CITY of ALBUQUERQUE TWENTY SIXTH COUNCIL

COUNCIL BILL NO. <u>0-24-61</u> ENACTMENT NO. ____

SPONSORED BY: Joaquín Baca

1 ORDINANCE 2 ADOPTING THE "DOWNTOWN VACANT PREMISES ORDINANCE" AS A NEW 3 **ARTICLE IN CHAPTER 14 OF THE REVISED ORDINANCES OF** ALBUQUERQUE 1994 TO ACTIVATE VACANT BUILDINGS TO BENEFIT 4 5 ECONOMIC DEVELOPMENT IN THE DOWNTOWN CORE BY REQUIRING 6 **REGISTRATION AND FEES; AND AMENDING ROA 1994 SECTION 14-3-5-14 OF** 7 THE UNIFORM HOUSING CODE "VACANT BUILDING MAINTENANCE" TO ADD 8 A CROSS REFERENCE TO THE DOWNTOWN VACANT PREMISES 9 ORDINANCE. 10 WHEREAS, vacant premises are a public nuisance and a major cause and

source of blight in both residential and nonresidential areas of the City,
especially when the owner fails to actively maintain and manage the premises;
and

WHEREAS, vacant premises as a public nuisance tend to hasten further vacancies, abandonment, and dilapidation in the area if left unchecked by the City; and

WHEREAS, vacant premises present general health, safety, and welfare concerns for the City because of dangerous physical deterioration, by providing potential venues for illicit activity, and by negatively impacting surrounding property values and economic development opportunities; and

WHEREAS, vacant premises can also be a private nuisance to neighboring
property owners who have their buildings maintained and occupied, and can
decrease the retail value and overall property values in the community; and
WHEREAS, establishing a Vacant Premises Ordinance will help both

25 property owners and City zoning enforcement identify specific requirements

1 for remediation and work together toward such remediation for the betterment

2 of the community; and

WHEREAS, initiating this project within the Downtown Core will help limit
the impact on City resources and help identify challenges or restraints to
enforcement that may be mitigated before establishing any City-wide
requirements; and

7 WHEREAS, the Downtown Core is the area bounded by 8th Street to the
8 West, Copper Ave. to the North, Gold Ave. to the South, and 1st Street to the
9 East, to include all premises with a front lot line along Gold Avenue to the
10 North and South; and

WHEREAS, the economic vitality of a region's downtown is increasingly
important to the health of the surrounding community, as well as to the
region's successful competition with other urban markets; and

WHEREAS, the Downtown Center in the Comprehensive Plan is
characterized by a hub for commercial activity supported by high-density
housing, but includes a plethora of land uses, including retail, multi-family
housing, entertainment, education, government offices and any use that
contributes to a highly active street life; and

WHEREAS, the Downtown Center is meant to have the highest level of intensity for land use and with a vacancy rate of approximately 12.8 percent for retail, 23 percent for office and over 30 percent of the land being used as parking, over half of Downtown is far from achieving the vision set out by the Albuquerque/Bernalillo County Comprehensive Plan; and

WHEREAS, most of the Downtown Core is considered a Main Street Corridor, which is characterized by lively, highly walkable streets lined with local-serving businesses, modeled after the American tradition of Main Street as a place for working; and

WHEREAS, Downtown Albuquerque has many strengths and opportunities
that are presently limited in part by vacant buildings and properties, and the
Downtown Core is an appropriate area within which to initiate the provisions
of this Ordinance; and

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WHEREAS, affected Downtown property owners will be advised of this
 Vacancy Ordinance to ensure they have adequate time to prepare for the
 Vacancy Registration period; and

WHEREAS, Downtown Albuquerque plays a key role in the overall vitality
of the City and serves as a central gathering place, acting as a hub for
commerce, culture, and civic life, making its health and vibrancy essential to
the broader economic and social well-being of Albuquerque; and

8 WHEREAS, the Albuquerque/Bernalillo County Comprehensive Plan
9 envisions Downtown as a regional center with the highest employment and
10 commercial uses, offering a high-quality environment for pedestrians through
11 a series of goals, policies, and actions; and

