

## City of Detroit: Tenant Retention Standards & Plan Requirements

### Tenant Retention Standards

The City of Detroit is committed to preventing displacement of any residents associated with occupied redevelopments, which requires intentional planning for tenant retention. For projects receiving City support, all plans must provide evidence that the planned redevelopment will meet the requirements of all standards listed below. Projects that trigger the Uniform Relocation Act must meet those requirements in addition to the standards below. Where these standards contribute to a project being considered **financially infeasible**, standards around affordable rents and relocation costs may be modified by approval (unless they are linked to the requirements of a federal source).

- City of Detroit Housing and Revitalization Department reserves the right of a lookback period of up to 1 year as it pertains to tenant occupancy. In the event of sharp drops in occupancy there may be more inquiries as to the specific details leading to such an event.
- Adherence to the Uniform Relocation Act is required for new HOME or CDBG loans (or other federal funds)
- Notices and Meetings
  - A 90-day notice and a 30-day notice to residents around rent increases greater than 5% or substantial construction (renovation work in occupied buildings that exceeds \$5,000 per unit OR requires residents to vacate unit for a period of greater than one work day).
  - 90-day and 30-day notices must be communicated via:
    - Individual letters to tenants
    - Publicly-posted fliers
  - In person resident meeting with City representative present within 1 month of first notice (must be advertised within resident letters and fliers)
- Returning and Relocation Assistance
  - Right to return (where temporary relocation is required) or to remain for all residents who are current on rent, or are on a payment plan approved by property management, by 30 days before they are required to relocate.
  - Offer of relocation advising for all residents. Advising consists of an interview to determine resident preferences and needs for another unit, explanation of procedures for obtaining assistance, and assistance finding a temporary unit if needed
  - Payment of reasonable moving expenses for all low-income residents, for all elderly or disabled residents, and for residents who exercise their right to return to the property
  - 12-month lease offer to all returning residents
- Rent increases (for residents earning below 80% of AMI)
  - Initial rent increases are limited to 5%, or set affordably for resident incomes (calculated as 30% of monthly income, with rents inclusive of utility allowance)—whichever is greater
  - Ongoing annual rent increases may not exceed the lesser of:
    - 3% per year
    - maximum rents set by HUD or MSHDA if applicable
- Recommended: phased construction to limit temporary relocation

## Tenant Retention Plan Requirements

All plans must include the following information. Note that Transition Plans prepared for MSHDA may be submitted along with an addendum as needed to meet the requirements below. See the sample Tenant Retention Plan for reference.

- Summary of redevelopment strategy & plan for preventing displacement
- Affordability Plan
  - Current income (if applicable), occupancy and rent levels for all households
  - Timing and amount of rent increases
- Tenant Communication Plan
  - Schedule for communication, including meetings and distribution of materials
  - Sample letters to residents
- Tenant Habitability Plan
  - Timeline for construction
  - Scope of work by phase
  - Plan for mitigation of noise and air quality hazards
  - Plan for residents
    - Rehab while occupied or temporary relocation
    - Process for identifying and accounting for specific residents who may have special needs during the rehab or temporary relocation
  - Temporary relocation plan
    - Timeline
    - Plan for packing, storage and/or moving assistance
    - Payment plan for relocation costs and replacement housing payments
  - Timing of service interruptions, including fire safety systems, electricity, water, and elevators
    - Plan for notifying residents and providing directions if any emergency systems become inoperable
  - Plan for ensuring sufficient resident parking is available (including designated parking and storage areas used by Contractor if required)
- Contact information for Management Agent & Contractor in case of emergency

---

<sup>i</sup> Residents who are students may self-certify as low-income by filling out the Student Income Disclosure Form and submitting the documentation it requires.