

City of Oklahoma City Abandoned Building Coalition

SUMMARY REPORT
June 2016

TABLE OF CONTENTS

| | |
|--|----|
| INTRODUCTION | 2 |
| BACKGROUND..... | 2 |
| ISSUE..... | 3 |
| RECOMMENDATIONS | 4 |
| 1) Administrative Fees for Abandoned Buildings..... | 4 |
| Current Conditions..... | 4 |
| Proposed Actions | 5 |
| 2) Strategic Code Enforcement | 5 |
| Current Conditions..... | 6 |
| Considerations | 6 |
| Proposed Actions | 8 |
| 3) Alternatives to Conventional Boarding..... | 9 |
| Current Conditions..... | 9 |
| Considerations | 9 |
| Proposed Action | 10 |
| 4) Public Information and Data-Driven Approaches to Abandoned Buildings..... | 10 |
| Current Conditions..... | 10 |
| Considerations | 11 |
| Proposed Actions | 12 |
| 5) Neighborhood Engagement on Abandoned Buildings..... | 13 |
| Proposed Action | 18 |
| LOOKING AHEAD..... | 18 |

INTRODUCTION

In April 2015 The Oklahoma City Abandoned Building Coalition formed to: a) consider viable next steps to solve the complex issues of abandoned buildings in our community and, b) serve as a recommending body to the City Council for changes to policies, procedures, systems or ordinances. The Coalition was comprised of a broad group of stakeholders including local property owners, builders, developers, investors, neighborhood leaders, and state, county and local officials. Coalition representation included the following organizations/groups:

- OKC I-89 school board
- Oklahoma County Assessor
- Neighborhood Alliance
- Oklahoma City Metropolitan Association of Realtors
- OKC Urban Renewal Authority
- Central Oklahoma Home Builders Association
- Oklahoma City Housing Authority
- U.S. Department of Housing and Urban Development
- Legal Aid
- Center for Economic Development Law
- City Planning
- Development Services / Code Enforcement
- Municipal Attorney
- City Council Ward 2

BACKGROUND

In July 2013 the Oklahoma City Council adopted an abandoned building study (“Study” or “The Study”), based on two years of research and analysis of current conditions, costs to the community and opportunities for change. The Study recommended a three-phased program in the following order:

- 1) establish a vacant and abandoned building registry to track offending properties and hold owners accountable;
- 2) pursue enabling legislation for cost recovery to offset economic losses; and
- 3) institute a land-bank repository for problem property redevelopment.

The Study also recommended financial incentives for owners/developers/investors to put properties back into productive use. In October 2013, based on the Study’s recommendations, the Oklahoma City Council adopted a vacant and abandoned building ordinance, which required owners of abandoned buildings to register their property, pay a registration fee, and submit a plan and timeline for occupancy or disposition of the building. Six months later the State legislature

enacted new legislation prohibiting registration of real property with certain exceptions, effectively dismantling Oklahoma City's vacant and abandoned building ordinance.

In March 2014, a delegation from Oklahoma City attended the 2014 Community Progress Leadership Institute, an invitation-only conference sponsored by the Center for Community Progress (CCP), the nation's foremost nonprofit organization working on the issue of abandoned buildings. Oklahoma City was one of only 10 US cities selected that year for participation in the institute. The Oklahoma City delegation focused on best practices from communities around the country that have had success at transforming problem properties into assets for revitalization. The delegation, upon its return, recommended the formation of an Abandoned Building Coalition ("Coalition") as a best practice for continuing to address the problem.

In May 2014, formation of the Abandoned Building Coalition was put on hold until the ordinance issue could be resolved.

In October 2014 Oklahoma City adopted a new abandoned building ordinance, based on the changes to state law, which narrowed the definition of an abandoned building, allowed for escalating fines for property maintenance violations, declared abandoned properties a nuisance, placed declared buildings on an official list, and allowed cost recovery for police and fire responses to abandoned buildings.

In January 2015, Oklahoma City began implementation of its abandoned building program, which added Municipal Code Inspectors, more aggressively enforced property maintenance violations, and collaborated with Police and Fire to track cost recovery fee data.

In April 2015, the Abandoned Building Coalition ("Coalition") held the first of six consecutive monthly meetings which focused on the following:

- Taxes, liens and foreclosure
- Code enforcement operation/procedure
- Positive and negative incentives, appropriate tools for reform
- Possible legislative, municipal and judicial solutions
- Citizen involvement, neighborhood participation and owner compliance
- Data gathering and information sharing.

ISSUE

Abandoned buildings are more likely to become problems for the community than occupied buildings. Dilapidated conditions common to abandoned buildings contribute to commercial and residential blight, market value decline, greater demand for public services, and a heightened public perception of danger or threat to safety and health.

According to the 2013 abandoned building Study, the number of abandoned buildings in Oklahoma City has grown substantially over the past decade. The Study suggests that without

practical and innovative solutions the problem will continue to grow. Local market conditions and tax structures unintentionally perpetuate the problem, favoring property neglect over investment.

