



CITY OF COVINA

125 East College Street ● Covina, California 91723-2199

September 24, 2008

Attention Potential Trustees for Vacant or Abandoned Residential Properties Located in Covina

To Whom It May Concern:

On September 2, 2008, the City of Covina adopted an ordinance requiring the inspection, registration and maintenance of vacant or abandoned and distressed residential properties. This ordinance was adopted to establish a mechanism to protect Covina's residential neighborhoods from becoming blighted through the lack of adequate maintenance and security of abandoned residential properties. This ordinance becomes effective 30 days after its passage or October 3, 2008. A copy of this ordinance is enclosed for your information and review.

The ordinance sets specific requirements for:

- The recordation of transfer
- Inspection and registration of the abandoned or vacant property
- Maintenance of the property
- Security requirements for the property

Fines up to \$1,000 per day may be assessed if the provisions of the ordinance are not met.

A copy of the registration form is enclosed for your information and convenience. If your organization is trustee for a property that falls within the parameters of this ordinance, please promptly register the property by sending this form as well as the \$100 fee (payable to the City of Covina) to:

Nikki Miller, Senior Management Analyst
City of Covina
125 E. College Street
Covina, CA 91723
(626) 858-7216
nmiller@ci.covina.ca.us

If you have any questions, please feel free to contact me at the above.

Sincerely,

Nikki Miller
Senior Management Analyst

Enclosures



City of Covina
125 E. College Street
Covina, CA 91723
(626) 858-7216

COMMUNITY DEVELOPMENT DEPARTMENT, CODE ENFORCEMENT DIVISION
REGISTRATION FORM FOR ABANDONED RESIDENTIAL PROPERTY

Please fill out the information requested below and deliver this form to the Code Enforcement Division desk or mail to **Community Development Department, Code Enforcement Division, City of Covina, 125 East College Street, Covina, CA 91723.**

Registered Residence Address: _____

Covina, CA, Zip Code _____

Assessor's Parcel Number(s): _____

Notice of Default Recordation Number: _____ *(Please attach copy of Notice to this form)*

Lender/Lien Holder: _____

Contact: _____

Lender/Lien Holder Mailing Address: _____

Contact: _____ 24 Hour Phone No. _____

Property Management Company Local Mailing Address: _____

Standard Annual Fee of \$100.00

Please check one: New registration: Renewal registration:

An annual registration fee shall accompany this registration form. The fee and registration shall be valid for the calendar year, or remaining portion of the calendar year, in which the registration was initially required. Subsequent registrations and fees are due January 1st of each year and must be received no later than January 31 of the year due. Registration fees will not be prorated. [CMC 8.42.040]

Initiated By:

Print Name

Signature

Date

Company Name and Address

Phone Number

ORDINANCE NO. 08-1960

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COVINA ADDING A NEW CHAPTER 8.42 TO TITLE 8 OF THE COVINA MUNICIPAL CODE REQUIRING THE INSPECTION, REGISTRATION AND MAINTENANCE OF VACANT OR ABANDONED AND DISTRESSED RESIDENTIAL PROPERTIES.

WHEREAS, the presence of vacant, abandoned residences can lead to neighborhood blight; and

WHEREAS, the presence of vacant, abandoned residences can create an attractive public nuisance; and

WHEREAS, the presence of vacant, abandoned residences can contribute to lower property values; and

WHEREAS, the presence of vacant, abandoned residences can discourage potential buyers from purchasing a home adjacent to, or within neighborhoods with vacant, abandoned residences; and

WHEREAS, many vacant, abandoned residences are often the responsibility of out of state or out of area lenders and trustees; and,

WHEREAS, in many instances, the lenders and trustees fail to adequately maintain and secure these vacant, abandoned residences; and

WHEREAS, the City of Covina has the power to protect its residential neighborhoods from blight, decline and devaluation.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF COVINA DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. That Chapter 8.42 is hereby added to Title 8 of the Covina Municipal Code, and shall read as follows:

"Chapter 8.42

**ABANDONED RESIDENTIAL PROPERTY
INSPECTION, REGISTRATION AND MAINTENANCE**

Sections:

- 8.42.010 Purpose/Scope.
- 8.42.020 Definitions.
- 8.42.030 Recordation of Transfer of Loan/Deed of Trust/Assignment of Rents.
- 8.42.040 Inspection/Registration.

