

DRAFT CODE AMENDMENTS AND REVIEW SHEET:**TENANT RELOCATION AND NOTIFICATION**

June 9, 2016

Prepared for:

Planning Commission Backup

June 28, 2016 Meeting

➤ **Overview:**

Staff recommends the code amendments set forth below in response to Resolution Nos. 20151112-027 and 20160421-035, which initiated development of a proposed ordinance to address impacts of tenant displacement resulting from redevelopment of multi-family buildings and mobile home parks. The amendments would establish a program to provide tenant relocation assistance, in certain circumstances, as well as tenant notification prior to redevelopment activities that are likely to displace existing tenants.

➤ **Legislative Findings:**

To provide a policy basis for the proposed amendments and enumerate key impacts of multi-family demolition and redevelopment projects, the following legislative findings are proposed:

1. The rapid pace of development and redevelopment in the City of Austin has substantially reduced, and continues to reduce, the available supply of rental housing affordable to low-and moderate-income tenants. Replacement of low-income units has not occurred at a rate sufficient to mitigate the loss of affordable units due to demolition, redevelopment, and change in the use of existing multi-family buildings.
2. To the extent that low-income tenants displaced by development are eventually able to find affordable units in the City of Austin, the time and cost associated with relocation have increased substantially. These impacts are destabilizing to some of Austin's most vulnerable populations, including low-income families and individuals; single parents and families of school-aged children; and residents over the age of 65, on fixed incomes, or with disabilities.

3. The financial, social, and public health impacts of rental displacement caused by demolition or redevelopment is well-documented, both nationally and in the Austin market.
4. Several public hearings and stakeholder meetings have been held in connection with rental displacement, beginning with Council's adoption of Resolution No. 20121108-05 and continuing with the adoption of Resolution No. 20151112-027 and Resolution No. 20160421-035.
5. Based on evidence gathered by NHCD and other stakeholders, the City Council finds that costs incurred by displaced tenants to relocate within Austin—including physical moving costs, advance payments, utility fees, security deposits, and additional rental costs—result in a substantial burden to displaced tenants, which in turn has broader communitywide impacts.
6. Conditions in the current rental market, with historically low occupancy rates, have created a relocation crisis because tenants, particularly at lower incomes, do not have sufficient time to save money for relocation costs or to find comparable housing when they are displaced as a result of demolition or redevelopment.
7. Many cities across the nation have begun requiring or incentivizing projects that will displace existing tenant communities to provide relocation assistance and to notify tenants well in advance of planned demolitions or development. While none of these programs are sufficient to fully address the problem of tenant displacement, each of them has helped to mitigate the impacts of forced relocation on low income renters.

➤ **Proposed Code Amendments – City Code Chapter 25-1:**

1. **Restructuring Housing Provisions in Chapter 25-1.** In order to logically integrate the proposed amendments into Chapter 25-1 (*General Procedures*) of the Land Development Code, staff proposes re-titling Article 15 (*S.M.A.R.T. Housing*) as “*Housing*” and subdividing it into three separate divisions:

Division 1. *General Provisions.*

Division 2. *S.M.A.R.T. Housing.*

Division 3. *Tenant Notification and Relocation.*

2. **New Definitions.** Section 25-1-701 (*Definitions*) would be placed into Division 1 (*General Provisions*) and amended to add the following new definitions of “Mobile Home Park,” “Multi-Family Redevelopment,” “Tenant,” and “Tenant Displacement,” with the remaining definitions renumbered accordingly:

- (4) MOBILE HOME PARK means a site containing three or more structures that:
 - (a) are transportable in one or more sections;
 - (b) in travelling mode, are at least 8 feet in width or 40 feet in length or, when erected onsite, are 320 square feet or more in area;
 - (c) are built on a permanent chassis and designed to be used as a dwelling, with or without a permanent foundation; and
 - (d) includes plumbing, heating, air-conditioning, and electrical systems; or
 - (e) satisfies all criteria other than the size requirements in Paragraph (4)(b).
- (6) MULTI-FAMILY REDEVELOPMENT means the redevelopment of an existing multi-family building or mobile home park for which a zoning, rezone, or other discretionary land use approval is required.
- (7) TENANT means any person who is entitled to occupy a dwelling unit primarily for living or dwelling purposes under a rental agreement or lease, including those persons who are considered to be tenants under Section 92.001 of the Texas Property Code. For purposes of this article, “tenant” does not include owner of a dwelling unit or members of the owner’s immediate family.
- (8) TENANT DISPLACEMENT means any directive or condition that requires a tenant to vacate a multi-family building or mobile home park due to multi-family redevelopment, where a tenant will not be relocated to another unit within the same building or site.

4. **Notification & Relocation Assistance.** The substantive amendments to Chapter 25-1 would appear as a new “Division 3” in Article 15, to read as follows:

Division 3. Tenant Notification and Relocation.

§ 25-1-711 TENANT NOTIFICATION REQUIRED.

- (A) Except as provided under Subsection (B), the requirements of this section apply to an application to:
- (1) demolish or partially demolish a multi-family building consisting of five or more residential units, including a demolition permit or a building permit that authorizes demolition;
 - (2) approve a site plan or change of use permit for an existing mobile home park; or
 - (3) rezone a property within the Mobile Home Residence (MH) District designation that contains an existing mobile home park.
- (B) The requirements of this section do not apply to any dwelling unit:
- (1) demolished or vacated because of damage caused by the tenant or by other events beyond the owner's control, including fire, civil commotion, malicious mischief, vandalism, tenant waste, natural disaster or other destruction;
 - (2) owned by a public housing agency;
 - (3) located inside the boundaries of an educational institution that is occupied by students, faculty, or staff of the institution;
 - (4) for which relocation assistance is required to be paid to the tenants under federal or state law; or
 - (5) that is operated as emergency or temporary shelter for homeless persons and owned or administered by a nonprofit organization or public agency.
- (C) Notification must be provided in accordance with the timelines established in this subsection.
- (1) To demonstrate that required notification was provided prior to submittal of an application, the applicant must include a certified statement, on a form approved by the director, confirming that all tenants of the structure or site received notification required under this section at least:
 - (a) 120 days prior to the date application was submitted; or
 - (b) for a mobile home park or manufactured housing development, at least 270 days prior to the date the application was submitted.

- (2) If notification is provided after the application is submitted, the application may be approved no earlier than:
 - (a) 120 days after all tenants of the structure or site received notification required under this section; or
 - (b) for a mobile home park or manufactured housing development, 270 days after all tenants of the site received notification required under this section.
- (D) The notification required under Subsection (A) of this section must be in a form approved by the director and must:
 - (1) be delivered to all tenants of the proposed multi-family redevelopment by the applicant or the applicant's representative or by registered or certified mail, with return receipt requested; and
 - (2) include the following information:
 - (a) the applicant's name and contact information;
 - (b) a description of the development application for which notification is required under Subsection (A) of this section;
 - (c) a statement that the application may be approved on or after the 120th day following receipt of the notice and may result in displacement of tenants;
 - (d) a description of any tenant relocation assistance that may be available under Section 25-1-713 (*Tenant Relocation Program*) or Section 25-1-714 (*City Tenant Relocation Fund*), including income eligibility requirements and forms for requesting assistance;
 - (e) information regarding applicable school district policies relating to district residency requirements;
 - (f) information regarding the availability of fee waivers from Austin Energy for obtaining utility service at a new residence where relocation is required due to displacement; and
 - (g) other information as may be required by the director, including programs and services to assist displaced tenants.

§ 25-1-712 ADDITIONAL NOTIFICATION REQUIREMENTS.

