Neglected & Derelict Buildings (NADB) Ordinance Changes

Land Use, Transportation and Infrastructure Committee June 10, 2025

Co-sponsored by Councilmembers Torres, Sawyer, and Kashmann



Agenda

Introduction and Overview

Proposed Legislative Changes

Next Steps





Introduction

Co-sponsoring Councilmembers presented the initial policy proposals to City Council at Budget & Policy on July 22, 2024

Monthly working group started convening in August 2024

City Council

Mayor's Office

City Attorney's Office (CAO)

Community Planning & Development (CPD)

Department of Public Health & Environment (DPHE)

Department of Safety (Denver Police Department and Denver Fire Department)

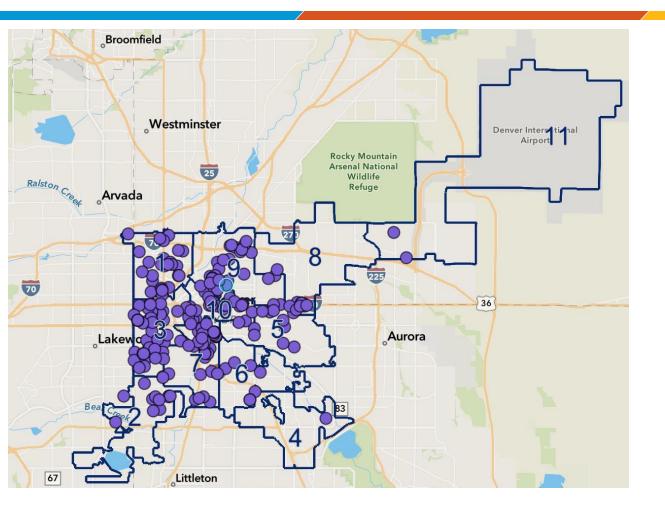
Human Rights and Community Partnerships (HRCP)

Office of Social Equity & Innovation (OSEI)

Inter-agency Neglected and Derelict Buildings Task Force created and operationalized in February 2025

Co-sponsoring Councilmembers presented an update to City Council at Budget & Policy on March 3, 2025





- 285 active NADB properties as of April
- 40 of these are designated historic
- James Hicks
 started his current
 position as
 Administrator on the
 NADB team in 2024

 $https://experience.arcgis.com/experience/e36dbeb0d6e64b37b0f77ba3d092dafe\#data_s=id\%3AdataSource_1-1954856ecb3-layer-5\%3A23barce_1-1954856ecb3-layer-5\%3A2566ecb3-layer-5\%3A2566ecb3-layer-5\%3A2566ecb3-layer-5\%3A2566ecb3-layer-5\%3A2566ecb3-layer-5\%3A$

The Problem

Neglected and Derelict Buildings (NADB) are a resource drain for our city – calls to 311, non-emergency, 911, city council offices.

The ordinance has not been updated since 2012 – 13 years.

CPD has previously struggled with staffing and resources.

Neglected and derelict buildings reduce the availability of legitimate residential and commercial spaces, exacerbating the shortage of affordable housing, business locations, placemaking, and other community amenities.



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
- The death of a property owner



These challenges underscore the crucial role of the Office of Social Equity & Innovation (OSEI), Human Rights & Community Partnerships Agency (HRCP), and the Department of Housing Stability (HOST). HRCP has contracts with Brothers Redevelopment and DURA to help residents with property maintenance and/or demolition.



PROPOSED LEGISLATIVE CHANGES



Overview of Proposed Legislative Changes

- Expanded scope and definitions
- Stronger enforcement tools
- Remedial plan, emergency abatement, administrative citation
- New remedial plan process
- Property registry requirements
- Judicial enforcement and receivership
- Appeals and hearings
- Fines, liens and collections
- Vacant land/lots
- Historic properties
- Reporting and rule making



Enforcement Flow Chart

Initial Order

- Designation of a property as neglected and derelict.
- Order to attend a remedial plan submission meeting.
- May order the owner to immediately secure the property.

Remedial Plan

 Remedial Plan to be approved by or issued by CPD.

Appeal of RP

 A remedial plan may be appealed within 10 days pursuant to D.R.M.C. § 12-19.

Admin Citation

 CPD may issue an admin citation for violation of any order issued by CPD, including the initial order or the remedial plan.

Appeal of AC

 An admin citation may be appealed within 10 days pursuant to chapter 2 of the D.R.M.C.

Unpaid Penalties

- Penalties are payable 30 days after assessment or final order.
- Potential actions to collect unpaid penalties include: criminal prosecution, distraint warrants, or receivership.



Increase fine structure and clarify the process for enforcement

Civil Penalties:

If a property owner fails to comply with any order issues in the ordinance, including an approved remedial plan, a remedial plan ordered by the manager, or an order for emergency abatement, the manager may issue an **administrative citation** assessing a **civil penalty of up to \$5,000**. Each day a violation exists or continues is a separate violation.

The property owner may appeal both the requirements of a remedial plan and an administrative citation.

- Remedial plan appeal: chapter 12, article II, division 1.
- Administrative citation appeal: chapter 2, article XII.

Judicial enforcement: The city may petition the district court for the issuance of a preliminary or permanent injunction, or both, restraining the property owner from continued violation.



