



PLANNING & DEVELOPMENT DEPARTMENT COMMUNITY DEVELOPMENT BOARD STAFF REPORT

MEETING DATE: January 17, 2017
AGENDA ITEM: F. 1.
CASE: TA2016-12004
ORDINANCE NO.: 8996-17
REQUEST: Review and recommendation to the City Council, of the establishment of a foreclosure property registry and associated fee.
INITIATED BY: City of Clearwater, Planning and Development Department

BACKGROUND:

Since 2006, a total of 7,682 properties have gone through foreclosure in the City of Clearwater and a total of 4,391 have been repossessed by banks according to data collected by Community Champions. At present, there are 747 properties in active foreclosure and 256 owned by banks. While nationwide foreclosure activity has decreased, the month-over-month increase in October 2016 was the biggest monthly increase since August 2007. According to ATTOM Data Solutions October 2016 U.S. Foreclosure Market Report, Florida foreclosure activity is expected to increase in the coming months given “the October ruling by the state supreme court there that allows lenders to re-file a foreclosure action against a homeowner in default even if a previous foreclosure case against that homeowner was dismissed and that original foreclosure case was filed more than five years ago, outside the state’s statute of limitations for foreclosure.”

Properties that are foreclosed, vacant or abandoned cause the City of Clearwater to suffer increased property maintenance concerns, declining home values, health and safety issues, and tax-revenue losses. These results have stressed the Planning and Development Department’s resources and have caused many properties to go unaddressed.

ANALYSIS:

In order to address the myriad of issues associated with properties in foreclosure, the Planning and Development Department is proposing the creation of a foreclosure property registry which will help Staff identify these properties and the parties responsible for them. This will enable the City to identify and monitor property concerns, increase property compliance and restore lost revenue.

Proposed Ordinance No. 8996-17 establishes a new division in the Community Development Code at Section 3-1505 entitled “Foreclosure Property Registry.” The purpose and intent of the Foreclosure Property Registry is to proactively identify blighted and deteriorated housing and ensure the rehabilitation or elimination of housing that does not meet minimum building or housing code standards and/or exterior or site maintenance standards. It is the goal of the ordinance to create a healthy, safe, and crime-free environment, and further preserve and enhance property values and quality of life for citizens.

The Foreclosure Property Registry requires registration of properties by the mortgagee within 10 days of initiating the foreclosure process, within 15 days if found to be vacant by the City, or within 45 days for existing registrable properties following the effective date of the ordinance. The registration fee is \$200, which must be paid annually until the property is sold or is occupied.

All registrations must contain contact information for the party with authority to make decisions and who is responsible for the security and maintenance of the registered property, and this contact information is required to be posted at the property. Failure to register or comply with any part of the Foreclosure Property Registry is subject to enforcement by any means available to the City, most likely via issuance of a Notice to Appear or before the Municipal Code Enforcement Board.

The Planning and Development Department intends to partner with a foreclosure registry administrator, which provides people, processes, and technology to administer the Foreclosure Property Registry. The administrator will assist the City in the following manner:

- Collect the \$200 fee established by the registry;
- Proactively identify noncompliant registrations;
- Establish responsible party relationships and confirms reliable available contacts;
- Ensure quality of registration data;
- Notify responsible parties regarding non-compliant properties within the City;
- Escalate non-compliance concerns when necessary; and
- Collaboratively and aggressively pursue registration noncompliance.

For these services, the administrator will retain a portion of each registration fee and remit the remainder to the City. Proposed Ordinance No. 8996-17 restricts the use of those revenues to nuisance abatement purposes related to abandoned building, unsafe structure, unsecured properties and demolition.

CRITERIA FOR TEXT AMENDMENTS:

CDC Section 4-601 sets forth the procedures and criteria for reviewing text amendments. All text amendments must comply with the following:

- 1. The proposed amendment is consistent with and furthers the goals, policies and objectives of the Comprehensive Plan.**

A review of the Clearwater Comprehensive Plan identified the following Goals, Objectives and Policies which will be furthered by the proposed CDC amendments:

- Objective A.6.1 The redevelopment of blighted, substandard, inefficient and/or obsolete areas shall be a high priority and promoted through the implementation of redevelopment and special area plans, the construction of catalytic private projects, city investment, and continued emphasis on property maintenance standards.
- Policy A.6.1.11 The City of Clearwater will continue to promote infill development and the removal of blight through the Unsafe Structures Program.
- Objective C.1.3 Objective for Housing Conditions - The City of Clearwater shall encourage the elimination of substandard housing units through demolition, upgrades, renovation and preservation efforts.
- Policy C.1.3.3 The City shall continue to monitor and evaluate factors which contribute to neighborhood stability and adopt strategies for neighborhood preservation.
- Policy C.1.3.6 Encourage voluntary, private rehabilitation of owner occupied and rental housing units.

2. The proposed amendment furthers the purposes of the Community Development Code and other City ordinances and actions designed to implement the Plan.

The proposed text amendment will further the purposes of the CDC in that it will be consistent with the following purposes set forth in CDC Section 1-103:

- Sec. 1-103.A. It is the purpose of this Development Code to implement the Comprehensive Plan of the city; to promote the health, safety, general welfare and quality of life in the city; to guide the orderly growth and development of the city; to establish rules of procedure for land development approvals; to enhance the character of the city and the preservation of neighborhoods; and to enhance the quality of life of all residents and property owners of the city.
- Sec. 1-103 B.3. Strengthening the city's economy and increasing its tax base as a whole.
- Sec. 1-103 D. It is the further purpose of this Development Code to make the beautification of the city a matter of the highest priority and to require that existing and future uses and structures in the city are attractive and well-maintained to the maximum extent permitted by law.
- Sec. 1-103.E.3. Protect and conserve the value of land throughout the city and the value of buildings and improvements upon the land, and minimize the conflicts among the uses of land and buildings.

The amendments proposed by this ordinance will further the above referenced purposes by implementing the aforementioned Goal, Objectives and Policy of the Comprehensive Plan; by establishing a Foreclosure Property Registry that will result in proactive identification of

foreclosed and blighted properties and providing an enforcement mechanism to require responsible parties to bring properties into compliance with the Code.

SUMMARY AND RECOMMENDATION:

The proposed amendment to the Community Development Code is consistent with and will further the goals of the Clearwater Comprehensive Plan and the purposes of the Community Development Code. Based upon the above, the Planning and Development Department recommends **APPROVAL** of Ordinance No. 8996-17 that amends the Community Development Code.

Prepared by Legal Department Staff: _____
Matthew M. Smith,
Assistant City Attorney

ATTACHMENT: Ordinance No. 8996-17