WHEREAS, Action 5.7.2.15 calls for removing obstacles to private
investment (e.g., obsolete platting, deteriorating building conditions,

14 vacancies, outdated land uses, and high-crime areas) through regulatory

15 changes and partnerships; and

WHEREAS, Policy 7.3.2, "Community Character", encourages design
strategies that recognize and embrace the unique characteristics of
communities, making them safe, attractive, and distinct; and

WHEREAS, addressing these conditions is essential for fostering a renewed sense of civic pride, economic opportunity, and overall prosperity in Downtown Albuquerque; and

WHEREAS, this bill approaches many large and challenging conversations that have existed in the context for Downtown and is introduced along with a Central Avenue Improvement project between 1^{st –} 8th Streets that looks to create a safer environment for cyclists, drivers, pedestrians, business owners and visitors to Albuquerque's Downtown.

BE IT ORDAINED BY THE COUNCIL, THE GOVERNING BODY OF THE CITY OF ALBUQUERQUE:

SECTION 1. A new Article 24 is hereby created in Chapter 14 of the Revised
Ordinances of Albuquerque, 1994, as follows:

31 § 14-24-1 SHORT TITLE.

This Chapter 14, Article 24 shall be known and cited as the "DowntownVacant Premises Ordinance."

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1 § 14-24-2 INTENT AND PURPOSES.

The intent of this Ordinance is to further revitalization efforts in the
Downtown area by activating vacant premises by encouraging property
owners to make robust efforts to make productive use of their properties and
preventing such structures from being a public or private nuisance or
otherwise contributing to blight and negatively impacting surrounding
property values and redevelopment or economic development efforts.
§ 14-24-3 DEFINITIONS.

9 For the purpose of this Ordinance, the following definitions shall apply10 unless the context clearly indicates or requires a different meaning.

11 *COMMON AREA.* Portions of a building that are available for use by all
12 tenants or occupants on a non-exclusive basis.

13 COMPETITIVE MARKET RENT. The rental rate commonly charged for
14 comparable properties within the same submarket.

DOWNTOWN CORE. The area bounded by 8th Street to the West, Copper
Ave. to the North, Gold Ave. to the South, and 1st Street to the East, to include
all premises with a front lot line along Gold Avenue to the North and South. A
map outlining this area is included as Exhibit A.

FAIR MARKET VALUE (FMV). The estimated sale price a property would achieve under typical market conditions, as shown by comparable properties within the same submarket. This value may be established through a thirdparty appraisal or broker opinion based on comparable property sales and/or income approach metrics.

FISCAL YEAR. The City of Albuquerque's fiscal year is from July 1^{st –} June 30th.

RESPONSIBLE PARTY. The owner(s) of any building or property subject to this Ordinance, or the owner's designee, or any other party responsible for such building or property by way of management, agency, or otherwise.

SQFT BASE COST. The fee determined by the amount of vacant UFA that is
applicable to properties and buildings subject to this Ordinance, as outlined in
the Table under § 14-24-6.

32 USEABLE FLOOR AREA (UFA). The net floor area of a building where
 33 persons may move about and carry-on usual tasks for working and living but

1 does not include common area. For empty parcels or lots, the UFA is the total 2 area.

3 VACANT PREMISES. Any building or property which no person or persons 4 actually, currently conducts a lawfully licensed business, or lawfully resides or lives in any part of the building or structure as the legal or equitable 5 6 owner(s) or tenant-occupant(s), or owner-occupant(s), or tenant(s), or 7 otherwise claiming possession through the owner, on a permanent, non-8 transient basis.

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a. A building is deemed vacant when 30 percent or more of the 10 ground floor UFA is vacant.

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b. An empty parcel or lot is deemed vacant.

12 YEARS VACANT. The number of years a premises has had more than nine 13 months of vacancy in a fiscal year. This number resets after a property is 14 considered occupied for a fiscal year.

15 § 14-24-4 APPLICABILITY.

16 The provisions of this Ordinance apply only to buildings and properties 17 within the Downtown Core as defined herein in Section 14-24-3.

18 § 14-24-5 REGISTRY.

