### RECEIVED

#### HOUSING COMMITTEE DALLAS CITY COUNCIL COMMITTEE AGENDA

2016 JAN 14 AM 11: 22

CITY SECRETARY DALLAS, TEXAS

TUESDAY, JANUARY 19, 2016 CITY HALL COUNCIL BRIEFING ROOM, 6ES 1500 MARILLA DALLAS, TEXAS 75201 11:00 A.M. - 12:30 P.M.

Chair, Councilmember Scott Griggs Vice-Chair, Councilmember Carolyn King Arnold Mayor Pro Tem Monica R. Alonzo Councilmember Tiffinni A. Young Councilmember Mark Clayton Councilmember Casey Thomas, II

Call to Order

1. Approval of Minutes

#### **BRIEFINGS**

2. Austin's Innovative Strategies To Promote Affordability

All Districts

**Betsy Spencer** Director

Neighborhood Housing & Community

Development City of Austin

3. Proposed Revisions to Chapter 27: Minimum Housing Standards All Districts

Kris Sweckard Director Code Compliance

#### 4. **UPCOMING AGENDA ITEMS**

**January 27, 2016** 

- A. Agenda Item: Authorize an amendment to Resolution No. 13-2115, previously approved on December 11, 2013, to extend the completion date for an affordable housing development conditional grant in the amount of \$180,000 to Builders of Hope CDC for the construction of six single family homes in West Dallas from December 11, 2015 to December 30, 2016 - District 6
- B. Agenda Item: Authorize an amendment to Resolution No. 14-1488, previously approved on September 10, 2014, to extend the completion dates of each agreement to December 31, 2016, for two separate loan agreements with Builders of Hope CDC for two separate phases of their Prairie Creek project - District 7

C. Agenda Item: Authorize an amendment to Resolution No. 14-1633, previously approved on September 24, 2014, to extend completion dates of each agreement to December 31, 2016, for two separate loan agreements with Builders of Hope CDC for two separate phases of their West Dallas project – District 6

#### Adjourn



Scott Griggs, Chair Housing Committee

A closed executive session may be held if the discussion of any of the above agenda items concerns one of the following:

- Contemplated or pending litigation, or matters where legal advice is requested of the City Attorney. Section 551.071 of the Texas
  Open Meetings Act.
- The purchase, exchange, lease or value of real property, if the deliberation in an open meeting would have a detrimental effect on the position of the City in negotiations with a third person. Section 551.072 of the Texas Open Meetings Act.
- A contract for a prospective gift or donation to the City, if the deliberation in an open meeting would have a detrimental effect on the
  position of the City in negotiations with a third person. Section 551.073 of the Texas Open Meetings Act.
- Personnel matters involving the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer
  or employee or to hear a complaint against an officer or employee. Section 551.074 of the Texas Open Meetings Act.
- The deployment, or specific occasions for implementation of security personnel or devices. Section 551.076 of the Texas Open Meetings Act.
- Deliberations regarding economic development negotiations. Section 551.087 of the Texas Open Meetings Act.

"Pursuant to Section 30.06, Penal Code (trespass by license holder with a concealed handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a concealed handgun."

"De acuerdo con la sección 30.06 del código penal (ingreso sin autorización de un titular de una licencia con una pistola oculta), una persona con licencia según el subcapitulo h, capitulo 411, código del gobierno (ley sobre licencias para portar pistolas), no puede ingresar a esta propiedad con una pistola oculta."

"Pursuant to Section 30.07, Penal Code (trespass by license holder with an openly carried handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a handgun that is carried openly."

"De acuerdo con la sección 30.07 del código penal (ingreso sin autorización de un titular de una licencia con una pistola a la vista), una persona con licencia según el subcapítulo h, capítulo 411, código del gobierno (ley sobre licencias para portar pistolas), no puede ingresar a esta propiedad con una pistola a la vista. "

#### **Housing Committee**

#### Meeting Record

January 4, 2016

The Housing Committee meetings are recorded. Agenda materials and audiotapes may be reviewed/copied by contacting the Housing Department, Staff Coordinator at 214-670-3906.

Meeting Date: January 4, 2016 Meeting Start time: 11:01 A.M. Staff Present: **Committee Members Present:** Councilmember Scott Griggs (Chair) Alan E. Sims-Chief of Neighborhood Plus Councilmember Carolyn King Arnold (Vice-Chair) Bernadette Mitchell-Director/H/CS Mayor Pro Tem Monica R. Alonzo Kris Sweckard-Director/CCS Councilmember Mark Clayton Karl Zavitkovsky-ECO Councilmember Casev Thomas, II Patrick Invabri-Assist, Director Councilmember Tiffinni A. Young Don Babers-H/CS Beverly Davis-Assist. Director/FHO David Cossum-Asst. Director DEV Peer Chacko-PUD Karen Rilev-PUD Brian Price-PUD Seferinus Okoth-PUD **Other Council Members Present:** Kevin Acosta-PNV/PUD Deputy Mayor Pro Tem Erik Wilson Charletra Sharp-H/CS Councilmember Philip Kingston Charles Estee-CAO Councilmember B. Adam McGough **Daniel Oney-ECO** Heather Lepeska-ECO Jeff Chesnut-CAO Robin Bentley-CAO Michael Bostic-CAO Barbara Martinez-CAO Maureen Milligan-CAO Art Hudman-CAO Peter Haskel-CAO William Finch-CIS Anna Holmes-IGS **Hiwote Tadesse-FHO** Cassandra Luster-H/CS Doris Edmon-H/CS Alida Allen-H/CS **Committee Members Absent: Other Attendees** Sherman Roberts-CityWide,CDC Alaric Overbey-Vertical Life Farms Annie Evans-SouthFair Kristen Schulz-DAHFH Jessica MacKinnon-DAHFH Ken Smith-RSDC **Becca Leonard-Austin Street** Ryan Behring-Ameri Corps/City of Dallas Alendra Lyon-Mill City Community Association D. McCain-Inclusive Communities Project E. Julian-Inclusive Communities Project Marian Williams-SouthFair Cheri Colter-Children at Risk

Housing Committee
January 4, 2016
Meeting Record – Page 2 of 3
AGENDA:

#### Housing Committee Meeting Called to Order by CM Scott Griggs

## 1. Approval of December 7, 2015 Minutes of the Housing Committee Presenter(s): Council Member Scott Griggs, Chair

Action Taken/Committee Recommendation(s)

	/// ```		
Motion made by: CM Carolyn King Arnold	Motion seconded by: CM Monica Alonzo		
Item passed unanimously: X	Item passed on a divided vote:		
Item failed unanimously:	Item failed on a divided vote:		

Follow-up (if necessary):

#### 2. Source of Income Discrimination-All District

Presenter(s): Alan E. Sims Chief of Neighborhood Plus /Bernadette Mitchell, Director/Don Babers, HOU/Beverly Davis, Assistant Director of Fair Housing and Human Rights

Information Only: X

Action Taken/Committee Recommendation(s)

Motion made by:	Motion seconded by:
Item passed unanimously:	Item passed on a divided vote:
Item failed unanimously:	Item failed on a divided vote:

Follow-up (if necessary):

#### 3. Neighborhood Plus (NH+) Work Plan FY 2015-16-All Districts

Presenter(s): Alan E. Sims Chief of Neighborhood Plus /Bernadette Mitchell, Director/Don Babers, HOU/Peer Chacko, Chief Planning Officer and Director of Planning and Urban Design

Information Only: X

Action Taken/Committee Recommendation(s)

Motion made by:	Motion seconded by:
Item passed unanimously:	Item passed on a divided vote:
Item failed unanimously:	Item failed on a divided vote:

Follow-up (if necessary):

#### 4. Upcoming Agenda Items

January 13, 2016

- A. Agenda Item #16: Authorize (1) the acceptance of a donation in the amount of \$440,000 from TXU Energy to provide temporary financial assistance through the Martin Luther King, Jr. Community Center and the West Dallas Multipurpose Center to individuals and families who are experiencing a temporary financial crisis; and (2) an increase in appropriations in an amount not to exceed \$440,000 in the Energy Emergency Assistance Fund Districts All
- B. Addendum Item: Authorize an agreement with the Urban Land Institute not to exceed \$125,000 for consulting services related to the development of the City's new housing policy; such contract to be privately funded by Trammel Crow Company and the ULI Foundation Districts All

Information	Only:
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Action Taken/Committee Recommendation(s) Motion to move forward to full Council

Motion made by: CM Carolyn King Arnold	d Motion seconded by: CM Mark Clayton		
Item passed unanimously: X	Item passed on a divided vote:		
Item failed unanimously:	Item failed on a divided vote:		

Follow-up (if necessary):

#### Meeting Adjourned by CM Scott Griggs

Meeting Adjourned: 1:01 P.M.

Approved By:

#### Memorandum



**DATE** January 15, 2016

Housing Committee Members: Scott Griggs, Chair, Carolyn King Arnold, Vice-Chair, Mayor Pro-Tem Monica R. Alonzo, Tiffinni A. Young, Mark Clayton, and Casey Thomas, II

Subject Austin's Innovative Strategies To Promote Affordability

On Tuesday, January 19, 2016, you will be briefed on Austin's Innovative Strategies To Promote Affordability. A copy of the briefing is attached.

Please let me know if you have any questions.

Alan E. Sims

Chief of Neighborhood Plus

c: The Honorable Mayor and Members of the City Council A. C. Gonzalez, City Manager

Rosa A. Rios, City Secretary

Warren M.S. Ernst, City Attorney

Craig Kinton, City Auditor

Daniel F. Solis, Administrative Judge

Ryan S. Evans, First Assistant City Manager

Eric D. Campbell, Assistant City Manager Jill A. Jordan, P. E., Assistant City Manager

Mark McDaniel, Assistant City Manager

Joey Zapata, Assistant City Manager

Jeanne Chipperfield, Chief Financial Officer

Sana Syed, Public Information Officer

Elsa Cantu, Assistant to the City Manager - Mayor and Council

# AUSTIN'S INNOVATIVE STRATEGIES TO PROMOTE AFFORDABILITY



#### January 2016

Dallas City Council Housing Committee

Presentation by: Betsy Spencer, Director, Neighborhood Housing & Community Development

City of Austin

# OUTLINE

- I. Assessing Needs: Committed to Data Driven Approach
- II. Tools and Revenue
- III. Innovative Regulations
- IV. What's Next?

#### Success today:

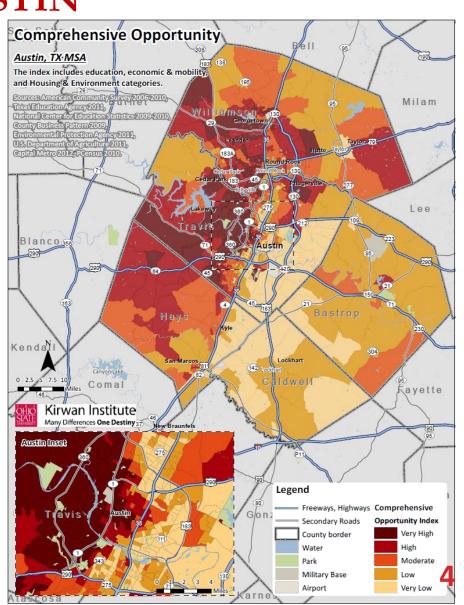
You will have a clear understanding of the process that the City of Austin has undertaken to expand the toolkit by which affordability is promoted and ensure mixed income communities are developed throughout the City. In sum it has taken: planning, policies, partnerships, and will soon encompass performance measurement to drive outcomes.

# 2009 & 2014 Comprehensive Housing Market Studies PROVIDED THE BASELINE FOR CHANGE

- Identified a rental gap of 37,600 affordable housing units for low-income households in 2009, which has grown to 48,000 affordable housing units in just 5 years.
- Studies included rich community engagement:
  - Community Meetings, Focus Groups, Interviews
  - Housing Choice Survey with over 5,000 respondents
- Data has provided diverse audiences with current detailed information underscoring how household affordability is important as a part of all initiatives.
- Sets the stage for goal setting.

## Kirwan Opportunity Maps DEVELOPED FOR AUSTIN

- Community Resource
- Adopted by the Austin's Community Development Commission
- Development Incentive
   Scoring Criteria includes the
   Opportunity Index



# Analysis of Impediments AFFIRMATIVELY FURTHERING FAIR HOUSING

- Developed with an Advisory Group invited and presented to throughout the process
- Successful firm was required to work with this group in onsite meetings and conference calls throughout the process
- Brought advocates together to design the product

# Assessing the Growing Need LOW- MOD- JOB/HOUSING IMBALANCE

 Low- and Moderate-Income Jobs exist in High Opportunity Areas

- Without affordable housing near these jobs:
  - There is increased traffic congestion
  - Decreased quality of life
  - Additional transportation costs borne by low- and moderate-income households

# Assessing the Growing Need LOW- MOD- JOB/HOUSING IMBALANCE

- Understand where Low- and Moderate-Income Jobs Are
- There is usually not enough affordable housing in these areas

Counts and Density of All Jobs in Work Selection Area in 2011 \$1,250 per month or less

oposed Affordable	
using Developme	Cedar Park Brushy Creek
W.	Williamson
	183 Oilyville
Volente	Thexis 4 Austin
Hudson Bond 2 km 2 mi	Source: U.S. Census Bureau Longitudinal-Employer Household Dynamics (LEHD) http://onthemap.ces.census.gov

Jobs within 5 miles earning ≤\$1,250/mo, 2002	7,619
Jobs within 5 miles earning ≤\$1,250/mo, 2011	10,212
% Change 2002 to 2011	+ 34%
% of Workers within 5 miles earning ≤ \$1,250/mo but living outside this area, 2002	78%
% of Workers within 5 miles earning ≤ \$1,250/mo but living outside this area, 2011	80%
% Change 2002 to 2011	+ 2%

#### Job Density [Jobs/Sq. Mile]

- **5 89**
- 90 341
- 342 761
- 762 1,349
- 1,350 2,105

## Tools and Revenue 2006 GENERAL OBLIGATION (G.O.) BONDS

In 2006, Austin voters approved \$55M in G.O. Bonds for affordable housing

Three Main Investment Areas:

- Rental Housing Development Assistance
- Home Ownership Programs
- Home Repair Programs

City's Core Values Related to Scoring Criteria for Capital Investments:

- Deep Affordability
- Long-Term Affordability
- Geographic Dispersion

## Tools and Revenue

## 2006 GENERAL OBLIGATION (G.O.) BONDS

Rental	Amount	Units
Very Low Income Persons/Families	\$21.5	869
Workforce/ Family Housing	\$11.2	529
Persons with Mental Disabilities	\$3.3	61
Senior Housing	\$3.0	108
Children	\$1.9	42
Mobility Disability	\$0.8	70
Subtotal: Rental	\$41.7	1,679
Homeownership	Amount	Units
\$4.6M - Repairs; \$8.7M - Buyers	\$13.3	914
Subtotal: Affordable Units	\$55.0	2,593
TOTAL – All Units		3,417
Balance Remaining from \$55.0M	\$0.0	

## Tools and Revenue 2006 GENERAL OBLIGATION (G.O.) BONDS









# **Tools and Revenue** 2013 GENERAL OBLIGATION (G.O.) BONDS

In 2013, Austin voters approved \$65M in G.O. Bonds for affordable housing

			Spending Plan	by Fiscal Yea	r	
Project Description	13-14	14-15	15-16	16-17	17-18	18-19
BEGINNING BALANCE	65,000,000	50,000,000	40,000,000	30,000,000	20,000,000	10,000,000
SPENDING PLAN						
GO! Repair	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
ABR - Renter	250,000	250,000	250,000	250,000	250,000	250,000
Total Home Repair	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000
Rental Housing Development	11,000,000	6,750,000	6,750,000	6,750,000	6,750,000	6,750,000
Acquisition & Development	1,750,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
	15,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
ENDING BALANCE	50,000,000	40,000,000	30,000,000	20,000,000	10,000,000	-

## Tools and Revenue DEDICATED REVENUE FOR PERMANENT SUPPORTIVE (PSH) HOUSING

In-lieu funds from Downtown Density Bonus Program dedicated for the creation of PSH Units

Proposed Projects and Estimated Fees:

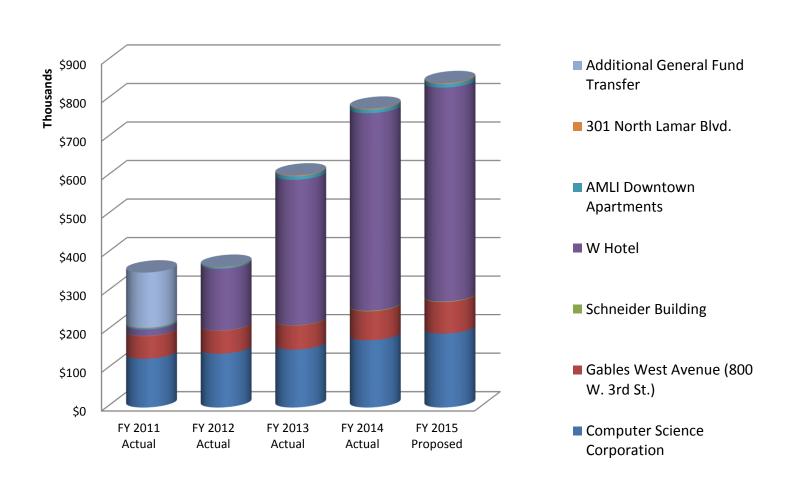
Aspen Heights Apartments	\$816,400
5 <sup>th</sup> & West	\$499 <u>,860</u>

Total projected fee payment: \$1,316,260



# Tools and Revenue HOUSING TRUST FUND

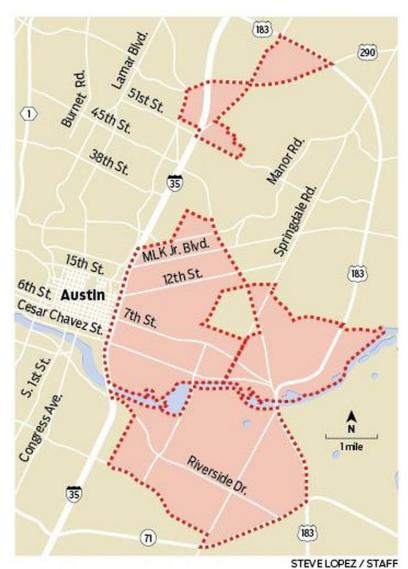
#### **Properties that Generate Funds for the Housing Trust Fund (HTF)**



## Tools and Revenue HOMESTEAD PRESERVATION DISTRICT

#### **Homestead Preservation Districts:**

Four Created in East Austin to:
"increase home ownership, provide
affordable housing, prevent the
involuntary loss of homesteads by
existing low-income and moderate
income homeowners living in
disadvantaged neighborhoods."



## Tools and Revenue HOMESTEAD PRESERVATION DISTRICT

#### Homestead Preservation Reinvestment Zone:

Allows the use of tax increment financing (TIF) to finance the creation and preservation of affordable housing in the district. – Created for one of the four established HPDs in Austin in December of 2015.

#### **Homestead Land Bank Program:**

Allows the City of Austin to operate a Land Bank program, through which vacant properties subject to tax foreclosure are made available for affordable housing.

#### **Homestead Land Trust:**

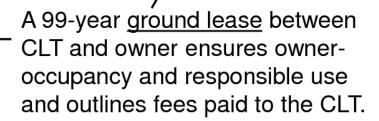
Allows Council to designate one or more community land trusts to operate within the district and access TIF funds. Austin Housing Finance Corporation, Travis County Housing Finance Corporation and PeopleTrust are designated by City Council to operate as HPD Land Trusts.

## Tools and Revenue COMMUNITY LAND TRUST PROGRAM

- Allows low- and moderate-income people to purchase a home and lease the land
- Takes the cost of the land out of the real estate transaction
- More affordable than houses on the open real estate market
- 99-year ground lease with the CLT is signed for the use of the land

# Community Land Trusts: How do they work?

Land is owned by the Community Land Trust, which is governed by a non-profit board.



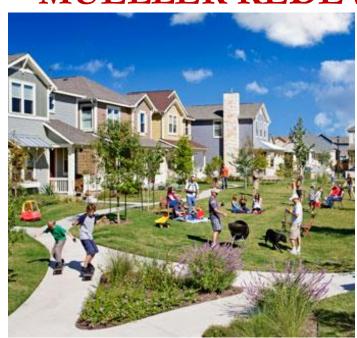
Buildings (residential or commercial) are owned by individuals.

