



CITY OF ANGLETON

RESIDENTIAL RENTAL REGISTRATION AND INSPECTION PROGRAM (3RPI)

FOR PRESENTATION TO CITY COUNCIL & THE COMMUNITY SERVED



What is it?



Why is it needed?



When will 3RPI go into effect?



What fees will be charged?



How often will rental inspections and registration be required?



Cost calculations

Sample population to estimate number of rental properties, city costs, etc.



Comparison to other cities

ANGLETON RESIDENTIAL RENTAL PROPERTY REGISTRATION AND INSPECTION PROGRAM (3RPI) TOPICS

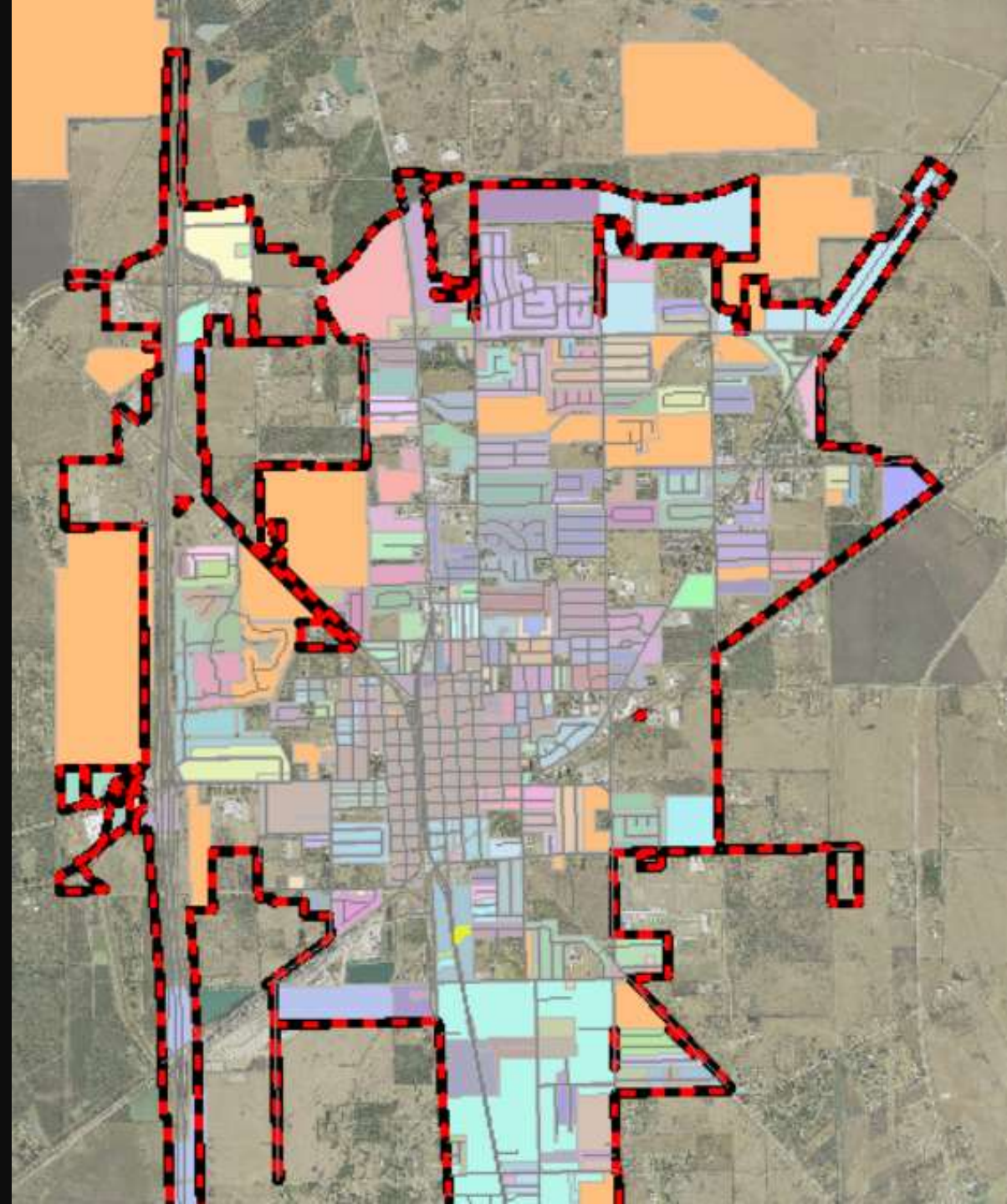


WHAT IS 3RPI?

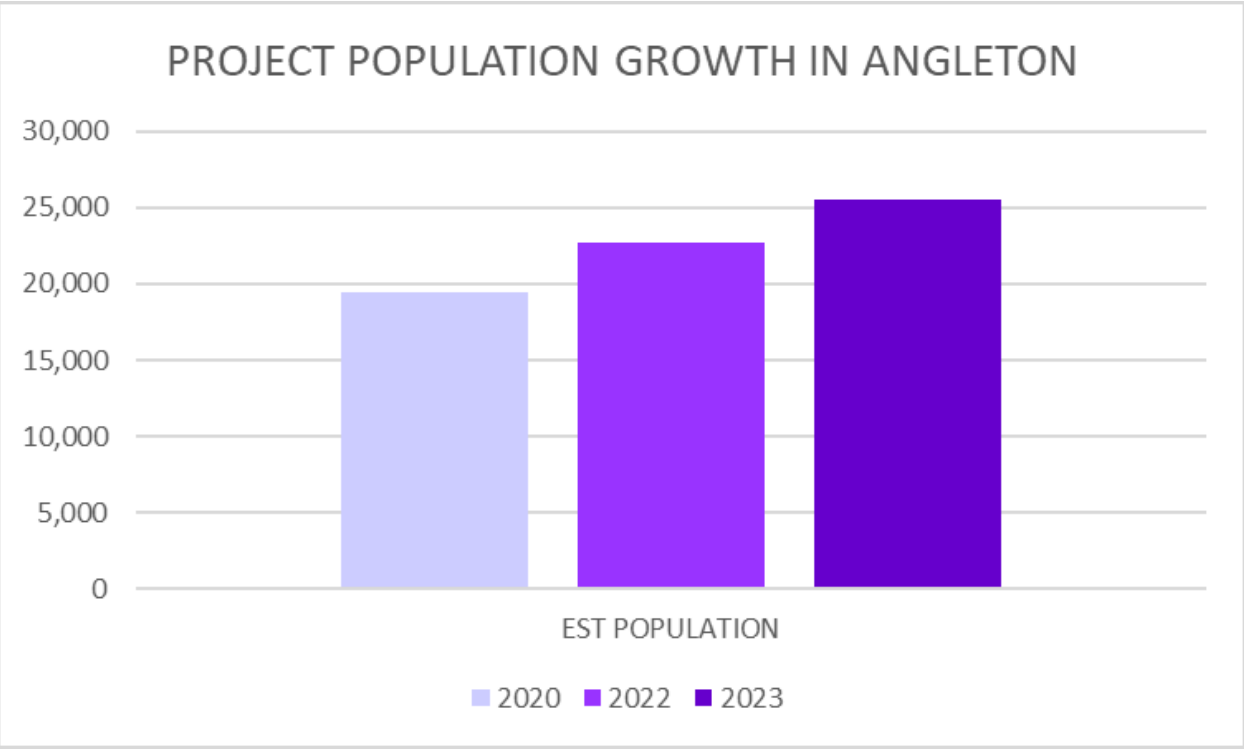
- 3RPI is an abbreviation for “Residential Rental Property Registration and Inspection.”
- The purpose of 3RPI is to have system by which the City of Angleton can ensure rental properties are kept to health, safety, and Code standards to promote a high quality of life for citizens.
- 3RPI is proposed only with fees that support the program sustainability.

