

# Memorandum



Date: May 18, 2026  
To: Buchanan City Commission  
From: Tony McGhee  
**Subject: Proposed Vacant and Underutilized Building Ordinance Fee Schedule**

---

## **Background**

As part of the City of Buchanan’s recently passed Vacant and Underutilized Building Ordinance, the Commission will also need to establish a fee schedule for properties that fall within the ordinance and remain vacant or underutilized beyond the timelines and options provided.

The proposed ordinance is intended to give the City a proactive tool to address buildings that sit vacant, abandoned, inactive, or substantially underutilized for extended periods of time. As outlined in the ordinance materials, vacant and underutilized buildings can have a significant impact on the health and vitality of a community. They can become magnets for vandalism, nuisance activity, unauthorized entry, property maintenance issues, and public safety concerns. They can also reduce surrounding property values, create a negative visual impact, and detract from the economic and social vibrancy of neighborhoods and the downtown. At the same time, buildings that sit idle represent lost opportunities for housing, small business activity, job creation, investment, and community gathering spaces that could otherwise contribute to Buchanan.

The ordinance is not intended to punish property owners who are actively working to rehabilitate, market, sell, lease, or redevelop their properties. In fact, one of the central goals of the ordinance is to strike a fair balance between the needs of the community and the realities property owners may face. The ordinance includes activation plans with clear milestones, limited exemptions, hardship relief, and an appeals process so that owners who are making a good faith effort to return a building to productive use have a clear path forward. The proposed ordinance also recognizes that legitimate financial, legal, environmental, health, market, or redevelopment challenges may exist, and it creates a hardship exception process to provide temporary relief where appropriate.

However, there also needs to be accountability for buildings that remain inactive, unsafe, or used primarily for storage in a manner that is inconsistent with the City’s development goals. A vacant or underutilized building does not just affect the owner. It affects neighboring properties, nearby businesses, public perception, code enforcement activity, emergency response, and the overall strength of the community.

The proposed fee schedule is designed to support the goals of the ordinance by creating an escalating structure. The purpose of the escalating fees is not simply to generate revenue. Rather, the purpose is to encourage action. A property that remains vacant or underutilized for one year creates a concern, but a property that remains vacant or underutilized for several years creates a much larger community impact. The fee schedule should reflect that difference.

The ordinance specifically provides that registration, renewal, inspection, and reinspection fees are to be set by the City Commission fee schedule and may include escalating renewal tiers to discourage prolonged vacancy or underutilization.

Staff is recommending separate fee categories for commercial and industrial properties and residential properties. Commercial and industrial properties generally have a larger impact on the public realm, economic development, downtown vitality, employment opportunities, and adjacent property investment. For that reason, staff believes the commercial and industrial fee schedule should be higher than the residential schedule. Residential properties should still be subject to meaningful accountability, but only after any activation plan or hardship options are exhausted.

**Recommended Fee Schedule**

<b>Year in Program</b>	<b>Commercial and Industrial Properties</b>	<b>Residential Properties</b>
Year 1	\$1,500	\$500
Year 2	\$2,500	\$1,500
Year 3	\$3,000	\$2,000
Year 4	\$4,000	\$2,500
Year 5 and each year thereafter	\$5,000	\$3,000

For residential properties, the above fee schedule would apply after any activation plan or hardship options are exhausted. This distinction is important because the goal is to encourage productive use while still recognizing that residential properties may involve different personal, financial, family, estate, or health related circumstances than commercial or industrial properties.

The commercial and industrial schedule is intended to address properties that remain vacant or underutilized despite the opportunity to submit an activation or marketing plan for lease up, tenanting, adaptive reuse, sale, or redevelopment. The ordinance also addresses the concern of buildings being used primarily for personal or business storage when that use is not tied to an active permitted business operation or is inconsistent with the Unified Development Code. This is particularly important because the long-term warehousing of usable commercial space can remove property from productive use while still placing a burden on the surrounding area and the City's broader economic development efforts.