Because they pay only for the structure, and not the underlying land, purchasing the building is more affordable.

A <u>resale formula</u> built in to the ground lease is designed to keep homes affordable for subsequent buyers.



# Utilizing Publicly Owned Land MUELLER REDEVELOPMENT AND REUSE





- The City of Austin embarked on a publicprivate partnership to redevelop 711 acres vacated by the former municipal airport, which closed in 1999.
- This land was transformed into a mix of housing (with over 25 percent of the rental and homeownership units being affordable and offered to income qualified households), with jobs, services and mobility improvements that reconnect adjoining neighborhoods.
- The Mueller redevelopment plan is a model prototype of how cities of the future might grow, and was awarded the 2015 HUD Secretary's Opportunity and Empowerment Award.

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## Utilizing Publicly Owned Land

#### COLONY PARK SUSTAINABLE CHALLENGE GRANT





- The City of Austin partnered with community members in and around the Colony Park neighborhood to complete a community planning process for 208 acres of publicly-owned land in Colony Park.
- Plan provides a versatile framework for sustainable development which will increase housing choices, bring jobs, businesses, and improved amenities to an undeserved community.
- Such investments will increase the public tax base and promote the overall quality of life, while maintaining affordability

## Innovative Regulations

#### **DENSITY BONUSES**

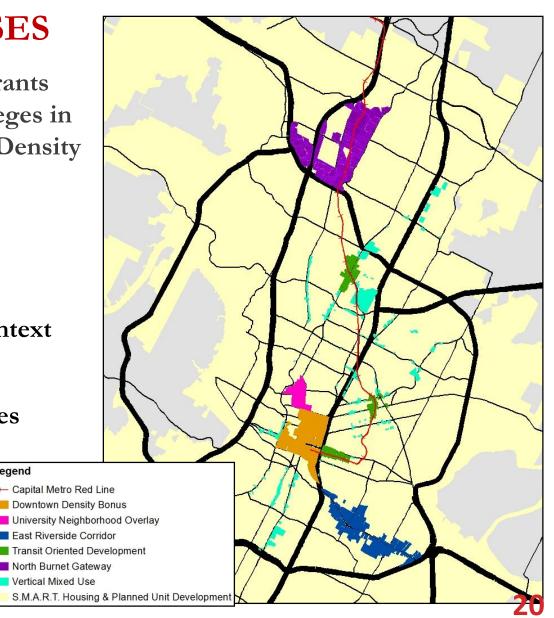
Incentive-based program that grants additional entitlements or privileges in return for community benefits (Density is a community benefit)

#### Strengths:

- Provide options for developer participation
- Sensitive to neighborhood context

#### Challenges

- Limited standardization makes implementation difficult for developers and City staff
- Fee-in-lieu structure does not often reflect real cost of development



# Innovative Regulations DENSITY BONUSES

Incentive-based programs to grant additional entitlements or privileges in return for community benefits.

#### Entitlements/Privileges can include:

- Additional density (FAR: Floor Area Ratio) or units per acre
- Additional height
- Parking reductions
- Fee waivers or expedited review

#### Community Benefits can include:

- Affordable housing (units or fee)
- Public open space
- Green building

**Bonus** 

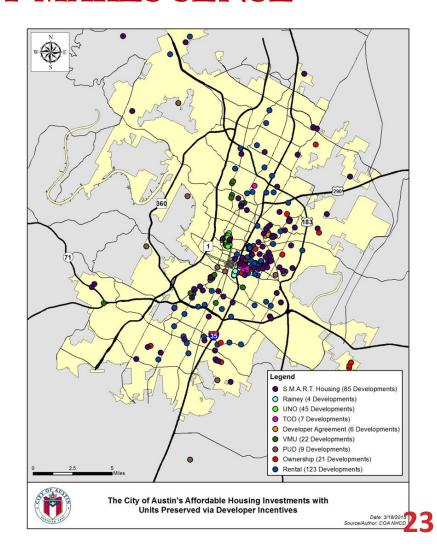
Allowable Under Current Zoning

# Innovative Regulations DENSITY BONUSES – WHY IMPORTANT

- Opportunity to tie together clearly identified benefits and costs to the gain of both community and developer.
- To allow new development to offset some of the community burdens it creates.
- State law limitations on affordable housing (no inclusionary zoning).
- To allow and encourage added density in locations where that density is desired.

# Innovative Regulations PROMOTE ON-SITE REGULATORY INCENTIVES WHERE IT MAKES SENSE

- Incentive-based program
   that grants additional
   entitlements or privileges in
   return for community
   benefits
- One of the few tools for affordable housing without a subsidy
- Supports creating complete communities



# What's Next? LOTS MORE TO DO...

- Community Goals Require New Partnerships, Policies, and Innovative Financing
  - Design Scorecard to Measure Success
  - Create New Permanent Supportive Housing (PSH)
  - Affordable Renter and Owner Housing Opportunities
  - Preserve Existing Affordable Housing Opportunities
- Evaluation of Regulations and the City's Land Development Code (CodeNEXT)
  - Examine what makes it difficult for both for-profit and non-profit development communities to provide affordable housing units on the ground
  - Examine barriers to Accessory Dwelling Units (ADUs)

# What's Next? LOTS MORE TO DO...

- Housing + Transit + Jobs Coordination
  - Create more affordability and promote a mix of affordable units throughout Austin, especially in designated Activity Centers and Corridors where we know future higher frequency, higher capacity transit is able to offer locational advantages
- Permanent Supportive Housing (PSH)
  - Continued work with the Leadership Committee on PSH Finance
- Engagement and Participation with State Programs (QAP) and Legislative Programs to Continue to have a presence on key Fair Housing Issues

# Questions

www.austintexas.gov/housing

Betsy Spencer: betsy.spencer@austintexas.gov

#### Memorandum



DATE January 15, 2016

Honorable Members of the Housing Committee: Scott Griggs (Chair)

To Carolyn King Arnold (Vice Chair), Monica R. Alonzo, Mark Clayton, Casey Thomas, II, and Tiffinni A. Young

#### **SUBJECT Proposed Revisions to Chapter 27 – Minimum Housing Standards**

On Tuesday, January 19, 2016, you will be briefed on Proposed Revisions to Chapter 27 – Minimum Housing Standards. A copy of the briefing is attached for your review

Please contact me if you have any questions or need additional information.

Joey Zapata

**Assistant City Manager** 

C: Honorable Mayor and Members of the City Council A.C. Gonzalez, City Manager Warren M.S. Ernst, City Attorney Craig D. Kinton, City Auditor Rosa A. Rios, City Secretary Daniel F. Solis, Administrative Judge Ryan S. Evans, First Assistant City Manager

Eric D. Campbell, Assistant City Manager
Jill A. Jordan, P.E., Assistant City Manager
Mark McDaniel, Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Sana Syed, Public Information Officer
Elsa Cantu, Assistant to the City Manager – Mayor & Council

# Proposed Revisions to Chapter 27: Minimum Housing Standards

Briefing to the Housing Committee

January 19, 2016



# Purpose of Briefing

- Provide update on proposed amendments to Chapter 27
  - Previous Housing Committee briefings of April 6, 2015 and September 8, 2015
- Review the draft ordinance provided to the Housing Committee on December 11, 2015 and January 15, 2016
- Summarize stakeholder feedback including public meetings held during the week of December 14, 2015
- Clarify issues that need resolution before the ordinance can be passed by Council
- Get Committee members' direction for future actions

# Goals of Chapter 27 Revisions

- Make the ordinance easier to understand, communicate, and enforce
  - Increase property owner and tenant compliance by simplifying the ordinance language and providing a layperson's reference guide
  - Create a roadmap for code inspector training that improves consistent interpretations of the ordinance among inspectors
- As written in the Neighborhood Plus (NH+) workplan, to expand and improve the effectiveness of the rental registration and inspection program

# Ongoing Research and Consultations

- Conducted a nationwide internet search for best practices regarding property standards and rental regulations
- Collaborated with Center for Community Progress, The National Center for Healthy Housing, and Dallas Area Habitat for Humanity for their perspectives and advice
- Met with rental regulation officials in Irving, Fort Worth, Arlington, Garland, San Antonio, and Mesquite
- Consulted with Heather Way, a professor at University of Texas at Austin, regarding public policies that promote equitable and inclusive communities
- City departments include the City Attorney's Office, Code Compliance, Sustainable Development and Construction, Housing, Dallas Fire-Rescue, Dallas Police Department, Dallas Water Utilities, Planning and Urban Design Department, Enterprise GIS and Public Information Office

## Highlights of Proposed Revisions to Minimum Property Standards

- Minimize language like "weather/watertight" by outlining the required conditions that must be met in order to achieve a watertight structure
- Introduce provisions that address healthy housing issues that affect asthma or other respiratory conditions
- Modify and clarify landlord and occupant responsibilities
- Provide that all required repairs must be performed in a workmanlike manner
  - First time that work methods must meet established industry norms
- Restructure the property standards layout to improve readability
  - As one example, Structural Standards in the current ordinance is now broken into seventeen sub categories each with a distinct label such as roofs, exterior doors, etc.
- Provide a maximum indoor temperature that applies throughout the year, not just April – October

# Highlights of Proposed Revisions to Residential Rental Registration and Inspection Program

- Establishes a unified residential rental program that applies to all multifamily and single family rentals
  - Introduce an inspection program for the approximately 50,000 single family and condominium rentals
    - One registration inspection, including the interior and exterior of the residence, every five years
    - Annual registration fee as determined by a cost study currently in process
    - Crime prevention addendums
    - Phased in over a 3-5 year time period
    - Require registration of condominium associations

# Highlights of Proposed Revisions to Residential Rental Registration and Inspection Program

- Revises the existing Multifamily Program
  - Provide a risk-based inspection program for multifamily properties to reward good properties with fewer inspections
    - Increase inspection frequency for low scoring properties
  - Eliminate supplemental graded inspections for multifamily properties and only report the score recorded for the initial inspection
  - Eliminate the Dallas Police Department Mandatory Crime Reduction Program
  - Reduce the time and expense of registration paperwork

## Stakeholder Outreach

- Sought out and incorporated stakeholder feedback throughout the drafting process including one-on-one meetings, small group meetings, neighborhood advocacy organizations, and town hall meetings
- Following stakeholder meetings held in the Spring of 2015 that focused on general approaches, the draft ordinance was discussed at the most recent town hall meetings
  - Monday, December 14, Singing Hills Recreation Center
  - Thursday, December 17, Half Price Books Flagship Store
  - Friday, December 18, virtual meeting available online and by phone
- The draft ordinance was posted on dallascitynews.net with comments posted on Facebook
- Continuing to meet with stakeholders who have questions or comments regarding the proposed changes

# Stakeholder Feedback from Residents and Landlords

#### Property Standards

- Minimal comments on standards from single owners; most concerns focused on multifamily properties
- For landlords, maximum indoor temperature standards are unworkable and not cost effective to comply without raising rents
- The City should recognize that tenants bear some responsibility for property maintenance

#### Rental Regulation

- City should issue bulky trash citations to tenants of single family properties
- City should have a "renter education program" to teach tenants how to behave and treat a rental property

## Stakeholder Feedback

- Rental Regulation, continued
  - Landlords need to monitor their properties more often so they are aware of maintenance issues
  - Address mold specifically in the ordinance
  - Alternative housing should be provided when the owner has failed to fix air conditioning
  - Protect tenants from landlord retaliation when tenants make code complaints
    - Recognize that tenants also retaliate against landlords
  - Need more punishment of bad property owners and landlords

## Stakeholder Feedback

- Rental Regulation, continued
  - Provide means for resolution of landlord/tenant issues
  - Impact of ordinance changes and possible impact on short-term rentals and home sharing programs
  - Adopt a rent escrow program where tenant can pay their rent until repairs are made
  - Provide tax abatements or other incentives for landlords who upgrade their properties

# Additional Benefits from the Chapter Revisions

- Senior level Code Compliance and Building Inspection staff developed a stronger working relationship and clarity of roles
- Staff heard a broad range of feedback from stakeholders that will help further efforts to incentivize rental property practices and improve Code Compliance training programs
- Opportunity to examine current programs that affect landlords and identify areas of collaboration and coordination (e.g. City of Dallas Housing Department, Dallas Housing Authority, HUD, Dallas Fire-Rescue)

## Issues Needing Further Work

- Resolve the maximum indoor air temperature issue for rental properties
- Clarify the enforcement issues surrounding mold
- Provide a draft template for the Housing Standards
   Manual
- Prepare an implementation plan based on the ordinance effective date of October 1, 2016

# Issues Needing Further Work

- Short-term Rentals
  - Relatively new business model in the property rental industry
  - Rely primarily on online platforms that connect hosts (property owners) and travelers
  - Further work with industry and other stakeholders is needed to find the best way to preserve owners' ability to rent, to ensure Hotel Occupancy Tax (HOT) collection, and to better understand the issues involved
  - The focus of the rental registration/inspection requirements is not directed at short-term rentals; staff has received stakeholder feedback suggesting further clarification in the ordinance is needed

## **APPENDIX**

#### Attendees to Stakeholder Meetings December 14-18

Bachman Lake	Fair Park	RSDC
Belmont	Five Mile	Runyon Springs
Brentwood Trinity Height	Hidden Valley	Schraber Manor
Casa View	Jubilee Park	SHNA
Casa View Heights	Junius Heights	Singing Hills
Cedar Crest	Lake Highland	South Dallas
Cedars	Lakewood	Twin Oaks
Cliff Creek Crossing	Midway Road 75244	University Meadow
County District	North Dallas	Urbandale
Dallas	Oak Cliff	Vickery Meadow
Dallas Area Interfaith	Pleasant Grove	Vickery Meadow
Dallas Fair Housing Office	Remhardt/Losa Drive	White Rock Lake

# An Example of a Housing Standards Manual Page



Hot water heaters are required to have a pressure relief valve to prevent the water tank from exploding. The valve is mounted either on the top or side of the tank and must extend to the outside of the structure. The pipe must extend to the exterior of the structure.

In the photo at the left, the copper colored pipe that crosses at the middle of the tank starts at the valve and extends out through the wall

The pipe used for the vent pipe can be copper or CVCP, an off white plastic pipe that is designed for hot water.

ORDINANCE NO.		

1/6/16

An ordinance amending Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, by repealing [sections, articles]; amending the title of the Chapter; amending Sections [list sections]; providing [description of amendments]; providing a penalty not to exceed \$5004,000; providing a saving clause; providing a severability clause; and providing an effective date.

#### BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That the title of Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is amended to read as follows:

#### "CHAPTER 27

#### MINIMUM PROPERTY [URBAN REHABILITATION] STANDARDS"

SECTION 2. That Section 27-3, "Definitions," of Article I, "General Provisions," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is amended to read as follows:

#### "SEC. 27-3. DEFINITIONS.

#### [Section 27-3, "Definitions," is still under revision.]"

SECTION 3. That Section 27-3.1, "Code enforcement official," of Article I, "General Provisions," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is amended to read as follows:

#### "SEC. 27-3.1. CODE ENFORCEMENT OFFICIAL.

- (a) The director, or a designated representative, shall serve as the code enforcement official of the city.
- (b) The code enforcement official shall have the power to render interpretations of this chapter and to adopt and enforce rules and regulations supplemental to this chapter as are deemed

necessary to clarify the application of this chapter. Such interpretations, rules, and regulations must be in conformity with the intent and purpose of the codes.

- (c) The code enforcement official shall have the power to obtain:
- (1) search warrants for the purpose of investigating [allowing the inspection of any specified premises to determine the presence of a health hazard or unsafe building condition, including but not limited to any structural, property, or utility hazard, or] a violation of a[ny] health and safety or nuisance abatement [building] regulation, statute, or ordinance; and
- (2) seizure warrants for the purpose of securing, removing, or demolishing an offending property and removing the debris from the premises."

SECTION 4. That Section 27-4, "Violations; Penalty," of Article II, "Administration," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is amended to read as follows:

#### "SEC. 27-4. VIOLATIONS; PENALTY.

- (a) A person who violates a provision of this chapter, or who fails to perform an act required of him by this chapter, commits an offense. A person commits a separate offense each day [or portion of a day] during which a violation is committed, permitted, or continued.
  - (b) Criminal penalties.
- (1) An offense under this chapter is punishable by a fine not to exceed \$2,000; except, that an offense under Section 27-5.2 and 27-25 of this chapter is punishable by a fine not to exceed \$500.
  - (2) An offense under this chapter is punishable by a fine of not less than:
- (A) \$200 for a first conviction of a violation of Section 27-11(a)(1), (3), or (4), 27-11(b)(1), (2), (3), (4), (6), (7), (8), (9), or (10), Section 27-60, or Article VIII of this chapter;
- (B) \$500 for a first conviction of a violation of Section 27-11(a)(2), (5), or (6), 27-11(b)(5), 27-11(c), or 27-11(d);
  - (C) \$2,000 for a first conviction of a violation of Section 27-30; and
- (D) \$150 for a first conviction of a violation of any other sections in this chapter.
- (3) The minimum fines established in Subsection (b)(2) will be doubled for the second conviction of the same offense within any 24-month period and trebled for the third and

subsequent convictions of the same offense within any 24-month period. At no time may the minimum fine exceed the maximum fine established in Subsection (b)(1).

- (c) The culpable mental state required for the commission of an offense under this chapter is governed by Section 1-5.1 of this code.
- (d) In addition to imposing the criminal penalty prescribed in Subsection (b) or exercising the other remedies provided by this chapter, the city may bring a civil action against a person violating a provision of this chapter. The civil action may include, but is not limited to, a suit to recover a civil penalty not to exceed \$1,000 for each day or portion of a day during which the violation is committed, continued, or permitted.
- (e) The penalties provided for in Subsections (b), (d), and (h) are in addition to any other enforcement remedies that the city may have under city ordinances and state law.
- (f) The director has the authority to enforce provisions of Chapter 7A and Article II, Chapter 18 of this code.
- (g) [A person commits an offense if he fails to correct a violation of this chapter in compliance with any order issued under this chapter that has become final.
  - (h)] A person is criminally responsible for a violation of this chapter if:
- (1) the person commits the violation or assists in the commission of the violation;
- (2) the person owns part or all of the property and allows the violation to exist; or
- (3) the person is the agent of the property owner or is an individual employed by the agent or property owner; is in control of the property; and knowingly allows the violation to exist.
- (h) As an alternative to imposing the criminal penalty prescribed in Subsection (b), the city may impose administrative penalties, fees, and court costs in accordance with Article IV-b of this chapter, as authorized by Section 54.044 of the Texas Local Government Code, for an offense under this chapter. The alternative administrative penalty range for an offense is the same as is prescribed for a criminal offense in Subsection (b)."
- SECTION 5. That Section 27-5, "Inspection," of Article II, "Administration," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended to read as follows:

#### "SEC. 27-5. INSPECTION.

- (a) For the purpose of ascertaining whether violations of this chapter or other city ordinances exist, the director is authorized at a reasonable time to inspect:
- (1) the exterior of a structure and premises  $\underline{\text{that}}$  [which] contain no structure; and
- (2) the interior of a structure, if the permission of the owner, occupant, or person in control is given.
- (b) Nothing in this section limits the director's ability to seek and obtain an administrative search warrant authorizing the inspection of the interior or exterior of a structure or a premises that contains no structure."
- SECTION 6. That Subsection (a) of Section 27-5.2, "Retaliation Against Tenants Prohibited," of Article II, "Administration," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is amended to read as follows:
- "(a) A landlord commits an offense if he raises a tenant's rent, diminishes services to a tenant, or attempts eviction of a tenant within six months after:
- (1) the tenant files a valid complaint with the director complaining of a violation of this chapter on property occupied by the tenant; a complaint is considered valid if it results in an action described in Paragraph (2), (3), or (4) of this subsection;
- (2) the director issues to the landlord or the landlord's agent a written notice or citation listing any violation of this chapter that exists on property occupied by the tenant;
- (3) the city attorney files an action under Article IV-a of this chapter or under Chapter 54, 211, or 214 of the Texas Local Government Code relating to any violation of this chapter that exists on property occupied by the tenant;
- (4) the tenant, after filing a complaint with the director and the landlord or the landlord's agent, files a written complaint with the city attorney complaining of a violation of this chapter on property occupied by the tenant, unless the complaint is later withdrawn by the tenant or dismissed on the merits; or
- (5) repairs are completed on property occupied by the tenant in compliance with either a written notice or citation issued by the director or a court order."
- SECTION 7. That Section 27-11, "Minimum Standards; Responsibilities of Owner," of Article III, "Minimum Standards," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is amended to read as follows:

## "SEC. 27-11. MINIMUM <u>PROPERTY</u> STANDARDS; RESPONSIBILITIES OF OWNER.

#### (a) <u>In general.</u>

- (1) The regulations in this article are minimum property standards for vacant and occupied buildings, properties, and structures within the city of Dallas. In addition to these minimum property standards, buildings, properties, and structures must comply with all federal and state laws and regulations, and with all ordinances, rules, and regulations of the city of Dallas, including the *Housing Standards Manual*.
- (2) These minimum property standards are intended to complement existing laws, ordinances, rules, and regulations. If the regulations in this chapter are less restrictive than other applicable laws, ordinances, rules, or regulation, the more restrictive law, ordinance, rule, or regulation applies.
- (3) For purposes of this section, the term "owner" includes an owner's representative or agent with control of the premises.
- (b) <u>Repairs.</u> All repairs required by this section must be performed in a workmanlike manner and in accordance with all ordinances, rules, and regulations of the City of Dallas, including the Housing Standards Manual.

