



# REPORT TO LAW & LEGISLATION COMMITTEE City of Sacramento

915 I Street, Sacramento, CA 95814-2671  
www. CityofSacramento.org

STAFF REPORT  
May 1, 2007

Honorable Members of the  
Law and Legislation Committee

**Title: An Ordinance Amending Sacramento City Code Relating to Vacant  
Buildings and Boarded Buildings**

**Location/Council District:** City-wide

**Recommendation:**

Staff recommends that the Law & Legislation Committee approve and forward to City Council the adoption of **ordinance** to amend and streamline and consolidate the vacant and boarded building enforcement process, Housing Code Section 8.100.1170 through 8.100.1380.

**Contact:** Max Fernandez, Director Code Enforcement, 916-808-7940; Randy Stratton, Chief of Housing & Dangerous Buildings, 916-808-6497

**Presenters:** Randy Stratton, Chief of Housing & Dangerous Buildings, 916-808-6497

**Department:** Code Enforcement

**Division:** Housing & Dangerous Buildings

**Organization No:** 4643

**Description/Analysis**

**Issue:** At the request of Council member Sheedy, staff looked into amending the code to provide stiffer penalties and a faster turnaround on vacant and boarded up buildings. The current Sacramento City Code relating to vacant and boarded residential buildings allows 90 days before a vacant or boarded up building may be determined to be a public nuisance and property owner fined. This ordinance will decrease that time to 30 days thereby shortening the time before a penalty is imposed and repairs are required. Section 8.100.720 Notice and Order will be used for both vacant and boarded up buildings.

The current Vacant Building ordinance is also cumbersome and repetitive. This ordinance further provides definitions, specifications, fees and eliminates duplication for penalties. The revised code section will benefit both the public and staff in enforcing the vacant building code.

**Policy Considerations:** This ordinance will have a significant impact on long-term vacant and boarded buildings in the City of Sacramento. The anticipation is that this ordinance will encourage compliance with building and safety codes with vacant and boarded buildings and will help to realize the City's vision to be the most livable city in America.

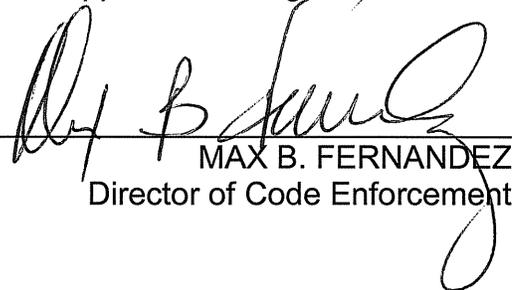
**Environmental Considerations:** This staff recommendation does not constitute a "project" and therefore is exempt from the California Environmental Quality Act (CEQA) according to Section 15061 (b)(1) and 15378(b)(3) of the CEQA guidelines.

**Rationale for Recommendation:** A shorter time to impose fees and penalties (30 days) on vacant and boarded up buildings posing a public nuisance will help promote the City's safety, livability and economic vitality. These code revisions are presented to the Law & Legislation Committee with the purpose of streamlining and consolidating the current process by using the current Notice and Order process (Section 8.100.720).

**Financial Considerations:** Additional staffing will be necessary to implement the ordinance. Fees collected from penalties resulting from the ordinance will partially offset costs.

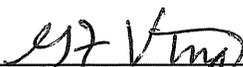
**Emerging Small Business Development (ESBD):** Not applicable. No goods or services are being purchased.

Respectfully Submitted by:



MAX B. FERNANDEZ  
Director of Code Enforcement

Recommendation Approved:



GUSTAVO F. VINA  
Assistant City Manager

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## **BACKGROUND**

### **Overview:**

Vacant and boarded up buildings are a major cause and source of blight in both residential and nonresidential neighborhoods, especially when the building fails to be maintained and managed by the owner. Vacant and boarded up buildings can be a liability to the neighborhood and often attract transients and criminals, including drug users. The use of vacant buildings by transients or criminals can create a fire hazard to the building or adjacent buildings if used for primitive cooking or heating methods. In addition, vacant properties are often used as dumping grounds for junk and debris and are often overgrown with weeds and grass. Boarded up buildings discourage economic development and affect property values.

The Vacant Building Code is enforceable through Sacramento Municipal Code Section Chapter 8.96 Dangerous Building Code and Section 8.100 Housing Code. The current code limits Code Enforcement's ability to quickly impose penalties allowing 90 days (Section 8.100.1180 monitoring fees) until a vacant building can be cited. In addition, the current section does not identify vacant buildings as a public nuisance.

The proposed ordinance eliminates the monitoring fees, Article XV of the Housing Code in its entirety (8.100.1170 – 8.100.1190) and is replaced with fees associated with the Notice and Order process in the existing code. This also reduces the time a violation may be cited to 30 days under the Dangerous Building Code. Under the revised ordinance, the imposition of fees would be enforced under the Dangerous Building Code, Section 8.96.070(C) which states, ". . . . The reasonable period for purposes of this chapter shall be thirty (30) days from service of a notice and order issued pursuant to this chapter."

By reducing the time a building may be vacant or boarded up, the revised code will help promote the livability in neighborhoods and promote economic vitality of businesses.

