



CITY COUNCIL STAFF REPORT

TO: City Council

DATE: December 8, 2025

DEPARTMENT: City Manager's Office

PREPARED BY: Isaac Whippy, City Manager

PRESENTER: Isaac Whippy, City Manager

AGENDA TITLE: Receive Report and Conduct Public Hearing to Consider Adoption of a Resolution Establishing Fees for the Commercial Vacancy Registry Program

RECOMMENDATION

Staff recommends that the City Council conduct the public hearing and adopt the attached Resolution establishing the Commercial Vacancy Registry Fee Schedule as described in this report, effective 2/16/26.

BACKGROUND

On November 10, 2025, the City Council held a public hearing and introduced Ordinance [1020-2025], establishing a Commercial Vacancy Registry Program for vacant commercial properties within designated zoning districts. The ordinance is being considered tonight for adoption on the consent calendar in response to:

- Persistent commercial vacancies in key business corridors;
- Community concerns regarding blight, safety, and diminished economic activity; and
- The City Council's strategic priority to invigorate economic opportunity and enhance public places & civic pride.

The ordinance requires owners of qualifying vacant commercial properties to:

- Register their property with the City;
- Provide ownership and contact information;
- Submit basic property condition and maintenance information; and
- Renew their registration annually while the property remains vacant.

The ordinance authorizes the City Council to establish fees by resolution to recover the reasonable costs of administering and enforcing the Program, including registration, monitoring, inspections, and enforcement actions.

In accordance with California Government Code Sections 66016 and 66018, staff has prepared a cost of service analysis and proposed fee schedule for Council consideration at a duly noticed public hearing.

DISCUSSION AND ANALYSIS

1. Purpose of the Vacancy Registry Fees

The proposed fees are intended to:

- Recover the reasonable, direct costs of operating the Vacancy Registry Program;
- Support staff time for registration processing, compliance monitoring, site inspections, enforcement, and appeals;
- Encourage timely activation, lease, or sale of long-term vacant commercial spaces; and
- Reduce the burden of vacancy-related enforcement on the General Fund.

These fees are regulatory fees, not taxes, and are designed to be cost recovery only, consistent with state law.

2. Cost of Service Analysis

Staff from the Community Development- Code Enforcement and Finance Departments are anticipated workload associated with the Program, including:

- Intake and processing of initial and annual registration forms;
- Maintenance of the registry database and tracking tools;
- Notices of violation and compliance follow-up;
- Field inspections for chronic or non-compliant properties; and
- Administrative processing of appeals.

The analysis identified the average staff hours, classifications, and fully burdened hourly rates associated with these tasks, as well as materials, mailing, and overhead costs. Based on this analysis, staff developed the proposed fee schedule below.

3. Proposed Vacancy Registry Fee Schedule

Table 1 – Proposed Commercial Vacancy Registry Fees

- Monthly Monitoring Fee – \$150 per property
 - Covers staff time to process the initial registration, verify parcel and ownership information, enter data into the registry, and issue confirmation.
- Annual Registration Fee Vacant Buildings – \$150 per property per year
 - Covers annual review, database updates, compliance verification, and renewal processing while the property remains vacant.
- Annual Registration Fee Vacant Lots – \$100 per property per year

- Covers annual review, database updates, compliance verification, and renewal processing while the property remains vacant.
- Late Registration / Late Renewal Penalty – \$100 per property
 - Applied when an owner fails to register or renew within the required timeframe. Intended to encourage timely compliance and offset additional staff follow-up.

4. Legal Considerations

Under Government Code Sections 66016 and 66018, prior to adopting new or increased fees, the City must:

- Provide public notice at least 10 days prior to the public hearing;
- Make the data supporting the fees (cost of service analysis) available for public review; and
- Hold a public hearing at which interested persons may comment on or object to the proposed fees.

Notice of tonight's public hearing was published in accordance with state law and the Fort Bragg Municipal Code, and the supporting documentation was made available at City Hall and on the City's website.

Because the proposed fees do not exceed the reasonable costs of providing the service, they are not considered taxes under Proposition 26 and do not require voter approval.

FISCAL IMPACT

The proposed fees will generate new revenue sufficient to offset a substantial portion of the costs of administering and enforcing the Commercial Vacancy Registry Program. While the exact revenue will depend on the number of qualifying vacant properties and levels of compliance, staff estimates:

- Approximately 8-12 properties will be subject to the registry in the first year; and
- Ongoing annual revenues from registrations, renewals, and enforcement-related fees will help cover staff time in Community Development- Code Enforcement, and Finance.

Adoption of the proposed fees will reduce General Fund subsidy for vacancy-related activities. No new appropriations are required at this time; fee revenue will be recognized in the appropriate departmental operating budgets through the annual budget process.

COMMUNITY ENGAGEMENT

- Notice of this public hearing was published in a newspaper of general circulation on consistent with Government Code Sections 66016 and 66018.

- The supporting cost of service documentation was made available at City Hall and on the City's website at least 10 days prior to the hearing.
- In July and August 2025, the City conducted a public survey (attached) to gather input on how best to address vacant commercial properties. Of the 55 respondents, 88% supported the City taking action—such as creating a registry program, implementing a vacancy tax, and offering incentives to property owners. Respondents identified their top priorities as improving aesthetics, strengthening enforcement, and encouraging temporary activation of vacant spaces.

ATTACHMENTS

- Vacant Property Calculation
- Notice of Public Hearing
- Resolution- Fees