WHY NOW AND WHEN WILL 3RPI BEGIN?

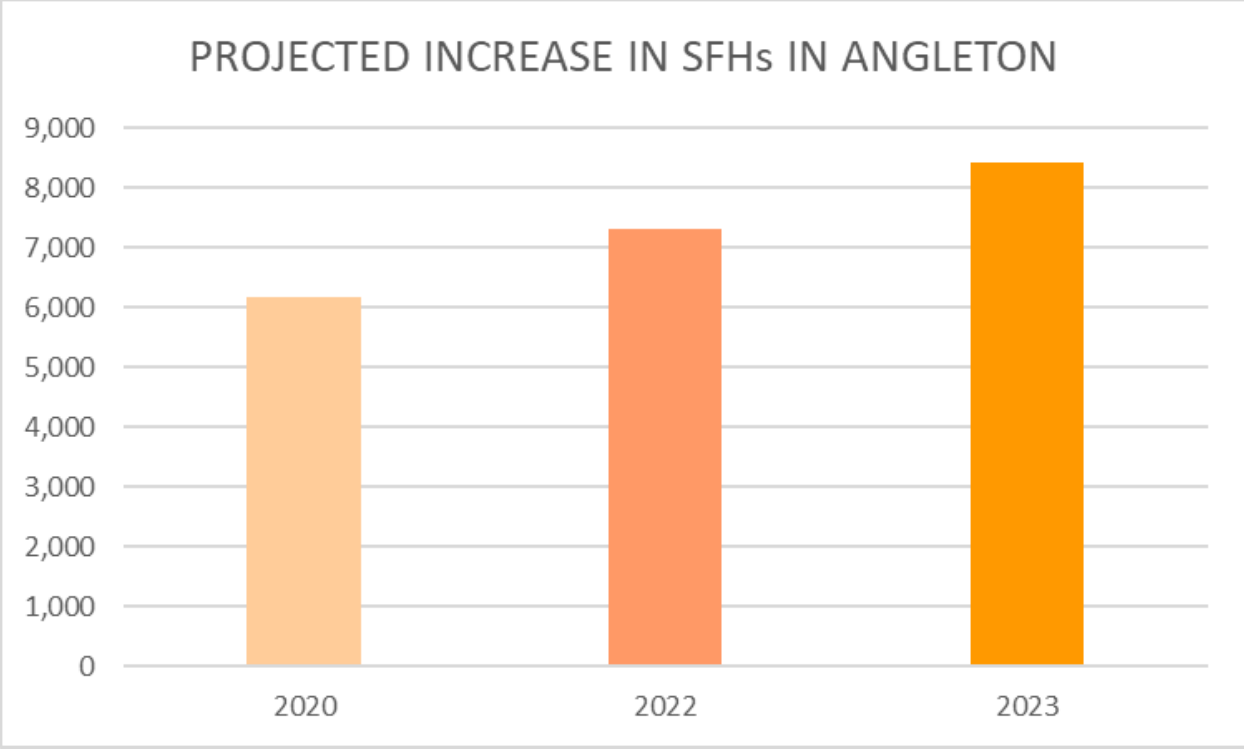
- An estimated 2,250 SFHs and 1 apartment complex to be added in Angleton over the next 2 years (includes Windrose Green development).
 - Projected growth rate for 2022: approx 17%.
 - Projected growth rate for 2023: approx 13%.
 - The City has never tracked rental properties but has identified a need to understand housing availability.
 - City staff estimates approx 22.65% of SFH, manufactured homes, duplexes and townhomes in Angleton are rental properties, or 1,665 of total residential properties.
 - The 3RPI Program is recommended to take effect by January 1, 2022.
-



PROJECTED POPULATION INCREASE (ALL HOUSING TYPES)



PROJECTED INCREASE OF NUMBER OF SFHs



HOUSING DISTRIBUTION IN ANGLETON

BRAZORIA CAD DISTRIBUTION

SFH	5,550
APT COMPLEXES	38
DUPLEXES	15
MOBILE HOMES	<u>576</u>
TOTAL	6,179

- SAMPLE POPULATION: **806**
- SAMPLE POPULATION
PERCENTAGE: **.1304**

STREETS SAMPLED	TOTAL SAMPLE HOMES	POTENTIAL RENTALS IDENTIFIED	POTENTIAL RENTAL PERCENTAGE
PRAIRIE LN		3	
N RANCH HOUSE RD		4	
LASSO ST		1	
TRAIL RIDE		1	
SPANISH TRACE		1	
	80	10	0.1250
WAGON LN LOOP		9	
LA PALOMA CT		3	
	59	12	0.2034
SARITA RD		1	
LOBO CT		2	
	18	3	0.1667
MEADOWVIEW DR		2	
MEADOWLARK LN		4	
ORIOLE LN		1	
FINCH LN		2	
	49	9	0.1837
REMINGTON DR	34	6	0.1765
EVANS ST	52	14	0.2692
DALLAS ST & DALLAS CT	44	14	0.3182
SOUTHSIDE DR	44	9	0.2045
PRAIRIE LEA	80	30	0.3750
LOSTRACCO	16	5	0.3125
W ORANGE	53	15	0.2830
PERRTY ST	13	2	0.1538
CATALPA ST	36	4	0.1111
SPREADING OAKS	27	1	0.0370
AKERS ST / E AKERS ST	24	9	0.3750
TEXIAN TR	51	6	0.1176
CAREY ST & CHRISTY LN	34	7	0.2059
LORRAINE ST	54	21	0.3889
GRACE ST	20	6	0.3000
E PECAN / DANBURY ST	18	4	0.2222
	806	187	0.2320
		AVERAGE	0.2265