### **Streamline Process:**

This ordinance will streamline the existing Vacant and Boarded Building code sections by providing the following:

- Public Nuisance Building Defined (Section 8.100.1210)
- Vacant Buildings - Boarding requirements (Section 8.100.1220)
- Administrative Penalty (Section 8.100.1250)
- Addresses continuous absenteeism and building maintenance (Section 8.100.1260)

The Code Enforcement Housing and Dangerous Building team, with the help of neighborhood associations, has identified 280 vacant properties, compared to 193 in 2005. This ordinance will enable code enforcement officers to cite these properties much sooner.

**Increased Foreclosures:**

Due to the recent sharp rise in foreclosures, the number of boarded up and vacant buildings is likely to rise, thus increasing the importance of faster citing and streamlined process. Foreclosures within Sacramento address zip codes were virtually non-existent with only five reported in February 2005. Only two years later (February 2007), 178 foreclosures were reported in the same zip codes. (Exhibit C)

Notices of Default have increased approximately 3½ times within Sacramento address zip codes from 128 in January 2005 to 455 in February 2007, according to DataQuick Information Systems. The number of Notice of Defaults during the first two months of 2007 already represent more than half of the foreclosures for the entire year of 2006. Notices of Default are a leading indicator of probable foreclosures and more than doubled from 1,384 in 2005 to 3,274 in 2006. The sharpest increase came during the final quarter of 2006, increasing from 290 in September 2006 to 409 in October 2006. The most dramatic rise in Notices of Default occurred during the final quarter of 2006. (Exhibit C)

In Sacramento County, the number of foreclosures nearly doubled from 657 in the final quarter of 2006 to 1,104 in the first quarter of 2007. The number of foreclosures in the first quarter of 2007 was more than ten times the number of foreclosures in the first quarter of 2006.<sup>1</sup> Statewide, by the fourth quarter of 2006, about 32 percent of homeowners who were in default earlier in the year lost their homes due to foreclosures compared to eight percent the same quarter a year ago.<sup>2</sup>

**Staffing:**

This ordinance will require additional staffing to monitor the increased workload of citing boarded and vacant buildings.

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<sup>1</sup> Sacramento Bee, April 17, 2007

<sup>2</sup> DQNews, January 24, 2007

**ORDINANCE NO.**

Adopted by the Sacramento City Council

Date Adopted

**AN ORDINANCE REPEALING ARTICLE XV (SECTIONS 8.100.1170, 8.100.1180 and 8.100.1190) AND AMENDING ARTICLE XVI OF CHAPTER 8.100 OF THE SACRAMENTO CITY CODE REGARDING PUBLIC NUISANCE VACANT BUILDINGS**

**BE IT ENACTED BY THE COUNCIL OF THE CITY OF SACRAMENTO:**

**SECTION 1. Article XV of Chapter 8.100 of Article 8 (Sections 8.100.1170, 8.100.1180 and 8.100.1190) of the Sacramento City Code is repealed.**

**SECTION 2. Article XVI of Chapter 8.100 of Article 8 of the Sacramento City Code is amended to read as follows:**

**Article XVI Public Nuisance Vacant Buildings.**

**8.100.1200 Findings – Public nuisance vacant buildings**

The City Council finds as follows:

Vacant buildings are a major source of neighborhood blight and public nuisance if the owner fails to properly maintain and manage the vacant building. Vacant buildings that are dangerous or substandard under this Code, or are left vacant for an extended period, discourage economic development and retard appreciation of property values.

Property owners are responsible for properly maintaining and managing their property to ensure that it does not become a blight or public nuisance in the neighborhood and a threat to the public health, safety and welfare.

A single vacant building which is not properly maintained and managed can trigger the spread of blight throughout a neighborhood.

Those who own multiple buildings that are left vacant for extended period or are poorly maintained and managed are a heightened threat to neighborhoods. Owners of multiple buildings who fail to correct deficiencies and blighted conditions contribute to the decline of neighborhoods to a greater extent than owners who own only one such building. Some owners have acquired multiple vacant, boarded and blighted properties at depressed prices and have failed or refused to improve or cared for the properties. It

is in the interest of the welfare of neighborhoods that owners of multiple properties, who fail to maintain properties and correct and sell, lease or rent vacant and boarded buildings should be subject to imposition of higher administrative penalties in order to encourage such owners to correct violations of this article in a prompt manner.

**8.100.1210 “Public nuisance vacant building” defined.**

For the purposes of this Article, the term “public nuisance vacant building” means any building or structure left vacant or unoccupied for more than thirty (30) days that is also in violation of any portion of Chapters 8.96 or 8.100 of this Code or any of the provisions of this Article. Such buildings are deemed a public nuisance. Buildings that are being repaired pursuant to a valid and unexpired building permit are excluded from the definition of a public nuisance vacant building.

**8.100.1220 Vacant buildings – Boarding requirements.**

All vacant or unoccupied buildings must be boarded and secured to the following specifications:

- A. Remove all waste, rubbish and debris from the interior of the building;
- B. Barricade all unsecured doorways, window or exterior openings with minimum ½ inch thickness exterior grade plywood which shall extend to the molding stops or studs;
- C. Mount at least two wood stocks of minimum 2 x 4 inch thickness to the reverse face of the plywood with minimum ½ inch carriage bolts mated with nuts and two flat washers;
- D. Extend the stock a minimum of eight (8) inches on each side of the interior wall;
- E. Cause all hardware to be galvanized or cadmium plated;
- F. Paint all exterior barricade material the predominant color of the structure;  
and
- G. Post the premises with one or more signs at or near each entrance to the building and on fences or walls as appropriate. The signs shall remain posted until the building is either lawfully occupied or demolished. Signs shall clearly read that no trespassing is allowed on the premises.