The residential schedule is intended to provide accountability for long-term vacant residential properties while also allowing flexibility for legitimate hardship situations. The ordinance recognizes a number of potential hardship categories, including financial hardship, legal impediments such as probate or foreclosure, environmental or physical constraints, redevelopment in progress, health or disability issues, inability to reside in a residence due to care needs, and market hardship. This allows the City to distinguish between an owner who is genuinely unable to move forward and a property that is simply being allowed to sit inactive without progress.

Staff believes the recommended fee schedule is reasonable because it gives property owners an incentive to act early, while increasing the financial consequence for properties that remain vacant or underutilized year after year. It also provides a clear and transparent structure for the City to administer. Property owners will know what is expected, what the annual costs will be if the property remains inactive, and what options exist if they are actively working toward activation or facing legitimate hardship.

Ultimately, the purpose of the ordinance and fee schedule is to move properties toward productive use. Buchanan benefits when buildings are occupied, maintained, invested in, and contributing to the life of the community. Active buildings support neighborhoods, strengthen the downtown, improve public perception, create opportunities for housing and

business activity, and protect the investments made by surrounding property owners and taxpayers.

**Recommendation**

Staff recommends that the City Commission adopt the fee schedule outlined above for inclusion in the City's fee schedule. Staff further recommends that the fee schedule be reviewed periodically after implementation to determine whether the amounts remain appropriate based on actual program administration, property owner response, enforcement needs, and the overall effectiveness of the ordinance in returning vacant and underutilized buildings to productive use.

**Attachment A: City of Buchanan Vacant and Underutilized Building Ordinance**

# Attachment A



**CITY OF BUCHANAN**  
**VACANT AND UNDERUTILIZED BUILDING ORDINANCE**  
**ORDINANCE NO. 26-05-449**

**AN ORDINANCE TO REGULATE, REHABILITATE, AND PROMOTE THE ACTIVE USE OF VACANT AND UNDERUTILIZED BUILDINGS; TO DISCOURAGE NONCONFORMING STORAGE USES OUTSIDE STORAGE ZONES; TO ESTABLISH DEFINITIONS, REGISTRATION, LOCAL RESPONSIBLE AGENT, INSPECTION, MAINTENANCE, ACTIVATION, FEES, ENFORCEMENT, HARDSHIP RELIEF, AND APPEALS; AND TO PROTECT PUBLIC HEALTH, SAFETY, AND WELFARE.**

**SECTION 1. PURPOSE AND INTENT**

This ordinance is intended to:

1. Ensure that abandoned, vacant or underutilized buildings are maintained, secured, and transitioned to productive use.
2. Reduce blight, vandalism, fire risk, and depressed property values.
3. Align with City planning goals for downtown vitality, neighborhood stability, and economic development.
4. Provide a fair process for temporary hardship relief with accountability and milestones.
5. Utilize an administrative fee schedule adopted by the City Commission for transparent and adjustable fees.

**SECTION 2. DEFINITIONS**

**“Building”** means the first floor of a building. The upper stories shall not be considered as part of a structure subject to regulation under this ordinance.

**“Abandoned or Vacant Residential or Nonresidential Building”** means a structure in which all lawful activity has ceased, or reasonably appears to have ceased for ninety (90) days or more and meets any one or more of the following criteria:

- (1) Provides a location for loitering, vagrancy, unauthorized entry or criminal activity;
- (2) Is not secured so as to prevent unauthorized entry;
- (3) Is damaged or rendered structurally unsound by decay, fire, flood, weather, or vandalism to an extent which prohibits safe human occupancy;
- (4) Demonstrates a lack of property maintenance and upkeep as evidenced by one or more violations of the 2015 International Property Maintenance Code, as adopted by the City;

- (5) Has one or more utilities for water, sewer, electric or gas disconnected or not in use.
- (6) Is not maintained in compliance with one or more City ordinances.
- (7) Is not currently used or occupied consistent with the building's zoning requirements, permitted use, or most recent licensing; or
- (8) Is a potential hazard or danger to persons or members of the public.

