

CHAPTER 1

Scope, Definitions and General Policies

- 1-1 **PURPOSE OF HANDBOOK.** The purpose of this handbook is to consolidate basic statutory and regulatory requirements, and HUD policy guidance on acquisition and relocation under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA) and certain relocation requirements in one place. These requirements and policies are to be followed when acquiring real property or displacing persons for a project or program with HUD financial assistance. In order to provide a one-stop resource for practitioners, key statutes and regulations are cited in this Handbook. The Appendices to this handbook contain practical guidance materials (model claim forms, notices, and other useful documents) which comply with the URA and HUD regulations and policy. Use of the guidance material in the appendices is not mandatory, but is recommended. This handbook does not contain internal HUD operating procedures (e.g., monitoring) which will be addressed in Chapter 25 of Handbook 6509.2. Key statutes and regulations are available for viewing or printing from HUD's acquisition/relocation website at: <http://www.hud.gov/relocation>. Contact information for HUD's Regional Relocation Specialists, training resources, and publications are also available on this website. Questions concerning acquisition or relocation requirements (including HUD policies and guidance) should be directed to the local HUD Regional Relocation Specialist.
- 1-2 **STATUTORY AND REGULATORY AUTHORITY.** Following is a list of applicable statutes and regulations:
- A. URA. The policies and procedures contained in this handbook are required by the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA, Uniform Act, or Uniform Relocation Act), (Pub. L. 91-646, 42 U.S.C. 4601 *et seq*), and the government wide implementing regulations found at 49 CFR part 24. This Handbook includes changes to the URA statute that became effective on October 1, 2014, which are also explained in Notice CPD-14-09, available at: <https://www.hud.gov/sites/documents/14-09CPDN.PDF>. Many HUD-assisted programs/projects are covered by the URA. Chapters 1 through 6 of this handbook outline the requirements of the URA, with the applicable regulatory citation noted where appropriate.
- B. Section 104(d). Under section 104(d) of the Housing and Community Development Act of 1974, as amended (HCD Act) (Pub. L. 93-383, 42 U.S. C. 5301 *et seq*) and the implementing regulations at 24 CFR part 42, a residential antidisplacement and relocation assistance plan is required and must provide for: 1) One-for-one replacement of occupied and vacant occupiable low- and moderate-income dwelling units demolished or converted

to another use in connection with a development project assisted under Parts 570 and 92, and 2) provide relocation assistance for all low- and moderate-income persons who occupied housing that is demolished or converted to a use other than for low- or moderate-income housing. Development projects which are funded in whole or in part by: Community Development Block Grant (CDBG) (including State, Entitlement, HUD Administered Small Cities, *Insular Areas*, Section 108, Special Purpose Grants, Economic Development Initiative (EDI) (competitive), Brownfields Economic Development Initiative (BEDI)), Home Investment Partnership (HOME), or Urban Development Action Grant (UDAG) *Program(s)*, are subject to these requirements, in addition to the URA. Chapter 7 explains the requirements of section 104(d) with regard to both relocation assistance and one-for-one replacement.

C. Section 18. The Quality Housing Work Responsibility Act of 1998 (QHWRA) amended section 18 of the United States Housing Act of 1937 and provided new relocation requirements for some public housing demolition programs in lieu of the URA. Appendix 33 contains additional program guidance. The URA is not applicable to public housing demolition projects which fall under the section 18 relocation requirements. The use of other federal financial assistance in the project (e.g., CDBG funds), however, may trigger the URA and other relocation-related requirements.

D. Program Regulations. Most HUD program regulations contain additional requirements regarding the relocation of persons, often including displacements not covered by the URA (such as “economic displacement”). Reference to these regulations is made throughout this handbook, where applicable. Agencies must be sure to review HUD program regulations related to the funding source(s) of their project. See paragraph 1-3.

E. OMB Paperwork Clearance. All information collection and recordkeeping requirements contained in this handbook have been cleared through the Office of Management and Budget under OMB Approval Numbers 2506-0016 and 2506-0121.

1-3 HUD PROGRAMS COVERED BY THIS HANDBOOK. HUD programs covered by this handbook are listed below along with citations for their program-specific relocation regulations, where applicable. HUD Notices of Funding Availability (NOFAs) may also incorporate the URA and other relocation-related requirements by reference. HUD no longer funds new projects under programs marked with an asterisk (*). In some cases, HUD continues to provide project-based or other subsidies for existing projects in order to make the housing affordable to lower-income occupants. This list may not be all inclusive due to program cancellations and/or additions:

A. Community Development Block Grants (CDBG) Entitlement Program (24 CFR 570.606).

- B. Community Development Block Grant HUD-Administered Small Cities Program (24 CFR 570.420(b)(2)(iv)/570.606).
- C. Urban Development Action Grants (UDAG) (24 CFR 570.457/570.606) *
Terminated.
- D. Special Purpose Grants (24 CFR 570.400/570.606).
- E. Section 108 Loan Guarantees (24 CFR 570.707/570.606).
- F. CDBG Insular Area Grants (24 CFR 570.405/570.606).
- G. Brownfields Economic Development Initiative (BEDI) (NOFA incorporates by reference 24 CFR 570.606).
- H. Economic Development Initiative (EDI) (competitive: 24 CFR 570.606) (noncompetitive: 49 CFR 24).
- I. State Community Development Block Grant Program (24 CFR 570.488/570.606).
- J. Urban Empowerment Zones (EZ) Round II.
- K. Home Investment Partnerships Program (HOME) (24 CFR 92.353).
- L. Housing Opportunities for Persons with AIDS (24 CFR Part 574.630).
- M. Shelter Plus Care (S+C) (24 CFR 582.335).
- N. Supportive Housing Program (SHP) (24 CFR Part 583.310).
- O. Emergency Shelter Grants (ESG) (24 CFR 576.59).
- P. Youthbuild (24 CFR 585.308).
- Q. Self Help Homeownership Opportunities Program (SHOP).
- R. Historically Black Colleges and Universities Program (HBCU) (24 CFR 570.404)
- S. Public Housing Capital Fund Program.
- T. Demolition or Disposition of Public Housing Projects under Section 18 (24 CFR 970) (Section 18, see Appendix 13).
- U. Required and Voluntary Conversion of Developments (Public Housing) (24 CFR 972.130 and 24 CFR 972.230).
- V. HOPE VI/Choice Neighborhood Program (URA or Section 18, as applicable. See Appendix 13).
- W. Public Housing Homeownership (Section 32) (24 CFR 906.24).
- X. Project-Based Voucher Program and Project-Based Certificate Program (24 CFR 983.10).
- Y. Community Development Block Grants for Indian Tribes and Alaska Native Villages (24 CFR 1003.602).
- Z. Indian Housing Block Grant Program (IHCBG) (24 CFR 1000.14). AA. Native Hawaiian Housing Block Grant Program (NHHBG) (24 CFR 1006.375).
- BB. Section 202 Supportive Housing for the Elderly (24 CFR 891.155).
- CC. Section 811 Supportive Housing for Persons with Disabilities (24 CFR 891.155).
- DD. Assisted Living Conversion Program (ALCP) (24 CFR 891.510).
- EE. Disposition of Multifamily Projects and Up Front Grants (24 CFR 290.17).
- FF. Prepayment of Low Income Housing Mortgages (Prepayment not subject to URA, see 24 CFR 248.165. Resale or rehabilitation projects

receiving HUD financial assistance may be covered by URA).

GG. Section 8 Moderate Rehabilitation Single Room Occupancy (SRO) (24 CFR 882.810).

HH. Section 8 Loan Management Set-Aside for Projects with HUD-Insured and HUD-Held Mortgages (24 CFR 886.338).

1-4 DEFINITIONS AND ACRONYMS. Key terms defined in the URA regulations can be found at 49 CFR 24.2. Terms and definitions, which have special applicability to HUD programs, are added or further clarified below.

A. Agency (49 CFR 24.2(a)(1)). The term "Agency" means the entity that causes a person (defined in 49 CFR 24.2(a)(21) (individual, family, partnership, corporation, or association)) to become a displaced person (defined in 49 CFR 24.2(a)(9)) or that acquires real property as described in 49 CFR 24 Subpart B. An Agency may be a State (defined in 49 CFR 24.2(a)(25)), a State agency (defined in 49 CFR 24.2(a)(1)(iv)), or a person who has the authority to acquire property by eminent domain under State law. This definition includes units of general local government.

B. Alien not lawfully present in the United States. (49 CFR 24.2(a)(2)) and (8 CFR 103.12).

C. Appraisal (49 CFR 24.2(a)(3)).

D. Business (49 CFR 24.2(a)(4)).

E. Citizen (49 CFR 24.2(a)(5)). The definition of citizen includes "non-citizen nationals" to avoid excluding persons from certain U.S. possessions (American Samoa, for example) whose status is U.S. national, rather than U.S. Citizen.

F. Comparable Replacement Dwelling (49 CFR 24.2(a)(6)). The term "comparable replacement dwelling" as defined in the URA regulations includes a special provision for persons receiving government housing assistance *before* displacement which is relevant to many HUD-funded projects (see 49 CFR 24.2(a)(6)(ix)). HUD's various subsidy programs can have differing requirements with regard to assignment of appropriate unit sizes based on statute, regulation, and/or local housing codes. A person being moved from a unit subsidized under one program to a unit subsidized under another program (e.g., a public housing unit to the Housing Choice Voucher program) as a result of displacement may be entitled to either a larger or smaller unit than previously occupied, based on the unit-size standards applicable to the family size and composition at the time of displacement. The subsidy program governing the replacement unit may not be able to accommodate a "grandfathered" unit size, which was larger than necessary to accommodate the household at the displacement site. Persons may never be moved into a HUD-subsidized unit, which is too small for the family size under the applicable HUD subsidy program or local housing codes.

1) If the person did not receive a government rental housing subsidy before displacement, the comparable replacement dwelling must be an unsubsidized unit available on the private market, unless the person is willing to accept a unit with either project-based or tenant-based assistance (if available). Acceptance of a government subsidized unit will require

that the household move into a unit which meets the unit-size requirements of the subsidy program, regardless of the size of the displacement unit.

- 2) A comparable replacement dwelling for a person receiving government housing assistance before displacement may reflect similar government housing assistance.
 - (a) A public housing unit may qualify as a comparable replacement dwelling only for a person displaced from a public housing unit.
 - (b) A privately owned dwelling with a project-based housing subsidy (i.e., subsidy tied to the unit) may qualify as a comparable replacement dwelling only for a person displaced from a similarly subsidized unit or public housing unit.
 - (c) A privately owned dwelling made affordable by a tenant-based housing subsidy (i.e., subsidy not tied to the building), such as a Housing Choice Voucher (formerly Section 8 voucher), may qualify as a comparable replacement dwelling for a person receiving a similar subsidy before displacement or displaced from a unit with a project-based subsidy or public housing.
 - (d) Section 8 housing choice vouchers should not be offered as a comparable unit or as a substitute for cash replacement housing payments in any case where the displacing agency cannot provide referrals to decent, safe, and sanitary dwelling units where the owner is willing to participate in the Section 8 program.
- 3) Within the financial means of the displaced person (49 CFR 24.2(a)(6)(viii)). Although there are statutory and regulatory limits placed on URA replacement housing payments for both owner-occupants (49 CFR 24.401(b)) and tenants (49 CFR 24.402(a)), Congress also provided a statutory exemption to these monetary limits (P.L. 91-646, Sec. 206) described in the regulations at 49 CFR 24.404 (Replacement housing of last resort.) Use of the last resort housing provision is required where an owner- occupant or tenant cannot otherwise be appropriately housed within the monetary limits. This is a common situation in high-cost housing areas or with very low income tenants who do not live in subsidized housing at the time of displacement.

