

Established: 4/16/13 Last Revision:

PROCEDURE FORM

Code Enforcement & Public Health Division Procedure for Nuisance Abatement Agreements

<u>Purpose</u>

To set standards and procedures in order to enter into authorized abatement agreements between property owners and the City of Brooklyn Park. This is to be used for the removal of code and public health violations on properties where the property owner wants to bring the property into compliance but is unable to obtain a loan or other funding to achieve compliance. This type of agreement allows for the removal or repair of the violation resulting in compliance with city code. The costs associated with the abatement are certified through an agreement with the property owner(s) to the taxes as a special assessment and repaid.

Procedures

The minimum amount required for nuisance abatement agreement consideration is \$1000.00.

The following criteria must be met before a nuisance abatement agreement can be considered:

- 1. The property owner must demonstrate to the satisfaction of the City that they are unable to afford the cost or receive a loan to bring the property into compliance. The following options must be exhausted prior to the initiation of an agreement Proof of denial must be provided:
 - a. Attempt a refinance of existing mortgage
 - b. Be denied a loan from a financial company
 - c. Be denied a loan or payment plan from a company capable of performing the work
 - d. Be denied financial assistance from available city, county or state funding sources
 - e. All other means to secure independent financing have been attempted
- 2. The property must not be in foreclosure or pending a foreclosure action. Information received from the owner must be verified independently through a check with the Assessing Division.
- 3. The owner has obtained a minimum of three bids for the completion of the work. Staff may choose to verify their good standing through the Better Business Bureau or verify State licensing. Staff may choose to deny use of a particular contractor with cause.

- 4. The owner must agree to the cost of the abatement charges and the assessment of all abatement expenses against the property. The property owner may choose a reasonable time period in which to pay the assessment (i.e. over 5 or 10 years). Finance will provide information on the current interest rate and a proposed assessment payment schedule for consideration by the owner.
- 5. If the property is owned through a contract for deed the contract holder must approve this agreement.
- 6. The City reserves the right to deny a nuisance abatement agreement request for any of the following reasons:
 - a. The requested nuisance abatement agreement exceeds an amount the City is willing to pay,
 - b. The property is in foreclosure or pending foreclosure actions,
 - c. Applicant failed to complete all required steps to secure independent financing, or
 - d. At the discretion of the City Manager

Required Contracts

The attached contract forms must be completed specifying the details of the agreement including repayment and work to be performed. These forms may be revised from time to time as needed.

- 1. Nuisance Abatement Agreement must be completed with notarized signature by property owner(s)
- 2. Approval of Nuisance Abatement Agreement must be completed by the Community Development Director and City Manager
- 3. Construction Agreement must be completed with notarized signature of the contractor performing the work
- 4. Approval of the Construction Agreement must be completed by the Community Development Director and City Manager

After Project Completion

After the abatement has been completed to the satisfaction of all parties:

- 1. If a building permit is required, staff must verify that all required inspections have been completed and passed
- 2. The contractor will invoice the City for work performed in the amount listed in the Construction Agreement

- 3. Staff will process the invoice from the contractor for payment under normal procedures. The invoice prepared and sent to Finance for the billing for the property must include:
 - a. Request for certification of the amount,
 - b. Payment agreement information (assessment time period)
 - c. Copies of the signed contracts

Authorization

City Code Chapter 94: Health and Safety; Nuisances Minnesota State Statute 429.101 subdivision 1, Ordinances, (a), (9)

Attachments

Nuisance Abatement Agreement Construction Agreement