



Acquisition and Relocation

Virginia Department of Housing and Community Development

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INTRODUCTION

This policy and procedures manual outlines the Federal requirements for real property acquisition and the relocation of displaced households, businesses, farms and non-profit organizations. The State Recipient or Developer/Owner must develop procedures that comply with these requirements and ensure they are observed.

For purposes of clarity, this manual is divided into the following sections:

- Introduction;
- Acquisition;
- Relocation Assistance and Anti- Displacement; and
- Optional Relocation
- Appendixes

Regulations

Federal requirements for the acquisition and relocation can be found primarily in three places:

- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended 02-03-05 (42 USC 4601-4655); Section 104(d) of the Housing and Community Development Act of 1974;
- HOME Program Regulations at 24 CFR 570.488 and 24 CFR 570.606 (Subpart K); and
- HUD Handbook 1378, Tenant Assistance, Relocation and Real Property Acquisition.

They require a State Recipient or Developer/Owner to take all reasonable steps to minimize displacement caused by the HOME Agreement's activities, to provide uniform and equitable treatment to those who are displaced, to replace housing available to low income households, and to establish uniform and equitable land acquisition policies.

To implement the Uniform Act (URA) under the Commonwealth of Virginia's HOME Program, DHCD adopted the regulations of HUD and the U.S. Department of Transportation (DOT).

Within the regulations or Handbook, where the term "HUD," "HUD Area Office," "Department of Housing and Urban Development," or other reference to the Federal Agency occurs, under the Virginia adopted program the term shall mean "DHCD," "Department of Housing and Community Development," the "Director of Housing and Community Development" or authorized employees of the State agency; EXCEPT, when reference is made to other HUD or DOT programs or requirements that are subject to the URA or apply under a State administered program.

ACQUISITION

The State Recipient or Developer/Owner must observe the acquisition requirements whenever it purchases real property with HOME funds. The State Recipient or Developer/Owner's compliance with the requirements will be closely monitored by DHCD. DHCD also expects the State Recipient or Developer/Owner to observe the URA when acquiring property with leverage funds but will not monitor for compliance. HOME funds will only pay up to the fair market value established by a formal appraisal to ensure that the cost is reasonable.

Voluntary Acquisition

A voluntary acquisition occurs when the State Recipient or Developer/Owner acquires real property from an owner who has freely placed the property on the market and is interested in selling to a willing buyer. This is typically defined as an "arm's length transaction" because the seller will not retain any interest in the property upon conveyance of title to the buyer. The State Recipient or Developer/Owner might undertake a voluntary acquisition when it needs a site for a project within a generally defined area, however that project need may be satisfied by a variety of other properties if successful purchase negotiations fail.

In this type of acquisition which is termed a "voluntary sale" and where the buyer purchases 100% of the property rights associated with ownership subject to any restrictions outlined in the deed when purchased, including all applicable local, State and Federal laws, including any zoning restrictions.

Rather than single out a specific site initially, the State Recipient or Developer/Owner may wish to review available properties listed on the open market to see if any owners are interested in selling their properties to maintain options in the event a proposed sale is not successful. For example, the State Recipient or Developer/Owner might be work with local realtors or real estate brokers to identify properties available in the local market for purchase that meet the needs of the proposed project.

Acquisition of real property using HOME funds is covered by the URA, including purchase, donation, and partial donation. These requirements include informing the seller of the fair market value of the property, which may be the agreed upon purchase price or a lessor amount, indicating that if an agreement cannot be reached then the property will not be purchased for the project since the buyer lacks the "power of eminent domain", and that since the property is being sold voluntarily, the seller is not entitled to any relocation benefits provided under the URA. This information is conveyed in writing in a "Notice to Owner". A sample may be found at Appendix A.

Donations

When the State Recipient or Developer/Owner is accepting a donation of property, the "Notice to Owner" must include language advising property owners that they are voluntarily waiving their rights under the URA and are not eligible for any relocation assistance. This modified notice is called the *Waiver of Rights for Donation of Real Property*. See Appendix B.