**“Abandoned or Vacant Residential Building”** means a residential structure and any accessory building or accessory dwelling unit.

**“Active Use / Activation”** means continuous permitted or approved occupancy or operation consistent with the building's intended design, certificate of occupancy, City permit and compliance with the Unified Development Code.

**City Official.** City Manager, Building Official, Code Enforcement Officer, or City staff designated by the City Manager.

**“Lawful activity”** means that activity for which the structure was built or intended to be used. No building shall be used primarily for storage of personal or business items, unless such use has been previously approved by the City and is consistent with the Unified Development Code.

**Local Responsible Agent.** A person or entity with authority to act for the owner, which person or entity must have a residence or office located within sixty miles of the municipal boundaries of the City of Buchanan, and which person or entity must be continuously available in person or as a personal representative for inspections, emergencies, and communications.

**“Owner”** means any person or legal entity with legal or equitable title or control of real property, a lessee, or a person or legal entity acting as a Local Responsible Agent of the owner with respect to a building, which agent shall have the authority to accept service of notices or legal papers relating to the building on the owner's behalf concerning housing, zoning, blight, dangerous buildings, and/or other matters concerning the property on behalf of the owner of a property and authorized to legally consent to City access to the property for any inspection necessary to ensure compliance with the terms of this Chapter. Status as a Local Responsible Agent must be established by the Owner submitting to the City an original written document signed under notary by the actual titled owner that specifically authorizes the Local Responsible Agent to carry out the duties described in this definition. “Owner” includes any lender under a note secured by a mortgage or any person, firm, or

corporation holding a mortgage on a residential or commercial structure that has initiated, is in the process of, or has completed foreclosure proceedings, filed a complaint for foreclosure by judicial action or is publishing a notice of foreclosure by advertisement.

**“Personal Storage Use”** means the storage of property, vehicles, or materials not tied to an active, certificate of occupancy, City business license, and permitted under the Unified Development Code.

**“Underutilized Building”** means a building in which more than 50% of the ground floor square footage is used for private or business storage, warehousing, or other non-public/inactive use inconsistent with the Unified Development Code or certificate of occupancy, including storefronts used for business or private storage.

### **SECTION 3. REGISTRATION**

#### **A. Duty to Register**

1. Owners must register any building defined in this Ordinance within ninety (90) days of the date of the existence of any of the conditions defined as “Abandoned or Vacant Residential or Nonresidential Building” or notice issued by the City.
2. Registration shall be renewed annually until the building is activated, demolished, or receives a City issued certificate of compliance with the subject ordinance.
3. Registration must be completed through the City’s designated portal or form and shall include: Owner and Local Agent Responsible identities and contacts; property/parcel identification numbers; prior and intended use; Activation Plan (timeline, milestones); maintenance/security measures; and continuously available emergency contact identity and contact information.
4. Abandoned or Vacant Residential or Nonresidential Buildings subject to probate court proceedings shall be registered with the City within thirty days of the date of filing or entry of closing or the probate estate or case.

#### **B. Certificate of Vacant/Underutilized Registration & Inspection**

1. Upon registration and payment of applicable fees, the City will issue a Certificate of Vacant/Underutilized Registration and schedule an inspection.
2. Properties must pass inspection or receive a Correction Order with deadlines; upon compliance, the City issues a Vacant Property Ordinance Certificate of Compliance valid for one year for non-residential properties, subject to maintenance. For residential properties, a Vacant Property Ordinance Certificate of Compliance valid for six months, subject to maintenance.

