

ORDINANCE NO. 2026-O-143

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAREDO, TEXAS, AUTHORIZING THE COMMUNITY DEVELOPMENT DEPARTMENT, SUBJECT TO THE APPROVAL OF THE CITY MANAGER AND/OR HIS DESIGNEE, TO ADMINISTRATIVELY ESTABLISH, REVISE, AND ADJUST RENTAL RATES FOR CERTAIN CITY-OWNED SENIOR HOUSING AND AFFORDABLE HOUSING PROPERTIES; REQUIRING ADVANCE WRITTEN NOTICE TO TENANTS OF RENTAL RATE INCREASES; AUTHORIZING THE CITY MANAGER AND/OR HIS DESIGNEE TO EXECUTE LEASE AMENDMENTS AND RELATED DOCUMENTS; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Laredo owns and operates various affordable housing and senior housing developments through its Community Development Department for the benefit of low-income residents, elderly residents, and other qualified tenants; and

WHEREAS, the City currently owns and operates the following housing developments:

- A. The San Enrique Duplexes, located at 302 San Enrique Avenue, for which rental rates were established pursuant to Ordinance No. 2023-O-071;
- B. The Fernando A. Salinas Elderly Rental Housing, located at 1803 and 1806 Juarez Avenue, for which rental rates were established pursuant to Ordinance No. 2019-O-100;
- C. The Downtown Elderly Duplexes, located at 1901 Farragut Street, for which rental rates were established pursuant to Ordinance No. 2019-O-101;
- D. The Martha C. Narvaez City Hall Apartments, located at 820 Convent Avenue, for which rental rates were established pursuant to Ordinance No. 2020-O-070;
- E. The Market Street Elderly Affordable Rental Housing Project, located at 810 Sanders Street, for which rental rates were established pursuant to Ordinance No. 2024-O-007;
- F. The Lafayette Tiny Homes Rental Housing Project, located at 3502 Eagle Pass Ave., for which rental rates were established pursuant to Ordinance 2025-O-196; and
- G. The Southern Hotel Apartments, located at 1210 Matamoros, for which rental rates were established pursuant to Ordinance No. 2026-O-76

WHEREAS, the City Council finds that the costs associated with operating, maintaining, repairing, insuring, and administering these housing developments may increase from time to time and require periodic adjustments to rental rates; and

WHEREAS, the City Council finds that authorizing administrative adjustments to rental rates will promote efficient management of City-owned housing properties and ensure the long-term sustainability of these housing programs; and

WHEREAS, the City Council desires to authorize the Community Development Department to establish, revise, and adjust rental rates through an administrative process while ensuring tenants receive advance notice of any rental rate increase.

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

SECTION 1.

INCORPORATION OF RECITALS

The foregoing recitals are incorporated herein for all purposes as if fully set forth herein.

SECTION 2.

ADMINISTRATIVE AUTHORITY TO ESTABLISH, REVISE, AND ADJUST RENTAL RATES

The Director of the Community Development Department, subject to the approval of the City Manager and/or his designee, is hereby authorized to establish, revise, and adjust rental rates for the following City-owned housing developments:

- a. San Enrique Duplexes, located at 302 San Enrique Avenue;
- b. Fernando A. Salinas Elderly Rental Housing, located at 1803 and 1806 Juarez Avenue;
- c. Downtown Elderly Duplexes, located at 1901 Farragut Street;
- d. Martha C. Narvaez City Hall Apartments, located at 820 Convent Avenue;
- e. Market Street Elderly Affordable Rental Housing Project, located at 810 Sanders Street;
- f. Lafayette Tiny Homes Rental Housing, located at 3502 Eagle Pass Ave; and
- g. Southern Hotel Apartments, located at 1210 Matamoros St.

The rental rates established pursuant to Ordinance Nos. 2023-O-071, 2019-O-100, 2019-O-101, 2020-O-070, 2024-O-007, 2025-O-196, and 2026-O-76 shall serve as the initial rental rates for the properties identified herein.

Following the effective date of this Ordinance, rental rates approved pursuant to the administrative procedures established herein and reflected on the current Rent Schedule maintained by the Community Development Department shall constitute the authorized rental rates for the applicable housing developments.