The City of Oklahoma City (City) response to the issue to date either as a direct or indirect result of the 2013 Study includes: 1) Modest changes to state law and the Municipal Code (Code or The Code)¹; 2) Implementation of an abandoned building program; 3) Increased prevention efforts through more aggressive property maintenance enforcement; 4) Increased fines for property maintenance convictions; 5) New cost recovery fees for Police and Fire services to abandoned buildings; 6) Establishment of the Coalition for further study and recommendation of further action if needed.

The Coalition spent six months examining the issue, accomplishments to date whether and how best to proceed. The most important question it faced was whether the necessary legal, policy, organizational and financial mechanisms are in place to 1) induce or compel property owners to fix up their properties; or 2) sufficiently incentivize owners to put problem properties into more responsible hands.

The Coalition determined that adequate mechanisms are not yet in place to meaningfully affect the problem, and that current economic and political conditions do not allow for the type of sweeping changes needed to solve the issue. The Coalition also determined that the most viable next steps in the current climate should be the most practical. Based on these determinations, the Coalition has chosen to make the below recommendations because of their realistic potential to make a qualitative difference that if adopted and proven effective may serve as the basis for more substantive change when the conditions are right.

RECOMMENDATIONS

1) Administrative and Regulatory Fees for Abandoned Buildings

CURRENT CONDITIONS

- Administrative and regulatory fees may be but are currently not charged for Code enforcement work on abandoned buildings. A memorandum from the Municipal Counselor dated May 20, 2016 provides the means and procedures for assessing and recovering abandoned building abatement costs.
- An analysis performed by the City Planning Department in 2013 shows that the revenue from fees for abatement of “dilapidated” or “unsecured” buildings insufficiently covers the actual costs to administer those aspects of the Code Enforcement program. The deficit is compounded by the addition of the abandoned building program, which has newly added inspectors, caseloads and additional substantial costs.

¹ (Oklahoma City Municipal Code 2010, updated through May 2016)

- Fees are being charged for police and fire responses to abandoned building locations. These have not been in place long enough to determine whether they are effective at: 1) deterring criminal activity at or near abandoned building locations; 2) increasing the rate of owner compliance; or 3) covering the actual costs of police and fire responses to abandoned buildings.

PROPOSED ACTIONS

- 1.1. Development Services/Code Enforcement, in coordination with the Planning and Finance departments, should perform an analysis of the City’s current fee structure specific to dilapidated and unsecured buildings. Reasonable and allowable fee increases as may be warranted to more fully recoup abatement costs of dilapidated and unsecured buildings.
- 1.2. Consider assessing administrative and regulatory fees and interest on those fees for abatement costs of abandoned buildings. The fee structure should be based on actual costs and should include the number of inspectors and related administrative activities, including legal costs, admin support, vehicles, electronics and software, equipment, supplies, data management, etc.
- 1.3. Annually increase Code enforcement administrative/regulatory fees and property nuisance fees or fines by a nominal fixed rate or a variable rate tied to an outside measure, such as cost of living or inflation. For example, a 2% annual fixed increase on a fee set at \$500 today would result in a \$728 fee twenty years from now.
- 1.4. Pursue all available means for attempting to recover abandoned building abatement costs. A memorandum from the Municipal Counselor dated May 20, 2016 discusses options for abandoned building cost recovery.
- 1.5. Consider the suggestions of a citizen who attended the final Coalition meeting recommended that the City treat abatement of abandoned buildings and property maintenance neglect the same way the City treats other property-related nuisances, such as Tall Grass and Weeds, by abating the problem when the owner won’t and charging the owner for the abatements costs. The citizen stated this approach should be employed on property maintenance violations and on dilapidated/unsecured buildings that could be rehabilitated rather than being demolished or long-term boarded.

2) Strategic Code Enforcement

Strategic Code enforcement, also sometimes called enhanced Code enforcement, is an approach involving targeted efforts coordinated between the City and its neighborhoods for consensus-based outcomes. Strategic Code enforcement is recommended to function as a

component of a broader Code enforcement program, and should include the following elements:

- Proactive rather than reactive engagement
- Priority to specific areas and/or properties
- Engaged citizenry and actively participating neighborhoods
- Coordination between code enforcement and neighborhood groups
- Good data and monitoring systems
- Timely, accurate information-sharing among stakeholders and the general public.

CURRENT CONDITIONS

- The City's Code enforcement process is generally reactive and complaint-driven. Proactive Code enforcement is employed at certain times or under certain conditions, or in particular areas where the City is actively engaged in special programs or community-based initiatives.
- The City utilizes a best practice of assigning Code Enforcement Inspectors to geographic areas, which allows the officers to become knowledgeable about the properties and residents in the area they serve. Geographic assignment provides the opportunity for heightened public/private relationships and partnerships to develop.
- The City's Code Enforcement Inspectors and/or supervisors regularly attend neighborhood association meetings. They also participate in special group trainings organized in partnership with the Neighborhood Alliance to help citizens understand how the system works and to identify, report and follow up on code violations.
- The City has recently put greater emphasis on enforcement of property maintenance compliance as a preventative measure to reduce growth of the abandoned building problem. As a result, the number of property maintenance citations has doubled. As such, the total number of cases achieving compliance has also doubled.
- Increased enforcement, however, has not proven to increase the rate of compliance. Data shows that the compliance rate has been at about 50 percent for many years, and that the rate did not change following recent efforts for stepped up enforcement. It remains to be determined whether incentives or additional disincentives may have an effect on the compliance rate.