(A) By June 30th of each year, all Responsible Parties must register their Downtown Core premises, if the premises was vacant for at least nine months during the prior City fiscal year. As defined above:

> a. A building is deemed vacant when 30 percent or more of the ground floor UFA is vacant.

b. An empty parcel or lot is deemed vacant.

(B) To ensure compliance with this Ordinance, the Mayor or their designee shall conduct an annual survey of all buildings and properties within the Downtown Core to determine if the premises are vacant or occupied. The annual survey shall include all buildings and properties.

29 (C) The Mayor or their designee can require proof of occupancy to 30 determine if the premises was occupied for at least three months of the fiscal 31 year.

1 (1) Proof of occupancy may include, but is not limited to: a bona fide 2 lease, utility records, mail, property inspections, business license or 3 registration, etc.

4 (D) The application for a vacancy registration shall be made on a form 5 provided by Albuquerque Code Enforcement and verified by the owner. The 6 application shall disclose all measures to be taken to ensure that the vacant 7 premises will be kept weather tight and secure from trespassers, safe for entry 8 by police officers and firefighters in times of emergency, and together with its 9 premises, free from nuisance and in good order. The Downtown Vacancy 10 Registration form shall include and be updated with the following information: 11 (1) Name, address, telephone number, and email of the property owner

12 and Responsible Party, if applicable;

13 (2) Name, address, telephone number, and email of a local agent for the 14 owner, if the owner is not a resident of Bernalillo County;

(3) Name, local address and telephone number, and email of a property 15 16 manager, if any;

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(4) Street address, parcel number and legal description of the property;

(5) Any known fines and/or liabilities being assessed against the property.

(6) A 24-hours emergency telephone number where the owner, agent, or property manager or Responsible Party can be reached and is required to respond to calls from the City within 2 hours.

23 (E) At the time of registration, the Responsible Party shall arrange for 24 inspection of the vacant premises by Albuquerque Code Enforcement or their 25 representative. If the Responsible Party fails or refuses to consent to and 26 arrange for an inspection, Albuquerque Code Enforcement may obtain a 27 search warrant from a court of competent jurisdiction to authorize inspection 28 of the vacant premises, if it is deemed necessary for public health and safety. 29 If a Responsible Party fails or refuses to consent to and arrange for an 30 inspection, their premises shall be deemed vacant and assessed the maximum 31 registration fee from the table in Section 14-24-6, regardless of the actual 32 SQFT of the premises.

33 § 14-24-6 ANNUAL REGISTRATION FEE.

- 1 The fee to register a vacant premises pursuant to Section 14-24-5 above
- 2 shall be assessed using area and time. The City shall use the equation and

3 table below to determine vacancy registration fees:

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(Years Vacant)*(SQFT base cost) = Vacancy Registration Fee

Total Ground Floor Vacant UFA	SQFT Base Cost
< 1,000 sqft	\$1,000.00
1,001 - 5,000 sqft	\$2,000.00
5,001 – 10,000 sqft	\$3,000.00
10,001 – 15,000 sqft	\$4,000.00
> 15,001 sqft	\$5,000.00

5 § 14-24-7 EXEMPTIONS FOR CERTAIN BUILDINGS AND PROPERTIES.

6 (A) The Downtown Vacant Premises Registration Fee does not apply in the 7 following circumstances, as determined by the Mayor or their designee:

(1) A City of Albuquergue active building permit shows the premises 8 9 undergoing construction, rehabilitation or renovation that is proceeding 10 without unreasonable delay caused by the owner or property manager. The 11 Responsible Party shall provide a written plan for how the active building 12 permit is working to achieve occupancy on the property. The written plan shall 13 include, but is not limited to, a reasonable timeline, description of necessary 14 improvements, milestones for completion, and anticipated occupancy date;

(2) The premises was purchased through a foreclosure action and the statutory redemption period has not expired;

(3) The premises is physically secured and the subject of a probate action for a period not longer than one year, or other litigation in which ownership is contested;

(4) Disaster Period. A one-year exemption period shall apply following the date that a building or property was severely damaged and made uninhabitable or unusable due to fire, natural disaster, or other catastrophic event. This does not relieve the property owner of any restoration required or enforced by the Planning Department;

25 (5) Actively Marketed Properties. If the premises is actively marketed for 26 sale or lease, a two-year exemption period shall apply, provided that the 27 marketing efforts meet the following conditions:

(a) The responsible party shows evidence of the premises being
 listed with a New Mexico real estate broker qualified to conduct business in
 Bernalillo County within thirty (30) days of becoming vacant or
 documented as being marketed on at least three commercially recognized
 listing platforms.

