

ATTACHMENT C – DEVELOPER AND PUBLIC COMMENTS

Staff solicited comments from developers on the proposed Anti-Displacement and Tenant Relocation Assistance Policy Guidelines. Based on this received feedback, staff has clarified some of the language contained in the guidelines to provide better direction to developers. Following presentation of the draft guidelines to the Board of Supervisors during a work session on October 7, 2020 staff will compile and provide responses to all public comments related to the proposed guidelines. These responses will be provided during a future Board of Supervisor meeting.

Dear Dr. Pethia:

I am reaching out as a member of the Blue Ridge Apartment Council regarding the county's Anti-Displacement and Tenant Relocation Guidelines. I would like to thank you for contacting our organization through Neil Williamson of the Free Enterprise Forum and giving us the opportunity to provide feedback on the guidelines. We are grateful that the county has prioritized involving all stakeholders in the process.

I respect and admire the Board of Supervisors' desire to support housing stability for our community's most vulnerable populations. I also have several questions and concerns about the guidelines as currently drafted.

It would appear as if there is a rather wide range of items a developer or property owner may be required to do under this policy. These requirements range from provisions that are already commonplace within the industry, such as communicating about the proposed plan, providing information about other housing options, and providing timely notice to vacate, to more involved and costly items, such as the relocation assistance provisions contained in the guidelines. What is not clear to me is how it is decided which of these steps will be required and when. The guidelines only indicate that owners will be required "to do one or more of" the steps outlined in the draft. This would lead me to believe that County Staff and the Board of Supervisors may require more in some instances and less in others. Would this be related to the impact of the development project as determined by the board, planning commission, and staff? How would an owner know what would be required of them early enough to evaluate the economic viability of a project? Some clarity on this may be useful to those in the development community.

Widening my lens, I am concerned that placing these requirements on developers, specifically the full extent of the relocation assistance provisions, may have some unintended consequences that undermine existing County priorities. These are summarized following:

Housing affordability: I am concerned this policy will provide a tangible disincentive for new redevelopment and renovation projects in the county. The provisions within the relocation assistance section will present substantial additional costs for developers and may have two results: (1) Discouraging redevelopment projects that would increase density, further exacerbating the supply and demand imbalance that is the root cause of the current elevated cost of housing in our community and (2) encouraging developers to only consider high end, class A redevelopment in order to maximize their return given the additional costs, in effect discouraging new, affordable, lower-margin projects from being developed. I think we can all agree that incentivizing the construction of new housing across all price points is the goal.

Sprawl and infill development: If developers conclude that the expense and strings attached to the redevelopment of existing housing stock is too onerous, they may begin to hunt new construction projects in lieu of the commonsense redevelopment projects in front of them. Instead of improving the quality and increasing the density of already

developed parcels, we may see the boundaries of the existing growth areas tested and a push for projects on the fringes of the suburban and rural regions of the county. This carries economic, environmental and quality-of-life impacts that I have heard the Board of Supervisors express concerns about on numerous occasions.

Housing quality: Renovation and redevelopment are a property owners two biggest tools to increase the quality of the housing they offer the community. If owners perceive renovation or redevelopment of property they own to be too expensive or difficult, they may simply choose not to, leaving the County with an aging and deteriorating housing stock. This disproportionately impacts those who may not have the means to move to newer housing.

Fair housing compliance: Finally, I would encourage County Staff to reach out to the state Fair Housing Office to determine if the Priority Ranking System laid out in this draft complies with national and state Fair Housing laws, if this has not already been done. While the spirit behind this system is admirable, it requires owners to provide favorable leasing opportunities to folks based on demographic information collected by the owner. This is not in line with Fair Housing laws as I understand them. I would hate for owners to be put in a position where they must choose between a potential Fair Housing violation and violating this relocation policy as written.

In short, I fear that the relocation guidelines as drafted will have the unintended consequence of deterring developers from pursuing projects that would be in our community's best interest, which would ultimately serve to undermine their very intent. This will negatively impact not only the developer, but would unintentionally harm those with housing needs in our community.

Thank you for taking the time to consider my feedback. Please do not hesitate to reach out with any questions or if you need clarification on the item I have brought forward in this letter. We would all like to see a future full of opportunity for the residents of Albemarle County, and I am very appreciative of the work you do to help achieve this.

Respectfully,

Justin West

Blue Ridge Apartment Council Advisory Committee Chair

20 July 2020

Stacy Pethia, PhD
Principal Planner – Housing
Department of Community Development
County of Albemarle
401 McIntire Road
Charlottesville, VA 22902

VIA ELECTRONIC TRANSMISSION

Dear Stacy,

Thank you for including the Free Enterprise Forum in staff's review of the proposed Anti-Displacement and Tenant Relocation Guidelines. As we discussed via e-mail, I have shared this draft with members of the development community. Considering this as an internal draft, these comments will not be a part of a blog post but may be shared with those in the development community that have had influence on our thinking on this topic. More public discussion will occur when this is brought forward for BOS consideration.