CONSIDERATIONS

- The City's Code Enforcement staff willingly interacts with the public, but these interactions are generally initiated by the citizen. A strategic approach equalizes the responsibility for communication, placing greater emphasis on the City for proactive citizen engagement.

- Despite good efforts of the City’s Code Enforcement staff to interact with the public, citizens regularly report dissatisfaction with code compliance case outcomes as well as frustration dealing with the process. Too often citizens feel disempowered presumably because they either misunderstand how to engage or lack understanding about how the system works.
- The City has limited powers, tools and resources currently available to effectively deal with abandoned buildings on a city-wide scale. For this reason, it makes sense for focused strategic enforcement to be adopted in specific areas, on a pilot basis. This is a best practice utilized by other municipalities.
- Because of the City’s limited tool set, and also because of general opposition to more aggressive enforcement, the City historically has opted to go after “worst-case” properties. Under a strategic approach, all violating properties within a limited geography are prioritized for enforcement. Also, neighborhoods within the select geography can help determine revitalization or compliance priorities.

Examples from other cities

A proactive, community-based approach to code enforcement is not a new concept. Some cities have adopted model programs that increase municipal capacity while empowering neighborhoods and residents to “police” their own specific problems. The following are examples of enhanced code enforcement programs or program components operated by other cities:

- In Fort Worth, the City trains neighborhood residents on the property code and how to identify and successfully report a violation. These trained ‘Code Rangers’ then identify code violations in their neighborhoods and notify City officials. The City then sends courtesy letters to property owners and residents regarding the possible code violation(s) in an effort to improve the appearance and safety of the neighborhood, encourage residents and property owners to maintain their homes in order to preserve property values and discourage crime, allow Code Enforcement Officers the opportunity to devote more time to chronic, dangerous or complicated issues affecting the neighborhood, and create a greater sense of community in each neighborhood by encouraging cooperation and increasing neighborhood pride.
- San Antonio has established Code Enforcement Teams or Units with escalating responsibility. Field units handle minimum property maintenance requirements on a reactive or complaint driven basis while Neighborhood Enhancement Teams are dedicated to proactive, coordinated enforcement in special project areas with emphasis on highly traveled corridors and inner-city reinvestment areas.
- The City of Cleveland has an ambitious partnership with its community development corporations (CDCs). Under a formal partnership agreement, CDC staff

survey their neighborhood to identify properties in need of inspection and abandoned properties, manage a process by which exterior “routine” complaints reported to the City are forwarded to the CDC, which attempts to achieve voluntary compliance with the owner. Priority complaints, such as vacant and vandalized structures, fire damage or lack of heat or water, are still addressed directly by the City. If the CDC is unsuccessful, it refers the matter to the City. This program requires funding, which is largely covered through the Community Development Block Grant program.

- Arvada, Colorado Code Officers help neighborhoods ascertain their specific needs/problems and develop community plans. Officers also train citizens to understand the code and compliance process. Once trained, citizens are allowed to "patrol" their neighborhoods for code violations and begin the compliance process.
- In Atlanta, the City trains volunteer 'neighborhood deputies' who patrol the neighborhood and send 'unofficial' notices of potential code violations to property owners and occupants. If the conditions don't change, the volunteers report the violation to the City.

PROPOSED ACTIONS

- 2.1.** Adopt a permanent, strategic component to the Code Enforcement program. The component would proactively identify code violations and strategically engage neighborhood residents. This is best suited for implementation in areas of limited geography, specifically in City-supported revitalization neighborhoods such as the Strong Neighborhoods Initiative areas.
- 2.2.** Develop ways to allow the public greater opportunity to provide feedback, and influence problem property outcomes.
- 2.3.** Promote a strategic approach to code enforcement through City-directed public awareness campaigns aimed at citizens, select neighborhood associations and community groups. This will help define the value of strategic enforcement and increase demand for services in focus areas.
- 2.4.** Expand partnership and outreach efforts with nonprofits and citizen groups. Work with local nonprofits or community development organizations in a collaborative approach with neighborhoods to solve problem property issues in community-directed ways.
- 2.5.** Lobby county and state officials to draw attention to the problems caused by abandoned properties, the merits of a strategic approach, and the need for tax-based incentives making this a high-profile issue in need of attention.