- (A) At the time that notification is provided under Section 25-1-711 (*Tenant Notification Required*), the owner or operator of a multi-family building or mobile home park must post one or more signs in accordance with this section.
- (B) The sign must be on a form approved by the director and must:
 - (1) describe the application for which notification is required under Section 25-1-711 (*Tenant Notification*) and state that any new or existing tenants may be required to relocate from the property as a result of proposed demolition or redevelopment; and
 - (2) to the greatest extent feasible:
 - (a) for a mobile home park, be posted at the main entrance in a location visible to the public from the adjacent public right-of-way or private drive; or
 - (b) for a multi-family building, be posted at the front of the leasing office or other primary building entrance as determined by the director.
- (C) A sign required to be posted under this section must remain on the property until:
 - (1) for a multi-family building, the date that demolition is approved to begin; and
 - (2) for a mobile home park, the earlier of:
 - (a) the date that the property ceases to be used as a mobile home park or manufactured housing development; or
 - (b) if applicable, the date that the site plan approval or change of use permit expires.

§ 25-1-713 TENANT RELOCATION PROGRAM.

- (A) A tenant relocation program, to be administered by the director, is established for the purpose of mitigating the impacts of tenant displacement resulting from multi-family redevelopment for which a rezone or other discretionary land use approval is required. Compliance with the tenant relocation program may only

be required if authorized by another provision of this title or upon agreement by an applicant for a discretionary land use approval required for a multi-family redevelopment that is likely to result in tenant displacement.

- (B) If compliance with the tenant relocation program is required, an applicant must pay a fee established by separate ordinance. The fee shall be deposited into a tenant relocation fund and used by the director to provide tenant relocation assistance consistent with guidelines adopted under Subsection (C) of this section.
- (C) The director shall adopt guidelines by administrative rule to aid in implementing the tenant relocation program. The guidelines must, at a minimum, include each of the elements described in this subsection.
 - (1) *Tenant Relocation Fee.* The guidelines must include a methodology to be used by the director in recommending to the city council the amount of the tenant relocation fee required under Subsection (B) of this section. The methodology shall include a nexus study that accounts for the impacts of displacement to tenant communities directly affected by multifamily redevelopment and to the community as a whole.
 - (2) *Eligibility for Tenant Relocation Assistance.* The guidelines shall establish eligibility requirements that a tenant must meet in order to receive tenant relocation assistance. At a minimum, the guidelines must require that a tenant:
 - (a) have a household income at or below 70% of median family income or, for residents of a mobile home park or manufactured housing development, 80% of median family income;
 - (b) reside at the property on the date notice required under Section 25-1-711 (*Tenant Relocation Notification*) is issued under the terms of a lease, which may be month-to-month or for a longer duration; and
 - (c) submit a claim form documenting income eligibility no later than the deadline established by the director.
 - (3) *Use of Tenant Relocation Assistance.* The guidelines must define the types of expenses for which tenant relocation assistance may be

provided. Eligible expenses must be reasonably attributable to tenant displacement based on the nexus study required under Paragraph (C)(1).

- (4) *Refund Procedures.* The guidelines shall establish procedures by which an applicant who paid a tenant relocation fee under Subsection (B) of this section may request a refund of any fees not spent for an authorized purpose within five years after approval of an application for which notification is required under Section 25-1-711 (*Tenant Notification Required*).

§ 25-1-714 CITY TENANT RELOCATION FUND.

- (A) The City of Austin Tenant Relocation Fund is established for use in providing tenant relocation assistance to individuals displaced from multi-family buildings or mobile home parks as a result of redevelopment.
- (B) The director shall administer the fund consistently with guidelines established under Section 25-1-713 (*Tenant Relocation Program*) and may use the fund to provide tenant relocation assistance to:
 - (1) any tenant displaced by development activity for which notification was required under Section 25-1-711 (*Tenant Relocation Required*), whether or not the applicant was required to pay a tenant relocation fee;
 - (2) tenants displaced due to emergency orders to vacate based on health and safety concerns; and
 - (3) tenants temporarily displaced due to major repairs or renovations of multifamily buildings.

