

ORDINANCE NO.

AN ORDINANCE ESTABLISHING A PILOT PROGRAM THAT REQUIRES RENTAL REGISTRATION FOR MULTI-FAMILY PROPERTIES AND NON-COMPLIANT SINGLE-FAMILY PROPERTIES; AND CREATING A PENALTY.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

PART 1. FINDINGS.

PART 2. Pilot Program area: The ordinance creates a pilot program that requires registration of multi-family rental properties and non-compliant single-family rental properties beginning on the effective date of this ordinance and continuing for 12 months in the following areas:

- (1) North Austin Civic Association (NACA);
- (2) "Restore Rundberg";
- (3) East Riverside/Oltorf Combined Neighborhood (EROC);
- (4) Central Austin Neighborhood Advisory Committee (CANPAC) Planning Areas;
- (5) Hyde Park; and
- (6) Northfield and North Loop.

The areas identified above are shown on the attached map that is identified as Exhibit 1.

PART 3. PROGRAM REQUIREMENTS.

(A) DEFINITIONS.

In this ordinance:

- (1) AUSTIN METRO AREA means the five-county metropolitan area that surrounds the City of Austin.
- (2) CODE OFFICIAL means the Code Compliance Department director and authorized designees.

- 1 (3) DWELLING UNIT means a residential unit providing complete,
2 independent living facilities including permanent provisions for living,
3 sleeping, eating, and cooking.
- 4 (4) LANDLORD means a person that owns, operates, manages, or controls
5 rental property and is the applicant for purposes of this ordinance.
- 6 (5) MULTI-FAMILY PROPERTY means property that is used for three or
7 more dwelling units, within one or more buildings; condominium rental
8 use as defined in Section 25-2-3(B); and three or more single-family
9 properties owned by one person that are adjacent to one another.
- 10 (6) NOTICE OF VIOLATION means a written notice that a violation of the
11 City Code exists.
- 12 (7) REGISTRANT means the landlord of a registered rental property.
- 13 (8) RENTAL PROPERTY means a multi-family property and a single-
14 family property subject to this ordinance.
- 15 (9) SINGLE-FAMILY PROPERTY means property that is used for
16 conservation single family residential, duplex residential, single-family
17 attached residential, single-family residential, small lot single-family
18 residential, townhouse residential, and two-family residential, as those
19 terms are defined in Section 25-2-3(B).

20 (B) REGISTRATION REQUIRED; EXCEPTIONS.

- 21 (1) Except as provided for in subsection (4), a rental registration issued
22 under this ordinance is required to operate, lease, occupy, or otherwise
23 allow a multi-family rental property to be occupied.
- 24 (2) Except as provided for in subsection (4), a rental registration issued
25 under this chapter is required to operate, lease, occupy, or otherwise
26 allow a single-family rental property to be occupied by a non-owner if
27 the following conditions are met:
- 28 (a) two or more separate notices of violation are issued for the same
29 property within a 12 month period and the owner of the property fails
30 to correct the violations within the time frame required by the code
31 official;
- 32 (b) five or more separate notices of violation are issued for the same
33 property within a consecutive 12 month period regardless of whether

1 the owner of the property corrects the violations within the time frame
2 required by the code official; or

3 (c) two or more citations are issued for the same property within a
4 consecutive 12 month period.

5 (3) The violations identified in the notices and citations must be related to
6 the City Code Chapter 25-12 (*Technical Codes*), City Code Chapter 10-
7 5, Article 2 (*Sanitary Condition of Real Property*), City Code Chapter
8 10-7 (*Pools and Spas*), and City Code Section 25-11-32 (*Permit*
9 *Required*).

10 (4) A rental registration under this ordinance is not required for:

11 (a) Owner-occupied residential units; or

12 (b) Residential units regulated by another section of the Code.

13 (C) REGISTRATION.

14 (1) A multi-family property must be registered within 30 days of the
15 effective date of this ordinance.

16 (2) The landlord of a single-family property that meets the conditions in
17 Subsection (B)(2) must register the property.

18 (3) The code official must provide written notice to a landlord subject to
19 subsection (C)(2) that registration is required.

20 (4) The code official may allow a landlord up to 14 days to register the
21 single-family property.

22 (5) Registration is non-transferable

23 (6) A separate registration is required for each property.

24 (7) A person who fails to register as required in Subsections (C)(1) and
25 (C)(2) commits an offense punishable under Subsection (W) (*Penalty*).