**8.100.1230 Vacant buildings required to be offered for sale, lease or rent.**

All vacant or unoccupied buildings must be actively offered for sale, lease or rent. This requires all owners of such buildings to do at least two of the following:

A. Post a "For Sale" or other sign on the building or the property on which the building is located that clearly indicates to the general public that the building is offered for sale, lease or rent, and which displays the contact information for the owner or the entity responsible for selling the property;

B. Have the building advertised for sale, lease or rent in at least one newspaper, journal or periodical of general circulation in the Sacramento metropolitan area;

C. Employ the services of a professional realtor, real estate agent or property management company for the purposes of selling, leasing or renting the building, and have the building publicly listed for sale, lease or rent with the realtor, agent or company.

#### **8.100.1240 Public nuisance vacant building – Violation.**

It shall be unlawful for the owner of any property to maintain or allow to exist a public nuisance vacant building on his or her property.

#### **8.100.1250 Enforcement – Notice and order.**

Enforcement of this Article shall be commenced pursuant to the provisions of Article XI of this Chapter. After any notice and order authorized by this section shall have become final by failure to file a timely appeal or after a decision on appeal is rendered, no person to whom any such order is directed shall fail, neglect or refuse to obey such an order.

#### **8.100.1260 Administrative Penalty**

A. Any property owner who fails to comply with a notice and order authorized by Section 8.100.1250 after such order has become final shall be liable for an initial administrative penalty in the amount of one thousand dollars (\$1,000) per building. If a property owner owns multiple properties within the City, and that property owner has been assessed an administrative penalty pursuant to this section within the last two (2) years, the initial administrative penalty imposed under this section pertaining to a public nuisance vacant building located on a different property owned by that property owner shall be two thousand dollars (\$2,000).

B. A second or subsequent administrative penalty in the amount of five thousand dollars (\$5,000) per building shall be imposed upon any property owner if the public nuisance vacant building remains in violation of the final order, or any other provision of this Chapter, thirty (30) days after imposition of the initial administrative penalty. Subsequent penalties may be imposed at thirty (30) day intervals as long the building continues to constitute a public nuisance vacant building.

C. The imposition of any administrative penalty under this section shall follow the procedures set forth in Subsection D of Section 1.28.010 of this Code.

**8.100.1270 Subsequent and continuous authority to abate.**

If a public nuisance vacant building has been abated by the property owner or the Building Official pursuant to a notice and order authorized by Section 8.100.1250, and such building or the property on which the building is located is subsequently found to be in violation of any portion of Chapters 8.96 or 8.100 of this Code while the building is still vacant or unoccupied, the Building Official may abate the violations, without further notice to the property owner, by boarding and securing the building to the specifications listed in Section 8.100.1220. The City may recover from the property owner any costs associated with the activities authorized in this section pursuant to Article IX of Chapter 8.96. Nothing in this section shall limit the authority and ability of the City to abate an immediately dangerous building pursuant to Title 8, Chapter 8.96, Article X of this Code.

**ORDINANCE NO.**

Adopted by the Sacramento City Council

Date Adopted

**AN ORDINANCE REPEALING ARTICLE XV (SECTIONS 8.100.1170, 8.100.1180 and 8.100.1190) AND AMENDING ARTICLE XVI OF CHAPTER 8.100 OF THE SACRAMENTO CITY CODE REGARDING PUBLIC NUISANCE VACANT BUILDINGS**

**BE IT ENACTED BY THE COUNCIL OF THE CITY OF SACRAMENTO:**

**SECTION 1. Article XV of Chapter 8.100 of Article 8 (Sections 8.100.1170, 8.100.1180 and 8.100.1190) of the Sacramento City Code is repealed.**

~~Article XV Vacant Building Monitoring Fee~~

~~8.100.1170 Findings—Vacant buildings.~~

~~The city council finds as follows:~~

~~Vacant buildings are a major cause and source of blight in residential and nonresidential neighborhoods, especially when the owner of the building fails to maintain and manage the building to ensure that it does not become a liability to the neighborhood. Vacant buildings often attract transients and criminals, including drug users. Use of vacant buildings by transients and criminals, who may employ primitive cooking or heating methods, creates a risk of fire for the vacant building and adjacent properties. Vacant properties are often used as dumping grounds for junk and debris and are often overgrown with weeds and grass. Vacant buildings which are boarded up to prevent entry by transients and other long-term vacancies discourage economic development and retard appreciation of property values.~~

~~Because of the potential economic and public health, welfare and safety problems caused by vacant buildings, the city needs to monitor vacant buildings, so that they do not become attractive nuisances, are not used by trespassers, are properly maintained both inside and out, and do not become a blighting influence in the neighborhood. City departments involved in such monitoring include the police department, the fire department, code enforcement, and housing and dangerous buildings. There is a substantial cost to the city for monitoring vacant buildings (whether or not those buildings are boarded up) which should be borne by the owners of the vacant buildings.~~

