

# Clarification of the Uniform Relocation Act

December 26, 1990

MEMORANDUM FOR: Robert W. Dolin, Manager,  
Columbus Office, 5.3S

FROM: Russell K. Paul, Deputy Assistant Secretary for Grant Programs, CG

**SUBJECT: Request for waiver of Section 104(d) of the Uniform Relocation Act and clarification of the regulation**

This is in response to your memorandum of October 19, 1990, that requested a waiver of §570.606(c)(1)(i) of the Community Development Block Grant (CDBG) regulations. You also requested clarification of the requirement to replace structures occupied by low- and moderate-income persons which have been severely damaged by fire and have subsequently been ordered to be demolished because rehabilitation is not feasible.

As amended by the Final Rule issued July 18, 1990, Section 570.606(c)(1)(i) provides that "all occupied and vacant occupiable low- and moderate-income dwelling units that are demolished. . . in connection with an activity assisted under this part must be replaced with low- and moderate-income dwelling units." The definition of a vacant occupiable unit provided at §570.606(c)(3)(v) includes "a dwelling unit in any condition that has been occupied (except by a squatter) at any time within the period beginning one year before the date of execution of the agreement by the grantee covering the rehabilitation or demolition." In the situation presented, the fire damaged structures were occupied at the time of the fire. Therefore, if CDBG funds are used to demolish the units in question within one year of the date they were vacated, the units are covered by the provision of §570.606(c)(1)(i). Since the regulations do not specifically provide for the exclusion of occupied units that have been damaged, to the extent that they are not feasible for rehabilitation, by fire or natural disaster, the provisions of §570.606(c)(1) will apply if CDBG funds are used to demolish or convert the units during that one year period.

Section 570.5 of the CDBG regulations states that a waiver may only be granted if it is determined that undue hardship will result from application of the provision and where such application would adversely affect the purposes of the Act. Because your request for a waiver did not address these factors, it cannot be considered. Please secure the information needed for this purpose and submit it along with your office's assessment of whether a waiver should be granted.

cc: Ed Gardner