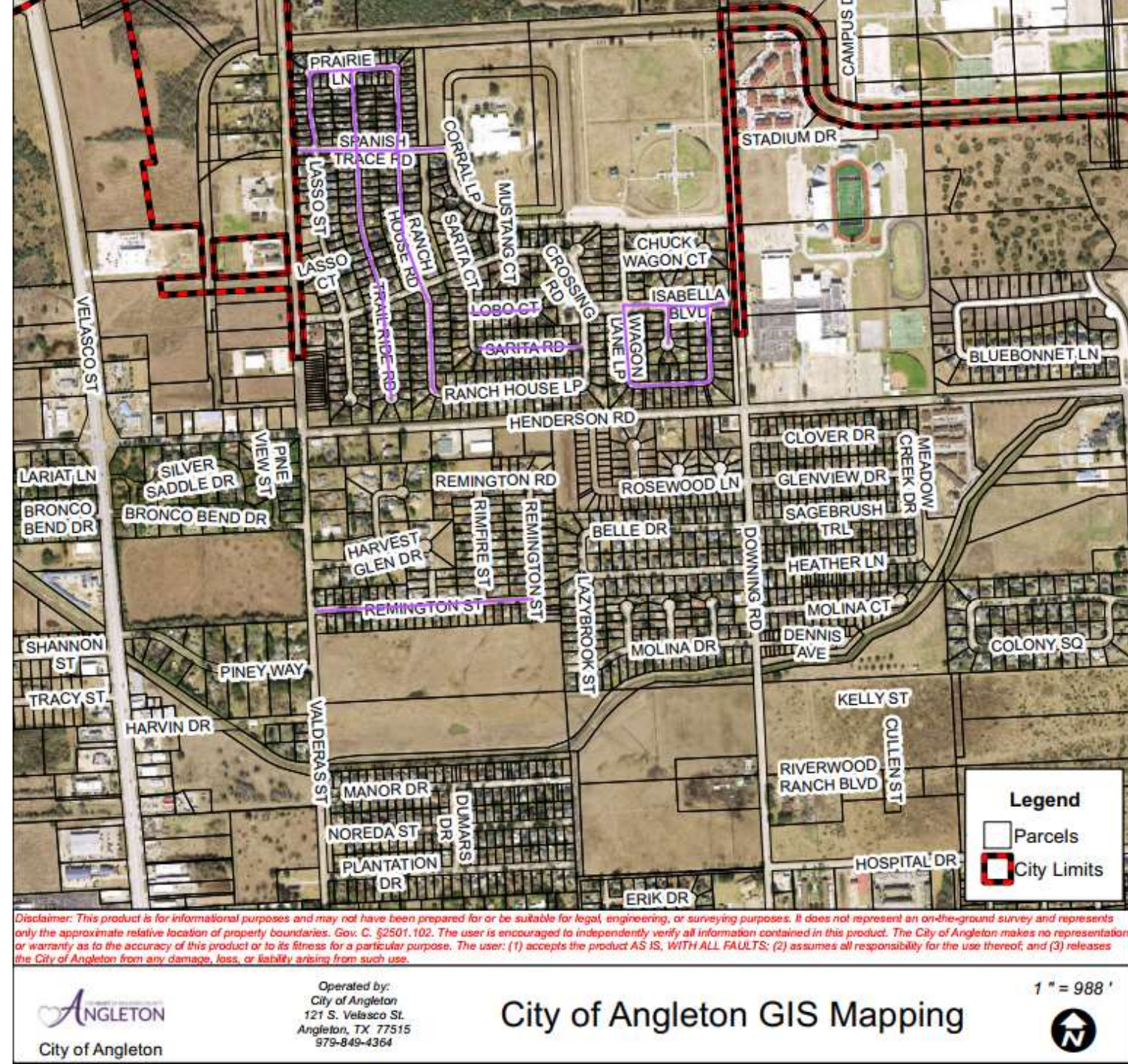
HOW WERE SAMPLE POPULATION STREETS SELECTED?

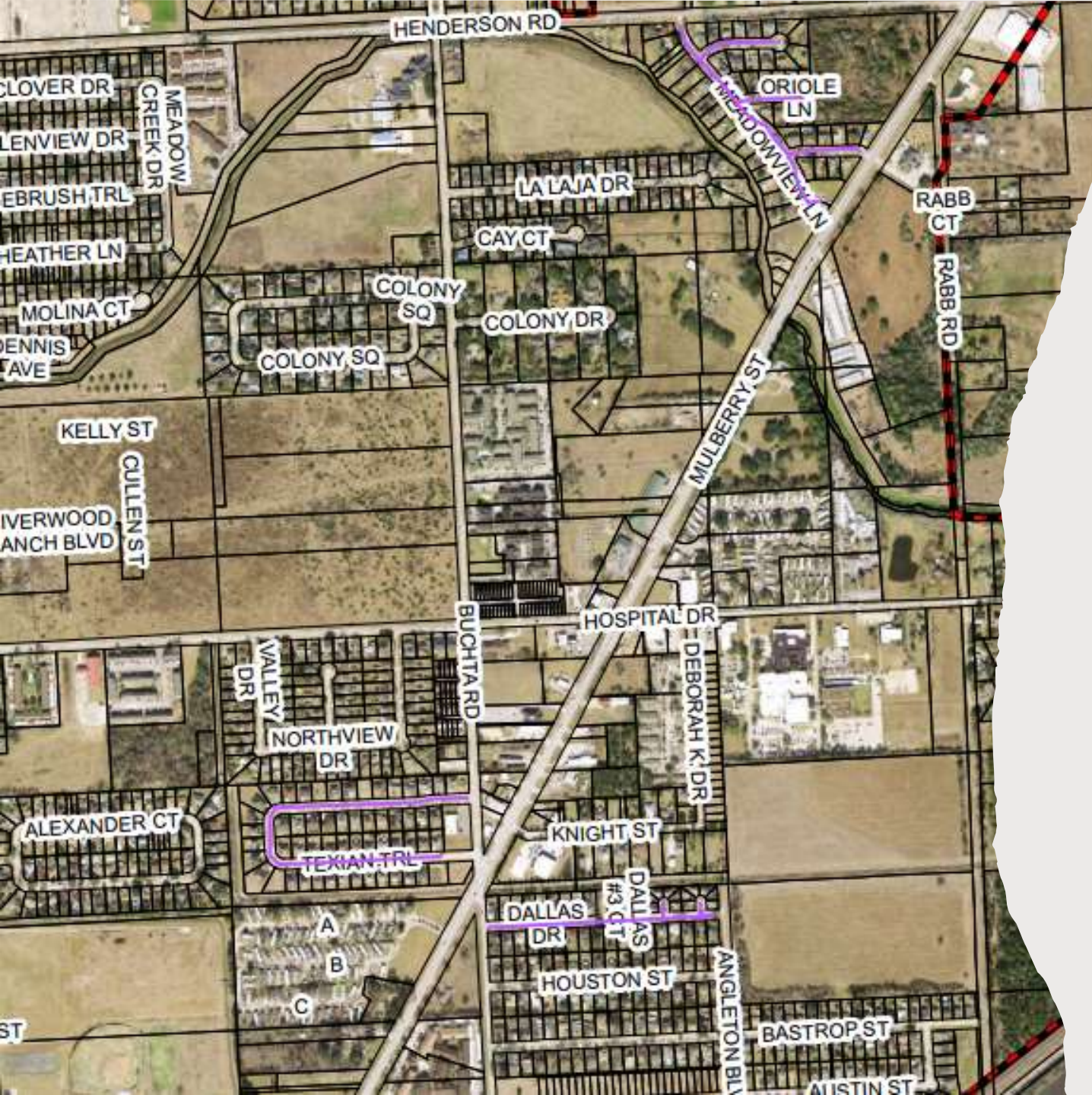
- Streets were selected from residentially-zoned districts within the City's limits.
- Selected streets are representative of all areas of Angleton – North, Northeast, Central, South, Southwest, East and West.
- City-wide sample distribution is representative of all socioeconomic strata in the City of Angleton, from identified low-to-moderate income areas to areas with residential property values that exceed the City's average property value.

