



City of San Antonio

Agenda Memorandum

File Number:16-3559

Agenda Item Number: 4.

Agenda Date: 6/20/2016

In Control: Neighborhoods and Livability Committee

DEPARTMENT: Development Services

DEPARTMENT HEAD: Roderick Sanchez

COUNCIL DISTRICTS IMPACTED: City Wide

SUBJECT:

Absentee Property Owner Registration Program

SUMMARY:

On September 19, 2013, City Council approved an amendment to City Code by adding a new Absentee Property Owner (APO) registration program which went into effect on January 1, 2014. The new registration program will help ensure that one- and two-family dwellings owned by absentee property owners are maintained in accordance with the City's health and safety property maintenance codes. An annual \$50 registration fee was approved with initial estimates of generating \$40,000 annually to cover costs associated with the program.

This briefing will address questions raised by the Committee during the March 29, 2016, meeting regarding the APO registration program. Questions from the Committee include: (1) number of service calls/violations encountered by other City Departments at properties identified to register, (2) overview of tenant and property owner responsibilities, and (3) additional property owner identification efforts. This briefing is in preparation for a presentation to City Council which is required by ordinance on/before September 15, 2016.

BACKGROUND INFORMATION:

During the FY 2013 Budget Development Process, the code enforcement function was identified as a key priority area during the community budget hearings. Several City Council members expressed their concern about outcomes related to code enforcement policies and strategies. Neighborhood associations also shared specific concerns in light of their respective housing and property

maintenance issues. In addition, San Antonio residents participating in the City Manager's biennial community survey rated the code enforcement function less favorably than in the prior survey. However, the City of San Antonio still ranked highest in comparison to other code enforcement functions in major Texas cities.

One concern repeatedly presented by neighborhood associations throughout the City was that residential dwellings owned by absentee property owners (i.e., owners who live outside of Bexar County) tended to have more instances of city code violations. A review of code violation data showed that property owners living outside of San Antonio (absentee property owners) were approximately 30% more likely to have a code violation and 70% more likely to have a lien placed against their property due to non-compliance and nonpayment of the costs incurred by the City in abating the public nuisance conditions. Of these properties, the majority of code issues occurred on one- and two-family dwellings within residential neighborhoods. These properties negatively impact the quality of life and livability of their neighborhoods.

While there are some absentee property owners that responsibly maintain their properties, this ordinance required irresponsible absentee property owners with multiple code violations to register with the City. This entails that absentee property owners (1) provide their current contact information so the City can quickly contact them about property maintenance issues and (2) designate a local manager for the property who must provide his/her contact information. The local manager must reside within Bexar County. These property managers shall act as agents for the absentee property owner for purposes of accepting legal service. However, the absentee property owner remains personally liable in criminal prosecutions for code violations.

The registration fee is \$50 per year per property with a required minimum registration period of two years. This fee has to be utilized to offset the costs associated with the creation and maintenance of the registration database and for proactive inspections throughout the registration period to monitor compliance.

ISSUE:

The Absentee Property Owners Registration Ordinance is intended to help ensure that absentee property owners maintain compliance with all code standards as established by statute or ordinance to protect the health and welfare of the community. Since 2014, over 1,000 properties have been identified for registration as an APO and almost 400 have registered. In general, registered properties have demonstrated a 66% decrease in code violations. Some of the challenges encountered to date include change of ownership during the registration process or address information from the Bexar County Appraisal District may be outdated.

As part of the evaluation process, follow-up meetings with stakeholders, to include San Antonio Board of Realtors, Real Estate Council, and San Antonio Apartment Association, and neighborhood associations will continue over the next few months. The goal is to gauge impacts to stakeholders since program implementation. For neighborhoods, it will be important to learn whether this program has decreased code violations amongst properties owned by APOs in these communities. These stakeholders were involved prior to adoption of the ordinance in 2013.

ALTERNATIVES:

No alternatives are recommended at this time. This memo is for briefing purposes only.

FISCAL IMPACT:

There is no fiscal impact associated with this item. This memo is for briefing purposes only.

RECOMMENDATION:

It is recommended that staff present an update to City Council by September 15, 2016, on the Absentee Property Owner registration program which was approved by City Council.