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# Update on Neglected & Derelict Buildings Ordinance Research

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# Agenda

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The Problem

NADB Working Group

Equity Considerations

Overview of Potential Legislative Changes

Next Steps and Timeline

Questions & Discussion



# The Problem

Neglected and Derelict Buildings (NADB) are a resource drain for our city (311, non-emergency, and 911 calls). These properties must be vacant.

CPD previously had struggled with staffing.

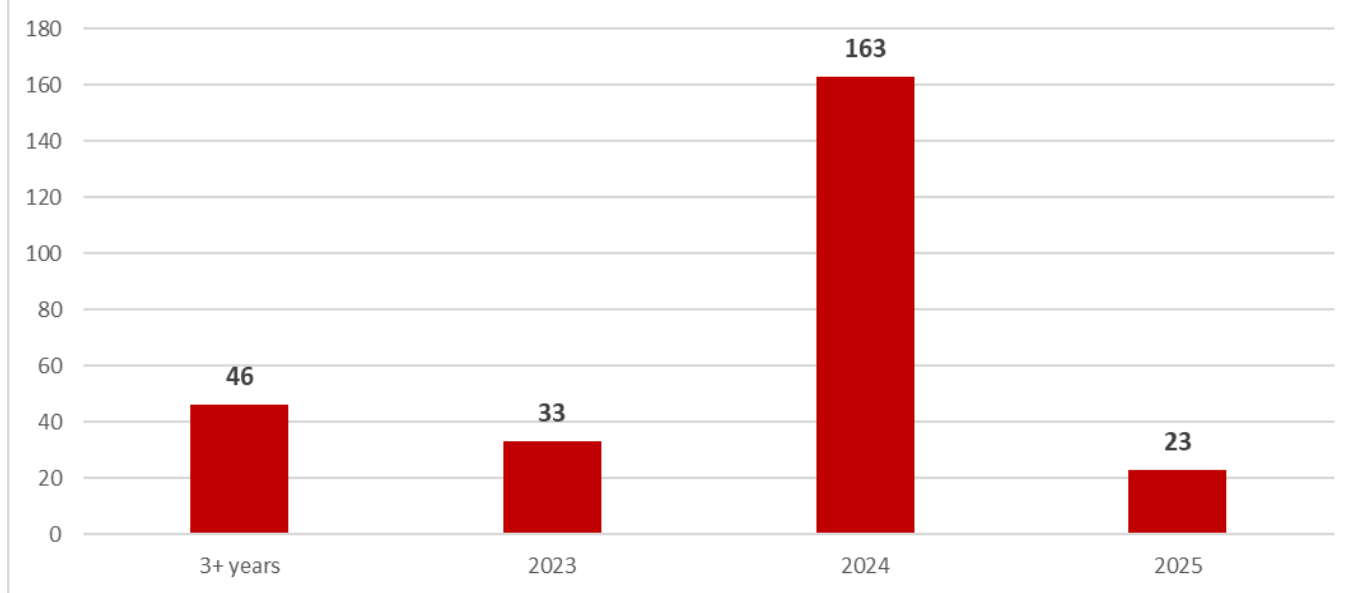
Neglected and derelict buildings reduce the availability of legitimate residential and commercial spaces, exacerbating the shortage of:

- affordable housing,
- business locations,
- placemaking,
- community building,
- and other neighborhood amenities.