#### **C. Fees**

1. Registration, renewal, inspection, and re-inspection fees shall be set by the City Commission Fee Schedule and may include escalating renewal tiers to discourage prolonged vacancy/underutilization.
2. Failure-to-register, late renewal, and ownership-search cost recovery fees may be applied in accordance with the Fee Schedule set by the City Commission.

#### **D. Limited Exemptions**

1. Up to ninety days for real estate actively listed for sale/lease, for which the Owner must present written proof of the sale or lease listing.
2. During an active, permitted construction period with valid City issued permits and demonstrated progress.
3. Seasonal residential occupancy, if compliant with property maintenance and not used primarily for storage.
4. For multi-tenant commercial buildings, if at least 60% of the square footage is leased, the building will be considered in compliance with the subject ordinance.
5. Up to ninety days for other potential limited exemptions approved by the City Manager.

#### **E. Transfer of Ownership**

The seller of an Abandoned or Vacant Residential or Nonresidential Building must notify the City Manager within thirty (30) days of the date of sale or transfer and provide the name and address of the purchaser or transferee. The purchaser or transferee must register the property in accordance with this Ordinance within forty-five days of the sale closing or transfer. No refunds or credits of fees will be given when there is a transfer of ownership.

### **SECTION 4. MAINTENANCE AND SECURITY STANDARDS**

Owners shall:

1. Comply with all City building, fire, and International Property Maintenance Code (IPMC); the Unified Development Code and maintain weather-tightness and structural integrity of an entire structure.
2. Secure all openings; maintain operable locks; prevent unauthorized entry.
3. Maintain exterior grounds including sidewalks and parking lots, remove all trash, weeds, snow/ice, graffiti and address any vermin, mold, or hazards.
4. Maintain fire protection/suppression systems where applicable; and maintain heat or winterization to protect plumbing.
5. Prohibit storage or warehousing as a primary use unless permitted by the Unified Development Code and licensed by the City.

### **SECTION 5. UTILIZATION & ACTIVATION PLAN**

In order for a structure to not be considered vacant or underutilized, the property owner must submit an activation plan that includes clear milestones and anticipated completion dates. The plan must be reviewed and approved by the City Manager or their designee in accordance with the requirements set forth in this section. The terms of an approved activation plan may be extended if reasonable progress has been demonstrated and the extension is approved by the City Manager or their designee.

**A. Residential**

1. Within ninety (90) of receipt of written notice of violation issued by the City, an Owner must submit to the City and implement an activation plan for Building occupancy, renovation, or sale that meets the requirements of this Ordinance.
2. After twelve months of submission of the activation plan with the City, if no substantial progress occurs in meeting the terms of the activation plan, the City may issue rehabilitation/nuisance orders or apply escalated renewal fees under the Fee Schedule set by the City Commission and/or civil action.

**B. Commercial/Non-Residential**

1. Within ninety (90) of receipt of written notice of violation issued by the City, an Owner must submit to the City and implement an activation/marketing plan for building lease-up, tenanting, adaptive reuse.
2. After twelve months of submission of the activation plan with the City, if no substantial progress occurs in meeting the terms of the activation plan, the City may issue rehabilitation/nuisance orders or apply escalated renewal fees under the Fee Schedule set by the Commission and/or civil action.

**C. Anti-Warehousing / Non-Business Related Storage**

1. Storage of materials shall only be permitted when it is directly associated with a permitted business activity that is actively operating on the subject property.
2. Limited-Use Storage Permits may include conditions including hours of access, fire safety measures, and inventory limits to mitigate impacts.

**D. Temporary Activation Permit**

Upon issuance of a certificate of occupancy, and if needed, a temporary use permit, the City may issue Temporary Activation Permits (e.g., pop-ups, artist/maker uses, seasonal markets) for up to 180 consecutive days to incentivize interim utilization, subject to public safety, other City ordinances, and if permitted under the City’s Unified Development Code.