6 (b) If offered for sale, the listing price must be no greater than 130% 7 of the Fair Market Value as established through an independent third-party 8 appraisal of Broker Opinion of Value (BOV), utilizing either a sales 9 comparison approach or income approach. If offered for lease, the 10 proposed rental rate must be no greater than 130% of the competitive 11 market rent, as established by a rent study by a certified MAI appraiser or 12 qualified real estate broker with relevant experience.

(c) Supplementary Marketing. The responsible party shows evidence
of marketing activities that enhance the visibility of the vacant space,
including but not limited to building signage, window wraps and marketing

other materials that comply with the Integrated Development Ordinance'sregulations.

§ 14-24-8 ENFORCEMENT AND PENALTIES

(A) If the Responsible Party fails to register their vacant premises within 20 days after an initial written notice from the City, the Responsible Party is subject to:

(1) The penalty provisions set forth in § 1-1-99 of this code of ordinances; each day of violation is considered a separate offense; and

(2) Instead of or in addition to the penalty provision set forth in § 1-1-99, the City, acting through the City Attorney, is hereby authorized to file an action in a court of competent jurisdiction as a means of compelling compliance with this article, including compliance with those sections cross referenced within the Zoning Code, to:

29 (i) Enjoin any person from violating or threatening to violate the30 terms, conditions and restrictions of this article;

31 (ii) Collect civil assessments against the property of \$500 per day for
32 every day the property remains or remained in violation of this section after

1 the expiration of the compliance period or any extensions granted by the City 2 identified in the written notice(s) sent by the City; and

3 (iii) Recover damages from the owner of a building or property in an 4 amount of money adequate for the City to undertake any construction 5 remediation, cleanup, or other activity necessary to bring about compliance 6 with this article.

7 (3) In addition to judicial remedies, any expenditure by the City to bring 8 the building or property into compliance, or any damages or assessments are 9 recoverable through the imposition of a municipal lien on the parcel under 10 NMSA 1978, §§ 3-36-1 to 3-36-5. To the extent that monetary penalties are 11 recovered as a result of enforcement under this section, any funds so 12 recovered shall be used exclusively for the purpose of funding enforcement 13 activities under this section. Should the building or property owner fail to 14 make reasonable efforts to satisfy and discharge the lien on the building or 15 property within one year of assessment, the City Attorney is authorized to file 16 suit to force the satisfaction of the lien in any way authorized by law. 17

§ 14-24-9 APPEAL.

(A) General.

(1) Form of appeal.

20 (a) Any person entitled to appeal under this code may do so by filing 21 at the Office of the City Clerk a written appeal containing:

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1. The names of all appellants participating in the appeal.

23 2. A brief statement setting forth the legal interest of each of the 24 appellants in the building or the land involved in the appeal.

25 3. A brief statement in ordinary and concise language of that 26 specific order or action protested along with a copy of the order, notice, or 27 action together with any material facts claimed to support the contentions of 28 the appellant.

29 4. A brief statement in ordinary and concise language of the relief 30 sought and the reasons why it is claimed the protested order or action should 31 be reversed, modified or otherwise set aside.

32 5. The signatures of all parties named as appellants and their official 33 mailing addresses.

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6. The verification, by declaration under penalty of perjury, of at
 least one appellant as to the truth of the matters stated in the appeal.

3 (b) The appeal shall be filed prior to the effective date of the order.
4 (2) Processing of appeal. Upon receipt of any appeal filed pursuant to
5 this section, the City Clerk or their staff shall file and stamp the appeal then
6 deliver by mail or electronic means a copy of it to the party responsible for
7 issuing the order, notice, or action under appeal as well as a copy to the Office
8 of the City Attorney.