3) **Alternatives to Conventional Boarding**

CURRENT CONDITIONS

- The Oklahoma statute regarding boarding and securing of property is silent about what materials or methods can or should be used by a municipality.
- The Municipal Code requires all buildings to be secure. Code Enforcement has requirements for coverage, board type and thickness (wood or plywood) and fastener type (screws). There is no requirement for appearance or aesthetic treatment.
- The City's current boarding method ensures compliance at minimal expense. This avoids strain on the City budget (a positive, since most costs associated with code enforcement activities largely are not recovered) and also avoids potential legal action from property owners against the City for unreasonable cost and compliance requirements.
- The City's approach to boarding creates an opaque barrier that leaves the building as a visible emblem of disinvestment in the community.
- Code Enforcement is aware of alternative boarding solutions and has explored vendor products designed to reduce negative appearance and potentially enhance security. Until now, no solution has been determined worth adopting.

CONSIDERATIONS

- Important factors to alternative boarding include quality, aesthetics, integrity, impenetrability, longevity, ease of installation and relative cost.
- An alternative boarding approach that mimics the appearance of traditional windows and doors can enhance curb appeal and promote safety by allowing first responders to see inside the building in the event of an emergency.
- An alternative treatment that involves painting or masking boards (decals) to enhance property aesthetics may deteriorate faster than the boards themselves requiring higher levels of maintenance.
- An alternative boarding solution can have two tiers, a lower standard applicable to owners who bring their properties into compliance, and a higher standard applicable to the City's boarding activities. The low standard would consist of materials and methods readily available to the general public from a variety of vendors. The higher standard could be proprietary as long as a vendor is properly procured. The City may elect the higher standard to improve the way a secured property looks to the neighborhood.

- Any alternative approach to boarding and securing will do nothing to 1) address the root causes of property abandonment, 2) reduce the number of abandoned buildings in the community, or 3) help put abandoned properties back into productive use.

Alternative Boarding Examples

- Fresno, California requires that windows visible from any public right of way must be secured only with rigid transparent material such as clear Polycarbonate with a minimum of 3/8 inch to 1/2 half inch thickness.
- Nonprofits in Cincinnati and Chicago have experimented with enlisting local artists to paint faux facades or curtain-drawn windows on boarded-up homes as a way of making them less conspicuous. A nonprofit in Trenton, New Jersey has a “Windows of Soul” initiative that installs art on the windows of abandoned buildings.
- A company out of Flint, Michigan sells simulated window and door decals that can be affixed with common construction adhesive to cover plywood boards.
- A company out of Chicago offers alternative boarding products that utilize Polycarbonate window covers in a boarding system that the company claims is more secure than plywood while providing the aesthetic benefit of looking like normal windows.

PROPOSED ACTION

- 3.1. Code Enforcement should continue evaluating alternative boarding/securing solutions that will improve the appearance of boarded buildings, reduce a blighting influence, and reduce the crime and trespass associated with wood or plywood board ups.

4) Public Information and Data-Driven Approaches to Abandoned Buildings

CURRENT CONDITIONS

- In November 2015, the Municipal Court began implementing a higher fine structure for property maintenance violations as authorized by the new ordinance. Data has not been analyzed to determine whether the revised fine structure affects the compliance rate.
- Data gathered since implementation of the October 2014 abandoned building ordinance shows that while more aggressive enforcement increases the *number* of buildings brought into compliance, more aggressive enforcement does nothing to increase the *rate* of compliance (which remains at about 50% before and after the ordinance adoption). Increasing the rate of compliance is key to decreasing the number of abandoned buildings in the community.

- Code Enforcement maintains a wide range of valuable data related to abandoned buildings and problem properties. This data can be extracted and used by other City departments and the public, for real time analysis and decision-making regarding neighborhood revitalization.
- Both the City and Coalition have the desire for the City to improve the collection, management and sharing of data. The City continues to work on integrative solutions for new data compatibility, mining, mapping, and accessibility.
- Citizen expectations for timely resolution of problem property cases are often frustrated by a misunderstanding of the process required by law to bring properties into compliance. The public could benefit from improved access to Code Enforcement records and reports.
- Residents have the ability to report violations and follow up on cases through the City's Action Center by phone, website, or smartphone app.
 - The sheer volume of phone calls to the Action Center requires many citizens to leave a voicemail. In a world of increasingly instantaneous communication, studies are showing that people dislike using voicemail, especially for matters they consider time-sensitive or urgent. Return call wait time can be a source of frustration for some and a barrier to fluid communication.
 - The website provides a means to quickly report a violation and follow up on case status. For people without regular access to a computer, this solution is not the most convenient. The website status reports offer limited detail relative to what is available in the City's database.
 - The newest reporting and monitoring tool is a mobile app. The current version has a variety of flaws/limitations that inhibit feedback to the public. Principal among these is that citizen reports do not seamlessly integrate with the City's database. The City's Information Technology team is working on a solution.

CONSIDERATIONS

- The public should have access to as much data on nuisance properties as possible to assist them in better understanding their communities and directing their own strategic, community-based revitalization. Access to timely and more comprehensive complete case data can help residents and neighborhood organizations to be more aware of what is happening in their communities and help keep them informed and engaged.
- Citizens can and should be powerful allies in the City's work to address abandoned buildings and related property maintenance code violations. Providing them more information will help strengthen this alliance.