# Current Properties on NADB List

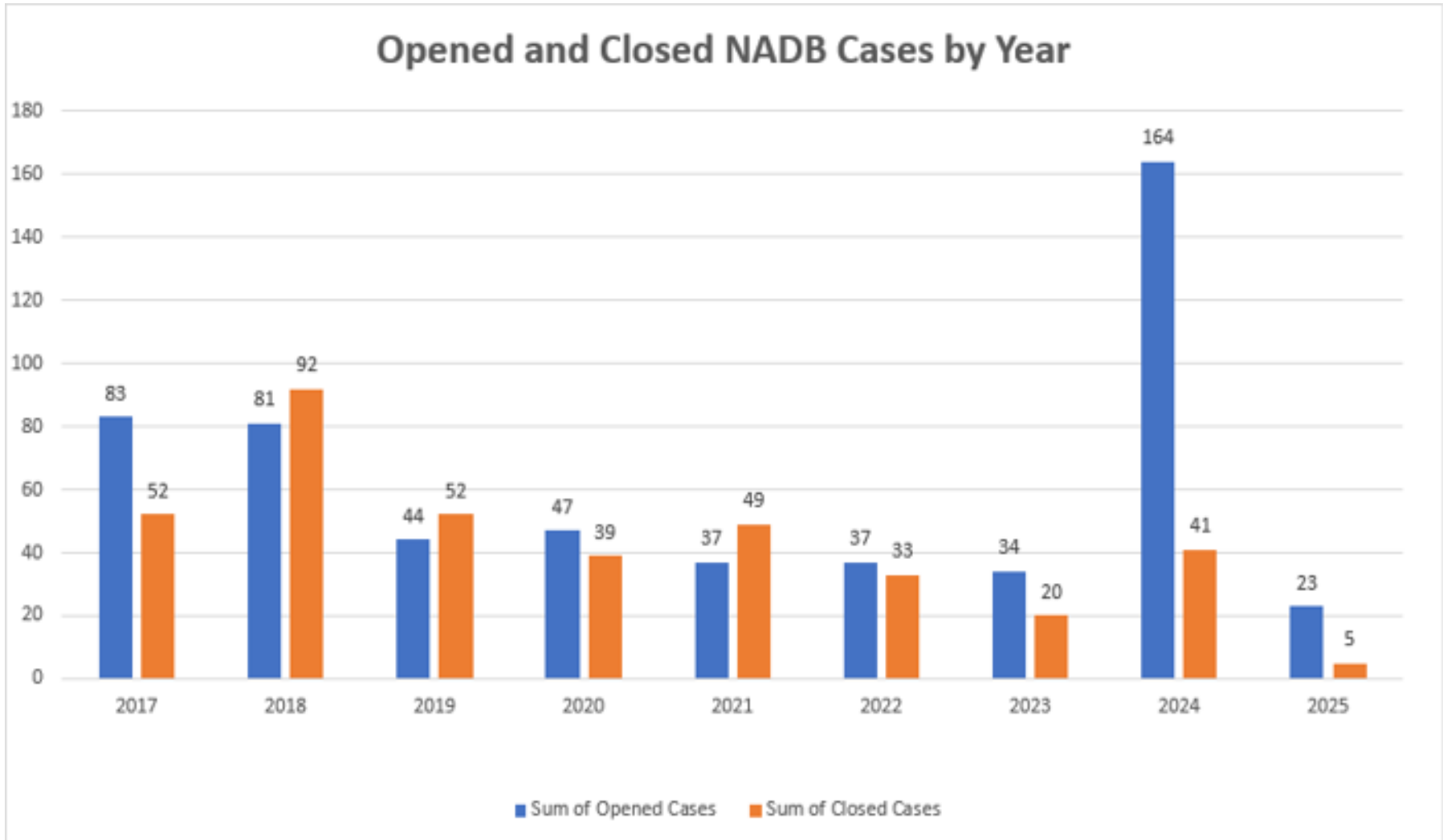
Total Properties Added to NADB List by Year - (265 total)

