building unoccupied for 60 days or more. Penalties: • Owners must, within 10 days of notice from Code Enforcement, register their structures with the city's Planning and Development Services. • Registration must be renewed every six months the building is vacant. • Submit a plan including the length of time the owner expects the vacancy to continue, proposed rehabilitation to be made and description of measures taken to secure structure. • submit a form that grants permission for inspection and a description of action that will be taken to secure the structure. • Vacant structure must be up to maintenance code. • If the structure is to be boarded up, owner must apply for a board-up permit and abide by that code.	No program website	Passed Feb 26, 2008. Exemptions for "temporary emergency situations." Enforced by code enforcement inspectors doing block-by-block surveys of targeted areas.
Chicago	IL	Dennis Callinan Vacant Multiple Dwelling Registrations Program Administrator (312) 744-3456	Department of Buildings	The Vacant Building Registration and Insurance Certification Ordinance	Title 13-11.6, 13-1.2	Fee schedule: Unknown, posted in Planning and Development services office. Vacant Property is: a property that has been vacant for 30 or more days. Penalties: • Owner must register building with the City of Chicago within 30 days after it becomes vacant. • Owner must pay \$50 yearly registration fee. • Owner must secure the building. • Owner must post a notice of vacancy on the building. • Owner must maintain the building to code. • Owner must show evidence that they have liability insurance no less than \$300K for residential properties \$1M for commercial or industrial properties in 30 days to defray potential demolition costs.	25929.0502050205020503	Ordinance is under the umbrella of the Vacant Properties Program, which began in 2008 to expand on the Troubled Buildings Initiative.
Revere	MA	Nicholas R. Calimazzo Director of Municipal Inspections Dept. (781) 286-5197	Department of Municipal Inspections	Vacant Property Registration Ordinance	Chapter 8.05	Vacant property is: a building in which no one is residing or no business is being conducted, or buildings in which more than half of the exterior windows and doors are broken, boarded up, or without a functioning lock. Penalties: • Within 45 days of a building becoming vacant, the owner is required to register it with the city's Department of Municipal Inspections. • by Nov. 15 of each year, the owner must pay a registration fee to cover the administrative cost of "monitoring and ensuring the property maintenance" of the building. • Building owners have the right to appeal the fees to the Board of Health, but only based on the issue of whether the building is vacant and for how long. Those who don't register or pay their fees are subject to \$500-per day fines. Fee Schedule: • fees escalate based on the amount of time the structure has been vacant, from \$500 for properties that have been vacant for less than a year to \$3,000 for those vacant for three years or more.	No program website	Enacted in January 2007. Based on Wilmington's code.

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St. Paul	MN	Steve Wagner Vacant Buildings Supervisor (651) 266-2542	Planning and Development Services	Vacant Building Registration Ordinance	Chapter 45	<ul style="list-style-type: none"> A vacant building is: a building that is unoccupied for 30 or more days and is: <ul style="list-style-type: none"> • Unsecured, or • Secured by other than normal means, or is • A dangerous structure, or is • Contaminated, or • Has multiple housing or Building Code violations, or • Is condemned and illegally occupied, or • Is unoccupied for a period of time longer than one year during which time the Enforcement Officer has issued an order to correct nuisance conditions. <p>Penalties:</p> <ul style="list-style-type: none"> • Owners must submit a Vacant Building Registration Form within 30 days, describing plans for rehabilitating and reoccupying or demolishing the building. • Owners must disclose all pertinent ownership information. • Owners must disclose all pertinent lien holders. • Owners must disclose any current Truth-in-Sale of Housing Disclosure Reports. • Owners must pay an annual Vacant Building Registration fee of \$250.00 within 30 days of receiving this letter. • Owners must provide unnumbered access to all portions of the premises of the buildings to permit the Enforcement Officer to make a complete inspection. • Owners must keep building secure and code compliant. 	11307/www.sfpd.org/4507	Code specifies exemption for houses that have recent fire damage.