#### (c) <u>Property standards</u>. An owner shall:

- (1) <u>maintain their premises in safe and sound condition without any [eliminate a] holes, excavations, or sharp protrusions[, and any other object or condition that exists on the land and is reasonably capable of causing injury to a person];</u>
  - (2) securely cover or close any wells cesspools, or cisterns;
- (3) provide solid waste receptacles or containers when required by Chapter 18 of this code:
  - (4) provide drainage to prevent standing water and flooding on the land;
- (5) remove dead trees and tree limbs that are reasonably capable of causing injury to a person;
- (6) keep the doors and windows of a vacant structure or vacant portion of a structure securely closed to prevent unauthorized entry; and
- (7) protect any exposed metal or wood surfaces from the elements and against decay or rust by periodic application of weather-coating materials, such as paint or similar surface treatment.

#### (d[b]) Structural and material standards. [An owner shall:]

(1) <u>General.</u> <u>An owner shall maintain structural members free from deterioration and shall maintain structural members so that they are capable of safely supporting imposed dead and live loads.</u>

#### (2) <u>Construction materials</u>. An owner shall:

- (A) maintain building and structure materials, including wood, gypsum products, glass, fiberglass, paper, canvas, fabric, plastic, vinyl, masonry, ceramic, plaster, brick, rock, stucco, slate, concrete, asphalt, tin, copper, steel, iron, aluminum, and other metals, in safe and sound condition.
- (B) protect, by application of paint or other coating, the exterior surfaces of a structure that are subject to decay.

#### (3) Roofs. An owner shall:

- (A) maintain roofs in safe and sound condition, free from leaks, holes, charred or deteriorated roofing materials, rotted wood, and other unsafe conditions.
- (B) maintain gutters and downspouts, if installed, in safe and sound condition and securely fastened.
- (4) <u>Chimneys and towers.</u> <u>An owner shall maintain chimneys, cooling towers, smoke stacks, and similar appurtenances so that they are structurally safe and sound and in good repair.</u>
- (5) <u>Foundations.</u> An owner shall maintain foundations and foundation components in safe and sound condition, and keep all foundation components securely fastened.
- (6) <u>Floors.</u> An owner shall maintain all flooring in safe and sound condition, free from holes, cracks, decay, and trip hazards.
- (7) <u>Shower enclosures.</u> An owner shall maintain shower enclosure floors and walls in safe and sound condition free of holes, cracks, breaches, decay, rust, and rot.
- (8) <u>Counter tops and backsplashes.</u> An owner shall maintain kitchen and bathroom counter tops and backsplashes surrounding kitchen sinks and lavatory sinks in safe, sanitary, and sound condition free of decay, rust, and rot.
  - (9) <u>Interior walls, ceilings, and surfaces; doors.</u> An owner shall:
    - (A) maintain all interior walls and ceilings in safe and sound condition;

(B) keep all interior walls and ceilings securely fastened to eliminate collapse hazards; (C) maintain all interior surfaces, including windows and doors, in safe, sound, and sanitary condition; (D) repair, remove, or cover all peeling, chipping, flaking, or abraded paint; and repair all cracked or loose plaster, wood or other defective surface (E) conditions. Exterior windows and skylights. An owner shall maintain: (10)the glass surfaces of exterior windows and skylights so that they are weather tight, in safe and sound condition, and in good repair; and (B) each habitable room with natural light in accordance with the building codes. Exterior doors. An owner shall maintain exterior doors so that they are (11)weather tight, in safe and sound condition, and in good repair. Security devices. An owner shall maintain all bars, grilles, grates and other (12)similar security devices, in safe and sound condition and in accordance with the building codes. Ventilation. An owner shall maintain all natural and mechanical ventilation (13)in habitable rooms in a safe and operable condition and in accordance with the building codes. (14)Balconies, landings, porches, decks, and walkways. An owner shall maintain: all balconies, landings, porches, decks, and walkways in safe and (A) sound condition and securely fastened. support posts and columns for balconies, landings, porches, decks, (B) and walkways or canopies in safe and sound condition, securely fastened and anchored. (15)Handrails and guardrails. An owner shall maintain all handrails and guardrails: (A) in accordance with the building codes;

in safe and sound condition, and securely fastened and anchored;

(B)

and

- (C) so that they are capable of safely supporting imposed dead and live loads.
  - (16) Steps and stairways. An owner shall:
- (A) maintain steps and stairways in safe and sound condition, securely fastened and anchored, and free from trip hazards;
- (B) maintain steps and stairways so that they are capable of safely supporting imposed dead and live loads; and
- (C) <u>seal any cracks or breaches in lightweight concrete steps, balconies, and walkways.</u>
  - (17) Fencing, retaining walls, and barriers.
- (A) An owner shall maintain all fences, retaining walls, decorative walls, and barriers in safe and sound condition, and in accordance with the Dallas Development Code. This requirement applies to a masonry wall only if wall encloses:
  - (i) a multi-tenant property; or
- (ii) <u>a single-family or duplex property where the wall is not shared with another property.</u>
- (B) An owner shall repair or replace rotted, missing, fire-damaged, or broken wooden slots and support posts.
- (C) An owner shall repair or replace broken, missing, or bent metal posts and torn, cut, bent, or ripped metal fencing materials.
- (D) An owner shall replace loose or missing bricks, stones, rocks, mortar, and similar materials on any masonry wall that is not shared with another property, if the wall:
- (i) encloses a multi-tenant property or a single-family property or duplex, or
  - (ii) serves as a retaining wall.
- (E) An owner shall maintain barriers required for swimming pools or spas in accordance with state law and city ordinances, rules, and regulations.

[protect the exterior surfaces of a structure that are subject to decay by application of paint or other coating;

- (2) fill hollow, masonry supporting piers, if used, with concrete and anchor the piers to concrete footings with a 5/8 inch steel dowel;
- (3) provide and maintain railings for stairs, steps, balconies, porches, and elsewhere as specified in the Dallas Building Code;
- (4) repair holes, cracks, and other defects reasonably capable of causing injury to a person in stairs, porches, steps, and balconies;
- (5) maintain a structure intended for human occupancy and a structure used as an accessory to a structure intended for human occupancy in a weather tight and water tight condition;
- (6) maintain floors, walls, ceilings, and all supporting structural members in a sound condition, capable of bearing imposed loads safely;
- (7) provide cross-ventilation of not less than 1-1/2 square feet for each 25 lineal feet of wall in each basement, cellar, and crawl space;
- (8) repair or replace chimney flue and vent attachments that do not function properly;
- (9) repair holes, cracks, breaks, and loose surface materials that are health or safety hazards in or on floors, walls, and ceilings; and
- (10) maintain any fence on the property in compliance with the following standards:
- (A) maintain a fence so that it is not out of vertical alignment more than one foot from the vertical, measured at the top of the fence, for a fence over four feet high, or more than six inches from the vertical, measured at the top of the fence, for a fence not more than four feet high, except that this provision does not apply to a masonry wall unless the wall encloses:
  - (i) a multi-tenant property; or
- (ii) a single-family or duplex property where the wall is not shared with another property;
- (B) repair or replace rotted, fire damaged, or broken wooden slats and support posts;
- (C) repair or replace broken or bent metal posts and torn, cut, bent, or ripped metal fencing materials; and
- (D) repair or replace loose bricks, stones, rocks, mortar, and similar materials on any masonry wall that encloses:

(ii) a single-family or duplex property where the wall is not shared with another property.]

a multi-tenant property; or

(e[e]) Utility and appliance standards. [An owner shall:]

<del>(i)</del>

- (1) <u>Air conditioning.</u> <u>If screens are not provided in accordance with Subsection XX</u>, an owner shall:
- (A) provide and maintain in safe and operating condition refrigerated air equipment capable of maintaining a maximum inside temperature of [80 / 85] degrees Fahrenheit, whichever is warmer, in each room of a structure intended for human occupancy;
- (B) maintain all fixed air conditioning systems, including unit covers, panels, conduits, and disconnects, in safe and operating condition, properly attached; and
- (C) install window-mounted air conditioning units, if provided, in compliance with the building codes.

#### (2) <u>Heating</u>.

- (A) An owner shall provide every dwelling unit with heating facilities that are installed and maintained in safe and operating condition and in accordance with the building codes. The heating facilities must be capable of maintaining a room temperature of 68 degrees Fahrenheit at a point three feet above the floor and two feet from exterior walls in any room intended for human occupancy.
- (B) Where heating is provided in buildings or structures other than dwelling units, an owner shall maintain those facilities in a safe and operating condition and in accordance with the building codes.
- (3) <u>Appliances.</u> If appliances are provided in a rental dwelling unit, the owner shall maintain those appliances, including portable heating units, portable air conditioning units, cook stoves, refrigerators, dishwashers, garbage disposals, ventilation hoods, washing machines, and clothes dryers, and all appliance connections, in a safe, sanitary, and operating condition.

[provide and maintain in operating condition connections to discharge sewage from a structure or land into a public sewer system where available;

(2) provide and maintain in operating condition a toilet connected to a water source and to a public sewer, where available, in each structure intended for human habitation;

- (3) provide and maintain in operating condition connections and pipes to supply potable water at adequate pressure to a structure intended for human occupancy;
- (4) provide and maintain in operating condition a device to supply hot water of a minimum temperature of 120°F, within each structure intended for human habitation;
- (5) provide and connect a kitchen sink, bathtub or shower, and lavatory to a cold and hot water source in each structure intended for human habitation;
- (6) connect plumbing fixtures and heating equipment that the owner supplies in accordance with the Dallas Plumbing Code and Dallas Mechanical Code;
- (7) provide and maintain heating equipment in operating condition so that it is capable of maintaining a minimum inside temperature of 68°F. from November 16 through March 15 in each room of a structure intended for human occupancy;
- (8) if screens are not provided as required in Subsection (d)(2), provide and maintain in operating condition, from April 1 through November 1, refrigerated air equipment capable of maintaining a maximum inside temperature that is 20 degrees lower than the outside temperature or 85°F., whichever is warmer, in each room of a structure intended for human occupancy;
- (9) provide and maintain in operating condition supply lines for electrical service to each structure intended for human occupancy if electrical service is available within 300 feet;
- (10) connect each heating and cooking device that burns solid fuel to a chimney or flue; and
- (11) provide and maintain in operating condition electrical circuits and outlets sufficient to safely carry a load imposed by normal use of appliances and fixtures.
  - (f) Plumbing standards.
    - (1) Plumbing systems. An owner shall maintain:
- (A) all plumbing pipes, fittings, and valves necessary to supply and conduct natural fuel gases, sanitary drainage, storm drainage, or potable water in a safe, sanitary, and operating condition in accordance with the building codes; and
- (B) all plumbing fixtures free of cross-connections and conditions that permit backflow into the potable water supply.
- (2) <u>Fuel gas distribution systems.</u> An owner shall maintain distribution systems that carry fuel gas or liquefied petroleum gas in a leak-free condition in accordance with the

<u>building codes</u>. If such a distribution system has been compromised, an owner shall have the system pressure-tested and repaired in accordance with the building codes.

- (3) Plumbing fixtures.
  - (A) An owner shall provide each dwelling unit with:
    - (i) a kitchen equipped with a kitchen sink; and
- (ii) <u>a minimum of one toilet; a lavatory sink; and either a</u> bathtub, a shower, or a combination of a bathtub and shower.
- (B) An owner shall keep all plumbing fixtures connected to an approved potable water supply system.
- (C) An owner shall connect and maintain all plumbing fixtures in a safe, sanitary, and operating condition, in accordance with all applicable building codes.
- (D) An owner shall equip toilets and urinals with cold potable water under pressure necessary for safe and sanitary operation.
- (E) An owner shall keep all plumbing fixtures connected to a public sanitary sewer system or to an approved private sewage disposal system.
- (F) An owner shall maintain all piping distribution systems in a safe, sanitary, and operating condition, and shall eliminate all unsafe, unsanitary, and inoperable conditions in such distribution systems.
- (G) Except when the sewer lines are being serviced, an owner shall cap each sewer clean-out opening with an approved plug in accordance with the building codes.
  - (4) Water heating equipment.
- (A) An owner shall maintain all water heating equipment in a safe and operating condition in compliance with the building codes.
- (B) For all water heating equipment, an owner shall maintain in accordance with the building codes a temperature and pressure relief valve with an approved drain line.
- (C) An owner shall provide and maintain in safe and operating condition water heating equipment that supplies hot water at a minimum maximum temperature of 120 degrees Fahrenheit, measured at the water outlet, to every required plumbing fixture.
- (D) An owner shall vent all fuel-fired water heating equipment as required by the building codes.

- (E) An owner shall maintain any existing fuel-fired water heaters that are located in a sleeping room or bathroom in compliance with the building codes.
- (F) An owner shall maintain boilers and central heating plants in a safe and operating condition.

#### (g) Electrical standards.

- (1) An owner shall maintain all provided electrical equipment and materials in a safe and operating condition and in accordance with the building codes.
- (2) An owner shall provide electrical circuits and outlets sufficient to carry safely a load imposed by normal use of appliances, equipment, and fixtures, and maintain them in a safe and operating condition.
- (3) In each dwelling unit, an owner shall provide and maintain each habitable room, bathroom, hallway, and stairway with at least one electric lighting outlet. The electric lighting outlet must be controlled by a wall switch, unless a wall switch is not required by the building codes.
- (4) An owner shall maintain all electric light fixtures located adjacent to exterior doors of all buildings or structures in a safe and operating condition.
- (5) An owner shall not use <u>extension cords or flexible cords as a substitute for permanent wiring and an owner shall only use extension cords and flexible cords in accordance with the building codes.</u>

#### $(\underline{h}[\underline{d}])$ Health standards. [An owner shall:]

#### (1) <u>Infestations</u>.

- (A) Where evidence of infestation exists, the owner of a building, structure, or property, including a vacant or occupied one-or two-family dwelling, or multi-family dwelling, shall eliminate infestations of vectors, rodents, or pests and repair any conditions that contribute to infestation.
- (B) If the building, structure, or property is a rental property, the owner shall provide notice to the tenants at least 48 hours before taking steps to eliminate the infestation.
- (i) The notice must be in writing and must include the method being used to eliminate the infestation.
- (ii) A tenant can waive the 48-hour notice period in writing. [eliminate rodents and vermin in or on the land;]

(C) It is a defense to prosecution under this paragraph that the building structure, or property was treated to eliminate vectors, rodents, or pests by a person licensed under the Texas Structural Pest Control Act once within the preceding 30 days.			
(2) <u>Screens.</u> An owner shall provide a structure intended for human habitation with a screen for keeping out insects at each opening of the structure if the structure is not cooled with refrigerated air.			
(3) Common toilet and shower facilities. An owner shall maintain toilet and shower facilities for common areas of a multi-family dwelling in a safe, sound, sanitary, and operating condition. [maintain the interior of a vacant structure or vacant portion of a structure free from rubbish and garbage; and]			
(4) <u>Swimming pools, spas, ponds, and fountains.</u>			
(i) Water in swimming pools, spas, ponds, fountains, and other containers shall be maintained to prevent the breeding or harborage of insects, and shall not emit odors that are foul and offensive to a person of reasonable sensibilities.			
(ii) Swimming pools, spas, ponds, and fountains shall be maintained in clean, safe, and sanitary condition, and in good repair.			
(iii) Fences or other barriers enclosing swimming pools, spas, ponds, and fountains shall be maintained in safe and sound condition and in accordance with the building codes [keep the interior of a structure free from insects, rodents, and vermin, except as specified in Section 27–12(b)].			
(5) <u>Sewage overflow.</u> An owner shall sanitize all areas contaminated by sewag overflow immediately after servicing is completed.			
(6) <u>Vacant dwelling units.</u>			
(A) An owner shall maintain the interiors of all vacant dwelling unit free of solid waste.			
(B) The owner of a vacant dwelling unit must store any swimming poor chemicals, cleaning chemicals, pesticides, herbicides, rodenticides, fertilizers, paints, solvents gasoline, gasoline-powered equipment, or combustible materials of any kind in accordance with the building codes and the Dallas Development Code.			
$(\underline{i}[e])$ <u>Security standards</u> . An owner or operator of a multifamily property, other than one exempt from registration under Section 27-XX of this chapter, shall:			

Sections 92.153, 92.154, and 92.155 of the Texas Property Code, as amended; and

provide and maintain security devices in each dwelling unit as required by

- (2) if the multifamily property has 3 or more dwelling units, provide security lighting that adequately illuminates all parking areas, walkways, stairs and steps, doorways, and garbage storage areas so that persons moving in or around those areas can be easily seen.
- [(f) It is a defense to prosecution under Subsection (a) of this section that the premises concerned is the site of new construction and reasonable and continuous progress is being made to complete the construction.
- (g) It is a defense to prosecution under Subsection (d)(4) of this section that the structure was treated to eliminate insects, rodents, and vermin by a person licensed under the Texas Structural Pest Control Act once within the preceding six months.
- (h) An owner shall provide a tenant with alternative housing that meets the minimum standards required by this section when:
- (1) after being issued a notice or citation for violation of Subsection (c)(7) of this section, the owner fails to repair heating equipment within 72 hours after receiving such notice or citation and the overnight low temperature, as measured by the National Weather Service at Dallas Love Field, is below 40 degrees Fahrenheit. for three consecutive days after receiving such notice or citation; or
- (2) after being issued a notice or citation for violation of Subsection (c)(8) of this section, the owner fails to repair refrigerated air equipment within 72 hours after receiving such notice or citation and the daytime high temperature, as measured by the National Weather Service at Dallas Love Field, is 95 degrees Fahrenheit, or above for three consecutive days after receiving such notice or citation.
- (i) It is a defense to prosecution under Subsections (c)(7) and (c)(8) of this section and to the alternative housing requirements of Subsection (h) of this section that:
- (1) failure to maintain heating and refrigerated air equipment in compliance with those subsections was the direct result of an act of nature or other cause beyond the reasonable control of the owner; or
- (2) the owner is making diligent efforts to repair the heating and refrigerated air equipment in compliance with those subsections; if the owner demonstrates to the director that diligent efforts to repair are being made, the director will not issue a notice or citation for a violation of Subsection (c)(7) or (c)(8) of this section.
- (j) It is a defense to prosecution under Subsection (c)(7) of this section and to the alternative housing requirements of Subsection (h)(1) of this section that a written contract is in effect requiring the tenant to provide and maintain heating equipment and the owner has provided utility connections for heating equipment in compliance with the Dallas Mechanical Code, as amended, in each room of the structure intended for human occupancy.

