

ORDINANCE NO. 2012- 4

An ordinance adding Article VI – Foreclosed, Vacant and Abandoned Residential Property Registry to Chapter 14 of the Code of Ordinances, City of Jackson, Michigan to provide a registry of foreclosed, vacant, and abandoned residential properties in order to protect the health, safety and welfare of the citizens of the City of Jackson by preventing blight, protecting property values and neighborhood integrity, and ensuring maintenance of foreclosed, vacant, and abandoned residential properties.

THE PEOPLE OF THE CITY OF JACKSON ORDAIN:

Section 1. That Article VI, Sections 14-400 through 14-500 of Chapter 14 of the Code of the City of Jackson be, and the same hereby are, amended to read as follows:

ARTICLE VI – FORECLOSED, VACANT AND ABANDONED RESIDENTIAL
PROPERTY REGISTRY

Section 14-400. Title.

This Article shall be known as the “Foreclosed, Vacant and Abandoned Residential Property Registry Ordinance.”

Section 14-401. Findings and purpose.

The City Council finds that there are foreclosed, vacant, or abandoned residential properties in the City that are a public nuisance and that foreclosed, vacant, and abandoned residential properties that are not maintained and secured constitute a hazard to the public health, safety and welfare for the following reasons:

- (1) These properties often become dilapidated because they are not maintained by the owners of the properties;
- (2) These properties attract children, harbor vermin, and provide shelter for vagrants and criminals;
- (3) These properties are more likely to be vandalized or be the target of arsonists;
- (4) These properties provide a dumping ground for garbage, trash and other debris; and
- (5) These properties require an increased amount of City resources and staff time to maintain, secure, demolish or otherwise respond to problems associated with them.

The City Council finds that owners of foreclosed, vacant, and abandoned residential properties should be held accountable for the physical condition of their properties. At a minimum, the owners should prevent the properties from creating a blight upon the surrounding neighborhood and decreasing property values. The City Council also finds that a responsible local agent should be required for all properties not owned by persons or entities within a reasonable distance of the City in order to safeguard the properties

and structures, assist City personnel with access for inspections, and accept notices concerning the properties.

Section 14-402 Definitions.

Unless the context indicates otherwise, the following words used in this Article shall have these meanings:

Abandoned property means a parcel of real property that is unoccupied in any manner for a period of more than six (6) months. Property will be presumed abandoned when mortgage or tax foreclosure proceedings have been initiated for that property, no mortgage or tax payments have been made by the property owner for at least ninety (90) days, and the property has been vacant for at least ninety (90) days. A dwelling may not be considered abandoned if all appropriate permits are issued, in force, and construction is ongoing.

Chief Building Official means the official designated by the City to enforce building, zoning, or similar laws and this Article, or his or her duly authorized representatives.

Foreclosure means the process by which a lien, mortgage, or security interest is enforced against a parcel of real property through sale or offering for sale of the real property to satisfy the debt or claim. For the purposes of this Article, a parcel of real property for which there is any of the following shall constitute a foreclosed property:

- (1) A notice of foreclosure;
- (2) A notice of trustee's sale;
- (3) A foreclosure sale of the real property where the title to the real property was retained by the beneficiary of a mortgage;
- (4) A pending tax sale; or
- (5) A transfer of title under a deed in lieu of foreclosure or deed in lieu of sale.

Owner means any person or entity with any legal or equitable ownership or possessory interest in any real property, with or without accompanying actual possession thereof. The owner shall include, but not be limited to, a bank, a credit union, a trustee or financial institution which is in possession (in whole or in part) of the real property, or that is foreclosing a lien or mortgage interest in the property but may or may not have legal or equitable title. Owner also means any person or entity having charge, care or control of any real property as agent of the owner, as executor, administrator, trustee or guardian of the estate of the owner.