- The costs to roll out a better information sharing platform would be nominal. The City has the available tools and expertise to make data available to the public in a user-friendly way. Only modest upfront effort would be needed to write scripts or create the pages or platforms for public display. No new software is required except the possible adoption of a new mobile app.
- Visualizing data in graphic format makes it more immediately accessible and digestible. Property cases can be best presented geographically on a map with embedded data that users (City staff or the public) can pull up to create characteristics that might identify good candidates for rehabilitation, demolition, or some other intervention) and then sort the listings (for example, by number of code violations or recent change in assessed value) to create priority sequences for different programmatic responses.
- Citizens deserve real time access to the status of property cases including the full scope of the process, placement within the workflow, name and contact information of the inspector, and more informative comments with case updates.
- The City's effectiveness in reducing the number of abandoned properties can be enhanced by a greater ability to collect, manage, analyze and share timely, accurate and reliable data with other City departments and the public.
- Involving participation from citizens and agencies that address abandonment and other symptoms of distress on the ground is essential for lasting corrective action. The information needs of this audience - not just the needs of the City or a single department within the City - should always be a major focus for data collection, distribution and analysis.
- The most innovative communities around the country have deployed new ways of gathering and using data, new technologies, and new partnerships to maximize the impact of their work. As part of the effort, they have built a data infrastructure that can inform public and private investment to stabilize neighborhoods affected by conditions that lead to property abandonment and disinvestment.

PROPOSED ACTIONS

- 4.1.** Develop an information sharing program that gives citizens greater access to Code Enforcement case data, particularly data on abandoned buildings and other nuisance properties.
- 4.2.** Provide an online platform for citizens to better understand and track open cases through the process workflow in real time, and the ability to search closed cases on historically troubled properties.

- 4.3. Establish a web-based mapping tool that allows the public to visualize, navigate, search and interact with the property case data. The map feature could display the location of currently designated abandoned buildings and may allow the user to pull in property maintenance cases or other property-related nuisance cases.
 - Properties could be shown as data points on the map.
 - Clicking a data point could bring up detailed information on the case, including process steps, place in the workflow, inspector name and contact information.
 - A separate link could display additional information on the property, such as physical condition, assessed value, ownership data, photos, other pending code enforcement actions, history of prior code enforcement cases, property transfers, utility connections, demographic and social data, crime incidents, etc.
- 4.4. The City should develop a more robust information campaign to better inform citizens on what constitutes a violation and how best to engage, report and follow up.
- 4.5. Improve the Code Enforcement mobile app to seamlessly integrate with the City's Code Enforcement database and provide better status reports to residents. This will improve administrative efficiency within the City and will allow citizens to stay better informed.
- 4.6. Continue to gather and analyze data to track the efficacy of new or pilot approaches to the City's Code Enforcement strategy.
- 4.7. Give specific attention to data-gathering and analysis concerning the affect property maintenance fines have on the rate of owner compliance. The Coalition is interested in whether and to what degree punitive measures such as increased fines act as a deterrent (or a negative incentive) to property maintenance violations. If so, the rate of compliance should increase following implementation of the higher fine structure. The Coalition is also interested in the effect of negative vs. positive incentives.
- 4.8. Code inspectors should make communication with residents a higher priority. Officer comments on cases should be more thorough and specific at a minimum and include condition and detailed status reports to facilitate monitoring and follow-up.

5) **Neighborhood Engagement on Abandoned Buildings**

The previous recommendations are focused primarily on what the City can do in a lead role. The Coalition recognizes that while the City has a major responsibility in solving the abandoned building problem, neighborhood organizations play a vital role at the level most closely affecting them, and to affect this change as an intermediary between citizens and local government.

Neighborhoods must be organized to direct change residents want to happen. They must connect with the City in a positive and proactive way, establishing priorities for

dealing with problem properties in their sphere of influence and working on outcomes with greater force than a single person or household. Either by reporting to the City's Action Center, communicating with elected officials, contacting the media, or working directly with property owners, neighborhood groups can have a revitalizing effect for their community.

For the purposes of this section a how-to guide or set of best practices for neighborhoods is better suited than a set of recommendations. The Coalition considers neighborhoods can do the following to self-direct solutions.

- A. Take responsibility
- B. Get organized
- C. Build capacity
- D. Identity/prioritize problem properties
- E. Identify particular violations
- F. Work with property owners to obtain voluntary compliance
- G. Report violations to the City (when voluntary compliance is unattainable)
- H. Follow up on code complaints until satisfied

A. *Take responsibility*

Residents and neighbors must consider how they can get involved to make a difference on the problem of abandoned buildings. Two important points should be kept in mind: 1) local government cannot solve the problem without community involvement; 2) if a problem property owner won't correct the problem, neighbors sometimes can. Both of these points are worth remembering when establishing outcome expectations. To solve the abandoned building problem, people closest to the issue must maintain focus, frame the issue, rally support, build capacity, and remain vocal and active.

