

MINUTES OF THE CITY COUNCIL

CITY OF AUSTIN, TEXAS

Special Public Hearing on Rent Decontrol

July 5, 1949
7:30 P.M.

Council Chamber, City Hall

The meeting was called to order with Mayor Glass presiding.

Roll Call;

Present: Councilmen Drake, Johnson, Long, MacCorkle, Mayor Glass
Absent: None

The Mayor stated this was a called meeting in which ten days' notice had been given to hear evidence as to whether or not a housing shortage existed in Austin, and whether the Council should vote to end rent control and submit the resolution to the Governor for his approval and recommendation to the Housing Expeditor, Honorable Tighe Woods.

The Austin Real Estate Board presented the following:

July 5, 1949

"Honorable Mayor and City Council

The Board of Directors of the Austin Real Estate Board recommends that Austin be decontrolled effective September 6, 1949. There is no housing shortage in Austin now, but in order to give the tenant time to negotiate with his landlord or negotiate for other housing facilities we recommend this 60 day waiting period. And since the University rents are based on a school term which will begin before the state decontrol law becomes effective, we feel that this decontrol date should be moved up to September 6, 1949, so that the people in the University Area can set their rents now for the entire year.

Respectfully,
Austin Real Estate Board
By Tom Graham, President

The following made statements on Rent Decontrol:

JIMMIE COCHRAN submitted a survey of Rental Vacancies made by a spot check for the first five days in July of blocks all over town, listing 1254 rental units and 152 vacancies. His belief was there was a 10% average of vacant houses, and the percentage in the east part of town was low because it is all under rent control; and that no one wanted to build or invest in East Austin because they cannot determine what they can get for their property. (SURVEY ON FILE IN CITY CLERK'S FILE "RENT DECONTROL")

S. B. KINSER submitted a rental list dated June 27, 1949, showing property not under rent control, and showed that the rent was \$4200.00 but of this date, it was renting for \$841.33 less, which was a volunteer reduction; that enough houses were available to reduce the rent. (LIST ON FILE IN CITY CLERK'S OFFICE "RENT DECONTROL")

MR. YOUNG from the Young apartments, stated he had 15 apartments renting from \$22.50 to \$40.00. Repair costs were three times more than they were when the rental agreements were made, and that he was glad to cut therents during the war years, as he was under the impression that after the war was over, the controls would be lifted; and he hoped to see rent control lifted, so that the individual could run his own business.

MR. PAUL PFELFFER stated he ran a four-day add requesting an apartmentor house for a couple with a five year old child. He submitted a list of 40 calls with an average rent of \$35.00. He stated this was evidence there was not a housing shortage. (List on file in RENT DECONTROL File)

COLONEL PACKARD from Bergstrom Field submitted figures of average rents paid by personnel from Bergstrom Field. He stated 376 rented in Austin. Average rent of the officers ran around \$95.00 or \$92.00 for houses, duplexes or apartments; for men in the first three grades between 58.00 to 79.00; and the low three grades between \$33.00 to \$55.00. He stated rents in Austin were \$10.00 to \$15.00 higher than in Nebraska, but they got more for their money here. He further stated the Real Estate Board cooperated and the men were able to find places to live. (Survey on file in RENT DECONTROL file)

J. C. HINSLEY stated he would like to see the Council pass a resolution showing there is no shortage of houses, and he would like to see rent control lifted immediately, as it was the only control left. He did not concur with the Real Estate Board to make the decontrol effective in September, but he wanted it made effective immediately.

M. H. CROCKETT stated he almost always had some vacancies in his 38 unit tourist camp. He felt there was no housing shortage, and that rent control was unfair--took away a right that one had in one's property. He read a letter from R. M. Crockett, 80 years old, to the effect he had worked, saved, and owned some rent houses, that he expected to take care of him in his old age; and during depression he rented them for low rents; but during the war, although everything else went up, his only means of income, his rents, were left at the low rate, and he was forced to sell out. (Letter on file in RENT DECONTROL FILE)

MRS. H.O.MARSHALL -Veteran, Army nurse, stated she received \$32.50 for each of her apartments, each having private baths. She presented her request for rent control so that she could raise her rents to take care of increased living conditions and for making repairs to her apartments. Six of her tenants signed this letter in her favor. (Letter on file in RENT CONTROL FILE)

MRS. HARRY WILDER:stated she had lowered her rent from\$75.00 to \$62.50, and she favored the rent decontrol as she would like to have free enterprise between person and person, and not between the Bureau and person.

J. D. DILLINGHAM stated an incident of rent control he had had personally, where he bought a house for his sister, and gave rent to a lady in exchange of board and care for his sister. His sister moved; and when he charged the lady rent, she took it up with the Rent Board, and he had to refund her some money, even on the time before she moved in, and had to sell the place to get this person evicted.