4. Planned Unit Development Districts. To require compliance with the tenant relocation program as a “Tier 1” requirement for PUDs within the City of Austin’s zoning jurisdiction, amend City Code § 2.3.2 (*Additional Requirements*) to read:

2.3.2. Additional Requirements.

In addition to the requirements contained in Section 2.3.1 (*Minimum Requirements*), a PUD containing a retail, commercial, or mixed use development must:

- A. comply with Chapter 25-2, Subchapter E (Design Standards And Mixed Use)[-];

- B. inside the urban roadway boundary depicted in Figure 2, Subchapter E, Chapter 25-2 (Design Standards and Mixed Use), comply with the sidewalk standards in Section 2.2.2., Subchapter E, Chapter 25-2 (Core Transit Corridors: Sidewalks And Building Placement);
- C. comply with the program established under Section 25-1-713 (*Tenant Relocation Program*), if approval of the PUD would allow multi-family redevelopment that may result in tenant displacement; and
- D.[C.]contain pedestrian-oriented uses as defined in Section 25-2-691(C) (*Waterfront Overlay District Uses*) on the first floor of a multi-story commercial or mixed use building.

5. Timing of Application Review. The following amendments to Chapters 25-2 and 25-5 would prohibit approval of applications prior to the notification period required under Section 25-1-711 (*Tenant Notification Required*) and provide that the required notification period does not count towards the expiration period.

- Amend Section 25-1-82 (*Application Requirements and Expiration*) to add a new Subsection (D) to read:
 - (D) In establishing application deadlines under Subsection (A) of this section, the director shall provide that no application for which notice is required under Section 25-1-711 (*Tenant Notification Required*) may be approved or posted for public hearing until after the required notification period.
- Amend Subsection (A) of Section 25-2-282 (*Land Use Commission Hearing and Recommendation*) to read:
 - (A) The Land Use Commission shall hold a public hearing on a zoning or rezoning application not later than the 60th day after the date the application is filed, except that a hearing for an application for which notification to existing tenants is required under Section 25-1-711 (*Tenant Notification Required*) may not be held until 230 days after the notice is provided. The director of the Planning and Zoning Department shall give notice under Section 25-1-132(A) (*Notice of Public Hearing*) of the public hearing. If the application includes property located within the Waterfront Overlay (WO) combining district, the director shall request a recommendation from the Small Area Planning Joint Committee of the Planning Commission and the Zoning and Platting Commission to be

considered by the Land Use Commission at the public hearing. If the Board fails to make a recommendation as required under Section 25-2-715 (*Review and Recommendation of the Small Area Planning Joint Committee of the Planning Commission and the Zoning and Platting Commission*), the Land Use Commission or accountable official may act on the application without a recommendation from the Board.

- Amend Subsection (A) of Section 25-5-43 (*Approval Date*) to read:
 - (A) The director may release a site plan after:
 - (1) the site plan is approved;
 - (2) the applicant posts the required fiscal security with the director; ~~[and]~~
 - (3) the time period for filing an appeal of the approval expires, or each interested party signs and submits to the director a written waiver of the right to appeal~~[-]; and~~
 - (4) if applicable, tenant notification has been provided for the period required under Section 25-1-711 (*Tenant Notification Required*).
- Amend Subsection (A) of Section 25-1-89 (*Tolling of Application Period*) to read:
 - (B) A deadline established by the director under Section 25-1-82 (*Application Requirements and Expiration*) for obtaining approval of an application is tolled if, prior to expiration of the application, the director determines that:
 - (1) approval of the application requires:
 - (a) discretionary review, as authorized under this title, by the Land Use Commission, Board of Adjustment, or city council, other than a zoning change or code amendment; and
 - (b) ~~[(2)]~~ the application meets all other requirements for approval, except for payment of fees, posting fiscal surety, and other code requirements as determined by the director under Section 25-1-82 (*Application Requirements and Expiration*); or
 - (2) the applicant has provided a 90 or 270-day notification to tenants of a multi-family building or mobile home park, as required by Section 25-1-711 (*Tenant Notification Required*).

ORDINANCE NO.

AN ORDINANCE AMENDING CITY CODE CHAPTERS 25-1, 25-2, AND 25-5 TO ESTABLISH REQUIREMENTS FOR TENANT NOTIFICATION AND TENANT RELOCATION ASSISTANCE FOR CERTAIN PROJECTS IMPACTING MULTI-FAMILY AND MOBILE HOME OCCUPANCIES.