SAMPLE STREET MAPS

ANGLETON – NORTH SIDE 191 HOMES SAMPLED

- PRAIRIE LN
- SPANISH TRACE RD
- LASSO ST
- TRAIL RIDE RD
- SARITA RD
- REMINGTON ST
- LA POLOMA
- LOBO CT
- RANCH HOUSE RD
- WAGON LANE LOOP





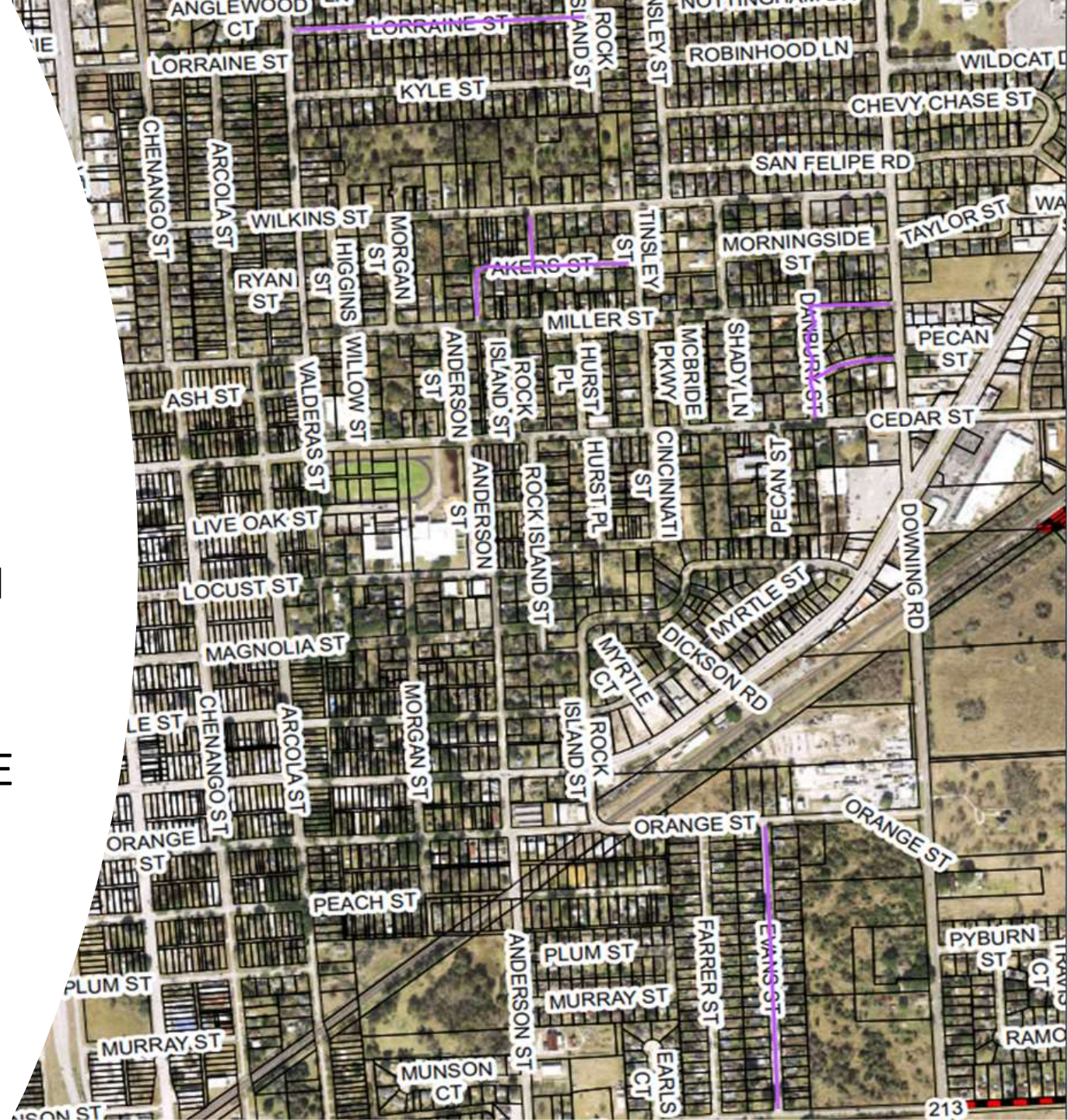
ANGLETON – NORTHEAST SIDE 144 HOMES SAMPLED

