

MEMORANDUM

TO: Austin City Council
FROM: City of Austin Planning Commission
RE: Stealth Dorms in North and Central Austin Neighborhoods
DATE: February 10, 2015

Over the past thirty years, the north and central neighborhoods in Austin have experienced an increase in multi-family housing in areas zoned for single-family. Some actors are illegally housing more than 6 unrelated adults in a single dwelling. These occurrences are often called “stealth dorms” or over-occupied housing. These “stealth dorm” dwelling units have contributed to the erosion of single-family housing and created concerns related to safety, nuisances, and exacerbated traffic.

In June of 2013, the Codes and Ordinances Subcommittee of the Planning Commission directed a Stealth Dorm Working Group, comprised of various community stakeholders, to identify possible solutions. The Planning Commission offers these suggestions as partial steps to solve the problem. Although all of these recommended solutions would be helpful, simply implementing these policies alone will not solve the problem.

Rather, the City of Austin (the “City”) must leverage its relationships with key institutions, specifically the University of Texas (“UT”), to address the affordability issues that create the demand for over-occupied housing. The City should hold UT accountable and work with UT to provide for adequate student housing.

Furthermore, any leasing entity or organization representing the interest of leasing entities (such as Austin Board of Realtors (“ABOR”), Austin Apartment Association (“AAA”), and the Real Estate Council of Austin (“RECA”)) should consider advising their agents, constituencies, and tenants to be aware of the permitting and occupancy rules. These entities have a heightened responsibility to educate their constituencies.

The Planning Commission’s recommended solutions for resolving the stealth dorm issues are as follows:

Code Compliance

1. Code compliance interventions often result in short-term compliance. Every confirmed violation should result in a “Notice of Violation” that must be sent to the property owner with escalating fines for repeat offenses.
2. Code Compliance does not have the tools to address property owners reluctant to comply and often has to resolve violations in criminal proceedings where violations must be proved “beyond a reasonable doubt.” The City should institute civil hearings for certain code violations instead of criminal proceedings.
3. Provide for timely processing of code enforcement (via Code Compliance, Austin Police Department (“APD”), and other City staff) with violation penalties that can provide some measure of deterrence to property owners, landlords, and tenants.
4. Support City staff efforts to coordinate communication between City departments to better track nuisances such as noise, trash, parking, and over-occupancy. This

includes the city's tracking system that publicly publishes all violation activity that has occurred on a property.

Development and Permitting

1. All recipients of new single-family housing permits and certificates of occupancy should be informed of maximum occupancy limits for unrelated and related adults based on the date of permit applications and number and size of bedrooms.
2. Clarify terms in zoning regulations to define "bedroom," "sleeping room," "occupancy" or "occupy", "related," "unrelated," levels of consanguinity, and any other related definitions. Consider the definition of bedroom used by the Board of Adjustment.
3. High-occupancy structures are not identified at the permitting level. As part of the certificate of occupancy process, structures with design elements characteristic of "over-occupied housing" should be required to submit to a one-year inspection to confirm proper use and occupancy limits consistent with the certificate of occupancy or building permit. The Planning Commission does not expect the Code Compliance Department to inspect every single structure, however, this provides the department with a tool to inspect homes identified through complaints.

Zoning

1. Create a new zoning category for duplexes, fourplexes, and sixplexes: Multi-Family Lite (MF-L). MF-L designation for duplexes may eliminate some misuses of SF zoned properties.

Over-Occupancy Ordinance

1. Review the effectiveness of the newly adopted City Council regulations limiting occupancy from 6 to 4 unrelated persons in certain neighborhoods. If the regulations have been effective and successful in limiting nuisances, consider continuing the ordinance beyond the current 2-year time limit and consider expanding the neighborhoods included.
2. Repeat code offenders should lose their grandfathered status of allowing 6 unrelated individuals.

Nuisances (Parking, Trash, Noise, etc.)

1. Parking violation, trash collection, noise, and overcrowding language should be included in the nuisance provision of the adopted Property Maintenance Code to create greater accountability for all occupants of single-family homes.
2. Current requirements for on-site parking for single-family housing should be maintained.
3. Support enforcement of on-street parking violations by Code Compliance.
4. Identify which trash and recycling receptacles belong to which property owners/tenants (using assigned identification numbers). If the receptacle is still out during the 3rd day after collection day, then Code Compliance can issue a citation and investigate dwelling for over-occupied housing.