- 8.42.050 Maintenance Requirements.
- 8.42.060 Security Requirements.
- 8.42.070 Additional Authority.
- 8.42.080 Fees.
- 8.42.090 Enforcement/Violation/Penalty.
- 8.42.100 Appeals.

8.42.010 Purpose/Scope.

It is the purpose and intent of the Covina City Council, through the adoption of this Chapter, to establish an abandoned residential property registration program as a mechanism to protect Covina's residential neighborhoods from becoming blighted through the lack of adequate maintenance and security of abandoned residential properties. This Chapter shall apply only to Residential Property, as defined herein.

8.42.020 Definitions.

For the purposes of this Chapter, certain words and phrases are defined as follows:

"Abandoned Property" means real property that is Vacant and either: (1) the subject of a current Notice of Default, Notice of Trustee's Sale or the subject of a Tax Assessors Lien Sale; (2) the subject of a foreclosure sale where the title was retained by the beneficiary of a Deed of Trust involved in the foreclosure; or (3) has been transferred under a Deed in Lieu of Foreclosure.

"Accessible property" means any real property that is freely accessible, including any property that is accessible through a compromised or breached gate, fence, wall or similar structure.

"Accessible structure" means a structure or building that is unsecured or breached in such a way as to allow access to the interior space by unauthorized persons.

"Agreement for Sale" means any agreement or written instrument that provides that title to residential property shall be transferred or conveyed from one Person to another Person after the sale, trade, transfer or exchange.

"Assignment of Rents" means a written instrument that transfers the beneficial interest under a Deed of Trust from one Person to another Person.

"Beneficiary" means the beneficiary (either original beneficiary or the assignee) under a note secured by a Deed of Trust.

"Buyer" means any person who agrees to transfer anything of value in consideration for property described in an Agreement for Sale, as defined in this section.

"Community Development Director" means the City's Community Development Director, or his or her designee.

“Dangerous Building” means any building or structure that is in violation of any condition referenced in the Uniform Code for the Abatement of Dangerous Buildings, as adopted by reference by Chapter 14.24 of this Code.

“Day” means a calendar day.

“Deed of Trust” means any instrument, including any Deed of Trust or mortgage, by which legal title to real property, or any interest therein, is transferred to a trustee as security for a real estate loan, including, without limitation, any and all subsequent deeds of trust, i.e.: 2nd trust deed, 3rd trust deed, etc.

“Deed in Lieu of Foreclosure” means a document that transfers legal title to a property from the Trustor to the Trustee, upon consent of the Beneficiary of the Deed of Trust.

“Default” means the failure to fulfill a contractual obligation, whether monetary or otherwise.

“Distressed” means real property that is under a current Notice of Default or Notice of Trustee’s Sale, or pending Tax Assessor’s Lien Sale or has been foreclosed upon by the Trustee or has been conveyed to the Beneficiary or Trustee by way of a Deed in Lieu of Foreclosure, but which is lawfully occupied.

“Evidence of Vacancy” means any condition that, on its own, or combined with other conditions present, would lead a reasonable person to believe that the property is Vacant. Such conditions include, but are not limited to, overgrown or dead vegetation, accumulation of newspapers, circulars, flyers or mail, past due utility notices or disconnected utilities, accumulation of trash, junk or debris, the absence of window coverings such as curtains, blinds or shutters, the absence of furnishings or personal items consistent with residential habitation, statements by neighbors, passersby, delivery agents, government employees that the property is vacant.

“Foreclosure” means the process by which a Property, placed as security for a loan, is sold to satisfy the debt if the Trustor defaults.

“Local” means the area within forty (40) miles of the subject Property.

“Neighborhood Standard” means those conditions that are present on a simple majority of other residential properties within a three hundred (300) foot radius of the subject Property. A Property that is the subject of a neighborhood standard comparison, or any other Abandoned Property within the three hundred (300) foot radius, shall not be counted toward the simple majority.

“Notice of Default” or “Notice of Trustee’s Sale” means a notice that a default has occurred under a Deed of Trust and that the Beneficiary intends to proceed with a trustee’s sale or other similar remedies authorized by law.

"Out of area" means the area in excess of forty (40) miles from the subject Property.

"Owner" means any Person having legal title in any Property.

"Owner of record" means the Person having record title to the Property as shown in the Los Angeles County Recorder's Office.

