



Amendments to the Vacant Commercial Property and Vacant Lot Registration Program

Council Legislative / Environmental Committee

October 20, 2025

Background

July '25

Ordinance 15.34 &
Fees Adopted

August '25

CDD Assigned
Registration Program
Management

August – September '25
Implementation Analysis

- SMC 15.32 – Maintenance Requirements
- SMC 15.34 – Registration Program
- Start-up costs

Proposed Amendments to 15.32 – Maintenance, Security, and Rehabilitation of Abandoned and Vacant Properties

Proposed amendments bring 15.32 into alignment with 15.34

Incorporates Commercial Properties

- Current SMC focused on Residential properties

Strengthens City's Enforcement Tools

- Expands City's inspection authority
- Expands Code Enforcement's ability to assess penalties for violators

Establishes Liability Insurance Requirement

- \$1M General Liability
- Applicable only to vacant commercial properties

15.34 Proposed Amendment 1 of 4: Typo correction in definition of Vacant Commercial Building (15.34.030.D)

7/29/25
Presentation to
Council during
ordinance adoption

Proposed redlines to
correct the adopted
ordinance

Vacant Commercial Property Defined:

- ▶ Property is considered vacant after greater than 50% of commercial units in the building have been unoccupied for over 180 days.

D. "Vacant commercial building" means a commercial building where greater than fifty percent of the non-residential commercial units within the building have been unoccupied for over ~~30~~180 days, unless one of the following applies:

15.34 Proposed Amendment 2 of 4: Focus definition of Vacant Lot based on zoning (15.34.030.E)

E. “Vacant Lot” means a lot within any Residential, Commercial, or Industrial (excluding PT Port), or MX Mixed Use zoning district unless one of the following applies:

Proposed amendments would remove the following zones from registration requirements:

Zones <u>Excluded</u> from Registration Requirements	Justification for Exclusion
PT – Port (Industrial, Institutional)	The Port exercises a high degree of autonomy over land within its boundaries, including its own environmental review and project approval processes, outside of the City's authority.
PF - Public Facilities (Institutional, Parks, and Recreation)	The nature of this zoning district precludes private development.
OS - Open Space (Open Space, Agriculture)	By the nature of this zoning district minimal development should occur on these parcels.
UC - University/College	No parcels currently zoned UC; placeholder for possible future application.

15.34 Potential Amendment 3 of 4: Clarification request on exclusion of properly maintained properties from registration requirement

15.34.030 Sections D.4 & E.3

Definitions for both Vacant Commercial Property and Vacant Lot both contain exemptions from registration, one of which is as follows:

“Notwithstanding any other provisions of this Chapter, the (building/lot) conforms to the standards set forth in SMC 15.32 et seq.”

Meaning, registration is not required for buildings and lots being maintained in accordance with SMC 15.32 (Citywide property maintenance standards).

Question to Legislative Committee:

Is the intent to not require registration for properly maintained properties & lots?

If yes, leave as-is.

If not, both sections require amendment.

15.34 Proposed Amendment 4 of 4: Add Administrative Guidelines Provision

Recommended addition to SMC to allow Staff to work out necessary implementation details without requiring further SMC amendments.

15.34.110 Administrative guidelines.

The City Manager may establish and amend administrative guidelines, as needed to administer this chapter, implement the registration process, introduce additional registration requirements not inconsistent with the requirements of this chapter, and to impose appropriate and beneficial conditions of registration acceptance. The administrative guidelines shall have the force of law, and shall be enforceable in the same manner and to the same extent as the provisions of this chapter.

Start-Up Costs

Year 1 Program
Cost Allocation
needed from
General Fund
\$21,000

Item	Cost
Software Implementation (vendor)	\$0
Software license (vendor)	\$13,000
Mailers	\$8,000
Total Year 1 Start-up Cost	\$21,000

Program anticipated to be self-funding after Year 1 based on initial estimates of 1,400 properties with a program participation rate of 30%, leading to an **estimated** total revenue generation of \$348k annually.

Note, excess revenue beyond costs identified above will be applied to staff costs and further enforcement costs for non-compliant properties.

Moving Forward

Oct – Nov '25

- Guidance to staff
- Finalize recommendations to CC

Nov – Dec '25

- Council decision on program updates (11/18)
- Tolemi software contract

Dec '25 –
March '26

- Software configuration & testing

April '26

- Property data analysis
- Initial mailers sent for registration