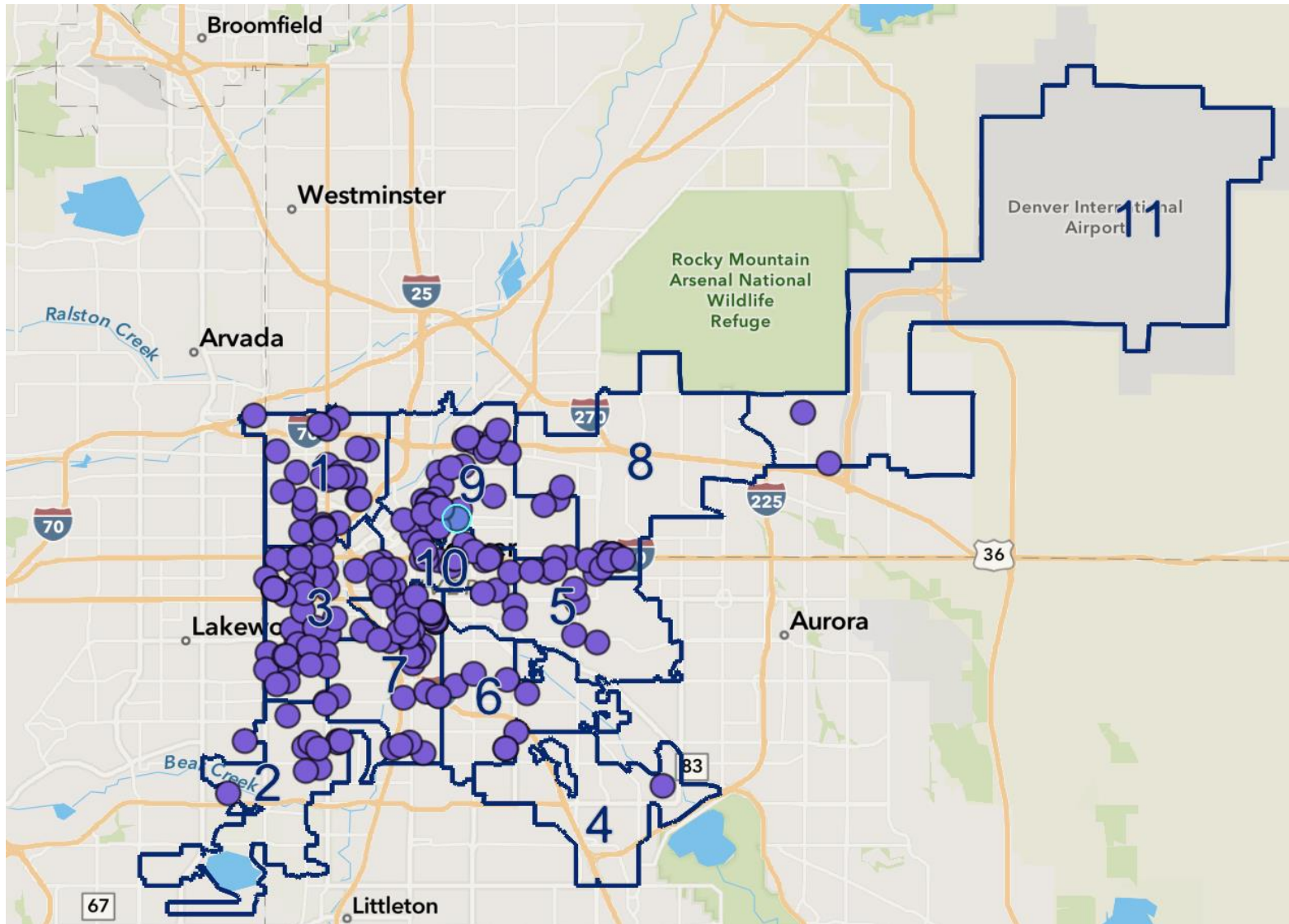


- 265 total properties added to the NADB list year-over-year
- 230 active NADB properties as of February 13, 2025
- 2025 numbers are up-to-date as of February 21, 2025
- James Hicks was hired in 2023



# Current Properties on NADB List





[https://experience.arcgis.com/experience/e36dbeb0d6e64b37b0f77ba3d092dafa#data\\_s=id%3AdataSource\\_1-1954856ecb3-layer-5%3A23](https://experience.arcgis.com/experience/e36dbeb0d6e64b37b0f77ba3d092dafa#data_s=id%3AdataSource_1-1954856ecb3-layer-5%3A23)

# NADB Working Group

Began Convening in 2024

- Councilmembers Torres, Sawyer, and Kashmann
- Mayor's Office
- Community Planning and Development (CPD)
- City Attorney's Office (CAO)
- Department of Public Health and Environment (DPHE)
- Department of Public Safety: Denver Police Department (DPD) & Denver Fire Department (DFD)
- Office of Social Equity & Innovation (OSEI)
- Human Rights & Community Partnerships (HRCP)





# Equity Considerations

Residential properties may be listed on the NADB list due to equity barriers including but not limited to:

- High costs for maintenance or demolition
- Mental or physical health challenges
- Reentry after incarceration
- Seniors on fixed incomes unable to maintain their property
- The death of a property owner



These challenges underscore the crucial role of the **Office of Social Equity & Innovation (OSEI)** and **Human Rights & Community Partnerships Agency (HRCP)**. These agencies will advise on the updated NADB ordinance and collaborate with the Task Force on an NADB Equity Pilot.



# CPD Operational Wins – NADB Working Group Findings

- **Created Operational Inter-agency Task Force**
  - CPD, DPHE, DFD, DPD, OSEI, HRCF
- **Forms: Revamped entire NADB packet**
  - Easier to understand for constituents.
  - CPD can gather more complete information and set specific deadlines and maintenance commitments.
- **Show Cause Hearings: Restarted hearings in 2024 since pausing in 2018**
  - 2024: 19 hearings with positive outcomes from the hearing officer upholding the NADB determinations made by CPD staff.
  - Set a goal and scheduled for 30 show cause hearings in 2025.
- **Management Fee Adjustment Committee (Oversees fee reduction requests from owners)**
  - Clarified MFAC procedures to better evaluate the lowering of fees based on consistent criteria.
- **Procedures**
  - Added 164 cases in 2024 and performed an audit with each council district.
  - Revamped expectations for inspectors on identifying the NADB criteria per the code.