When a property is donated, the State Recipient or Developer/Owner must secure an independent appraisal from a State licensed real estate appraiser to document the value of the real property being donated to the project. The State Recipient or Developer/Owner can then prepare a *Notice to Owner* that clearly states the amount established as fair market value and that the owner understands that he or she cannot be required to donate the property, or sell it, to the State Recipient or Developer/Owner at less than the amount determined to be just compensation and that he or she voluntarily agrees to do so, fully or partially.

Note: Because of Virginia's inheritance laws, State Recipient or Developer/Owners should attempt to get the signature of a spouse on a *Donation and Waiver Statement* regardless if the spouse's name is listed as a property owner.

Timing of Property Acquisition

The timing of an acquisition can make it subject to the URA. If the State Recipient or Developer/Owner acquires property on or after the date of the submission of Application and includes the cost of the acquisition in the Application, then the acquisition is subject to the URA regulations.

Steps in the Acquisition Process

For each step in the acquisition process, the URA and the implementing regulations requires the State Recipient or Developer/Owner to follow specific procedures. Briefly, the steps to property acquisition include:

1. Identify property "for sale" to be acquired
2. Conduct appraisal(s) to establish "market value"
3. Establish Market Value (Just Compensation)
4. Present a "Notice to Owner" to the property owner;
5. Issue appropriate General Information Notice (GIN) (Appendix B) notice to any tenant occupants, including all residential as well as non-residential parties, if necessary
6. Obtain legal description and title search;
7. Schedule settlement and closing

Typically a written offer to purchase, which may be in the form of a standard contract of sale or other form of option agreement, will not include the specific language required in the *Notice to Owner*. In order to clearly document compliance with the URA voluntary acquisition requirements, State Recipients and Developers/Owners must include the specific language found in Appendix A.

Identify Properties to Be Acquired

The first step of any project involving acquisition is to determine the property to be acquired. The State Recipient or Developer/Owner's Engineer and Attorney are the primary parties responsible for this step. In projects involving activities such as acquisition of vacant land, new construction, and conversion (adaptive reuse), the State Recipient or Developer/Owner may know from the outset the number and configuration of parcels to be purchased.

Activities such as new construction on vacant land or conversion of property not originally designed as housing may require the installation or relocation of utility lines, and water or sewer installation, or sidewalk construction may not appear at first glance to require property acquisitions, but there may be a need to acquire easements and rights-of-way for such site features such as parking lots and service access.

For large, more complex projects involving water, sewer, and/or road/sidewalk installation the State Recipient or Developer/Owner may not know the number and/or configuration of all properties to be acquired until the design process is underway. Do not assume that property is part of the parcel offered for sale; be sure to verify it. For example: a road may be commonly referred to locally as a County road, but in fact, the rights-of-way could be privately owned or be for ingress and egress only and not inclusive of utility easements. In such cases, easements may have to be acquired.

Conduct Appraisals

Appraisals are required for all voluntary acquisitions so that the fair market value may be determined. Appraisals are also required for acquisitions of easements or fee simple purchases valued at more than \$10,000. For acquisitions valued at \$10,000 or less, a State Recipient or Developer/Owner may request DHCD approval for a -waiver of appraisal. See the below discussion on waivers for more details.

Appraisers

For properties with an estimated fair market value of \$10,000 or more, the State Recipient or Developer/Owners must hire an independent appraiser. For residential properties of one (1) to four (4) units with an estimated value under \$100,000, the State Recipient or Developer/Owner must hire a Certified Residential Appraiser or a Certified General Appraiser, as licensed by State Department of Professional and Occupational Regulation (DPOR). The State Recipient or Developer/Owner must hire an independent Certified General Appraiser for all remaining appraisals.

If a property has an estimated fair market value of less than \$10,000, a formal appraisal is not required. A waiver valuation can be written up by someone with knowledge of the local real estate market, such as the Commissioner of Revenue. DHCD must issue prior written approval of the waiver of appraisal process. See Appendix C for a sample request.

