Agenda Item: 10:30 a.m.
Date: 12/7/16

CITY OF FRESNO
COUNCIL MEETING

Supplemental Information Packet

Agenda Related Item(s) – ID16-1468

Contents of Supplement: Letter from Regency Property Management
Item(s)

Bill (for introduction) Adding Article 16 to Chapter 10 of the Fresno Municipal Code related to a residential rental inspection program.

Supplemental Information:

Any agenda related public documents received and distributed to a majority of the City of Fresno Capital Projects Oversight Board after the Agenda Packet is printed are included in Supplemental Packets. Supplemental Packets are produced as needed. The Supplemental Packet is available for public inspection in the City Clerk's Office, 2600 Fresno Street, during normal business hours (main location pursuant to the Brown Act, G.C. 54957.5(2). In addition, Supplemental Packets are available for public review at the Oversight Board meeting in Meeting Room 2165A, 2600 Fresno Street. Supplemental Packets are also available on-line on the City Clerk's website.

Americans with Disabilities Act (ADA):

The meeting room is accessible to the physically disabled, and the services of a translator can be made available. Requests for additional accommodations for the disabled, sign language interpreters, assistive listening devices, or translators should be made at least 48 hours prior to the meeting. Please call City Clerk's Office at 621-7650. Please keep the doorways, aisles and wheelchair seating areas open and accessible.

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Date: December 7, 2016
To: Fresno City Council
From: Regency Property Management
Re: Proposed Housing Inspection Ordinance

After giving careful consideration to the Mayor's proposed ordinance covering mandatory interior inspections of rental property, we cannot endorse this regulation as presently written. While the spirit of the proposal is well-intended, we feel it will create unnecessary financial burden upon the legitimate property owner, and that burden is going to ultimately end up settling upon the tenants. We understand that there are many property owners that do not conform to the housing standard that is trying to be re-established in our community, but the property owner that seeks out and pays for management services should not be classified with those substandard property owners. They are paying for that right.

From the property management company standpoint, we already provide inspection services to our clients. They already pay us for this service. We do interior inspections of our rentals at periodic intervals during a tenancy lifecycle, including prior to a tenant moving in, during periods of vacancy, annually while tenant-occupied, and indiscriminately while the property is being maintained. This is a fiduciary duty of our company and it is not neglected. Tacking on additional fees for annual or tri-annual inspections is just adding unnecessary costs to the owner's bottom line. We can't reasonably sell to our clients that they are going to be on the hook for costs for the city inspector to do something that they already pay us to do.

To counter this fee, our clients are going to be advised that they can offset the upcoming costs by raising rents. Passing on the financial burden to the residents is surely not the aim of the Mayor's proposal.

We do believe there is a need for better and stronger oversight of substandard landlording. And we are onboard for an ordinance that would reasonably improve the unsatisfactory conditions that some rental properties provide for their residents. Unfortunately, this latest proposal does not hit the correct target. The owners that pay for property management services have an expectation that their rental units are being kept at a health and safety standard that already meets the standard that this proposal is trying to implement.

Sincerely,

Regency Property Management