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SENATE BILL NO. 163

Offered January 9, 2008

Prefiled January 7, 2008 A BILL to amend and reenact § 36-49.1:1 of the Code of Virginia, relating to derelict structures.

Patron-Lucas

Referred to Committee on Local Government

Be it enacted by the General Assembly of Virginia:

10 1. That § 36-49.1:1 of the Code of Virginia is amended and reenacted as follows:

§ 36-49.1:1. Spot blight and derelict structure abatement authorized; procedures.

A. Notwithstanding any other provision of this chapter, an authority, or any locality, shall have the 12 power to acquire or repair any blighted property, as defined in § 36-3, whether inside or outside of a 13 conservation or redevelopment area, by purchase or through the exercise of the power of eminent domain provided in Chapter 2 (§ 25.1-200 et seq.) of Title 25.1, and, further, shall have the power to 14 15 hold, clear, repair, manage or dispose of such property for purposes consistent with this chapter. In 16 addition, the authority and locality shall have the power to recover the costs of any repair or disposal of 17 such property from the owner or owners of record, determined in accordance with subsection B of 18 19 § 36-27. This power shall be exercised only in accordance with the procedures set forth in this section.

20 B. The chief executive or designee of the locality or authority shall make a preliminary determination 21 that a property is blighted in accordance with this chapter. It shall send notice to the owner or owners of record determined in accordance with subsection B of § 36-27, specifying the reasons why the property 22 23 is blighted. The owner or owners of record shall have 30 days from the date the notice is sent in which to respond in writing with a spot blight abatement plan to address the blight within a reasonable time. 24

25 C. If the owner or owners of record fail to respond within the 30-day period with a written spot blight abatement plan that is acceptable to the chief executive of the agency, authority or locality, the 26 27 agency, authority or locality (i) may request the local planning commission to conduct a public hearing 28 and make findings and recommendations that shall be reported to the governing body of the locality 29 concerning the repair or other disposition of the property in question and (ii) in the event a public 30 hearing is scheduled, shall prepare a written spot blight abatement plan for the repair or other disposition 31 of the property.

32 D. No spot blight abatement plan shall be effective until notice has been sent to the property owner 33 or owners of record in accordance with subsection B of § 36-27 and an ordinance has been adopted by 34 the local governing body. Not less than three weeks prior to the date of the public hearing before the 35 planning commission, the commission shall provide by regular and certified mail, notice of such hearing 36 to (i) the owner of the blighted property or the agent designated by him for receipt of service of notices 37 concerning the payment of real estate taxes within the locality; (ii) the abutting property owners in each 38 direction, including those property owners immediately across the street or road from the property; and 39 (iii) the representative neighborhood association, if any, for the immediate area. The notice shall include 40 the plan for the intended repair or other disposition of the property. The notice of the public hearing 41 shall be published at least twice, with not less than six days elapsing between the first and second publication in a newspaper published or having general circulation in the locality in which the property 42 is located. The notice also shall be posted on the property. The notice shall specify the time and place 43 44 of the hearing at which persons affected may appear and present their views, not less than six days nor 45 more than 21 days after the second publication. 46

- E. The planning commission shall determine whether:
- 1. The property is blighted;
- 2. The owner has failed to cure the blight or present a reasonable plan to do so;
- 49 3. The plan for the repair or other disposition of the property is in accordance with the locally adopted comprehensive plan, zoning ordinances, and other applicable land use regulations; and 50
- 51 4. The property is located within an area listed on the National Register of Historic Places. In such 52 instances, the planning commission shall consult with the locally established architectural review board, 53 if any, regarding the proposed repair or other disposition of the property by the authority or governing 54 body.

55 F. The planning commission shall report its findings and recommendations concerning the property to 56 the governing body. The governing body, upon receipt of such findings and recommendations, may, 57 after an advertised public hearing, affirm, modify, or reject the planning commission's findings and 58 recommendations. If the repair or other disposition of the property is approved, the authority, agency or

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59 locality may carry out the approved plan to repair or acquire and dispose of the property in accordance60 with the approved plan, the provisions of this section, and applicable law.

G. If the ordinance is adopted by the governing body of the locality, the locality shall have a lien on 61 62 all property so repaired or acquired under an approved spot blight abatement plan to recover the cost of 63 (i) improvements made by such locality to bring the blighted property into compliance with applicable 64 building codes and (ii) disposal, if any. The lien on such property shall bear interest at the legal rate of 65 interest established in § 6.1-330.53, beginning on the date the repairs are completed through the date on which the lien is paid. The lien authorized by this subsection shall be filed in the circuit court where the 66 property is located and shall be subordinate to any prior liens of record. The governing body may 67 recover its costs of repair from the owner or owners of record of the property when the repairs were 68 69 made at such time as the property is sold or disposed of by such owner or owners. If the property is 70 acquired by the governing body through eminent domain, the cost of repair may be recovered when the 71 governing body sells or disposes of the property. In either case, the costs of repair shall be recovered 72 from the proceeds of any such sale.