"Person" means and includes any natural person, joint venture, joint stock company, partnership, association, club, company, corporation, business, trust, organization, or the manager, lessee, agent, servant, officer or employee of any of them.

"Property" means any unimproved or improved real property, or portion thereof, situated in the City and includes the buildings or structures located on the Property.

"Residential Property" means any improved real property, or portion thereof, situated in the City, designed, built or permitted to be used for dwelling purposes, and shall include the buildings and structures located on the associated real property. This definition specifically includes any real property being offered for sale, trade, transfer, or exchange as "residential" whether or not it is legally permitted or zoned for residential use.

"Securing" or its variants means such measures as may be directed by the Community Development Director that assist in rendering the Property inaccessible to unauthorized persons, including, but not limited to, the repairing of fences and walls, chaining or pad-locking of gates, and the repair or boarding of doors, windows or other openings to a minimum of the current United States Department of Housing and Urban Development (HUD) securing standards at the time the boarding is completed or required, and consistent with the requirements of Section 8.42.060 of this Chapter.

"Trustee" means the person holding a Deed of Trust on a Property.

"Trustor" means a borrower under a Deed of Trust, who deeds the legal title to a Property over to a Trustee as security for the payment of a debt.

"Vacant" means a building or structure that is not legally occupied.

8.42.030 Recordation of Transfer of Loan/Deed of Trust/Assignment of Rents.

Within ten (10) days following the purchase or transfer of a loan or any Deed of Trust secured by Residential Property, the new Beneficiary and Trustee shall both record, with the Los Angeles County Recorder's Office, an Assignment of Rents that lists the names of the Beneficiary and Trustee, and the mailing address and contact phone number of the new Beneficiary and Trustee responsible for receiving payments associated with the Deed of Trust.

8.42.040 **Inspection/Registration.**

A. Any Beneficiary and Trustee under a Deed of Trust, or their designee, on Abandoned Residential Property located within the City of Covina shall perform an inspection of the Property that is the security for the Deed of Trust, upon Default by the Trustor, prior to recording a Notice of Default with the Los Angeles County Recorder's Office. If the Property is Vacant, or shows Evidence of Vacancy, it is, by this Chapter, deemed Abandoned, and the Beneficiary and Trustee shall, within ten (10) days following the inspection, register the Abandoned Property with the Community Development Director on forms provided by the City.

B. Any Distressed Property shall be inspected by the Beneficiary and Trustee, or their designee, at least monthly until either: 1) the Trustor or other party remedies the Default, or 2) it is found to be Vacant or shows Evidence of Vacancy, at which time it is deemed Abandoned, and the Trustee shall, within ten (10) days following the required inspection, register the Property with the Community Development Director on forms provided by the City.

C. For Abandoned or Distressed Properties, the registration shall contain the names of the Beneficiary and Trustee, the street address of the Beneficiary and Trustee (no P. O. Boxes), a direct contact name, facsimile and phone numbers for the Beneficiary and Trustee and, in the case of an Out of Area Beneficiary or Trustee, the Local property management company responsible for the security, maintenance and marketing of the subject property.

D. An annual registration fee for the Beneficiary and Trustee shall accompany the registration form. Registration fees will not be prorated. The fee and registration shall be valid for the calendar year, or remaining portion of the calendar year, in which the registration was initially required. Subsequent registrations and fees are due January 1st of each year and must be received by the Community Development Director no later than January 31 of the year due.

E. This section shall also apply to Abandoned or Distressed properties that have been the subject of a Foreclosure sale where the title was transferred to the Beneficiary of a Deed of Trust involved in the Foreclosure and any Properties transferred under a Deed in Lieu of Foreclosure.

F. Abandoned or Distressed properties shall remain under the annual registration requirement and the security and maintenance standards of this section as long as they remain Abandoned or Distressed.

G. Any person that has registered a property under this Chapter must report in writing any change of information contained in the registration within ten (10) days following the change.

8.42.050 **Maintenance Requirements.**

A. Abandoned or Distressed Properties shall be, in comparison to the Neighborhood Standard, kept free of weeds, dry brush, dead vegetation, trash, junk, debris, building materials, any accumulation of newspapers, circulars, flyers, notices (except those required by federal, state or local law), discarded personal items, including, but not limited to, furniture, clothing, large and small appliances, printed material or any other items that give the appearance that the Property is Abandoned.