The Notice to Owner must include the fair market value stated in the appraisal report. The appraisal report will be consistent with the Uniform Standards of Professional Appraisal Practice (USPAP), the Supplemental Standards Rule and the Jurisdictional Exception Rule of USPAP where applicable.

To find out if an appraiser has a DPOR license, call 804-367-8511 or go to www.dpor.virginia.gov and click on "License Lookup."

Fair Market Value

The determination of fair market value should include an analysis of the highest and best use for which the property is clearly adapted at the time of the appraisal. The appraisal shall disregard any decrease or increase in fair market value of the real property caused by the project for which the property is to be acquired or by likelihood that the property would be acquired for the project. The fair market value is the basis of the just compensation offered to the owner.

Appraisal Reports

The purpose of conducting an appraisal is to determine the fair market value of the property to be acquired so that the owner can be assured of being fairly compensated. The end product produced by the appraiser is an Appraisal Report. This report must reflect nationally recognized appraisal standards, including the Uniform Appraisal Standards for Federal Land Acquisition. The appraisal *must* contain sufficient documentation, including valuation data and the appraiser's analysis of that data, to support the opinion of value.

At a minimum, a detailed appraisal shall contain the following items:

- The purpose of the appraisal, a statement of the estate being appraised, and a statement of the assumptions and limiting conditions affecting the appraisal;
- A description of the physical characteristics of the property (and, in the case of a partial acquisition, a description of the remaining property), a statement of known encumbrances, if any, title information, zoning, an analysis of highest and best use, and at least a five (5) year sales history of the property;
- All relevant and reliable approaches to determine value consistent with commonly accepted professional appraisal practices;
- Multiple approaches shall be analyzed and reconciled so as to support the opinion of value;
- A description of comparable sales, including all relevant physical, legal and economic factors, and verification by a party involved in a transaction;
- A final statement of the real value of the property to be acquired and, for a partial acquisition, a statement of the damages and benefits, if any, to the remaining property; and
- The effective date of valuation, date of appraisal, signature and certification of the appraiser.

Waiver of Appraisal

This waiver process may be used in lieu of individual appraisals of easements or fee simple purchases of small parcels with a value of \$10,000 or less or right-of-way for each parcel with a value of \$10,000 or less and the valuation of such parcels is not a complicated one. The steps in this process are as follows:

1. Determine Number and Size of Parcels (Easements) Needed: The State Recipient or Developer/Owner should determine the number and size of parcels or construction and permanent easements needed. Footage may be measured in linear feet (for water/sewer projects) or in square feet (for large tracts or highway rights-of-way). The type of measurement must be consistent throughout the property description and the waiver request. The total footage is normally determined through a survey in conjunction with the engineer's design;
2. Obtain Estimate of Fair Market Value: The State Recipient or Developer/Owner *must* obtain estimates or probable fair market value of the average parcel or easement. These estimates are to be attained from either the local jurisdiction's Commission of Revenue's office, from a utility company which has recently acquired easements in the area, or it may establish the value by hiring a licensed appraiser to determine the market values for the different types of easements involved (residential, commercial, industrial, or agricultural). The latter method would include a report listing values on a square foot basis by property type. The specific value would be used to calculate the amount of just compensation for each property. In most cases, the average dollar value per square foot will be used. A licensed real estate broker or other individual familiar with real estate may be used under state law if no compensation is paid for the service;
3. Request for DHCD's Approval of Request for Waiver of Appraisals: The State Recipient or Developer/Owner must submit the *Request for Waiver of Appraisals* form to its Community Development Specialist. See Appendix C for a sample request;
4. DHCD's Response: DHCD will consider the request based upon the information in the request. All information must be accurate and valuation must be consistent. After receiving written approval from DHCD, the State Recipient or Developer/Owner may then proceed to acquire the parcel or easements needed and provide just compensation as outlined in the approved waiver request.
5. Property Owner's Response: The property owner may accept or reject an offer to purchase that lists a fair market value determined using this waiver of appraisal process. Even if DHCD approves this method, the owner has the right to receive fair market value that may only be established by securing a formal appraisal. If the property owner agrees to the waiver process, the owner must sign a waiver of appraisal form. If the property owner chooses an appraisal as the valuation method, then the State Recipient or Developer/Owner must use that process.

