

ARTICLE XII. RENTAL HOUSING¹

DIVISION 1. IN GENERAL

Sec. 18-940. Purpose.

It is the purpose and intent of this article to provide comprehensive regulations for all properties rented for residential purposes, whether short-term or long term. The regulations herein are intended to preserve and protect the public health, safety and welfare by imposing minimum regulatory standards and requirements and to provide uniformity and clarity in compliance and enforceability.

Sec. 18-941. Definitions.

For the purposes of this article, the following words and phrases shall have the meanings respectively ascribed to them by this section, unless the context clearly indicates otherwise. Where such terms are not defined in this section and are defined in another ordinance or code adopted by the city, the meaning ascribed by that ordinance or code shall apply. Where terms are not defined below or in any other city ordinance or code, the term shall have ordinarily accepted meanings, as the context implies.

Advertisement or advertising means the listing or marketing of any real property as rental property through any print, outdoor, digital, broadcast, or other advertising medium, such as magazines, brochures, newsletters, banners, signs, social media platforms, apps on a smartphone, electronic or online marketplaces or booking platforms, marketplace facilitators, websites, internet, computer or other electronic devices, television, or radio.

Bed and breakfast means a dwelling occupied as a permanent residence by an owner or renter in which sleeping accommodations of not more than four rooms are provided or offered for transient guests for compensation.

Bedroom means any room or space furnished with a bed and window which also meets the requirements of the City's adoption of the International Residential Code or International Building Code, as amended.

Chief building official means the city's chief building official or designee or the director of any department(s) or division(s) of the city authorized to administer and/or enforce the provisions of this article and any person or persons designated by the city to represent the city for said purpose.

Common areas means communal areas of the hotel and/or motel, including hallways, stairways, lobby areas, laundry rooms, pool facilities, green spaces, recreation rooms and parking lots.

Dangerous building refers to any building with exterior or interior conditions that pose a danger to the life, limb, health, property, or safety of any person.

Dwelling unit means a structure or that part of a structure which is used as a residence.

Guest means any person or persons renting a short-term rental unit or occupying a hotel or motel room.

Hotel or motel means a building or group of buildings designed for and occupied as a temporary dwelling where customary hotel services such as linen, maid service, telephone, and upkeep of furniture are provided.

Hotel room or motel room means the portion of the hotel/motel which may be used by a guest as a temporary residence, including single rooms and suites.

Hotel occupancy tax means hotel occupancy tax as provided for in Sec. 74-102 of the City Code of Ordinances and Chapter 351 of the Texas Tax Code, as amended.

Landlord means the owner, property manager, or any person having or exercising supervision or control over real property that is or is intended to be occupied by another, regardless of ownership.

Local point of contact or *point of contact* means any person who is responsible for ensuring that all occupants and/or guests of a short-term rental unit comply with all applicable laws, rules and regulations pertaining to the use and occupancy of the subject short-term rental and for responding to questions or concerns from occupants, guests, and the city regarding the operation of the short-term rental.

Managing agent shall refer to a person who is authorized by the owner of a multi-family residential rental building to negotiate rentals and act on the owner's behalf in the management of that building.

Maximum occupancy rate means no more than two persons per bedroom, plus two additional persons, but in no event shall occupancy exceed 12 persons total, including children, regardless of the number of bedrooms, save and except multi-family residential buildings and hotels and motels.

Multi-family residential building refers to a building or structure containing five or more individual residential units which are leased or rented or intended to be leased or rented to another person, for or without consideration, for residential purposes. The term also includes accessory buildings and structures intended for human occupancy and use by residents of a multi-family residential building.

Occupancy means the use or intended use of the land or buildings by any person.

Occupant means any person who occupies a hotel or motel room for living or sleeping purposes with the owner or operator's consent, regardless of whether the occupancy is in exchange for monetary consideration.