B. *Get Organized*

A perceived problem is generally the strongest reason why people get involved. Organizing a group of active stakeholders is vital to making progress on community change. Leadership often emerges at an early level of group engagement. A practical guide for neighborhood organizing is provided by the Neighborhood Alliance at the following web link:

<http://nacok.org/association-tools/organizing-a-neighborhood-association/>

C. *Build organizational capacity*

Strength of an organization and its leadership (the ability to influence) is the primary reason why people stay involved. Capacity building at its most basic level occurs when the group develops the ability (knowledge, skills, relationships, and

resources) to define and work out problems unique to each circumstance. Some practical steps for building capacity follow.

1. Identify/ learn existing community assets, skills and capacities with respect to:
 - a) Talents and skills of group members / neighborhood residents;
 - b) Existing associations and networks (that may assist with the neighborhood's building concerns);
 - c) Businesses, galleries, attractions (non-residential assets that promote neighborhood revitalization);
 - d) Physical assets including land, landmarks, parks, buildings, facilities, equipment, public art, etc.; and
 - e) Local stories, history and knowledge.
2. Build internal capacity. Begin to interact with the neighborhood in ways that can involve and attract participation. This is the stage to begin identifying neighboring perspectives on properties of concern and people's willingness and availability to address the issue(s). Involve property owners, even the negligent ones, to collectively address the range of property-related issues in a coordinated manner.
3. Build external capacity. Form partnerships with stakeholders including the private sector (e.g. developers, business owners, adjacent neighborhood organizations, the Neighborhood Alliance, civic clubs, community development corporations and other nonprofit organizations, banks or other financial institutions, foundations or funding organizations, and local government agencies. Begin working with the municipality to craft a place-based code enforcement program.

D. *Identity/prioritize problem properties*

1. Develop and maintain a property list with owner information.
2. Prioritize which issues need the most attention. (These may or may not be the worst cases.) Focus on buildings most likely to turn around with least effort, on those worth concerted effort to save, or those with greatest reuse potential or value, or which have the greatest revitalizing potential for the block or neighborhood.
3. Achieve consensus on outcomes.
4. Manage expectations.

5. Be creative and realistic.
6. Define the tools/method(s) to be employed to solve the problem.

E. *Identify particular violations*

Getting to know the Code Enforcement inspector assigned to your area is a key to success. Building that relationship requires regular, positive communication.

Knowing how the perceived problem aligns with a specific violation of the municipal code is important when working toward solutions. The Municipal Code (Code) is available online at <http://www.okc.gov/code/>.

The following is a list and brief summary of the most common code violations related to abandoned buildings:

- *High Grass and Weeds:* The number one complaint from people across the city is high grass and weeds. City ordinance defines grass to be in violation when it reaches a height of 12 inches. Property owners are also responsible for maintaining alleys and right-of-ways adjacent to their property. Code Chapter 35, Section 63.
- *Exterior Property Maintenance:* Property owners are required to maintain their property in good repair. Examples include but are not limited to roofs, fences and painted surfaces. Code Chapter 24, Article IV.
- *Dilapidated and Unsecured Structures:* Dilapidated and unsecured structures not only pose a safety hazard to the community they are a violation of Oklahoma State Statutes. Dilapidated structures are those with foundation damage, collapsing roof, major structural damage and decay. Unsecured structures are those with broken windows, unlocked or open doors and holes in the roof or outer walls. Title 11, Oklahoma State Statute, Section 22-112 & 22-112.1.
- *Maintenance of Screening and Fencing:* All sight-proof screening (trees or other barriers) and fencing must be maintained and kept in good repair. Code Chapter 59, Section 11150.
- *Junk and Debris:* Property owners are required to keep their property, including alleys and right-of-ways adjacent to their property, clean and free from trash. Trash is defined as, but not limited to, refuse, litter, debris, or any other matter that is uncared for, discarded or abandoned. Code Chapter 35, Section 103.
- *Illegal Outside Storage:* Outside storage in a residential area is prohibited. The only commercial designation that allows outside storage is C-4. To find out about a property's zoning, log on to www.okc.gov/planning or call the Action Center at 297-2535. Code Chapter 59, Section 9350.47.

- *Graffiti:* It is against City ordinance to allow graffiti to remain on a property. The property owner is responsible for removing it. Code Chapter 35, Section 147.

F. *Work toward voluntary compliance*

Sometimes the best solution is the most neighborly. It may be reasonable to try contacting the current owner and providing a simple, friendly notice that improvement to the property is needed before turning the owner/property in officially. Committed neighbors may be willing to request permission from the owner to themselves abate the problem for the owner, i.e. cut the grass, clean the yard, secure the building, maintain the exterior, etc. If the owner cannot be reached or refuses help, enforced compliance may be necessary. Identifying the owner(s) of record may be a challenge. Neighborhood Alliance or City officials may assist.

Try to determine why the property is being neglected and tailor a response to the exact problem.

G. *Report code violations*

When reporting a code violation to the City, be as specific as possible and try to align the concern with the particular offence. Providing local officers with the relevant citation from the Municipal Code will greatly help. Also, report the physical address of the offending property as accurately as possible. Assistance can be provided by City staff from the Development Services or Planning departments.