~~8.100.1180 Vacant building monitoring fee.~~

~~A. Fee Imposed. There is imposed upon every owner of a vacant building an annual vacant building monitoring fee in an amount to be set by resolution of the city council. The fee shall not exceed the estimated reasonable cost of monitoring the vacant building. The fee shall be payable as to any building, residential or nonresidential, which:~~

~~1. Is boarded up by voluntary action of the owner or as the result of enforcement activities by the city; or~~

~~2. Is vacant for more than ninety (90) days for any reason.~~

~~B. Fee Waiver. The vacant building monitoring fee may be waived by the building official upon a showing by the owner that:~~

~~1. The owner has obtained a building permit and is progressing diligently to repair the premises for occupancy; or~~

~~2. The building meets all applicable codes and is actively being offered for sale, lease or rent; or~~

~~3. Imposition of the fee would impose a substantial economic hardship on the owner or would hinder the rehabilitation of the building.~~

~~C. Procedure. The vacant building monitoring fee shall be billed to the owner of the property and mailed to the owner's address as set forth on the last equalized assessment roll of the county assessor.~~

~~Any owner billed may apply for a waiver on the grounds set forth in subsection B of this section by submitting a written statement of the grounds for the waiver, and the owner's daytime telephone number, to the building official within thirty (30) days after the billing is mailed to the owner. The building official shall review the written statement and may contact the owner to discuss the application for waiver. The building official shall prepare a written decision which shall be mailed to the owner.~~

~~Any owner who disagrees with the decision of the building official relating to an application for waiver may appeal the building official's decision to the housing code advisory and appeals board by submitting a written notice of appeal to the building official within thirty (30) days of receipt of the building official's decision. The procedure on appeal shall be that set forth in Article VI of Chapter 8.96 of this title. Failure to timely~~

~~appeal the decision of the building official relating to a denial of a waiver constitutes a waiver of all rights to an administrative hearing and determination of the matter subject only to review pursuant to California Code of Civil Procedure Section 1094.5.~~

~~If the fee is not paid within sixty (60) days after billing, or within sixty (60) days after the decision of the building official or the housing code advisory and appeals board becomes final, the housing board may thereupon order that the fee be specially assessed against the property involved and made a personal obligation of the owner. If the housing board orders that the fee be specially assessed against the property, it shall confirm the assessment and thereafter said assessment may be collected at the same time and in the same manner as ordinary real property taxes are collected and shall be subject to the same penalties and the same procedure and sale in case of delinquency as provided for ordinary real property taxes. All laws applicable to the levy, collection, and enforcement of real property taxes are applicable to the special assessment.~~

~~The housing board may also cause a notice of lien to be recorded. The notice shall, at a minimum, identify the record owner or possessor of the property, set forth the last known address of the record owner or possessor, a description of the real property subject to the lien, and the amount of the fee.~~

#### ~~8.100.1190 Penalties.~~

~~Unless otherwise expressly provided the remedies, procedures and penalties provided by this article are cumulative to each other and to any others available under state law or other city ordinances. The imposition of a vacant building monitoring fee shall not preclude the building official from seeking an administrative penalty pursuant to Article XVI of this chapter.~~

**SECTION 2. Article XVI of Chapter 8.100 of Article 8 of the Sacramento City Code is amended to read as follows:**

#### **Article XVI ~~Long-Term Bearded and~~ Public Nuisance Vacant Buildings**

#### **8.100.1200 Findings – Public Nuisance Vacant Buildings.**

The eCity eCouncil finds as follows:

~~Vacant buildings are a major cause and source of neighborhood blight and public nuisance in residential and nonresidential neighborhoods, especially when if the owner of the building fails to properly maintain and manage the vacant building to ensure that it does not become a liability to the neighborhood. Vacant buildings which that are bearded, dangerous or substandard or unkempt properties, and long-term vacancies under this Code, or are left vacant for an extended period, discourage economic development and retard appreciation of property values.~~

~~It is a responsibility of p~~Property owners are responsible for properly maintaining and managing their ~~to prevent owned property to ensure that it does not become a blight or public nuisance in from becoming a burden to the neighborhood and community and a threat to the public health, safety, or~~ and welfare.

~~One~~ A single vacant property building which that is not actively and well properly maintained and managed can ~~be the core and trigger the spread~~ cause of spreading blight throughout a neighborhood.

~~Those who own~~ Owners of multiple buildings which that are left vacant for extended periods or are poorly maintained and managed ~~, boarded and a blight to the community are a significant problem in the city.~~ Owners of multiple buildings who fail to correct deficiencies and blighted conditions, and fail to act diligently in selling, leasing or renting those buildings, contribute to the decline of neighborhoods to a greater extent than owners who own only one such building. Some owners have acquired multiple vacant, boarded and blighted properties at depressed prices and have not improved or cared for the properties. It is in the interest of the welfare of neighborhoods that owners of multiple properties, who fail to maintain properties and fail to correct and sell, lease or rent vacant and boarded buildings should be subject to imposition of higher administrative penalties in order to encourage such owners to correct violations of this article in a prompt manner.

#### **8.100.1210 ~~“Bearded~~ Public nuisance vacant building“ defined.**

For the purposes of this ~~a~~Article, the term ~~“bearded public nuisance vacant building”~~ means a any vacant or unoccupied building or structure that is also in violation of any portion of Chapter 8.96 or 8.100 of this Code or any other provision of this Article whose doors and windows have been covered with plywood or other material for the purpose of preventing entry into the building by persons or animals. Such buildings are deemed a public nuisance. Buildings that are being repaired pursuant to a valid and unexpired building permit are excluded from the definition of a public nuisance vacant building.

