

## ORDINANCE NO. 6019

AN ORDINANCE AMENDING CHAPTER 6 OF THE HILLSBORO MUNICIPAL CODE (HMC) BY ADDING A NEW SUBCHAPTER 6.32 DISTRESSED RESIDENTIAL PROPERTY REGISTRATION.

WHEREAS, the Council believes vacant foreclosed residential properties have an adverse and deleterious impact on the vitality and livability of the areas in which they are located and on the general well-being of the City and its residents; and

WHEREAS, the Council has been informed that significant numbers of vacant and foreclosed residential properties in Hillsboro are owned and/or controlled by entities and/or individuals outside the Portland metropolitan area and as such, those entities and individuals may be reluctant to voluntarily incur the cost and expense of adequately maintaining those properties to the standard found in the areas surrounding the property; and

WHEREAS, the Council believes it necessary that certain registration and maintenance requirements be imposed on the owners of abandoned and vacant residential real property in order to minimize if not eliminate some of the adverse effects those properties have on the City and its residents.

NOW, THEREFORE, THE CITY OF HILLSBORO ORDAINS AS FOLLOWS:

Section 1. A new Subchapter HMC 6.32 Distressed Residential Property Registration be adopted, which Subchapter shall read as follows:

### **Subchapter 6.32**

#### **DISTRESSED RESIDENTIAL PROPERTY REGISTRATION**

- 6.32.010**      **Definitions**
- 6.32.020**      **Registration, security and maintenance obligation**
- 6.32.030**      **Registration requirements; information required; change in ownership**
- 6.32.040**      **Maintenance obligations**
- 6.32.050**      **Security obligations**
- 6.32.060**      **Inspection requirement**
- 6.32.070**      **City authorized to act; enhanced penalty**
- 6.32.080**      **Appeals.**

#### **6.32.010**      **Definitions**

The following definitions apply unless inconsistent with the context:

***ABANDONED RESIDENTIAL PROPERTY*** means:

A. Residential property that is both vacant and subject to either a pending judicial execution sale under ORS 18.901 (2012) *et. seq.* or to non-judicial foreclosure pursuant to ORS 86.740 to 86.755 (2012); or

B. Residential property that is both vacant and was the subject of either a judicial execution sale under ORS 18.901 (2012) *et. seq.* or non judicial foreclosure pursuant to ORS 86.740 to 86.755 (2012) where legal title is retained by the beneficiar(ies) of a foreclosed trust deed or was otherwise transferred to beneficiar(ies) pursuant to a deed in-lieu-of- foreclosure.

***CHIEF*** means the chief of police or authorized designate thereof.

***FORECLOSED RESIDENTIAL PROPERTY*** means residential property an owner obtains as a result of:

A. Foreclosing a trust deed on the residential property;

B. Obtaining a judgment foreclosing a lien on the residential property; or

C. Purchasing the residential property at a trustee's sale or a sheriff's sale.

***LOCAL*** means within 30 road/driving miles distance of residential property.

***OWNER*** means any natural person, partnership, association, corporation or other entity having legal title in abandoned residential property or vacant foreclosed residential property.

***RESIDENTIAL PROPERTY*** is property as defined in ORS 18.901(2012).

***VACANT*** means condition(s) indicative of residential property being uninhabited, vacant or abandoned including (but are not limited to):

A. Visibly overgrown and/or dead vegetation at the property;

B. Accumulation of newspapers, circulars, flyers and/or mail;

C. Visible accumulation of trash, junk and/or debris;

D. Absence of typical household furnishing consistent with active residential habitation; and/or

E. Statements by neighbors, delivery agents, government employees that the property is uninhabited or vacant.

**6.32.020 Registration, security and maintenance obligation**

All owners of abandoned residential property and vacant foreclosed residential property are obligated to continuously comply with the registration, security, maintenance and inspection requirements imposed by HMC 6.32.

**6.32.030 Registration requirements; information required; change in ownership**

A. Residential property shall be registered by the owner(s) thereof with the recorder in the event:

1. Of an anticipated judicial foreclosure of the property, no earlier than the commencement of any of the actions described by ORS 18.904, 18.906, 18.908 (2012) and not later than the date first set for the execution sale described in ORS 18.930 (2012);

2. Of an anticipated non-judicial foreclosure of the property done pursuant to ORS 86.740 to 86.755 (2012) not later than the date of service or mailing of the notice of sale described in ORS 86.740 (2012); or

3. An owner receives written notice from the chief that the chief believes the residential property is vacant.

B. Each registration shall be on a form approved by the recorder and contain, at a minimum the following:

1. The name of the trustee or mortgagee;

2. The name of the beneficiary (if different) under the trust deed;

3. The street/office mailing address(es) of the trustee/mortgagee and, if there is one, the beneficiary under the trust deed;

4. The name, mailing address and contact information of a local individual or entity charged with responsibility by the trustee, mortgagee and/or beneficiary for ensuring compliance with the obligations imposed by HMC 6.32.040 through HMC 6.32.060.