G. Contribute materially (49 CFR 24.2(a)(7)).

H. Decent, safe, and sanitary dwelling (DS&S) (49 CFR 24.2(a)(8)). A dwelling occupied in connection with a rental assistance program that is subject to HUD Housing Quality Standards (HQS) (24 CFR 982.401), shall be deemed to be in compliance with the URA DS&S standards if it meets the applicable HQS.

I. Displaced Person (49 CFR 24.2(a)(9)). The URA definition includes both persons displaced and persons not displaced. HUD program regulations often include additional circumstances in programmatic definitions of a displaced person which must be considered, where applicable, including: 1) A person who moves permanently from the real property after the property owner (or person in control of the site) issues a vacate notice to the person,

or refuses to renew an expiring lease in order to evade the responsibility to provide relocation assistance, if the move occurs on or after:

- (a) The date the applicant submits the request for assistance for the project that is later approved, if the applicant has site control; or
 - (b) The date the applicant obtains site control, if that occurs after the request for assistance.
- 2) Given the nature of the URA and HUD programs, it is not always possible to establish by regulation a specific action or event that always marks the date a project begins for purposes of determining eligibility as a "displaced person" (see also definition of "initiation of negotiations"). Most HUD program regulations identify an event that establishes a "rebuttable presumption" that a project begins (e.g., date of submission of the application). It is presumed that a displacement before this date did not occur "for the project" and is not covered by the URA, unless rebutted by convincing evidence to the contrary. It is also presumed that a permanent, involuntary move on or after that date is a displacement "for the project," unless the grantee (or State or State recipient, as applicable) determines otherwise. To exclude a person on this basis, HUD must concur in that determination.
 - 3) Where an owner either evicts a tenant or fails to renew a lease in order to sell a property as "vacant" to an Agency for a HUD-funded project, HUD will usually presume that the tenant was displaced "for the project." In such cases, the Agency would be responsible for finding the displaced tenant and providing appropriate relocation assistance, unless the Agency can prove that the tenant's move was not attributable to the project (see e.g., paragraph 1-6 J.1, Eviction for Cause).
 - 4) A person who moves permanently from the real property after the initiation of negotiations (described in 49 CFR 24.2(a)(15) and applicable HUD program regulations), unless the person is a tenant who was issued a written notice of the expected displacement prior to occupying the property (otherwise known as a Move-In Notice, see paragraph 1-4 Y.) or was issued a Notice of Nondisplacement and is permitted to remain in the property in accordance with the reasonable terms and conditions of such notice. Even if there was no intent to displace the person, where a Notice of Nondisplacement was not provided, HUD has taken the position that the person's move was a permanent, involuntary move for the project since the person was not given timely information essential to making an informed judgment about moving from the project. See 24 CFR 570.606(b) and other applicable HUD regulations.
 - 5) Although the URA does not cover "economic displacement," some HUD program regulations do, e.g. 24 CFR 92.353(c)(2)(C) under the HOME Program and 24 CFR 570.606(b)(2)(D) which is applicable to other CPD programs. Economic displacement can occur when a tenant moves permanently because he/she cannot afford to pay the higher rent charged after completion of the project.

HOME Example: The property owner establishes a first-year rent for the tenant that is below the market rent. At the end of the 1-year

period, the rent is increased significantly, and the tenant moves out because he or she cannot afford the unit. Determination: The tenant may be treated as a "displaced person."

- 6) A tenant-occupant of a dwelling who receives a Notice of Nondisplacement but is required to move to another unit in the building/complex may be considered displaced, if the tenant moves from the building/complex permanently and either:
- i. The tenant was not offered reimbursement for all reasonable out-of-pocket expenses incurred in connection with the move within the project; or
 - ii. Other conditions of the move within the project were not reasonable.

7) A tenant of a dwelling who moves from a residential structure, permanently, as a direct result of the leasing of units in the structure for a HUD-assisted project that changes the residential character/use of the structure to a public character/use (e.g., certain CPD homeless/supportive housing programs). Under the URA regulations, leases of 50 years or more are considered acquisitions. Under the CDBG program, leases of 15 years or more are considered acquisitions for the purposes of the URA. The URA regulations at 49 CFR 24.101 authorize HUD to apply the URA regulations to any less-than-full fee acquisitions that in its judgment should be covered. HUD believes leasing activities of this nature should be considered an acquisition for purposes of the URA. Other HUD program regulations may have similar provisions. A nonresidential tenant who receives a Notice of Nondisplacement, but moves permanently from the building/complex, if the terms and conditions under which the tenant may remain are not reasonable. (It is expected that the grantee or property owner will negotiate these terms and conditions. A tenant who believes the offer is unreasonable may relocate and file an appeal seeking assistance as a "displaced person.")

J. Persons Not Displaced (49 CFR 24.2(a)(9)(ii)). The URA regulations define very specific conditions under which a person is not considered a displaced person. In addition, HUD regulations and program policy discuss the following situations which often arise in HUD-funded projects:

- 1) In eviction cases, HUD expects the Agency files to substantiate that an eviction was not undertaken in order to avoid paying relocation costs. The Agency (or owner) is advised to obtain a court order for the eviction (even if the tenant has already moved). If the Agency believes the cost of obtaining a court order is prohibitively expensive, it should adequately document the cause of the eviction in its files.
 - (a) The actions (or inactions) which constitute a "serious or repeated violation of the material terms and conditions of the lease" and whether or not such violation(s) provide legal grounds for eviction under applicable State or local law.
 - (b) Where an Agency has tenant(s) in a planned project site who have not been in compliance with their lease or have repeated offenses prior to or after the ION date, even if they are under a workout agreement or on