#### **8.100.1220 ~~Boarded and vacant building penalty~~ Vacant buildings – Boarding requirements.**

All vacant or unoccupied building must be boarded and secured to the following specifications:

A. ~~The owner of any boarded building, whether boarded by voluntary action of the owner or as a result of enforcement activity by the city, shall cause the boarded building to be rehabilitated for occupancy within ninety (90) days after the building is boarded. Remove all waste, rubbish and debris from the interior of the building;~~

~~B. No person shall allow a building designed for human use or occupancy to stand vacant for more than ninety (90) days, unless one of the following applies: Barricade all unsecured doorway, window or exterior openings with minimum ½ inch thickness exterior grade plywood which shall extend to the molding stops or studs;~~

~~1. The building is the subject of an active building permit for repair or rehabilitation and the owner is progressing diligently to complete the repair or rehabilitation.~~

~~2. The building meets all codes, does not contribute to blight, is ready for occupancy, and is actively being offered for sale, lease, or rent.~~

~~3. The manager of building inspections determines that the building does not contribute to and is not likely to contribute to blight because the owner is actively maintaining and monitoring the building so that it does not contribute to blight. Active maintenance and monitoring shall include:~~

~~a. Maintenance of landscaping and plant materials in good condition.~~

~~b. Maintenance of the exterior of the building, including but not limited to paint and finishes, in good condition.~~

~~c. Regular removal of all exterior trash, debris and graffiti.~~

~~d. Maintenance of the building in continuing compliance with all applicable codes and regulations.~~

~~e. Prevention of criminal activity on the premises, including but not limited to use and sale of controlled substances, prostitution and criminal street gang activity.~~

C. Mount at least two wood stocks of minimum 2 x 4 inch thickness to the reverse face of the plywood with minimum ½ inch carriage bolts mated with nuts and two flat washer;

D. Extend the stock a minimum of eight (8) inches on each side of the interior wall;

E. Cause all hardware to be galvanized or cadmium plated;

F. Cause all exterior barricade material the predominant color of the structure; and

G. Post the premises with one or more signs at or near each entrance to the building and on fences or walls as appropriate. The signs shall remain posted until the building is either lawfully occupied or demolished. Signs shall clearly read that no trespassing is allowed on the premises.

**8.100.1230 ~~Administrative penalty~~ Vacant buildings required to be offered for sale, lease or rent.**

~~Any owner of a boarded building which remains boarded in violation of Section 8.100.1220(A) of this chapter or any owner of a building which remains vacant in violation of Section 8.100.1220(B) of this chapter shall be liable for an administrative penalty in an amount not to exceed one thousand dollars (\$1,000.00) per building for the first violation.~~

~~A second or subsequent administrative penalty shall be imposed upon any owner pursuant to this chapter if the building remains in violation of this chapter ninety (90) days following the imposition of the first administrative penalty. Additional penalties may be imposed in each ninety (90) day period following the imposition of an administrative penalty under this article. Additional penalties may be imposed so long as the violations continue. A second and any subsequent penalty shall be in an amount not to exceed five thousand dollars (\$5,000.00).~~

~~If an administrative penalty has been imposed upon an owner who owns more than one property in the city pursuant to this article within two years of the date of the administrative hearing, and which relates to a building other than the building before the hearing examiner, any penalty imposed shall be no less than two thousand dollars (\$2,000.00) and not more than ten thousand dollars (\$10,000.00).~~

All vacant or unoccupied buildings must be actively offered for sale, lease or rent. This requires all owners of such buildings to do at least two of the following:

A. Post a "For Sale" or other sign on the building or the property on which the building is located that clearly indicates to the general public that the building is offered for sale, lease or rent, and which displays contact information for the owner or the entity responsible for selling the property;

B. Have the building advertised for sale, lease or rent in at least one newspaper, journal or periodical of general circulation in the Sacramento metropolitan area;

C. Employ the services of a professional realtor, real estate or property management company for the purposes of selling, leasing or renting the building, and have the building publicly listed for sale, lease or rent with the realtor, agent or company.

**8.100.1240 ~~Administrative penalty—Procedure~~ Public nuisance vacant building – Violation.**

~~An administrative penalty shall be imposed by the designated hearing examiner upon the recommendation of the building official or the manager of code enforcement and after the owner shall have been afforded a hearing. The hearing shall be conducted in accord with the provisions of Sections 8.100.1280 through 8.100.1380 of this chapter.~~

~~In setting the penalty, the hearing examiner shall consider factors including, but not limited to: the severity, extent and length of time in which the blighting conditions have existed on the property; the owner's efforts, or lack thereof, to remedy the problem; staff time and costs incurred in investigating the conditions; and the extent, if any, to which an administrative penalty would impose a substantial economic hardship on the owner or would hinder the rehabilitation of the building. The decision of the hearing examiner shall be final and is subject to review only in the time and manner provided by California Code of Civil Procedure Section 1094.5.~~