- TEXAIN TRAIL
- DALLAS DR / DALLAS CTS
- MEADOWVIEW LN
- MEADOWLARK LN
- ORIOLE LN
- FINCH LN

ANGLETON – CENTRAL

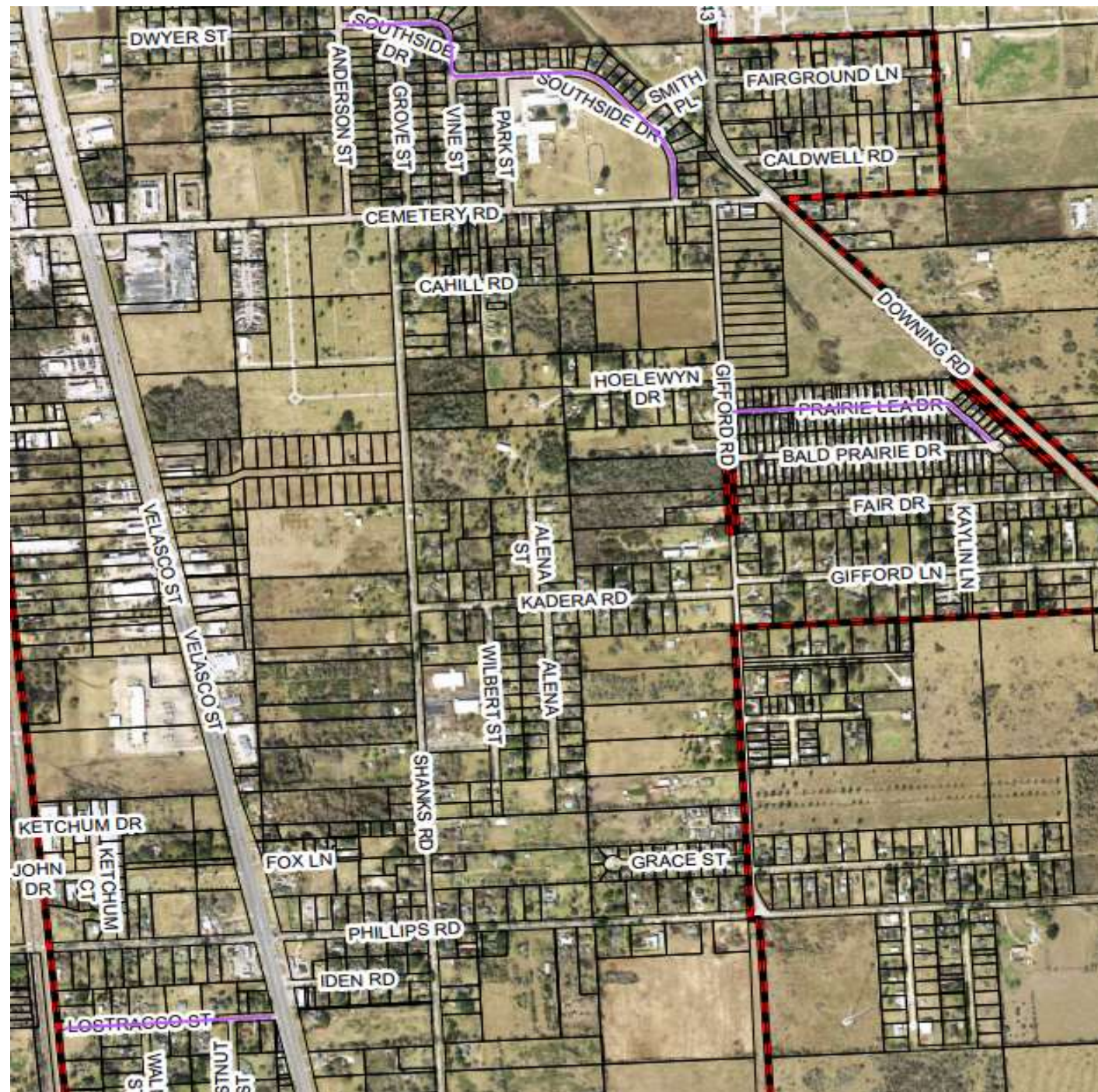
148 HOMES SAMPLED

- LORRAINE ST
- AKERS ST / E AKERS ST / PORTION OF N ROCK ISLAND
- DANBURY ST
- PECAN ST / E PECAN ST / PORTION OF E MULBERRY
- EVANS ST