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

PART 1. The city council makes the following legislative findings:

- (A) The rapid pace of development and redevelopment in the City of Austin has substantially reduced, and continues to reduce, the available supply of rental housing affordable to low-and moderate-income tenants. Replacement of low-income units has not occurred at a rate sufficient to mitigate the loss of affordable units due to demolition, redevelopment, and change in the use of existing multi-family buildings.
- (B) To the extent that low-income tenants displaced by development are eventually able to find affordable units in the City of Austin, the time and cost associated with relocation have increased substantially. These impacts are destabilizing to some of Austin's most vulnerable populations, including low-income families and individuals; single parents and families of school-aged children; and residents over the age of 65, on fixed incomes, or with disabilities.
- (C) The financial, social, and public health impacts of rental displacement caused by demolition or redevelopment is well-documented, both nationally and in the Austin market.
- (D) Several public hearings and stakeholder meetings have been held in connection with rental displacement, beginning with Council's adoption of Resolution No. 20121108-05 and continuing with the adoption of Resolution No. 20151112-027 and Resolution No. 20160421-035.
- (E) Based on evidence gathered by NHCD and other stakeholders, the City Council finds that costs incurred by displaced tenants to relocate within Austin—including physical moving costs, advance payments, utility fees, security

deposits, and additional rental costs—result in a substantial burden to displaced tenants, which in turn has broader communitywide impacts.

(F) Conditions in the current rental market, with historically low occupancy rates, have created a relocation crisis because tenants, particularly at lower incomes, do not have sufficient time to save money for relocation costs or to find comparable housing when they are displaced as a result of demolition or redevelopment.

(G) Many cities across the nation have begun requiring or incentivizing projects that will displace existing tenant communities to provide relocation assistance and to notify tenants well in advance of planned demolitions or development. While none of these programs are sufficient to fully address the problem of tenant displacement, each of them has helped to mitigate the impacts of forced relocation on low income renters.

PART 2. City Code Chapter 25-1, Article 15 (*S.M.A.R.T. Housing*) is retitled as “*Housing*” and subdivided into two divisions to be captioned as follows:

Division 1. General Provisions.

Division 2. S.M.A.R.T. Housing.

with Section 25-1-701 (*Definitions*) placed under Division 1 (*General Provisions*) and Sections 25-1-702 (*Administration*), 25-1-702 (*Program Requirements*), Section 25-1-704 (*Fee Waivers*), and Section 25-1-705 (*Required Affordability Period*) placed into Division 2 (*S.M.A.R.T. Housing*).

PART 3. City Code Section 25-1-701 (*Definitions*) is amended to add the following new definitions of “Mobile Home Park,” “Multi-Family Redevelopment,” “Tenant,” and “Tenant Displacement” and to renumber the remaining definitions accordingly:

- (4) MOBILE HOME PARK means a site containing three or more structures that:
- (a) are transportable in one or more sections;
 - (b) in travelling mode, are at least 8 feet in width or 40 feet in length or, when erected onsite, are 320 square feet or more in area;
 - (c) are built on a permanent chassis and designed to be used as a dwelling, with or without a permanent foundation; and

- 1 (d) includes plumbing, heating, air-conditioning, and electrical systems; or
- 2 (e) satisfies all criteria other than the size requirements in Paragraph (4)(b).
- 3 (6) MULTI-FAMILY REDEVELOPMENT means the redevelopment of an
- 4 existing multi-family building or mobile home park for which a zoning, rezone,
- 5 or other discretionary land use approval is required.
- 6 (7) TENANT means any person who is entitled to occupy a dwelling unit primarily
- 7 for living or dwelling purposes under a rental agreement or lease, including
- 8 those persons who are considered to be tenants under Section 92.001 of the
- 9 Texas Property Code. For purposes of this article, “tenant” does not include
- 10 owner of a dwelling unit or members of the owner’s immediate family.
- 11 (8) TENANT DISPLACEMENT means any directive or condition that requires a
- 12 tenant to vacate a multi-family building or mobile home park due to multi-
- 13 family redevelopment, where a tenant will not be relocated to another unit
- 14 within the same building or site.