26 (D) OTHER PERMITS OR LICENSES REQUIRED.

27 (1) The issuance of a rental registration under this ordinance does not satisfy
28 the requirement to obtain any other permit or approval required by this
29 code.

1 (2) Failure to comply with other City permitting requirements is cause to
2 suspend a registration issued under this Ordinance.

3 (E) CHANGE IN OWNERSHIP.

4 If a change in ownership of the rental property occurs, the new owner must,
5 within 30 days of the change, file a new registration application and pay a
6 new registration fee.

7 (F) APPLICATION FEES.

8 (1) An applicant must pay an application fee.

9 (2) The fee for a rental registration application under this ordinance is
10 established by separate ordinance.

11 (3) If a rental registration is revoked, the landlord must reapply for
12 registration and pay the application fee.

13 (G) CONTENTS OF APPLICATION.

14 (1) An application for rental registration must be submitted on a form
15 approved by the code official.

16 (2) An application must contain all of the information described in this
17 subsection that is applicable to the rental property.

18 (a) the name, address, and telephone of the applicant;

19 (b) the name, address, and telephone of the property management
20 company, if not the same as the applicant;

21 (c) the address of the property;

22 (d) the number of individual rental units and buildings at the property;

23 (e) a brief description of the amenities on the property;

24 (f) the form of business of the applicant and, if the business is a
25 corporation or association, a copy of the documents establishing the
26 business;

27 (g) the name, address, and telephone of local contacts described in
28 Section (N) (*Local Contacts*); and

1 (h) any additional information required by the code official.

2 (H) APPROVAL OR DENIAL OF REGISTRATION.

3 (1) The code official shall issue a registration for a single-family property
4 subject to this ordinance.

5 (2) The code official shall issue a registration for a multi-family property
6 unless one of the conditions specified in subsection (3) is found.

7 (3) The code official shall deny registration to an applicant who:

8 (a) fails to provide a complete application; or

9 (b) makes a misrepresentation or false statement in application for a
10 registration.

11 (I) RENTAL OF UNREGISTERED PROPERTY PROHIBITED.

12 A person may not rent or operate a rental property subject to this ordinance
13 without a rental registration required by this ordinance.

14 (J) REGISTRATION PERIOD.

15 (1) A single-family property subject to this ordinance shall be registered for a
16 minimum of two consecutive years.

17 (2) The single-family property rental property must remain registered until
18 none of the conditions in Subsection (B)(2) occur for two years.

19 (3) If a rental property completes a registration period and then becomes
20 subject to this ordinance again, the registration period shall be for a
21 minimum of five years and must remain registered as provided for in
22 subsection (J)(2).

23 (K) REGISTRATION FEE.

24 (1) Each year a registrant shall pay a fee to maintain the rental registration.

25 (2) The rental registration fee is established by separate ordinance.

26

1 (L) DISPLAY OF REGISTRATION.

- 2 (1) A registrant of a multi-family property must display the registration in a
3 public area of an on-site management office or other similar public area
4 of the property.
- 5 (2) A registrant of a single-family property must display the registration in
6 the kitchen area of the property.

7 (M) SIGNS

- 8 (1) A registrant shall post and maintain signs on the premises of the property
9 that include the following information:
- 10 (a) the names and telephone number of the local contacts described in
11 section (O) (*Local Contacts*); and
- 12 (b) how to report code violations to the city.
- 13 (2) The signs required by this section shall be a minimum of 12 inches by 24
14 inches. Sign facings shall be fabricated out of weather-proof material.
15 The signs shall have a white background with letters and numbers in a
16 contrasting color.
- 17 (3) The registrant of a multi-family property must post one sign per 50 units.
18 The signs must be posted outside and in the common areas of the
19 property. If more than one sign is required under this section, the signs
20 may not be placed in the same area of the property.
- 21 (4) The registrant of a single-family property subject to this ordinance must
22 post one sign in the kitchen area of each dwelling unit.
- 23 (5) Any changes in the information required by subsection (M)(1) must be
24 updated within three business days of the change.

25 (N) TENANT REGISTRY.

- 26 (1) The registrant must maintain a registry of all tenants at a single location.
- 27 (2) The registry must include the following information
- 28 (a) name of tenants; and
- 29 (b) contact information of tenants.

1 (3) In the event of an emergency, the registrant must make the rental registry
2 available immediately for use by the code official.

