

ORDINANCE NO. _____

AN ORDINANCE TO ESTABLISH AND PROTECT RENTERS' RIGHTS IN THE CITY OF NORTH LITTLE ROCK, ARKANSAS

WHEREAS, the North Little Rock City Council recognizes the need to protect renters from unfair practices and ensure their rights are respected in all rental agreements;

WHEREAS, housing is a basic human need, and ensuring equitable and fair treatment of renters is essential to maintaining the health, safety, and welfare of North Little Rock's residents;

WHEREAS, the Arkansas Constitution recognizes the importance of individual rights, and the City of North Little Rock is committed to upholding tenants' rights within the framework of state law;

WHEREAS, the City of North Little Rock seeks to promote fairness, transparency, and equity in rental housing by establishing clear guidelines for renters' protections;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF NORTH LITTLE ROCK, ARKANSAS:

Section 1: Short Title

This ordinance may be cited as the "North Little Rock Renters' Rights Ordinance."

Section 2: Definitions

For the purposes of this ordinance, the following definitions apply:

- **"Landlord"** means any person, firm, corporation, or entity renting or leasing residential property to a tenant.
- **"Tenant"** means any person who rents or leases residential property from a landlord.
- **"Rental unit"** refers to any dwelling unit used for residential purposes that is rented or leased.
- **"Essential services"** include water, gas, electricity, heating, air conditioning, plumbing, and other utilities necessary for the safe and habitable use of the rental unit.
- **"Escrow account"** refers to an account managed by a neutral third party where rent payments can be deposited temporarily until repairs are made.

Section 3: Rights of Renters

(A) Right to Fair Notice of Rent Increases

- (1) A landlord must provide at least 60 days' written notice before increasing the rent on a rental unit.
- (2) Rent increases must not be discriminatory or retaliatory, and should comply with state law.

(B) Right to a Safe and Habitable Living Environment

- (1) Landlords are required to maintain rental units in a condition that complies with all applicable building and housing codes.
- (2) Essential services, including water, electricity, heating, and plumbing, must be provided and maintained by the landlord.
- (3) Tenants have the right to request repairs, and landlords must make necessary repairs within 14 days of written notification from the tenant. In cases of emergency repairs affecting health or safety, landlords must act immediately.

(C) Rent Escrow Account for Non-Compliance

- (1) If a landlord fails to make necessary repairs to maintain essential services or address habitability issues within 14 days of written notice from the tenant, the tenant has the right to pay their rent into an escrow account until the repairs are made.
- (2) The City of North Little Rock shall designate a third-party entity (such as a local housing authority or bank) to manage the escrow accounts.
- (3) The tenant must provide written notice to the landlord and the third-party entity that rent will be deposited into the escrow account due to the failure to repair.
- (4) Once repairs are satisfactorily completed, the funds in escrow will be released to the landlord.
- (5) If the repairs are not completed within 30 days, the tenant may petition the court for the funds in escrow to be used to pay for the necessary repairs.
- (6) If the court finds the landlord acted in bad faith by failing to repair, the tenant may recover reasonable attorney fees and damages.

(D) Protection from Retaliation

- (1) A landlord may not retaliate against a tenant by increasing rent, decreasing services, or initiating eviction proceedings because the tenant:
 - (a) Complained in good faith to the landlord or a governmental agency about a violation of housing codes;
 - (b) Participated in a tenants' union or other organization advocating for renters' rights;
 - (c) Exercised any legal right under the terms of this ordinance or Arkansas state law.

(E) Security Deposit Protections

- (1) The landlord may collect a security deposit, but the total security deposit shall not exceed the equivalent of two months' rent.
- (2) Upon termination of the tenancy, the landlord must return the security deposit within 30 days, minus any lawful deductions for unpaid rent or damages, along with an itemized statement of deductions.
- (3) If the landlord fails to return the security deposit within 30 days, the tenant is entitled to recover the deposit plus damages equal to twice the amount wrongfully withheld.

Section 4: Limitations on Application and Background Check Fees

- (A)** Rental application fees must not exceed the actual cost of processing, and in no event shall they exceed \$25.
- (B)** Background check fees must not exceed \$50, and tenants have the right to reuse a background check conducted within the last 90 days when applying for a different rental unit.

Section 5: Termination of Tenancy

(A) Notice for Termination

- (1) A landlord must provide at least 30 days' written notice before terminating a month-to-month lease, unless the termination is for cause, such as non-payment of rent or violation of the rental agreement.
- (2) A tenant must provide at least 30 days' notice before vacating a rental unit, unless the lease agreement states otherwise.

(B) Right to Cure

- (1) If a tenant is in breach of the lease agreement (excluding non-payment of rent), the landlord must provide written notice and give the tenant 14 days to remedy the violation before initiating eviction proceedings.
- (2) In cases of non-payment of rent, the tenant has 7 days to pay the outstanding rent after receiving a written notice before the landlord may initiate eviction proceedings.

Section 6: Eviction Protections

(A) Grounds for Eviction

- (1) A landlord may only evict a tenant for legally permissible reasons, such as failure to pay rent, violation of the lease terms, or illegal activity on the premises.
- (2) Landlords are prohibited from evicting tenants without cause, except at the end of a lease term or in accordance with applicable state law.

(B) Unlawful Eviction

- (1) Any eviction that does not comply with state law, or that is executed without proper notice, shall be considered unlawful.
- (2) Tenants who are unlawfully evicted have the right to seek damages through legal action, including compensation for relocation costs and damages.

Section 7: Penalties

- (A)** Any landlord who violates any provision of this ordinance shall be subject to penalties as permitted under § 10.99 of the North Little Rock Municipal Code.
- (B)** Tenants shall have the right to bring civil actions against landlords for violations of their rights under this ordinance, and may recover damages, legal costs, and attorney's fees.

Section 8: Effective Date

This ordinance shall take effect 90 days after its passage and approval, and the City of North Little Rock shall provide notice of the ordinance to landlords and tenants during the delayed effective period.

PASSED AND APPROVED this ____ day of _____, 2024.

APPROVED:

By: _____
TERRY C. HARTWICK, Mayor

ATTEST:

By: _____
DIANE WHITBRECK, City Clerk/Treasurer