- a formal probation, the Agency should consider issuing a modified General Information Notice and/or Notice of Eligibility for Relocation Assistance. This modification should document the existing condition/situation/violations and serve as notice to the tenant that eviction for cause might be necessary and may affect their eligibility for URA-level assistance if prior deficiencies are not corrected. If eviction for cause is later carried out, this will enable the Agency to document that the cause for the eviction was pre-existing, and that the tenant was provided with a reasonable opportunity to correct the situation. Such documentation will help the Agency to establish that the eviction was not for the purpose of avoiding payment of relocation assistance.
- (c) The URA regulations at 49 CFR 24.206 limit the power of a displacing Agency to cut off the presumptive right of a displaced person without sufficient legal cause. Once a tenant has received a Notice of Eligibility for Relocation Assistance, if the Notice did not identify pre-existing lease violations, the Agency needs to consider whether or not any eviction is for subsequent repeated and serious violations of material terms of the lease and is not undertaken for the purpose of evading relocation payments. In determining whether an eviction is for cause, the Agency should consider factors such as whether the nature of the violation is sufficient to warrant the entire loss of relocation assistance and whether the eviction is "for the project" (e.g., to meet deadlines).
 - (d) Where an eviction was caused by non-compliance with a requirement related to carrying out the federally-funded project (such as failure to move or relocate when instructed or failure to cooperate in the relocation process), such an eviction is considered to be "for the project" (see 49 CFR 42.206 Appendix A) and does not negate a person's entitlement to relocation payments and other assistance. The relocation assistance should be equal to that offered in the Notice of Eligibility for Relocation Assistance. A Replacement Housing Payment may also be appropriate, but at an amount no greater than that which the tenant would have received had he/she moved into the comparable unit identified by the agency and only if the unit the tenant actually occupied is found to be decent, safe, and sanitary.
- 2) The person is a tenant-occupant that moved into the property after application for assistance for the project but, before leasing and occupying the property, was provided written notice of: The application for assistance for the project, the project's possible impact on the person (e.g., the person may be displaced, or temporarily relocated, or suffer a rent increase) and the fact that he or she would not qualify for relocation assistance as a "displaced person" as a result of the project if he or she chose to occupy the property (see Move-In Notice paragraph 1-4 Y.).
 - 3) The URA is not automatically triggered by code enforcement activities. However, if the code enforcement action is undertaken to evict persons for a

federally-assisted project involving acquisition, rehabilitation, or demolition and an owner-occupant or tenant is required to move permanently as a direct result, the owner-occupant or tenant may qualify as a displaced person who is eligible for URA relocation assistance.

- 4) The Agency determines that the person was not displaced as a direct result of acquisition, rehabilitation or demolition for the project, and the HUD Field Office concurs in that determination.
- 5) The relocation is determined to be a "transfer" in accordance with applicable Public Housing program policies and the Public Housing Agency's (PHA's) occupancy policy.
- 6) When In Doubt. The grantee may, at any time, ask the Regional Relocation Specialist to determine whether a specific displacement is or would be covered by these rules.

K. Dwelling (49 CFR 24.2(a)(10)). The term "dwelling" as defined by the URA includes transitional housing units or non-housekeeping units (SRO) commonly found in HUD programs. An emergency shelter is generally not considered to be a "dwelling" because such a facility is usually not a place of permanent, transitional or customary and usual residence.

L. Dwelling Site (49 CFR 24.2(a)(11)).

M. Farm Operation (49 CFR 24.2(a)(12)).

N. Federal Financial Assistance (49 CFR 24.2(a)(13)).

O. Grantee. Except for State-administered programs, for HUD the term "grantee" means the entity that executes a contract or agreement under which HUD provides the financial assistance. It may be a local government (e.g., CDBG Entitlement, HUD-administered Small Cities and Section 108 Loan Guarantee Programs, and some HUD homeless program grants); Public Housing Agency (e.g., Housing Choice Voucher Program (formerly Section 8)), Capital Fund, HOPE VI/Choice Neighborhood Program; an Indian Tribe or Alaska Native Village; a Tribally Designated Housing Entity (TDHE); the applicant/sponsor under a program of Supportive Housing for the Elderly or Persons with Disabilities; private nonprofit organization or community mental health association that is a public nonprofit organization under the Supportive Housing Program; or the Participating Jurisdiction (PJ) under the HOME Program. When HUD invests HOME funds directly in a project carried out by a Community Housing Development Organization (CHDO), the CHDO is considered the "grantee." For State CDBG, State HOME, and State Rental Rehabilitation Programs, the State recipient is considered the "grantee."

P. Household Income (49 CFR 24.2(a)(14)). The URA definition of "household income" is not to be confused with HUD's program definitions of "annual income" or "adjusted annual income" applicable to section 104(d) and HUD subsidized housing programs. HUD's programmatic definitions of income should not be used for URA purposes.

Q. HUD. The Department of Housing and Urban Development.

R. HUD Financial Assistance. The term "HUD financial assistance" means a grant, loan, or contribution provided by HUD, including various HUD loan guarantee programs (such as CDBG, Section 108, etc., see applicable program regulations

and/or NOFA requirements). It does not include any other Federal guarantee or contracts of insurance (such as FHA mortgage insurance), a low-income housing tax credit, any interest reduction payment to a family or individual in connection with the purchase and occupancy of a residence by that family or individual, or downpayment assistance under the American Dream Downpayment Initiative (ADDI). (HUD discourages the use of interest subsidies as a mechanism to avoid providing relocation assistance to tenants displaced by an assisted homebuyer program.) A nonexclusive list of HUD-assisted programs is contained in Paragraph 1-3.