Note: In acquiring parcels or easements through the acquisition appraisal waiver process, the State Recipient or Developer/Owner must still comply with the other applicable requirements and steps in the acquisition procedures as outlined earlier. The waiver of appraisal process only simplifies valuation and determination of fair market value.

Establish Fair Market Value

Once the appraiser have prepared and submitted the Appraisal Report to the State Recipient or Developer/Owner the fair market value can be established. Just purchase price of property is usually the same as the appraiser's recommended fair market value; however it can be less than the appraiser's fair market value if agreed by the property owner under a voluntary acquisition. The State Recipient or Developer/Owner may negotiate a price that is

less than the fair market value and pay that amount provided the market value is provided to the property owner. This will be detailed in the Notice to Owner and provided to the property owner. Information contained within the Notice to Owner may include the following:

- A statement of the fair market value of the property to be purchased;.
- The amount or purchase price offered;
- The purchaser does not have the power of eminent domain, or if they do, will not use eminent domain to acquire the property;
- That the sale is voluntary and that the seller is not entitled to any benefits under the URA, including advisory services and moving expenses;
- A legal description of and location identification of the property;
- Interest to be acquired e.g., fee simple, less than fee simple, easement, etc.;
- An inventory identifying the building, structures, fixtures, etc., which are considered to be a part of the real property;
- The just compensation for any tenant-owned improvements as identified in the appraisal; and
- Any purchase option agreement or sale contract should be attached.

Provide Written Offer to Purchase

As soon as feasible after establishing fair market value (just compensation), the State Recipient or Developer/Owner issues to the seller a Notice to Owner

If the property is tenant-occupied, the State Recipient or Developer/Owner *must* issue either a written *Notice of Relocation Eligibility (Appendix D)*, or a *Notice of Non-Displacement (Appendix E)*.

For more detail on relocation procedures, see HUD Handbook 1378, which is available from DHCD or go to www.hud.gov/offices/cpd/library/relocation/policyandguidance and download a copy of it.

Obtain Legal Descriptions and Conduct Title Searches

In instances involving fee simple acquisitions and easements, it may be necessary to have a legal metes and bounds description of the property to be acquired. The State Recipient or Developer/Owner is strongly encouraged to have the Engineer designate on the plans each portion of line to be constructed outside of the VDOT right-of-way (ROW) i.e., the construction and permanent easements. Each such designation shall also reflect the ROW boundary, private property boundaries and names of property owners as reflected on current County or City tax maps. This information is referenced in the deed to identify visually and descriptively the section of real estate being purchased.

To obtain a metes and bounds description requires the property to be surveyed by a registered land surveyor. These services may be part of the Engineering services to be provided. For any property requiring metes and bounds descriptions, the surveying should be conducted and plats prepared at this time.

In order to assure that property is being acquired from the rightful owners, it will be necessary to have the State Recipient or Developer/Owner's Attorney render an opinion of title for each property to be acquired. This is of particular importance for properties involving fee simple acquisition.

Complete the Purchase

Depending upon whether the State Recipient or Developer/Owner and the property owner can reach an agreement on an acquisition price, the State Recipient or Developer/Owner completes the acquisition process. If the property is occupied by any party other than the seller, the State Recipient or Developer/Owner must undertake a Relocation Assessment and Plan for the project. See Appendix F.

Recordkeeping

The State Recipient or Developer/Owner *must* maintain a separate acquisition file for each real property acquisition for at least five (5) years after Final Closeout, final settlement of the acquisition, or the disposition of the applicable relocation records, whichever is later.