Report the violation to the City's Action Center as follows:

- [Online service request form](#)
- Email action.center@okc.gov
- Call 405-297-2535 (the line is very busy, so an online request may be a better option)

Enforcement Process: Once a complaint is made a City inspector will go to the address provided to check the complaint. If a code violation is verified, the inspector will issue a notice to the property and property owner. Sometimes a courtesy notice is the first step. Other times official legal notice is posted. Enforcement action the City can take varies: In some cases inspectors write citations for violations such as exterior property maintenance and illegal outdoor storage; in other cases, such as overgrown lots, junk, or unsecured structures, the City can remedy the violation then bill the property owner for the work. Inoperative vehicles on private property or cars abandoned in the street can be towed away.

Anonymity: Problems reported to the Action Center may be made anonymously. The City is the complaining party – not you or your neighborhood. You don't have to give a name or phone number. Contact information is requested for purposes of

follow-up, but is not required. Providing your information, however, would become part of the public record and as such subject to open record requests.

H. *Follow up on Code complaints until satisfied*

Once a report is filed, a case number is assigned within approximately 24 hours. The case number can be tracked to follow its status through the process, either online, at:

<http://www.okc.gov/action/OnlineServiceRequest/Forms/CheckStatus.aspx>, through the City’s mobile app, or more directly by contacting the Code Enforcement inspector assigned to the case.

PROPOSED ACTION

- 5.1. Work with Neighborhood Alliance to create a Neighborhood/Citizen’s Guide or Tool Kit to Abandoned Buildings and Problem Properties. The guide may develop into a program for neighborhood-based solutions to problem properties and strategic revitalization.

LOOKING AHEAD

The City has made valuable progress on the issue of abandoned buildings and is poised to make a greater impact as long as the issue remains a priority. Abandoned property solutions require complex, multifaceted strategies. No single tool or program will fix a problem that has taken decades to develop. True success depends on many factors, such as political willingness, meaningful incentivizes/disincentives for owners and investors, an assertive and engaged citizenry, and the strength and enforcement of effective laws/ordinances.

The Coalition has selected its above recommendations based on how likely they are to succeed in the current economic and political environment. These recommendations can be adopted quickly and achieve positive, measurable effects with no need for a significant, or ongoing financial commitment, no major changes to current process or policy and no changes to current law.

Future steps requiring more substantive changes or significant funding are certainly needed. Twelve of these have been identified by the Coalition to have relevance for the Oklahoma City context. The following actions are sequentially numbered to correspond to descriptions below.

CITY INITIATED

- 1. Expanded cost recovery
- 2. Abandoned property abatement fund
- 3. MAPs 4 Neighborhoods
- 4. Involuntary demolition

**STATE SPONSORED/
LEGISLATIVE**

- 5. Receivership authority
- 6. Revisions to property tax law
- 7. Abandoned building definition revised
- 8. Foreclosure authority

**CITY AND STATE/
COUNTY SPONSORED**

- 9. Direct/Indirect tax incentives
- 10. County/State Housing Trust Fund
- 11. Housing Court (municipal or county)
- 12. Land banking

1. **Expanded cost recovery:** The City is entitled to recover regulatory costs, police and fire costs, and other actual expenses incurred, including administrative costs, related to abatement of abandoned buildings, and interest on such amounts. There are various methods for the City to attempt to recover these costs. A memorandum from the Municipal Counselor dated May 20, 2016 discusses these methods. The City's current cost recovery approach should be modified to better recoup the public cost of property neglect and abandonment. Currently The City recoups only about 1/3 of its cost to enforce against dilapidated, unsecured and abandoned properties, requiring a significant ongoing public subsidy.

Municipal processes should be amended to attempt to recover a greater percentage of the cost for the City to operate and manage an abandoned building program to be recouped for the taxpayer. If municipal processes are insufficient to recover 100% of actual abatement costs, changes to State law may need to be considered.

2. **Abandoned property abatement fund:** The City could establish a City-sponsored abandoned property abatement fund. This could be capitalized from The City's annual budget, or, perhaps financed through revenue bond issuances, a voter-approved MAPS-for-neighborhoods type initiatives (described briefly in 3 below), or perhaps through micro-TIFs or other identified mechanisms. A revolving fund managed by a public trust could leverage private match to provide low interest loans for activities that put abandoned properties back into productive use. Eligible activities and expenses could include:
 - Real property acquisition
 - Site improvements and development hard costs
 - Related soft costs
 - Financing costs
 - Property title clearance
 - Nuisance abatement
 - Whole property rehab
 - Short-term operating reserves for income generating property
 - Reasonable administrative and planning costs.
3. **MAPS 4 Neighborhoods:** This concept continues the voter-approved 1 cent sales tax, focusing on creating quality neighborhoods. Council could direct improvements to specific neighborhoods that are a priority for revitalization and community development. A specific set-aside for an abandoned building abatement revolving loan fund could be included in the MAPS 4 funding package.
4. **Involuntary demolition:** This is a controversial tool. To be effective it requires a decision-making protocol for considering all relevant factors and alternatives. If demolition is deemed an appropriate strategy, some principles for designing a demolition priority system could include:

- Properties that meet a minimum threshold of physical deterioration and economic loss potential may be good candidates for demolition;
- Properties having historic or community value may not be good candidates for demolition;
- Demolition in heavily disinvested areas might focus on locations where there are specific reuse potentials;
- Demolishing a single building on one block where it is the only derelict structure, and cannot be rehabilitated efficiently in terms of cost-benefit, may have positive impact with respect to resident confidence, property values and future tax revenues; and
- Demolition priorities should be connected as much as possible to other activities that are taking place in the area as a whole.