~~The administrative penalty shall be due and payable within thirty (30) days after the decision of the hearing examiner. If the penalty is not paid within forty five (45) days after the decision of the hearing examiner, the city council may thereupon order that the penalty be a personal obligation of the property owner or that it be specially assessed against the property involved. If the city council orders that the penalty be specially assessed against the property, it shall confirm the assessment and thereafter said assessment may be collected at the same time and in the same manner as ordinary real property taxes are collected and shall be subject to the same penalties and the same procedure and sale in case of delinquency as provided for ordinary real property taxes. All laws applicable to the levy, collection, and enforcement of real property taxes are applicable to the special assessment.~~

~~The city council may also cause a notice of lien to be recorded. The notice shall, at a minimum, identify the record owner or possessor of the property and set forth the last known address of the record owner or possessor, the date on which the penalty was imposed by the hearing examiner, a description of the real property subject to the lien, and the amount of the penalty.~~

It shall be unlawful for the owner of any property to maintain or allow to exist a public nuisance vacant building on his or her property.

**8.100.1250 ~~Commencement of proceedings~~ Enforcement – Notice and order.**

~~Whenever the building official or manager of code enforcement or his or her designee has inspected or caused to be inspected any building and has found and determined that such premises are in violation of this code, he or she shall commence~~

~~proceedings for assessment of an administrative penalty as provided in Sections 8.100.1230 and 8.100.1240 of this chapter.~~

Enforcement of this Article shall be commenced pursuant to the provisions of Article XI of this Chapter. After any notice and order authorized by this section shall have become final by failure to file a timely appeal or after a decision on appeal is rendered, no person to whom any such order is directed shall fail, neglect or refuse to obey such an order.

### **8.100.1260 Administrative Penalty**

A. ~~The building official or manager of code enforcement or his or her designee shall issue a notice directed to the record owner of the premises; the holder of any mortgage or deed of trust or other lien or encumbrance of record; the owner or holder of any lease of record; and the holder of any other estate or legal interest of record in the premises. The notice shall contain: Any property owner who fails to comply with a notice and order authorized by Section 8.100.1250 after such order has become final shall be liable for an initial administrative penalty in the amount of one thousand dollars (\$1,000) per building. If a property owner owns multiple properties within the City, and that property owner has been assessed an administrative penalty pursuant to this section within the last two (2) years, the initial administrative penalty imposed under this section pertaining to a public nuisance vacant building located on a different property owned by that property owner shall be two thousand dollars (\$2,000).~~

~~1. The street address and such other description as is required to identify the premises;~~

~~2. A statement specifying the conditions which constitute a violation of this code;~~

~~3. An order to the owner to appear before a hearing examiner at a stated time, but in no event less than twenty (20) calendar days after having mailed such notice, to show cause why an administrative penalty should not be assessed in accordance with this code;~~

~~4. A statement advising the owner that he or she has the option of voluntarily correcting the condition(s) which violate the provisions of this code prior to the date set for hearing. If the owner chooses to correct the conditions, the corrections must be completed prior to the hearing date. The owner must advise the building official or the manager of code enforcement in writing that he or she will correct the conditions and the date of completion. The building official or the manager of code enforcement or his or her designee will inspect the premises on the completion date, and if the conditions have been corrected, the hearing will be taken off calendar. The owner may request a continuance of the hearing pursuant to Section 8.100.1300 of this chapter in order to comply, but in no event shall the continuance exceed thirty (30) days.~~

~~B. The hearing notice, and any amended or supplemental notice, shall be served either by personal delivery or by certified return receipt mailing upon the record owner at his or her address as it appears on the latest equalized assessment roll of Sacramento County, or as known to the building official or the manager of code enforcement. A copy of the notice and any amended or supplemental notice shall also be posted on the building. A second or subsequent administrative penalty in the amount of five thousand dollars (\$5,000) per building shall be imposed upon any property owner if the public nuisance vacant building remains in violation of the final order, or any other provision of this Chapter, thirty (30) days after imposition of the initial administrative penalty. Subsequent penalties may be imposed at thirty (30) day intervals as long the building continues to constitute a public nuisance vacant building.~~

~~1. In lieu of personally serving the owner or service by certified mailing, the notice and any amended or supplemental notice may be served as follows:~~

~~a. In the event that the owner refuses to accept certified return receipt mail or cannot be personally served, service may be made by substituted service. Substituted service may be accomplished as follows: (1) by leaving a copy during usual business hours at the recipient's business, and thereafter mailing by first-class mail a copy of the notice to the recipient at the address where the copy of the notice was left and the address as it appears on the latest equalized assessment roll of Sacramento County, or (2) by leaving a copy at the owner's dwelling or usual place of abode, with a competent member of the household or a person apparently in charge of his or her office or place of business, at least eighteen (18) years of age, and thereafter mailing, by first-class mail a copy of the notice to the owner at the address where the copy was left and the address as it appears on the latest equalized assessment roll of Sacramento County.~~

~~b. In the event the owner refuses to accept certified return receipt mail or cannot be personally served and has a property manager or rental agency overseeing the building, substituted service may be made as set forth in subsection A of this section upon the property manager or rental agency.~~

~~c. If the owner lives out of state and will not accept certified return receipt mail, then service may be made by first-class mail.~~

~~d. If the owner of the property cannot be located after a diligent search, or service cannot be effected as set forth in this section, service may be made by publication in a Sacramento newspaper of general circulation which is most likely to give actual notice to the owner. Service of the notice shall be deemed sufficient when it is accomplished pursuant to Government Code Section 6063.~~