- S. Housing Quality Standards (HQS) 24 CFR 982.401. Public housing does not follow the Section 8 HQS under 24 CFR 982.401. Rather, public housing must only meet applicable local codes.
- T. Initiation of Negotiations (ION) (49 CFR 24.2(a)(15)). The ION date serves as a milestone in determining a person's eligibility for relocation assistance, including moving costs and a replacement housing payment. Many HUD regulations establish program-specific definitions of ION (see Exhibit A), where no program-specific definition is provided by HUD, the URA definition applies. The ION date is the trigger for issuance of the Notice of Eligibility for Relocation Assistance or Notice of Nondisplacement. After ION, any applicant who seeks to rent in the project must be issued a Move-in Notice before executing a lease, otherwise, the project will incur liability for relocation costs if the applicants are found to be eligible as displaced persons.
- U. Lead Agency (49 CFR 24.2(a)(16)).
- V. Low Income (49 CFR 402(b)(2)(ii)). The terms "low income" under the URA and "lower income person" or "low- and moderate-income person" or a "low income person" under HUD programs, all include person(s) having an income equal to or less than the Section 8 Low-income limit established by HUD. Generally, this means a family or individual whose annual income does not exceed 80 percent of the median income for the area, as determined by HUD, with adjustments for smaller or larger families. Income limits applicable to the URA can be found at <https://www.huduser.gov/portal/datasets/il.html> or at www.HUD.gov/relocation. The definition of what constitutes "income" is not the same for the URA and HUD programs and must be determined based on the applicable statutory and/or regulatory requirements.
- W. Mobile Home (49 CFR 24.2(a)(17)).
- X. Mortgage (49 CFR 24.2(a)(18)). Depending on State law, the term "mortgage" also includes a land contract or "contract for deed."
- Y. **Move-In Notice.** A term used by HUD for written notice provided to a person who is interested in moving into a project after the date an application for assistance was submitted (often referred to by relocation agents and DOT as a "subsequent occupant"). If the person is provided with such a Notice before leasing and occupying the property and agrees to occupy the property under the terms of the notice, the person is not eligible for relocation assistance. The notice must contain the following information: That an application for federal assistance for the project has been submitted, the project's possible impact on the person (e.g., the person may be displaced, temporarily relocated or suffer a

rent increase), and the fact that he or she would not qualify for relocation assistance as a "displaced person" as a result of the project, if he or she chose to occupy the property. See guideform Move-In Notice, Appendix 29.

- Z. Nonprofit Organization (49 CFR 24.2(a)(19)).
- AA. Notice of Nondisplacement. A HUD term for notice provided to persons who will not be permanently displaced for a HUD-assisted project. Such persons may, however, be required to move to another unit within the project or relocate temporarily while the property is rehabilitated (terms of the move must be reasonable and costs for the move must be covered by the project). While this notice is not required by the URA, HUD policy requires that such notice be provided to adequately inform those persons within the project who will not be permanently displaced but who may be impacted as a result of the project. A person who will not be displaced by the project may choose to leave the project site; however, they are presumed to be ineligible for relocation payments if an accurate and timely Notice of Nondisplacement was provided before they chose to move.
- BB. Owner of a Dwelling (49 CFR 24.2(a)(20)).
- CC. Person (49 CFR 24.2(a)(21)).
- DD. Program or Project (49 CFR 24.2(a)(22)). The term "project" means any activity or series of activities undertaken with federal financial assistance received or anticipated in any phase. When federal financial assistance is used for any activity or in any phase of a project, planned or intended, and the activities are determined to be interdependent, the statutory and regulatory requirements of the URA and the specific HUD funding source(s) are applicable. Interdependence is best determined by whether or not one activity would be carried out if not for another. As a result, any activity "in connection with" a federally funded project can be subject to all regulations of that funding source even though the activity may not be directly funded by that source. HUD "projects" are defined according to program rules.
- EE. Resident Return Policies, Return Criteria, or Re-occupancy Plan. The criteria which will be used to determine the priority for displaced residents to re-occupy completed units, normally found in public housing projects undergoing major rehabilitation or HOPE VI/Choice Neighborhood Program revitalization. A return policy is useful in any project where it is anticipated that all units will not be replaced (e.g., either through demolition or where smaller units are being combined into larger units of a lesser number), or where the nature of a project will change after rehabilitation (e.g., a rental project becoming housing for special needs clients). Individual HUD program regulations or guidance will specify when such a policy is required. Establishing a return policy will enable the Agency to determine how many and which of the current project residents will be either temporarily relocated and/or may be permanently displaced and whether some or all residents will be given priority for return to the project when it is completed (usually an issue where a project is so large in scope that residents may need to vacate for a year or more during rehabilitation or reconstruction). The policy can address whether or not new residents (who were permitted to move into the project after the initiation of negotiations (ION)) will be

considered for return to the project after completion. The return policy may be formally adopted as a written policy (in the case of a public housing projects, such policies are usually adopted and executed between the recognized resident body, the PHA, and if applicable, the entity that will own the public housing units after the project is completed, where required).

FF. Salvage Value (49 CFR 24.2(a)(23)).

GG. Small Business (49 CFR 24.2(a)(24)).

HH. State (49 CFR 24.2(a)(25)).

II. Temporary Relocation (49 CFR 24.2(a)(9)(ii)(D), Appendix A). The URA applies to permanent displacements and does not cover persons that are temporarily relocated in accordance with HUD regulations. While there are no statutory provisions for "temporary relocation" under the URA (the statute considers all eligible persons "displaced"), it is recognized in the URA regulations that there are some circumstances where a person does not need to be permanently displaced but may need to be moved from a project for a short period of time. The URA regulations require that any residential tenant who has been temporarily relocated for a period beyond one year must be contacted by the Agency and offered permanent relocation assistance. By regulation, HUD imposes additional conditions on temporary relocations. Generally, moving expenses to and from the temporary replacement location must be reimbursed, as must any increased housing costs incurred during the temporary residence; and the rent for the rehabilitated unit may not increase unreasonably after the tenant's return. The Agency must also provide reasonable advance notice of the temporary relocation. If these protections are put in place, HUD considers the displacement to be temporary, and hence not subject to the URA. If any of the protections fail, the exception fails. The displacement is deemed permanent, and the URA applies. The applicable program regulations should be consulted for more specific temporary relocation requirements.

