

Demolition Process Changes

Timeline - 2017

- **August:**

Demolition Permit Audit Report issued identifying changes needed to the City's demolition process

- **December:**

City Council adopted Resolution No. 20171214-066 requesting DSD to conduct stakeholder meetings, and develop a proposal to re-design the demolition permitting process

Timeline - 2018

- **March and April:**
4 stakeholder engagement meetings were held with 123 attendees
- **February–March and May–July:**
Online stakeholder engagement was conducted via the “Speakup Austin!” forum
- **October:**
DSD responded to Council’s resolution with the Demolition Process Recommendation Report

Pertaining Documents

- Demolition Permit Audit Report
- Council's Resolution
- DSD's Demolition Process Recommendation Report
- Draft Ordinance
- Draft Resolution

Demolition Permit Audit Report

City of Austin
Office of the City Auditor

Audit Report

Demolition Permits

August 2017



The City's demolition permitting process is not designed to efficiently or effectively meet the needs of stakeholders or City departments. Currently, two City departments accept permit applications and other departments are not fully involved in the process. Additionally, property owners are responsible for various parts of the process, but there is limited verification from the City that these tasks are accomplished. Also, safety risks are not fully considered and there is limited notification about upcoming demolitions. Lastly, documents required on the permit application are not always collected. These issues contribute to the inefficiency and ineffectiveness of the process and make it difficult to ensure the City achieves its goals.

Identified issues:

- Safety risks are not fully considered
- Notification about demolitions is limited

Recommendations:

The Development Services Department (DSD) should hold stakeholder meetings to identify what the demolition permitting process should accomplish and redesign the process accordingly.

Council's Resolution

The goals for the redesign of the demolition permitting process are to ensure the following:

- Appropriate reviews take place prior to demolition activities;
- Appropriate safety measures are in place prior to demolition activities; and
- Adequate and appropriate notice is given to interested parties

RESOLUTION NO. 20171214-066

WHEREAS, the City Auditor's Office audited the City's demolition permitting process and reported its findings in the 2017 Demolition Permits Audit (Audit); and

WHEREAS, the Audit recommends that the demolition permitting process be redesigned to more effectively meet the needs of the City and stakeholders and to more fully account for safety risks presented by demolitions; and

WHEREAS, the Audit recommended that stakeholder meetings be held and the demolition permitting process be redesigned based on the outcomes of those meetings; and

WHEREAS, staff concurred with the Audit's recommendations and intends to develop a proposal by June of 2018; and

WHEREAS, the number of demolitions in Austin is rising; and

WHEREAS, since 2010, approved demolition permits increased an average of 13% per year and numbered a little more than 800 in fiscal year 2016; and

WHEREAS, in fiscal years 2015 and 2016, the City approved approximately 1,700 demolition permits; and

WHEREAS, current City Code does not require residential demolitions to mitigate potential health hazards by limiting public exposure to asbestos, lead, and other potential toxins or dangerous situations; and

WHEREAS, State law requires that property owners of certain commercial and multi-family buildings test for asbestos before demolishing the structure; and

DSD's Demolition Process Recommendation Report

Recommendation on Changes to the Demolition Process

Development Services Department
Response to Council Resolution
No. 20171214-066

October 18, 2018

Recommendations requiring code amendments:

#4 On-site pre-demolition meeting

Verify all utilities have been capped or appropriately modified for use during demolition

#8 Notify adjacent properties of demolition activity.

Require posted notice between five (5) and 10 business days before demolition activity starts

Proposed resolution:

Adopt a registration program for building and demolition contractors

The Request: To Recommend Ordinance Amendments

- **PART 1.**

- City Code Section Chapter 25-11-37 (*Demolition Permit Requirement*) is amended to add a new Subsection (D)

- **PART 2.**

- City Code Section 25-11-64 (*Verification of a Utility Service*) is repealed and replaced

- **PART 3.**

- Consistent with the report of the Director of the Development Services Department, dated October 18, 2018, the City Council initiates code amendments to establish a comprehensive contractor registration program

The Request: To Recommend Ordinance Amendments

PART 1.

City Code Section Chapter 25-11-37 (*Demolition Permit Requirement*) is amended to add a new Subsection (D) to read as follows:

(D) An applicant for a demolition permit must provide notice of the demolition to adjacent one-family structures, two-family structures, and any multi-family component of other adjacent structures. The building official shall adopt rules regarding the requirements of the notice. At a minimum, the required notification must be:

- (1) on a form approved by the director and specify the date or range of dates on which the demolition may occur, which must be between five and ten days after notice is provided;
- (2) mailed or placed on properties adjacent to the property where the demolition is to occur, and
- (3) posted on the property where the demolition is to occur, in a manner visible from the primary street frontage.

The Request: To Recommend Ordinance Amendments

PART 2.

City Code Section 25-11-64 (*Verification of a Utility Service*) is repealed and replaced with a new Section 25-11-64 to read as follows:

§ 25-11-64 REQUIREMENTS REGARDING UTILITY SERVICE.

- (A) The building official shall coordinate review of applications under this article with the City's electric utility and Austin Water if the property is served or will be served by public utilities.
- (B) When an applicant files an application for a building permit, the applicant must submit a written verification that utilities for the proposed development are suitable and sufficient for the proposed project.
- (C) After a demolition application has been approved but before demolition can occur, the applicant must satisfy the following requirements.

The Request: To Recommend Ordinance Amendments

PART 2.

- (1) The applicant shall terminate all utilities unless the applicant submits a request for continued services and receives approval from the appropriate utility service.
- (2) The applicant shall abandon public water and wastewater service lines in accordance with the Utilities Criteria Manual.
 - (i) If the existing public water and wastewater service lines or appurtenances are to be reused in the future, the corresponding private yard lines must be capped within private property in accordance with Chapter 25-12 Article 6 (*Plumbing Code*).
 - (ii) If the existing public water and wastewater service lines or appurtenances will be discontinued, the applicant shall submit additional plans to Austin Water for review.
- (3) For properties served by private on-site sewage facilities and located within the full purpose boundaries of the City or in areas annexed in the limited purpose boundaries of the City where the City's health and safety ordinances apply, the applicant shall abandon the on-site sewage facilities in accordance in Chapter 15-5 (*Private Sewage Facilities*). For all other properties, the applicant shall abandon the on-site sewage facilities in accordance with the requirements of the applicable permitting authority.

The Request: To Recommend Ordinance Amendments

PART 2.

(4) If the property is served by the City's electric utility, the applicant shall contact the electric utility to arrange to have the electric meter and service drop removed from the structure by the electric utility. Demolition may not proceed until the electric meter and service drop has been removed by the electric utility. The building official may issue an electric permit for temporary power if the applicant requests temporary construction power to a site.

The Request: To Recommend Ordinance Amendments

PART 3.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

City Council initiates code amendments to establish a contractor registration program for building and demolition permitting consistent with the following direction.

BE IT FURTHER RESOLVED:

In developing proposed amendments, the City Manager is directed to consider incorporating:

- a. requirements from Chapter 25-6, Article 5, Division 1 (*Construction License*), as deemed appropriate in the context of demolition permitting;
- b. requirements for bonding and insurance; and
- c. an exemption for the owner of a one or two-family residential structure with an active homestead exemption.

The City Manager is directed to present the proposed amendments to Council for consideration on or before December 31, 2021 or as soon thereafter as reasonably possible.

Next Steps

- City Council approval
- Building Criteria Manual rule changes to enforce new ordinance
- Stakeholder engagement for the Contractor Registration Program