3 (4) A registrant must update its registry within 48 hours of a change in
4 occupants at the property.

5 (O) LOCAL CONTACTS.

6 (1) A registrant that does not reside within the Austin Metro Area must
7 identify an individual or individuals that can respond to emergency
8 conditions.

9 (2) The individual or individuals described in subsection (O)(1) must be
10 present within the Austin Metro Area and be available to respond to
11 within two hours to an emergency during any 24- hour period.

12 (3) Emergency conditions shall include, but not be limited to, fire, natural
13 disaster, flood, collapse hazard, burst pipes, lack of working utilities, or
14 other condition that requires an immediate response to prevent harm to
15 the property, the occupants of the property, or the public.

16 (4) A registrant must update the code official in writing of its local contacts
17 on an annual basis or within three business days if there is a change
18 related to the local contacts.

19 (P) NOTIFICATION OF CHANGE OF INFORMATION.

20 A registrant shall notify the code official of a material change in the
21 information contained in the rental registration application within 10 days of
22 the change.

23 (Q) INSPECTION BY CODE OFFICIAL.

24 (1) The code official may conduct

25 (a) inspections based on indications of Code violations, including
26 complaints received by the city;

27 (b) periodic inspections; and

28 (c) follow-up inspections.

29 (2) The following areas of a multi-family property will be subject to inspection
30 by the code official:

- 1 (a) all building exteriors;
- 2 (b) all exterior and interior public areas;
- 3 (c) vacant dwelling units; and
- 4 (d) occupied dwelling units upon the consent of the tenant or when subject
- 5 to a valid administrative search warrant issued by a court of competent
- 6 jurisdiction.

7 (3) The following areas of a single-family property will be subject to inspection

8 by the code official:

- 9 (a) all building exteriors;
- 10 (b) vacant dwelling-units, with the owner's consent; and
- 11 (c) occupied dwelling units upon receipt of complaint by the tenant or
- 12 when subject to a valid administrative search warrant issued by a
- 13 court of competent jurisdiction.

14 (4) The code official may inspect rental property as frequently as the code

15 official deems necessary.

16 (5) A landlord or tenant of a rental property may refuse to consent to an

17 inspection conducted by the code official. If consent is refused, the code

18 official may seek an administrative search warrant authorized by Article 18

19 of the Texas Code of Criminal Procedure and Section 2-10-1 of the City

20 Code.

21 (R) PERIODIC INSPECTIONS.

22 (1) Except as provided subsection (S) (*Third-Party Inspection*), a periodic

23 inspection by the code official may occur once every two years.

24 (2) A periodic inspection includes inspection of:

- 25 (a) no more than four dwelling units at a rental property with 20 or fewer
- 26 dwelling units; or
- 27 (b) no more than 20 percent of the dwelling units at rental property with
- 28 more than 20 dwelling units.

29 (3) If one percent of the dwelling units fail inspection, the code official may

30 inspect all of the dwelling units.

- 1 (4) The code official will select the dwelling units that will be subject to
2 inspection.
- 3 (5) Prior to a scheduled periodic inspection, a registrant must provide
4 occupants of the property at least 2 days written notice that includes the
5 following:
- 6 (a) The units that may be inspected;
- 7 (b) that an inspector intends to enter the dwelling unit to inspect the unit;
- 8 (c) that the tenant has a right to see the code compliance inspector's
9 identification before the inspector enters the dwelling unit; and
- 10 (d) contact information for the Code Compliance Department.
- 11 (6) Upon request of the code official, a registrant must provide proof that
12 written notice was provided.
- 13 (7) During the first five years after a certificate of occupancy is issued for a
14 newly-constructed multi-family property is exempt from periodic
15 inspections.

16 (S) THIRD PARTY INSPECTION.

- 17 (1) Except as provided in subsection (5), a multi-family property subject to
18 this ordinance may satisfy periodic inspection requirement in Section (R)
19 (*Periodic Inspections*) with inspections conducted by a third-party
20 inspector registered with the City if the following conditions are met:
- 21 (a) during a prior inspection by the code official, no violations were
22 found at the property or any violations found during the prior
23 inspection are corrected in a timely fashion;
- 24 (b) there are no outstanding permitting issues at the property; and
- 25 (c) the registrant has complied with this ordinance.
- 26 (2) A third-party inspector must inspect at least 40% of the dwelling units
27 equally distributed throughout the property.
- 28 (3) A third-party inspection must occur once every year.
- 29 (4) The results of a third-party inspection shall be submitted to the code
30 official on a form approved by the code official.