JJ. Tenant (49 CFR 24.2(a)(26)).

KK. Uneconomic Remnant (49 CFR 24.2(a)(27)).

LL. Uniform Act (URA) (49 CFR 24.2(a)(28)). The terms "Uniform Act", "Uniform Relocation Act" or "URA" mean the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (Pub. L. 91-646, 84 Stat. 1894; 42 U.S.C. 4601 *et seq.*), and amendments thereto.

MM. Unlawful Occupant (49 CFR 24.2(a)(29)).

NN. Utility Costs (49 CFR 24.2(a)(30)).

OO. Utility Facility (49 CFR 24.2(a)(31)).

PP. Utility Relocation (49 CFR 24.2(a)(32)).

QQ. Waiver Valuation (49 CFR 24.2(a)(33)).

RR. Acronyms (49 CFR 24.2(b)).

1-5 RESERVED

1-6 CERTIFICATION OF COMPLIANCE (ASSURANCES), MONITORING AND CORRECTIVE ACTION (49 CFR 24.4)

- A. Certification of Compliance. Before HUD approves any grant, contract or agreement under which HUD provides financial assistance (defined in paragraph 1-4 R.) for a program or project which might result in real property acquisition or displacement, the grantee (defined in Paragraph 1-4 O.) must provide a certification that it will comply with the URA, implementing regulations at 49 CFR part 24 and applicable program regulations. (This certification is called "assurances" under 49 CFR part 24.4.) If applicable, the certification must cite any provision of State law which precludes compliance with one or more of the acquisition requirements found at 49 CFR 24.102 thru 24.105.
- B. Grantee Employs Third Party. If the grantee provides program/project funds to a third party that acquires property or causes displacement that is subject to the URA, the grantee is responsible for ensuring compliance with the URA, its implementing regulations, and HUD policy, as described in this handbook, notwithstanding the third party's contractual obligation to the grantee to comply.
- C. Monitoring and Corrective Action (49 CFR 24.4(b)). HUD will monitor compliance with the URA, other HUD program-specific statutory and regulatory requirements related to acquisition and/or relocation, and the policies contained in this handbook. The grantee shall take whatever corrective action is necessary to comply with HUD findings and/or recommendations:
- 1) Failure to Provide Required Notices. Where a grantee fails to provide the Notices required under the URA (see 49 CFR 24.203) or fails to provide those Notices required by HUD program regulations, and occupants vacate the project before being appropriately advised of their eligibility or ineligibility for URA, or Section 104(d), the grantee must initiate all reasonable procedures to locate all former occupants who should have received notice. Efforts to locate former occupants may include: Appropriate notice in a local newspaper (for at least 30 days); posting notice in an appropriate project location; checking with the local post office for a forwarding address; checking project records for employment or other contact telephone numbers; checking with local utility companies, school districts, churches, or community organizations; hiring a "finding service" available in the local area or over the internet; and/or other appropriate methods. Each occupant's file must be documented with all attempts to make contact and the results. The grantee will need to determine the eligibility or ineligibility for relocation assistance for each former occupant who is located and assist the former occupant to access appropriate advisory services and applicable relocation payments.
 - 2) Underpayment. Whenever HUD determines that a person did not receive the full amount of a payment required, the grantee shall ensure that the correct payment, as specified by HUD, is made promptly.

- 3) Inadequate Replacement Housing. Whenever a displaced person has relocated to inadequate housing because required payments, housing referrals, property inspection, or other services were not offered in accordance with applicable regulations, the grantee shall promptly take whatever steps are appropriate and shall bear whatever reasonable costs are necessary to:
- (a) Enable the displaced person to relocate to a comparable replacement dwelling or a decent, safe, and sanitary dwelling; or
 - (b) Ensure the repair or rehabilitation of the replacement dwelling occupied by the displaced person to the extent necessary to correct deficiencies that would not be present if the grantee had met its obligations. The grantee is not required to remedy housing deficiencies that it can demonstrate were caused after the displaced person occupied the replacement dwelling. (A grantee may use its code enforcement powers or other programs to ensure that the owner of a tenant-occupied dwelling makes the repairs necessary to correct housing deficiencies.)
- 4) Relocation Opportunities for Minority Persons (49 CFR 24.205(c)(2)(ii)(D)). Whenever possible, minority persons shall be given reasonable opportunities to relocate to decent, safe and sanitary replacement dwellings, not located in an area of minority concentration, that are within their financial means. CPD will report to HUD's Office of Fair Housing and Equal Opportunity (FHEO) any complaint or allegation raised in an appeal that it receives that this right has been violated. The FHEO Regional Director will determine whether compliance with this requirement was achieved and will inform the CPD Director or Deputy Director of its determination. In the event the FHEO Regional Director and the CPD Director are not able to agree on the status of the participation with respect to this civil rights related program requirement, the matter shall be forwarded to Headquarters and the decision shall be made jointly by the Assistant Secretary for FHEO and the Assistant Secretary for CPD.

D. Sanctions. If the grantee does not take and complete the required corrective action in a timely manner, HUD may apply sanctions in accordance with applicable program regulations and civil rights requirements. Examples of sanctions are the suspension or termination of funding for acquisition or displacement-causing activities, the suspension or termination of all HUD financial assistance for a project, and/or the recovery of funds expended for activities not carried out in accordance with applicable statutes or regulations.

E. Prevention of Fraud, Waste and Mismanagement (49 CFR 24.2(c)). The grantee shall take appropriate measures to carry out acquisition and relocation efforts in a manner that minimizes fraud, waste and mismanagement. Grantee officials

should report instances of fraud, waste, or mismanagement to the appropriate HUD Office of the Regional Inspector General (OIG). Information and contacts for the Regional OIG can be found at:

<http://www.hud.gov/offices/oig/locations/index.cfm>. HUD officials have a duty to report fraud and waste in HUD-assisted programs to the HUD OIG.