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# POTENTIAL LEGISLATIVE CHANGES



# Overview of Potential Legislative Changes

**The Problem:** NADB ordinance hasn't been updated in **13 years** (last update: 2012).

- **Outdated, unclear language** causing inefficiencies and confusion in enforcement.
- **CPD is understaffed and lacks sufficient resources** to manage the NADB caseload.
- Ordinance needs to include an **equity lens and resources for property owners**

**The Solution:** *Update the NADB Ordinance*

- **Increase fine structure** and clarify the process for **show cause hearings** (*section "m"*)
- Grant CPD discretion to **fine residential and commercial properties** effectively.
- Include NADB on the **predicate crime list**, designating properties as **nuisance properties**.
- Establish a **Service Response Fee** for emergency services calls.
- Require property owners to **refund mitigation services**.
- Recommend **Xcel Franchise Agreement** grant CPD authority to **shut off utilities**.
- Create NADB fines **annual report**—assessments included in the **next year's CPD budget**.
- Additional funds for CPD staffing and resources for property owners facing equity barriers.
- Address **vacant lots** with companion ordinance.

# Potential Legislative Changes

## The Problem:

- Absentee property owners view current NADB fines as a "cost of doing business," and enforcement is challenging because they are difficult to contact.

## The Solution: Increase fine structure and clarify language to improve enforcement.

- Raise the fine for failure to register a property owner or agent from **\$500/day to \$999/day**, with cumulative fines increasing from **\$15,000 to \$30,000**
- Increase the **yearly fine** for failure to submit or comply with a remedial plan from **\$1,000 to \$5,000**.
- Clarify the process for **show cause hearings**, allowing the CPD manager (rather than the hearing officer) to impose civil penalties up to **\$999/day** (Section "m" of the ordinance).
- Charge annual interest on non-compliant properties.
- Introduce an **annual report** detailing all NADB fines submitted to City Council and the Mayor's Office, with assessments to be incorporated into the upcoming annual CPD budget from the **General Fund**.
- Allocate funding to strengthen **CPD staffing and resources** and assist property owners facing **equity barriers to maintain their properties**.

# Potential Legislative Changes

## The Problem

- Neglected and abandoned properties are a resource drain for our city: DPD, DFD, and Denver Health repeatedly respond to these properties, impacting response times to other calls
- Lakewood established a service response fee but has not yet issued any fines due to still building its registry program

## The Solution: *Service Response Fee*

- Establish a \$900 fee for emergency services called to NADB-designated properties.
- Give the *Manager of CPD* discretion to fine properties and include that discretion in ordinance.
- Establish a reporting requirement July 1st of every year to City Council and DPD
  - Provide an assessment of the fines collected for the next year's budget.
  - Previous years budget will be used for equity resources, CPD staffing etc.
- Create an appeals process
  - Exemption for properties actively mitigating their NADB status.
- Should there be a threshold for triggering the service response fee (e.g., 4 calls to one property)?
- Should this only apply to commercial properties?

# Potential Legislative Changes

## The Problem

- CPD and DPD have a contract of \$2,850,000 with A Hole in the Wall through August 31, 2026, for boarding and fencing services
  - Contract provides funding for emergency boarding and fencing services
- Safety requests receive an expedited response (within 30 minutes) and CPD requests receive a standard response (within 24 hours)

## The Solution: *Require property owners to refund mitigation services – fencing, boarding, demolition*

- Require property owners to refund fencing, boarding, or other mitigation done by the city.
- Clarify the affirmative duty for property owners to maintain their properties in good repair and ensure those properties are secured.
- Shore up demolition of NADB properties
  - Peer city research on this topic will be finalized on March 21



