

RELOCATION AND DISPLACEMENT MANUAL

This manual is organized as follows:

Part I: Relocation and Displacement General Policies

Part II: Tax Credit Relocation and Displacement Policies

Part III: Federal Requirements (HOME)

Part II applies to ALL properties applying for Tax Credits, regardless of HOME status. Part III discusses federal requirements under the Uniform Relocation Act, which is applicable for properties with HOME or other federal assistance. The most restrictive regulation will always apply.

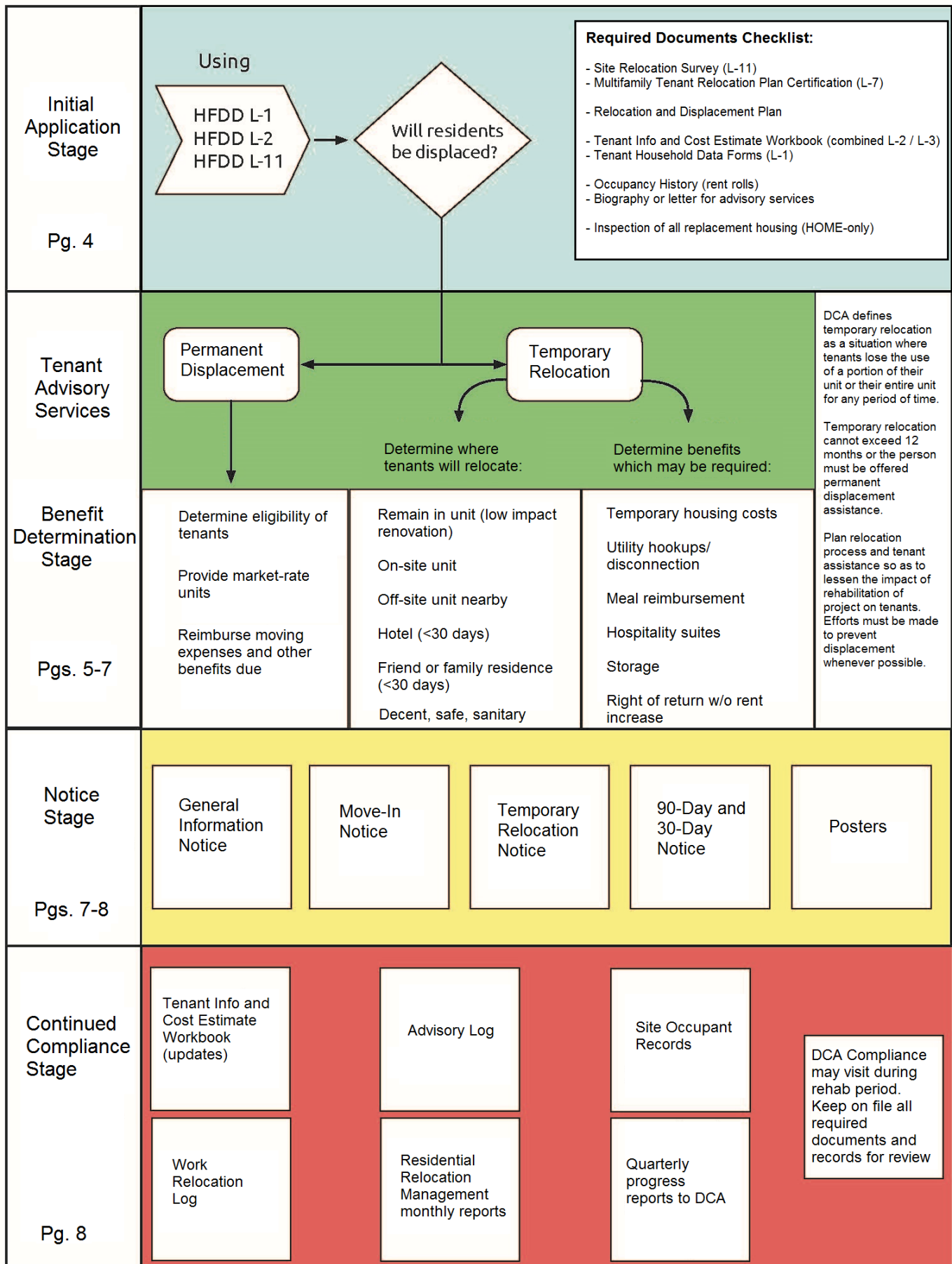
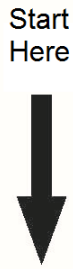
This guide has been developed to assist recipients of Federal and State Tax Credit and/or HOME funds in complying with the requirements of local, state, and federal relocation guidelines. It is not a substitute for the requirements of HUD under the HOME Loan Program.

