

## **SAMPLE: Tenant Retention Plan & SAMPLE: Approval Checklist**

The following pages are meant to be examples only. Developers should create a tenant retention plan that explains affordability at the building, plans for tenant relocation and communication with residents, and the construction plan. Tenant retention plans will be reviewed by the Preservation Team. Both of these documents should help developers be aware of what is needed to create an effective plan.

## Tenant Retention Plan for [PROJECT]

### ***PART I: Overview and Tenant Communications***

#### **Redevelopment Strategy & Displacement Prevention Overview**

***NOTE: Please modify the narrative below as needed.***

[PROJECT] ([ADDRESS]) is an apartment building in [NEIGHBORHOOD], Detroit. [PROJECT] has [NUMBER] units and [BEDROOM TYPE]. This project plans to apply for [FUNDING SOURCE(S)] for the [AMOUNT]. The property has substantial deferred maintenance and requires extensive renovations in order to make it fully occupiable. Renovation will include major investments in electric, plumbing and heating systems; replacements of kitchens and bathrooms; upgrades to common areas; complete replacement of the passenger elevator; and substantial demolition work. During construction, tenants will be [TEMP. Or PERM. RELOCATION or OCCUPIED REHAB]. Residents will be relocated to [ADDRESS] for [TIMEFRAME].

The extent of the required work means there is no safe and comfortable way for residents to remain in the buildings during construction. Construction will take approximately [NUMBER] months. After the renovation, all current tenants will have the right to return to renovated units. [TENANT ENGAGEMENT TEAM] will work with tenants to facilitate their relocation.

The owner is committing that

- [PERCENTAGE OF UNITS]% of the units ([NUMBER OF UNITS] units) will be affordable at [NUMBER]% AMI during the abatement period.

Existing tenants who choose to return will count towards that affordability commitment. If fewer existing residents choose to return, or if some elect to leave, those units as committed will be made available for new income-qualifying residents for the duration of the abatement period.

#### **Tenant Communication Plan**

##### *Initial outreach and income verification*

[TENANT ENGAGEMENT TEAM] is managing tenant communications. [TENANT ENGAGEMENT TEAM] began contact with residents on [DATE] and conducted initial income verification for all residents.

##### *Communication & meetings*

All residents will receive an initial notice when affordability terms are finalized, at least 90 days prior to construction start. Communications will then follow the schedule below for notices and meetings.

Representatives from [TENANT ENGAGEMENT TEAM] and the City of Detroit will be present at meetings. Meetings will be publicized with fliers displayed prominently within the building, individual letters/notices to tenants, and phone calls. During the first resident meeting,



[TENANT ENGAGEMENT TEAM] will update phone and email contact information for all households to conduct better outreach following.

*Sample communications*

Attached are the following sample letters/notifications to tenants. All outgoing communications to residents regarding relocation, construction and affordability agreement will be reviewed by the City, [TENANT ENGAGEMENT TEAM], and property management before being distributed.

<i>Date of event or distribution</i>	<i>Name of event or material</i>	<i>Description</i>
	Initial Notice / Notice of first meeting	Informs them of construction plans, assistance that will be provided during the transition, and information about affordability agreement (tentatively, depending on timing of meeting). Provides meeting details.
	First meeting	Meeting to explain to residents in more detail the construction plans, affordability agreement to help them remain to the property, and assistance that will be provided during the transition.
	Summary of first meeting	Summarizes information shared at first meeting, provided as handout to residents present and circulated to all residents following the meeting. Provides contact information for questions.
	Individual notices	Individual notices that provides residents with specific move-out dates, information on how to connect with moving supports, anticipated return date, and contact information.

