

# AGENDA



## Recommendation for Council Action

### AUSTIN CITY COUNCIL

Regular Meeting: March 1, 2018

Item Number: **002**

#### Austin Code Department

Approve an ordinance amending the Fiscal Year 2017-2018 Austin Code Department Operating Fund (Ordinance No. 20170913-001) to increase the transfer out by \$150,000 to the Neighborhood Housing Trust Fund and increase the transfer into the Neighborhood Housing Trust Fund by \$150,000 from the Austin Code Department Operating Fund.

<b>Lead Department</b>	Austin Code Department
<b>Fiscal Note</b>	Funding in the amount of \$150,000 has been received from a settlement with the property owners of the Orchard Plaza Apartments. A fiscal note is attached.
<b>Prior Council Action</b>	<p>April 13, 2017, City Council approved a recommendation for Council action appropriating an amount up to \$600,000 to aid tenants of the Orchard Plaza Apartments in their relocation.</p> <p><b>April 13, 2017</b>, Regular Council meeting, Item Number 014 to authorize execution of all documents necessary for relocation assistance and authorize payment of relocation funds to impacted tenants (District 4).</p> <p><b>November 9, 2017</b>, Regular Council meeting, Item 16, Council approved a settlement in City of Austin v. Walter Olenick et al, Cause No. D-1-GN-004108 in the 53<sup>rd</sup> Judicial District of Travis County.</p>

#### Additional Backup Information:

Austin Code Department administers the Repeat Offender Program, a progressive code

enforcement approach to address and rectify recurring code violations that potentially pose a public safety threat to tenants of rental properties across the city. Repeated notices of code violations were properly issued to the owners of the Orchard Plaza Apartments (located at 1127 and 1205 East 52<sup>nd</sup> Street). The violations included multiple substandard and dangerous structural and premise conditions. After repeated attempts to gain voluntary compliance, the case was presented to the Building and Standards Commission, and ultimately District Court. Due to persistent dangerous structural conditions, the court issued a judgment requiring the property owner to make immediate repairs to the buildings, foundations, supporting structures, stairways, and walkways within 90 days. After failing to comply with the Court's order to repair the property, the Court issued an order that prohibited the owner's from collecting rent until the repairs were made.

At the time the Court issued its order, several tenants resided at Orchard Plaza Apartments. On April 13, 2017, Council approved the use of Housing Trust Fund monies to provide relocation funds.

On November 9, 2017, Council approved a settlement of the property maintenance and collection lawsuits with the property owner. As part of the settlement, the City received \$150,000, which were accepted by the Austin Code Department. Because the money used to pay for tenant relocation came from the Housing Trust Fund, the Austin Code Department recommends Council approve the transfer of \$150,000 from its operating fund to Housing Trust Fund.