Compliance with the DCA and HUD requirements are the sole responsibility of the owner of any project for which Tax Credits or HOME funds have been allocated. DCA's responsibility to monitor for compliance will not cause DCA to be liable for an owner's noncompliance. Therefore, an owner should not rely solely on DCA to determine if the project and its records are in compliance.

In addition to the information contained in this manual, additional information concerning Relocation can be found at <https://www.hud.gov/relocation>.

The penalty for failure to adhere to DCA's policies may be forfeiture of the right to participate in all DCA programs in one or more future years depending upon the severity and nature of the particular circumstances and/or financial penalties.

Relocation / Displacement Process



PART I: RELOCATION AND DISPLACEMENT POLICIES

STATEMENT OF GHFA POLICY. The Georgia Department of Community Affairs (DCA), on behalf of the Georgia Housing and Finance Authority (GHFA), the state housing agency, requires that all projects funded with a HOME loan or which receive a Federal Tax Credit Allocation must ensure that all reasonable steps are taken to minimize the displacement of persons (families, individuals, businesses, and/or nonprofit organizations) as a result of the construction or rehabilitation of the project. DCA's policy in regard to displacement is applicable to HOME applications, 9% Tax Credit Applications, and 4% Tax Credit Applications. In order to minimize displacement, Applicants are required to:

- Consider whether displacement will occur during their feasibility determinations
- Identify potential displacement and tenant relocation at the initial Application stage. This can be accomplished by identifying whether existing tenants would be rent burdened, income eligible, over income, displaced due to change of student status, or due to change of housing type and unit sizes
- Provide a detailed written relocation plan and budget for costs associated with relocation and temporary relocation of tenants before, during and after rehabilitation
- Help mitigate the impact of construction and rehabilitation to tenants by planning rehabilitation in stages if feasible (this staging plan must be submitted along with the detailed written relocation plan at the time of application)
- If feasible, ensure residential occupants of buildings to be rehabilitated are offered an opportunity to return to the project when the rehabilitation is complete
- Maintain rents at an affordable level for existing tenants or, if necessary, phase in rent increases
- Provide all required relocation benefits to tenants
- Follow required notification and advisory service procedures to minimize the risk that families leave the property because they lack information or are not informed of the project's relocation plans or their rights. Tenant's rights should be presented in an easy-to-understand format
- Foster communication during the work process through regular notices and regular tenant meetings
- All Management and Construction Staff must wear clear and visible identification at all times while on the project site during rehabilitation. Property management must provide tenants a 24/7 contact number. This number must be posted in a prominent location at the site and must be included in all correspondence leading up to and throughout the construction period

DCA will review the impact of proposed displacement and relocation on the tenants of a proposed project and on the community in determining whether displacement can occur. Any displacement of existing residents is subject to DCA's prior approval. Failure to follow any of these policies and procedures will be considered a major instance of noncompliance and may prevent participants from receiving future funding from DCA.