Owner means any person who owns an interest in real property or in whom is vested the ownership or title, including, but not limited to:

- (1) The holder of fee simple title;
- (2) The holder of a life estate;
- (3) The holder of a leasehold estate for a term of at least five years;
- (4) The holder of a leasehold estate who, in turn, subleases property to another; or
- (5) The buyer in a contract for deed.

Property shall refer to the land on which one or more buildings are located and is inclusive of the land and all buildings and structures thereon.

Property manager means a person who for compensation has managing control of rental property.

Rental property or *rental properties* means a single-family, duplex, triplex, fourplex, townhouse, or multi-family residential dwelling unit, not occupied by the owner, which is leased or rented or intended to be leased or rented to another person, for or without consideration.

Resident shall refer to any person who occupies a residential unit.

Residential unit means any single residential dwelling unit within a multi-family residential building or portion thereof that is used or intended to be used for residential purposes. The term is inclusive of units within mixed-use buildings whereby an occupant may utilize an area for combined residential and commercial or retail purposes.

Short-term rental (STR) means a dwelling that is:

- (1) Used or designated to be used for residential purposes, including a single-family, duplex or townhouse, garage apartment, guest house, or a unit in a multi-family residential building, including an apartment, condominium, cooperative or timeshare;

- (2) Rented wholly or partly for a fee; and
- (3) Rented for periods of less than 30 consecutive days.

Short-term rental listing service means a person, company or entity that participates in the short-term rental business by facilitating booking services through which an owner may offer short-term rentals, including but not limited to persons that provide booking services through an online platform that allows an owner to advertise the premises through a website provided by the short-term rental listing service and the short-term rental listing service conducts a transaction by which potential guests arrange their use and their payment, regardless of whether the potential guest pays rent directly to the owner or to the short-term rental listing service.

Substandard building means a building, structure, rental unit, or multi-family residential building which is not in compliance with Substandard Building regulations, as adopted by the city, or the provisions of any building, residential or property code adopted by the city for the purposes of protecting the life, health or safety of occupants or residents.

Tenant means any person who occupies rental property for residential purposes with the landlord's consent, regardless of whether the occupancy is in exchange for monetary consideration.

Secs. 18-942—18-950. Reserved.

DIVISION 2. SINGLE-FAMILY, DUPLEX, TRIPLEX, FOURPLEX, AND TOWNHOUSE DWELLINGS

Sec. 18-952. Applicability.

This division shall apply to all single-family, duplex and townhouse dwelling rental properties within the territorial limits of the city.

Sec. 18-953. Registration of rental properties required.

- (a) No person shall own, operate, lease, rent or maintain any single-family, duplex or townhouse dwelling as rental property without first registering the rental property with the city.
- (b) Rental properties shall be registered annually, with all registrations expiring on January 31. Renewals shall be completed within 30-60 days prior to registration expiration. Approved applications which are received between December 15 and January 31 may be extended to ensure the registration is valid for at least one full year.
- (c) Registration shall be submitted to and on an application form provided by the city.
- (d) Registration may be approved but occupancy may not occur until the rental property has been inspected for compliance with the minimum standards set forth in this division, unless otherwise exempt.
- (e) Rental property registration may be denied, suspended or revoked by the city if:
 - (1) The registration application contains false information, is incomplete, or is not supplemented with additional information requested by the city;
 - (2) There are utility fees and/or charges for which the rental property owner is responsible, which are over 60 days past due;
 - (3) The rental property is not in compliance with the standards set forth in this division;
 - (4) Access to the property by the chief building official or designee has been refused or impaired so as to prevent timely inspection of the premises;
 - (5) A change in tenancy has occurred and the landlord or owner has failed to request an inspection or provide other adequate certification as required by this division; or

- (6) There exists any unsafe condition in, on or near the rental property that presents a threat or danger to any person.

Sec. 18-954. Applications and fees.