FRANK PINEDA spoke with reference to the eastern part of Austin, stating this was the densely populated part of town and was under control. He brought out much construction had been going on, but this was building establishments and that the highway had removed residential places. No one has built residences in East Austin, and that there were more people per square foot in East Austin than anywhere else in Austin. He stated the houses were in bad shape. He stated everything was under control in East Austin, and no one wanted to build rental houses; but he stated there should be some sort of control, as when people had trouble finding places to live and had to pay what the landlords asked, they would later be found living in garages or four or five families to the same house. He stated there were still controls in effect. The Interstate Commerce formulated controls - Railroad Commission regulates the oil and gas. He stated controls were all right where there were good reasons for them. He stated there was a shortage of residences in East Austin and he hoped the Council would not lift the controls, as there were not enough houses that people could afford to pay for.

BROWN ROBBINS hoped the Council will decontrol rent, as it was wrong to police the landlord. He stated the landowners were reputable citizens. Other people could mop up, but the land lord has had to accept his pre-Pearl Harbor income. They they say it is going to work a hardship on the tenant. Let the government subsidize the tenants.

HILLIARIE NITSCHKE: The landlords have had increased taxes and increased everything--dont ask a few people to take care of other people out of their own pockets.

J. H. MORTON (Colored), Professor of Chemistry at Sam Huston College stated he was familiar only with the houses in the eastern part of Austin, and that on Rosewood and Salina, there are two houses occupied by nine families with five children. Houses of four or five rooms occupied by three and four families which was a bad situation.

JOHN MORRIS, a tenant, at 409 E. 30th stated decontrol was going on, but it was a question of whether it was going on when the Real Estate Board suggested, or when the Legislature decided - 90 days after adjournment. He stated there were numerous apartments for rent, with an average rent of \$75.00 which meant according the FHA & GI loans, that one able to pay that would have to have an income of \$375.00 per month. He stated there might be a surplus now, but when school started it would be different, and he felt that now was not the time to start decontrolling. He stated the student wages were 60¢ an hour - and the low-cost housing projects were between 9 & 12 months behind in supplying housing. He suggested controlling the rent according to amount of income. Instead of following the real estate board's suggestion, he inquired why not abide by the laws made by the Legislature.

KEN COCHRAN, 2717 Guadalupe, submitted a file of an analysis of apartments for rent. He stated an average rent was \$70.00 or \$75.00 per month. He also stated there were two ways of looking at a housing shortage - Austin is the lowest wage earning area and the rent is averaged at \$75.00, which means \$375 income, and that is far above the average income in Austin. He stated rents were too high now. (File submitted is filed in City Clerk's Files "RENT DECONTROL")

MARLIN THOMPSON, 200 E. 22nd, Student in Government at the University. He stated as far as University students were concerned, the housing conditions were

getting a little better; but the money situation was getting in a more depressed condition. He asked that the controls be left on until October 6th and perhaps people would not have to move, as these landlords all say they are not going up on their rent. The students need something definite.

COUNCILMAN DRAKE asked if they thought it would be better to have the confusion after school starts or before. No land lord would make you more than a 30 day agreement. The time is important for the Council to decide.

COUNCILMAN LONG stated if they had 90 days, people might move and maybe buy their own homes, and she thought there would be a big turn over and boom in real estate.

ANN CASTLEBURY submitted a petition objecting to the removal of rent controls at this time. (Petition on file in City Clerk's File, RENT DECONTROL)

JAMES. B. NITSCHKE stated the students in September may have to go home or submit to the landlord's prices, and he asked that it be taken off now.

JOHN BOWNER asked that the rent controls be left on.

JAMES HOLLAWAY stated the time was here now to take the controls off, and he thought there was no use to keep them on.

MR. ALLEN, at 1908 Whitis, have had couples move from his apartments because they had found cheaper apartments. His apartments were not under rent control, and were renting for \$65.00 with all utilities. When asked why he was speaking, he stated that others were under rent control and it was an injustice.

W. R. SMITH stated the tenants were happy, but there was nothing democratic about rent control. He stated the Council stood two for and two opposed. He recommended that the council not take any action at all unless it was taken tonight.

THE MAYOR stated the Council would instruct the City Attorney to call Mr. Tighe Woods the next day and see just what could be done by the City. The law provides that a public hearing be held giving ten days' notice, and if there were evidence presented showing there was no housing shortage, the Council could pass a resolution, and the Council could pass this resolution the following Thursday. He stated he did not want to see people thrown out of houses, and it was the general idea of the Council to make this resolution effective 60 days after passage, which would be September 1st.

There being no further business the Council adjourned.

APPROVED: Taylor Bless

ATTEST:

Elaine Masley
Acting City Clerk