ORDINANCE NO. 1235-2019

AN ORDINANCE AMENDING ARTICLE A.02 "SCHEDULE OF FEES AND CHARGES; SPECIFICALLY IN SECTION A.02.002 "REGISTRATION OF CONTRACTORS GENERALLY" (5) "BUILDING CONTRACTORS" OF THE CODE OF ORDINANCES OF THE CITY OF RIVER OAKS, TEXAS BY REVISING BUILDING CONTRACTOR REGISTRATION PROHIBITING THE REQUIREMENT FOR REGISTRATION TO BE VALUE-BASED FOR IMPROVEMENT OF RESIDENTIAL DWELLINGS WITHIN THE CITY OF RIVER OAKS; PROVIDING THAT THIS ORDINANCE SHALL BE CUMULATIVE OF ALL ORDINANCES; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of River Oaks, Texas is a home rule city acting under its charter adopted by the electorate pursuant to Article XI, Section 5 of the Texas Constitution and Chapter 9 of the Local Government Code; and

WHEREAS, House Bill 852 was signed by the Governor on May 21, 2019 and is effective immediately and therefore Sec. 214.907 of the Local Government Code shall now be amended prohibiting certain value-based building permits and inspection fees being determined in connection with the construction or improvement of a residential dwelling using valuation for the cost of constructing or improving the dwelling; and

WHEREAS, on May 28, 2019, the City Council adopted Ordinance 1234-2019 that amended the City's Fee Schedule Ordinance prohibiting certain value-based building permits and inspection fees being determined in connection with the construction or improvement of a residential dwelling using valuation for the cost of constructing or improving the dwelling; and

WHEREAS, in Section A.02.002 "Registration of Contractors Generally" the requirement for registration of building contractors is based on value-based at \$10,000 and therefore necessitates that it also be amended in according to the revised fee schedule for residential dwellings for a material improvement that either increases or decreases the home's total square footage of living space and also modifies the home's foundation, perimeter walls, or roof; or an interior remodeling/renovation project that increases the existing footprint of a residential home by at least 100 square feet or more; and

WHEREAS, in order to comply with House Bill 852, the city council deems it necessary to revise the River Oaks Code of Ordinances under contractor registration prohibiting value-based contractor registration fees.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF RIVER OAKS, TEXAS: SECTION 1.

That Article A.02 "Schedule of Fees and Charges" specifically in Section A.02.002 "Registration of Contractors Generally" specifically in A.02.002 (5) "Building Contractors" of the Code of Ordinances of the City of River Oaks, Texas is hereby amended to now read as follows:

Sec. A.02.002 Registration of contractors generally

- "(5) **Building contractors** \$75.00 first year registration; \$50.00 annual fee
- A) A building contractor is defined for the purpose of this section to mean any business entity or individual who for a fixed price, commission, wage or other compensation constructs, supervises or manages the construction of a new home, a material improvement to a home other than an improvement to solely repair a roof of an existing home, or a material improvement that either increases or decreases

the home's total square footage of living space and also modifies the home's foundation, perimeter walls, or roof; or an interior remodeling/renovation project that increases the existing footprint of a residential home by at least 100 square feet or more.

- (B) A building contractor is also defined for the purpose of this section to mean any business entity or individual who for a fixed price, commission, wage or other compensation constructs, supervises or manages the construction of commercial buildings, a material improvement to a commercial building or structure other than an improvement to solely repair a roof of an existing building, or a material improvement that either increases or decreases the building's total square footage and also modifies the building structure's foundation, perimeter walls, or roof; or an interior remodeling/renovation project cost that exceeds \$10,000.00 (ten-thousand dollars).
- (C) A building contractor by definition is required to register with the city and pay the appropriate registration and/or renewal fee prior to permitting any building project on any property within the city and provide the following information:
- (i) Proof of registration with the state residential construction commission;
- (ii) A current Texas driver's license;
- (iii) Contact information such as addresses and phone numbers;
- (iv) Required to designate any secondary or designated agents and those agents will also be required to register; and
- (v) A current copy of any applicable insurance or bonding requirements from their insurance company.
- (D) Exemptions: Homeowners are exempt from contractor registration and renewal provisions only where the homeowner on their own property is performing the building construction and whose property is legally homesteaded under all applicable state and federal laws in their name as the recorded legal owner. However, homeowners are not exempt from the city's permitting requirements."

SECTION 2.

The City Council shall periodically review the need for and the amount of fees for city services, uses, and activities and shall adopt or revise fees as the City Council determines is appropriate. In addition to the fees established in this ordinance, the City Council may adopt other ordinances from time to time establishing various fees for other city services, activities and uses.

SECTION 3.

This ordinance shall be cumulative of all provisions of ordinances of the City of River Oaks, Texas, except where the provisions of this ordinance are in direct conflict with the provisions of such ordinances, in which event the conflicting provisions of such ordinances are hereby repealed.

SECTION 4.

It is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs, and sections of this ordinance are severable, and if any phrase, clause sentence, paragraph or section of this ordinance shall be declared unconstitutional by the valid judgment or decree of any

court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this ordinance, since the same would have been enacted by the City Council without the incorporation in this ordinance of any such unconstitutional phrase, clause, sentence, paragraph or section.

SECTION 5.

This ordinance shall be in full force and effect from and after its passage and it is so ordained.

PASSED AND APPROVED ON THIS THE 11^{TH} DAY OF JUNE 2019.

STEPHEN E. HOLLAND MAYOR PRO-TEM

CITY SECRETARY