B. The Abandoned or Distressed Property shall be maintained free of graffiti, tagging or similar markings by removal or painting over with an exterior grade paint that matches the color of the exterior of the structure.

C. Visible front and side yards shall be landscaped and maintained to the Neighborhood Standard existing at the time registration was required.

(1) Required landscaping includes, but is not limited to, grass, ground covers, bushes, shrubs, hedges or similar plantings, decorative rock or bark or artificial turf or sod designed specifically designed for residential installation.

(2) Required landscaping does not include weeds, gravel, broken concrete, asphalt, decomposed granite, plastic sheeting, mulch, indoor-outdoor carpet or any similar material.

(3) Required maintenance includes, but is not limited to regular watering, irrigation, cutting, pruning and mowing of required landscaped and removal of all trimmings.

D. Pools and spas shall be kept in working order so the water remains clear and free of pollutants and debris to prevent pools and spas from becoming a breeding ground for mosquitoes and other vectors, or drained and kept dry. In either case Properties with pools or spas must comply with the minimum security fencing requirements of the State of California.

E. Adherence to this section does not relieve the Beneficiary, Trustee and Owner of any obligations set forth in any other Code or law, Covenants Conditions and Restrictions, or any Home Owners Association rules and regulations that may apply to the Property.

8.42.060 **Security Requirements.**

A. Abandoned or Distressed Properties shall be maintained in a Secure manner so as not to be accessible to unauthorized persons. "Secure manner" includes, but is not limited to, the closure and locking of windows, doors (walk-through, sliding and garage) gates and any other opening of such size that it may allow a child to access the interior of the Property and or structure(s). In the case of broken windows, securing means the reglazing or boarding of the window.

B. If any Abandoned Property is owned by an Out of Area Beneficiary, Trustee or Owner, a Local property management company shall be contracted to perform weekly inspections to verify that the requirements of this Chapter, and any other applicable laws, are being met.

C. The Abandoned Property shall be posted with the name and a 24-hour contact phone number of the Local property management company. The posting shall be no less than 18" X 24" and shall be of a font that is legible from a distance of forty-five (45) feet and shall contain along with the name and 24-hour contact number, the words "THIS PROPERTY MANAGED BY" and "TO REPORT PROBLEMS OR CONCERNS CALL". The posting shall be placed on the interior of a window facing the street to the front of the Property so it is visible from the street, or secured to the exterior of the building or structure facing the street to the front of the Property so it is visible from the street, or if no such area exists, on a stake of sufficient size to support the posting in a location that is visual from the street to the front of the Property but not readily accessible to vandals. Exterior posting must be constructed of, and printed with, weather resistant materials.

8.42.070 **Additional Authority.**

In addition to the enforcement remedies established by this Code, the Community Development Director shall have the authority to require the Beneficiary, Trustee or Owner, or any combination thereof, to implement additional maintenance and security measures, including but not limited to, securing any and all door, window or other openings, installing additional security lighting, increasing on-site inspection frequency, employment of an on-site security guard, or other measures as may be reasonably required to arrest the decline of the Abandoned or Distressed Property.

8.42.080 **Fees.**

The fee for registering a Property subject to this Chapter shall be set from time to time by resolution of the City Council.

8.42.090 **Enforcement/Violation/Special Penalty.**

- A. Violations of this Chapter may be enforced as follows:
- (1) Under Chapter 1.16 (general penalty);
 - (2) Under Chapter 8.40 (administrative nuisance abatement); or
 - (3) Under Chapter 1.26 (administrative citations). However, notwithstanding any provision of Section 1.26.040 of this Code to the contrary:
 - (i) The Courtesy Notice issued pursuant to Section 1.26.040 of this Code to a Beneficiary, Trustee or Owner subject to this Chapter shall be mailed to the Beneficiary's, Trustee's and/or Owner's address as disclosed in any deed or other instrument recorded against the Property,

or, if none, as provided in the Abandoned Property registration form on file with the City;

(ii) The Courtesy Notice shall allow the Beneficiary, Trustee or Owner not less than thirty (30) days from the date of the Courtesy Notice to abate the violation(s). The City may require abatement of the violation(s) within a shorter period of time only if the City determines that the specific violation(s) occurring on the Property threaten(s) public health or safety; and

(iii) If the violation(s) is/are not abated by the date set forth in the Courtesy Notice, the City may issue a first administrative citation in the maximum amount of one thousand dollars (\$1,000) and may issue second, third and subsequent administrative citations in the maximum amount of one thousand dollars (\$1,000) for each day that the Beneficiary, Trustee or Owner fails to comply with the provisions of this Chapter.