73 H. Notwithstanding the other provisions of this section, unless otherwise provided for in Title 36, if 74 the blighted property is occupied for personal residential purposes, the governing body, in approving the 75 spot blight abatement plan, shall not acquire by eminent domain such property if it would result in a displacement of the person or persons living in the premises. The provisions of this subsection shall not 76 77 apply to acquisitions, under an approved spot blight abatement plan, by any locality of property which 78 has been condemned for human habitation for more than one year. In addition, such locality exercising 79 the powers of eminent domain in accordance with Title 25.1, may provide for temporary relocation of 80 any person living in the blighted property provided the relocation is within the financial means of such 81 person.

I. In lieu of the acquisition of blighted property by the exercise of eminent domain, and in lieu of the 82 83 exercise of other powers granted in subsections A through H, any locality may, by ordinance, declare 84 any blighted property as defined in § 36-3 to constitute a nuisance, and thereupon abate the nuisance 85 pursuant to § 15.2-900 or § 15.2-1115. Such ordinance shall be adopted only after written notice by 86 certified mail to the owner or owners at the last known address of such owner as shown on the current 87 real estate tax assessment books or current real estate tax assessment records. If the owner does not 88 abate or remove the nuisance and the locality abates or removes the nuisance at its expense, the costs of 89 the removal or abatement of the nuisance shall be a lien on the property and such lien shall bear interest 90 at the legal rate of interest established in § 6.1-330.53, beginning on the date the removal or abatement 91 is completed through the date on which the lien is paid.

92 J. In addition to the exercise of other powers granted in subsections A through H, a locality may, by 93 ordinance, make a determination that a property is a derelict structure as defined in § 36-152. The 94 locality shall send notice of its determination by certified mail to the owner or owners at the last known 95 address of such owner or owners as shown on the current real estate tax assessment books or current 96 real estate tax assessment records. Such notice shall specify the reasons why the property is a derelict 97 structure as defined in § 36-152; such notice shall also request the owner or owners submit for 98 approval by the locality, within 30 days from the date the notice is sent, a written abatement or removal 99 plan to be completed within a reasonable time.

100 Such locality may then, by ordinance, impose on the owner or owners of such property a fee not to 101 exceed the lesser of \$2,500 or 15 percent of the most recently assessed value of the derelict structure and the land upon which the structure is situated if such owner or owners fail to (i) submit for approval 102 103 by the locality, within 30 days from the date the notice is sent, a written abatement or removal plan to 104 be completed within a reasonable time or (ii) abate or remove the derelict structure within the time 105 prescribed in a plan for abatement or removal which has been approved by the locality. The ordinance described in the foregoing sentence shall be adopted only after written notice declaring the locality's 106 107 reason for imposing such annual fee is sent by certified mail to the owner or owners at the last known 108 address of such owner or owners as shown on the current real estate tax assessment books or current 109 real estate tax assessment records. If the owner or owners do not abate or remove the derelict structure 110 within a reasonable time, the locality may (a) abate or remove the derelict structure at its expense or 111 (b) continue to impose the fee described in this paragraph, annually, until such time as the locality 112 elects to abate or remove, or the owner or owners actually abate or remove, the derelict structure. The 113 costs of the removal or abatement of the derelict structure that were incurred by the locality shall be a lien on the property and such lien shall bear interest at the legal rate of interest established in 114 115 § 6.1-330.53, beginning on the date the removal or abatement is completed through the date on which 116 the lien is paid. Such liens shall have the same priority as real estate taxes and may be collected in the 117 same manner as real estate taxes.

118 K. In addition to the exercise of other powers granted in subsections A through H and subsection J
119 and in the case of a derelict structure as defined in § 36-152, any locality may, by ordinance, provide
120 that any owner or owners of a derelict structure as defined in § 36-152 who fail to (i) respond to a

- notice in writing with an abatement or removal plan as described in subsection J or (ii) abate or 121
- remove the derelict structure as prescribed in an approved plan described in subsection J, shall be 122 123 guilty of a misdemeanor punishable by a fine of not more than \$2,500. Each day during which the violation continues after the date of conviction shall constitute a separate offense.
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- 125 L. The provisions of this section shall be cumulative and shall be in addition to any remedies for 126 spot blight abatement that may be authorized by law.