- (k) It is a defense to prosecution under Subsection (c)(8) of this section and to the alternative housing requirement of Subsection (h)(2) of this section that the structure is provided with exterior windows and doors that are easily openable to provide air ventilation and covered with screens in compliance with Subsection (d)(2) of this section.]"
- SECTION 8. That Section 27-12, "Responsibilities of Occupant," of Article III, "Minimum Standards," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is amended to read as follows:

#### "SEC. 27-12. RESPONSIBILITIES OF OCCUPANT.

#### [(a)] An occupant shall:

- (1) maintain the interior and exterior [those] portions of the person's dwelling unit [interior of a structure under his control] free from accumulations of solid waste [rubbish, garbage,] and other conditions that would encourage infestation [of insects, rodents, or vermin];
- (2) remove an animal or animals from a structure if the presence of the animal or animals is a health hazard to an occupant;
- (3) connect plumbing fixtures and heating equipment that the occupant supplies in accordance with the building codes.
- (4) provide solid waste receptacles or containers when required by Chapter 18 of this code; and
- (5) not alter a structure or its facilities so as to create a nonconformity with Section 27-11 or this section.
- [(b) The tenant occupant of a single-family residential structure shall keep the interior of the structure free from insects, rodents, and vermin if the owner can show that the structure was treated to eliminate insects, rodents, and vermin by a person licensed under the Texas Structural Pest Control Act:
  - (1) within two weeks before the date the tenant took occupancy; or
- (2) once within the preceding six months if there has been more than one tenant during the preceding six months]."
- SECTION 9. That Section 27-15.1, "Placarding of a Structure by the Director," of Article IV, "Vacation, Reduction of Occupancy Load, and Securing of Structures and Relocation of Occupants," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is amended to read as follows:

#### "SEC. 27-15.1. PLACARDING OF A STRUCTURE BY THE DIRECTOR.

- (a) After a court order requiring vacation of a structure or dwelling unit has become <u>final</u>, t[F]he director may place a red placard [warning of a dangerous condition] on <u>or near the</u> front door of the [any] structure or dwelling unit [that:
  - (1) is unsanitary or unsafe; and
- (2) presents an immediate danger to the health, safety, or welfare of the public or of any occupant of the structure].
  - (b) The red placard shall state:
    - (1) that the structure or dwelling unit was ordered to be vacated;
    - (2) that a person commits an offense if he, without authority from the director:
      - (A) removes or destroys the red placard;
      - (B) occupies the structure or dwelling unit; or
- (C) as owner of the structure, authorizes a person to occupy the structure or dwelling unit; and
- structure under Subsection (a) of this section, the director shall immediately refer the structure to the city attorney for a hearing before the municipal court, to be held in accordance with Article IV-a of this chapter, on the dangerous condition of the structure and the need to vacate any occupants of the structure. Before the 11th day after the director placards the structure, the director shall give notice of the hearing to each owner, lienholder, or mortgagee of the affected property in accordance with the notice requirements of Section 27–16.5].
  - (c) A person commits an offense if he:
- (1) without authority from the director, removes or destroys a red placard placed by the director;
- (2) occupies a structure or dwelling unit on which the director has placed a red placard; or
- (3) [as owner of a structure or dwelling unit,] authorizes a person to occupy a structure or dwelling unit on which the director has placed a red placard.
  - (d) It is a defense to prosecution under Subsection (c)(2) that:

- (1) the person had lawfully and continuously occupied the structure or dwelling unit before and after the structure was placarded; and
- (2) the structure or dwelling unit had not been ordered vacated by the municipal court.
  - (e) It is a defense to prosecution under Subsection (c)(3) that:
- (1) the person authorized by the owner to occupy the structure or dwelling unit had lawfully and continuously occupied the structure or dwelling unit before and after the structure was placarded; and
- (2) the structure or dwelling unit had not been ordered vacated by the municipal court.]"

#### [Article IV-a, "Municipal Court Jurisdiction Over Urban Nuisances," is still under review.]

SECTION 10. That Subsection (a) of Section 27-16.13, "Administrative Citation," of Article IV-b, "Administrative Adjudication Procedure For Premises and Property Violations," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is amended to read as follows:

- "(a) An administrative citation issued under this article must:
- (1) notify the person charged with violating the ordinance that the person has the right to a hearing;
- (2) provide information as to the time and place to appear before [of] the hearing officer;
  - (3) include the nature, date, and location of the violation;
- (4) notify the person charged with violating the ordinance of the amount of the administrative penalty for which the person may be liable and provide instructions and the due date for paying the administrative penalty;
- (5) notify the person charged that any request to have the inspector who issued the citation present at the administrative hearing must be in writing and must be received by the hearing officer at least five calendar days before the scheduled hearing date and that the failure to timely request the presence of the inspector constitutes a waiver of the person's right to require the inspector to be present at the hearing;

- (6) notify the person charged that failure to timely appear at the time and place of the hearing as set forth in the citation or, if the hearing is continued or postponed, at any subsequent hearing, is considered an admission of liability for the violation charged; and
- (7) contain a return of service signed by the inspector indicating how the administrative citation was served on the person charged."

SECTION 11. That Section 27-16.14, "Service Of an Administrative Citation," of Article IV-b, "Administrative Adjudication Procedure For Premises and Property Violations," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended to read as follows:

#### "SEC. 27-16.14. SERVICE OF AN ADMINISTRATIVE CITATION.

- (a) An attempt must be made to personally serve an administrative citation by handing it to the person charged if the person is present at the time of service or by leaving the citation at the person's usual place of residence with any person residing at such residence who is 16 years of age or older and informing that person of the citation's contents.
- (b) If an attempt to personally serve the citation fails, the administrative citation must then be served upon the person charged by posting the citation on either:
  - (1) the front door <u>or front gate</u> of the premises or property; or
- (2) a placard staked to the yard of the premises or property in a location visible from a public street or alley.
- (c) If service upon the person charged is by posting the citation on the premises or property, a copy of the citation must also be sent to the last known address of the person charged by regular United States mail. If the person charged is the owner of the premises or property, then the last known address of the person is that address kept by the appraisal district of the county in which is located the premises or property that is the subject of the citation. If the owner is a corporation or legal entity, then the last known address of the person is the address of the registered agent for the corporation kept by the Secretary of State. If the person charged is the person in control of the premises or property, then the last known address of the person is the address of the premises or property.
- [(d) If service upon the person charged is by posting the citation on the premises or property, a photograph of the posting and a copy of the mail notice must be forwarded with a copy of the citation to the municipal court clerk. The photograph and the mail notice will become part of the citation.]"
- SECTION 12. That Section 27-16.15, "Answering an Administrative Citation," of Article IV-b, "Administrative Adjudication Procedure For Premises and Property Violations," of Chapter

27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is amended to read as follows:

#### "SEC. 27-16.15. ANSWERING AN ADMINISTRATIVE CITATION.

- (a) A person who has been <u>charged with a violation of this chapter through [issued]</u> an administrative citation shall answer to the charge [of the violation] by appearing in person <u>or through counsel</u> before the hearing officer no later than the 31st calendar day after the date the <u>citation was issued</u> [at the hearing on the date and location set forth in the citation]. <u>If the 31st calendar day falls on a day when the court is closed, then the person must appear (in person or through counsel) by the next day that the court is open [The hearing must be held no sooner than 31 calendar days following the issuance of the administrative citation].</u>
- (b) An answer to the administrative citation may be made in <u>either</u> [any] of the following ways:
- (1) By returning the citation, on or before the <u>31st calendar day from the date</u> the citation was issued [date of the administrative hearing], with the applicable administrative penalties, fees, and court costs, which action constitutes an admission of liability.
- (2) By personally appearing, with or without counsel, before the hearing officer on or before the 31st calendar day from the date the citation was issued [the date and location set forth in the citation] and on any subsequent hearing date. The person charged in the administrative citation must be present at the hearing and cannot be represented by anyone other than their legal counsel. If the person charged is a corporation or a business entity, the corporation or business entity must be represented by counsel.
- [(3) By filing a written answer, either personally or through counsel, at least seven calendar days prior to the hearing date set forth in the citation, except that the filing of a written answer does not relieve the person charged from the duty to personally appear before the hearing officer on the date and location set forth in the citation and on any subsequent hearing date.]"

SECTION 13. That Section 27-16.16, "Failure To Appear At an Administrative Hearing," of Article IV-b, "Administrative Adjudication Procedure For Premises and Property Violations," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is amended to read as follows:

#### "SEC. 27-16.16. FAILURE TO APPEAR AT AN ADMINISTRATIVE HEARING.

(a) A person [issued an administrative citation] who fails to answer an administrative citation as required by section 27-16.15 of this chapter [appear at a hearing authorized under this article] is considered to have admitted liability for the violation charged. Upon proof of service by

the city, the hearing officer shall issue, in writing, an administrative order of liability and assess against the person charged with the violation an appropriate amount of administrative penalties, fees, and court costs.

- (b) The hearing officer shall assess an additional \$36 administrative penalty for each violation (other than a violation of Section 49-21.1 of this code) for which a person is found liable, which amount will be placed in the Dallas Tomorrow Fund or the Dallas Animal Welfare Fund, as applicable. In no case may the total amount of administrative penalties assessed against a person for a violation exceed the maximum penalty established by city ordinance for the particular violation, and in no case may the total amount of administrative penalties assessed against a person for a violation be less than the minimum penalty established by city ordinance for the particular violation.
- (c) Within seven calendar days after the hearing officer files [filing] the administrative order of liability with the municipal court clerk, the municipal court clerk [hearing officer] shall send a copy of the order to the person charged with the violation. The copy of the order must be sent by regular United States mail to the person's last known address as defined in Section 27-16.14(c). The administrative order must include a statement:
  - (1) of the amount of the administrative penalties, fees, and court costs;
- (2) of the right to appeal to municipal court before the 31st calendar day after the date the hearing officer's order is filed with the municipal court clerk;
- (3) that, unless the hearing officer's order is suspended through a properly filed appeal, the administrative penalties, fees, and court costs must be paid within 31 calendar days after the date the hearing officer's order is filed;
- (4) that, if the administrative penalties, fees, and court costs are not timely paid, the penalties, fees, and costs may be referred to a collection agency and the cost to the city for the collection services will be assessed as costs, at the rate agreed to between the city and the collection agency, and added to the judgment; and
  - (5) that the city may enforce the hearing officer's administrative order by:
- (A) filing a civil suit for collection of the administrative penalties, fees, and court costs; [and/or]
- (B) obtaining an injunction to prohibit specific conduct that violates the order or to require specific conduct necessary for compliance with the order; or

#### (C) both (A) and (B)."

SECTION 14. That Subsection (a) of Section 27-16.17, "Hearing Officers; Qualifications, Powers, Duties, and Functions," of Article IV-b, "Administrative Adjudication Procedure For

Premises and Property Violations," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is amended to read as follows:

"(a) Hearing officers shall be appointed by the city council [employed by the administrative judge of the municipal court] to administratively adjudicate violations of ordinances described by Section 54.032 of the Texas Local Government Code or adopted under Subchapter E, Chapter 683 of the Texas Transportation Code or under Section 214.001(a)(1) of the Texas Local Government Code. The city council [administrative judge of the municipal court] shall appoint one hearing officer and may appoint a maximum of five associate hearing officers, who shall meet the same qualifications and have the same powers, duties, and functions of the hearing officer."

SECTION 15. That Section 27-16.18, "Hearing For Disposition Of an Administrative Citation; Citation As Rebuttable Proof Of Offense," of Article IV-b, "Administrative Adjudication Procedure For Premises and Property Violations," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is amended to read as follows:

## "SEC. 27-16.18. HEARING FOR DISPOSITION OF AN ADMINISTRATIVE CITATION; CITATION AS REBUTTABLE PROOF OF OFFENSE.

- (a) Every hearing for the adjudication of an administrative citation under this article must be held before a hearing officer. A hearing cannot be held without the presence of the person charged or the person's attorney.
- (b) At a hearing under this article, the administrative citation is rebuttable proof of the facts that is states. Evidence of compliance with the ordinance after the administrative citation was issued can be presented but such evidence is not considered rebuttal evidence nor does it refute or contradict the allegations made in the citation.
- (c) The formal rules of evidence do not apply to the hearing, and any relevant evidence will be <u>deemed</u> admitted if the hearing officer finds it competent and reliable[, regardless of the existence of any common law or statutory rule to the contrary]. The hearing officer is not required to formally admit evidence into the record for the evidence to be deemed admitted. The hearing officer shall make a decision based upon a preponderance of the evidence presented at the hearing, after giving due weight to all rebuttable proof established by this article or other applicable law.
- $(\underline{d}[e])$  Each party shall have the right to call and examine witnesses, to introduce exhibits, to cross-examine opposing witnesses on any matter relevant to the issues, and to rebut evidence; except that, if the person charged fails to make a timely, written request to have the inspector who issued the citation present at the hearing, the person charged will be deemed to have waived the right to call and examine that inspector.

- $(\underline{e}[d])$  The hearing officer may examine any witness and may consider any evidence offered by a witness or person charged with a violation, giving due weight to all testimony and evidence offered.
- (<u>f[e]</u>) If requested by the hearing officer or any party to the hearing prior to commencement of the hearing, the <u>entire</u> proceedings of the administrative hearing[, <u>limited to pre-hearing motions and testimony</u>,] will be recorded electronically. Failure to timely request that the administrative hearing be electronically recorded constitutes a waiver of the right to have a record of the hearing. The person charged may, at his expense, have a court reporter present in the hearing room during the proceedings.
- $(\underline{g}[f])$  After hearing all the evidence, the hearing officer shall immediately issue an order in writing, either:
- (1) finding the person charged liable for the violation, assessing the applicable administrative penalties, fees, and court costs, and notifying the person of the right of appeal to municipal court; <u>or</u>
  - (2) finding the person charged not liable for the violation; or
- (3) finding the person charged liable for the violation, assessing the applicable administrative penalties, fees, and court costs, notifying the person of the right of appeal to municipal court, and suspending the enforcement of the administrative order for a specific period of time; provided that:
- (A) a person whose administrative order is suspended must pay all fees and court costs;
- (B) if, at the end of the suspension, the property or premises complies with the administrative order, the hearing officer may reduce the applicable administrative penalties; and
- (C) if, at the end of the suspension, the property or premises is still in violation of the administrative order, the administrative penalties originally assessed will become due.
- $(\underline{h}[g])$  The hearing officer shall assess an additional \$36 administrative penalty for each violation (other than a violation of Section 49-21.1 of this code) for which a person is found liable, which amount will be placed in the Dallas Tomorrow Fund or the Dallas Animal Welfare Fund, as applicable. In no case may the total amount of administrative penalties assessed against a person for a violation be more than [exceed] the maximum penalty or less than the minimum penalty established by city ordinance for the particular violation.
- $(\underline{i}[h])$  A person who has been found liable for a violation may, after the hearing officer has issued an administrative order but prior to the conclusion of the hearing, assert financial inability to bring the property or premises into compliance with the order. At that time, the hearing

officer shall [may] suspend enforcement of the administrative order for a specific time not to exceed 30 days and set the matter for an indigency hearing [make a determination of financial inability to pay] pursuant to Section 27-16.19(e).

- (j[i]) During a period in which enforcement of an administrative order is suspended under Subsection (f)(3) or (h) of this section, the person found liable for a violation may request an extension of the suspension period. The hearing officer may, only one time for each administrative order, grant an extension of the suspension period. The sole basis for an extension is that the person found liable for the violation is making a good faith attempt to comply with the administrative order and, due to delay beyond that person's control, is unable to timely complete the rehabilitation and/or repair of the property or the premises or otherwise comply with the administrative order. The extension granted will be for a specific time period as determined by the hearing officer, not to exceed 30 days. If, in the interests of justice, the city believes that a further extension should be granted, the city can make a motion to extend the suspension period for a specific time and present the motion to the hearing officer for a ruling.
- $(\underline{k}[\underline{i}])$  An administrative order of the hearing officer must be filed with the municipal court clerk.
- ([k]) Any recording of an administrative hearing must be kept and stored for not less than 45 calendar days beginning the day after the last day of the administrative hearing. Any administrative hearing that is appealed must be transcribed from the recording by a court reporter or other person authorized to transcribe court of record proceedings. The court reporter or other person transcribing the recorded administrative hearing is not required to have been present at the administrative hearing.
- $(\underline{m}[1])$  The person found liable for the violation shall pay for any transcription of the recorded administrative hearing unless the hearing officer finds, pursuant to Section 27-16.19, that the person is unable to pay or give security for the transcription.
- (n[m]) Before the recorded proceedings are transcribed, the person found liable for the violation shall, unless found by the hearing officer to be unable to pay for the transcription, post a cash deposit with the municipal clerk for the estimated cost of the transcription. The cash deposit will be based on the length of the proceedings, as indicated by the amount of tape used to electronically record the proceedings, and the costs of the court reporter, typing, and other incidental services. The municipal court clerk shall post a current schedule of charges for transcription fees, including deposits. If the cash deposit exceeds the actual cost of the transcription, the municipal court clerk shall refund the difference to the person charged. If the cash deposit is insufficient to cover the actual cost of the transcription, the person charged must pay the additional amount before being given the transcription. If a case is reversed on appeal, the municipal court clerk shall refund to the person charged any amounts paid for a transcription."

SECTION 16. That Subsection (e) of Section 27-16.19, "Financial Inability To Comply With an Administrative Order, Pay For Transcription Of a Record, Or Post an Appeal Bond," of Article IV-b, "Administrative Adjudication Procedure For Premises and Property Violations," of

Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is amended to read as follows:

"(e) After receiving a claim that a person found liable for a violation under this article is financially unable to comply with an administrative order, to pay for a transcription of the record, and/or to post an appeal bond, the hearing officer shall [may] set the matter for hearing and notify all parties of the hearing date by regular United States mail. The hearing officer shall [may] order the person found liable for a violation to bring to the hearing documentary evidence to support the person's claim of financial inability. The hearing officer's determination of whether the person found liable for a violation is financially unable to comply with the administrative order, to pay for a transcription of the record, and/or to post an appeal bond must be based on all information provided to the hearing officer by the person found liable or by the city attorney in opposition to the claim of financial inability. If the hearing officer determines that the person found liable for a violation does not have the financial ability to bring the property or premises into compliance with the administrative order, to pay for a transcription of the record, and/or to post an appeal bond, then the hearing officer shall enter that finding in writing."

SECTION 17. That Subsection (f) of Section 27-16.19, "Financial Inability To Comply With an Administrative Order, Pay For Transcription Of a Record, Or Post an Appeal Bond," of Article IV-b, "Administrative Adjudication Procedure For Premises and Property Violations," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is amended to read as follows:

"(f) If the hearing officer finds that a person is financially unable to bring the property or premises into compliance with the administrative order, the <a href="hearing">hearing</a> officer shall not suspend the finding of liability, but shall suspend the enforcement of the administrative order <a href="for-a-specified">for a specified</a> period of time, not to exceed 120 days, to allow the person to apply with a Citizen Advocate <a href="Program to help bring their properties into compliance with the administrative order">hearing their properties into compliance with the administrative order</a>. [The suspension must be for a specific period of time.] At the end of the suspension period, if the property or premises is in compliance with the administrative order, the administrative citation will be dismissed. If, at the end of the suspension period, the property or premises is still in violation of the administrative order, the administrative penalties, fees, and court costs originally assessed will become due. If, in the interests of justice, the city believes that the suspension should be extended, the city can make a motion to extend the suspension period for a specific time and present the motion to the hearing officer for a ruling."

