

M E M O R A N D U M

TO:	Mayor and Council Members
FROM:	Rosie Truelove, Director, Neighborhood Housing and Community Development Department
DATE:	August 6, 2019
SUBJECT:	Staff Update to Resolution No. 20180510-052 Relating to Tenant Protections

Neighborhood Housing and Community Development (NHCD) will be extending the response date for <u>Resolution No. 20180510-052</u> relating to tenant protections for a rental property required to register under City Code Chapter 4-14 (*Registration of Rental Property*) to October 31, 2019.

NHCD staff met with the Austin Code Department (ACD) to identify next steps if Council adopts the proposed ordinance (attached). City staff determined, as part of that discussion, that proper implementation of the proposed ordinance will require more than the 10 days. Extending the response date allows City staff to properly prepare for implementation without requiring more than 10 days between adoption and effective date.

NHCD staff will continue to support ACD and collaborate on efforts to afford tenants with greater protections from substandard property conditions. As NHCD will take a supporting role from this point on, ACD has requested to be reassigned as the lead department on this item.

Should you have questions, feel free to contact me at (512) 974-3064, or Jose Roig, Assistant Director of Austin Code Department at (512) 974-1605 or jose.roig@austintexas.gov.

cc: Spencer Cronk, City Manager J. Rodney Gonzales, Assistant City Manager

Attachment

ORDINANCE NO.

AN ORDINANCE AMENDING CITY CODE CHAPTER 4-14 (*REGISTRATION* OF RENTAL PROPERTY) RELATING TO TENANT PROTECTIONS AT CERTAIN RENTAL PROPERTIES.

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

PART 1. City Code Sections 4-14-7 (*Change in Ownership*) and 4-14-31 (*Registration Period*) are repealed and replaced to read as follows:

§ 4-14-7 CHANGE IN OWNERSHIP.

If the rental property changes ownership, the new landlord shall, within 30 days of the change, submit a new registration application and pay a new registration fee.

§ 4-14-31 REGISTRATION PERIOD.

- (A) Except as provided in Subsection (B), the minimum registration period is two years.
- (B) The minimum registration period is five years if the property meets the conditions described in Subsection (A) of City Code Section 4-14-3 (*Registration Required; Exceptions*) after completing one or more registration periods.
- (C) Except as provided in Subsection (D), the registration period continues until the rental property does not meet the conditions in Subsection (A) of City Code Section 4-14-3 (*Registration Required; Exceptions*) for two consecutive years.
- (D) The registration period ends if, during the registration period,:
 - (1) the rental property changes ownership;
 - (2) within 120 days of the change in ownership, the new landlord corrects existing violations;
 - (3) within 120 days of the change in ownership, the new landlord offers each tenant a lease term of at least one year; and
 - (4) the new landlord enters into the agreement described in Section 4-14-38 (*Tenant Protections*).

PART 2. City Code Chapter 4-14 (*Registration of Rental Property*) is amended to add a new Section 4-14-38 (*Tenant Protections*) to read as follows:

§ 4-14-38 TENANT PROTECTIONS.

- (A) This section applies to a landlord described in Subsection (D) of City Code Section 4-14-31 (*Registration Period*).
- (B) Before a landlord can receive the benefit described in Subsection (D) of City Code Section 4-14-31 (*Registration Period*), the landlord must agree in writing, on a form approved by the city attorney, that:
 - (1) the landlord will not terminate an existing lease or refuse to renew an existing lease except for:
 - (a) serious or repeated violations of the terms of the lease;
 - (b) violations of applicable federal, state, or local laws; or
 - (c) violations of the tenant lease agreements; and
 - (2) prior to terminating or refusing to renew a lease, the landlord will provide a tenant with at least 30 days written notice that states, in English and Spanish, the reason why the landlord is terminating or refusing to renew the lease.
- (C) The written agreement described in Subsection (B) must:
 - (1) state that the agreement is the landlord's duty to the tenant and is entered into for the tenant's benefit;
 - (2) make a tenant a third-party beneficiary; and
 - (2) apply for a period of two years from the date the rental property is no longer required to be registered.
- **PART 3.** This ordinance takes effect on _____, 2019.

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PASSED AND APPROVED 1 2 3 § § 4 5 § , 2019 Steve Adler 6 Mayor 7 8 9 10 APPROVED: __ **ATTEST:** Anne L. Morgan Jannette S. Goodall 11 City Clerk 12 City Attorney Date: 2/1/2019 1:55 PM Page 3 of 3 COA Law Department Chap 4-14 Tenant Protection Amendments Responsible Att'y: Trish Link