ANGLETON – SOUTHSIDE 160 HOMES SAMPLED

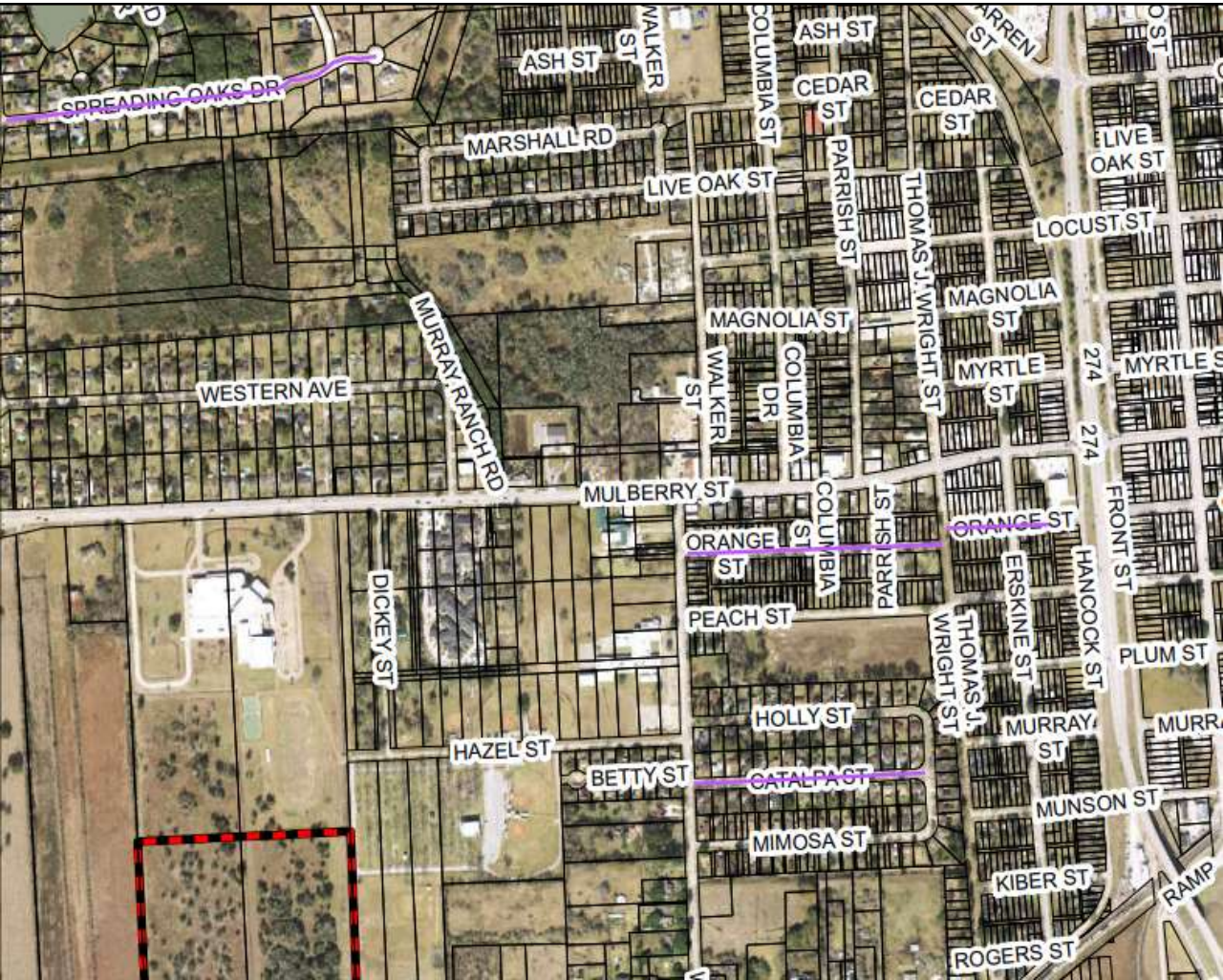
- SOUTHSIDE DR
- PRAIRIE LEA DR
- LOSTRACCO ST
- GRACE ST



ANGLETON – SOUTHWEST SIDE

102 HOMES SAMPLED

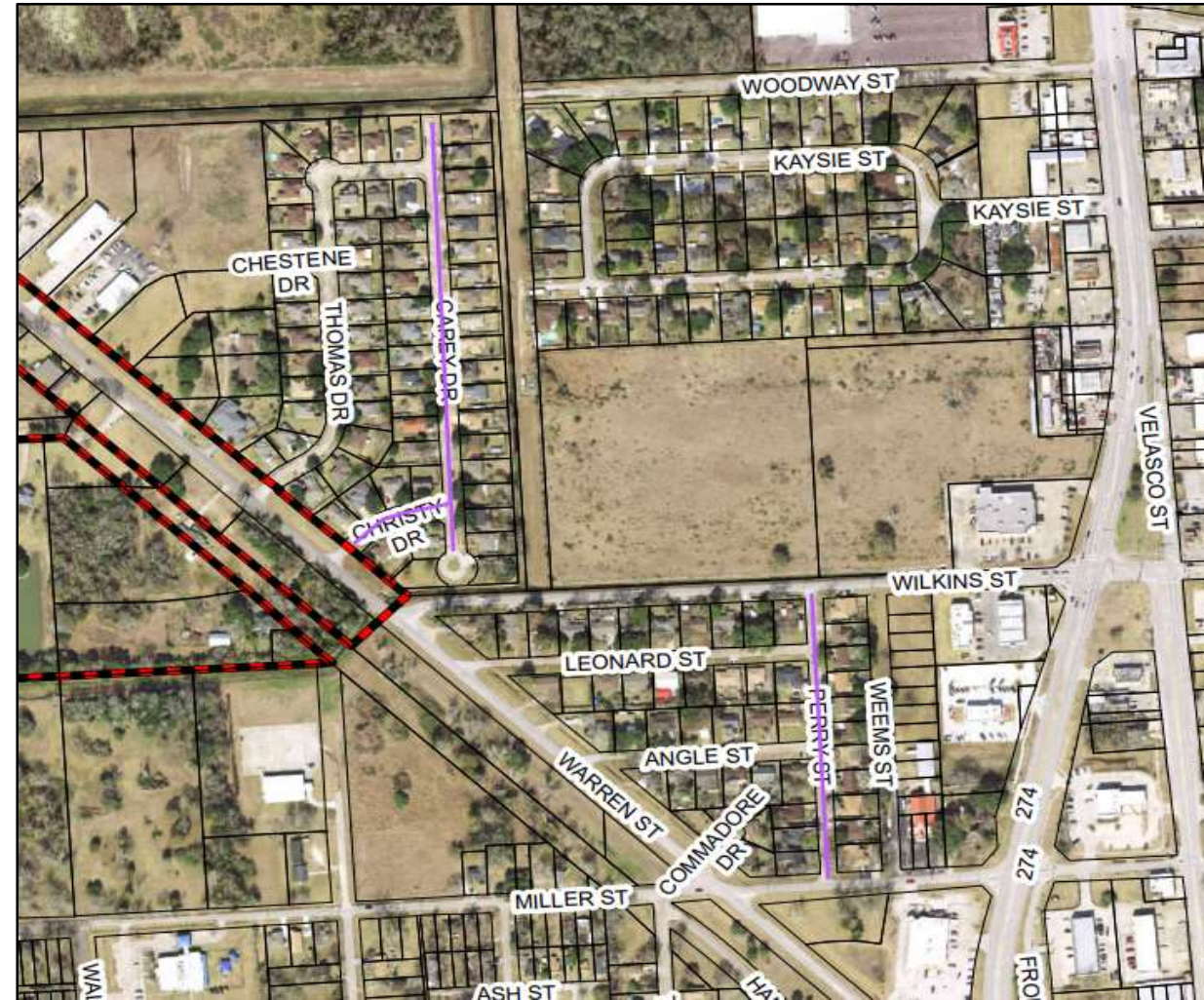
- SPREADING OAKS DR
- W ORANGE ST
- CATALPA ST



ANGLETON – WEST SIDE

47 HOMES SAMPLED

- CAREY DR
- CHRISTY DR
- PERRY ST



SAMPLING METHODOLOGY AND TESTING CONFIDENCE

- Residential properties found in Brazoria County Appraisal District database that returned a property address different from the property owner mailing address and had an active utility account in Angleton were considered highly likely to be rental properties.
- Because the number of rental properties has never been quantified within the City of Angleton, a confidence interval of 95% was taken to assess the likelihood that the estimated rental properties against the sample population fell within +/- 5% of the estimated percentage of rental properties.
- At a 95% confidence interval, the mean sample population identified as potential rental properties was between 20.5% and 24.8% in a two-tailed test.
- Basically, we are 95% confident that that the population parameter is Between 20.5% and 24.8%.

$$CI = \bar{x} \pm z \frac{s}{\sqrt{n}}$$

CI = confidence interval

\bar{x} = sample mean

z = confidence level value

s = sample standard deviation

n = sample size

PROPOSED FEES FOR RENTAL REGISTRATION AND INSPECTIONS

TYPE OF RENTAL PROPERTY	REGISTRATION FEE (ANNUAL)	INSPECTION FEE (ANNUAL OR TENANT CHANGE)	REINSPECTION / REINSTATEMENT INSP. FEE	DELINQUENT FEE
SINGLE FAMILY HOME	100.00	50.00	50.00	75.00
DUPLEX	100.00	50.00	50.00	75.00
TOWNHOUSE	100.00	50.00	50.00	75.00
APARTMENT COMPLEX	350.00	-	-	75.00
APARTMENT UNIT	-	30.00	30.00	50.00

HOW WERE PROPOSED FEES CALCULATED?

Number of rental properties have never been tracked. Staff conducted extensive research based on a sample population of residential properties and applied a confidence interval calculation to estimate how many rental property SFHs, manufactured homes, duplexes, and townhomes.

Staff researched all apartment complex unit quantities.

Staff calculated the City's costs associated with conducting inspections and compared registration and inspection fees to other cities that have adopted rental registration / inspection ordinances.