5. **Receivership authority:** Receivership is a powerful tool for holding owners accountable for their properties or for gaining control of property where all other efforts have failed. Under this concept, an individual, government entity, or non-profit organization petitions the court to designate a receiver for the property to put it back into productive use. In respect to property right concerns, the owner would get ample notice and opportunity to take care of the property both before and during the court proceeding, and the owner would have the opportunity to regain control of the property after making the receiver whole for any direct costs or administrative expenses on the property. If the property has deteriorated to the point where the health, safety, and welfare of the public is endangered, this tool could provide the power for the receiver to take control of the property from the owner and share proceeds of any revenue stream used to restore the property to sound condition. The receiver may also transfer control of the property from one owner to another more suitable for the long term care of the property.

6. **Revisions to Property tax laws:** Local leaders and City officials could work with the County Assessor and Treasurer on changes to property tax laws. Examples would be to assess abandoned properties using a special measure for abandoned properties that is higher than the current assessment at “market” or “salvage” value, or to impose escalating tax penalties on properties the longer they remain in a dilapidated or abandoned condition. Both of these concepts would require changes to State law.

7. **Revised Abandoned Building definition:** The current definition allowed by statute allows enforcement of only the worst case properties. An example of an expanded definition may include criteria such as:

- The property has not been legally occupied for at least six months for a use permitted under zoning law and meets any one of the following additional criteria:
 - a) The property has signs of deferred property maintenance or is in need of rehabilitation in the reasonable judgment of a Code officer, and no appreciable maintenance or rehabilitation has taken place in the past six-months;

- b) Construction or rehabilitation work was initiated on the property and was discontinued prior to completion, leaving the building unsuitable for occupancy, and no construction or rehabilitation has taken place for at least six months as of the date of a determination by a public officer;
- c) At least one installment of property tax remains unpaid and delinquent on that property as of the date of determination by the public officer;
- d) The property has been determined to be a nuisance (based on meeting one of the City's nuisance criteria).

8. **Foreclosure authority:** The Coalition finds that the City could more effectively utilize powers of lien foreclosure as a means to affect the problem of abandoned buildings. The Municipal Counselor issued a memorandum on recovery of abandoned building costs on May 20, 2016. In it the Municipal Counselor discusses current foreclosure options: "The City may choose to file an action in district court against the property owner to obtain an *in personam* judgment against the owner, and then attempt to collect the judgment by executing a judgment lien against the owner's property. The City may also wish to attempt to recover the abandoned building abatement costs by attempting to foreclose its lien against the land under Title 42 (Liens).

The Coalition also recommends the City consider changes to Title 11 of the Oklahoma Statutes to authorize foreclosure of liens filed for abatement costs of abandoned buildings.

9. **Direct/Indirect tax incentives:** The following tax incentives are examples of economic benefits that could be provided to owners or investors of residential property in dilapidated or difficult-to-develop areas.

- Blight removal tax exemption. This option would incentivize the remediation of blight in defined priority areas with a provision that would penalize owner continuation of blight.
- Residential property improvement tax abatement. Generally this would provide a limited (i.e. 5-10 year) property tax freeze on the increased value of rehabilitated residential housing in defined focus areas.
- Residential income tax credit. This option would provide a limited time income tax credit to a property owner at a percentage of the owner's hard cost (materials) investment in housing rehabilitation or redevelopment.
- Short term capital gain reduction. This would deduct a percentage (i.e. 50%) of certain gains resulting from verifiable improvements as a portion of overall gains reported on the owner or developer's Oklahoma income tax return realized on property located in low income census tracts (where 51% of the tract population

has a household income at or below 80% of the area median income as defined by the most current U.S. census data).

10. County/State Abandoned Building Trust Fund: A special trust fund program could be established to provide funding for rehabilitating abandoned, distressed or underutilized property to productive use. The fund could be a revolving loan supplemented by property tax increases either from the increment of assisted property value increases or through higher assessments on abandoned properties as described/recommended in strategy #6 above.

11. Land banking: Land banking is a policy-driven activity or structure by which local governments acquire surplus properties and convert them to productive use or hold them for long-term strategic purposes. Land banks also may be quasi-governmental entities or non-profits specializing in land bank activities. Some land banks focus on properties stuck in complex property tax enforcement systems. Others are empowered by progressive property tax foreclosure laws. Land banking requires state legislative authority, primarily because legal and policy systems and structures at the state level create the incentives or cause the conditions for property abandonment. Oklahoma's current laws still allow certain land bank functions to be performed, but legislative changes would be needed to fully implement a land banking program.