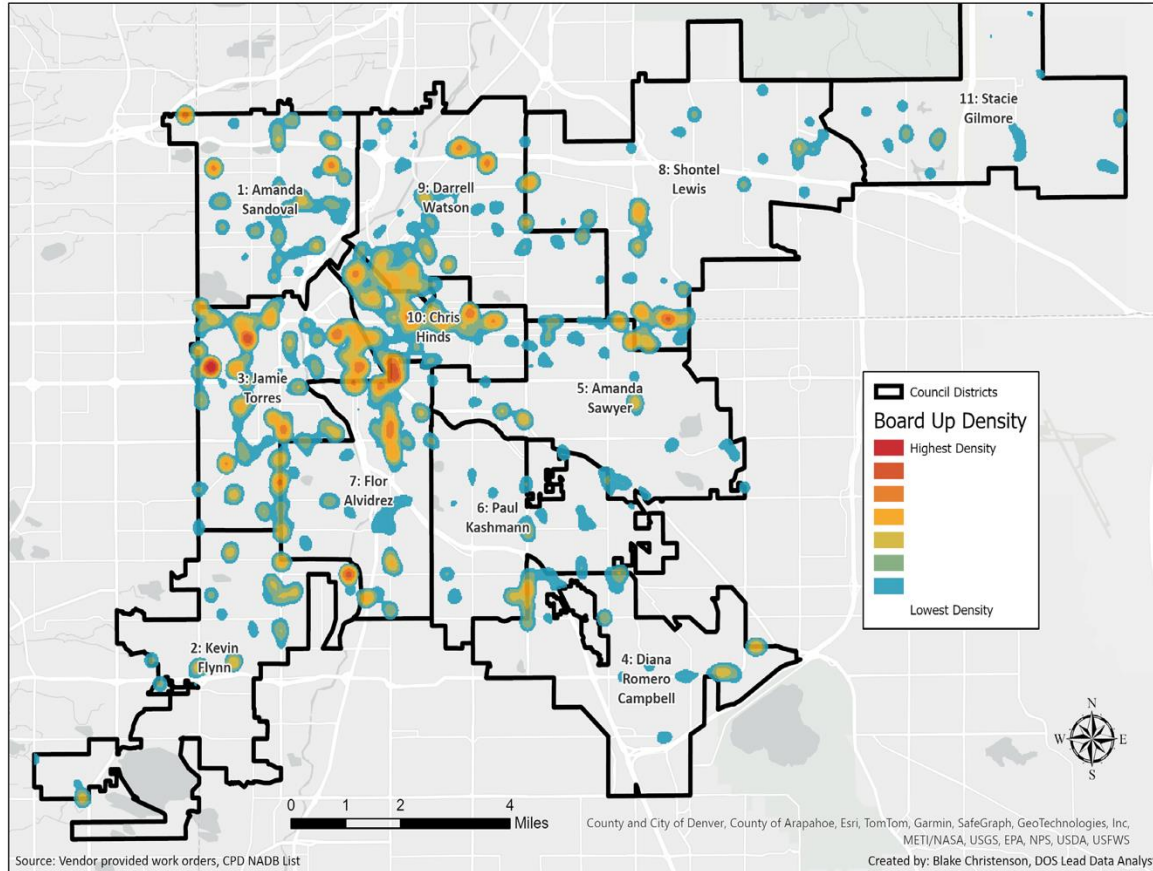
Board-ups are requested by:

- CPD (NADB properties)
- DFD (fire-damaged or arson investigation by properties)
- DPD (crime victim properties, properties under specialty investigations or other emergency securing needs)

DFD and DPD requests receive emergency response (30 minutes) and CPD requests receive standard response (24 hours)



