

# Mayor and Council Communication

**DATE:** 09/26/23

**M&C FILE NUMBER:** M&C 23-0791

**LOG NAME:** 12KELLY HART & HALLMAN SHORT-TERM RENTALS

**SUBJECT**

(ALL) Adopt Resolution Retaining the Law Firm of Kelly Hart & Hallman LLP as Outside Counsel, in an Amount Not to Exceed \$150,000.00 for Legal Services Related to Lawsuits Challenging the City's Short-Term Rental Ordinance

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**RECOMMENDATION:**

It is recommended that the City Council adopt the attached Resolution approving the retention of the law firm of Kelly Hart & Hallman LLP as outside legal counsel to assist and represent the City in matters related to lawsuits filed challenging the City's short-term rental ordinances.

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**DISCUSSION:**

The City has historically not permitted short-term rentals in residential districts. The City Council adopted Ordinance Number 23110-02-2018 to confirm this prohibition. This year the Fort Worth City Council adopted Ordinance Number 26005-02-2023 requiring registration of short-term rentals where allowed by zoning. The City has been sued in a lawsuit challenging the City's short-term rental ordinances, Cause No. 236-342969-23, *Kelray LLC, et al. v. City of Fort Worth*.

Due to the complex nature of the litigation and the importance to the City and the current caseload of the City Attorney's Office, the City desires the law firm of Kelly Hart & Hallman, LLP to represent the City in any litigation related to the short-term rental ordinances.

Funding is budgeted in the Human Resources Department in the Risk Financing Fund.

Legal fees are not expected to exceed \$150,000.00.

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**FISCAL INFORMATION / CERTIFICATION:**

The Director of Finance certifies that funds are available in the current operating budget, as previously appropriated, in the Risk Financing Fund to support the approval of the above recommendation and adoption of the resolution. Prior to any expenditure being incurred, the Legal Department has the responsibility to validate the availability of funds.

**Submitted for City Manager's Office by:** ALL ACMS 6122

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