Except as set forth herein, all other procedures contained in Chapter 1.26 of this Code shall be followed when enforcing this Chapter through the administrative citation procedure.

B. The City may also seek the appointment of a receiver in order to ensure compliance with this Chapter. Violations of this Chapter shall be treated as a strict liability offense regardless of intent.

C. Nothing in this Chapter shall be intended to limit any of the civil or criminal remedies available to the City, nor shall it be intended to limit the City from engaging in efforts to obtain voluntary compliance by means of warnings, notices or educational programs.

8.42.100 Appeals.

Any Beneficiary, Trustee, Owner or other party responsible for compliance with this Chapter may appeal a violation by following the procedures set forth in this Code for the particular means of enforcement (Section 1.26.090(A) if violator is served with an administrative citation; Section 8.40.080 if violator is subject to an administrative nuisance abatement process; etc.)"

SECTION 2. That Section 1.26.045 is hereby added to Chapter 1.26 of Title 1 of the Covina Municipal Code, and shall read as follows:

"1.26.045 SPECIAL RULE – Courtesy Notices and Administrative Citations for Beneficiaries, Trustees or Owners of Abandoned or Vacant Residential Properties.

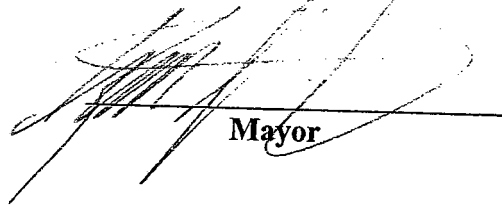
Notwithstanding any provision of Section 1.26.040 to the contrary, where the subject violation concerns the failure to register or maintain Vacant or Abandoned Residential Property by a Beneficiary, Trustee or Owner subject to Chapter 8.42 of this Code, the code enforcement

officer shall comply with Section 8.42.090(A)(3) of this Code when issuing a Courtesy Notice and imposing fines against the Beneficiary, Trustee or Owner."

SECTION 3. Severability. If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this ordinance, or any part thereof is for any reason held to be unconstitutional, such decision shall not affect the validity of the remaining portion of this ordinance or any part thereof. The City Council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase thereof, irrespective of the fact that any one or more section, subsection, subdivision, paragraph, sentence, clause or phrase be declared unconstitutional.

SECTION 3. Certification. The City Clerk shall certify the passage of this ordinance and shall cause the same to be entered in the book of original ordinances of said City; shall make a minute passage and adoption thereof in the records of the meeting at which time the same is passed and adopted; and shall, within fifteen (15) days after the passage and adoption thereof, cause the same to be published as required by law, in a local weekly newspaper of general circulation and which is hereby designated for that purpose.

ORDINANCE PASSED AND APPROVED on this 2nd day of September, 2008.



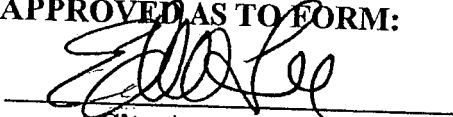
Mayor

ATTEST:



City Clerk

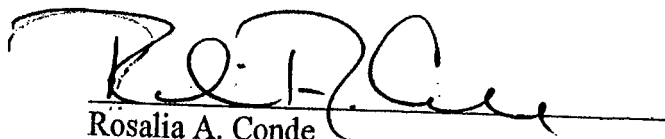
APPROVED AS TO FORM:



City Attorney

I, Rosalia A. Conde, Deputy City Clerk of the City of Covina, hereby CERTIFY that Ordinance No. 08-1960 was introduced and placed upon its first reading at a regular meeting of the Covina City Council held August 19, 2008, and that thereafter said Ordinance was duly adopted at a regular meeting of the City Council held September 2, 2008, and was approved and passed by the following vote:

- AYES: Council Members Delach, Juarez, King, Mayor Pro Tem Allen, Mayor Stapleton
- NOES: None
- ABSTAIN: None
- ABSENT: None



Rosalia A. Conde

Deputy City Clerk

SEPTEMBER 2, 2008

ORDINANCE NO. 08-1960