

REQUEST FOR COUNCIL ACTION



CITY COUNCIL MEETING DATE:

SEPTEMBER 15, 2020

TITLE:

PUBLIC HEARING –ADOPT A RESOLUTION TO AMEND THE FORECLOSURE, ABANDONED AND VACANT PROPERTY REGISTRATION FEE TO \$ 1,232.85 FOR SERVICES IN THE FISCAL YEAR 2020-21 MISCELLANEOUS FEE SCHEDULE REGARDING THE REGISTRATION AND MAINTENANCE OF THE ABANDONED AND VACANT PROPERTIES

/s/ Kristine Ridge

CITY MANAGER

CLERK OF COUNCIL USE ONLY:

APPROVED

- As Recommended
- As Amended
- Ordinance on 1st Reading
- Ordinance on 2nd Reading
- Implementing Resolution
- Set Public Hearing For _____

CONTINUED TO _____

FILE NUMBER _____

RECOMMENDED ACTION

Adopt a resolution to adjust the fee for the Foreclosure, Abandoned and Vacant Property Registration Fee to \$1,232.85 in the Fiscal Year 2020-21 Miscellaneous Fee Schedule for the Planning and Building Agency.

DISCUSSION

A recent Code Enforcement survey conducted in June 2020 found approximately 175 properties vacant and abandoned identified as privately owned and not recognized as defaulted or foreclosed mortgage properties. This included a number of historic properties allowed to remain vacant without proper maintenance, monitoring, or security, leading to trespassing, vandalism, delinquency, arson, and destruction.

On August 18, 2020, the City Council adopted Ordinance No. NS-2993 to amend Article X of Chapter 8 of the Santa Ana Municipal Code regarding the registration and maintenance of abandoned, vacant, and historical properties. Section 8-1989 of the Santa Ana Municipal Code authorizes an administrative fee related to the registration, inspection, and enforcement regarding such abandoned, vacant, and historical properties, that is to be established by resolution.

Based on analysis and evaluation of staff time, equipment, and materials, this fee is recommended as set forth below, adjusted to include third party services monthly inspections of registered foreclosed, abandoned, and vacant properties, and city costs to administer and manage the program. This amended fee shall become effective immediately and shall be incorporated into the City's Uniform Schedule of Miscellaneous Fees for Fiscal Year 2020-21, as updated annually.

FISCAL IMPACT

There are no adverse economic impacts to the City if this resolution is adopted by the City Council. The ordinance provides that the City may impose a registration fee adopted by resolution. The cost of the registration will be included in the City’s Miscellaneous Fee Schedule and fees in the amount of \$1,232.85 will be collected annually for each registered property.

Similar to the PROCHAMPS (a digital property registration platform) cost for the administration and collection of the Foreclosure Registration Program, PROCHAMPS annual flat rate registration of \$100 will continue for additionally identified vacant or abandoned properties such as historic properties. PROCHAMPS will issue a property status report and a check for funds collected from this program to the City on a monthly basis.

The original fee of \$513, implemented over three years ago, would account for two (2) annual inspections and only addressed defaulted and foreclosed properties. With the changes in the Municipal Code to requiring monthly inspection for all registrable properties, the hours dedicated to inspections and the number of inspections per year will increase significantly. The City will now be inspecting all registerable properties on a monthly basis. This significantly increases the annual staff time from 5.5 hours to 18.5 hours. In addition, regulatory requirements under the ordinance necessitates additional time and involvement by the Code Enforcement Supervisor as well as Code Enforcement Manager, to review these properties, especially those with more complex property issues.

The funds received will be deposited in the Foreclosure, Abandoned, and Vacant Properties Registration Program (Account No. 01116002-53628). The Miscellaneous Fee Request Modification Form is provided to reflect the increased fee amount for this program (Exhibit 1).

Fiscal Impact Verified By: Kathryn Downs, CPA, Executive Director – Finance and Management Services Agency

Submitted By: Minh Thai, Executive Director/Planning and Building Agency

- Exhibits:
1. Resolution
 2. Modify Miscellaneous Fee Request Form and calculations

RESOLUTION NO. 2020-074

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA ANA AMENDING THE FORECLOSURE, ABANDONED AND VACANT PROPERTY REGISTRATION FEE IN ACCORDANCE WITH CHAPTER 8, ARTICLE X OF THE SANTA ANA MUNICIPAL CODE

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SANTA ANA AS FOLLOWS:

Section 1. The City Council of the City of Santa Ana hereby finds, determines and declares as follows:


- A. On August 18, 2020, the City Council of the City of Santa Ana amended Chapter 8, Article X of the Santa Ana Municipal Code regarding the registration and maintenance of abandoned, vacant and defaulted mortgage property by adopting Ordinance No. NS-2993.
- B. Section 8-1989 of the Santa Ana Municipal Code authorizes an administrative fee related to the registration, inspection and enforcement regarding such abandoned, vacant and defaulted mortgage property that is to be established by resolution.
- C. Based on analysis and evaluation of staff time, equipment, and materials, this fee is recommended to be adjusted due to the amendment of the Code which requires additional responsibilities, monitoring, and enforcement by the City. The amended fee is set forth below, adjusted to include third party monthly services, monthly inspections of abandoned, vacant and historic properties, as well as additional costs to assist and manage the program to promote the health, safety and welfare of the community.
- D. This amended fee was presented to the City Council at a duly noticed public hearing on September 15, 2020, shall become effective immediately, and shall be incorporated into the City's Uniform Schedule of Miscellaneous Fees for Fiscal Year 2020-21, as updated annually.

Section 2. The City Council hereby amends the annual administrative fee relating to the registration, inspection and enforcement regarding such abandoned, vacant and defaulted mortgage property. The fee shall include both City staff costs and third party costs and is hereby amended from \$513 to \$1,232.85 per property.

Section 3. Without further action of the City Council, the above-referenced fee amended by this Resolution shall be incorporated into the City's Uniform Schedule of Miscellaneous Fees for Fiscal Year 2020-21 and updated annually as part of the annual budget adoption process.


Section 4. This Resolution shall take effect immediately upon its adoption by the City Council, and the Clerk of the Council shall attest to and certify the vote adopting this Resolution.

ADOPTED this 15th day of September, 2020.



Miguel A. Pulido
Mayor

APPROVED AS TO FORM:
Sonia R. Carvalho, City Attorney

By: 


Lisa E. Storck
Assistant City Attorney

AYES:	Councilmembers	<u>Bacerra, Mendoza, Penaloza, Pulido,</u> <u>Sarmiento, Solorio, Villegas (7)</u>
NOES:	Councilmembers	<u>None (0)</u>
ABSTAIN:	Councilmembers	<u>None (0)</u>
NOT PRESENT:	Councilmembers	<u>None (0)</u>

CERTIFICATE OF ATTESTATION AND ORIGINALITY

I, Daisy Gomez, Clerk of the Council, do hereby certify the attached Resolution No. 2020 - 074 to be the original resolution adopted by the City Council of the City of Santa Ana on September 15, 2020.

Date: 9-22-2020



Daisy Gomez
Clerk of the Council
City of Santa Ana