## Board-Ups Density: 4/1/2023 to 12/31/2024

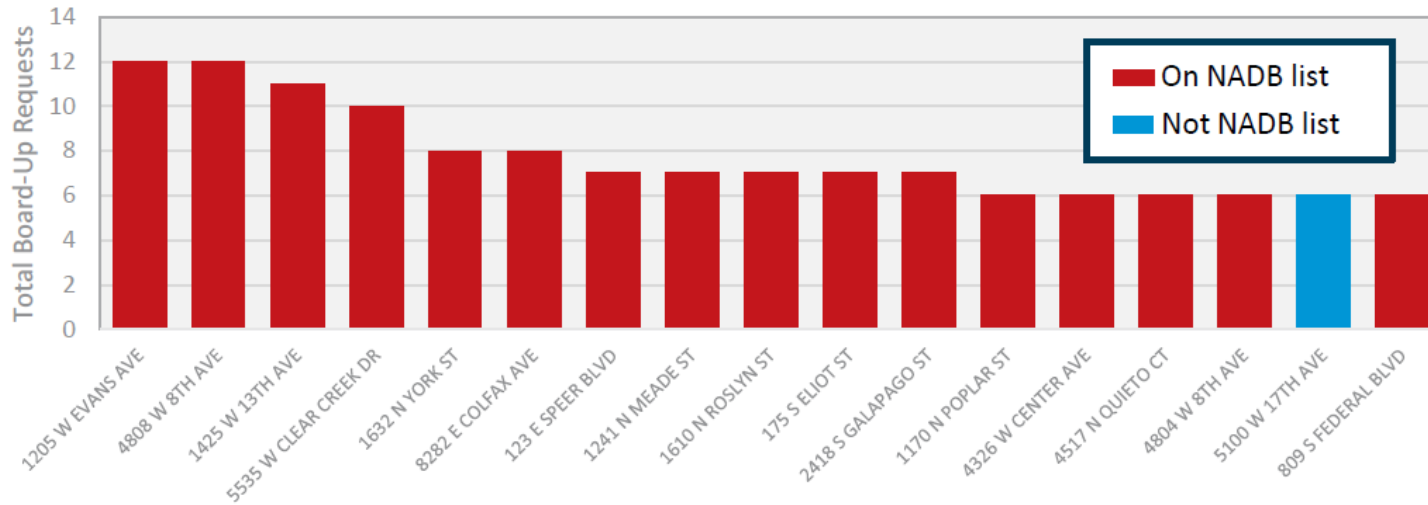


## NADB-Related Board-Up Requests

TOTAL Requests	1,623
CPD-Initiated Requests (NADB)	356 (22% of All Requests)
DOS / CPD Crossover	81 (5% of All Requests or 6% of DOS Requests)

## Top Board-Up Addresses (Overall) 04/01/2023 – 12/31/2024

### Addresses with 6+ Board-Ups



# Potential Legislative Changes

## The Problem

- When public utility companies do not shut off power, water or gas after a property is a public safety risk, the city's hands are tied.
- Specific nexus between public safety and public utilities.

## The Solution: *Grant CPD Authority to Force Shut-off Public Utilities in Extreme Instances*

- Grant CPD authority (like Denver Fire) that would allow them to force public utilities to be shut off in extreme cases of public nuisance.
  - CPD, DFD, DDPHE, and DPD could collaborate when utilities need to be shut off.
- Franchise Agreement – Looking into adding this authority to the new contract agreement.

# Potential Legislative Changes

## The Problem

- Privately-owned lots without any structures on them are not included in the NADB ordinance
- Ordinance currently does not allow for elevated enforcement methods (like remedial plans or show cause hearings) on vacant lots
- Vacant lots decrease the quality of life for neighborhoods, attract crime, and are an inactivated space during a housing shortage.
- Current codes and ordinances that address vacant lots are not providing enough enforcement.

## Potential Solutions: *Companion ordinance on vacant lots*

- Include vacant properties in the new Service Response fee/report.
- Similar requirement of registered property owner/agent to NADB properties?
- Goal is to encourage and incentivize the activation of these vacant lots.

# Potential Legislative Changes

## Challenges with a vacant lot ordinance:

- We do not want to criminalize owning vacant lots. Property owners are allowed to own vacant lots and not choose to develop.
- If a vacant lot is declared neglected and derelict, what does compliance look like?
  - We cannot force property owners into developing their lots.

## Potential criteria for declaring a vacant lot:

- The property is unsafe (exposed holes, broken fences, debris, posing harm to the public);
- The property has been in violation of any provision of city or state law on three (3) separate occasions within a two-year period;
- The property is a neighborhood nuisance as the term is defined in subsection (b)(11);  
*Neighborhood nuisance means a property that, by reason of inadequate maintenance, dilapidation, obsolescence or other similar reason, is a danger to the public health, safety or welfare; is structurally unsafe or unsanitary; is not provided with adequate safe egress; constitutes a fire hazard; is otherwise dangerous to human life; or in relation to the existing use constitutes a danger to the public health, safety or welfare*

# Outstanding Questions and Considerations

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## Equity Considerations

- What policy or **anti-gentrification tools** can prevent properties from becoming NADB?
- Feedback on what **resources and staffing** the new funding structure supports.

## Vacant Lots

- How can we address **vacant lot challenges** without criminalizing ownership?
- How do we **define compliance** for vacant lots, and what criteria will remove properties from the NADB list?
- Should owners undergo a **CPTED study with DPD** to help resolve vacant lot issues?

## Bifurcation & Service Response Fee

- Should we consider **bifurcating residential and commercial** properties in the ordinance?
- Should the service response fee only apply to **commercial properties**?
- Should there be a **threshold for triggering** the service response fee (e.g., 4 calls to one property)?

## City Council Feedback

- How are NADB issues impacting individual Council Districts and the city as a whole?
- How does City Council engage with the Task Force on these issues?