Responsible Local Agent means an authorized representative of a person, corporation, partnership, firm, joint venture, trust, association, organization, or other entity having a legal or equitable interest in property, and/or who is compensated by the property owner to manage a property and who is properly licensed according to state law. The

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Responsible Local Agent must have, and will be deemed to have if designated by the owner of the property as the Responsible Local Agent, the authority to do the following:

- (1) Receive all official notices concerning housing, zoning or dangerous buildings on behalf of the owner of a property, and any notice received by the responsible local agent shall be deemed to have been received by the property owner; and
- (2) Be responsible for providing access to the property for any inspection necessary to ensure compliance with the terms of this Chapter.

Securing means taking such measures as may be directed by the Department of Community Development that render the property inaccessible to unauthorized persons, including, but not limited to, the repairing of fences and walls, chaining or padlocking of gates, and repair of doors, windows and other openings.

Vacant property means a parcel of real property that has been unoccupied continuously for a period of thirty (30) days or more, and is either:

- (1) Subject to foreclosure as defined in this Article;
- (2) Has been abandoned by the owner;
- (3) Is under a condemnation notice or order to vacate;
- (4) Is not in compliance with the housing, electrical, mechanical, plumbing, or building codes;
- (5) Has one (1) or more broken or boarded windows;
- (6) Is open to casual entry or trespass;
- (7) Is deteriorating due to a lack of maintenance or neglect;
- (8) Has a building or structure for which a building permit has expired that is partially completed and is not fit for human occupancy;
- (9) Contains a structure that is structurally unsound;
- (10) Has utilities disconnected or not in use;
- (11) Has taxes in arrears for more than one (1) year; or
- (12) Is a potential hazard or danger to the safety of persons.

Section 14-403 Property registration required.

- (1) An owner of a foreclosed, vacant or abandoned residential property within the City shall register the structure with the Department of Community Development within fifteen (15) days of the earlier of:
 - a. The property becoming subject to foreclosure;
 - b. The property becoming a vacant property;
 - c. The property becoming an abandoned property; or
 - d. Notice being sent to the owner of the structure by the Department of Community Development that the structure has been declared a foreclosed, vacant or abandoned residential property.
- (2) An owner of a foreclosed, vacant or abandoned residential property may apply for a registration on forms provided by the Department of

Community Development. The owner must pay the required registration fees. No registration is valid unless filled out accurately and completely, signed by the owner, and the proper fees have been paid. A registration fee once tendered may not be refunded or transferred. It is a violation of this Article for an owner to provide inaccurate information on an application for a registration.

- (3) The registration must contain the following information:
 - a. The address of the foreclosed, vacant or abandoned residential property;
 - b. The date on which the property became foreclosed, vacant or abandoned;
 - c. The legal name, address, telephone number and date of birth of the owner;
 - d. The names, addresses and telephone numbers of the members of any owner that is a limited liability company, and the dates of birth of the members if individuals;
 - e. The names, addresses and telephone numbers of the majority shareholders of any owner that is a corporation, and the dates of birth of the majority shareholders if individuals;
 - f. An Acknowledgment of Local Responsible Agent form signed by the Local Responsible Agent, if required;
 - g. Any additional information required by the Department of Community Development; and
 - h. A statement allowing authorized staff of the City to enter the premises for purposes of inspection.
- (4) Payment in full of all of the following fines, fees and debts relating to the property being registered that are owed to the City and are currently due or past due must be paid prior to obtaining a foreclosed, vacant or abandoned residential property registration:
 - a. Outstanding water or sewer bills;
 - b. All charges for mowing, cleanup, weed or debris removal; and
 - c. Any fines, penalties or debts of any sort arising from provisions of the housing code, including any blight violations.

Section 14-404 Amendment of registration information.

If any information submitted upon the application for issuance of a foreclosed, vacant or abandoned residential property registration changes, including a majority change of new members of an owner that is a limited liability company or a change of the majority shareholders in an owner that is a corporation, the owner must notify the Department of Community Development within ten (10) days and submit an amended application. There shall be no fee to update information if done within ten (10) days, however failure to update information within ten (10) days shall result in a late charge and is a violation of this Article.

Section 14-405 Property registration valid for two (2) years.

A foreclosed, vacant or abandoned residential property registration is valid for a period of two (2) years from the date of issuance. A renewal foreclosed, vacant or abandoned residential property registration must be applied for at least sixty (60) days prior to the expiration date. Failure to timely renew a property registration is a violation of this Article and shall subject the property owner to late fees.