SECTION 18. That Section 27-16.20, "Appeal To Municipal Court," of Article IV-b, "Administrative Adjudication Procedure For Premises and Property Violations," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is amended to read as follows:

#### "SEC. 27-16.20. APPEAL TO MUNICIPAL COURT.

- (a) Either party to an action ruled upon by the hearing officer [A person determined by the hearing officer to be liable for a violation of an ordinance enforced] under this article may appeal that determination by filing a petition in municipal court within [before the] 31[st] calendar days after the date the hearing officer's administrative order is filed with the municipal court clerk. An appeal does not stay the enforcement of the order of the hearing officer unless, before the appeal petition is filed, a bond is filed with the municipal court for twice the amount of the administrative penalties, fees, and court costs ordered by the hearing officer. The city is not required to file a bond in order to appeal. An appellant to municipal court may request a waiver of the bond amount on the basis of financial inability to pay, in which case the hearing officer may hold a hearing pursuant to Section 27-16.19 to determine whether the appellant is indigent and whether the bond amount may be waived. If the hearing officer's administrative order is reversed on appeal, the appeal bond will be returned to the appellant.
- (b) If a person found liable for a violation does not timely appeal the hearing officer's administrative order, the order will become a final judgment. If the administrative penalties, fees, and court costs assessed in the final judgment are not paid within 31 calendar days after the date the hearing officer's order is filed with the municipal court clerk, the administrative penalties, fees, and court costs may be referred to a collection agency and the cost to the city for the collection services will be assessed as costs, at the rate agreed to between the city and the collection agency, and added to the judgment. The city may enforce the hearing officer's administrative order by filing a civil suit for collection of the administrative penalties, fees, and court costs and/or by obtaining an injunction to prohibit specific conduct that violates the administrative order or to require specific conduct necessary for compliance with the administrative order.
- (c) Any recording of an administrative hearing must be kept and stored for not less than 45 calendar days beginning the day after the last day of the administrative hearing. Any administrative hearing that is appealed must be transcribed from the recording by a court reporter or other person authorized to transcribe court of record proceedings. The court reporter or other person transcribing the recorded administrative hearing is not required to have been present at the administrative hearing.
- (d) The person found liable for the violation shall pay for any transcription of the recorded administrative hearing unless the hearing officer finds, pursuant to Section 27-16.19, that the person is unable to pay or give security for the transcription.
- (e) Before the recorded proceedings are transcribed, the person found liable for the violation shall, unless found by the hearing officer to be unable to pay for the transcription, post a cash deposit with the municipal clerk for the estimated cost of the transcription. The cash deposit will be based on the length of the proceedings, as indicated by the amount of tape used to electronically record the proceedings, and the costs of the court reporter, typing, and other incidental services. The municipal court clerk shall post a current schedule of charges for transcription fees, including deposits. If the cash deposit exceeds the actual cost of the transcription, the municipal court clerk shall refund the difference to the person charged. If the

cash deposit is insufficient to cover the actual cost of the transcription, the person charged must pay the additional amount before being given the transcription. If a case is reversed on appeal, the municipal court clerk shall refund to the person charged any amounts paid for a transcription.

- (f) Upon receipt of an appeal petition, the municipal court clerk or deputy clerk shall cause a record of the case to be prepared from the transcript and the statement of facts, which must conform to the provisions relating to the preparation of a statement of facts in the Texas Rules of Appellate Procedure. The appellant shall pay for the statement of facts. If the person found liable for a violation failed to timely request that the administrative hearing be electronically recorded, then that person has waived the right to appeal the administrative order. If the person found liable for a violation timely requested that the administrative hearing be electronically recorded and, through no fault of the person, the recording of the hearing is either unavailable or cannot be transcribed, then the municipal judge shall reverse the hearing officer's order and remand the matter to the hearing officer for a new administrative hearing.
- $(\underline{g}[\underline{d}])$  Upon receiving the record of the administrative hearing, the municipal judge shall review the record and may grant relief from the administrative order only if the record reflects that the appellant's substantial rights have been prejudiced because the administrative order is:
  - (1) in violation of a constitutional or statutory provision;
  - (2) in excess of the hearing officer's statutory authority;
  - (3) made through unlawful procedure;
  - (4) affected by another error of law;
- (5) not reasonably supported by substantial evidence considering the reliable and probative evidence in the record as a whole; or
- (6) arbitrary or capricious or characterized by an abuse of discretion or a clearly unwarranted exercise of discretion.
- $(\underline{h}[e])$  The municipal judge shall rule on the appeal within 21 calendar days after receiving the record of the administrative hearing. The municipal judge shall affirm the administrative order of the hearing officer unless the record reflects that the order violates one of the standards in Subsection (d) of this section. If the record reflects that the hearing officer's order violated one of the standards in Subsection (d), the municipal judge may either:
  - (1) reverse the hearing officer's order and find the appellant not liable;
- (2) reverse the hearing officer's order and remand the matter to the hearing officer for a new hearing; or

- (3) affirm the order, but reduce the amount of the administrative penalties assessed to no lower than the minimum penalty established by ordinance for the particular violation, excluding the additional \$36 administrative penalty.
- $(\underline{i}[f])$  The municipal judge's ruling on the appeal must be issued in writing and filed with the municipal court clerk. A copy of the ruling must be sent to the appellant by regular United States mail at the last known address of the appellant as provided to the municipal court for the appeal.
- (j[g]) The municipal judge's ruling is a final judgment. If an appeal bond was posted, any administrative penalties, fees, or court costs assessed by the municipal judge or by the hearing officer, if affirmed by the municipal judge, will be deducted from the appeal bond. If no appeal bond was posted, any administrative penalties, fees, or court costs assessed by the municipal judge or by the hearing officer, if affirmed by the municipal judge, must be paid within 30 calendar days after the municipal judge's ruling is filed with the municipal court clerk. If not timely paid, such penalties, fees, and court costs may be referred to a collection agency and the cost to the city for the collection services will be assessed as costs, at the rate agreed to between the city and the collection agency, and added to the judgment. The city may enforce the municipal judge's ruling by filing a civil suit for collection of the administrative penalties, fees, and court costs and/or by obtaining an injunction to prohibit specific conduct that violates the ruling or to require specific conduct necessary for compliance with the ruling."
- SECTION 19. That Section 27-16.22, "Dallas Tomorrow Fund," of Article IV-b, "Administrative Adjudication Procedure For Premises and Property Violations," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is amended to read as follows:

### "SEC. 27-16.22. DALLAS TOMORROW FUND.

- (a) The Dallas Tomorrow Fund is composed of:
- (1) all Dallas Tomorrow Fund penalties collected under Section 27-16.21(b) of this article;
- (2) 30 percent of all civil <u>penalties</u> [fines] collected by the city for <u>civil</u> lawsuits filed in the municipal court under Subchapter B, Chapter 54 of the Texas Local Government Code or under Chapter 214 of the Texas Local Government Code; and
- (3) any funds donated by an individual or entity, any of which donations may be refused by a majority vote of the city council.
- (b) The Dallas Tomorrow Fund shall [must] be used for the sole purpose of rehabilitating and [for prepairing properties and premises in the city for persons who [for persons who is the city for persons where the city for persons who is the city for persons where the city for persons where the city for persons

- (1)] are found by the Dallas Tomorrow Fund administrator to be financially unable to comply with a notice of violation issued by the director under this chapter [an administrative order of a hearing officer under Section 27-16.19; and
- (2) do not qualify for other home repair or rehabilitation assistance available through the city]."

SECTION 20. That Section 27-16.23, "Administration of the Dallas Tomorrow Fund," of Article IV-b, "Administrative Adjudication Procedure For Premises and Property Violations," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is amended to read as follows:

#### "SEC. 27-16.23. ADMINISTRATION OF THE DALLAS TOMORROW FUND.

- (a) The city manager shall appoint an administrator of the Dallas Tomorrow Fund. The administrator shall adopt policies and procedures consistent with this article for the administration of the fund.
  - (b) To be eligible to receive funds from the Dallas Tomorrow Fund, a person must:
- (1) have received a notice of violation of this chapter from the director [been found liable for an administrative offense under this article (other than a violation of Chapter 7 or Section 49-21.1 of this code);
- (2) have been found by the administrator of the Dallas Tomorrow Fund [a hearing officer under Section 27-16.19] to be financially unable to comply with the notice of violation [an administrative order issued under this article];
- (3) [not qualify for other home repair or rehabilitation assistance available through the city;
- (4)] file a request with the Dallas Tomorrow Fund administrator for the purpose of rehabilitating and/or repairing the person's property or premises until it complies with the <u>notice of violation</u> [administrative order]; and
- (4[5]) not have received funds from the Dallas Tomorrow Fund within the preceding 60 months.
- (c) A person who makes a request to the Dallas Tomorrow Fund administrator is voluntarily requesting that the administrator use the fund to rehabilitate and/or repair the person's property or premises for the sole purpose of bringing the property or premises into compliance with the notice of violation [administrative order].
- (d) The administrator is responsible for ensuring that the property or premises is inspected and that a detailed, written project plan is prepared that includes the work proposed, the

amount of time the work will take, and the cost of the work. The project plan shall include only the work necessary to bring the property or premises into compliance with the notice of violation.

- (e) A person who files a request with the Dallas Tomorrow Fund administrator does so voluntarily. Before the work on the property or premises begins, the person who filed the request must confirm in writing that he or she: [That person may]
  - (1) <u>has</u> inspected the project plan [prior to the beginning of work];
  - (2) approves the project plan; and
- (3) <u>understands that he or she has the right to</u> withdraw the request <u>at any time</u> by providing written notice to the Dallas Tomorrow Fund administrator. [The administrator shall give the person written notice of this right to examine the project plan and withdraw the request. If the person does not withdraw the request, the person is considered to have given approval for the project.]
- (f) If the person continues with the request, the person must indemnify the city against any liability resulting from the project, any damages that may occur related to the project, and any damages resulting from any early termination of the project.
- (g[f]) The administrator shall comply with state law in procuring a contractor to rehabilitate and/or repair the property or premises in accordance with the project plan [and the administrative order].
- $(\underline{h}[g])$  The [person who filed the request with the Dallas Tomorrow Fund and the] contractor selected by the Dallas Tomorrow Fund administrator [that person shall each have] has the right to terminate the project at any time pursuant to their contractual agreement and [ $\overline{or}$ ] pursuant to policies and procedures adopted by the administrator. Any termination notice must be in writing. The city has no obligation, and is not liable, for any subsequent rehabilitation and/or repair of the property or premises as a result of the termination.
- (<u>i</u>[h]) If the project is terminated prior to completion for any reason, the administrator may disburse money from the Dallas Tomorrow Fund to pay the contractor for <u>work completed</u> by the contractor [completion of work approved by the administrator].
- (j[i]) Once the administrator certifies that the project is completed, the administrator shall notify the code officer who wrote the notice of violation and the officer's district manager [hearing officer] in writing. The project must then be inspected by the city for the sole purpose of determining whether the property or premises complies with the notice of violation [administrative order. If the property or premises complies with the administrative order, then the city inspector shall send a notification of compliance to the hearing officer, who shall then dismiss the administrative citation]. If the city inspector determines that the property or premises does not comply with the notice of violation [administrative order], then the city inspector shall send written notice to the administrator that the project is not completed and describe the work that is required before the project will be considered completed. At that point, the administrator shall ensure that

the selected contractor will continue the project until once again certifying that the project is completed, at which time the project will again be inspected by the city for the sole purpose of determining whether the property or premises complies with the <u>notice of violation [administrative order]</u>.

 $(\underline{k}[j])$  The administrator may only initiate project plans for projects costing \$20,000 [10,000] or less. No project plan may be initiated by the administrator unless the project cost is less than or equal to the amount in the Dallas Tomorrow Fund at any one time. If the fund is temporarily out of money, the administrator may not initiate a project plan until such time as there are additional funds equal to or exceeding the amount of the project's cost. If during work on the project, change orders are needed in order to ensure that the property or premises complies with the administrative order, the administrator may approve additional funds, not to exceed 25 percent of the maximum project amount allowed by this subsection, for work that was necessary to bring the property or premises into compliance with the notice of violation [administrative order], but that was not anticipated in the original project plan. Substantial changes to the project plan shall be approved in writing by the person who filed the request with the Dallas Tomorrow Fund administrator."

SECTION 21. That Section 27-24, "Definitions," of Article VI, "Master Metered Utilities," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is amended to read as follows:

#### "SEC. 27-24. DEFINITIONS.

In this article:

- (1) MASTER METERED APARTMENT BUILDING means a building or group of buildings on a single premise containing three or more [than four] dwelling units that are leased to occupants who are provided one or more utility services for which they do not pay the utility company directly.
- (2) PROPERTY MANAGER means the person, firm, or corporation that collects or receives rental payments, or has responsibility for paying utility bills for a master metered apartment building.
- (3) UTILITY COMPANY means the entity providing gas, electric, or water and wastewater service to a master metered apartment building.
- (4) UTILITY INTERRUPTION means the termination of utility service to a master metered apartment building by a utility company for nonpayment of billed service."

SECTION 22. That Section 27-27, "Notice Of Utility Interruption," of Article VI, "Master Metered Utilities," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is amended to read as follows:

#### "SEC. 27-27. NOTICE OF UTILITY INTERRUPTION.

- (a) A utility company shall make a reasonable effort (including, but not limited to messenger delivery) to provide notice of a pending utility interruption to tenants of a master metered apartment building.
  - (b) A person commits an offense if he knowingly:
- (1) interferes with an employee of a utility company posting notices of a utility interruption at dwelling units of a master metered apartment building; or
- (2) removes a notice of utility interruption posted at a dwelling unit of a master metered apartment building.
- (c) It is a defense to prosecution under Subsection (b)(2) that the person is the resident of the dwelling unit from which notice was removed.
- (d) A utility company shall notify the city attorney of any utility interruption to a master metered apartment dwelling unit resulting from a violation of Section 27-28 of this article. Notice must be given, in writing, not more than three days after utility service is interrupted.
- (e) A person who is responsible for bills received for electric utility service or gas utility service provided to an apartment, a leased or owner-occupied condominium, or one of more buildings containing at least 10 dwellings that receive electric utility service of gas utility service that is master metered but not submetered, shall comply with the notice requirements in Subchapter G of Chapter 92 of the Texas Property Code, as amended."

SECTION 23. That the title of Article VII, "Registration and Inspection of Multi-Tenant Properties," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is amended to read as follows:

## "ARTICLE VII. REGISTRATION AND INSPECTION OF <u>RENTAL</u> [<u>MULTI-TENANT</u>] PROPERTIES AND CONDOMINIUMS."

[NOTE: The following proposed changes to Article VII do not include the current language that is being amended. Except for the changes reflected in the section titles, the language below is the new language only. A reader can determine what is being changed by comparing the language below with the current Article VII found on the city's website.]

SECTION 24. That Section 27-30, "Registration Required; Defenses," of Article VII, "Registration and Inspection of Rental Properties," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is amended to read as follows:

### "SEC. 27-30. REGISTRATION <u>AND POSTING REQUIREMENTS</u> [REQUIRED]; DEFENSES.

- (a) The owner of a rental property located in the city commits an offense if he operates the rental property or otherwise allows a dwelling unit in a rental property to be occupied or leased without first submitting a rental registration application or annual reapplication that fully complies with section XX of this article.
- (b) A condominium association commits an offense if it governs, operates, manages, or oversees a condominium complex or its common elements located in the city without first submitting a rental registration application or annual renewal application that fully complies with section XX of this article.
- (c) A person commits an offense if he, as a landlord or property manager, operates a rental property or otherwise allows a dwelling unit in a rental property to be occupied or leased without first submitting a rental registration application or annual renewal application that fully complies with section XX of this article.
- (d) A person commits an offense if he, as an owner, officer, landlord, or property manager of a multi-tenant property or condominium association, fails to post the certificate of inspection in a conspicuous place in a common area of the property or as otherwise approved by the director.
- (e) A person commits an offense if he, as an owner, officer, landlord, or property manager of a multi-tenant property or condominium association, fails to provide each tenant or condominium owner a copy of the certificate of inspection within 30 days of receiving the current score from the director.
  - (f) It is a defense to prosecution under this section that:
- (1) at the time of notice of a violation, no dwelling units in the rental property are leased or offered for lease and the owner of the rental property has filed with the director an exemption affidavit on a form promulgated by the director;
- (2) at the time of notice of a violation, the owner of the single dwelling unit rental property had rented the property to tenants for a total of not more than 30 days during the preceding 12-months;
- (3) at the time of notice of a violation, the only tenants living in the single dwelling unit rental property are individuals related to the owner by consanguinity or affinity; or
- (4) within the two years preceding the notice of violation or at the time of the notice of violation, the owner of a single dwelling unit rental property had a homestead exemption for the property on file with the county appraisal district in which the rental property is located.

SECTION 25. That Section 27-31, "Registration Application," of Article VII, "Registration and Inspection of Rental Properties," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is amended to read as follows:

### "SEC. 27-31. REGISTRATION APPLICATION; FEES; RENEWAL.

- (a) Rental properties and condominium associations must provide a complete registration to the director annually.
- (b) A registration application for a rental property or condominium association that was not previously required to register must be submitted before the owner leases the property or before any condominium units are occupied.
  - (c) Rental registration expires one year after the registration date.
- (d) The annual registration fee for a multi-tenant rental property is an amount equal to \$6.00 times the total number of units, whether occupied or unoccupied, in the multi-tenant rental property.
- (e) The annual registration fee for a condominium association is \$XX per [unit? association?].
- (f) The annual registration fee for a single dwelling unit rental property is \$XX per rental property.
  - (g) No refund or prorating of a registration fee will be made.
- (h) A registrant shall keep the information contained in its registration application current and accurate. In the event of any change in the application information, the registrant shall promptly notify the director in writing of said changed information.
- (i) A registration may be renewed by making application for a renewal in accordance with this article on a form promulgated by the director. In the application for renewal the registrant shall certify that all information in the then current registration application is still accurate as of the date of the renewal application or correct any information that is not accurate as of the date of the renewal application. The registrant shall also submit a new, current affidavit certifying the matters identified in subsection 27-32(b) of this article."

SECTION 26. That Section 27-32, "Registration Fees," of Article VII, "Registration and Inspection of Rental Properties," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is amended to read as follows:

#### "SEC. 27-32. REGISTRATION APPLICATION [FEES].

- (a) An owner of a rental property and the owner, officer, landlord, or property manager of a condominium association must submit to the director a registration application on a form promulgated for that purpose by the director. The application must contain the following true and correct information:
  - (1) the name, mailing address, telephone number, and email address for:
- (A) the owner of the rental property being registered, or the name of the condominium association being registered;
- (B) the person or persons who can be contacted 24 hours a day, seven days a week in the event of an emergency condition on the rental property. An emergency condition includes any fire, natural disaster, collapse hazard, burst pipe, lack of working utilities, serious police incident, or other condition that requires an immediate response to avoid or minimize potential harm to the rental property, neighboring property, the occupants of the property, or the public.
- (C) if the owner is not a natural person, then an agent, employee, or officer of the owner or condominium association authorized to receive legal notices and service of legal process on behalf of the owner or condominium association, and, in the case of an entity required to be registered with the State of Texas, the registered agent for service of process for said entity;
- (D) the holder of any deed of trust or mortgage lien on the rental property being registered;
- (E) any insurance carriers providing casualty insurance to the owner covering the rental property or condominium association being registered (and providing the applicable policy number(s));
- (F) any agent, employee, officer, landlord, property manager, and other persons in control of, managing, or operating the rental property or condominium association on behalf of the owner or condominium association; and
- (G) any persons designated to attend crime watch meetings as required by Section 27-44 of this article;
- (H) if the property being registered is part of a multi-tenant complex or a condominium complex,
- (i) the complex name, all legal addresses comprising the complex, and the main telephone number, if any, of the complex;

(ii)	the number of units, buildings, and swimming pools located
on the rental property and the total	number of bedrooms located on the property (a unit with no
separate bedroom will be counted as	one bedroom); and

- (iii) the name, mailing address, telephone number and e-mail address for any condominium association applicable to said complex;
- (I) if the owner of the rental property is not a natural person, the form of the entity (e.g., corporation, general partnership, limited partnership, trust, limited liability company, etc.) and the state or foreign jurisdiction of organization and registration, if other than the State of Texas;
- (J) the location of business records pertaining to the rental property or condominium association required to be maintained by Section \_\_\_\_ of this article;
- (K) the official recording information (e.g., volume, page, and county of recording) for the owner's deed and any other instruments evidencing ownership of the rental property or creation and governance of the condominium association being registered;
- (L) a list of all businesses, whether for-profit or non-profit, operating out of the rental property and offering goods or services to persons residing at or visiting the property, and
- (M) such additional information as the applicant desires to include or that the director deems necessary to aid in the determination of whether the registration application will be deemed complete.
- (b) In addition to the application containing the information enumerated above, the owner must also provide an affidavit certifying that the following statements are true:
- (1) there are no outstanding and unpaid ad valorem taxes or city liens applicable to the rental property being registered;
- (2) operation of the rental property as currently configured does not violate the city's zoning ordinance;
- (3) if the rental property is a multi-tenant rental property or part of a condominium complex, that it has a valid and adequate certificate of occupancy;
- (4) if the rental property owner is an entity required to be registered or incorporated in its jurisdiction of formation, said entity is duly formed, existing, and in good standing with said jurisdiction; and
- (5) if the rental property is a single dwelling unit rental property, the owner or the owner's agent inspected the interior and exterior of the rental property within the 60 days prior to the submission of the application and the results have been recorded on a form provided by the director."