***NOTE: The following forms must be provided if a project is subject to Uniform Relocation Assistance and Real Property Acquisition Act (URA):***

***Permanent Displacement:***

- ***General Information Notice,***
- ***Notice of Eligibility,***
- ***90-Day Notice***

***Temporary Displacement:***

- ***General Information Notice,***
- ***Notice of Non-Displacement,***
- ***Reasonable Advance Notice to Vacate (Days: 30 minimum)***



**NOTE: Minimum commitment is that 20% of units will be offered at 80% or lower of AMI during the abatement period. Please set AMI levels at increments of 10%. 80% AMI is the maximum considered affordable by the City of Detroit. The final paragraph will be incorporated into the Affordability Agreement.**

## ***PART II: Plan Details***

### **Affordability Plan**

Current rents at the property range from \$[XX] to \$[XX] for 1-BR and \$[XX] to \$[XX] for 2-BR. Today [NUMBER] tenants live at the property, [NUMBER] of whom have incomes above 80% AMI, [NUMBER] with incomes between 50-80% AMI, [NUMBER] with incomes between 30-50% AMI, and [NUMBER] with incomes below 30% AMI. [NUMBER] units are vacant.

During construction, [TENANT ENGAGEMENT TEAM] will assist in locating temporary housing for residents with affordable rents based on their incomes, and will be supported with a differential in rent between what they pay today and the cost of their temporary apartment if needed.

Rents after construction work is completed will range from \$[XX] to \$[XX] for 1-BR and \$[XX] to \$[XX] for 2-BR. These rents account for a utility allowance for any tenant-paid utilities based on MSHDA’s standard allowances for Wayne County by building type and bedroom size. The number of affordable units by income range is shown in the table below.

	Studio	1BR	2BR
___% AMI			
___% AMI			
___% AMI			
Unrestricted / market rate			

**NOTE: The table above is an example only. Please modify based on your deal’s specifics.**

New rents following renovation for returning and new residents will adhere to requirements outlined in the Affordable Housing Agreement. Processes for determining income, rents and other compliance pieces as needed will conform to the City’s [Inclusionary Housing Guidelines](#), updated April 2019.

New rents following renovations for current residents who return to the property after temporary relocation will be calculated as follows:

- For low-income tenants who are not cost-burdened based on their current income and rent, initial rent will be based on 30% of their verified income.
- For low-income tenants who are cost-burdened based on their current income and rent, their initial rent will be a 3% increase on their current rent.
- Annual rent increases for current low-income residents following the execution of new lease agreements for rehabilitated units shall be limited to 3%.

- Tenants who are not low-income will have the right to return to market rate units at market rents.

**NOTE: The above is an example. However, HRD does not allow annual rent increases to exceed 3%, nor can initial rent increases exceed 5% unless rent is set affordably at or below 30% of residents' verified monthly income. See current requirements in the Tenant Retention Standards & Plan Requirements.**

See attached de-identified rent roll for detailed information on occupancy, and current and project rents by unit.

*Utilities*

Tenants currently pay gas and electric. Tenants will continue to pay these utilities following renovations and there will be no additional utility burden. All other utilities are included in rent.

**Tenant Habitability Plan**

*Construction schedule*

Phase	Timeline
Phase 1: Mobilization / Interior Demolition / Façade and Masonry Work	June – August, 2020
Phase 2: Replacement of Mechanical, Electrical and Plumbing Systems / Rough Carpentry	September – December, 2020
Phase 3: Rough Inspection / Drywall / Millwork Procurement / Trim Carpentry Mobilization	January – February, 2021
Phase 4: Trim Carpentry / Kitchen and Bathroom Installation / Flooring Installation / Last Drywall as Necessary	March – July, 2021
Phase 5: Punch List	August – September, 2021

*Logistics: Option A (Temporary Relocation)*

Due to the nature of the renovation, there is no safe and comfortable way for residents to remain in the buildings during construction. Therefore, all work will take place after residents are relocated out of the building.

All services will be maintained until existing tenants are temporarily relocated out during construction. When construction commences, the only services active will be those necessary for the safe execution of the construction work. All tenants will be temporarily relocated before service interruptions.