RELOCATION ASSISTANCE & ANTI-DISPLACEMENT

The State Recipient or Developer/Owner must observe the relocation requirements whenever displacement occurs as a result of a HOME-assisted activity. HUD Handbook 1378 will generally be used as guidance by DHCD. It contains sample letters and forms, which can be edited to fit local conditions. A copy of the Handbook will be made available to State Recipient or Developer/Owners who will actually conduct relocation as part of their HOME project. The State Recipient or Developer/Owner's compliance with the requirements will be closely monitored by DHCD. Failure to comply may lead to costly compliance findings.

In order to carry out its responsibilities the State Recipient or Developer/Owner must:

1. Appoint one administrative person to review, process, and provide relocation assistance;
2. Develop and carry out a Residential Anti-Displacement and Relocation Assistance Plan. See Appendix F – Relocation Assessment and Plan for more details;
3. Provide for the review of all relocation claims and an appeals procedure to ensure uniform and fair treatment of all displaced persons;
4. Provide that all assistance and relocation payments are in compliance with other federal laws and regulations identified; and
5. Make every effort to coordinate the purchase of the displaced household's dwelling unit with their relocation.

The steps in the relocation process require complete familiarity with the regulations and procedures. Briefly the steps include:

1. Determination of eligibility for residential or business relocation;
2. Survey of persons to verify relocation eligibility, including establishing original occupancy date;
3. Interview to determine relocation needs of residents or business;
4. Notification of relocation eligibility and assistance;
5. Provision of relocation services;
6. Processing claims;
7. Processing relocation claims;
8. Appeals; and
9. Recordkeeping.

Relocation Assistance Eligibility and Needs Assessment

Relocation involves the displacement of persons, businesses, farms, or nonprofits to another residence or place of operation. During the early stages of planning, problems associated with displacement should be identified and solutions developed to minimize the adverse effects of displacement. The State Recipient or Developer/Owner must be prepared to respond to the individual needs and questions of the displaced persons. The State Recipient or Developer/Owner also *must* maintain the confidentiality of records unless applicable law provides otherwise. The State Recipient or Developer/Owner's staff person assigned to provide relocation assistance should be thoroughly familiar with relocation assistance requirements.

The remainder of this chapter is devoted primarily to clarification of the residential relocation process. Displacement of mobile homes, businesses, farms, and nonprofits will be addressed although not as much detail will be devoted to the nonresidential relocation. The purpose of the residential relocation assistance process is to minimize the negative effects on households relocated because of publicly-funded projects.

The assistance is advisory and keeps affected households fully informed of procedures, status' and information needed to help them be prepared and to assist them in making critical choices. Financial assistance, in the form of a replacement housing payment and eligible moving expenses diminishes any negative monetary impacts on relocated households.

Determination of Eligibility

Displacement occurs when a "person (or persons) is required to move as a direct result of Federally assisted acquisition, demolition or rehabilitation. It would not include tenants evicted for cause, a person who does not have the "legal right" to occupy, or persons who occupied a property for the purpose of obtaining relocation benefits.

Survey of Displaced Persons

The State Recipient or Developer/Owner must identify persons and perform surveys and interviews with each of those households early in the planning phase of the project. The purpose of these planning surveys and interviews is to determine who is eligible for relocation assistance, and determine their housing and financial needs.

Typical information obtained includes:

1. Names of occupants and their relationships - Identification of head of household;
2. Exact address of dwelling;
3. Telephone number(s) of residents;
4. Social Security numbers;
5. Age, sex, marital status, and minority group classification of each person;

6. Date person first occupied the dwelling (documented by rent payment or utility receipt);
7. Housing data, including size of current dwelling by number of rooms and square feet;
8. Employment status and place of employment;
9. Family income and assets, broken down by each wage earner in the household;
10. Financial obligations and debts (including dependents, loans, charge accounts);
11. Current housing-related expenses;
12. Housing status (owner or renter for example);
13. Housing preferences (including neighborhood, rental or purchase, subsidized housing);
14. Special housing needs (for example, proximity to day-care or medical facilities);
15. Health status and health coverage; and
16. Household problems and deficiencies (such information is generally obtained through observation, rather than direct questioning - for example, lack of furniture, drug addiction, alcoholism, poor housekeeping standards).