Expanded Definitions and Criteria

Proposed New Language for Criteria:

The manager shall have the authority to designate any property in the city neglected and derelict when one or more of the following circumstances exist on the property:

- A building on the property is unsafe, as defined by the Denver Building Code;
- A building on the property is not lawfully occupied for any three consecutive months, is wholly or
 partially boarded up, and the property does not show evidence of substantial and ongoing
 construction activity;
- The property is **not lawfully occupied** and has been in **violation of any provision of city or state law** on three separate occasions within a two-year period;
- The manager designates a property a **neighborhood nuisance** by evaluating if it is: **Vacant land:** The grounds are **not maintained**; the property has been **vandalized or subject to other destruction activity**; the **property is within 1,000 feet of a school, park, or recreation center.**

Clarified conditions for neglect: ensuring that vacant properties are subject to the ordinance



Stronger Enforcement Tools

The manager (CPD) can:

- Declare a property neglected or derelict for multiple conditions (e.g., unsafe, tax delinquency, repeated violations).
- Order remedial plans that include fencing, security measures, and posting no trespassing signs.
- Initiate emergency abatements if the property poses an imminent hazard and requires property owners to refund the city for these abatement services (e.g. fencing board up etc)

"Whenever the manager determines that a violation of this article is an imminent hazard to life, health, property, or public welfare, the manager may order the owner to immediately abate..."

New definition added: "Service Response"

- Service response means a call for emergency service (DFD, DPD, EMS) to a property or due to
 activity occurring within the property's surrounding neighborhood related to the property
 that results in a criminal justice record being generated.
- A remedial plan may state that more than 3 service responses due to the property's status as neglected and derelict within 6 months is a violation of the remedial plan and fines can be assessed.



Remedial Plan Process

Introduces a formal process:

- Owner must meet with the city and propose or accept a remedial plan within 60 days.
- Plans can include detailed requirements and security measures.
- Non-compliance triggers citations and possible court enforcement.



Appeals and Hearings

Establishes procedures for appealing remedial plans, citations, and orders

Judicial Enforcment & Receivership

- Allows the city to seek court-ordered abatement or appointment of a receiver to take control of and remedy the property.
- Courts may authorize the receiver to: collect rent, make repairs, obtain loans, or even demolish the property (under strict conditions).
- Only applies if there are unpaid penalties

Fees, Liens, and Collections

- Unpaid penalties and fees may become liens on the property, superior to most others.
- City may collect through standard collection or property tax enforcement processes.



Vacant Land

For a neglected or derelict property that is vacant land, a remedial plan shall require abatement all violations and that the property remain in compliance with all requirements under the Code, rules and regulations, and any adopted international codes such as the Denver Building Code for a time period of not less six (6) months but not more than one (1) year after abatement





Historic Properties

Remedial plans on **historic properties** need to be approved by:

- Landmark Preservation Commission, or
- Lower Downtown Design Review Commission.

Additional protections:

- "Remedial plan shall be contingent upon written approval from the relevant commission..."
- "Manager shall give notice to the landmark preservation commission... prior to an emergency abatement."







Reporting and Rulemaking

The ordinance requires CPD to submit an annual written report to City Council by **March 31.** This report will provide transparency around penalties assessed during the prior year.

The purpose of the report is to inform Council discussions around the upcoming year's budget:

- Requests for additional staffing and resources for CPD.
- Support for contracts with Brothers Redevelopment and DURA in their equity work with property owners facing financial hardship or equity barriers.

While all fines and penalties go to the General Fund, they could be budgeted to support HRCP, HOST and other agencies. The reporting requirement will also assist the newly formed task force in identifying equity issues and advocating for appropriate funding.





2026 Budget Outlook Considerations

- Citywide hiring freeze just announced
- Substantial 2026 budget reductions predicted including layoffs
- CPD change in executive leadership

With adoption of new NAD Properties ordinance, CPD estimates:

- 30% increase in administrative citations
- Additional 1,200 administrative citations issued
- New demand for administration/operations, accounting, and ZNIS resources
- Increased demand for Hearing Officer time (appeals)

Cost Category	# Additional FTE/Cost
Personnel	1-2 FTEs in CPD
	Additional demand on other agencies, such as CAO, unknown
Operating & Implementation Costs (Accela updates, community materials)	Estimated \$390,000 one-time TS cost to implement record changes (Accela)



Implementation Considerations

The ordinance authorizes CPD to adopt rules and regulations necessary for enforcement, effective **February 1, 2026**.

CPD needs time to:

- Update the Accela permitting and enforcement system (a multi-month process).
- Redesign all forms and orders.
- Draft new rules and regulations, including required notice and a public hearing.

Effective Date Update

Following meetings with the Department of Finance (DoF), CPD, Mayor's Office (MO), and City Councilmembers, the effective date will remain **February 1, 2026**.

As the 2026 budget process progresses, we will assess if an amendment to the effective date is needed.



Timeline

Budget & Policy Committee: July 22, 2024

Budget & Policy Committee: March 3, 2025

Council Briefings: May 22 – June 10, 2025

Land Use Transportation and Infrastructure Committee: June 10, 2025

Mayor Council: June 17, 2025

First Reading at City Council: June 30, 2025

Second Reading at City Council: July 14, 2025



Questions and Discussion



APPENDIX



APPENDIX -- Current Status - Enforcement and Fines

CPD learns of potential neglected properties from:

- 0 311
- 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:
 - o Fine: \$1,000
 - o 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

<u>Locations:</u> 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:



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.
- o 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.
- o 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.
- o 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.
- o 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
 - o ~75% of the recipients of the letters worked to abate the issues at their property
 - o ~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 of 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



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.