*Logistics: Option B (In-place Renovation)*

During rehab, the contractor will take the following precautions to ensure tenant safety and habitability:

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[EXPAND ON THE TENANT SAFETY PROCESS FOR RESIDENTS & RESIDENTS WITH SPECIAL NEEDS]

- Service interruptions: All essential services to the tenants shall be maintained. This includes heat, cold water, hot water, and electricity. There are no planned interruptions based on the scope of work. Should a service interruption become necessary, all residents will be provided with 48 hours' notice through posted signs throughout all public spaces and outside tenant units.
- Noise & Sound mitigation: All work will be performed during regular working hours from 8am to 5pm Mondays through Fridays except for Legal Holidays. Noise Mitigation efforts will be employed by the Contractor and trades observing required work hours, utilizing Noise Barriers and Noise Curtains where required and employing tools and electric devices with low-sound power levels.
- Air quality mitigation: All levels of dust and debris shall be kept to a minimum and confined to active construction areas.
- Egress/Fire safety: Means of egress (entrances and exits) will be always clear and unobstructed. Fire Safety laws and controls shall be strictly observed and monitored.
- Security: All security of the building shall be maintained during construction.
- Parking: Residents will continue to have access to existing building parking during construction.

All elements of project planning and construction will be conducted in full and complete compliance with Federal, State and Municipal laws and regulations. The City of Detroit Departments of Buildings, Safety and Engineering and related departments will regulate and approve all proposed work and mobilization planning for the renovations.

**Temporary relocation plan**

***NOTE: only include if applicable.***

After intake, [TENANT ENGAGEMENT TEAM] will work with the tenants to start the housing search. [TENANT ENGAGEMENT TEAM] is working with the network of landlords that they know to find vacancies, beginning with nearby properties, but also including other proximate neighborhoods. This initial outreach to landlords will be complete by [DATE].

*Special Needs*

The tenant intake process identifies tenant demographics and any special needs of the tenants. For example, the tenant intake will identify income, disability, age, and any background issues that may impair ability to find housing, such as eviction history, credit, criminal background, and mental health.

*Packing, storage and/or moving assistance*

[TENANT ENGAGEMENT TEAM] will arrange for a moving service to move tenants. Boxes can be supplied as needed. Seniors or residents with disabilities who require packing support will be provided with assistance.

### *Payment plan for relocation costs and replacement housing payments*

All relocation assistance will be calculated based on URA standards. Tenants who indicate a desire to return to their buildings after renovation will receive several elements of financial support:

- Payment of relocation expenses into temporary housing during renovation
- Payment of “Rent Differential” – the excess in rent over what they are paying today – in their temporary housing
- Payment of relocation expenses to return to buildings after renovation is complete

For these tenants, [TENANT ENGAGEMENT TEAM] will work with landlords to negotiate housing cost and move-in dates. First month’s rent and security deposit will be paid once a tenant has completed a file with [TENANT ENGAGEMENT TEAM] and the landlord has returned all the necessary documents and a housing inspection is completed. Each month a check for the differential payment will be delivered to the landlord on the first of the month. For tenants who elect to return to their current buildings after renovation, [TENANT ENGAGEMENT TEAM] will ensure that the same moving process is in place to return tenants to their units.

### **Additional URA requirements**

***NOTE: Tenant Relocation Advisory Services - Please include information on how tenants will be provided with information on comparable decent, safe, and sanitary units for temporary or permanent relocation, if applicable.***

### **Contact information in case of emergency**

Management Agent: [NAME, TITLE, EMAIL, PHONE NUMBER]

Contractor: [NAME, TITLE, EMAIL, PHONE NUMBER]

LAST UPDATED: 2/4/25





## SAMPLE: Approval Checklist for Tenant Retention Plan for PILOTS

CONFIRM ATTACHMENTS:	APPROVED? ____ YES ____ NO
<input type="checkbox"/> Deidentified Rent Roll	
<input type="checkbox"/> 90-Day Sample Letter	
<input type="checkbox"/> 30-Day Sample Letter	
REVIEWED BY: _____	
APPROVER SIGNATURE: _____	NAME: _____