In order to determine accurately the families or individual's ability-to-pay for replacement housing, it will be necessary to verify the income information provided during the interview(s).

Notice of Relocation Eligibility

After the HOME Agreement is executed, the State Recipient or Developer/Owner must send a *Notice of Relocation Eligibility* (Appendix D) to all households scheduled to be relocated. The notice *must* be sent to all tenants in occupancy within thirty (30) days of the *Written Offer to Purchase* if the occupant is going to be relocated. The appropriate HUD brochure must accompany this notice: *Relocation Assistance to Displaced Homeowners* or *Relocation Assistance to Displaced Tenants*. They are available at www.hud.gov/offices/cpd/library/relocation/publications. If the State Recipient or Developer/Owner prefers, instead of using the brochure, the State Recipient or Developer/Owner can use its own document as long as it contains substantially the same information.

If the occupant is going to be able to continue to reside in the building or in a nearby building located on the same site for at least four (4) years with a maximum of one temporary relocation move (for a period not to exceed one year) involved, the occupant must be sent a *Notice of Non-Displacement* (Appendix E).

The State Recipient or Developer/Owner's appeals procedure should be included with the *Notice of Relocation Eligibility* and receipt documented. See also the below discussion on appeals.

All notices must be written in plain, understandable language. Notices must be either hand delivered with receipt documented or sent by certified or registered mail, return receipt documented. Hand delivery may be preferable because it gives the State Recipient or Developer/Owner the opportunity to explain the relocation process face to face and answer

questions. State Recipient or Developer/Owners are strongly urged to review this handbook prior to launching a relocation assistance program.

The *Notice of Relocation Eligibility* includes the following:

- Project name;
- State Recipient or Developer/Owner contact person and contact information;
- Anticipated date to negotiate for property acquisition;
- The nature and extent of advisory and counseling services available (see below);
- The amounts and types of financial assistance available (see below);
- A clear statement that the State Recipient or Developer/Owner must inspect replacement housing chosen to assure that it is decent, safe, and sanitary and free from unreasonable adverse environmental hazards, as defined by the DHCD HQS, and that relocation payments can be made only for replacement housing that passes inspection;
- A clear statement that the household will not be required to relocate without at least ninety (90) days advance written notice;
- A clear statement that self- relocation without coordination with the State Recipient or Developer/Owner may jeopardize the availability of relocation assistance; and
- Fair Housing information.

Note: Distribute to households a copy of DHCD's *Fair Housing: Know Your Rights* brochure, making sure the owner signs a receipt that is placed in the client files.

Advisory and Counseling Services

All advisory services are designed to keep households informed of their status, options and choices. Advisory services include information provided orally and in writing. DHCD expects that State Recipient or Developer/Owners will work to develop sound rapport with those to be relocated to minimize the possibility of confusion and concern. In this model, written notices simply formalize information transmitted in earlier personal conversation.

The advisory program must include measures needed to:

- Personally interview each household to be displaced, determine specific relocation needs and preferences, explain the relocation payments and other assistance which may be available, the related eligibility requirements, and the procedures for obtaining such payments and assistance;
- Provide current and continuing information on availability, prices and rentals of *comparable* replacement properties and housing;
- Transport relocates to comparable;
- Ensure that, prior to displacement, comparable replacement dwellings will be available for displaced persons;
- Supply information concerning federal and state housing programs and services;
- Ensure that the relocation process does not result in different or separate treatment on account of race, color, religion, national origin, sex, age, familial status, handicap, or source of income; and
- Minimize hardships to persons in adjusting to relocation.

