



# City of San Antonio

## Agenda Memorandum

**File Number:**

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**Agenda Item Number:** 5

**Agenda Date:** March 23, 2023

**In Control:** City Council A Session

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**DEPARTMENT:** Development Services Department

**DEPARTMENT HEAD:** Michael Shannon

**COUNCIL DISTRICTS IMPACTED:** Citywide

**SUBJECT:**

This ordinance authorizes a Proactive Apartment Registration program to proactively inspect multi-family residential properties for compliance with minimum health and safety housing standards.

**SUMMARY:**

This ordinance authorizes a Proactive Apartment Registration program to proactively inspect multi-family residential properties for compliance with minimum health and safety housing standards and authorizes an annual registration fee of \$100 per apartment unit on the property..

**BACKGROUND INFORMATION:**

Apartment complexes present a unique and challenging situation when owners fail to meet the City's minimum property maintenance standards and safety codes because of the negative impacts to health and quality of life to multiple tenants and families. Last summer, there were two separate apartment complexes with significant property maintenance code violations: Colinas at Medical formerly known as Seven Oaks (Council District 7) and Wurzbach Manor (Council District 8). Development Services Department (DSD) Code Enforcement team responded to the calls for service and issued notices as well as citations to bring the properties into compliance. Despite these efforts, the health and safety of residents were impacted, and proactive inspections were

requested, moving forward, to mitigate the presence of similar conditions at other apartment complexes.

These two instances highlighted the need to review options to address proactive inspections at multi-family residential properties and possibly create a “Bad Actor” Apartment Registration Program. Development Services Department (DSD) presented three (3) options to begin addressing proactive inspections of apartment communities at the Planning and Community Development Committee (PCDC) on August 25, 2022 and were asked to further brief the Committee at the September meeting. On September 22, 2022, PCDC recommended DSD move forward with the creation of a stakeholder group to discuss and develop potential code changes and the creation of a “Bad Actor” Apartment Registration Program.

In October 2022, DSD created a proactive apartment inspection stakeholder group of ten (10) members with two (2) alternates. The stakeholder group was intended to be balanced with five (5) renters or renter advocates and five (5) industry professionals. Since October 2022, DSD hosted 12 public meetings with the stakeholder group and allowed for public comments at each meeting.

DSD received two (2) unique proposals from the stakeholder group which set the framework of discussion for defining a “bad actor”. In December 2022, DSD hosted two (2) public comment meetings, in person and virtual, to allow the public to provide additional comments and feedback on the proposed proactive apartment inspection program. In addition, the SASpeakUp portal allowed for the community to also provide comment.

Over the last few months, the stakeholder group reviewed and discussed the following:

- Code enforcement processes and procedures
- Code terminology (notices vs. citations)
- Most common violations using 18 months of apartment data
- Need for tenant, manager, owner education on the code process
- Annual maintenance permits – presentation by DSD staff
- Health and life safety violations and other items pertinent to the program

On February 23, 2023, DSD presented the Apartment Registration Program to PCDC that was created based on input and framework established by the stakeholder group. PCDC recommended that the proposed ordinance be presented to City Council for consideration and approval.

## **ISSUE:**

This Ordinance will require apartment complexes with five (5) units or more that receive three (3) citations within a consecutive six (6) month period to register for a minimum of six (6) months. Properties enrolled in the Proactive Apartment Inspection Program will be subject to registration fees and proactive monthly inspections, up to 5% of individual units (minimum 2 units), to ensure compliance with City Codes. The proactive inspections are expected to increase the quality of life for tenants who reside at these apartment complexes. DSD anticipates approximately 15 apartment complexes, with an average of 200 units per complex, could potentially be enrolled in the Proactive Apartment Inspection Program.

**ALTERNATIVES:**

If City Council does not approve the proposed ordinance to proactively inspect multi-family residential properties, DSD will continue to respond proactively to calls related to apartment property maintenance violations with existing dedicated code staff.

**FISCAL IMPACT:**

This ordinance authorizes the Proactive Apartment Program and authorizes an annual registration fee of \$100 per apartment unit located on the property. Based on historical information and data, DSD anticipates approximately 15 apartment complexes, with an average of 200 units per complex, could potentially be enrolled in the Proactive Apartment Inspection Program, which would generate approximately \$300,000.00 per year to support proactive inspections of registered properties. All registration fees collected will be deposited in the General Fund. Additional resources needed to implement the program may be requested during the FY 2023 Mid-Year Budget Adjustment or with the FY 2024 Budget development.

**RECOMMENDATION:**

Staff recommends City Council approve the proposed ordinance to proactively inspect apartment complexes that receive three (3) citations within a consecutive six (6) month period to be registered for a minimum of six (6) months in the Proactive Apartment Inspection Program.