RELOCATION AND DISPLACEMENT GENERAL POLICIES

PURPOSE

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. This manual explains policies and processes that recipients of Federal and State Tax Credit, Uniform Relocation Act-triggering funds, and program-specific funds, must follow and implement. It is not a substitute for the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA) of 1970 or programs' regulations.

DCA will review applications for compliance with the DCA, IRS and HUD policies and regulations. DCA, as the direct recipient of HUD funds, is responsible for enforcing compliance on applications with DCA-allocated HUD funding and tax credits. DCA is also responsible for determining feasibility and analyzing impact on residents, regardless of funding source. DCA reserves the right to review and monitor compliance for federal funding that DCA did not provide.

While developing an Application and determining feasibility, Applicant must adjust unit income and funding designations to minimize displacement. In determining whether displacement can occur, DCA will review the underwriting and the impact of the proposal on the residents, the affected businesses, nonprofits, and farms and on the entire community. Any displacement of existing residents is subject to DCA's prior approval. The development's applicable fraction will be adjusted if the Application did not accurately reflect resident eligibility.

If, at any point, DCA's policies are not adhered to, DCA reserves the right to the following actions depending upon the severity and nature of the particular circumstances:

- *Halt relocation until cured;*
- *Delay or Fail threshold review of Application;*
- *Delay delivery of 8609s until issues resolved;*
- *Incur financial penalties; or*
- *Deem the Applicant ineligible to participate in all DCA programs in one or more future years.*

APPLICABLE REGULATIONS & ELIGIBILITY

LIHTC-ONLY: DCA requires relocation assistance for residents and non-residential tenants.

APPLICATIONS WITH FEDERAL FUNDING: Federal law protects owners and residents from uncompensated displacement in certain situations. Subrecipients/Developers (from now on, "Applicant"), who intend to receive or accept federal funding (including HOME, NHTF, and CDBG) for acquisition and/or rehabilitation and reconstruction, must:

1. Minimize displacement of existing residents and non-residential tenants;
2. Advise them of their legal rights;
3. Provide relocation counseling and assistance;

4. Compensate residents and non-residential tenants in a timely manner for relocation made necessary by such activities; and
5. Residents and non-residential tenants dissatisfied with determinations or benefits have the right to submit grievances for review and appeal determinations.

When more than one regulation applies to a unit, the most stringent one applies. Sections specific to federal funding regulations (such as URA) are depicted with the name of the regulation or program in **bold**.

The Uniform Relocation Assistance and Real Property Acquisition Policies Act (**URA**) of 1970 or programs' regulations applies when "any activity or series of activities [is] undertaken by a Federal Agency or with Federal financial assistance received or anticipated in any phase of an undertaking in accordance with the Federal funding Agency guidelines. (*49 CFR § 24.2(22))" See attachment 25-1 of HUD CPD Monitoring Handbook (6509.2) for a list of funding programs that trigger URA (link in Part IV of Manual*).

URA applies to both occupied and unoccupied properties and their owners. (For unoccupied properties, *see DCA's HOME Rental Housing Loan Program Manual*.) Owners, displaced households (regardless of income), businesses, farms and nonprofits have URA rights. The applicant must describe relocation assistance to be provided to businesses, farms, and nonprofits in Relocation Plan and include budget.

Section 104(d): Section 104(d) of the Housing and Community Development Act of 1974 ("104(d)") covers developments funded by CDBG, HOME, and other HUD funding (*See HUD 1378 Chapter 7*). 104(d) requires one-for-one replacement of lower-income units (defined as within HUD's Housing Choice Voucher Fair Market Rents) lost to demolition or conversion to market-rate or otherwise unaffordable housing, or other uses. Replacement includes vacant, occupiable units.

Other regulations: Requirements for program-specific funding (**HOME, NHTF**, and **CDBG**) and federal funds not allocated by DCA (such as **RAD**) are summarized, when necessary for purposes of DCA review.

WAIVERS AND PROJECT CONCEPT CHANGES

Applicant may request a Waiver or Project Concept Change of certain requirements.

- Waiver: A request to waive DCA requirements before or at Application.
- Project Concept Change: A request to waive DCA requirements after Application.