PART II: DCA TAX CREDIT RELOCATION AND DISPLACEMENT POLICIES

1. REQUIRED APPLICATION DOCUMENTS

The following documentation must be included complete in full with the Application:

- *Site Relocation Survey (HFDD Form L-11).*
- *Multifamily Tenant Relocation Plan Certification (HFDD Form L-7) signed.*
- *Relocation and Displacement Plan.* The Plan should be thorough and consistent with requirements outlined in subsequent sections of this manual. It should detail the entire projected relocation process, including the following aspects:
 - How the impact on tenants of the relocation process has been minimized and efforts made to prevent possible displacement.
 - How many tenants will be temporarily relocated and if any will require permanent displacement, and for what reasons. Address over-income or rent-burdened tenants.
 - Where tenants will be relocated/displaced. If this will be off-site, list at least three sites that meet conditions outlined in this manual, with the current number of vacancies and bedroom sizes. If on-site, outline in detail the schedule and plan for moving tenants between units/buildings.
 - How long the units will be under construction and how long relocation for tenants will last. If tenants will stay in their units during renovation, discuss all construction activities projected and the impact they will have on tenants.
 - What relocation assistance will be provided for tenants and the associated budget.
 - How and when tenants will be notified of the process.
 - Any uncertainties and contingency plans.
- *Relocation/Displacement Workbook (HFDD L-2 and HFDD L-3 combined).* Please read “Instructions” sheet of the workbook for how to complete. The “Cost Estimate” sheet as well as columns A-S of the “Tenant Data” sheet must be filled out completely with accurate information at time of application. This workbook will be utilized on an ongoing basis throughout the renovation process and columns T-Y of “Tenant Data” sheet must be updated accordingly at that time. Detailed records must be kept for benefits paid out to residents during the rehabilitation and relocation period.
- *Tenant Household Data Forms (HFDD Form L-1)* for each unit. All forms must be completely filled out with each question answered and signed by tenant. For vacant units, a tenant data sheet listing unit # and date of last occupancy should be provided.
- *Occupancy history.* This includes the three most recent months’ rent rolls.
- *Biography or letter* for advisory services. This should show experience in face-to-face community engagement among the tenancy served, methods used, and past examples.

Make sure all information is clear and consistent between documents. Failure to submit these documents at the time of application submission will result in a point deduction. Any changes must be submitted to DCA for written approval prior to implementation.

2. REQUIRED RELOCATION AND DISPLACEMENT ASSISTANCE

The Relocation/Displacement Plan and benefits for tenants will differ according to the extent of rehabilitation conducted, length of relocation period, and particular needs of tenants.

A. Advisory Services.

DCA requires that the Owner provide relocation advisory services to work with all tenants:

- To determine the most appropriate relocation/displacement strategy
- To understand the Relocation/Displacement Plan and why they must relocate
- To understand the benefits/assistance they will receive, and
- To understand their protections and rights under DCA and HUD policy as applicable.

These advisory services are encouraged to be done by a third party, such as a nonprofit, advocacy group, relocation specialist, or local government. The entity providing advisory services must have prior experience in face-to-face community engagement among the tenancy served.

B. Temporary Relocation.

DCA defines temporary relocation as a situation where tenants lose the use of a portion of their unit or their entire unit for minimum of one hour during the renovation period. Examples of this type of loss of use include: water shut-offs, removal of appliances, replacement of kitchen cabinetry, refurbishing or removal of flooring, or other work that causes the tenant to not have full use of unit. Temporary relocation benefits must be made available for all tenants who currently reside in the building and whose lives will be disrupted by the rehabilitation work.

Temporary relocation cannot exceed 12 months or the person must be offered permanent displacement assistance. Temporary relocation for less than 12 months will be very strictly construed to ensure that the relocation is not actually a displacement. A person will not be considered displaced only if required assistance and conditions stated in this manual are met.

Assistance for tenants remaining in place during rehabilitation:

- Meal reimbursement if unable to use kitchen, storage of furniture or personal items in secure area, access to bathrooms if unable to use facilities in unit, and other out-of-pocket expenses incurred by the tenants as a result of the rehabilitation;
- A local community room or hospitality suite for day use while repairs are ongoing;
- The unit left clean and free of debris at end of day; AND
- A plan to relocate tenants if the rehabilitation work meets any conditions requiring relocation.

Tenants must relocate to temporary replacement housing if:

- Continued occupancy of the dwelling unit constitutes a danger to a tenant's health or safety and/or if the nature of the construction creates an undue burden or unnecessary hardship;
- The tenant does not have access to running water or bathroom facilities overnight;
- Work within the unit cannot be completed during daytime hours only; OR
- Work within the unit cannot be completed within 30 days.