SECTION 3.

FACTORS TO BE CONSIDERED

In establishing, revising, or adjusting rental rates, the Community Development Department may consider factors including, but not limited to:

- a. Operating expenses;
- b. Maintenance and repair costs;
- c. Utility expenses;
- d. Insurance costs;
- e. Capital improvement needs;
- f. Applicable federal, state, and local program requirements;
- g. Tenant income eligibility requirements;
- h. Market conditions and comparable affordable housing rental rates; and
- i. The long-term financial sustainability of the housing developments.

SECTION 4.

RENT SCHEDULE

The Community Development Department shall maintain a written Rent Schedule setting forth the authorized rental rates applicable to each housing development subject to this Ordinance.

The Rent Schedule and any revisions thereto shall be approved by the City Manager and/or his designee and filed with the Office of the City Secretary.

The most recently approved Rent Schedule shall constitute the official rental rates applicable to the housing developments identified in this Ordinance.

SECTION 5.

COMPLIANCE WITH AFFORDABLE HOUSING PROGRAM REQUIREMENTS

Notwithstanding any provision of this Ordinance to the contrary, any rental unit or housing development that is subject to federal, state, or local affordable housing program requirements, including but not limited to the HOME Investment Partnerships Program (HOME), HOME-American Rescue Plan Program (HOME-ARP), Community Development Block Grant (CDBG) Program, or any successor program, shall be owned, operated, and administered in compliance with all applicable federal, state, and local laws, regulations, guidance, funding agreements, affordability restrictions, income eligibility requirements, notice requirements, rent limitations,

and other program requirements, including, as applicable, the requirements of 24 C.F.R. Part 92, 24 C.F.R. Part 570, and any successor regulations thereto.

No rental rate established, revised, or adjusted pursuant to this Ordinance shall exceed applicable program rent limits or otherwise conflict with any affordability restriction, funding agreement, regulatory agreement, land use restriction agreement, or other requirement imposed by an applicable affordable housing program.

In the event of any conflict between a rental rate or administrative action authorized under this Ordinance and any applicable federal, state, or local affordable housing program requirement, the applicable affordable housing program requirement shall control.

SECTION 6.

NOTICE OF RENTAL RATE INCREASES

No rental rate increase shall become effective unless the affected tenant receives written notice of the increase not less than thirty (30) calendar days before the effective date of the increase.

The notice shall include:

- a. The tenant's current rental rate;
- b. The adjusted rental rate;
- c. The effective date of the increase; and
- d. Contact information for the Community Development Department.

Nothing herein shall prohibit the City from providing a longer notice period.

SECTION 7.

LEASE AMENDMENTS AND FUTURE LEASES

The City Manager and/or his designee is hereby authorized to execute lease amendments, notices, acknowledgements, and any other documents necessary to implement the provisions of this Ordinance.

All future lease agreements and, where appropriate, existing lease agreements shall contain provisions substantially providing that rental rates may be established, revised, or adjusted by the City pursuant to this Ordinance upon not less than thirty (30) days prior written notice to the tenant.

SECTION 8.

ADMINISTRATIVE AUTHORITY

The authority granted herein is intended solely to establish an administrative process for the establishment, revision, and adjustment of rental rates for the housing developments identified in this Ordinance.

Nothing contained herein shall be construed as repealing any prior ordinance establishing rental rates and/or policies for the foregoing housing developments. Rather, this Ordinance supplements those ordinances by providing administrative authority for future determinations and adjustments of rental rates.

SECTION 9.
SEVERABILITY

If any section, subsection, sentence, clause, phrase, or provision of this Ordinance is held invalid or unconstitutional by a court of competent jurisdiction, such holding shall not affect the remaining portions of this Ordinance, which shall continue in full force and effect.

SECTION 10.
EFFECTIVE DATE

This Ordinance shall become effective immediately upon its passage.

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

CITY OF LAREDO, TEXAS

By: _____
Victor D. Treviño, M.D., Mayor

ATTEST:

By: _____
Mario Maldonado, Jr., City Secretary

APPROVED AS TO FORM:

By: _____
Doanh “Zone” T. Nguyen, City Attorney