9 (3) Scheduling and noticing appeal for hearing. The Office of
10 Administrative Hearings shall schedule the hearing pursuant to the provisions
11 of the IHO Ordinance, ROA 1994, Chapter 2, Article 7, Part 8.

(B) Effect of failure to appeal. Failure of any person to file an appeal in
accordance with the provisions herein shall constitute a waiver of his or her
right to an administrative hearing and adjudication of the notice and order or
to any portion thereof.

16 (C) Scope of hearing appeal. Only those matters or issues specifically
17 raised by the appellant shall be considered in the hearing of the appeal.

(D) Staying of order under appeal. Enforcement of any notice and order of
 the City issued under this code shall be stayed during the pendency of an
 appeal therefrom which is properly and timely filed.

§ 14-24-10 PROCEDURES FOR CONDUCT OF HEARING APPEALS.

Procedures regarding the hearing shall be the procedures outlined in the IHO Ordinance, Chapter 2, Article 7, Part 8 of the Revised Ordinances of Albuquerque 1994.

§ 14-24-11 USE OF FEES, FINES, AND MONETARY PENALTIES.

100% of all registration fees, fines, and monetary penalties collected pursuant to this Ordinance shall be used for the purpose of funding enforcement activities under this Downtown Vacant Premises Ordinance.

29 SECTION 2. The Uniform Housing Code, ROA 1994, Section 14-3-5-14 is
30 hereby amended as follows:

31 § 14-3-5-14 VACANT BUILDING MAINTENANCE.

32 (A) The owner of a vacant building shall apply to the Albuquerque Code33 Enforcement for and obtain a vacant building maintenance license 15 days

1 prior to vacating the premises. The vacant building maintenance license shall 2 be renewed annually. The owner shall pay an annual fee to renew the vacant 3 building maintenance license. Albuquerque Code Enforcement shall establish 4 the amount of the fee by regulation. Buildings or properties located within the 5 Downtown Core (as identified in ROA 1994, Section 14-24-3), shall also be 6 subject to the Downtown Vacant Premises Ordinance, ROA 1994, Sections 14-7 24-1 et. seq. 8 SECTION 3. DOWNTOWN CORE VACANCY REPORT. Per SECTION 1 of this

9 Ordinance, the Mayor, or the Mayor's designee shall provide an annual report
10 to the City Council at the first City Council meeting in August, via Executive
11 Communication, which shall include, but not limited to:

12 (a) a list of all buildings and properties within the Downtown Core;

13 (b) condition of dilapidation and/or vacancy;

14 (c) dilapidation remediation status;

(d) Calculation of Downtown Core vacancy rate based on number of vacantpremises and ground floor area; and

(e) A list of all vacancy registration exemptions and any plans pursuant to
ROA 1994, Section 14-24-7(A)(1).

SECTION 4. DOWNTOWN CORE ANNUAL SURVEY NOTIFICATION. At least 30 days prior to the annual survey, the Mayor or their designee shall send out notification to all property owners within the Downtown Core, advising them of the upcoming start of the survey.

SECTION 5. SEVERABILITY. If any section, paragraph, sentence, clause, word or phrase of this Ordinance is for any reason held to be invalid or unenforceable by any court of competent jurisdiction, such decision shall not affect the validity of the remaining provisions of this Ordinance. The Council hereby declares that it would have passed this Ordinance and each section, paragraph, sentence, clause, word or phrase thereof irrespective of any provision being declared unconstitutional or otherwise invalid.

30 SECTION 6. COMPILATION. SECTION 1 of this Ordinance is to be compiled
31 as a new Article 24 in Chapter 14 of the Revised Ordinances of Albuquerque,
32 New Mexico, 1994, titled "Downtown Vacant Premises Ordinance." SECTION 2
33 of this Ordinance amends, is incorporated in, and is to be compiled as part of

ਰ ਡ	1	the Revised Ordinances of Albuquerque, New Mexico, 1994 in Section 14-3-5-
	2	14.
	3	SECTION 7. EFFECTIVE DATE. This Ordinance takes effect on July 1, 2025
	4	after publication by title and general summary.
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