Tenants that must vacate their units may be relocated to:

- A moderately priced hotel in the same community as the project (30 days or less only);
- A friend or family member's residence, if the Owner and tenant reach a written agreement concerning this (30 days or less only);
- A comparable replacement unit on-site (owners are encouraged to "stage" rehabilitation work so that tenants can be relocated within the project); OR

- A comparable replacement housing off-site. This unit must be functionally equivalent to the unit being renovated. It should be located in the same community as the project so as to minimize such impacts as: school transfers on the tenants and their children, access to transportation networks, proximity to employment, etc.

Required assistance for tenants vacating their units:

- Advisory services to determine how rehabilitation will affect tenants and to determine the best solution to reduce this impact.
- Locating options for temporary housing.
- Actual moving costs and expenses incurred by tenants, which may include (when applicable):
 - Transportation up to 50 miles;
 - Packing and unpacking personal property;
 - Storage of the personal property for less than 12 months;
 - Insurance for the replacement value of the property; and
 - The replacement value of property lost, stolen, or damaged in the process of moving (not through the fault or negligence of the displaced person) where insurance covering this is not reasonably available.
- Moving expenses that are ineligible include:
 - Interest on a loan to cover moving expenses;
 - Personal injury;
 - Any legal fee or other cost for preparing a claim for a relocation payment or for representing the claimant in appeals procedures;
 - The cost of moving any structure or other real property improvement in which the displaced person reserved ownership; or
 - Cost for storage of personal property on real property owned or leased by the displaced person before the initiation of negotiations.
- Any increased housing costs:
 - Hotel costs.
 - If moving to a friend or family member's residence, may include reasonable rental payments and meal payments.
 - For off-site temporary housing, any difference in rent between that unit and project rent, during the entire relocation period. (Although the tenant may elect to temporarily relocate to a unit outside the immediate vicinity of the project, rent differential will be based on comparable rents within the primary market area of the project.)
- Utility hook-ups and disconnections
- The guarantee of return to a suitable unit within the rehabilitated property for period of one year without rent increase. However, if a tenant has been relocated off-site during the rehabilitation and wishes to remain there, the tenant and Owner may agree that the tenant can continue to receive rent differential payments for a period of one year.

Decent, safe, and sanitary dwellings

All temporary relocation dwellings must be “decent, safe and sanitary,” by meeting the following standards, as well as any other applicable housing occupancy codes:

- Be structurally sound, weather-tight and in good repair.
- Contain a safe electrical wiring system and heating system.
- Be adequate in size with respect to the number of rooms and area of living space, including adequate bathroom and kitchen.
- Contain unobstructed egress to safe, open space at ground level, or at least two means of egress if on second story or above.

- The dwelling must meet all pertinent accessibility standards for disabled persons. This requirement will also be met if the tenant selects on their own a dwelling that they determine is suitable for their own needs.
- Comply with lead-based paint requirements of 24 CFR Part.35.

C. Tenants Not Qualified for Proposed Property (Displacement)

During the initial feasibility determinations, Applicant must identify tenants with incomes exceeding the proposed project's income restrictions, as well as consider the possible displacement of tenants due to housing type change, unit size configurations, student status, credit history and criminal background.

The Owner should consider the possible displacement of these tenants in determining the number of market units that will be incorporated into the project and relocation budget. If the over-income tenant can occupy a "market unit", the Owner must agree not to increase rent for the remainder of the tenant's current lease. After expiration of the lease, and upon renewal of the lease, the rent can be increased up to the targeted rent level proposed in the Application.

If no market units will be available for over-income tenants OR the tenant is not qualified to remain at the property for other specified reasons, and the tenants will be permanently displaced from the project before the end of their current lease, the Owner must assist the tenant in locating replacement housing that is: functionally equivalent, affordable, and decent, safe, and sanitary.