In addition to the advisory services specifically related to the relocation itself, the State Recipient or Developer/Owner may have a unique opportunity to provide information on non-housing services that could be helpful to the household. The State Recipient or Developer/Owner may provide information directly or may provide referrals to public or private agencies that could assist with:

- Family and personal counseling;
- Access to medical care;
- Access to household goods;
- Information on social security, food stamps, veterans' benefits, or other similar financial assistance programs;
- Transportation needs;
- Child care or school adjustment;
- Employment counseling and job training;
- Aging issues;
- Financial management and planning;
- Family planning; and
- Legal aid.

Relocation Assistance

The financial assistance portion of the relocation process comprises of the following:

- A moving cost component using either a fixed moving expense and dislocation allowance or reimbursement for actual reasonable expenses; and
- A Replacement Housing Payment (RHP) which is a cost differential component using a specific formula to make up the difference between an occupants current rent and the new rent they will be required to paid once they are permanently and involuntarily displaced.

Moving and Related Expenses

All families and individuals who are displaced are eligible for moving costs, either as a fixed payment or documented reasonable expenses.

The fixed payment consists of a flat moving expense and dislocation allowance, as set by the Federal Highway Administration. The *Residential Moving Expense and Dislocation Allowance Payment Schedule* is published annually in the Federal Register in late December or January. State Recipient or Developer/Owners can obtain it from DHCD, VDOT, or at www.fhwa.dot.gov.

The following actual reasonable and documented expenses are eligible for reimbursement:

- Transportation of the displaced person and personal property to the replacement site. Transportation costs beyond 50 miles are not eligible;
- Packing, crating, unpacking and uncrating of personal property;
- Storage of personal property not to exceed twelve (12) months or longer if the State Recipient or Developer/Owner determines necessary;

- Insurance of displaced person's personal property in connection with the move and necessary storage;
- Deposits and credit checks; and Replacement value of property lost, stolen, or damaged in the process of moving.

Replacement Housing Payment

A replacement housing payment (cost differential) is meant to minimize any negative financial effects of involuntary relocation.

Replacement housing payments are available to occupants who:

- Have actually and lawfully occupied the acquired dwelling for at least ninety (90) days prior to displacement; and
- Have rented or purchased, and occupied a decent, safe and sanitary replacement dwelling within one year after the date he or she moves from the acquired dwelling

The RHP is calculated as the difference between the monthly housing cost of the original dwelling and the monthly rental payment plus utilities (based on the Utility Fee Schedule) of the newly-occupied and approved unit or a comparable unit, multiplied by 42 months.

Displaced Renters – Section 104(d)

Under Section 104 (d) of the *Housing and Community Development Act of 1974* as Amended, if as the result of the proposed project, a household is displaced from a unit that is occupied that will be demolished or converted to other than low income housing, they are entitled to additional benefits.

A State Recipient or Developer/Owner must first offer the displaced renter referral to public housing or a Section 8 a housing choice voucher, if available. The criteria will only be met if a Section 8 housing choice voucher or a public housing unit is actually "available". Referral of a household which results in being placed on a "waiting list" does not meet this standard. If units or housing choice vouchers are available and the displaced renter refuses this type of assistance, he or she is still entitled to the standard benefits outlined above under the URA.

If none of these options is available, the State Recipient or Developer/Owner assists the displaced renter in choosing from one of the following: a RHP calculated on the basis of sixty (60) months if total tenant payment exceeds 30% of adjusted monthly income or 10% of gross monthly income;

Note: If the sixty (60) month calculation is not necessarily higher, the State Recipient or Developer/Owner must consult with DHCD on the calculation and the displaced renter gets to choose;

- Payment to buy an interest in a dwelling unit in a coop or mutual housing association, using the calculation method identified above; or
- Down payment assistance under the URA, outlined above.

Identification of Replacement Housing Needs and Resources and Securing Replacement Housing

One of the purposes of the Survey of Displaced Persons discussed earlier is to provide the data needed to determine replacement housing needs. All replacement housing must be comparable. There are two key criteria to comparable replacement housing.

