An ordinance amending Chapter 52, "Administrative Procedures for the Construction Codes," of the Dallas City Code by amending Sections 302.2.1 and 306.1; providing that permits and certificates of occupancy may be granted for certain multifamily uses and mixed use projects, even if not allowed by the underlying zoning, if the projects comply with Chapter 218 of the Texas Local Government Code; providing a penalty not to exceed \$2,000; providing a saving clause; providing a severability clause; and providing an effective date.

WHEREAS, the 89th Texas Legislature met in regular session between January 15, 2025 and June 2, 2025; and

WHEREAS, S.B. 840 was filed on January 17, 2025; and

WHEREAS, S.B. 840 provides that certain structures being used primarily for an office, retail, or warehouse use may be converted to mixed-use and multifamily regardless of whether the uses are by zoning; and

WHEREAS, S.B. 840 prohibits a city from requiring a zoning change, special exception, or variance in order to convert certain structures used primarily for an office use to be converted to mixed-use or multifamily; and

WHEREAS, S.B. 840 was approved by both chambers of the Texas Legislature; and

WHEREAS, S.B. 840 was signed by Governor Greg Abbott on June 20, 2025 and takes effect on September 1, 2025; Now, Therefore;

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That Paragraph 302.2.1, "General," of Subsection 302.2, "Issuance," of Section 302, "Application for and Issuance of Permit; Retention of Plans; Suspension or Revocation; Suspension of Permit Privileges," of Subchapter 3, "Permits and Inspections," of Chapter 52, "Administrative Procedures for the Construction Codes," of the Dallas City Code is amended to read as follows:

"302.2.1 General. The application, plans, specifications, computations, and other data filed by an applicant for a permit shall be reviewed by the building official. Such plans may be reviewed by other city departments to verify compliance with any applicable laws under their jurisdiction. The building official shall issue a permit to the applicant if the building official determines that:

- 1. The work described in the permit application and the plans, specifications, computations, and other data submitted are in compliance with the codes and all other applicable laws and ordinances; and
- 2. All fees specified in Section 303 and required by any other applicable city ordinance have been paid.

Exceptions:

- 1. A permit may be granted for the conversion of a structure from an office use, retail and personal service use, or warehouse use to a multifamily use or mixed use development, even if not allowed by the underlying zoning, if conversion of the structure complies with the requirements of Chapter 218 of the *Texas Local Government Code*.
- 2. A permit may be granted for a multifamily use or mixed use development, even if not allowed by the underlying zoning, if the multifamily use or mixed use development complies with the requirements of Chapter 218 of the Texas Local Government Code."

SECTION 2. That Subsection 306.1, "Use or Occupancy," of Section 306, "Certificate of Occupancy," of Subchapter 3, "Permits and Inspections," of Chapter 52, "Administrative Procedures for the Construction Codes," of the Dallas City Code is amended to read as follows:

"306.1 Use or occupancy. No structure or land shall be used or occupied, no change in the existing occupancy classification, zoning use, or the tenant or occupant of a structure or portion of a structure shall be made, and no floor area increases or decreases of any existing tenancy area of a structure shall be used or occupied, until the building official has issued a certificate of occupancy and a fee has been paid as required in Section 303 of this chapter.

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Exceptions:

- 1. No certificate of occupancy is required for:
 - 1.1. single family uses;
 - 1.2. handicapped group dwelling unit uses;
 - 1.3. duplex uses;
 - <u>1.</u>4. U occupancies accessory to single-family or duplex uses;
 - 1.5. tenant changes to individual dwelling units in Group R, Division 2 apartment houses; and
 - <u>1.6.</u> a vendor who operates a business on private property and possesses a valid mobile food establishment permit issued under Chapter 17 of the *Dallas City Code* or a valid CBD concession license issued under Chapter 50 of the *Dallas City Code*, and
 - <u>1.6.1.</u> has the written permission of the owner of the private property on which the business is conducted; and
 - 1.6.2. whose business operation complies with the codes, the *Dallas Development Code*, other city ordinances, rules, and regulations, and any county, state, or federal laws or regulations.
- 2. A certificate of occupancy may be granted for the conversion of a structure from an office use, retail and personal service use, or warehouse use to a multifamily use or mixed use development, even if not allowed by the underlying zoning, if conversion of the structure complies with the requirements of Chapter 218 of the *Texas Local Government Code*.
- 3. A certificate of occupancy may be granted for a multifamily use or mixed use development, even if not allowed by the underlying zoning, if the multifamily use or mixed use development complies with the requirements of Chapter 218 of the *Texas Local Government Code*."
- SECTION 2. That a person violating a provision of this ordinance, upon conviction, is punishable by a fine not to exceed \$2,000.
- SECTION 3. That Chapter 52 of the Dallas City Code shall remain in full force and effect, save and except as amended by this ordinance.

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SECTION 4. That any act done or right vested or accrued, or any proceeding, suit, or prosecution had or commenced in any action before the amendment or repeal of any ordinance, or part thereof, shall not be affected or impaired by amendment or repeal of any ordinance, or part thereof, and shall be treated as still remaining in full force and effect for all intents and purposes as if the amended or repealed ordinance, or part thereof, had remained in force.

SECTION 5. That the terms and provisions of this ordinance are severable and are governed by Section 1-4 of Chapter 1 of the Dallas City Code, as amended.

SECTION 6. That this ordinance shall take effect on September 1, 2025, and it is accordingly so ordained.

APPROVED AS TO FORM:
TAMMY L. PALOMINO, City Attorney
Ву
Assistant City Attorney