1-7 NO DUPLICATION OF PAYMENTS (49 CFR 24.3). No person shall receive any compensation under the URA, section 104(d) of the Housing and Community Development Act of 1974, as amended, implementing regulations, or the policies in this handbook that have the same purpose and effect as other compensation the person received under Federal, State, or local law. (The Agency need not conduct an exhaustive search for duplicative payments, but should take reasonable steps to avoid making a duplicative payment based on its current knowledge.) Care must be exercised with tenants or homeowners who receive HUD housing subsidies to assure that relocation payments do not duplicate assistance already provided under a subsidized housing program.

1-8 WAIVERS AND TIME EXTENSIONS

- A. Time Extension by Grantee. On a case-by-case basis, for good cause, the grantee should extend any time limit specified for: (1) The filing of a claim (49 CFR 24.207(d)) or (2) occupying a replacement dwelling in order to qualify for a replacement housing payment (49 CFR 24.403(d)). The grantee shall document the basis for denying a person's request for an extension of such time limits.
- B. Waiver by HUD (49 CFR 24.7). The HUD Assistant Secretary for Community Planning and Development may waive any requirement of the URA regulations at 49 CFR part 24, not required by law, if he/she determines that the waiver does not reduce any assistance or protection provided to an owner or displaced person. A grantee request for a waiver shall be justified on a case-by-case basis. NOTE: The request for a waiver should be submitted to the program area in HUD funding the project (CPD, Housing, Public and Indian Housing), either at the local Field Office or in Headquarters (based on program requirements). The Program Office will forward the request, along with its comments and recommendations (including the comments and recommendations of the appropriate Regional Relocation Specialist), to CPD in HUD Headquarters for a final determination by the Assistant Secretary.
- C. Waiver by Displaced Person (49 CFR 24.207(f)). A grantee may not request or coerce a displaced person to waive his or her right to payments and/or services provided under the URA. However, a displaced person may choose not to accept some or all payments or services by refusing to file a claim for payment or by executing written documentation in a format acceptable to HUD. Such documentation must include a description of the specific assistance (services and payments) to which the displaced person would be entitled, including estimated

dollar amounts. The individual must identify which assistance and/or payments he/she is choosing not to accept. See also 49 CFR 24.108 with regard to “donation” of property (or some or all of the value of property) to an Agency by an owner.

1-9 COMPLIANCE WITH OTHER LAWS, REGULATIONS AND EXECUTIVE ORDERS. The implementation of the policies and procedures of this handbook must be in compliance with all other applicable Federal laws, regulations and executive orders, including, but not limited to, the following:

- A. Section 1 of the Civil Rights Act of 1866 (42 U.S.C. 1982 *et seq.*).
- B. Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d *et seq.*).
- C. The Fair Housing Act (42 U.S.C. 3601-19).
- D. The Age Discrimination Act of 1975 (42 U.S.C. 6101 *et seq.*).
- E. Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u).
- F. Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 790 *et seq.*).
- G. The National Environmental Policy Act of 1969 (42 U.S.C. 4321 *et seq.*).
- H. The environmental laws and authorities listed in 24 CFR 50.4 and 24 CFR 58.5, and the provisions (as applicable) of 24 CFR Part 50 and 58.
- I. The Flood Disaster Protection Act of 1973 (42 U.S.C. 4001 *et seq.*)
- J. Executive Order 11063 -- Equal Opportunity in Housing, as amended by Executive Order 12892 -- Leadership and Coordination of Fair Housing in Federal Programs.
- K. Executive Order 11246 -- Equal Opportunity in Federal Employment.
- L. Executive Order 11625 -- National Program for Minority Business Enterprise and 12432, Minority Business Enterprise Development.
- M. Executive Order 12250 -- Leadership and Coordination of Implementation and Enforcement of Non-Discrimination Laws.
- N. Executive Order 12630 -- Governmental Actions and Interference with Constitutionally Protected Property Rights.
- O. Executive Order 13166 - Improving Access to Services for Persons with Limited English Proficiency
- P. OMB Circular No. A-133 -- Audits of States, Local Governments, and Non-Profit Organizations.
- Q. Department of Housing and Urban Development Reform Act of 1989 (Pub. L. 101-235). This Act requires certain disclosures and certifications by consultants and lobbyists who assist in obtaining HUD financial assistance.

1-10 APPEALS (49 CFR 24.10).

- A. The Agency is required to consider a written appeal regardless of form.
- B. URA regulations at 49 CFR part 24 do not provide for a HUD review of the Agency’s appeal determination. Rather, if the Agency does not grant the full relief requested, 49 CFR 24.10(g) directs the Agency to inform the person of

C. his or her right to seek judicial review of the Agency's determination. Several HUD programs, however, provide for a HUD review of appeal. Often, though, income and other threshold eligibility criteria in program regulations limit who can exercise this option. For example, in the CDBG program (except State CDBG program), a low- or moderate-income household that has been displaced from a dwelling may file a written request for review of the Agency's determination to the HUD field office. The State CDBG program provides a similar review mechanism, though the reviewing authority is the State. After HUD or the State completes its review and renders a decision, the person may seek judicial review of that determination.

