



AGENDA SUMMARY PAGE
CITY COUNCIL MEETING OF DECEMBER 7, 2011

DEPARTMENT: CITY ATTORNEY
DIRECTOR: BRADFORD R. JERBIC

☐ Consent ☒ Discussion

SUBJECT:
RECOMMENDING COMMITTEE: ELIGIBLE FOR ADOPTION AT THIS MEETING:
Bill No. 2011-39 - For Possible Action: Adopts a registration and maintenance program for vacant properties that are the subject of foreclosure and related proceedings. Sponsored by: Councilman Stephen Boss.

Fiscal Impact

☐ No Impact ☐ Augmentation Required
☐ Budget Funds Available

Amount:

Funding Source:

Dept./Division:

PURPOSE/BACKGROUND:

This bill will adopt a registration and maintenance program for vacant properties that are the subject of foreclosure and related proceedings. Where vacant real property subject to a loan is in default and certain steps toward foreclosure have been taken, lenders with a security interest in the property will be required to register with the City and provide a limited level of ongoing maintenance of the property pending occupancy or ultimate disposition of the property.

RECOMMENDATION:

ADOPTION at 12/7/2011 City Council Meeting as a First Amendment pursuant to the 11/15/2011 Recommending Committee Meeting.

First Reading 10/19/2011; First Publication 11/23/2011

BACKUP DOCUMENTATION:

1. Bill No. 2011-39
2. Business Impact Statement
3. Residential Foreclosure Analysis by Mike Bouse and Comments from Nevada State Bank by Charles Cook
4. Redlined Proposed First Amendment and Proposed First Amendment submitted at 11/15/2011 Recommending Committee meeting
5. Bill No. 2011-39 First Amendment
6. Submitted at Meeting Vacant Foreclosure Registration Ordinance Summary and Bill No. 2011-39 Second Amendment by Staff, Speaker Card and Pamphlets and Flyers on Community Partnership for Code Enforcement by Michael Halpern



Agenda Item No.: **46.**

CITY COUNCIL MEETING OF: DECEMBER 7, 2011

Motion made by RICKI Y. BARLOW to Approve as Second Amendment

Passed For: 7; Against: 0; Abstain: 0; Did Not Vote: 0; Excused: 0

RICKI Y. BARLOW, LOIS TARKANIAN, STEVE WOLFSON, CAROLYN G. GOODMAN, STAVROS S. ANTHONY, STEVEN D. ROSS, BOB COFFIN; (Against-None); (Abstain-None); (Did Not Vote-None); (Excused-None)

Minutes:

CHRIS KNIGHT, Director of Building and Safety, discussed the purpose and background of the bill while providing pertinent statistics. He also reviewed the Vacant Foreclosure Registration Ordinance Summary as submitted for the record. In response to MAYOR GOODMAN, he clarified the timeline imposed upon lenders.

COUNCILMAN ROSS stated it is safe to say hundreds of thousands have been spent in total on abatement efforts. MAYOR GOODMAN thanked COUNCILMAN ROSS for sponsoring a bill that is long overdue.

MICHAEL HALPERN, SafeGuard Properties, shared Las Vegas statistics compiled by his company and submitted brochures for the record. SafeGuard has mandated guidelines that they follow when visiting and maintaining delinquent properties. COUNCILMAN ROSS finds it interesting that the banks are taking the time to maintain properties in other cities but not Las Vegas. MR. HALPERN explained that the system controlling maintenance is automated. Loan servicers are hired to collect payments and maintain properties. Left to their own devices, municipalities have a very difficult time communicating directly with lenders. COUNCILMAN WOLFSON received confirmation from MR. HALPERN he works for a for-profit organization.

BILL UFFELMAN, President of the Nevada Bankers Association, extended condolences to JUDGE VILLANI'S family. He stated he has attended the Recommending meetings and although the ordinance has improved at each step, there are still several areas of concern which he then discussed. COUNCILMAN WOLFSON clarified that criminal consequences are part of the bill for a reason and will be pursued if necessary. MAYOR GOODMAN explained criminal penalties are the muscle behind the bill and while the City hopes to avoid pursuing them, they will absolutely take those actions if necessary. COUNCILWOMAN TARKANIAN reminded those present that the need for penalties began with the banks' blatant disregard and disrespect for the City's efforts and attempts at communication. COUNCILMAN COFFIN reminded MR. UFFELMAN that every bill contains a criminal penalty clause. MR. UFFELMAN stated every member of his association is willing to make every effort to maintain properties.

BRUCE BURR, Vice President of Asset Preservation and Restoration Services, discussed the services of his company. MAYOR GOODMAN thanked him for his time and asked him to provide the Councilmembers with any brochures or documents he may have brought with him. COUNCILWOMAN TARKANIAN received confirmation from MR. BURR that he is not



Agenda Item No.: **46.**

CITY COUNCIL MEETING OF: DECEMBER 7, 2011

working with any banks in Las Vegas.

COUNCILMAN WOLFSON received confirmation from MR. KNIGHT that Clark County does not have a similar ordinance and it appears that many cities within Nevada are looking to Las Vegas for guidance as a model.

RASHAN JOSHUA COLLINS, Las Vegas resident, voiced concerns on the arrest and punishment of homeless people who sleep or trespass on vacant properties.

ANTHONY HODGES, Las Vegas resident, voiced concerns on the fraud surrounding property ownership and received confirmation from the Mayor that the City goes after the first title owner.

GLENN SAVAGE, Southern Nevada Health District (SNHD), applauds the City of Las Vegas for going forward with this. He reviewed statistics on actions taken by the SNHD in regards to vacant homes.

TODD FARLOW, Las Vegas resident, voiced his support of the bill.

COUNCILMAN ROSS expressed appreciation to the staff members who contributed to the development of this bill. He would like to see it amended to allow a six month review. He told MR. UFFELMAN that he does not want to see anyone arrested and hopes the banks communicate with the City before criminal action is necessary.

MAYOR GOODMAN thanked staff for all their hard work and provided the public with MR. KNIGHT'S telephone number.

CHIEF DEPUTY CITY ATTORNEY VAL STEED reviewed changes to the bill as proposed in the second amendment as submitted for the record.

See Item 9 for related discussion.

Second Reading and bill adopted as Second Amendment as Ordinance No.6169.