- 1 (5) A third party inspection may not satisfy the periodic inspection
2 requirement in section (R) (*Periodic Inspections*) if:
- 3 (a) the rental property is subject to a legal action concerning public health
4 and safety of the property;
- 5 (b) during a twelve month period, the rental property incurs five or more
6 notices of violations regardless of whether the registrant corrects the
7 violations within the time frame required by the code official;
- 8 (c) during a twelve month period, the registrant fails to timely comply
9 with two or more notices of violations or two or more citations are
10 issued for the rental property; or
- 11 (d) the conditions of the rental property make the property unsafe,
12 substandard, or dangerous.
- 13 (6) If the third-party inspection identifies violations of the City Code, a
14 registrant shall, within 30 days from the date of the third-party inspection:
- 15 (a) correct the violations; and
- 16 (b) provide written notice to the code official that the violation was
17 corrected.
- 18 (7) If the code official rejects a third-party inspection as described in
19 subsection (T)(2), the registrant must have the property re-inspected by a
20 third-party inspector registered with the City.
- 21 (8) Nothing in this section impairs the ability of the code official to inspect as
22 necessary.

23 (T) THIRD PARTY INSPECTORS.

- 24 (1) A person may register with the City as a qualified rental housing inspector
25 if the individual is certified as:
- 26 (a) an A.A.C.E Property Maintenance and Housing Inspector;
- 27 (b) an I.C.C. Property Maintenance and Housing Inspector; or
- 28 (c) an I.C.C. Residential Building Code Inspector; or
- 29 (d) an I.C.C. Building Code Inspector.

1 (2) The code official may reject a third-party inspection conducted by a
2 person that is not registered with the City.

3 (U) SUSPENSION.

4 (1) The code official may suspend rental registration for a property if the
5 code official determines that:

6 (a) the registration was issued in error;

7 (b) the property is declared substandard or dangerous by the Building
8 and Standards Commission, the code official, or a court of competent
9 jurisdiction;

10 (c) the registrant fails to timely comply with a notice of violation; or

11 (d) the registrant fails to pay its annual registration fee.

12 (2) A suspension is effective until the code official determines that registrant
13 complies with:

14 (a) the requirements of this Ordinance;

15 (b) an order of the Building and Standards Commission, code official, or
16 a court of competent jurisdiction; or

17 (c) a notice of violation.

18 (3) While under suspension, a registrant may not lease or otherwise allow
19 vacant dwelling units to be occupied and may not lease or otherwise
20 allow an occupied unit to be occupied by new tenants.

21 (4) The code official must give notice to the registrant of its intent to suspend
22 a registration issued under this ordinance.

23 (5) The notice required by this section may specify a reasonable time for
24 compliance with this ordinance. If a time for compliance is specified, the
25 code official may not suspend before the time for compliance has
26 expired.

27 (V) REVOCATION.

28 (1) The code official may immediately revoke a registration that has been
29 suspended pursuant to section (U) (*Suspension*) if the code official
30 determines that the registrant:

- 1 (a) did not comply in a reasonable time with the requirements of this
2 ordinance or a notice of violation for which the suspension was
3 ordered;
- 4 (b) during the suspension, did not comply with other requirements of this
5 ordinance; or
- 6 (c) during the suspension, did not comply with an order of the Building
7 and Standards Commission, the code official, or a court of competent
8 jurisdiction.

- 9 (2) Even if the registration has not been suspended, the code official may
10 immediately revoke a registration issued under this ordinance if an order
11 to vacate the rental property is issued by the Building and Standards
12 Commission or a court of competent jurisdiction.

13 (W) PENALTY.

- 14 (1) A person who violates a provision of this ordinance is guilty of a separate
15 offense for each day the violation of this ordinance continues.
- 16 (2) Each offense is punishable by a fine not to exceed \$2,000. A culpable
17 mental state is not required for fines of \$500 or less, and need not be
18 proved.

19 **PART 4.** Follow-Up Evaluation and Report to Council.

20 **PART 5.** This ordinance takes effect on _____, 2013.

21 **PASSED AND APPROVED**

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25 _____, 2013

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Lee Leffingwell
Mayor

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29
30 **APPROVED:** _____
31 Karen M. Kennard
32 City Attorney

30 **ATTEST:** _____
31 Jannette S. Goodall
32 City Clerk