While we are aware of three Virginia localities that have enacted similar (but not the same) guidelines, the Free Enterprise Forum does not believe Albemarle County has enabling legislation to mandate such proffers. Further, we believe unintended consequences of the remedy proposed will extend and exacerbate the very issue you are attempting to solve.

Other Localities The Free Enterprise Forum reviewed tenant relocation guidelines from three Virginia localities: Arlington County, City of Alexandria and Fairfax County.

Two of the three policies are voluntary focusing significant energy on "voluntary relocation assistance policy" (Page 1 City of Alexandria) and "Developers are encouraged to contact the Department of Housing and Community Development Homeownership and Relocation Services Branch" (page 3 Fairfax County Relocation Guidelines). Only Arlington County's policy goes as far as Albemarle's mandated proffers.

Unintended Consequences Property rights are stubborn things. Property owners who enter into lease agreements have a responsibility that is limited to the lease requirements.

Example: Property owner is considering sale of an existing trailer park. While the park produces revenue above the costs of ownership, the park is located within a Priority Area of the Development Area where the Comprehensive Plan calls for 6-8 units an acre. The "highest and best use" of the property would require a rezoning that would make the zoning match the Comprehensive Plan. A rezoning application would likely take between 24 – 36 months to work through the byzantine approval process.

Absent the tenant relocation guidelines, current leases could remain on the property during the rezoning process thereby retaining 36 months of existing affordable housing. There is nothing Albemarle County can do to stop a property owner from not renewing leases on their property PRIOR to making an application.

The Free Enterprise Forum believes just as tenants have rights, so do property owners.

- Why would Albemarle choose a policy that makes achieving the community vetted Comprehensive Plan more difficult?
- Why would Albemarle choose a mandated Anti-Displacement policy that would encourage preapplication tenant displacement?
- Why would Albemarle choose to make the cost of new housing more expensive in the name of making it affordable?

The Free Enterprise Forum believes Albemarle County does not have the legislative authority for these seemingly well intentioned “guidelines”. Further, we strongly believe the unintended consequences of early displacement far outweigh any potential tenant benefit this program falsely promises.

Thank you again for the opportunity to review and comment on this advance draft of Albemarle’s proposed Anti-Displacement and Tenant Relocation Guidelines.

Respectfully Submitted,

Neil Williamson, President

cc: Free Enterprise Forum Board of Directors

From: Dan Rosensweig <drosensweig@cvillehabitat.org>

Sent: Friday, June 26, 2020 6:23 PM

To: Stacy Pethia <spethia@albemarle.org>

Cc: Jodie Filardo <jfilardo@albemarle.org>

Subject: RE: Soliciting comments on Anti-Displacement and Tenant Relocation policy guidelines

CAUTION: This message originated outside the County of Albemarle email system. DO NOT CLICK on links or open attachments unless you are sure the content is safe.

Stacy,

Thanks again for requesting comments about this critical step forward for the County.

I found the document to be thorough and thoughtful.

The two primary questions I have about it are:

1. Are the amounts of compensation regulated by code? If not, I think that payments to families will not be enough for them to get reestablished. At a minimum, families need the equivalent of three months fair market rent, given that landlords can charge up to 200% of a month's rent for a security deposit. Even that amount is not a lot in a community without any affordable options, but I suppose if the amount is set too high, developers would simply choose to develop by right.
2. The language around mobile homes is unclear. Most mobile home dwellers own their trailers, but not the land underneath. I don't think this policy protects them.

Thanks again... and please feel free to contact us if you need anything else.

Best,

Dan

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Sent: Friday, June 26, 2020 6:23 PM

To: Stacy Pethia <spethia@albemarle.org>

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Thanks again... and please feel free to contact us if you need anything else.

Best,
Dan

From: Emily C. Dreyfus <emily@justice4all.org>
Sent: Monday, June 22, 2020 9:46 PM
To: Stacy Pethia <spethia@albemarle.org>
Cc: Jodie Filardo <jfilardo@albemarle.org>
Subject: CLIHC input re: Tenant Relocation Guidelines

CAUTION: This message originated outside the County of Albemarle email system. DO NOT CLICK on links or open attachments unless you are sure the content is safe.

Hi Stacy,

I'm writing on behalf of the Charlottesville Low-Income Housing Coalition (CLIHC), which works to improve housing conditions and opportunities for low-income people living in the Charlottesville area. We recently discussed the Tenant Relocation Guidelines, and would like to offer our input.

CLIHC members have two major concerns about the draft:

- a. The relocation amounts need to be significantly higher. Households generally need two-three months' rent in order to start a tenancy. We urge you to change the starting level for relocation payments to \$3,000 for a one-person household, increasing in steps that would accommodate the three-month sum for larger households.
- b. Many mobile home residents own their trailers, but rent the land. We would like to be sure the Guidelines protect not just tenants of mobile homes, but also individual households who own a mobile home.

We appreciate the thoroughness of this document, and would be happy to work with you further to prevent displacement and homelessness in Albemarle County.

Best wishes,
Emily

Emily Dreyfus | Community Organizer | Legal Aid Justice Center | 1000 Preston Avenue | Charlottesville, Virginia 22903 | emily@justice4all.org