No displacement can occur without DCA approval of Waiver (Pre-Application Waiver for 9%) or Project Concept Change (PCC). DCA reserves the right to adjust the application to further minimize displacements and will communicate with the Applicant during that process. For 9% Applications that foresee displacement, Applicants must submit a waiver at pre-application. Residents and non-residential tenants must not be notified that they will be permanently displaced, or moved, until Applicant receives DCA approval of those displacements.

To change a household status from temporary relocation to permanent displacement after application, a Project Concept Change must be submitted to DCA for written approval. DCA review of permanent displacement of complete documentation will be within 30 days. Applicants must not notify household of permanent displacement without DCA approval of that household's permanent displacement.

Non-Displaced Permanent Moves will be reviewed at:

1. Application, before construction and at final allocation application;
2. Before Construction; or
3. Final Allocation Application.

If the waiver request is permitted by a federal agency, the request must include written confirmation from the federal agency that the conditions requiring a waiver have been approved.

Displacement Waivers must include the following:

1. Narrative:
    a. Why displacement must occur, including whether these reasons are due to program restrictions, Application specifics, screening criteria, or other reasons;
    b. What methods have been used to adjust the Application in order to minimize displacement.
2. Relocation and Displacement Workbook: Submit the Workbook based on Application stage and whether interviews and certifications have been conducted:
    a. 9% Waivers: Manually fill in the Summary tab with currently available household information and Application information.
3. Household Data Forms and Income Documentation (*See Administration & Recordkeeping*);
4. Documentation as required by the Eligibility for Assistance and Return Matrix;
5. Written confirmation from federal agency (if applicable); and
6. Any other supporting documentation.

Project Concept Changes must include the following:

1. Evidence of Posters: Photos of the Posters in common areas with descriptions of location;
2. Occupancy records: rent rolls since date of last submitted rent roll;
3. Permanent Move Records: *See Administration and Recordkeeping;*
4. Updated Resident Info and Cost Estimate Workbook;
5. Updated Relocation and Displacement Plan;
6. Documentation as required by the Eligibility for Assistance and Return Matrix;
7. Recordkeeping of complaints and resolutions;
8. Advisory Log;
9. **URA**; and
    a. HUD's Acquisition Checklist (*See Appendix Section in HUD Handbook 1378.0*)
10. Each of the following if Applicant has reached the stage where these documents are required:
    a. Full Income Documentation (or Tenant Income Certification (TIC));
    b. Copies of the following notices signed by heads of households or accompanied by certified mail return receipts:
        i. Notice of Eligibility (NOE) or Notice of Non-Displacement (NND);
        ii. Permanent Relocation: Comparable Replacement Dwelling options;
        iii. Move-in Notices;
        iv. HUD Brochure (If Applicable);
        v. 90-Day Notice;
        vi. 60-Day Notice;
        vii. Notice of Moving Date; and
        viii. Move-In Notices;

c. Completed Decent, Safe, and Sanitary (DSS), Uniform Physical Condition Standards (UPCS) or Housing Quality Standards (HQS) forms;
d. Records of referrals to Comparable Replacement dwellings; and
e. Claims and evidence of moving cost and housing payment. (*See Administration & Recordkeeping).*

CONTINGENCY REQUIREMENTS

All relocation budgets must include the following. The Application Uses section must reflect the relocation budget:

1. Minimum contingency of 5% added to the project budget;
2. For Applicants for Resyndication that do not provide initial/original Tenant Income Certifications or recertifications, a waiver must be requested.
3. For Applicants that do not provide TICs but do provide the Household Data Form at Application, then the Application must include one of the following:
    a. A unit mix with at least 5% of units designated as market rate (if existing LURC states otherwise, Applicant cannot choose this option);
    b. An executed commitment by Applicant and Syndicator to not claim credit on units of households that are not qualified (submit at Commencement); or
    c. Budget for displacement of 10% of households or, if resyndication or RAD, 5% of households;
4. When no resident data can be provided at Application then a waiver must be requested. If approved, the Application must include a description detailing why no resident data and one of the following:
    a. A unit mix with at least 10% of units designated as market rate;
    b. An executed commitment by Applicant and Syndicator to not claim credit on units of households that are not qualified; or
    c. Budget for displacement of 20% of households.