~~e. — Proof of service of the hearing notice shall be certified by written declaration under penalty of perjury executed by the person effecting service, declaring the time, date and manner in which service was made.~~

~~C. The imposition of any administrative penalty under this section shall follow the procedures set forth in Subsection D of Section 1.28.010 of this Code.~~

~~**8.100.1270 Hearing examiner** Subsequent and continuous authority to abate.~~

~~In order to hear cases brought by the building official or the manager of code enforcement under the provisions of this code, the city council shall appoint a panel of hearing examiners, from which a hearing examiner on a rotating basis shall hear cases brought by the manager of code enforcement. Hearing examiners shall serve at the pleasure of the city council. A hearing examiner may not be a city employee If a public nuisance vacant building has been abated by the property owner or the Building Official pursuant to a notice and order authorized by Section 8.100.1250, and such building or the property on which the building is located is subsequently found to be in violation of any portion of Chapters 8.96 or 8.100 of this Code while the building is still vacant or unoccupied, the Building Official may abate the violations, without further notice to the property owner, by boarding and securing the building to the specifications listed in Section 8.100.1220. The City may recover from the property owner any costs associated with the activities authorized in this section pursuant to Article IX of Chapter 8.96. Nothing in this section shall limit the authority and ability of the City to abate an immediately dangerous building pursuant to Title 8, Chapter 8.96, Article X of this Code.~~

~~8.100.1280 Hearings — Generally.~~

~~At the time set for hearing, the hearing examiner shall proceed to hear the testimony of the manager of code enforcement or his or her designee, the owner, and other competent persons respecting the condition of the building and other relevant facts concerning the matter.~~

~~8.100.1290 Record of oral evidence at hearing.~~

~~The proceedings at the hearing shall be reported by a tape recording. Either party may provide a certified shorthand reporter to maintain a record of the proceedings at the party's own expense.~~

~~8.100.1300 Continuances.~~

~~The hearing examiner may, upon request of the owner of the premises or upon request of the manager of code enforcement or his or her designee, grant continuances from time to time for good cause shown, or upon his or her own motion.~~

~~8.100.1310 Oaths—Certification.~~

~~The hearing examiner or certified shorthand reporter shall administer the oath or affirmation.~~

~~8.100.1320 Evidence rules.~~

~~Government Code Section 11513, subsections (a), (b) and (c), as presently written or hereinafter amended, shall apply to hearings under this chapter.~~

~~8.100.1330 Rights of parties.~~

~~A. Parties may represent themselves, or be represented by any person of their choice.~~

~~B. If a party does not proficiently speak or understand the English language, he or she may provide an interpreter, at that party's own cost, to translate for the party. An interpreter shall not have had any involvement in the issues of the case prior to the hearing.~~

~~8.100.1340 Official notice.~~

~~In reaching a decision, official notice may be taken, either before or after submission of the case for decision, of any fact which may be judicially noticed by the courts of this state or which may appear in any of the official records of the city or county, or any of their departments.~~

~~8.100.1350 Inspection of premises.~~

~~A. The hearing examiner may, with the owner(s)' consent, inspect the building and premises involved in the hearing prior to, during, or after the hearing, provided that:~~

~~1. Notice of such inspection shall be given to the parties before the inspection is made;~~

~~2. The parties are given an opportunity to be present during the inspection;  
and~~

~~3. The hearing examiner shall state for the record during the hearing, or file a written statement after the hearing for inclusion in the hearing record, upon completion of the inspection, the material facts observed and the conclusion drawn therefrom.~~

~~B.—Each party then shall have a right to rebut or explain the matters so stated by the hearing examiner either for the record during the hearing or by filing a written statement after the hearing for inclusion in the hearing record.~~

~~C.—An inspection warrant or the owner(s)' consent to inspect the building and surrounding properties is required unless such inspection can be made from areas in which the general public has access or with permission of other persons authorized to provide access to the property on which the building is located.~~

~~8.100.1360 Form and contents of decision—Finality of decision.~~

~~If it is shown by a preponderance of the evidence that the owner has violated provisions of Section 8.100.1220 of this chapter, then the hearing officer shall impose an administrative penalty pursuant to Sections 8.100.1230 and 8.100.1240 of this chapter.~~

~~A.—The decision of the hearing examiner shall be in writing and shall contain findings of fact and a determination of the issues presented. The decision shall require the owner to pay the administrative penalty prescribed in Section 8.100.1240 of this chapter. The decision shall inform the owner that if the administrative penalty is not paid within the time specified in Section 8.100.1240 of this chapter, then it may be made a personal obligation of the owner, made a special assessment against the property, and/or a lien may be imposed on the property involved for the amount of the penalty assessed.~~

~~B.—The decision shall also inform the appellant that the time for judicial review is governed by California Code of Civil Procedure Section 1094.5. The decision shall be final when signed by the hearing examiner and served as herein provided.~~

~~8.100.1370 Service of the hearing examiner's decision.~~

~~Upon issuance of the decision, the manager of code enforcement or his/her designee shall serve a copy on the record owner in the same manner as set forth in Section 8.100.1260 of this chapter, and one copy shall be served on each of the following, if known to the manager of code enforcement or disclosed from official public records: the holder of any mortgage or deed of trust or other lien or encumbrance of record; the owner or holder of any lease of record; and the holder of any other estate or legal interest of record in the premises.~~