#### [REPEAL 27-33, 27-34, 27-35, 27-36, and 27-37.]

SECTION 27. That Article VII, "Registration and Inspection of Rental Properties," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is amended to add a new Section 27-XX to read as follows:

### "SEC. 27-XX. REVIEW AND ACCEPTANCE OF REGISTRATION APPLICATION.

- (a) Upon receiving a registration application, the director shall review the application for completeness.
- (b) If the director finds that the registrant submitted a complete application and paid the correct annual registration fee, the director shall promptly notify the registrant that his application has been received and found to be complete.
- (c) If the director finds that the registrant has failed to submit a complete application or pay the annual registration fee or that any of the information on the application is materially incorrect or misleading, the director shall promptly notify the registrant that the application has been found to be defective or incomplete and the director shall list the defects or missing items."

SECTION 28. That Section 27-38, "Registrant's Records," of Article VII, "Registration and Inspection of Rental Properties," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is amended to read as follows:

#### "SEC. 27-38. REGISTRANT'S RECORDS.

- (a) Each registrant shall maintain at a single location within the city identified in its registration application the business records of the rental property or condominium association being registered. If the registrant refuses to make those records available for inspection by the director or a peace officer, the director or peace officer may seek a court order to inspect the records.
  - (b) Business records that must be maintained by the registrant include:
- (1) the current certificate of occupancy issued for the rental property, if required;
  - (2) deeds or other instruments evidencing ownership of the rental property;

- (3) a current rental registration application or renewal application;
- (4) the pool logs, pool permits, and manager of pool operation certificates for any swimming pool on the rental property, if required;
  - (5) leases or rental agreements applicable to the rental property;
- (6) the crime prevention addendum form provided by the city for each lease or rental agreement as required under Section 27-43 of this article;
- (7) records of attendance at four crime watch meetings as required by Section 27-44 of this article; and
- (8) any other records deemed necessary by the director for the administration and enforcement of this article."

SECTION 29. That Section 27-39, "Emergency Response Information," of Article VII, "Registration and Inspection of Rental Properties," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is amended to read as follows:

### "SEC. 27-39. REQUIRED EMERGENCY RESPONSE [INFORMATION].

The owner of a rental property or condominium association, or an authorized agent thereof, must arrive at the property within one hour after the contact person named in the registration application is notified by the city or emergency response personnel that an emergency condition has occurred on the property."

SECTION 30. That Section 27-40, "Failure To Pay Ad Valorem Taxes," of Article VII, "Registration and Inspection of Rental Properties," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is amended to read as follows:

### "SEC. 27-40. FAILURE TO PAY AD VALOREM TAXES.

A registrant or an applicant for a certificate of registration for a [multi-tenant] property subject to registration under this article shall not allow the payment of ad valorem taxes owed in connection with the [multi-tenant] property to become delinquent."

#### [REPEAL 27-41.]

SECTION 31. That Section 27-42, "Property Inspections; Inspection and Reinspection Fees," of Article VII, "Registration and Inspection of Rental Properties," of Chapter 27,

"Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is amended to read as follows:

### "SEC. 27-42. PROPERTY INSPECTIONS; INSPECTION AND REINSPECTION FEES.

- (a) The director shall conduct a graded inspection of the interior and exterior of each multi-tenant property and the exterior only of each condominium property at least once every three years but not more frequently than once a year.
- (1) After completing a graded inspection, the director shall timely issue the property owner or condominium association a certificate of inspection that includes the inspection score.
- (2) Multi-tenant properties and condominiums that were constructed and issued a certificate of occupancy within the preceding five years are not subject to a graded inspection.
- (b) The director shall conduct an inspection of the exterior each single dwelling unit rental property at least once every five years but not more frequently than once a year.
- (c) The inspections conducted pursuant to this section are in addition to any inspections conducted under section 27-5 of this chapter.
- (d) The director may use a property condition assessment tool to determine the frequency and the scope of graded inspections. If a property fails its graded inspection, the owner will be assessed fees for all subsequent inspections of the property conducted for the purposes of determining whether the owner has abated the deficiencies noted in the graded inspection.
- (e) Inspection fees will be assessed in accordance with the fee schedule set forth in XXXX.
- (f) The director shall provide a list of the current graded inspection scores for all registered rental properties on the city's website."

SECTION 32. That Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is amended by adding a new Section 27-XX to read as follows:

#### "SEC. 27-XX. REVOCATION OF CERTIFICATE OF OCCUPANCY.

Where a multi-tenant rental property is being used or maintained in a manner that is a substantial danger of injury or an adverse health impact to any person or property and is in violation of this ordinance, the Dallas Development Code, other city ordinances, rules or regulations, or any county, state or federal laws or regulations, the director may ask the building official to revoke the property's certificate of occupancy."

SECTION 33. That Section 27-43, "Crime Prevention Addendum Required," of Article VII, "Registration and Inspection of Rental Properties," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is amended to read as follows:

### "SEC. 27-43. CRIME PREVENTION ADDENDUM REQUIRED.

- (a) The owner or operator of a multi-tenant property shall require that every lease or rental agreement, or renewal of a lease or rental agreement, executed after September 1, 2004 include a crime prevention addendum complying with this section.
- (b) The owner of a single dwelling unit rental property shall require that every lease or rental agreement, or renewal of a lease or rental agreement, executed after [the effective date of this ordinance] include a crime prevention addendum complying with this section.
  - (c) The crime prevention addendum must include the following information:
- (1) The name, date of birth, driver's license number (or, if the person does not have a driver's license, the number on any other government-issued personal identification card containing a photograph of the person), and signature of the tenant named in the lease or rental agreement and, if the applicant will not be occupying the rental property, the name, date of birth, driver's license number (or, if the person does not have a driver's license, the number on any other government-issued personal identification card containing a photograph of the person), and signature of the tenant or tenants who will be occupying the property. The signatures required on the crime prevention addendum must be separate and apart from the signatures used to execute other provisions of the lease or rental agreement.
- (2) A statement advising the tenant or tenants that the owner of the rental property will initiate eviction proceedings if the tenant, or any guest or co-occupant of the tenant, engages in any abatable criminal activity on the premises of the rental property.
- (c) For purposes of this section, an abatable criminal activity includes robbery or aggravated robbery; aggravated assault; murder; prostitution; criminal gang activity; discharge of firearms; gambling; illegal manufacture, sale, possession, or use of drugs; and illegal manufacture or sale of alcoholic beverages."
- SECTION 34. That Section 27-44, "Attendance At Crime Watch Safety Meetings and Mandatory Crime Prevention and Safety Meetings Sponsored By the City," of Article VII, "Registration and Inspection of Multi-Tenant Properties," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is amended to read as follows:

# "SEC. 27-44. ATTENDANCE AT CRIME WATCH SAFETY MEETINGS [AND MANDATORY CRIME PREVENTION AND SAFETY MEETINGS SPONSORED BY THE CITY].

- (a) The owner of a multi-tenant property shall attend at least three crime watch meetings each calendar year. The meetings attended must be held by crime watch organizations consisting of business owners, single-family residential property owners, or managers, employees, or tenants of multifamily properties, or any combination of those groups, gathered for the purpose of improving the quality of life in and around the properties, promoting crime prevention, reducing criminal opportunity, and encouraging cooperation with the Dallas Police Department. The meetings must be attended in the neighborhood in which the multi-tenant property is located or, if that neighborhood has no crime watch organization, then in the nearest neighborhood that does. A crime watch attendance certificate, signed by a crime watch chair, verifying that the crime watch meeting was attended by the owner of the multi-tenant property, or by the person designated to attend meetings for the property under Subsection (c), must be maintained with the property's records and submitted to the director upon request.
- (b) If unable to personally attend every crime watch meeting required by this section, the owner of a multi-tenant property may designate in the property registration application another person to attend the meetings. A person may not be designated to attend crime watch meetings for more than five separate multi-tenant properties."

SECTION 35. That Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code, as amended, is amended by adding a new Section 27-XX to read as follows:

#### "SEC. 27-XX. PRESUMPTIONS.

- (a) Unless otherwise provided in a section of the article, 30 business days is deemed prompt and sufficient notice by the city.
- (b) Any notice to be provided by the city pursuant to this article shall be deemed effective when personally delivered to the intended addressee or mailed by first class U.S. mail, certified mail, return receipt requested, addressed to the intended addressee at the last applicable address provided in the registration of the rental property in question. Mailed notice shall be deemed received and effective three days after the date of mailing whether the notice was actually received or not or whether the notice was returned unclaimed or undeliverable.
- (c) Notices delivered to one tenant of a dwelling unit in a rental property shall be deemed effective as to all tenants and occupants of that dwelling unit.
- (d) Notice delivered to one owner of a rental property shall be deemed effective as to all owners of a rental property.
- (e) Notice to an owner of a rental property shall be deemed effective if made to an agent, employee, officer, landlord, or property manager authorized to act on behalf of said owner or identified in the certificate of registration for said rental property. For purposes of this article,

an owner may act by and through an agent, employee, officer, landlord, or property manager authorized to act on behalf of said owner or identified in the certificate of registration for a rental property for said purposes.

- (f) Notice to a condominium association with respect to common areas or exteriors of a condominium complex shall be effective as to all owners with an interest in that common area or those exteriors. If there is not a condominium association existing and in good standing with authority over common areas or exteriors of a condominium complex, notice to an owner of a common interest in the common areas or exterior shall be effective as to all other owners with a common interest in the common area or exterior.
- (g) In lieu of originals, true and correct copies of any instruments or documents required of an owner or registrant shall be sufficient. Notwithstanding the foregoing, affidavits submitted to the city must bear the original signatures of the affiant and the authority taking said oath.
- (h) Any affidavits required in connection with this article must be made by a natural individual having actual personal knowledge of the matters certified and duly signed and sworn to under oath before an authority authorized to take oaths."

SECTION 36. That Article VIII, "Mandatory Crime Reduction Program for Designated Apartment Complexes," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code is repealed, and Article VIII shall be indicated as "Reserved" in the Dallas City Code as follows:

#### "ARTICLE VIII.

## RESERVED. [MANDATORY CRIME REDUCTION PROGRAM FOR DESIGNATED APARTMENT COMPLEXES.

### SEC. 27-45. PURPOSE.

- (a) A correlation exists between high crime rates at an apartment complex and an apartment complex's failure to meet minimum property standards. High crime rates contribute to the deterioration, decay, disrepair, and substandard appearance and condition of the structures and premises of an apartment complex. The purpose of this article is to protect the health, safety, morals, and welfare of the occupants of apartment complexes and other citizens of the city of Dallas by obtaining greater compliance with minimum property standards through the establishment of a mandatory crime reduction program for apartment complexes. Reducing the crime rate at an apartment complex is essential to making the apartment complex safe, sanitary, and fit for human use and habitation.
- (b) This article does not create a private cause of action (other than one brought by the city) or expand existing tort liability against an owner, operator, property manager, or other person in control of an apartment complex that is designated for participation in a mandatory crime reduction program.

#### SEC. 27-46. DEFINITIONS.

In this article:

- (1) APARTMENT COMPLEX means a multifamily property that contains 10 or more dwelling units that are leased or offered for lease and are not independently owned.
- (2) CHAPTER 125 CRIMES means murder; capital murder; sexual assault; aggravated sexual assault; aggravated assault; robbery; aggravated robbery; unlawfully carrying a weapon; prostitution; gambling; delivery, possession, manufacture, or use of a controlled substance; discharging a firearm in a public place; reckless discharge of a firearm; engaging in organized criminal activity; commercial distribution or manufacture of obscene material; and other crimes listed in Chapter 125 of the Texas Civil Practice and Remedies Code, as amended. The term does not include nonapplicable crimes.
- (3) CHIEF OF POLICE means the chief of the police department of the city or the chief's authorized representative.
- (4) COMMUNITY PER CAPITA CRIME INDEX or CRIME INDEX means a statistically determined level of criminal activity in an individual apartment complex in the city during a 12 month period that is expressed on a per capita basis and calculated in accordance with Section 27-48 of this article.
- (5) CRIME RISK THRESHOLD means a statistically-determined level of criminal activity in apartment complexes in the city during a 12-month period, adjusted for the occupancy of the apartment complexes surveyed and expressed on a per capita basis, that is calculated in accordance with Section 27-49 of this article.
- (6) DESIGNATED APARTMENT COMPLEX means an apartment complex that is required to participate in a mandatory crime reduction program under Section 27-50 of this article.
- (7) MULTI-TENANT PROPERTY REGISTRATION means registration as a multi-tenant property under Article VII of this chapter.
- (8) NONAPPLICABLE CRIMES means all offenses involving domestic violence, forgery, counterfeiting, fraud, embezzlement, stolen property (buying, receiving, or possessing), crimes against family and children, driving while intoxicated, violations of alcoholic beverage laws, and vagrancy.
- (9) PART 1 CRIMES means murder (excluding suicide and murder resulting from domestic violence), rape, robbery, aggravated assault (excluding domestic violence), burglary, theft, and auto theft. The term does not include nonapplicable crimes.

- (10) PART 2 CRIMES means assaults other than those listed as Part I crimes, narcotics offenses (restricted to those of delivery, possession, or manufacture), arson, vandalism, weapons offenses, prostitution, gambling, and disorderly conduct. The term does not include nonapplicable crimes.
- (11) REGISTERED APARTMENT COMPLEX means an apartment complex holding a certificate of registration as a multi-tenant property under Article VII of this chapter.

#### SEC. 27-47. AUTHORITY OF THE CHIEF OF POLICE.

The chief of police shall implement and enforce this article and may by written order establish such rules, regulations, or procedures, not inconsistent with this article, as the chief of police determines are necessary to discharge any duty under or to effect the policy of this article.

#### SEC. 27-48. COMMUNITY PER CAPITA CRIME INDEX.

- (a) The chief of police shall calculate on a monthly basis the community per capita crime index for each registered apartment complex in the city.
- (b) The community per capita crime index for an apartment complex is calculated as follows:
- (1) Determine the total number of bedrooms in the apartment complex as designated in the most recent multi-tenant property registration application filed with the director for the property;
- (2) Multiply the number of bedrooms by two (two occupants counted for each bedroom) to produce the ideal occupancy number for the property;
- (3) Multiply the ideal occupancy number by the percent of units in the apartment complex that are occupied (as designated in the most recent multi-tenant property registration application filed with the director for the property) to produce the actual occupancy number;
- (4) Divide the number of Part I crimes occurring on the property within the preceding 12 months by the actual occupancy number and multiply the result by 100 to produce the community per capita crime index for Part I crimes;
- (5) Divide the number of Part II crimes occurring on the property within the preceding 12 months by the actual occupancy number and multiply the result by 100 to produce the community per capita crime index for Part II crimes.
- (6) Divide the number of Chapter 125 crimes occurring on the property within the preceding 12 months by the actual occupancy number and multiply the result by 100 to produce the community per capita crime index for Chapter 125 crimes.

(c) Example of calculation of community per capita crime index.

Apartment size: 100 units
Apartment occupancy rate: 90% occupied

Apartment crime in 12-month period: 10 Part I crimes;

20 Part II crimes; 15 Chapter 125 crimes

Apartment-unit mix: 70 one-bedrooms; 30 two-bedrooms

Total bedrooms 130 (with two occupants counted for each bedroom)

Ideal occupancy number = 130 x 2 = 260 Actual occupancy number = 260 x 90% = 234

Crime index for Part I crimes =  $(10 \div 234) \times 100 = 4.3$ Crime index for Part II crimes =  $(20 \div 234) \times 100 = 8.5$ Crime index for Chapter 125 crimes =  $(15 \div 234) \times 100 = 6.4$ 

#### SEC. 27-49. CRIME RISK THRESHOLD.

- (a) The chief of police shall collectively calculate on a monthly basis the crime risk threshold for all registered apartment complexes in the city.
  - (b) The crime risk threshold for apartment complexes is calculated as follows:
    - (1) Determine the total number of registered apartment complexes in the city.
- (2) Add together each apartment complex's crime index for Part I crimes and divide the sum by the total number of registered apartment complexes to produce the average crime index for Part I crimes.
- (3) Subtract each apartment complex's crime index for Part I crimes from the average crime index for Part I crimes to get the apartment complex's deviation from the average crime index for Part I crimes.
- (4) Add the square of each apartment complex's deviation from the average crime index for Part I crimes together and divide the sum by the total number of registered apartment complexes to produce the average squared deviation for Part I crimes.
- (5) Take the square root of the average squared deviation for Part I crimes and add it to the average crime index for Part I crimes to produce the crime risk threshold for Part I crimes.
- (6) Repeat the process using each apartment complex's crime index for Part II crimes and Chapter 125 crimes to determine the crime risk threshold for Part II crimes and Chapter 125 crimes, respectively.
  - (c) Example of calculation of crime risk threshold.

Apartment Complex No.	1	2	3	4	5	6	7	8	9	<del>10</del>	<b>SUM</b>
Crime Index for Part I	<del>12</del>	9	3	<del>10</del>	<del>12</del>	<del>22</del>	7	11	<del>15</del>	<del>19</del>	<del>120</del>
Crimes											
Deviation from Average	0	_3	<u>-9</u>	<del>-2</del>	0	<del>10</del>	<del>-5</del>	4	3	7	0
Crime Index											
Deviation Squared	0	9	81	4	0	<del>100</del>	<del>25</del>	1	9	4 <del>9</del>	<del>278</del>

Average crime index for Part I crimes =  $120 \div 10 = 12$ 

Average squared deviation =  $278 \div 10 = 27.8$ 

Standard deviation =  $\sqrt{27.8} = 5.27$ 

Crime risk threshold for Part I crimes = 12 + 5.27 = 17.27

(Note: To calculate the crime risk threshold for Part II crimes and Chapter 125 crimes, repeat the formula using the crime indexes for Part II crimes and then for Chapter 125 crimes.)

### SEC. 27-50. MANDATORY CRIME REDUCTION PROGRAM; WHEN REQUIRED.

- (a) An apartment complex must participate in a mandatory crime reduction program, whenever the apartment complex has:
- (1) a crime index for Part I crimes that is greater than the crime risk threshold for Part I crimes for all registered apartment complexes in the city and a crime index for Part II crimes that is greater than the crime risk threshold for Part II crimes for all registered apartment complexes in the city; or
- (2) a crime index for Chapter 125 crimes that is greater than the crime risk threshold for Chapter 125 for all registered apartment complexes in the city.
- (b) An apartment complex must remain in the mandatory crime reduction program for six months or until the apartment complex's crime index falls below the crime risk threshold for the applicable types of crime, whichever occurs later.

#### SEC. 27-51. NOTICE OF DESIGNATION TO PARTICIPATE IN PROGRAM.

- (a) The chief of police shall provide written notice to the owner, operator, or property manager of each apartment complex designated to participate in the mandatory crime reduction program.
  - (b) The notice must include the following information:
    - (1) The name and address of the apartment complex.

- (2) A statement that the apartment complex is required to participate in a mandatory crime reduction program, including a description of the fee and other requirements of the program.
- (3) The community per capita crime index and crime risk threshold used to calculate the apartment complex's qualification for the mandatory crime reduction program.
- (4) The actual occupancy number used to calculate the apartment complex's crime index.
- (5) The number of Part I, Part II, and Chapter 125 crimes used to calculate the apartment complex's crime index, including the date, time, and location of each offense.
- (6) A statement that a mandatory inspection of the apartment complex premises will be conducted by the chief of police at a scheduled date and time.
- (7) The process for appealing the chief of police's decision requiring an apartment complex to participate in a mandatory crime reduction program.
- (c) Designation of an apartment complex for participation in the mandatory crime reduction program and application of the requirements of this article are binding upon all subsequent owners or other transferees of an ownership interest in the apartment complex.

#### SEC. 27-52. DELIVERY OF NOTICES.

Any written notice that the chief of police is required to give to an apartment complex under this article is deemed to be delivered:

- (1) on the date the notice is hand delivered to the owner, operator, or property manager of the apartment complex; or
- (2) three days after the date the notice is placed in the United States mail with proper postage and properly addressed to the owner, operator, or property manager of the apartment complex at the address provided for in the most recent multi-tenant property registration application.