# Next Steps/Timeline

~~July 22, 2024: Present at Budget & Policy~~

~~August 2024: Convening of a monthly working group~~

~~January 2025: Looped in OSEI~~

~~February 2025: Inter-agency NADB Task Force convened~~

~~March 3, 2025: Present an update at Budget & Policy~~

Currently: City Attorneys Office, City Council, CPD, and OSEI working on draft language

Currently: Offer briefings with Councilmembers between now and May 6

May 6, 2025: Land Use, Transportation & Infrastructure (LUTI) Committee

# Questions and Discussion





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# APPENDIX



# APPENDIX - Current Status – NADB Designation

A property is neglected or derelict when **any one or more** of the following circumstances exist on the property:

- 1) The property is **unsafe**; (*the building is in danger of collapse or poses harm to the public*)
- 2) The property is, for any **three (3) consecutive months**, not lawfully occupied, wholly or partially boarded up, and does not show evidence of substantial and ongoing construction activity;
- 3) The property is **not lawfully occupied** and has been in violation of any provision of city or state law on **three (3) separate occasions** within a two-year period
- 4) 4) The property is **not lawfully occupied** and the **tax on the premises has been due and unpaid** for a period of at least one (1) year;
- 5) The property is a **neighborhood nuisance** as the term is defined in subsection (b)(11);
  - Neighborhood *nuisance* means a property that, by reason of **inadequate maintenance, dilapidation, obsolescence** or other similar reason, is a **danger to the public health, safety or welfare**; is **structurally unsafe or unsanitary**; is **not provided** with adequate **safe egress**; constitutes a **fire hazard**; is otherwise **dangerous to human life**; or in relation to the existing use constitutes a **danger to the public health, safety or welfare**
- 6) **Historic property that is not being preserved** with Chapter 30 of the Code.

DRMC §10-138 (c)

# APPENDIX – Current Status – Enforcement and Fines

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CPD learns of potential neglected properties from:

- 311
- Denver Police Department
- Zoning and Neighborhood Inspectors
- Department of Public Health and Environment
- Court Orders
- Council Offices
- Other Agencies

CPD hired 1 full-time employee (FTE) in January 2024 to manage and enforce the NADB list

If the city declares a property as neglected and derelict, property owners must, within 30 days:

- Submit an acceptable remedial plan
- Complete a registration form designating a contact person who will receive communications from the city until the property is removed from the list

## 1. Failure to Maintain or Submit

**Approved Remedial Plan Within 30 Days:**

- Fine: \$1,000
- Response Rate from property owners:  
~40% (CPD)

## 2. No Registered Owner on File Within 30 Days:

- Fine: \$500 per day (up to \$15,000)

## 3. Show Cause Hearings:

- Enforcement Actions: Civil penalty up to \$999 per day

## 4. Additional Penalties:

- Fines are in addition to any abatement costs or code violations



# Appendix

## Neighborhood Nuisance definition, per 10-138 (b)(11) of the DRMC:

Neighborhood *nuisance* means a property that, by reason of inadequate maintenance, dilapidation, obsolescence or other similar reason, is a danger to the public health, safety or welfare; is structurally unsafe or unsanitary; is not provided with adequate safe egress; constitutes a fire hazard; is otherwise dangerous to human life; or in relation to the existing use constitutes a danger to the public health, safety or welfare. To determine whether a property is a neighborhood nuisance, as appropriate, and in addition to other factors that the manager finds are relevant, the manager shall consider whether:

- (A) There have been or are Code violations or violations of other ordinances or statutes;
- (B) The property is vacant;
- (C) The grounds are maintained;
- (D) A building's interior is sound;
- (E) The property has been vandalized or subject to other destructive activity;
- (F) The property is within a one thousand-foot radius of a school, park, or recreation center as measured from the closest point of the property to the closest point of the property on which a school, park, or recreation center is located;
- (G) The length of time any of the above conditions have existed;
- (H) In the case of an occupied building, an owner obligated by law or lease to provide services, make repairs, purchase fuel or other needed supplies, or pay utility bills has failed to do so; and
- (I) Other relevant factors as the manager determines

## Neglected & Derelict Building

Locations: [https://experience.arcgis.com/experience/98125e21fc0a4e9f8464ed6199aad3a5#data\\_s=id%3AdataSource\\_1-190b7fc0db2-layer-3%3A46](https://experience.arcgis.com/experience/98125e21fc0a4e9f8464ed6199aad3a5#data_s=id%3AdataSource_1-190b7fc0db2-layer-3%3A46)