C. Each registration shall be accompanied by payment of a registration fee which amount is to be set by council resolution.

D. The recorder shall maintain a current list of registered residential properties and deliver a copy thereof to the office of the chief.

E. In the event ownership of a registered residential property changes, notice of the change shall be sent to the recorder not later than 30 days after the change.

**6.32.040 Maintenance obligations**

A. The owners of residential property determined to be or registered as abandoned residential property or vacant foreclosed residential property shall cause the property to be maintained in a generally kempt condition generally found on surrounding occupied residential property and free of weeds, dead vegetation, graffiti, trash, accumulated newspapers, circulars, flyers, discarded personal items and other items/conditions that give the appearance the property is vacant or abandoned.

B. In the event there is an outdoor pools or spas at abandoned residential property or vacant residential property, they shall either be kept in working order or drained and kept dry.

**6.32.050 Security obligations**

A. The owners of residential property determined to be or registered as abandoned residential property or vacant foreclosed residential property shall cause the property to be secured (including closure and locking of windows, doors, gates and other opening(s) allowing access to the dwelling) and thereafter maintained so as not to be readily accessible to unauthorized persons.

B. Residential property subject to HMC 6.32.050(A) shall be continuously posted with a notice (printed and legible with a font size no less than 12 point) listing the name and contact information of the local individual or entity identified in the city's registration form along with the following phrases completed with the appropriate identification and contact information.

“THIS PROPERTY MANAGED BY \_\_\_\_\_.”

“TO REPORT PROBLEMS OR CONCERNS CALL \_\_\_\_\_.”

The posting shall be placed either on the interior of the dwelling or secured to the exterior of the dwelling. Exterior posting must be constructed of and printed on weather resistant materials.

**6.32.060 Inspection requirement**

The local individual or entity identified in the registration required by HMC 6.32.030 shall inspect the residential property on not less than a monthly basis to ensure that the requirements imposed by the terms of HMC 6.32.040 to HMC 6.32.050 are met.

**6.32.070 City authorized to act; enhanced penalty**

A. In the event the chief believes an owner has failed to meet the registration, maintenance, security and inspection obligations of HMC 6.32, the chief shall send notice of said failure to the owner at the address listed on the tax rolls of the county maintained consistent with ORS 311.560 (2012) or at such other address as may be known to the chief. The notice shall set out the nature of the failure(s) to be corrected and shall give the owner not less than 14 working days from the date of the notice to correct them. In the event the owner fails to remedy the matters within the time set out in the notice (or make, in the view of the chief, adequate arrangements otherwise) the city may then enter the property and cause the failures to be corrected, charging the costs thereof to the property as a lien.

B. In addition to the foregoing, the city may enforce the terms of HMC 6.32 as provided elsewhere in this code or in state law.

C. If the chief believes an owner's failure to comply with the requirements of HMC 6.32 is willful or purposeful, the chief may authorize the appropriate enforcement personnel to seek an enhanced penalty of up to \$1,000 per day in addition to the general penalty provided for in HMC 1.08.010(B).

**6.32.080 Appeals**

A. In the event an owner is notified that residential property under their ownership is subject to the terms of HMC 6.32 but believes the property should not be, they may appeal said determination to the chief.

B. Any appeal by an Owner shall be;

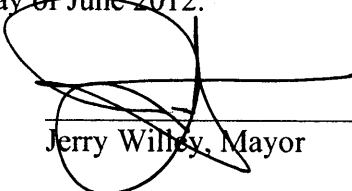
1. In writing;
2. Received by the chief within 10 working days of the date the owner was notified their residential property was subject to HMC 6.32; and
3. Setting out in summary form the basis for their belief their residential property should not be subject to HMC 6.32.


C. Upon receipt of an appeal, the chief shall review the matter and provide the owner an opportunity to give additional information if the chief believes that additional information could better inform the decision on whether to affirm, deny or modify the notification. After the owner had been given the opportunity to provide additional information, the chief shall within 10 days of the receipt of that information, affirm, deny or modify the notification as to the applicability of HMC 6.32 to the residential property in writing. The chief's decision is final subject only to judicial review pursuant to ORS 34.010 *et. seq.*

First approval of the Council on this 15<sup>th</sup> day of May 2012.

Second approval and adoption by the Council on this 5<sup>th</sup> day of June 2012.

Approved by the Mayor this 5<sup>th</sup> day of June 2012.

  
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Jerry Willey, Mayor

ATTEST:   
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Amber Ames, City Recorder