

Recommendation for Council Action

Austin City Council Item ID 70256 Agenda Number 14.

Meeting Date: 4/13/2017 Department: Office of Real Estate Services

Subject

Authorize the execution of all documents necessary or desirable to provide relocation assistance and authorize the payment of relocation funds to the tenants located at 1127 and 1205 E. 52nd Street in an amount not to exceed \$600,000. (District 4)

Amount and Source of Funding

Funding of up to \$600,000 is available from the Fiscal Year 2016-2017 Neighborhood and Community Development Department Operating Budget and the Housing Trust Fund Operating Budget.

Fiscal Note

A fiscal note is not required as funding is available in the FY 2016-2017 Neighborhood and Community Development Operating Budget and the Housing Trust Fund Operating Budget.

| Purchasing Language: | |
|-----------------------|--|
| Prior Council Action: | |
| For More Information: | Lauraine Rizer, (512) 974-7078, Office of Real Estate Services; Megan Herron, (512) 974-5649, Office of Real Estate Services |
| Council Committee, | |
| Boards and | |
| Commission Action: | |
| MBE / WBE: | |
| Related Items: | |

Additional Backup Information

The Austin Code Department (ACD) ensures city codes and ordinances are enforced-so that Austin continues to be a livable city. Code Officers identify dangerous and substandard conditions in each of the districts they are assigned. Through visual inspections, ACD staff have identified two properties which are in violation of city code. The two properties, at 1205 East 52nd Street and 1127 East 52nd Street, are currently operated as an apartment complex. The owner has not complied with warnings or notice of violations requesting him to make repairs to the structures. These violations are hazardous to the health and safety of the resident tenants of the apartments. Consequently, a lawsuit has been filed by the City of Austin against the owners of the property; the lawsuit includes a court order that the owner may not rent the apartments out until the repairs have been made. The City is currently involved in litigation related to this property. Consistent with the City's obligations under state law, the City will assist tenants with relocating to an appropriate, safe, and sanitary dwelling.

Tenants will be made eligible for relocation benefits based on their occupancy of the apartment and relocation to a new appropriate, safe and sanitary dwelling. Considerations will be based on the number of occupants, income and

family make-up of the displacees. Tenants will be eligible for advisory services, a rental assistance payment, emergency temporary housing, and personal property move payment. The staff recommended rental assistance payment will be calculated based on a thirty (30) month differential payment using similar methodology to the supplemental calculation that has been used in the flood buyout projects.

The Housing Trust Fund may be used to address housing needs identified in the Neighborhood Housing and Community Development's annual needs assessment.

Attached is a spreadsheet detailing the breakdown of the estimated costs.