Section 14-406 Transfer of ownership.

The seller of a foreclosed, vacant or abandoned residential property must notify the Department of Community Development within forty-five (45) days of the sale or transfer and provide the name and address of the purchaser or transferee. The purchaser or transferee must apply for a property registration within forty-five (45) days of the sale or transfer, unless it is intended to be occupied as a single-family owner occupied structure and has filed a Principal Residence Exemption. No refunds or credits of fees will be given when there is a transfer of ownership. If a foreclosed, vacant or abandoned residential structure will be occupied after a sale or transfer of the ownership, a certificate of compliance must first be obtained and all required fees must be paid unless there is a valid, unexpired building permit issued for the property.

Section 14-407 Responsible Local Agent.

For a foreclosed, vacant or abandoned residential property owned by a person or entity that resides more than seventy-five (75) miles outside of Jackson County, the property owner must designate a Responsible Local Agent who resides within seventy-five (75) miles of Jackson County. If the Responsible Local Agent is a corporation, limited liability company, partnership or other non-profit or for-profit entity, the address of the registered office of the entity must be within seventy-five (75) miles of Jackson County.

Section 14-408 Duty to maintain and secure.

An owner of a foreclosed, vacant or abandoned residential property shall comply with all of the following maintenance and security requirements:

- (1) The property and structure shall be maintained in a secure manner so as not to be accessible to unauthorized persons, including, but not limited to, the closure and locking of windows, doors, gates, and any other openings of such a size that could allow a child or other person to access the interior of the property and/or structures;
- (2) The property on which the structure is located shall be in compliance with Jackson City Code Chapter 26 for grass and vegetation maintenance;

- (3) The property shall be kept free of trash, junk, and debris as required by Jackson City Code Chapter 12;
- (4) The structure shall be maintained in accordance with applicable sections of Jackson City Code Chapter 14;
- (5) The property shall be kept free of any accumulation of newspapers, circulars, flyers and notices except for those required by federal, state or local law;
- (6) The property and structure shall be maintained free of graffiti as required by Jackson City Code Chapter 17, Article IX;
- (7) The property shall be in compliance with the Jackson City Code Chapter 17, Article VI as to unregistered, dismantled or inoperable vehicles;
- (8) All structures on the property shall be properly winterized so to prevent bursting of pipes; and
- (9) Pools, spas and other water features shall be covered by a safety cover approved by the state construction code and shall comply with the minimum security fencing and barrier requirements.

Section 14-409 Monitoring.

Periodic monitoring, not less than once every thirty (30) days, shall be conducted by the Chief Building Official or his or her authorized representatives to assure continuing compliance with the duties set forth in this Article. A fee determined by resolution of the City Council shall be established to offset the cost of monitoring the foreclosed, vacant, or abandoned residential property. The monitoring fee will be billed quarterly in advance. No refunds or credits of the monitoring fee will be given.

Section 14-410 Abatement.

If the owner fails to secure or maintain the property as required under this section, such failure shall constitute a hazardous and nuisance condition. Within three (3) business days after a notice to abate has been provided, the Chief Building Official or his or her authorized representative may abate the nuisance without giving further notice. The Chief Building Official or his or her authorized representative may abate the offending condition by arranging for City employees or private contractors to secure and board the structure, remove rubbish and debris from the premises, or make repairs to maintain the buildings and premises to conform to this section. The cost of abating the nuisance condition(s) may be charged to the owner and against the premises. The Chief Building Official or his or her authorized representative may abate a public nuisance without giving notice if the public health or safety requires immediate abatement.

Section 14-411 Appeal of abatement costs.

An owner assessed for abatement costs may appeal the assessment to the Building Code Board of Examiners and Appeals. On appeal, the Building Code Board of Examiners and Appeals shall determine whether the property was in violation of this Article, whether the

owner was provided with notice as required by this Article prior to abatement of the nuisance (except for in the case of emergency abatement), and whether the costs charged to the owner and assessed against the property were properly calculated. An appeal shall be filed within twenty (20) days after the City serves notice on the owner of the property that the costs will be charged to the owner and assessed against the property.

