



City of San Antonio

Agenda Memorandum

File Number:16-3411

Agenda Item Number: 19.

Agenda Date: 6/16/2016

In Control: City Council A Session

DEPARTMENT: Office of Historic Preservation

DEPARTMENT HEAD: Shanon Miller

COUNCIL DISTRICTS IMPACTED: City Wide

SUBJECT:

Amending the Vacant Building Registration Pilot Program

SUMMARY:

This item will amend the Ordinance for the 18-month Vacant Building Registration Program to make it a permanent program, adjust program fees, and provide for a fee waiver for well maintained commercial and multifamily properties. Staff will also present policy recommendations for endorsement by City Council. These policy recommendations include a phased expansion plan that will be brought before City Council for consideration prior to the end of the fiscal year. These program changes were shared with City Council at B Session on April 13, 2016, and endorsed by the Neighborhoods & Livability Council Committee at the May 16, 2016, meeting.

BACKGROUND INFORMATION:

Program Overview:

The Vacant Building Registration Program was adopted by City Council as an 18-month pilot program in June 2014. The program became effective on January 1, 2015, and it is now in the seventeenth month of implementation. A vacant building owner must register with the Office of Historic Preservation and is required to maintain the exterior and structure of the building in good condition. The pilot program area covers the Central Business District, the City's local historic districts, all vacant Historic Landmarks, and a half mile buffer around active military bases.

When the City determines a building has been vacant for thirty or more days, a notice is mailed to the property owner alerting them that they have 90 days to register with the Office of Historic Preservation. That registration

must include a plan with reasonable timelines to rectify violations of the standard of care. Property owners must pay a registration fee of \$250 for a single family home or \$750 for all other building types. They also pay a \$0.01 per square foot inspection fee (minimum \$50). Staff may provide an extension from the registration requirements and the associated fees if an owner lists a building for sale or lease at fair market value and there are fee waivers in instances where an owner is already working to occupy a building or the owner is indigent.

The Vacant Building Program is currently working to address 354 vacant properties. There are also 70 buildings that are now exempt because they have been occupied or are single family homes that have been improved.

Program Changes:

As recommended by City Council in June 2014, an advisory committee of stakeholders and real estate experts was created to offer general guidance on the implementation of the Vacant Building Program, to review and recommend potential program changes, to help identify solutions to common title problems, and to identify potential resources. The committee and staff have developed recommended program changes that were shared at B Session on April 13, 2016, and were endorsed by Neighborhoods & Livability Council Committee on May 16, 2016.

At City Council B Session, several members of the City Council requested that the program area expand to include the entire city. Staff presented a proposed phased expansion plan to Neighborhoods & Livability Council Committee and that committee endorsed the proposed plan. Because the plan will require additional staffing and other budgetary considerations it will be brought back to City Council for action through the FY 2017 budget process.

This item implements the following amendments:

- 1) Makes the 18-month Vacant Building Registration Program a permanent program
- 2) Adds a fee waiver for commercial properties that have been maintained to the standard of care for two or more consecutive years
- 3) Creates a \$100 early registration discount if a complete registration is submitted within 45 days of the mailed notice date
- 4) Creates a \$150 late registration fee if the owner fails to register within 90 days

The general policy recommendations include the creation of a committee to review extension and fee waiver requests for significant buildings, provide a grace period of 90-days for a new buyer, a recommendation that staff facilitate the foreclosure of tax delinquent vacant properties, that staff utilize neighborhood associations as much as possible, and a recommendation that staff build strong relationships with non-profit housing developers and defense base development authorities. The Advisory Committee also recommends that staff continue to utilize the flexibility in the program to deal fairly with significant structures and that the City create a program to assist with resolving probate issues and the cost of clearing title.

In June 2014, City Council gave staff direction to develop incentives to assist with the redevelopment of vacant structures. A subcommittee of the Vacant Building Advisory Committee is working to recommend new incentives, such as a possible bond-funded loan and grant program, and potential amendments to existing City programs.

ISSUE:

The City Council adopted the 18-month Vacant Building Registration Pilot Program in FY 2014. This item makes the program permanent and incorporates program changes developed by the Vacant Building Advisory

Committee that were endorsed by the Neighborhoods & Livability Council Committee on May 16, 2016.

ALTERNATIVES:

City Council could choose to have the 18-month pilot program expire. Alternatively, they could make the program permanent and decide not to incorporate one or all of the recommended program changes.

FISCAL IMPACT:

This item would add a fee waiver for commercial properties that have been maintained to the standard of care for two or more consecutive years, and create both a \$100 early registration discount and a \$150 late registration fee with no net impact expected to revenues collected within the General Fund. Costs, if any, associated with potential proposed program expansion will be developed and evaluated during the FY 2017 budget process.

RECOMMENDATION:

Staff recommends City Council make the 18-month Vacant Building Registration Program a permanent program, amend the Ordinance to incorporate the recommended program changes, and endorse the general policy recommendations.