PROJECT NAME: \_\_\_\_\_

PRIMARY ADDRESS: \_\_\_\_\_

### Summary

Summarize redevelopment strategy and plan for preventing displacement:

*Describe work owners/developers want to do, amount of housing they wish to preserve, funding that is being sought, and length of displacement, if any.*

Current Occupancy

<b>Total Units:</b> ____ units
<b>Occupancy:</b> ____ units = ____%

### Affordability Plan

*Note: Initial rent increases for returning residents whose household income is 80% AMI or lower are limited to 5%, or affordability should be set for resident incomes (calculates as 30% of monthly income, with rents inclusive of utility allowance)--whichever is greater. Ongoing rent increases are limited to the lesser of 3% per year or rents set by HUD or MSHDA, if applicable.*

Attach a de-identified rent-roll with tenant income, occupancy, current and future rents

Summary of pre- and post renovation rental restrictions

<p><b>Pre-Renovation unit/restriction summary</b> (e.g. ____ units at ____% AMI):</p>  <p><b>Post-Renovation unit/restriction summary</b> (e.g. ____ units at ____% AMI):</p>
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Summary of rent increases per income threshold

AMI/unit restriction	Summary of rent increase <i>(e.g. "Residents will pay no more than 30% of their household income on rent."; "Pre-construction rental rates will be preserved with a 3% annual increase."; "Market-rate, no limit on increase.")</i>

### Tenant Communication Plan

*Select the components of tenant communication that will be provided, and attach sample letters.*

- General Information Notice
- 90-Day Notice
- 60-Day Notice
- 30-Day Notice
- In-Person Resident Meeting
- Notice of Eligibility
- Notice of Non-Displacement

Reasonable Advance Notice to Vacate (Days: \_\_)

Other \_\_\_\_\_

### Communication Schedule

*Insert rows as needed for communication including meetings and distribution of materials.*

Notice	Date Issued or Planned
90-Day Notice	
In-Person Resident Meeting	
30-Day Notice	
Other:	
Other:	

### Communication Notes

### Tenant Habitability Plan

Timeline for construction

\_\_\_\_\_ Start month (MM/YY)

\_\_\_\_\_ Completion month (MM/YY)

### Scope of work by phase

*Provide explanation for what construction will be completed and where.*

### Plan for tenant safety, mitigation of noise and air quality hazards

### Plan for residents

Relocation type (select one):

- Rehabilitation while occupied
- Temporary relocation
- Permanent relocation

Detail about relocation, if applicable:

*Note: Residents have the right to return if a temporarily relocation is needed due to construction.*

Process for identifying and accounting for specific residents who may have special needs:

### Temporary Relocation Plan

*Required for rehabilitation projects involving temporary relocation.*

*Anticipated timeline for relocation:*

- \_\_\_\_ Start month (MM/YY)
- \_\_\_\_ Completion month (MM/YY)
- \_\_\_\_ Total months of displacement

*Plan for packing, storage, and/or moving assistance:*

*Payment plan for relocation costs:*

*Note: Payment should include 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.*

### Service Interruptions

*Description and timing of service interruptions, including fire safety, electricity, water, and elevators:*

<b>Utilities (Electricity, Heat, Water)</b>	
<b>Egress/Fire Safety</b>	
<b>Elevators</b>	
<b>Other: _____</b>	

*Plan for notifying residents and providing directions if any emergency systems become inoperable:*

### Parking

*Plan for ensuring sufficient resident parking (including designated parking/storage areas used by Contractor if required):*

### Contact Information

*Provide name, email, and phone number for the following, if applicable:*

**Management agent contact information:**

  

**Contractor contact information:**

  

**Relocation coordinator:**

### Notes/Additional Information

LAST UPDATED: 2/4/25