#### SEC. 27-53. APPEAL FROM DESIGNATION.

- (a) If the chief of police designates an apartment complex for participation in the mandatory crime reduction program pursuant to this article, this action is final unless the owner, operator, or property manager of the apartment complex files a written appeal to the permit and license appeal board with the city secretary not later than 10 days after receiving notice of being a designated apartment complex.
- (b) If the appeal of the chief of police's decision is based on changes in an apartment complex's occupancy rate, then the owner, operator, or property manager of the apartment complex

shall, at the time of filing the appeal, also file with the city secretary and the chief of police a copy of a current and valid lease for every occupied dwelling unit in the apartment complex.

- (c) If a written request for an appeal hearing is filed under Subsection (a) with the city secretary within the 10-day limit, the permit and license appeal board shall hear the appeal. The city secretary shall set a date for the hearing within 60 days after the date the appeal is filed.
- (d) A hearing by the board may proceed if a quorum of the board is present. The board shall hear and consider evidence offered by any interested person. The formal rules of evidence do not apply. Any dispute of fact must be decided on the basis of a preponderance of the evidence presented at the hearing.
- (e) In deciding the appeal, the permit and license appeal board is limited to the issue of whether the apartment complex's crime index is greater than the crime risk threshold calculated for all registered apartment complexes in the city for the particular types of crime that qualified the apartment complex for designation under Section 27-50(a). The board shall affirm the decision of the chief of police if the board finds that the apartment complex's crime index exceeds the applicable crime risk threshold and shall reverse the chief of police's decision if the board finds that the crime index does not exceed the applicable crime risk threshold.
- (f) The board's decision must be by a majority vote. Failure to reach a majority vote will leave the decision of the chief of police unchanged. The decision of the permit and license appeal board is final, and no rehearing may be granted.

#### SEC. 27-54. PROPERTY INSPECTIONS.

- (a) After an apartment complex has been designated to participate in the mandatory erime reduction program, the chief of police shall inspect the apartment complex to:
- (1) determine whether the apartment complex is in compliance with applicable city ordinances and state laws relating to public safety and security, including but not limited to requirements for locks, door viewers, signage, building numbering, and crime prevention addenda;
- (2) evaluate what changes and improvements to the premises and operations of the apartment complex will assist in reducing the occurrence of crimes at the apartment complex; and
  - (3) determine whether the apartment complex is in compliance with this article.
  - (b) The chief of police is authorized at a reasonable time to inspect:
    - (1) the exterior of the apartment complex; and
- (2) the interior of the apartment complex, if the permission of the owner, operator, property manager, or other person in control is given or a search warrant is obtained.

- (c) The chief of police shall inspect a designated apartment complex at least twice during each period that the apartment complex is required to participate in the mandatory crime reduction program. The first inspection must be conducted for the purposes of Subsections (a)(1) and (a)(2), and the second inspection must be conducted for the purposes of Subsection (a)(3). Other inspections may be conducted as the chief of police deems necessary to the administration and enforcement of this article.
- (d) The owner, operator, property manager, or person in control of an apartment complex commits an offense if, either personally or through an agent or employee, he refuses to permit a lawful inspection of the apartment complex as required by this section.
- (e) Whenever an apartment complex is inspected by the chief of police and a violation of this article or any other city ordinance or state law applicable to the apartment complex is found, the apartment complex will, after the expiration of any time limit for compliance given in a notice or order issued because of the violation, be reinspected by the chief of police to determine that the violation has been eliminated.

### SEC. 27-55. CONFERENCE WITH POLICE.

- (a) At least once during each period that an apartment complex is required to participate in the mandatory crime reduction program, the chief of police shall require a conference with the owner, operator, or property manager of a designated apartment complex to review:
  - (1) the requirements of the mandatory crime reduction program;
  - (2) the results of the chief of police's inspection of the apartment complex;
- (3) any voluntary recommendations for reducing crimes on and near the apartment complex; and
  - (4) any other information the chief of police wishes to discuss at the conference.
- (b) An owner, operator, or property manager of a designated apartment complex commits an offense if he fails to attend a scheduled conference after receiving notice of the conference from the chief of police.
- (c) At least one individual with legal authority to act on behalf of the apartment complex must attend each conference required by this section.

#### SEC. 27-56. PROGRAM FEE.

(a) A program fee of \$250 will be charged to each designated apartment complex to defray the costs incurred by the chief of police in conducting inspections of the apartment complex, attending conferences with the owner, operator, or property manager of the apartment complex, and administering and enforcing the mandatory crime reduction program. A separate program fee

is required each time an apartment complex is designated to participate in the mandatory crime reduction program.

- (b) The owner, operator, or property manager of a designated apartment complex shall pay the program fee to the chief of police within 30 days after receiving notice of being a designated apartment complex.
  - (c) No refund of a program fee will be made.

#### SEC. 27-57. MANDATORY REQUIREMENTS.

(a) Within 30 days after receiving notice of being a designated apartment complex, the apartment complex must meet all of the requirements of this section, except Subsection (h) (fencing requirements). Subsection (h) (fencing requirements) must be met within 60 days after receiving notice of being a designated apartment complex. The chief of police may extend the deadlines of this subsection, in increments not exceeding 30 days each, upon a showing that the work cannot be performed within the required time period because of its scope and complexity.

#### (b) Trespass affidavits.

- (1) An owner, operator, or property manager of the apartment complex shall execute a trespass affidavit, on a form provided by the chief of police for that purpose, that authorizes the police department to enforce, on behalf of the apartment complex, all applicable trespass laws on the premises of the apartment complex.
- (2) A true and correct copy of the trespass affidavit must be posted at the apartment complex in a manner and location so that it is clearly visible to the public at all times.

#### (c) Background checks.

- (1) A current official criminal history report (issued by the Texas Department of Public Safety within the preceding 12 months) must be obtained on all current and prospective employees of the apartment complex.
- (2) A current official criminal history report (issued by the Texas Department of Public Safety within the preceding 12 months) must be obtained on all prospective tenants 18 years of age or older who apply for occupancy in the apartment complex on or after February 1, 2009.
- (3) A current credit report must be obtained on all prospective tenants 18 years of age or older who apply for occupancy in the apartment complex on or after February 1, 2009.
- (4) All records maintained on an employee or tenant in compliance with this subsection must be retained at the apartment complex for at least 90 days following the date of any termination of the employee's employment or the tenant's occupancy at the apartment complex.

(5) The owner, operator, or property manager of the apartment complex shall make all records maintained under this subsection available for inspection by a police officer at reasonable times upon request.

#### (d) Lighting.

- (1) Security lighting must be provided, maintained, and operated so that it adequately illuminates all parking areas, walkways, stairs, steps, doorways, and garbage storage areas of the apartment complex to such a degree that the facial features of a person at least five feet tall are distinguishable from a distance of 35 feet.
- (2) Security lighting must be in compliance with all applicable city ordinances and state law. If there is any conflict between Subsection (d)(1) of this section and another city ordinance or state law, the other law will prevail.

#### (e) Landscaping.

- (1) No bush or shrub on the premises of the apartment complex may be taller than three and one-half feet.
- (2) No tree on the premises of the apartment complex may have a canopy lower than six feet above the ground.
- (3) All trees, shrubs, bushes, and other landscaping must be maintained in compliance with all applicable city ordinances and state law. If there is any conflict between Subsection (e)(1) or (e)(2) of this section and another city ordinance or state law, the other law will prevail.
- (f) Locked common areas. All enclosed common areas of the apartment complex (including but not limited to laundry rooms, club rooms, and fitness rooms) must be kept locked and may only be accessed with a key, key card, key pad, or similar device.
- (g) Key control plan. A description of the plan and procedures for storing and accessing keys, key cards, and key codes to dwelling units, enclosed common areas, and other facilities of the apartment complex must be filed with the chief of police.

#### (h) Fencing.

- (1) The perimeter of the premises of a designated apartment complex must be enclosed with a fence that is at least six feet high, except that if a lower height is required by another city ordinance, the fence must be the maximum height allowed under the other city ordinance.
- (2) Notwithstanding Subsection (h)(1) of this section, vehicular driveways and pedestrian walkways are not required to be fenced or gated, except that the combined width of

openings in the fence for vehicular driveways and pedestrian walkways may not exceed 10 percent of the perimeter of the area of the property required to be fenced.

- (3) All fencing must be maintained in compliance with applicable city ordinances and state law. If there is any conflict between Subsection (h)(1) or (h)(2) of this section and another city ordinance or state law, the other law will prevail.
- (i) Pay phones. All pay phones on the premises of the apartment complex must be blocked to incoming calls or removed from the premises.

#### (j) Crime watch meetings.

- (1) At least one crime watch meeting must be held each month on the premises of the apartment complex.
- (2) The chief of police must be given at least 10 days advance notice of the meeting.

#### (k) Residential security survey.

- (1) An owner, operator, or property manager of the apartment complex shall distribute a residential security survey, on a form provided by the chief of police, to each tenant of the apartment complex who is 18 years of age or older.
- (2) The owner, operator, or property manager of the apartment complex shall file all returned surveys with the chief of police within 30 days after distribution.

#### SEC. 27-58. MODIFICATION OF FENCING REQUIREMENTS.

- (a) The owner, operator, or property manager of a designated apartment complex may request a modification of the fencing requirements set forth in Section 27–57(h) by filing a written request with the city secretary not later than 10 days after receiving notice of:
- (1) being designated for participation in a mandatory crime reduction program under Section 27-57; or
- (2) having a previously-granted fencing modification revoked by the chief of police under Subsection (f) of this section.
- (b) If a written request is filed under Subsection (a) with the city secretary within the 10-day limit, the permit and license appeal board shall consider the request. The city secretary shall set a date for the hearing within 45 days after the date the written request is filed.
- (c) A hearing by the board may proceed if a quorum of the board is present. The board shall hear and consider evidence offered by any interested person. The formal rules of evidence

do not apply. Any dispute of fact must be decided on the basis of a preponderance of the evidence presented at the hearing.

- (d) The permit and license appeal board shall grant the request for a fencing modification if it finds that:
- (1) an existing fence or other barrier, or a proposed fence or other barrier, on the premises of the apartment complex will serve to deter and reduce crime at the apartment complex to the same extent as the fence required under Section 27-57(h); and
- (2) the existing fence or barrier, or the proposed fence or barrier, complies with all other applicable city ordinances and state law.
- (e) The board shall grant or deny the request for a fencing modification by a majority vote. Failure to reach a majority vote will result in denial of the request. The decision of the permit and license appeal board is final, and no rehearing may be granted.
- (f) If the board grants the request for a fencing modification, the modification remains valid and does not have to be renewed each time an apartment complex is designated for participation in the mandatory crime reduction program, unless the chief of police revokes the fencing modification upon a determination that the modified fence or other barrier:
- (1) fails to deter and reduce crime at the apartment complex to the same extent as the fence required under Section 27-57(h); or
  - (2) fails to comply with a city ordinance or state law applicable to fences.
- (g) Upon revoking a fencing modification, the chief of police shall notify the owner, operator, or property manager of a designated apartment complex in writing of the revocation. The notice must include the reason for the revocation, the date the chief of police orders the revocation, and a statement informing the owner, operator, or property manager of the right to appeal the decision by filing a new request for a fencing modification in accordance with Subsection (a). The chief of police may not revoke a fencing modification under Subsection (f) sooner than six months after the modification is granted by the permit and license appeal board.
- (h) The grant of a request for modification of the fencing requirements of Section 27-57(h) does not exempt a designated apartment complex from any other provision of this chapter or other applicable city ordinances or state law.]"
- SECTION 37. That Article IX, "Registration and Inspection of Non-Owner Occupied Rental Property," of Chapter 27, "Minimum Urban Rehabilitation Standards," of the Dallas City Code is repealed, and Article IX shall be indicated as "Reserved" in the Dallas City Code as follows:

#### "ARTICLE IX.

### RESERVED. [REGISTRATION AND INSPECTION OF NON-OWNER OCCUPIED RENTAL PROPERTY.

#### SEC. 27-59. AUTHORITY OF DIRECTOR.

The director shall implement and enforce this article and may by written order establish such rules, regulations, or procedures, not inconsistent with this article, as the director determines are necessary to discharge any duty under or to effect the policy of this article.

#### SEC. 27-60. REGISTRATION REQUIRED; DEFENSES.

- (a) A person commits an offense if he owns a non-owner occupied rental property in the city without a valid certificate of registration issued under this article.
- (b) If a person owns more than one non-owner occupied rental property in the city, a separate registration is required for each property. If both dwelling units of a duplex qualify as non-owner occupied rental properties, then each dwelling unit must be registered separately, even if under a common ownership.
- (c) If three or more townhouses or condominiums in the same complex are under a common ownership and are leased or offered for lease, they must be registered as a multi-tenant property under Article IV of this chapter instead of as non-owner occupied rental properties under this article.
- (d) It is a defense to prosecution under Subsection (a) that the non-owner occupied rental property had been leased or rented for less than the 60-day period preceding the date of the violation

#### SEC. 27-61. REGISTRATION APPLICATION.

To obtain a certificate of registration for a non-owner occupied rental property, a person must submit an application on a form provided for that purpose to the director. The applicant must be the owner of the non-owner occupied rental property. If the owner is not an individual, an authorized officer or agent of the owner must file the form. The application must contain the following information:

- (1) The name, street address, mailing address, and telephone number of the applicant (owner of the property).
- (2) The name, street address, mailing address, telephone number, and position of the authorized officer or agent filing the form on behalf of the applicant, if the applicant for the non-owner occupied rental property is not an individual.
- (3) The form of business of the applicant; the name, street address, mailing address, and telephone number of a high managerial agent of the business; and, if the business is a corporation or association, a copy of the documents establishing the business.

- (4) The street address of the non-owner occupied rental property.
- (5) The name, street address, mailing address, and telephone number of a person or persons to contact in an emergency as required by Section 27-69 of this article.
- (6) Documentary evidence of payment of ad valorem taxes owed in connection with the non-owner occupied rental property.
- (7) The names, street addresses, mailing addresses, and telephone numbers of any owners of the non-owner occupied rental property other than the applicant.
- (8) A statement that, by filing the registration, the applicant swears or affirms under penalty of perjury that, to the best of the applicant's knowledge, all information contained in the registration is true and correct and that the registration is complete and includes all information required to be disclosed under this article.
- (9) Such additional information as the applicant desires to include or that the director deems necessary to aid in the determination of whether the requested certificate of registration should be granted.

#### SEC. 27-62. REGISTRATION FEES.

- (a) The annual fee for a certificate of registration for a non- owner occupied rental property is \$25.
  - (b) No refund of a registration fee will be made.
- (c) The registration fee established in Subsection (a) will not be charged upon renewal of a certificate of registration for a non-owner occupied rental property if no violations of Section 27-11(b), (c), or (d) of this chapter were found on the property by the director within the preceding registration year.

### SEC. 27-63. ISSUANCE, DENIAL, AND DISPLAY OF CERTIFICATE OF REGISTRATION.

- (a) Upon payment of all required fees, the director shall issue a certificate of registration for a non-owner occupied rental property to the applicant if the director determines that:
- (1) the applicant has complied with all requirements for issuance of the certificate of registration;
- (2) the applicant has not made a false statement as to a material matter in an application for a certificate of registration; and

- (3) the applicant has no outstanding fees assessed under this article.
- (b) If the director determines that the requirements of Subsection (a) have not been met, the director shall deny a certificate of registration to the applicant.
- (c) If the director determines that an applicant should be denied a certificate of registration, the director shall notify the applicant in writing that the application is denied and include in the notice the reason for denial and a statement informing the applicant of the right of appeal.
- (d) A certificate of registration issued under this section must be displayed on the premises of the non-owner occupied rental property in a manner and location approved by the director. The certificate of registration must be presented upon request to the director or to a peace officer for examination.

#### SEC. 27-64. REVOCATION OF CERTIFICATE OF REGISTRATION.

- (a) The director shall revoke any certificate of registration for a non-owner occupied rental property if the director determines that:
- (1) the registrant failed to comply with any provision of this chapter, any other city ordinance, or any state or federal law applicable to the operation of a non-owner occupied rental property;
- (2) the registrant intentionally made a false statement as to a material matter in the application or in a hearing concerning the certificate of registration; or
- (3) the registrant failed to pay a fee required by this article at the time it was
- (b) Before revoking a certificate of registration under Subsection (a), the director shall notify the registrant in writing that the certificate of registration is being considered for revocation. The notice must include the reason for the proposed revocation, action the registrant must take to prevent the revocation, and a statement that the registrant has 10 days to comply with the notice.
- (c) If, after 10 days from receipt of the notice required in Subsection (b), the registrant has not complied with the notice, the director shall revoke the certificate of registration and notify the registrant in writing of the revocation. The notice must include the reason for the revocation, the date the director orders the revocation, and a statement informing the registrant of the right of appeal.

#### SEC. 27-65. APPEALS.

If the director denies issuance or renewal of a certificate of registration or revokes a certificate of registration issued pursuant to this article, this action is final unless the applicant or

registrant files an appeal with a permit and license appeal board in accordance with Section 2-96 of this code.

### SEC. 27-66. EXPIRATION AND RENEWAL OF CERTIFICATE OF REGISTRATION.

- (a) A certificate of registration for a non-owner occupied rental property expires one year after the date of issuance.
- (b) A certificate of registration may be renewed by making application in accordance with Section 27-61. A registrant shall apply for renewal at least 30 days before the expiration of the certificate of registration.

#### SEC. 27-67. NONTRANSFERABILITY.

A certificate of registration for a non-owner occupied rental property is not transferable.

#### SEC. 27-68. REGISTRANT'S RECORDS.

- (a) Each registrant shall maintain at a single location business records of the non-owner occupied rental property. A registrant shall make those records available for inspection by the director or a peace officer at reasonable times upon request.
  - (b) Records that must be maintained by the registrant include, but are not limited to:
    - (1) records of ownership for the property; and
- (2) any other records deemed necessary by the director for the administration and enforcement of this article.

#### SEC. 27-69. EMERGENCY RESPONSE INFORMATION.

- (a) The registrant of a non-owner occupied rental property shall provide the director with the name, street address, mailing address, and telephone number of a person or persons who can be contacted 24 hours a day, seven days a week in the event of an emergency condition on the property. An emergency condition includes any fire, natural disaster, collapse hazard, burst pipe, lack of working utilities, serious police incident, or other condition that requires an immediate response to prevent harm to the property, the occupants of the property, or the public.
- (b) The registrant of the non-owner occupied rental property shall notify the director within 10 days of any change in the emergency response information.
- (c) The registrant of a non-owner occupied rental property, or an authorized agent, must arrive at the property within one hour after a contact person named under this section is notified by the city or emergency response personnel that an emergency condition has occurred on the property.

#### SEC. 27-70. FAILURE TO PAY AD VALOREM TAXES.

A registrant or an applicant for a certificate of registration for a non-owner occupied rental property shall not allow the payment of ad valorem taxes owed in connection with the non-owner occupied rental property to become delinquent.

#### SEC. 27-71. NOTIFICATION OF CHANGE OF INFORMATION.

A registrant shall notify the director within 10 days of any material change in the information contained in the application for a certificate of registration for a non-owner occupied rental property, including any changes in ownership of the property.

#### SEC. 27-72. PROPERTY INSPECTIONS; REINSPECTION FEES.

- (a) The director may inspect any non-owner occupied rental property in the city for code violations in accordance with Section 27-5 of this chapter.
- (b) Whenever a non-owner occupied rental property is inspected by the director and a violation of this code is found, the building or premises will, after the expiration of any time limit for compliance given in a notice or order issued because of the violation, be reinspected by the director to determine that the violation has been eliminated.
- (c) The owner, occupant, or other person responsible for the violation shall pay to the director \$50 for each reinspection after the first reinspection that must be conducted before the violation is determined to be eliminated.

SECTION 38. That, unless specifically provided otherwise by this ordinance or by state law, a person violating a provision of this ordinance governing the dumping of refuse, is, upon conviction, punishable by a fine not to exceed \$4,000; a person violating a provision of this ordinance governing fire safety, zoning, or public health and sanitation, other than the dumping of refuse, is, upon conviction, punishable by a fine not to exceed \$2,000; and a person violating any other provision of this ordinance is, upon conviction, punishable by a fine not to exceed \$500.