Assistance due to displaced tenants also include all applicable points discussed above for Temporary Relocation, under heading "Required assistance for tenants vacating their units". Rent differential would be due for the remaining period of their most current lease on the project unit.

3. NOTICE REQUIREMENTS

Owners are responsible for informing occupants of their rights, sending the required information and notices and assisting in finding replacement housing.

Owners should provide the following information:

- A complete description of the nature and types of activities which will be undertaken;
- A statement indicating that no person lawfully occupying property will be required to move without at least 90 days written notice from the Owner;
- A statement of the purpose of the program, description of the advisory services, and a precaution about premature moves;
- Discussion of reimbursement available for associated costs, including moving expenses and increased housing costs.
- For tenants requiring temporary relocation: the date and approximate duration, the housing to be made available, and availability of unit in the renovated project upon return;
- For tenants facing permanent displacement: assurance that they will not be required to move before they have been given an opportunity to obtain replacement housing;
- A brief description of what constitutes comparable, decent, safe and sanitary housing;
- A clear, easy-to-understand description of the Federal Fair Housing Law, and applicable state and local fair housing and anti-discrimination laws;
- A statement that the Owner will provide assistance in the referral of complaints of discrimination to the appropriate federal, state or local housing enforcement agency; and
- The address, telephone number and office hours of the Owner or emergency contact.

Samples of notices and posters are included on the DCA website under Relocation Forms section. They must be clear and easily understood, as well as translated into all primary languages spoken by tenants.

- a) General Information Notice (GIN). Informs all occupants of a possible project and of their rights under the DCA Relocation Manual. This notice advises that the household not move at this time and likelihood of relocation or displacement. This notice is always needed. DCA requires that the GIN notice be delivered: within 30 days of Award Announcement for 9% projects and within five days of issuance of the Letter of Determination for 4% projects.
- b) Notice to Prospective Tenant (HFDD L-9). Informs households moving into potential projects after application that they may be displaced and that they will not be entitled to assistance. This notice is to be given within 5 days after award notification. If this notice is not given, then move-in is eligible for assistance if displaced.
- c) Temporary Relocation Notice. Informs households who will be temporarily relocated of their rights and of the conditions of their temporary move.
- d) 90-Day and 30-Day Notice. Informs displaced households of the earliest day by which they must vacate the property. Displaced households should typically be given 90 days to vacate their residence. If a specific date is not given with the 90-day notice, a 30-day notice can provide the specific day. This notice should not be issued unless a comparable replacement dwelling is available and the displaced resident is given sufficient opportunity to lease the comparable unit. **All notices must be delivered in a timely manner. Notices must be personally served with a signature receipt or sent by certified or registered first class mail, return receipt requested.**
- e) Poster. Subsequent to award, the owner or property manager must post at least one (1) relocation notification poster in the project rental office and one (1) poster in each building. Posters can be obtained from the DCA Compliance Department. These must remain in place for the duration of the relocation or displacement period.

4. POLICIES AND PROCEDURES FOR CONTINUED COMPLIANCE

In addition to the notices discussed above, ongoing relocation compliance must include:

- Relocation/Displacement Workbook (HFDD L-2 and L-3): columns S-Y.
- Work Relocation Log: Tracking of work being done in each unit; start dates, completion dates, and copies of all notices sent to residents must be kept.
- Advisory Log (HUD handbook 1378 App. 10)
- Residential Relocation Management monthly reports (HUD handbook 1378 App. 22)
- Site Occupant Records (HUD Handbook 1378 App. 8).
- Quarterly progress reports to DCA throughout the rehabilitation process.

Monitoring by DCA from Acquisition through Placed in Service Date or receipt of Certificate of Occupancy

Regarding those developments with existing tenants at time of funding, DCA Compliance may visit three times or more during the rehabilitation period. Tenant files, condition of living space and common areas, tenant certifications, and other required documents will be reviewed. Failure to comply with Federal or State regulations will be considered noncompliance.

PART III: FEDERAL REQUIREMENTS

HOME-funded projects are required to adhere to all applicable Federal URA and 104 (d) Regulations. This portion of the manual is not a conclusive guide, and applicants are encouraged to seek expert advice from their own relocation professional in ensuring that all federal requirements are followed. In addition, for any questions, please contact your local U.S. Dept. of Housing and Urban Development (HUD) Regional Relocation Specialist for assistance.

