

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date	April 26, 2010
	Agenda Item No. 50 Roll Call No. <u>10-</u> Communication No. <u>10-209</u> Submitted by: Larry Hulse, Community Development Director	

AGENDA HEADING:

Ordinance amending Chapter 26 Building and Building Regulations to require that any structure converted to a horizontal property regime or multiple housing cooperative shall be upgraded to conformance with the International Building Code requirements as of the date of conversion, and to impose a fee for the code review and issuance of an amended Certificate of Occupancy.

Resolution approving an amendment to the Schedule of Fees for the above.

SYNOPSIS:

This ordinance refines Section 26-219 to the City Building Code to require any existing building converted to a horizontal property regime (condominium) after April 25, 2000, or to a multiple housing cooperative after March 23, 2010, to comply with the current adopted edition of the International Building Code requirements as of the date of conversion. As applied to condominiums, the requirement that a converted building meet the current building code was initially imposed state-wide by an amendment to Iowa Code §499B.20 effective April 25, 2010. As applied to multiple housing cooperatives, the requirement was initially imposed by Ordinance No. 14,924 passed March 22, 2010. This ordinance further defines a set of minimum safety and health standards that must be met for those projects where no other work is contemplated when undergoing co-op and condo conversions, and identifies the procedure by which the code compliance is to be reviewed and a Certificate of Occupancy is to be issued for the converted use.

FISCAL IMPACT:

Amount: It is not possible to calculate the fiscal impact of the conversions. Any existing apartment building or trailer park that is converted to a multiple housing cooperative is reclassified for tax purposes from commercial to residential and thereafter receives the benefit of the residential rollback (currently a 65% reduction in taxable value). The reduction in taxable value results in less property tax revenue to Des Moines to the extent the residential taxable value is less than the prior commercial taxable value.

Funding Source: Property taxes generated for the general operations of city government and the retirement of outstanding debt and related interest payments.

ADDITIONAL INFORMATION:

Because of the way that the International Existing Building Code is applied, certain provisions of that code might make possible the conversion of existing residential structures without any improvements. This amendment refines application of the code to require that any existing building which is converted

to a condominium or a multiple housing cooperative must be brought into compliance with the current adopted edition of the International Building Code as of the date of conversion. This change limits application of the International Existing Building Code where no changes are proposed to the building, and no change of occupancy is proposed, such as might occur on an existing apartment buildings or rental property. By making these changes, the advantages of having the existing building code are preserved for those adaptive reuse projects, and further clarifies that those projects that are not undergoing a change of occupancy must meet defined minimum standards found in the current edition of the adopted building code.

As stated in the prior action on March 22, 2010, existing residential structures lack many of the safety, health and usability features of new buildings. A change in ownership structure has a significant impact upon the safety and usability of a building. When a building is owned by a single owner, that owner has full control and responsibility for maintaining and operating their property, and bears any casualty loss to the building. If that same building is converted into a condominium or multiple housing cooperative, the ownership and control of the building is divided up, and measures that keep a building current with modern code are made more difficult because of the shared nature of ownership and decision making.

Older structures represent a greater risk to a community and the resulting financial burden to a community if they lack the features that minimize the need for community resources. A reduction in a structure's contribution to the community should be limited to those structures that are upgraded or meet standards that minimize those costs. Features required by modern codes minimize the risk of a fire involving multiple units or buildings; offer improved fire detection and notification; offer passive means to resist the spread of fire from unit to unit and building to building; and permit the building to be used by people of varied physical abilities. These include fire sprinkler systems, fire walls, elevators, ramps, and improved energy performance. These upgrades not only provide for the safety and well being of the occupants, but also minimize the need for local community assistance from Fire and EMS personnel, low income energy assistance, weatherization, and building maintenance and enforcement personnel.

PREVIOUS COUNCIL ACTION(S):

Date: March 22, 2010

Roll Call Number: 10-466

Action: Response to Google Inc.'s Request for Information (RFI), to build an ultra high speed Fiber Optic Network in Des Moines. (Council Communication No. 10-160) Moved by Hensley to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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