## LUTI Presentation on A Hole in the Wall

Contract: <https://denver.legistar.com/LegislationDetail.aspx?ID=6723216&GUID=93E903ED-AD95-42E3-A08D-9A2B6D91A621>

## **Brother's Redevelopment and DURA Contract:**



**DENVER**  
OFFICE OF CITY COUNCIL



# Appendix

## Boston, MA: Problem Properties Task Force:

- Boston established this task force in 2011 to bring together representatives from multiple city agencies to address problem properties.
- The task force sends notice to an owner of a designated problem property with details of complaints at the property. The owner may submit a plan to resolve the issues or appeal the designation.
- After **eight complaint incidents within a 12-month period**, the Police Commissioner may assess the **cost of the police response to the property owner**.
- Once the penalty is confirmed, the owner has **30 days to make a payment**. In addition, the task force may fine an owner **up to \$300 for each city code violation**. For ongoing violations, the \$300 fine may be assessed each day.

## Minneapolis, MN: Building Registration Program:

- A building owner is required to **register a building with the city within five days** of the building becoming vacant and **pay an annual fee**. The fee adjusts periodically and is currently over **\$7,000**.
- If the property has **not been secured within 60 days**, it is deemed to be in 'nuisance condition' and the **city may order that the property be rehabilitated or demolished**. There are currently 309 vacant properties registered in Minneapolis.

## Chicago, IL: Vacant Building Registry

- **After registering, an owner must pay a \$100 fee**, and ensure that the property is secured to prevent unlawful entry.
- The code has detailed requirements for security and maintenance of the property.
- An owner must **insure the property** with minimum coverage of \$300,000 for residential units and \$1,000,000 for commercial properties.
- If the city finds that a building is dangerous and unsafe or uncompleted and abandoned (a public nuisance), it may require the owner to demolish, repair, or enclose the structure, or make other changes to address unsafe conditions on the property.
- **If the property owner does not act within 15 days, the city may apply for a court order to demolish or repair the property.**
- City code also includes **criminal penalties** for a property owner that fails to secure a building: up to **six months in jail for failure to secure a property**, and **at least 30 days in jail if a felony is committed on unsecured property**.

# APPENDIX – Research – Boston Task Force

The task force is interesting in that:

- Boston’s problem properties task force looks at occupied and unoccupied structures (versus us only looking at unoccupied properties)
- It is made up of the same departments and agencies that we are including in the monthly working group meetings and presumably the task force you’ve set up
- A service response fee is triggered after 4 calls for service at a property
- When a property is elevated to the task force for investigation, the task force sends a letter outlining what enforcement mechanisms will now occur if abatement doesn’t occur, including that any further emergency calls to 911 to the property will be paid for by the property owner
  - ~75% of the recipients of the letters worked to abate the issues at their property
  - ~25% did not and were ultimately charged the service response fee

Here are the findings:

- The individual property owner has greater impact on crime and the surrounding neighborhood than the use of the property does. We knew this already, but interesting that it’s seen in other cities too
- 311 calls were significantly reduced at properties investigated by the task force and this trend held after the investigation ended
- 911 calls were significantly reduced at properties investigated by the task force and this trend held after the investigation ended
- 311 and 911 calls were significantly reduced on the streets surrounding the problem property investigated by the task force and this trend held after the investigation ended
- Ownership of the property is much more likely to turn over after being investigated by the task force
- The research describes property owners as “guardians” of their properties, so turnover to a new owner who is more likely to be better at taking care of the property is a good thing.
- Investment in deferred maintenance of a problem property is more likely to occur after being investigated by the task force
- If an owner of a problem property owns five properties, they are only going to improve the property being investigated by the task force
- In other words, the authors of the article hypothesized that the property owner would make investments to all their properties when one of them is investigated, but that’s not the case. We already knew this, but interesting that it’s seen in other cities too

# Initial Board-up Data Takeaways

04/01/2023 – 12/31/2024

~ 22% of overall requested board-up services were for NADB properties

~ 84% addresses were requested for board-up one time

DOS requests ~ 78% of the board-ups and only 6% of those requests are to NADB addresses

Board-ups have been completed at 1,239 addresses for a total of 1,623 total board-ups.

16 of 17 addresses with 6+ board-ups appeared on the NADB list.

1.4% of address (17) have had 6+ board-ups totaling 8% of board-ups (132).

DOS initiated 35% (46) of the board-ups to the top 17 addresses.