All resources and requirements regarding URA and 104(d) can be found through www.hud.gov/relocation.

A. The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) - Relocation requirements are triggered, regardless of the displaced person's income, whenever displacement occurs as a direct result of rehabilitation, demolition or acquisition for a HOME-assisted unit. Objectives include:

- To provide uniform, fair and equitable treatment of persons whose real property is acquired or who are displaced in connection with federally-funded projects.
- To ensure displaced persons are provided relocation assistance to lessen the emotional and financial impact of displacement.
- To ensure that no individual or family is displaced unless Decent, Safe and Sanitary (DSS) housing is available within the displaced person's financial means.
- To help improve the housing conditions of displaced persons living in substandard housing.
- To encourage and expedite acquisition by agreement and without coercion.

Refer to the Tenant Assistance, Relocation and Real Property Acquisition Handbook:

http://portal.hud.gov/hudportal/HUD?src=/program_offices/administration/hudclips/handbooks/cpd/13780

Notice of Issuance of New Final Rule for URA. The Uniform Relocation Assistance and Real Property Acquisition Policies Act (Uniform Act or URA) applies to the acquisition of real property and the displacement of persons resulting from Federal or federally assisted programs or projects. Project Owners who receive funding under the HOME Partnership Investment Program or other HUD funding must carefully review the significant changes regarding relocation and displacement benefits, which are incorporated into this new final rule.

A summary of these changes is available here:

http://www.ruralhome.org/storage/documents/hud_ura_finalrule_execsummary.pdf

Complete information about the HOME final rule is located here:

<https://www.hudexchange.info/programs/home/home-final-rule/>

B. Section 104(d) of the Housing and Community Development Act - A lower income person (income below 80% of the area median income) is eligible for Section 104(d) assistance if the unit they occupy is demolished with HOME funds or if the person is displaced as a result of a HOME-funded conversion. Section 104(d) is triggered when a one-for-one replacement of current housing does not occur. (See 24 CFR 570.496a(c)(1) and 24 CFR 570.606(c)(1)). If a lower income person does not qualify for Section 104(d) assistance, relocation expenses may be available under URA.

C. HOME Program Regulations. The HOME regulations at 24 CFR Part 92.353 clarify relocation under the HOME program.

HUD RELOCATION WEBSITES

- Form HUD-40061, Selection of Most Representative Comparable Replacement Dwelling
- <https://www.hud.gov/sites/documents/40061.PDF>

- Site Occupant Record—Residential
<http://portal.hud.gov/hudportal/documents/huddoc?id=1378x8CPDH.pdf>

- Site Occupant Record—Nonresidential
<http://portal.hud.gov/hudportal/documents/huddoc?id=1378x9CPDH.pdf>

- Record of Advisory Assistance and Other Contacts
<http://portal.hud.gov/hudportal/documents/huddoc?id=1378x10CPDH.pdf>

- Form HUD-40054, Claim for Moving and Related Expenses
<http://portal.hud.gov/hudportal/documents/huddoc?id=40054.pdf>

- Form HUD-40057, Claim for Replacement Housing Payment for 180- Day Homeowner
<http://portal.hud.gov/hudportal/documents/huddoc?id=40057.pdf>

- Form HUD-40058, Claim for Rental Assistance or Down payment Assistance
<http://portal.hud.gov/hudportal/documents/huddoc?id=40058.pdf>
<http://portal.hud.gov/hudportal/documents/huddoc?id=1378x14aCPDH.pdf>
(Spanish)

- Form HUD-40055, Claim for Actual Reasonable Moving and Related Expenses
<http://portal.hud.gov/hudportal/documents/huddoc?id=40055.pdf>

- Form HUD-40056, Claim for Fixed Payment in Lieu of Payment for Actual Moving and Related Expenses
<http://portal.hud.gov/hudportal/documents/huddoc?id=40056.pdf>