



# City of San Antonio

## Agenda Memorandum

**File Number:** 14-1277

---

**Agenda Item Number:** 25.

**Agenda Date:** 6/19/2014

**In Control:** City Council A Session

---

**DEPARTMENT:** Center City Development & Operations

**DEPARTMENT HEAD:** Lori Houston

**COUNCIL DISTRICTS IMPACTED:** All

**SUBJECT:**

Vacant and Underutilized Buildings Policy

**SUMMARY:**

This ordinance authorizes a Vacant Building Registration Pilot Program and approves an Interlocal Agreement between the City of San Antonio, Bexar County and the San Antonio Independent School District.

**BACKGROUND INFORMATION:**

Vacant and underutilized properties present a number of challenges for the revitalization of our center city and its neighborhoods. These properties can lead to health and safety hazards, disinvestment, and a decrease in the property values of surrounding properties. They can also hinder economic development and job creation, and/or diminish the overall quality of life of the community and neighborhoods.

Several reports and studies including the Downtown Strategic Framework Plan, the Center City Implementation Plan, the Strategic Historic Preservation Plan, and others have identified vacant and underutilized properties as a major challenge for the redevelopment of the city.

In order to address the challenges that these properties present, a Vacant and Underutilized Buildings Taskforce comprised of City staff was formed for the purpose of creating a policy to facilitate the removal of blight and redevelopment of vacant buildings within the center city and its surrounding neighborhoods.

The four main goals of the Taskforce are:

1. Make recommendations regarding policy changes, enforcement and City Code amendments, if required, to better address the problem of vacant and substandard buildings downtown and overcome obstacles for reuse.
2. Spur the rehabilitation and re-use of vacant/blighted real estate downtown to encourage economic development and downtown revitalization.
3. Create a safer environment in our center city and its surrounding neighborhoods.
4. Create a higher level of accountability for property owners to maintain properties

In addition to existing studies, the taskforce studied best practices from other cities and organizations both in Texas and out-of-state, including Vacant Building Registration Programs from Forth Worth, El Paso, and Dallas, TX; historic preservation grants utilizing bond funding in Phoenix, AZ; a Property Tax Incentive Program in South Carolina; and the Vacant to Value Program in Baltimore, MD.

The taskforce created a list of sixteen (16) recommendations to address this issue. Recommendations are divided into three main categories: outreach and advocacy; enforcement; and incentives and acquisition. Staff is seeking City Council endorsement of the proposed policy and recommendations. Of the sixteen recommendations, two require Council action:

- The creation of a Vacant Building Registration Pilot Program; and
- Approval of an Interlocal Agreement (ILA) between the City, Bexar County, and San Antonio Independent School District (SAISD).

This ordinance will authorize the creation of a Vacant Building Registration Pilot Program to increase owner accountability and establishment of maintenance standards for vacant buildings in the Central Business District, local historic districts, buildings designated as historic landmarks throughout the City, and all vacant buildings within one half-mile radius of all active US Military bases. The pilot program would apply to all vacant buildings within the pilot area. Owners of the vacant structures would be required to register these structures and follow new minimum property maintenance guidelines for vacant structures. The program would take effect on January 1, 2015 and the City will initiate program outreach and education during July - December 2014.

This ordinance will also approve an Interlocal Agreement between the City, Bexar County and SAISD. The purpose of the ILA is to provide the City of San Antonio the first right of refusal on properties Bexar County has acquired through the foreclosure process after the property has gone through the auction process once. In addition, the City of San Antonio, Bexar County and SAISD have agreed to forgive delinquent taxes and liens on the properties to facilitate redevelopment.

City Council has reviewed studies, statistics and data related to vacant structures in San Antonio, provided to them on June 10, 2014. Those studies, statistics and data support the need for this program.

On May 21, 2014, the Governance Committee was briefed on the Task Force's analysis and the recommendations with associated timelines for implementation. A briefing was also provided at City Council B session on June 4, 2014. Only two recommendations require City Council approval.

## **ALTERNATIVES:**

The policy will address some of the causal factors associated with the vacant building challenge and facilitate redevelopment. If a policy is not created the vacant building challenge will continue.

**FISCAL IMPACT:**

The proposed vacant building registration program will require additional resources to manage and monitor the program. The program proposes to add a registration fee for single-family homes of \$250 per year and a fee of \$750 per year for all other structures. It is anticipated that the revenue generated by this program will offset the cost of the program. The additional resources needed to manage this program will be presented as part of the City's Fiscal Year 2015 General Fund Budget.

**RECOMMENDATION:**

Staff recommends endorsement of the taskforce recommendations, approval of the Vacant Building Registration Pilot Program and approval of the Interlocal Agreement with Bexar County and SAISD for the acquisition of properties acquired by Bexar County through the foreclosure process.