REVENUE TO EXPENDITURE PROJECTION

DISTRIBUTION OF RENTAL PROPERTIES - CITY OF ANGLETON										
	RENTAL QUANTITIES			PROJECTED REVENUE			PROJECTED COST			REV:EXP
	CITY-WIDE	RENTAL PROPERTY ESTIMATION	APT UNITS	REGISTRATION	INSPECTIONS	TOTAL	REGISTRATION	INSPECTIONS	TOTAL	
APARTMENT COMPLEXES	38	38	1,471	13,300	44,130	57,430	280	73,774	74,054	(16,624)
SFH, MFH, DUPLX, TWNHM (CALCULATED AT A 95% CI)	6179	1,400		139,954	69,977	209,932	10,311	70,191	80,502	129,430
										112,805

PROJECTED ON-TIME REGISTRATION YEAR 1 (GRACE PER THRU 1/31/2022)			DELINQUENT FEE PROJECTION YR 1:		
55%			40%		
TYPE	REGISTRATION	INSPECTION	UNCOLLECTABLE PROJECTION:		5%
APT COMPLEXES	7,315	-	APT COMPLEXES	\$75/COMPLEX	1,140
APT UNITS	-	24,272	APT UNITS	\$50/UNIT	29,420
SFH, MFH, DPL, TH	76,975	115,462	SFH, MFH, DPL, TH	\$75/PROPERTY	41,986
	84,290	139,734		PROJECTED TOTAL	71,406

*Proposed fees, if collected, could support additional staff members to include a full-time inspector/code enforcement officer and a part-time coordinator.

PROPOSED STAFF	WAGE/HR	HOURS/YEAR	BENEFIT COST	EDC/TRN/APRL	WORKERS COMP INS	TOTAL
INSPECTOR/CE OFC (FT)	30	2080	14250	2000	500	79150
COORDINATOR (PT)	15.5	1560	7125	500	0	31805
						\$ 110,955

EXPENDITURE CALCULATION – MAN HOURS & VEHICLE USE

INSPECTION COSTS PER 1.5 HR				
LABOR/HR		VEHICLE COSTS/1.5 HR		NOTES
18	MB	IRS MILEAGE (2021)	0.560	IRS, 2021 RATE/Mi
40	LK	AVE ROUND TRIP (Mi)	2.240	CITY APPROX. 3.5 X 5.5 MILES, OR 19.25 SQUARE Mi. ROUND TRIP V = 4 MILES.
17	BF	VEHICLE INS	0.342	\$2000/YR, CALCULATED AT 1.5 HRS
16	LG	VEHICLE LEASE	2.342	LEASE EXP/VEHICLE = \$6,840, 2 VEHICLES
50	WR	FUEL	0.463	AVE COST OF FUEL USE = AVE COST OF Ga BY USE OF 4 MILES (23 Mi TO THE Ga IN CITY, 2021 CHEVY SILVERADO)
36	KY	VEHICLE COSTS/1.5 HR		
29	RH			
29.47	AVE HR WAGE			
44.205		LABOR/1.5 HR		
TOTAL INSPECTION COST FOR MAN HOURS AND VEHICLE USE			50.15	

ADMIN COST - PROCESS REGISTRATION & SCHEDULE INSP.		
AVE DS DEPT MAN HR		29.47
	15 MIN	7.37

***Total cost of City staff and vehicle expenditure is estimated at \$50.15 per one and a half hours. Staff suggests the fee for rental inspection is \$50/inspection to cover City's costs. The projected loss of 15 cents per 1.5 hr. is made up through registration fees.**

COMPARISON OF FEES	Registration				Inspection Fee					
TX Cities w/ Rental Inspection & Registration Ordinances	Apt Unit	SFH	Duplex	Townhome	Apt	SFH	Duplex	Townhome	City Population	Other Fees
City of Fate	25	85	85	85					12,787	re-inspection \$75
										late fee \$150
City of Saginaw	75	75	75	75	50	50	50	50	48,650	re-inspection \$150
										delinquent fee \$50
										reinstatement fee \$100
City of Rowlett	12	50	50	50					63,793	
City of Duncanville	25	25	25	25	50	50	50	50	39,415	early move-in penalty \$50
										change of ownership \$10
										replacement RCO \$10
City of Lake Jackson	24								27,295	
City of Carrollton	20	50	50	50	50	50	50	50	135,834	
City of Stafford		250	250	250		100	100	100	17,206	late fee \$100
City of Lewisville	-	-	-	-	-	-	-	-	106,386	No fees
City of Leon Valley	65	65	65	65	65	65	65	65	12,199	
City of North Richland Hills	39	39	39	39	39	39	39	39	70,202	change of occupancy \$69
										2nd re-inspection \$75
										3rd re-inspection \$125
City of West Orange					50	50	50	50	3,342	
City of Dallas	43	43	43	43					1,331,000	
City of Missouri City	15	50	50	50					74,557	
City of Sugar Land	94	94	94	94					118,709	late fee \$31
										re-inspection (1) \$56.5
										re-inspection (2) \$112.50
City of Cedar Hill		50	50	50		50	50	50	48,560	renewal \$25
										late renewal \$75
City of Crandall	50	50	50	50	77	77	77	77	3,650	
City of Coppell	10	50	50	50	10	40	40	40	41,645	
City of Forney	15	50	50	50	50	50	50	50	21,459	inspection fee \$50/HR
City of Watauga		125	125	125					24,582	early move-in penalty \$100
City of Hurst	10	10	10	10	50	50	50	50	38,976	
City of Mesquite		120	120	120					143,456	early move-in penalty \$100
City of Richwood	25	25	25	25	100	100	100	100	4,050	re-inspection fee \$25

Average Registration Fees:	
Apartment Unit	32
SFH	65
Duplex	65
Townhome	65

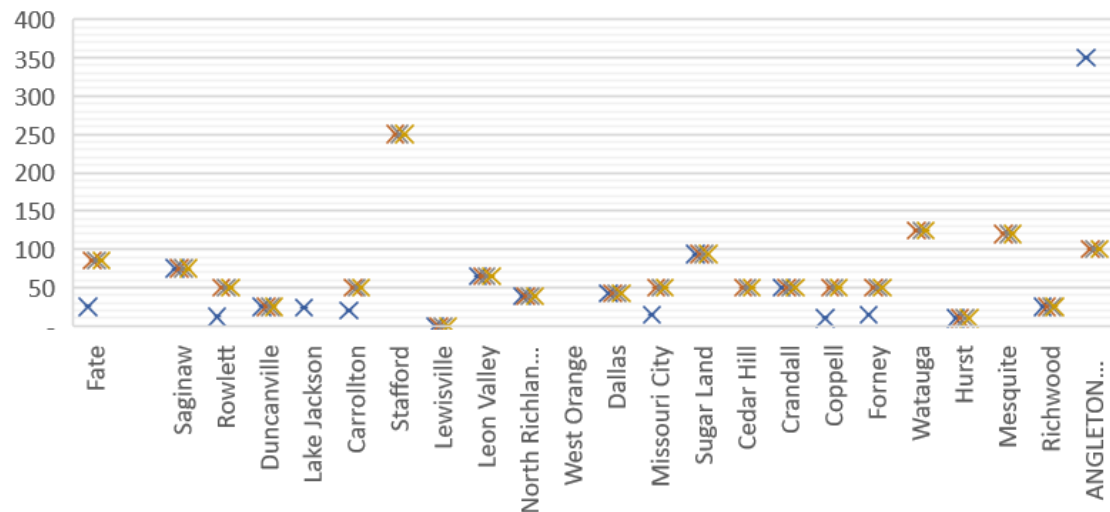
Average Inspection Fees	
Apartment Unit	49
SFH	55
Duplex	55
Townhome	55

HOW DO ANGLETON'S PROPOSED 3RPI FEES COMPARE TO OTHER CITIES?

