

ORDINANCE NO. 2026-O-76

AN ORDINANCE OF THE CITY OF LAREDO, TEXAS, AMENDING THE CITY OF LAREDO MUNICIPAL HOUSING FUND FY 2025–2026 ANNUAL BUDGET BY INCREASING REVENUES AND EXPENDITURES IN THE AMOUNT OF \$65,800; ESTABLISHING RENTAL RATES AND TENANT POLICIES FOR THE SOUTHERN HOTEL APARTMENTS LOCATED AT 1210 MATAMOROS STREET; AMENDING THE FULL-TIME EQUIVALENT (FTE) POSITION LISTING BY ADDING ONE (1) BUILDING MAINTENANCE MECHANIC; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City has undertaken the rehabilitation of the Southern Hotel to convert the existing structure into twenty-two (22) mixed-income affordable rental housing units; and

WHEREAS, thirteen (13) of the twenty-two (22) units will be designated for low- to moderate-income households in accordance with federal program requirements, while nine (9) units will be rented at market rate; and

WHEREAS, the project is funded through the U.S. Department of Housing and Urban Development (HUD) programs including the Community Development Block Grant (CDBG), the Section 108 Loan Program, and the HOME Investment Partnerships Program; and

WHEREAS, the use of these federal funds requires that a portion of the housing units be reserved for low- to moderate-income households and that rental rates comply with HOME Program affordability regulations; and

WHEREAS, the City Council finds it necessary to establish rental rates and tenant policies for the Southern Hotel Apartments in order to ensure compliance with HUD regulations and to provide affordable housing opportunities; and

WHEREAS, the City Council further finds it necessary to amend the Municipal Housing Fund FY 2025–2026 Annual Budget by increasing revenues and expenditures in the amount of Sixty-Five Thousand Eight Hundred Dollars (\$65,800) to support the operation of the Southern Hotel Apartments; and

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LAREDO:

SECTION 1: The City of Laredo Municipal Housing Fund FY 2025–2026 Annual Budget is hereby amended by increasing revenues and expenditures in the amount of **\$65,800** for the operation and management of the Southern Hotel Apartments located at 1210 Matamoros Street.

SECTION 2: The City Council hereby establishes the **initial monthly rental rates** for the Southern Hotel Apartments as follows:

HOME Program Units (Low- to Moderate-Income Households):

- Eleven (11) Studio Units – **\$675.00 per month**
- Two (2) One-Bedroom Units – **\$725.00 per month**

Market Rate Units:

- Seven (7) Studio Units – **\$775.00 per month**
- Two (2) One-Bedroom Units – **\$825.00 per month**

SECTION 3: The security deposit for each unit shall be **equal to one (1) month’s rent**. Rental rates include **water service**.

SECTION 4: Rental rates for HOME-assisted units shall comply with the rent limits established annually by the U.S. Department of Housing and Urban Development (HUD) under the HOME Investment Partnerships Program. Such rates may be adjusted as necessary to remain in compliance with federal regulations.

SECTION 5: Tenant eligibility, leasing, and occupancy requirements for the HOME-assisted units shall comply with all applicable **HUD regulations**, including income eligibility requirements for low- to moderate-income households.

SECTION 6: This ordinance shall take effect upon its adoption by the City Council and publication as required by law.

PASSED AND APPROVED by the City Council of the City of Laredo, Texas, on this _____ day of _____, 2026.

**DR. VICTOR D. TREVIÑO
MAYOR**

ATTEST:

**JOSE A. VALDEZ, JR.
CITY SECRETARY**

APPROVED AS TO FORM:

**DOANH T. NGUYEN
CITY ATTORNEY**

**BY: DAVID H. ARREDONDO
ASSISTANT CITY ATTORNEY**

