



## CITY OF ATLANTA

City Auditor's Office  
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April 2023

# Performance Audit:

## Why We Did This Audit

Atlanta City Council introduced Ordinance 22-O-1253 requesting the City Auditor's Office audit the city's In Rem processes, in response to constituent concerns regarding In Rem-related demolitions

## What We Recommended

To use all options for In Rem abatement provided by the Housing Code, the Code Enforcement Director should:

- work with the judicial agencies, Municipal Court and Solicitor's Office, to develop a road map and establish procedures and criteria for deciding which properties should be handled under Administrative or Judicial In Rem processes

To increase the usage of the Vacant Property Registry, the Code Enforcement Director should:

- develop a strategy to use various outreach methods to provide community education about the Vacant Property Registry
- prepare for City Council consideration an ordinance to remove the vacant property registration/renewal fee

To increase the transparency of the In Rem process, the Code Enforcement Director should:

- use Accela to record each step of the In Rem process

For more information regarding this report, please use the "contact" link on our website at [www.atlaudit.org](http://www.atlaudit.org)

## In Rem Process

### What We Found

A property is a candidate for In Rem if it is both open and vacant and also represents a hazard to the health, safety, or general welfare of the public. The city's housing code does not dictate how long a period a property owner is given to bring their property into compliance before the complaint is referred to the In Rem process. Based on property conditions, the administrative In Rem Review Board or the Municipal Court judge issues an order for the city either to clean and close the property or to demolish the property. The city then files a lien with the Fulton County Recording Division or the DeKalb County Real Estate Division against the property for any costs related to cleaning and closing or demolition of a structure.

In a simple random sample of 46 demolitions, we found that the city complied with applicable state and city code requirements to contact property owners, to obtain historic preservation and environmental clearances, and to ensure asbestos was appropriately abated and demolitions were permitted.

There are no best practices for the In Rem process specified by national and local code enforcement organizations. In 2014, the Center for Community Progress prepared a report for the city suggesting policies for addressing vacancy and abandonment. The report recommended using the Judicial In Rem process with the Judicial In Rem tax sale, to increase the likelihood of the city recovering its costs.

Certified mail notices are returned unclaimed, and some property owners may be unaware that their property has been referred to the In Rem process. Between January 2016 and May 2022, about 92% of properties demolished by the city through In Rem proceedings were not registered in the Vacant Property Registry.

Code enforcement's compliance resolution staff use spreadsheets, file checklists, and maintain documentation outside of Accela.

## Management Responses to Audit Recommendations

Summary of Management Responses		
<b>Recommendation #1:</b> We recommend that the Code Enforcement Director work with the judicial agencies, Municipal Court and Solicitor's Office, to develop a road map and establish procedures and criteria for deciding which properties should be handled under Administrative or Judicial In Rem processes.		
<b>Response:</b> Agree	<b>Status:</b> Partly Implemented	<b>Estimated Completion Date (M/Y):</b> 3 <sup>rd</sup> quarter 2023
<b>Recommendation #2:</b> We recommend that the Code Enforcement Director develop a strategy to use various outreach methods to provide community education about the Vacant Property Registry.		
<b>Response:</b> Agree	<b>Status:</b> Started	<b>Estimated Completion Date (M/Y):</b> 2 <sup>nd</sup> quarter 2023
<b>Recommendation #3:</b> We recommend that the Code Enforcement Director prepare for City Council consideration an ordinance to remove the vacant property registration/renewal fee.		
<b>Response:</b> Agree	<b>Status:</b> Not Started	<b>Estimated Completion Date (M/Y):</b> 2 <sup>nd</sup> quarter 2023
<b>Recommendation #4:</b> We recommend that the Code Enforcement Director use Accela to record each step of the In Rem process.		
<b>Response:</b> Agree	<b>Status:</b> Started	<b>Estimated Completion Date (M/Y):</b> March 2024