TYPE OF RENTAL DWELLING	PROPOSED REGISTRATION FEE	% DIFF FROM AVE OF OTHER CITIES	PROPOSED INSPECTION FEE	% DIFF FROM AVE OF OTHER CITIES
APARTMENT COMPLEX	\$ 350.00	N/A	\$ -	N/A
APARTMENT UNIT	\$ -	N/A	\$ 30.00	-38.78%
SFH	\$ 100.00	35.00%	\$ 50.00	-9.09%
DUPLEX	\$ 100.00	35.00%	\$ 50.00	-9.09%
TOWNHOME	\$ 100.00	35.00%	\$ 50.00	-9.09%
MANUFACTURED HOME	\$ 100.00	N/A	\$ 50.00	N/A

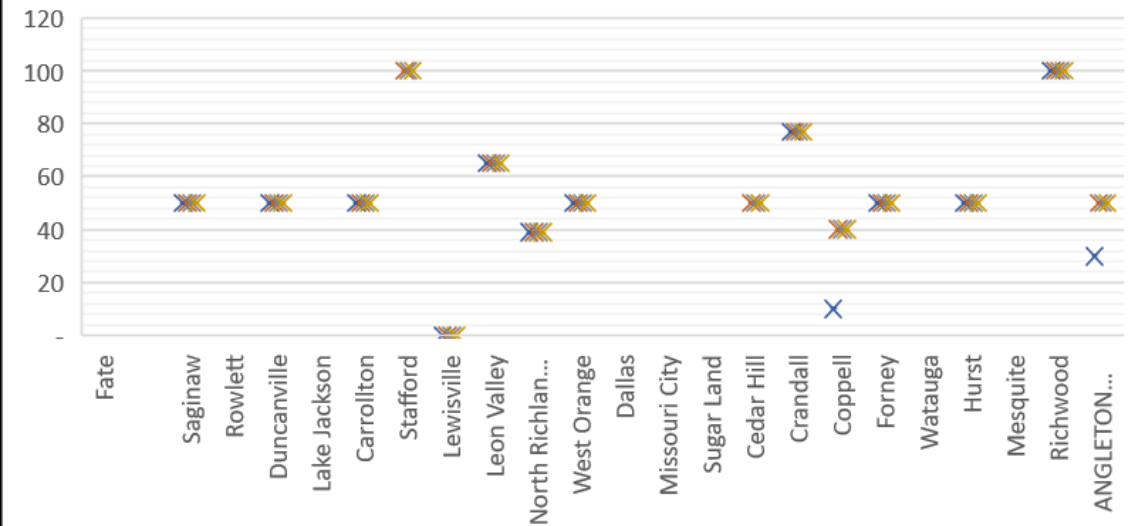
RENTAL REGISTRATION FEE

■ Apt Unit ■ SFH ■ Duplex ■ Townhome



RENTAL INSPECTION FEE

■ Apt ■ SFH ■ Duplex ■ Townhome



ARGUMENTS FOR AND AGAINST RENTAL INSPECTION POLICIES

IN FAVOR OF RENTAL INSPECTIONS:

- Health, safety, and welfare of renters.
- Code compliance, neighborhood aesthetics, particularly in neighborhoods without HOAs/POAs.
- Retention of real property values.
- Incidental benefits – statistics on housing types offered in Angleton, emergency management and economic development insight.

OPPOSED TO RENTAL INSPECTIONS:

- Too much government oversight.
- Added expense.
- Added expense likely to be passed on to renters.
- Never had to register and pay fees for rentals before.
- Grandfathered exemptions from requirements – resistance to change.



According to the Entrepreneurship and Community Development Clinic at the University of Texas School of Law, rental inspections provide the following benefits to communities and tenants:

- 1. Tenants may be afraid to report Code violations for fear of retaliation.**
- 2. Rental registration programs identify Code violations before they become hazardous and/or too expensive to repair.**
- 3. Rental registration is a low-cost and effective program.**
- 4. Rental registration deters Code violations and makes properties safer.**
- 5. Rental registration programs provide critical emergency contact information.**
- 6. Rental registration programs can be easily structured to have a minimal impact on compliant property owners.**

“Rental registration is an efficient and evidence-backed tool for identifying and remedying dangerous code violations in rental properties.” (July 2013)

CHAMPLAIN TOWER SOUTH

- Surfside, FL.
- 12-story apartment building collapsed on June 24, 2021.
- Collapse attributed to major structural damage.
- Estimated \$9m to have fixed the structure.
- Judge ruled \$150 million to compensate family members of deceased.
- 98 confirmed deaths.
- 2010 repeal of FL law that required condominium building inspection and repairs.

Constantino, A. K. (2021)





- **EXAMPLES OF SUBSTANDARD RENTAL UNITS IN ANGLETON**



REFERENCES:

- Brazoria County Appraisal District, 2021 Certified Totals. City of Angleton, Grand Totals. Page 40.
- Constantino, A. K. “Final missing person identified in Florida condo collapse, bringing death toll to 98.” Published Monday, July 26, 2021. CNBC.com. Retrieved from: <https://www.cnbc.com/2021/07/26/florida-condo-collapse-final-missing-person-identified-death-toll-98.html>
- The Facts About Rental Registration. The Entrepreneurship and Community Development Clinic for the University of Texas School of Law. July 2013. Retrieved from: <https://law.utexas.edu/wp-content/uploads/sites/11/2015/07/2013-07-ECDC-THE-FACTS-ABOUT-RENTAL-PROPERTY-REGISTRATION.pdf>
- Statistical estimations on rental properties in Angleton and projected revenue to expenditure calculations by Lindsay Koskiniemi, CGFO, CPM, MPA, MS, Assistant Director of Development Services.
- City maps created using City of Angleton Geographical Interface System (GIS). HDG Engineers Program Administrators. Software available through ESRI ArcGIS. <https://angleton-secure.hdrgateway.com/>

ANY QUESTIONS?