**Date of Initiation of Negotiations (ION) for HUD Programs
(with Regulatory Citation)**

- A. 24 CFR 570.606(b)(3): "...if the displacement is the result of privately undertaken rehabilitation, demolition, or acquisition...the execution of the grant or loan agreement between the grantee (or State or state recipient, as applicable) and the person owning or controlling the real property." Is applicable to:
- a. Community Development Block Grant (CDBG) Entitlement
 - b. Community Development Block Grant HUD-Administered Small Cities Program
 - c. Urban Development Action Grants (UDAG)
 - d. Special Purpose Grants
 - e. Section 108 Loan Guarantees
 - f. CDBG Insular Area Grants
 - g. Brownfields Economic Development Initiative (BEDI)
 - h. Economic Development Initiative (EDI)
 - i. State Community Development Block Grant Program
 - j. Neighborhood Stabilization Program (Public Law 110-289)
- B. 24 CFR 92.353(c)(3): "...to a tenant displaced...as a result of private-owner rehabilitation, demolition, or acquisition...the execution of the agreement covering the acquisition, rehabilitation, or demolition."
- a. HOME Investment Partnerships Program (HOME)
- C. 24 CFR 574.630(g): "...to a residential tenant displaced...as a result of privately undertaken rehabilitation, demolition, or acquisition...the execution of the agreement between the grantee and the project sponsor."
- a. Housing Opportunities for Persons with AIDS
- D. 24 CFR 582.335(g): "...to a residential tenant displaced...as a result of privately undertaken rehabilitation, demolition, or acquisition...execution of the agreement between the recipient and HUD, or selection of the project site, if later."
- a. Shelter Plus Care (S+C)
 - b. Collaborative Initiative to Help End Chronic Homelessness (S+C and SHP)
- E. 24 CFR Part 583.310(g): "...to a residential tenant displaced...as a result of privately undertaken rehabilitation, demolition, or acquisition...execution of the agreement between the recipient and HUD."
- a. Supportive Housing Program (SHP)
 - b. Collaborative Initiative to Help End Chronic Homelessness (S+C and SHP)
- F. 24 CFR 576.59(f)(2): "...to a residential tenant displaced...as a result of privately undertaken rehabilitation, demolition, or acquisition...execution of the agreement between the grantee and HUD."

Exhibit A

- a. Emergency Shelter Grants (ESG)
- G. 24 CFR 972.130(b)(5)(iv): "...the date of HUD's approval of the conversion plan..."
 - a. Required Conversion of Developments from Public Housing Developments
- H. 24 CFR 972.230(g)(5)(iv): "...the date of HUD's approval of the conversion plan..."
 - a. Voluntary Conversion of Developments from Public Housing Developments
- I. 24 CFR 983.7(d): "...to a residential tenant displaced...as a result of privately undertaken rehabilitation or demolition...execution of the agreement between the owner and the Housing Authority..."
 - a. Section 8 Project-based Certificate Program
- J. 24 CFR 1003.602(h)(3)(i): "...execution of the agreement covering the rehabilitation or demolition..."
 - a. Community Development Block Grants for Indian Tribes and Alaska Native Villages
- K. 24 CFR 1000.14(h): "...execution of the agreement covering the rehabilitation or demolition..."
 - a. Indian Housing Block Grant Program (IHBG)
- L. 24 CFR 1006.375(c)(7): "...execution of the agreement covering the rehabilitation or demolition..."
 - a. Native Hawaiian Housing Block Grant Program (NHHBG)
- M. 24 CFR 290.17(d)(2): "...transfer of title to the purchaser..."
 - a. Disposition of Multifamily Projects
 - b. Up Front Grants
- N. 24 CFR 882.810(h): "...to a residential tenant displaced...as a result of private-owner rehabilitation or demolition...execution of the agreement between the owner and the Housing Authority..."
 - a. Section 8 Moderate Rehabilitation Single Room Occupancy (SRO)
- O. 24 CFR 886.338(h): "...to a residential tenant displaced...as a result of privately undertaken rehabilitation, demolition, or acquisition...owner's execution of the Housing Assistance Payments Contract..."
 - a. Section 8 Loan Management Set-aside for Projects with HUD-insured and HUD-Held Mortgages
- P. HOPE VI/Choice Neighborhood Program: In the absence of program regulations, ION was established via Notice CPD-02-08, and amended by CPD Notice 04-02: The ION date is the date HUD approves the Revitalization Plan, which includes any supplemental submissions

required by the HOPE VI/Choice Neighborhood Program

Grant Agreement, following HUD's initial site visit to the development and as a result of HUD's review of the HOPE VI/Choice Neighborhood Program application. As of the date HUD approves the supplemental submissions and authorizes the PHA to proceed with implementation of the Revitalization Plan, all residents of the project are eligible for relocation payments or other relocation assistance in accordance with the URA. When PIH determines that there are circumstances under which a planned HOPE VI/CHOICE NEIGHBORHOOD PROGRAM project is either so large, or is located in a community with such limited housing resources to absorb large numbers of residents who will be displaced by the project, that a single ION would be impracticable and/or detrimental to the efficient relocation of residents, demolition of the existing units, and reconstruction of the project, PIH may approve multiple ION dates based on phased demolition as proposed by a PHA in its Revitalization Plan. Each demolition phase should propose an ION date that is at least 6 months prior to the planned start date for demolition in that phase (e.g., for a demolition phase that will begin July 1, the proposed ION date should be no later than the preceding January 1). These phased ION dates will enable the PHA to concentrate advisory services and resources on assisting affected residents to find replacement housing in a timely manner as each demolition date approaches. PHAs may always opt to send Notices of Eligibility sooner than required, but these Notices must be sent no later than the established ION date for each phase.

- Q. 24 CFR 941.207(i): "For conventional or acquisition projects: (i) Where the PHA purchases the real property through an arm's-length transaction, the seller's acceptance of the PHA's written offer to purchase the property, provided the PHA later purchases the property; or such other date, as may be determined by the PHA with the approval of the HUD or (ii) Where the PHA's purchase does not qualify as an arm's-length transaction, the delivery of the initial written purchase offer from the PHA to the Owner. However, if the PHA issues a notice of intent to acquire, and a person moves after that notice, but before the initial written purchase offer, the initiation of negotiations is the actual move of the person; (2) For turnkey projects, HUD approval of the PHA's proposal incorporating the developer's proposal, provided the contract of sale is later executed; or (3) For major reconstruction of obsolete projects, the PHA's issuance of the invitation for bids."

a. Public Housing Development

- R. 24 CFR 968.108(h): "the term initiation of negotiations means 45 calendar days before (1) the issuance of the invitation for bids for the project or (2) the start of force account work, whichever is applicable."

a. Public Housing Modernization