Albany	NY	Robert C. Forzsi, Sr. Deputy Chief, Albany Department of Fire and Emergency Services rcforzsi@albany-ny.org (518) 434-8046	Fire Department's Division of Buildings and Codes	Vacant Building Registry (passed in 2000) & Vacant Building Committee (created in 2005)	Ordinance No. 51822-68, Article in XIA § 133-78	<ul style="list-style-type: none"> A vacant building is: a building or portion thereof that is unoccupied or illegally occupied for more than 30 days and is: <ul style="list-style-type: none"> • unsecured or • secured by other than normal means, or • is deemed unsafe by the Dept. of Fire, Emergency and Building Services, or • has multiple housing or building code violations, or • is unoccupied for over 365 days during which time the enforcement officer has issued an order to correct code violations <p>Penalties:</p> <ul style="list-style-type: none"> • Owner must register the property & pay fee. • Owner must submit a vacant building plan for approval - must include either plans and time-frame for demolition, or plans to secure the building to compliance and justification for vacancy, or plans for rehabilitation and occupancy which will be completed in less than 365 days. • If ownership is transferred the new owner must re-register within 30 days. <p>Fee schedule:</p> <ul style="list-style-type: none"> • 1 year vacant: \$250 • 2 or 3 years vacant: \$400 • 4 years vacant: \$1,500 • 5 or more years: \$2,000 	No program website	First enacted in 2000. In Jan 2008 fees increased from \$200 to \$250 the first year. Legislation is currently enforced by the "Block by Block" initiative, which targets streets with the most vacant properties by surveying them looking for violations. The initiative also uses a vacant buildings court to give summonses to unregistered vacant properties.
Binghamton	NY	Kath Heron Vacant Properties Officer 381 Hawley Street, 4th floor Binghamton, NY 13801 (607) 772-7010 (607) 772-7162 fax	Building and Code Department	Vacant Building Registration Ordinance	\$265-6	<ul style="list-style-type: none"> A vacant building is: a building, a portion of a building, or a structure which is any one or more of the below: <ul style="list-style-type: none"> • Unoccupied and unsecured; • Unoccupied and secured by other than normal means; • Unoccupied and an unsafe building as determined by an Enforcement Officer; • Unoccupied and enforcement officer has issued an order to correct code violations; • Illegally occupied; or • Unoccupied for a period of time over 30 days. <p>Penalties:</p> <ul style="list-style-type: none"> • Owner must register and pay an annual \$50 fee. • If the building remains vacant for a year or more, the owner must submit an annual \$500 vacant building fee. • Owner must submit a plan for building's rehabilitation, demolition, or maintenance. 	www.binghamton.gov/1501501502/1501501502	Enacted 5/31/07. Legislation part of "Blight Prevention Initiative" developed by a task force made up of Code, Building and Construction, Police, Legal, Planning, Housing and Community Development, Parks and Rec. and Finance officials. Law modeled after legislation in Albany and Rochester NY, Wilmington, DE, and Evanston, IL.

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Cincinnati	OH	Edward Cunningham Supervisor of Inspections edward.cunningham@cincinnati-oh.gov (513) 352-1809	Department of Buildings and Inspections	Vacant Building Maintenance License	Ordinance 59-2006 (Amendment) Sections 1101-77, 78, 128	<p>A vacant property is: a property ordered vacated due to non-compliance of a 13 point code by Buildings & Inspections Dept.</p> <p>Penalties:</p> <ul style="list-style-type: none"> • Applicant must apply for Vacant Building Maintenance License within 30 days of order to vacate. • Applicant must pay fee or request waiver. • Applicant must provide evidence of general liability insurance for property (min of \$300k for residential \$1M for commercial or industrial) • Building must be brought into VBML compliance (demolished, rehabilitated, or up to code) within 60 days of application. • Unpaid fees become liens. <p>Fee schedule:</p> <ul style="list-style-type: none"> • \$800/year for properties that have been ordered or kept vacated for less than 1 year • \$1,800/year for properties that have been ordered or kept vacated for at least 1, but less than 2 years • \$2,700/year for properties that have been ordered or kept vacated for at least 2, but less than 5 years • \$3,500/year for properties that have been ordered or kept vacated for at least 5 <p>A vacant building is: a building that has been unoccupied for 30 days or more and is:</p> <ul style="list-style-type: none"> • unsecured, or • secured by other than normal means, or • a dangerous structure, or • condemned, or • has city code violations, or • condemned and illegally occupied. <p>Penalties:</p> <ul style="list-style-type: none"> • Owner must register & pay annual \$200 fee. • Owner must present a plan for continued care and upkeep with a timetable for restoring the building to appropriate occupancy or a demolition plan. • Owner must keep building secured and maintain the building and its grounds. Building must not be used for storage. • If ownership is transferred the new owner must re-register within 30 days. 	www.ci.cincinnati.oh.us/5522	
Stow Falls	SD	Building Services 605-367-8254	Planning and Building Services	City of Stow Falls Ordinance Article IX Vacant Buildings	Article IX §11	Exemptions made for buildings under permitted construction.	www.ci.stow.vt.us/265-269	
Milwaukee	WI	Marin Collins MCOLL@milwaukee.gov (414) 286-2542	Department of Municipal Inspections	Property Recording Ordinance	Chapter 200, subchapter 8 & Chapter 275 § 32-7	Enacted in 1993 as part of the Property Recording Program. The program is designed to deal with vacant properties, although only records occupied property.	www.ci.milwaukee.wi.us/6462	