15

16 **PART 4.** City Code Chapter 25-1 (*General Provisions*) is amended to add a new

17 Division 3 to read:

18 **Division 3. Tenant Notification and Relocation.**

19 **§ 25-1-711 TENANT NOTIFICATION REQUIRED.**

- 20 (A) Except as provided under Subsection (B), the requirements of this section apply
- 21 to an application to:
- 22 (1) demolish or partially demolish a multi-family building consisting of five
- 23 or more residential units, including a demolition permit or a building
- 24 permit that authorizes demolition;
- 25 (2) approve a site plan or change of use permit for an existing mobile home
- 26 park; or
- 27 (3) rezone a property within the Mobile Home Residence (MH) District
- 28 designation that contains an existing mobile home park.
- 29 (B) The requirements of this section do not apply to any dwelling unit:

- (1) demolished or vacated because of damage caused by the tenant or by other events beyond the owner's control, including fire, civil commotion, malicious mischief, vandalism, tenant waste, natural disaster or other destruction;
 - (2) owned by a public housing agency;
 - (3) located inside the boundaries of an educational institution that is occupied by students, faculty, or staff of the institution;
 - (4) for which relocation assistance is required to be paid to the tenants under federal or state law; or
 - (5) that is operated as emergency or temporary shelter for homeless persons and owned or administered by a nonprofit organization or public agency.
- (C) Notification must be provided in accordance with the timelines established in this subsection.
- (1) To demonstrate that required notification was provided prior to submittal of an application, the applicant must include a certified statement, on a form approved by the director, confirming that all tenants of the structure or site received notification required under this section at least:
 - (a) 120 days prior to the date application was submitted; or
 - (b) for a mobile home park or manufactured housing development, at least 270 days prior to the date the application was submitted.
 - (2) If notification is provided after the application is submitted, the application may be approved no earlier than:
 - (a) 120 days after all tenants of the structure or site received notification required under this section; or
 - (b) for a mobile home park or manufactured housing development, 270 days after all tenants of the site received notification required under this section.
- (D) The notification required under Subsection (A) of this section must be in a form approved by the director and must:

- (1) be delivered to all tenants of the proposed multi-family redevelopment by the applicant or the applicant's representative or by registered or certified mail, with return receipt requested; and
- (2) include the following information:
 - (a) the applicant's name and contact information;
 - (b) a description of the development application for which notification is required under Subsection (A) of this section;
 - (c) a statement that the application may be approved on or after the 120th day following receipt of the notice and may result in displacement of tenants;
 - (d) a description of any tenant relocation assistance that may be available under Section 25-1-713 (*Tenant Relocation Program*) or Section 25-1-714 (*City Tenant Relocation Fund*), including income eligibility requirements and forms for requesting assistance;
 - (e) information regarding applicable school district policies relating to district residency requirements;
 - (f) information regarding the availability of fee waivers from Austin Energy for obtaining utility service at a new residence where relocation is required due to displacement; and
 - (g) other information as may be required by the director, including programs and services to assist displaced tenants.

§ 25-1-712 ADDITIONAL NOTIFICATION REQUIREMENTS.

- (A) At the time that notification is provided under Section 25-1-711 (*Tenant Notification Required*), the owner or operator of a multi-family building or mobile home park must post one or more signs in accordance with this section.
- (B) The sign must be on a form approved by the director and must:
 - (1) describe the application for which notification is required under Section 25-1-711 (*Tenant Notification*) and state that any new or existing tenants may be required to relocate from the property as a result of proposed demolition or redevelopment; and

- 1 (2) to the greatest extent feasible:
- 2 (a) for a mobile home park, be posted at the main entrance in a
- 3 location visible to the public from the adjacent public right-of-way
- 4 or private drive; or
- 5 (b) for a multi-family building, be posted at the front of the leasing
- 6 office or other primary building entrance as determined by the
- 7 director.
- 8 (C) A sign required to be posted under this section must remain on the property
- 9 until:
- 10 (1) for a multi-family building, the date that demolition is approved to begin;
- 11 and
- 12 (2) for a mobile home park, the earlier of:
- 13 (a) the date that the property ceases to be used as a mobile home park
- 14 or manufactured housing development; or
- 15 (b) if applicable, the date that the site plan approval or change of use
- 16 permit expires.

