



City of Austin

Recommendation for Action

File #: 26-1779, **Agenda Item #:** 45.

5/28/2026

Posting Language

Approve an ordinance amending City Code Chapter 4-14 (Rental Property) to add a new Article 4 to require persons who rent dwellings or mobile home/recreational vehicle spaces to households to disclose certain fees during the leasing process; and creating an offense and establishing a penalty. Funding: This item has no fiscal impact.

Lead Department

Austin Housing.

Fiscal Note

This item has no fiscal impact.

Prior Council Action:

Council Resolution No. 20241024-045.

For More Information:

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Additional Backup Information:

On October 24, 2024, Council approved Resolution 20241024 045 directing staff to develop an ordinance requiring disclosure of rental housing fees at the time of application and to assess disclosure in advertisements.

During the 2025 legislative session, several bills related to rental fee transparency were filed but did not advance. Staff adjusted the project timeline to avoid potential conflicts with pending legislation and allow for post-session legal review.

After the legislative session, Austin Housing convened a cross-departmental team to research legal frameworks, review best practices, and draft regulations consistent with Council direction. Staff also reviewed relevant studies, monitored recent litigation regarding hidden rental fees, and tracked federal activity related to rental fee transparency.

Community engagement occurred in two phases: an initial phase (Oct-Dec 2025) that reached nearly 500 participants and a second phase (Apr 2026) that gathered additional feedback on draft regulations.

The proposed ordinance incorporates community feedback and establishes standards for disclosure of rental housing fees to prospective tenants, including a disclosure form and required advertisement of mandatory, fixed, recurring fees.

Staff recommends adoption of the Rental Housing Fee Disclosure Ordinance. The proposed regulations reflect community input, align with best practices, and address gaps in current rental fee transparency.

After adoption of the ordinance, the City Manager will designate an Accountable Official to enforce the ordinance, create a public awareness campaign, consider a delayed effective date to allow for implementation

considerations, and return with a follow up report six months after the effective date to ensure that the ordinance is working and to align with any state or federal changes.