~~8.100.1380 Collection of the administrative penalty.~~

~~A. Any administrative penalty imposed on the owner(s) may, in addition to making it a special assessment and a lien on the property, be collected in the same manner as any contractual obligation. In the event a civil action is commenced in order to collect the administrative penalty, then the city shall be entitled to recover reasonable attorney's fees and all costs associated with collection of the penalty. Costs include, but are not limited to, staff time incurred in the collection of the penalty and those costs set forth in Code of Civil Procedure Section 1033.5.~~

~~B. An administrative penalty shall accrue interest at the same annual rate as any civil judgment. Interest shall accrue commencing on the forty-sixth day following service of the hearing officer's decision.~~

# RESIDENTIAL NOTICES OF DEFAULT & FORECLOSURE SALES IN THE CITY OF SACRAMENTO

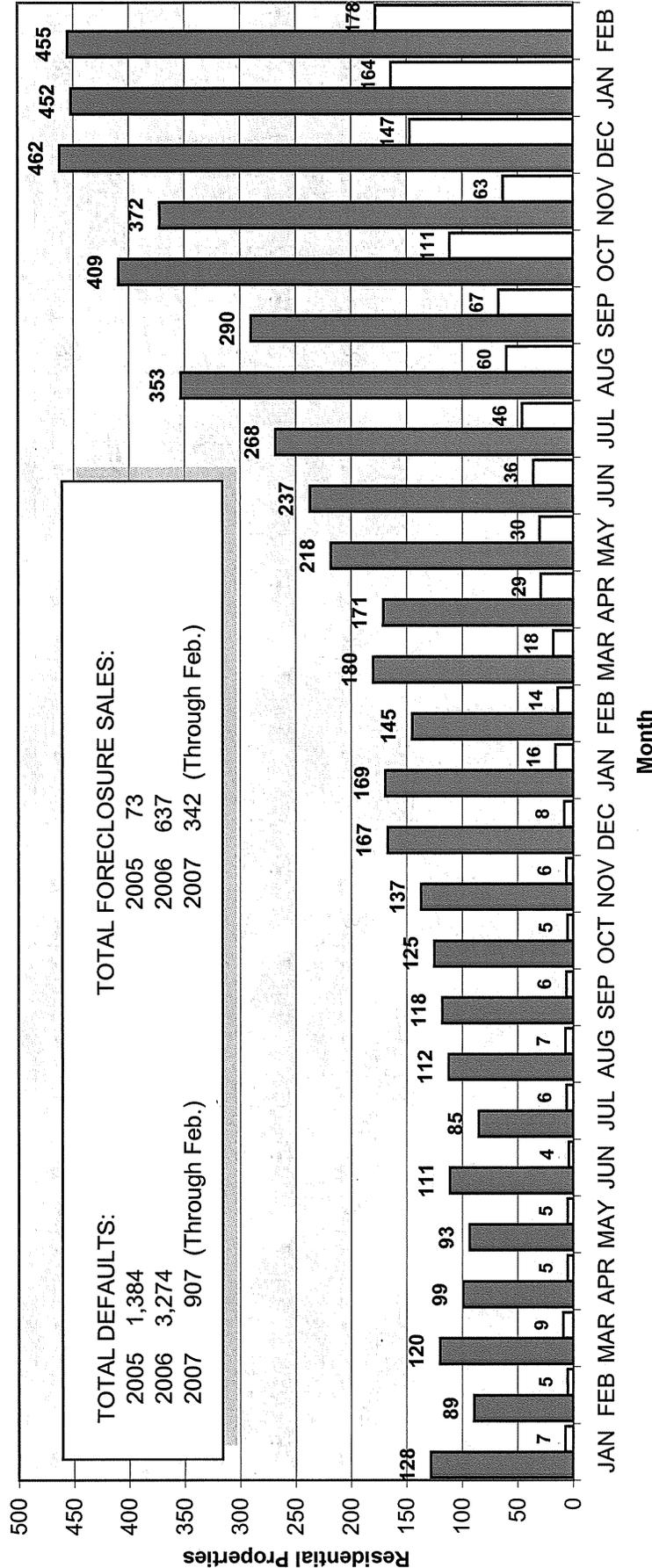
## EXHIBIT C

Source: DataQuick Information Systems

	2005												2006												2007	
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB
Notices of Default	128	89	120	99	93	111	85	112	118	125	137	167	169	145	180	171	218	237	268	353	290	409	372	462	452	455
Sales	7	5	9	5	5	4	6	7	6	5	6	8	16	14	18	29	30	36	46	60	67	111	63	147	164	178
% NOD/Sales	5%	6%	8%	5%	5%	4%	7%	5%	5%	4%	4%	5%	9%	10%	10%	17%	14%	15%	17%	17%	23%	27%	17%	32%	36%	39%

Average % in 2005: 5.3%    Average % in 2006: 19.5%    Average % in 2007: 37.7%    Average % 2005-06-07: 18.9%

### RESIDENTIAL NOTICE OF DEFAULTS & FORECLOSURE SALES IN THE CITY OF SACRAMENTO



■ Notice of Defaults    □ Residential Foreclosure Sales