17

18 **§ 25-1-713 TENANT RELOCATION PROGRAM.**

- 19 (A) A tenant relocation program, to be administered by the director, is established
- 20 for the purpose of mitigating the impacts of tenant displacement resulting from
- 21 multi-family redevelopment for which a rezone or other discretionary land use
- 22 approval is required. Compliance with the tenant relocation program may only
- 23 be required if authorized by another provision of this title or upon agreement by
- 24 an applicant for a discretionary land use approval required for a multi-family
- 25 redevelopment that is likely to result in tenant displacement.
- 26 (B) If compliance with the tenant relocation program is required, an applicant must
- 27 pay a fee established by separate ordinance. The fee shall be deposited into a
- 28 tenant relocation fund and used by the director to provide tenant relocation
- 29 assistance consistent with guidelines adopted under Subsection (C) of this
- 30 section.

(C) The director shall adopt guidelines by administrative rule to aid in implementing the tenant relocation program. The guidelines must, at a minimum, include each of the elements described in this subsection.

(1) *Tenant Relocation Fee.* The guidelines must include a methodology to be used by the director in recommending to the city council the amount of the tenant relocation fee required under Subsection (B) of this section. The methodology shall include a nexus study that accounts for the impacts of displacement to tenant communities directly affected by multifamily redevelopment and to the community as a whole.

(2) *Eligibility for Tenant Relocation Assistance.* The guidelines shall establish eligibility requirements that a tenant must meet in order to receive tenant relocation assistance. At a minimum, the guidelines must require that a tenant:

(a) have a household income at or below 70% of median family income or, for residents of a mobile home park or manufactured housing development, 80% of median family income;

(b) reside at the property on the date notice required under Section 25-1-711 (*Tenant Relocation Notification*) is issued under the terms of a lease, which may be month-to-month or for a longer duration; and

(c) submit a claim form documenting income eligibility no later than the deadline established by the director.

(3) *Use of Tenant Relocation Assistance.* The guidelines must define the types of expenses for which tenant relocation assistance may be provided. Eligible expenses must be reasonably attributable to tenant displacement based on the nexus study required under Paragraph (C)(1).

(4) *Refund Procedures.* The guidelines shall establish procedures by which an applicant who paid a tenant relocation fee under Subsection (B) of this section may request a refund of any fees not spent for an authorized purpose within five years after approval of an application for which notification is required under Section 25-1-711 (*Tenant Notification Required*).

1 **§ 25-1-714 CITY TENANT RELOCATION FUND.**

2 (A) The City of Austin Tenant Relocation Fund is established for use in providing
3 tenant relocation assistance to individuals displaced from multi-family
4 buildings or mobile home parks as a result of redevelopment.

5 (B) The director shall administer the fund consistently with guidelines established
6 under Section 25-1-713 (*Tenant Relocation Program*) and may use the fund to
7 provide tenant relocation assistance to:

8 (1) any tenant displaced by development activity for which notification was
9 required under Section 25-1-711 (*Tenant Relocation Required*), whether
10 or not the applicant was required to pay a tenant relocation fee;

11 (2) tenants displaced due to emergency orders to vacate based on health and
12 safety concerns; and

13 (3) tenants temporarily displaced due to major repairs or renovations of
14 multifamily buildings.