- (a) The chief building official or designee may, at any time, require additional information of the owner or landlord to clarify or supplement items on the application for registration.
- (b) The annual fee for issuing a registration shall be as set forth in the city's master fee schedule. The fees are non-refundable and are payable to the city when application is submitted.

Sec. 18-955. Minimum standards.

- (a) All rental properties, inclusive of the primary dwelling structure, all accessory structures, and the premises comprising the property, shall be kept and maintained by the owner and the landlord in accordance with the following minimum standards:
 - (1) The property must be maintained in a safe and habitable condition;
 - (2) The property must be adequately served by all utilities, including but not limited to electricity, water, and sanitary sewer services;
 - (3) The property shall not be in violation of any city nuisance regulation as outlined in Chapter 34 of this Code;
 - (4) The property shall be kept and maintained in accordance with the standards and requirements set forth in the Code of Ordinances applicable to all residential properties as adopted by the City;
 - (5) The property shall not be used for commercial purposes, other than as rental property or a lawful home occupation as outlined in Sec. 118-727.

Sec. 18-956. Inspections and registration.

- (a) Rental property shall be inspected for compliance with the provisions of this division as follows:
 - (1) Upon first-time registration;
 - (2) If warranted by receipt of a complaint; and
 - (3) Each time there is a change in tenancy. The owner, property manager or landlord shall request that the inspection be conducted by the city upon the tenant's vacation from the premises.
- (b) Exemptions to the inspection requirements listed in Sec. 18-956 (a) are outlined herein:
 - (1) Properties which were constructed and issued an initial certificate of occupancy within the preceding five years shall not require an initial inspection.
 - (2) A change in tenancy less than one year after the most recent inspection date shall not require a new inspection.
 - (3) If an owner is eligible for participation in the self-certification process under Sec. 18-958 for rental properties and completes a necessary self-certification for a tenant change
- (b) The building official may deny registration, or withhold release of utilities if, as a result of an inspection, it is determined that the rental property does not comply with the health and safety standards of this division.
- (c) Any life, safety or critical deficiency that threatens or endangers tenants or occupants, noted by inspection, shall be corrected prior to the city's approval of registration and prior to occupancy.

- (d) No rental property shall be occupied unless valid registration has been approved by the city for the premises. The registration shall be approved if, after inspection, the rental property complies with this division and the city's Code of Ordinances.

Sec. 18-957. Violations; affirmative defenses.

- (a) No person may violate any provision of this division, including landlords, property managers, owners, and tenants of rental property.
- (b) A person commits an offense if that person rents, leases, or allows another to occupy rental property that is not registered, has not passed city inspection or self-certified, if applicable, or has been provided with a notice of violation to vacate the premises or repair or remediate a condition that is deemed unsafe or in violation of this division.
- (c) No landlord, property manager or owner may prevent or impair an inspection under this division, or actively and knowingly conceal, cover, or disguise any condition that is a violation of the standards imposed by this division.
- (d) It shall be an affirmative defense to the prosecution of an offense under this division if:
 - (1) The rental property is a bed and breakfast, defined herein as a dwelling occupied as a permanent residence by an owner or renter in which sleeping accommodations of not more than four rooms are provided or offered for transient guests for compensation;
 - (2) The rental property is a personal care home for elderly persons or persons with disabilities; or
 - (3) The tenant is hired by the owner as a short-term caretaker of the dwelling.

Sec. 18-958. Self-certification for rental owners.

- (a) The Building Official, in accordance with Subsection (b) of this section, may allow a single-family, duplex, or townhome rental property owner to conduct a self-certification inspection of the property.
- (b) A property is not eligible for self certification if:
 - (1) The property is seeking an initial registration as a rental property.
 - (2) The City has received more than one substantiated complaint from a tenant regarding the property in the preceding 12 months.
 - (3) The property has been issued more than one violation notice for noncompliance with applicable codes.
 - (4) The City has not completed an inspection within the immediately preceding three-year period.

Secs. 18-959—18-974. Reserved

