



MEMORANDUM

To: Mayor and Council

From: Lauraine Rizer, Officer, Office of Real Estate Services

Date: April 7, 2017

Subject: Upcoming RCA Item on April 13th Council Agenda: Orchard Plaza Tenant Relocations

The purpose of this memo is to provide a brief summary regarding an item for Council consideration on the April 13, 2017 City Council Agenda.

The Austin Code Department (ACD) has been working on complaints and violations regarding two properties located at 1205 E. 52nd Street and 1127 E. 52nd Street known as the Orchard Plaza apartments since 2012. Both properties have been presented to the Building Standards Commission (BSC), one in 2013 and the other in 2015, due to concerns related to substandard and dangerous structural conditions that have been observed from exterior inspections. During each BSC meeting, the Commission administered orders to the property owners to make repairs. To date, no significant repairs have been made by the owners to either property.

The City has obtained search warrants and a district court order to inspect the property, and ACD has continued to document the progressive decay of the property. There was a district court trial in December of 2016, at which the Judge agreed with the ACD's assessment of the property, and ordered repairs to both locations. Again, no significant repairs were made to the property.

At a follow up District Court hearing in March 2017, the Judge found the property owners in contempt and gave a deadline of April 14th, 2017 for repairs to be made. ACD conducted one last visit on March 28, 2017 to distribute flyers informing tenants of the Judge's order and offering resource contact information regarding relocation services.

Due to the conditions of the property and State Law, staff recommends that relocation assistance be provided to the tenants residing at 1127 and 1205 E. 52nd Street. Assistance will be provided in accordance with applicable local and State law as it applies to code actions. The relocation assistance recommended includes funds for temporary and replacement housing, moving of personal property and deposits for utilities at a replacement property. The staff from the Office of Real Estate Services (ORES) has been conducting interviews with the tenants to verify income and household requirements. Case management staff from Austin Public Health have also been deployed to meet with tenants to assist them with social service needs.

The item for Council's consideration will authorize the Office of Real Estate to execute all the documents necessary to provide relocation assistance to these tenants and authorize the payment of such service in an amount not to exceed \$600,000. The source of funding will be the Housing Trust Fund and other eligible funding within the Neighborhood Housing and Community Development department.

Please contact me at (512) 974-7078 with any questions you may have.

cc: Elaine Hart, Interim City Manager
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