15
16 **PART 5.** City Code Chapter 25-2, Subchapter B, Article 2, Division 5 (*Planned Unit*
17 *Developments*) is amended to amend Section 2.3.2 (*Additional Requirements*) to read:

18 **2.3.2. Additional Requirements.**

19 In addition to the requirements contained in Section 2.3.1 (*Minimum*
20 *Requirements*), a PUD containing a retail, commercial, or mixed use development must:

21 A. comply with Chapter 25-2, Subchapter E (Design Standards And Mixed Use)[-];

22 B. inside the urban roadway boundary depicted in Figure 2, Subchapter E, Chapter
23 25-2 (Design Standards and Mixed Use), comply with the sidewalk standards in
24 Section 2.2.2., Subchapter E, Chapter 25-2 (Core Transit Corridors: Sidewalks
25 And Building Placement);

26 C. comply with the program established under Section 25-1-713 (*Tenant Relocation*
27 *Program*), if approval of the PUD would allow multi-family redevelopment that
28 may result in tenant displacement; and

29 D.~~[C.]~~ contain pedestrian-oriented uses as defined in Section 25-2-691(C)
30 (*Waterfront Overlay District Uses*) on the first floor of a multi-story commercial
31 or mixed use building.

PART 6. City Code Section 25-1-82 (*Application Requirements and Expiration*) is amended to add a new Subsection (D) to read:

- (D) In establishing application deadlines under Subsection (A) of this section, the director shall provide that no application for which notice is required under Section 25-1-711 (*Tenant Notification Required*) may be approved or posted for public hearing until after the required notification period.

PART 7. Subsection (A) of City Code Section 25-2-282 (*Land Use Commission Hearing and Recommendation*) is amended to read:

- (A) The Land Use Commission shall hold a public hearing on a zoning or rezoning application not later than the 60th day after the date the application is filed, except that a hearing for an application for which notification to existing tenants is required under Section 25-1-711 (*Tenant Notification Required*) may not be held until 230 days after the notice is provided. The director of the [Neighborhood] Planning and Zoning Department shall give notice under Section 25-1-132(A) (*Notice of Public Hearing*) of the public hearing. If the application includes property located within the Waterfront Overlay (WO) combining district, the director shall request a recommendation from the Small Area Planning Joint Committee of the Planning Commission and the Zoning and Platting Commission to be considered by the Land Use Commission at the public hearing. If the Board fails to make a recommendation as required under Section 25-2-715 (*Review and Recommendation of the Small Area Planning Joint Committee of the Planning Commission and the Zoning and Platting Commission*), the Land Use Commission or accountable official may act on the application without a recommendation from the Board.

PART 8. Subsection (A) of City Code Section 25-5-43 (*Approval Date*) is amended to read:

- (A) The director may release a site plan after:
- (1) the site plan is approved;
 - (2) the applicant posts the required fiscal security with the director; ~~and~~

(3) the time period for filing an appeal of the approval expires, or each interested party signs and submits to the director a written waiver of the right to appeal[-]; and

(4) if applicable, tenant notification has been provided for the period required under Section 25-1-711 (Tenant Notification Required).

PART 9. Subsection (A) of City Code Section 25-1-89 (*Tolling of Application Period*) is amended to read:

(B) A deadline established by the director under Section 25-1-82 (*Application Requirements and Expiration*) for obtaining approval of an application is tolled if, prior to expiration of the application, the director determines that:

(1) approval of the application requires:

(a) discretionary review, as authorized under this title, by the Land Use Commission, Board of Adjustment, or city council, other than a zoning change or code amendment; and

(b) ~~[(2)]~~ the application meets all other requirements for approval, except for payment of fees, posting fiscal surety, and other code requirements as determined by the director under Section 25-1-82 (*Application Requirements and Expiration*); or

(2) the applicant has provided a 120 or 270-day notification to tenants of a multi-family building or mobile home park, as required by Section 25-1-711 (Tenant Notification Required).

PART 10. This ordinance take effect on _____, 2016.

PASSED AND APPROVED

_____, 2016 § _____
 § _____
 § _____

Steve Adler
Mayor

APPROVED: _____

Anne L. Morgan
City Attorney

ATTEST: _____

Jannette S. Goodall
City Clerk