

Policy Recommendations Regarding a Tenant Relocation Policy

Council Resolution 20121108-059

The purpose of this report is to provide recommendations responsive to Council Resolution 20121108-059, regarding tenant relocation standards and the feasibility of and mechanisms for implementing these standards in zoning and demolition permit applications.

RESOLUTION DIRECTION

The Resolution directs staff to work with the Community Development Commission and stakeholders to develop recommendations regarding relocation standards and to identify the feasibility of and mechanisms for implementing these standards in zoning and demolition permit applications. The resolution further directs staff to present the recommendations to city commissions, including the Community Development Commission (CDC) and the Planning Commission, for feedback and report the recommendations to the City Council by April 30, 2013.

For purposes of this memorandum, the objective of a tenant relocation policy is one that provides displaced or dislocated tenant households with resources and assistance in the event of new or rehabilitated development of their rental unit.

SUPPORTING RESEARCH

Key research that served to inform policy recommendations is the attached study conducted by the Community Development Clinic at the University of Texas at Austin School of Law. To address these recommendations, a representative of the Community Development Clinic presented the findings to the members of the Community Development Commission Housing Committee on February 12, 2013 in conjunction with the public input session. A recurring item was included in the CDC Housing Committee agenda from February 12, 2013, to April 4, 2013, to provide ongoing public feedback opportunity through the Community Development Commission Housing Committee.

BOARD AND COMMISSION ACTIVITY /PUBLIC INPUT

Responsive to the Resolution, staff conducted the following public input sessions and board and commission public input sessions:

1. **February 12, 2013:** Presentation at the Community Development Commission; public input session at the Community Development Commission Housing Committee.
2. **March 5, 2013:** Agenda Item at the Community Development Commission Housing Committee.
3. **April 4, 2013:** Agenda Item at the Community Development Commission Housing Committee; Community Development Commission (scheduled).
4. **April 16, 2013:** Public input session and presentation at the Codes and Ordinances Committee of the Planning Commission (scheduled).

RECOMMENDATIONS

The recommendations noted below reflect feedback from public input to date. NHCD staff further acknowledges the contributions of CDC members to contribute and refine the policy recommendations, which has served to enhance the overall outcome of this report.

It is important to note that the policy recommendations are high level recommendations. The recommendations are not intended to present the level of detail that will be required for program design and/or potential program guidelines for future administration. NHCD staff asserts that should policy recommendations lead to future codification, additional stakeholder meetings should be conducted, specifically targeting the development community, Austin Apartment Association, Board of Realtors and the Austin Tenants' Council. In addition, further analysis should be conducted to determine resources required for program administration.

Recommendations are all based on elements where there is no State of Texas precedent that supersedes the City's ability to take action. NHCD staff in partnership in partnership with the Law Department and the public input to date has developed the following policy and programmatic recommendations that could be implemented to further tenant relocation policies and practices. *(Note that the recommendations will be modified to reflect input by the Planning Commission Codes and Ordinances Committee scheduled April 16, 2013).*

Rental Registration Program

A Rental Registration Program or Tenant Relocation License can be implemented to provide a mechanism for tracking and guaranteeing policy and program requirements are met. Attached is an example of a Tenant Relocation Assistance Ordinance administered by the City of Seattle, Washington.

Eligibility

A tenant relocation policy should apply to all developments with the intent to demolish and/or renovate a multi-family apartment complex that will result in the displacement of its residents.

Notification Process

The developer should be required to provide at least a six-month notice of the final move out date to each tenant household.

Relocation Assistance

- In certain situations, where the complex is presumed to be affordable to households at 80% or below median family income, the developer should be required to provide a relocation stipend to qualified tenants.
- In certain situations, where a low-income household requires additional assistance because of certain special needs (i.e. elderly or disabled), the developer should be required to provide an additional moving stipend to cover the costs of moving.
- The City can make available a list of qualified realtors who can assist in relocating tenants.
- The developer should allow flexible move-out dates to tenants who choose to move out after notice is given.
- The developer should be required to refund full security deposits to households where no developer-owned property is missing upon move-out (i.e. metal scraps, copper, fixtures or appliances).

PROGRAMMATIC CONSIDERATIONS

Furthermore, programmatic enhancements or requirements have been identified through the stakeholder discussions that can assist in the design and implementation of a program to support these policies:

- The developer should be required to provide regular reports to the City to show compliance with the Tenant Relocation Policy requirements. If a developer is shown to be in violation of the Policy, all permits could be withheld until the developer has come into compliance. Monitoring personnel will be required in order to carry out program requirements.
- A study should be conducted to determine costs to the developer to ensure costs are proportionate to the anticipated negative impacts of the development and the overall cost to the displaced tenants.

- A process would need to be established that incorporates the review of developments that have proposed demolition of existing multi-family housing that is presumed to be affordable.

The recommendations will require changes to the City's development review and intake process as well as may require changes to the City of Austin's enterprise-wide computer application that allows City departments to automate respective business processes and allows users to share records and data across City departments and with the public. The Application Management and Data Automation system (AMANDA) is used by multiple departments and is essential in the current development and review process administered by the Planning and Development Review Department.

FUTURE STAKEHOLDER DISCUSSIONS

Upon future implementation of these recommendations, staff would recommend a stakeholder process that includes key stakeholders to solicit feedback on programmatic design and implementation. Stakeholders would include members of the development community, Austin Apartment Association, Board of Realtors and the Austin Tenants' Council.