Section 14-412 Display of property contact information.

Residential properties that are foreclosed, vacant or abandoned shall be posted with a contact number that individuals can call to report problems or concerns to the Department of Community Development. The posting shall be no less than 18' x 24," shall be in a font legible from a distance of forty-five (45) feet, and shall contain, along with the contact number of the Department of Community Development, the words "TO REPORT PROBLEMS OR CONCERNS CALL." The posting shall also contain the name and contact information of the owner of the property or the Responsible Local Agent, if any, along with the words "IS RESPONSIBLE FOR THE MAINTENANCE OF THIS PROPERTY." The posting shall be placed on the interior of a window facing the street to the front of the property so it is visible from the street, or secured to the exterior of the building or structure facing the street to the front of the property. Exterior postings must be constructed of and printed with weather resistant materials.

Section 14-413 Fees and charges.

All fees applicable to this Article shall be set from time to time by resolution of the City Council and shall include at a minimum:

- (1) An annual registration fee charged to the owner at the time of registration of the foreclosed, vacant or abandoned residential property;
- (2) A failure to register fee charged to the owner for failing to register the foreclosed, vacant or abandoned residential property as required by this Article;
- (3) A monthly monitoring fee charged to the owner for periodic inspections by the Department of Community Development to assure continuing compliance with this Article. A non-refundable payment of the first three (3) months of monitoring fees shall be prepaid by the owner at the time of registration;
- (4) An inspection fee charged to the owner for any inspection caused by the owner's failure to comply with the maintenance and security duties set forth in this Article; and
- (5) Administrative charges may also be charged to the owner for search warrants, title searches, boarding and securing, removal of rubbish and debris and preparation for prosecution.

All fees collected from the Foreclosed, Vacant or Abandoned Residential Property Registry shall be placed in a Housing Code Enforcement Fund. No part of the funds held in the Housing Code Enforcement Fund may be transferred into the general operating fund for any reason.

Section 14-414 Exception to requirement to pay registration fee.

Any property that has a current, valid foreclosed, vacant or abandoned residential property registration shall not be required to pay the registration fee required by the Non-owner Occupied Residential Structure or Unit Registry Ordinance.

Section 14-415 Failure to pay fees and charges.

If an owner fails to pay fees or charges due under the terms of this Article, an invoice for the fees or charges will be submitted to the owner. If the owner fails to pay the invoiced charges within thirty (30) days of mailing of the invoice, the City may cause the cost reflected in the invoice to be assessed against the premises as a special assessment, and the City may institute an action against the owner for the collection of the costs in any court of competent jurisdiction. However, the City's attempt to collect such costs shall not invalidate or waive any lien filed against the property.

Section 14-416 Notice.

All notices required by Chapters 2.5, 4, 5, 12, 13, 14, 17, 26 or 28, including notice of any violations of this Article or demand for abatement concerning a foreclosed, vacant or abandoned residential property may be served upon the registered owner of record or upon the Responsible Local Agent by either first class mail, certified mail, or personal service and by posting a copy thereof in a conspicuous place on or about the structure affected by the notice.

Section 14-417 Disclaimer of liability.

The City shall not be liable to any person or entity by reason of this Article or the issuance of a foreclosed, vacant or abandoned residential property registration. A property registration is not a warranty or guarantee that there are no defects in or on any foreclosed, vacant or abandoned property.

Section 14-418 Nuisance per se.

A vacant structure or unit in violation of this Article is considered to be a nuisance per se and is subject to abatement in any manner prescribed by law.

Section 14-419 Penalties.

A violation of any provision of this Article is a blight violation and is subject to enforcement by the procedures and penalties as provided in Chapter 2.5 of this Code. Each day that a provision of this Article continues to exist is a separate offense.

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Section 14-420 Severability.

If any provision of this Article is determined to be unenforceable by a court, the remainder of this Article shall be deemed severable and is to remain in full force and effect.

Sections 14-421 – 14-500. Reserved.