- SECTION 39. That Chapter 27 of the Dallas City Code shall remain in full force and effect, save and except as amended by this ordinance.
- SECTION 40. That the terms and provisions of this ordinance are severable and are governed by Section 1-4 of Chapter 1 of the Dallas City Code, as amended.
- SECTION 41. That this ordinance shall take effect on October 1, 2016, and it is accordingly so ordained.

APPROVED AS TO FORM:	
WARREN M.S. ERNST, City Attorney	
Assistant City Attorney	
Passed	

**KEY FOCUS AREA:** Economic Vibrancy

AGENDA DATE: January 27, 2016

COUNCIL DISTRICT(S): 6

**DEPARTMENT:** Housing/Community Services

CMO: Alan Sims, Chief of Neighborhood Plus, 670-1611

MAPSCO: 43F 43M

#### **SUBJECT**

Authorize an amendment to Resolution No. 13-2115, previously approved on December 11, 2013, to extend the completion date for an affordable housing development conditional grant in the amount of \$180,000 to Builders of Hope CDC for the construction of six single family homes in West Dallas from December 11, 2015 to December 30, 2016 – Financing: No cost consideration to the City

#### BACKGROUND

In September 2013, Builders of Hope CDC (BOH) submitted a proposal to the City of Dallas for the construction of six (6) affordable housing units located on scattered sites throughout West Dallas. The proposal requested \$30,000 per home in construction financing leveraged with \$85,000 per home from the Rees-Jones Foundation for the construction of the homes to be built on the lots and sold by December 11, 2015.

In August 2015, BOH had a change in executive staff that resulted in some delays in the completion of this project. To-date, BOH has built and sold five of the six units to low-moderate income families at or below 80% of Area Median Family Income. BOH has completed 95% of the construction of the remaining unit. When completed, BOH may proceed with the sale of the unit to an approved homebuyer.

The extension of the maturity date in the loan agreement will allow BOH to continue its efforts to complete construction and sell the remaining unit.

### PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On June 27, 2001, City Council approved the CHDO Loan Program Statement that authorized the Housing Director to approve development funding for projects with fewer than 100 units, by Resolution No. 01-2049.

## PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS) (Continued)

On June 26, 2013, City Council approved the City of Dallas Consolidated Plan Budget for FY 2013-14 federal funds which included the HOME Investment Partnership Funds, by Resolution No. 13-1142.

On December 11, 2013, City Council approved an affordable housing development conditional grant in the amount of \$180,000 to Builders of Hope CDC for the construction of six (6) single family homes in West Dallas through December 11, 2015, by Resolution No. 13-2115.

Information about this item will be provided to the Housing Committee on January 19, 2016.

#### **FISCAL INFORMATION**

No cost consideration to the City

OWNER

**DEVELOPER** 

Builders of Hope CDC

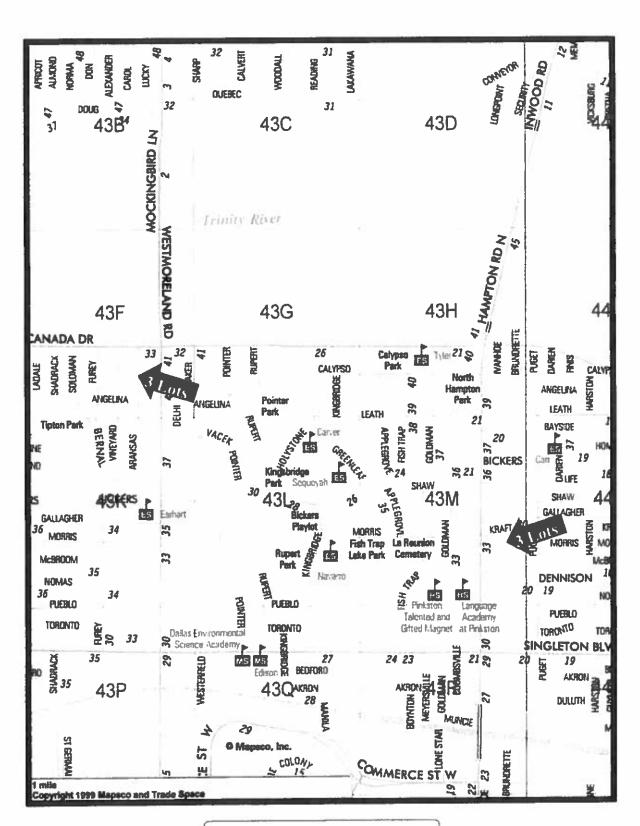
**Builders of Hope CDC** 

Damon Polk, Interim President

Damon Polk, Interim President

MAP

Attached



**MAPSCO 43F & 43M** 

WHEREAS, affordable housing for low and moderate income families is a high priority of the City of Dallas; and

WHEREAS, on June 27, 2001, City Council approved the CHDO Loan Program Statement that authorized the Housing Director to approve development funding for projects with fewer than 100 units, by Resolution No. 01-2049; and

WHEREAS, on June 26, 2013, City Council approved the City of Dallas Consolidated Plan Budget for FY 2013-14 federal funds which included the HOME Investment Partnership Funds, by Resolution No. 13-1142; and

WHEREAS, on December 11, 2013, City Council approved an affordable housing development conditional grant in the amount of \$180,000 to Builders of Hope CDC for the construction of six (6) single family homes in West Dallas through December 11, 2015, by Resolution No. 13-2115; and

WHEREAS, Builders of Hope CDC has requested an extension of time to the development grant agreement to allow them to continue their efforts to construct the final unit and complete the sale of the unit to low-to-moderate income family at or below 80% AMFI; NOW, THEREFORE,

#### BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

**Section 1.** That following approval as to form by the City Attorney, the City Manager is authorized to amend the grant agreement with Builders of Hope CDC (BOH) to extend the completion date from December 11, 2015 to December 30, 2016.

#### **Section 2.** That the terms of the agreement will include:

- (a) Borrower must execute a Notes Payable and Deed Restrictions.
- (b) BOH must complete and sell or rent the remaining homes to low-to-moderate income families whose incomes are 80% or less of area median family income by the maturity date.
- (c) Borrower will be released from liability on the Note at the same time the low-to-moderate income family closes the purchase on the home.
- (d) Properties will be deed restricted for affordability at 80% or less of Area Median Family Income for sale and resale to eligible homebuyers for a period of fifteen years.
- (e) The City will subordinate to the interim construction lender for the construction of each unit.

**Section 3.** That the City Manager, upon approval as to form by the City Attorney, is authorized to execute the agreement described herein, as well as releases of liens and terminations of deed restrictions on the property upon compliance with the loan terms and deed restrictions for forgiveness of debt.

**Section 4.** That this resolution does not constitute a binding agreement upon the City or subject the City to any liability or obligation with respect to the loan, until such time as the loan documents are duly approved by all parties and executed.

**Section 5.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

**KEY FOCUS AREA:** Economic Vibrancy

AGENDA DATE: January 27, 2016

COUNCIL DISTRICT(S): 7

**DEPARTMENT:** Housing/Community Services

CMO: Alan Sims, Chief of Neighborhood Plus, 670-1611

MAPSCO: 48V

#### **SUBJECT**

Authorize an amendment to Resolution No. 14-1488, previously approved on September 10, 2014, to extend the completion date of each agreement to December 31, 2016, for two separate loan agreements with Builders of Hope CDC for two separate phases of their Prairie Creek project – Financing: No cost consideration to the City

### **BACKGROUND**

In 2009, this project received HOME funds in the amount of \$500,000 for acquisition of 40 lots for the Prairie Creek project. This loan agreement, as amended, calls for 40 single family homes to be built on the lots and sold by December 31, 2015. Additionally, by Resolution No.14-1488, this project also received \$480,000 as gap financing for the construction of sixteen of the 40 homes. This loan agreement required completion and sale of the sixteen units by December 31, 2015.

In August 2015, Builders of Hope CDC (BOH) had a change in executive staff that resulted in some delay in the completion of this project. To-date, BOH has built and sold 24 of the 40 units to low-moderate income families at or below 80% of Area Median Family Income. BOH has obtained interim financing from Benchmark Bank, Inwood Bank and American National Bank for construction of the remaining sixteen units and has pulled permits and began construction of nine of the sixteen units

The extension of the maturity dates of the two loan agreements will allow BOH to continue its efforts to complete construction and sell the remaining sixteen units.

# PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On June 27, 2001, City Council approved the CHDO Loan Program Statement that authorized the Housing Director to approve development funding for projects with fewer than 100 units, by Resolution No. 01-2049.

## PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS) (Continued)

On September 10, 2014, City Council approved (1) an extension of the development loan agreement with Builders of Hope CDC, Prairie Creek Project for acquisition and related acquisition costs of 40 unimproved properties to December 31, 2015; and (2) a development loan in the amount of \$480,000 for the construction of the final sixteen homes, by Resolution No. 14-1488.

Information about this item will be provided to the Housing Committee on January 19, 2016.

### FISCAL INFORMATION

No cost consideration to the city

**OWNER** 

**DEVELOPER** 

**Builders of Hope CDC** 

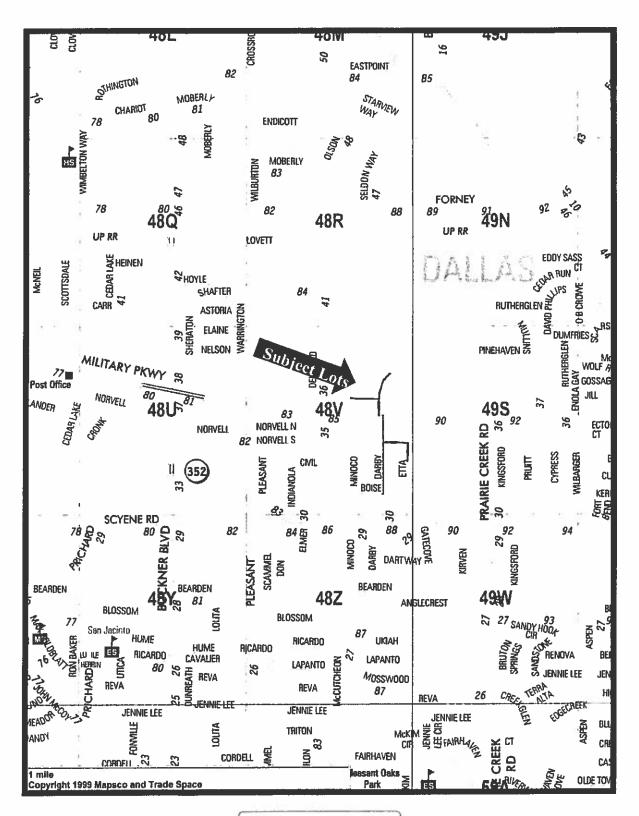
**Builders of Hope CDC** 

Damon Polk, Interim President

Damon Polk, Interim President

MAP

Attached



**MAPSCO 48V** 

WHEREAS, affordable housing for low and moderate income families is a high priority of the City of Dallas; and

WHEREAS, on September 10, 2014, the City Council approved (1) an extension of the development loan agreement with Builders of Hope CDC, Prairie Creek Project for acquisition and related acquisition costs of 40 unimproved properties to December 31, 2015; and (2) a development loan in the amount of \$480,000 for the construction of the final sixteen homes, by Resolution No. 14-1488; and

WHEREAS, Builders of Hope CDC has requested an extension of time to the development loan agreement to allow them to continue their efforts to construct the final 16 units and complete the sale of the units to low-to-moderate income families at or below 80% AMFI; NOW, THEREFORE,

#### BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

**Section 1.** That following approval as to form by the City Attorney, the City Manager is authorized to amend two separate loan agreements with Builders of Hope CDC (BOH), for two separate phases of their Prairie Creek project, to extend the completion dates of each agreement to December 31, 2016.

## **Section 2.** That the terms of the agreement will include:

- (a) Borrower must execute a Notes Payable and Deed Restrictions.
- (b) BOH must complete and sell or rent the remaining homes to low-to-moderate income families whose incomes are 80% or less of area median family income by the maturity date.
- (c) Borrower will be released from liability on the Note at the same time the low-to-moderate income family closes the purchase on the home.
- (d) Properties will be deed restricted for affordability at 80% or less of Area Median Family Income for sale and resale to eligible homebuyers for a period of fifteen years.
- (e) The City will subordinate to the interim construction lender for the construction of each unit.

**Section 3.** That the City Manager, upon approval as to form by the City Attorney, is authorized to execute the agreement described herein, as well as releases of liens and terminations of deed restrictions on the property upon compliance with the loan terms and deed restrictions for forgiveness of debt.

**Section 4.** That this resolution does not constitute a binding agreement upon the City or subject the City to any liability or obligation with respect to the loan, until such time as the loan documents are duly approved by all parties and executed.

**Section 5.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

**KEY FOCUS AREA:** Economic Vibrancy

AGENDA DATE: January 27, 2016

COUNCIL DISTRICT(S): 6

**DEPARTMENT:** Housing/Community Services

CMO: Alan Sims, Chief of Neighborhood Plus, 670-1611

MAPSCO: 43E 43F 43K 43P 44J 44K 44N

#### **SUBJECT**

Authorize an amendment to Resolution No. 14-1633, previously approved on September 24, 2014, to extend completion date of each agreement to December 31, 2016, for two separate loan agreements with Builders of Hope CDC for two separate phases of their West Dallas project – Financing: No cost consideration to the City

#### **BACKGROUND**

In 2009 this project received HOME funds in the amount of \$547,000 for acquisition of 22 scattered sites lots in West Dallas. This loan agreement, as amended, calls for 22 single family homes to be built on the lots and sold by December 31, 2015. By Resolution No. 14-1633, this project also received \$521,400 as gap financing for the construction eleven of the 22 homes. This loan agreement requires completion and sale of its eleven units by December 31, 2015.

In August 2015, Builders of Hope CDC (BOH) had a change in executive staff that resulted in some delays in the completion of this project. To-date, BOH has built and sold eleven of the 22 units to low-moderate income families at or below 80% of Area Median Family Income. BOH has obtained interim financing from Inwood Bank for construction of the remaining eleven units and has pulled permits for eight units. Seven units are already under construction.

The extension of the maturity dates in the two loan agreements will allow BOH to continue its efforts to complete construction and sell the remaining eleven units.

# PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On June 27, 2001, City Council approved the CHDO Loan Program Statement that authorized the Housing Director to approve development funding for projects with fewer than 100 units, by Resolution No. 01-2049.

## PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS) (continued)

On September 24, 2014, City Council approved (1) an extension of the development loan agreement with Builders of Hope CDC, West Dallas Project for acquisition and related acquisition costs of 22 unimproved properties to December 31, 2015; and (2) a development loan in the amount of \$521,400 for the construction of the final eleven homes, by Resolution No. 14-1633.

Information about this item will be provided to the Housing Committee on January 19, 2016.

#### FISCAL INFORMATION

No cost consideration to the City

**OWNER** 

**DEVELOPER** 

**Builders of Hope CDC** 

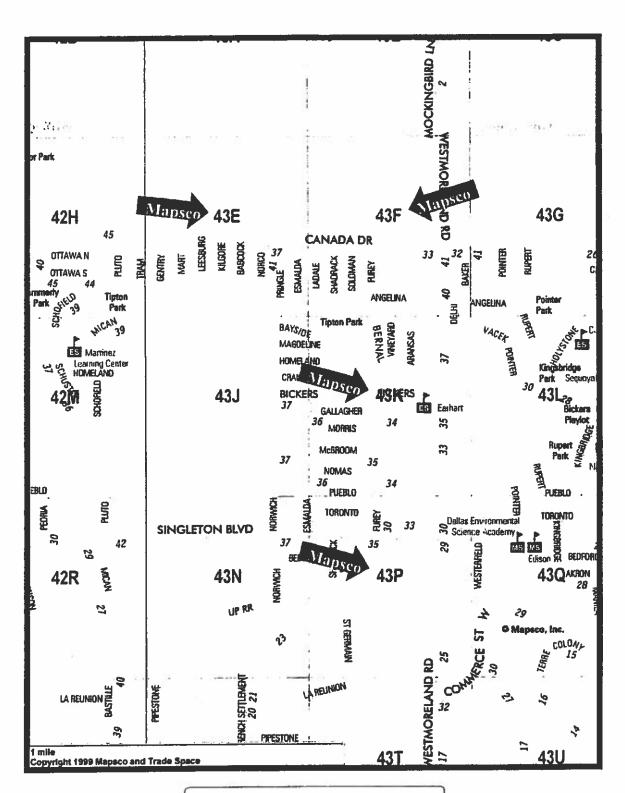
**Builders of Hope CDC** 

Damon Polk, Interim President

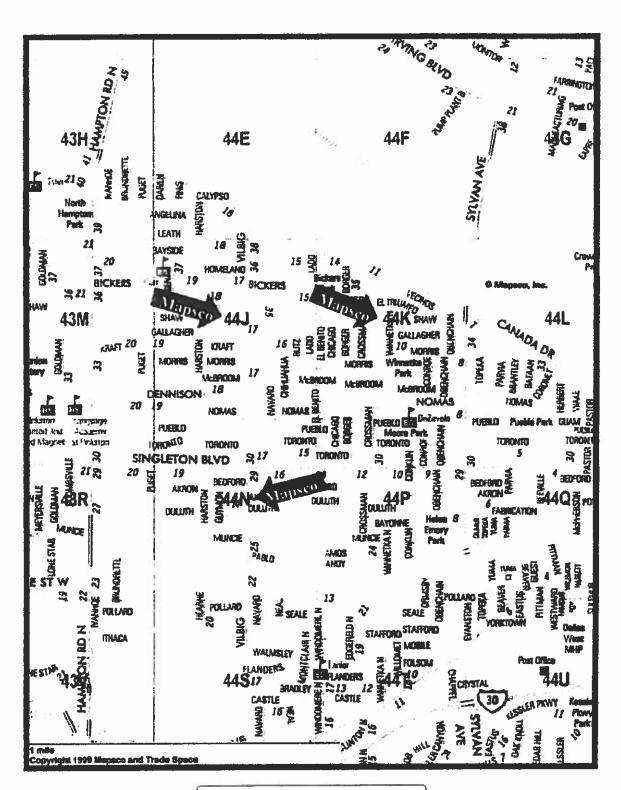
Damon Polk, Interim President

**MAP** 

Attached



MAPSCO 43E, F, K & P



MAPSCO 44J, K & N

WHEREAS, affordable housing for low and moderate income families is a high priority of the City of Dallas; and

WHEREAS, on June 27, 2001, City Council approved the CHDO Loan Program Statement that authorized the Housing Director to approve development funding for projects with fewer than 100 units, by Resolution No. 01-2049; and

WHEREAS, on September 24, 2014, City Council approved (1) an extension of the development loan agreement with Builders of Hope CDC (BOH), West Dallas Project for acquisition and related acquisition costs of 22 unimproved properties to December 31, 2015; and (2) a development loan in the amount of \$521,400 for the construction of the final eleven homes, by Resolution No. 14-1633; and

WHEREAS, the City desires for BOH to develop affordable units for low and moderate income families; NOW, THEREFORE,

#### BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

**Section 1.** That following approval as to form by the City Attorney, the City Manager is authorized to amend two separate loan agreements with Builders of Hope CDC, for two separate phases of their West Dallas project, to extend completion dates of each agreement to December 31, 2016.

#### **Section 2.** The terms of the agreement will include:

- (a) Borrower must execute a Notes Payable and Deed Restrictions.
- (b) BOH must complete and sell or rent the remaining homes to low-to-moderate income families whose incomes are 80% or less of area median family income by the maturity date.
- (c) Borrower will be released from liability on the Note at the same time the low-to-moderate income family closes the purchase on the home.
- (d) Properties will be deed restricted for affordability at 80% or less of Area Median Family Income for sale and resale to eligible homebuyers for a period of fifteen years.
- (e) The City will subordinate to the interim construction lender for the construction of each unit.

**Section 3.** That the City Manager, upon approval as to form by the City Attorney, is authorized to execute the agreement described herein, as well as releases of liens and terminations of deed restrictions on the property upon compliance with the loan terms and deed restrictions for forgiveness of debt.

**Section 4.** That this resolution does not constitute a binding agreement upon the City or subject the City to any liability or obligation with respect to the loan, until such time as the loan documents are duly approved by all parties and executed.

**Section 5.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.