**SECTION 6. INSPECTIONS, NOTICES, AND ENFORCEMENT**

1. Inspections. Initial and periodic inspections may be conducted by the City to verify compliance and progress.
2. Notices. Written notice will specify violations and a correction period of thirty days, or a shorter period for imminent hazards or to protect public safety.

3. Penalties. Civil fines, administrative penalties, inspection and reinspection fees, and cost recovery shall be as set in the Fee Schedule established by the City Commission. Repeated noncompliance may trigger escalating monthly penalties.
4. Violations. Violations of this Chapter shall constitute a civil infraction. Each day that a violation continues constitutes a separate offense. The remedies, penalties and enforcement powers established in this Chapter shall be cumulative, and the City may exercise any or all of them in any order.
5. Remedies. The City may abate hazards, place liens, pursue civil actions, and condemn/demolish unsafe structures consistent with law.
6. Failure to Register. The City may assess added costs to determine ownership, including title search and recover costs pursuant to the Fee Schedule established by the City Commission

## **SECTION 7. HARDSHIP EXCEPTION**

### **A. Eligibility**

The City may grant hardship exception for a specified, limited period of time, for any one or more of the following:

1. Financial Hardship. Documented inability to finance rehabilitation/lease-up despite good-faith efforts (e.g., denied financing, pro forma, broker engagement).
2. Legal Impediments. Probate/estate, bankruptcy, foreclosure, receivership, title defects, active litigation, or recorded restrictions preventing action.
3. Physical/Environmental Constraints. Contamination requiring remediation; disaster damage; extraordinary structural failures; public infrastructure constraints outside of Owner control.
4. Redevelopment in Progress. Executed design contracts, permits applied or issued, construction financing in process or secured, or executed letters of intent to purchase real property or leases.
5. Health/Disability. Temporary Owner incapacitation with a property care plan or agent engaged.
6. Inability to Reside in Residence. Owner not living in residence due to needing care provided through a facility such as a nursing homes, memory care center, assisted living facility, or rehabilitation facility.
7. Market Hardship. Demonstrated lack of reasonable market interest despite listing or marketing at fair market value for a period of six or more months and Owner submission of with a revised marketing strategy.

### **B. Application**

Written request to the City Manager or his designee with supporting documents, including financials, legal filings, contracts, environmental reports, real estate listings/price history or

such additional documents requested by the City Manager. Site inspection or interview may be required.

### **C. Duration & Conditions**

1. Initial hardship up to twelve months, renewable upon proof of progress.
2. The Owner must submit to the City written minimum maintenance and security plans, quarterly status reports, and date-specific milestones, including milestone dates for permit submittal; financing applications, and list of completion of updates.
3. Failure to maintain or meet milestones shall void the hardship relief.
4. All other applicable building and property maintenance ordinance requirements outside of this Ordinance shall remain applicable.

### **SECTION 8. APPEALS**

An owner may appeal a registration determination, citation, or penalty to the City Commission within thirty days of the date of City notice. The appeal must be in writing and state the relief requested. A hearing shall be scheduled within sixty days of the submission of appeal. The City Commission's decision is final, subject to judicial review.

### **SECTION 9. SEVERABILITY**

This Ordinance and the various parts, sentences, paragraphs, sections, and clauses it contains are hereby declared to be severable. Should any part, sentence, paragraph, section, or clause be declared unconstitutional or invalid by any court for any reason, such judgement shall not affect the validity of this Ordinance as a whole or any part thereof, other than the part so declared to be unconstitutional or invalid.

Should the application of any provision of this Ordinance to a particular property, building, or structure be adjudged invalid by any court, such judgement shall not affect the application of said provision to any other property, building, or structure in the City, unless otherwise stated in the judgement.

### **SECTION 10. EFFECTIVE DATE**

Effective **[insert date]**. All Abandoned or Vacant Residential or Nonresidential Buildings subject to this Ordinance must be registered as required by this Ordinance within thirty days of the effective date of this Ordinance.