First, it must be "decent, safe and sanitary." The regulations define this to mean that the replacement unit must meet local housing or occupancy codes. The only times that local housing or occupancy codes do not define "safe, sanitary and decent" are when such codes do not exist or when the replacement unit is Section 8 assisted. In the latter instance, Section 8 Existing Housing Quality Standards (HQS) define "decent, safe and sanitary." The unit must also be free of architectural barriers, if serving a disabled person.

In addition to being decent, safe and sanitary, the replacement unit must also be "functionally equivalent. This means it must be substantially the same or comparable as the acquired unit with respect to them number of rooms and living space unless additional or larger rooms are needed to meet the decent, safe and sanitary criteria i.e., two persons per bedroom with the age and sex of children sharing bedrooms at the discretion of the household.

However, a household occupying a dilapidated three or four bedroom house may be provided a smaller two bedroom standard house if portions of the larger house were not needed due to household size and no comparable dwellings are available.

Having identified the replacement housing needs, the State Recipient or Developer/Owner must take an inventory of available housing resources. In doing this, the State Recipient or Developer/Owner must be aware of fair housing criteria that must be met when relocating low-income and minority persons. The regulations require that the State Recipient or Developer/Owner make comparable replacement housing available to low-income or minority relocatees in areas that do not have concentrations of either low-income or minority households if such opportunities are available.

Furthermore, the regulations require that the State Recipient or Developer/Owner make available to low- income and minority families special counseling and related services e. g. transportation. The process of finding suitable housing will involve continuous contact with displacees to solicit information, establish rapport, provide referrals to housing resources and accompany displacees to inspect possible dwellings.

Up-to-date information on the availability, prices, and rentals of comparable sales and rental housing must be provided. All units must be inspected using the DHCD HQS inspection form and certified as meeting code before being placed on a referral list. If available, at least comparable three (3) units should be listed.

Some relocatees will not wait for the State Recipient or Developer/Owner to locate suitable units. They will search for their own units and relocate themselves. Occupants who relocate themselves risk not receiving the compensation to which they are entitled. This can happen because:

- The occupants do not know they are entitled to it and fail to apply;
- The State Recipient or Developer/Owner is unable to trace them to their new quarters; or

- The new quarters are substandard (in which case the relocatees will receive moving expenses only).

Note: The State Recipient or Developer/Owner must also inform such relocatees that if they move into standard housing within a year from the date they received final payment for their acquired dwelling or from the date they moved from the acquired dwelling, whichever is later, and file a claim within eighteen (18) months, they will be eligible for a replacement housing payment.

The State Recipient or Developer/Owner should also be aware that if it fails to make referrals to comparable replacement housing and the relocatee makes a self-move to a decent, safe, and sanitary dwelling unit, the State Recipient or Developer/Owner will be liable for the relocatee's increased housing expenses for forty-two (42) months.

Completing Relocation and Processing Claims

The State Recipient or Developer/Owner shall refer at a minimum, one comparable replacement dwelling to the displaced person. Where possible, three or more replacement dwellings should be referred as available in a timely matter. The displaced person must be afforded the opportunity to enter into a negotiated purchase or lease agreement.

90-Day Notice to Vacate

After the State Recipient or Developer/Owner has made a reasonable choice of suitable replacement housing opportunities available to the relocatee, the State Recipient or Developer/Owner may issue the *90-Day Notice to Vacate*. The notice must state the date by which the property must be vacated, and indicate that a second notice will be issued at least thirty (30) days in advance of the date the property must be vacated.

The date on which the property must be vacated cannot be less than thirty (30) days after the State Recipient or Developer/Owner has obtained title to the property or legal right of possession, whichever comes earlier. This means that if negotiations for acquisition drag on for six (6) months, the occupant cannot be required to move until at least thirty (30) days after the State Recipient or Developer/Owner has obtained title. Thus, timing of the notices is very important. If a notice is sent in anticipation of a timely sale and there are unforeseen delays, the State Recipient or Developer/Owner should inform the occupant of the delay and indicate the expected date of sale and indicate the property must be vacated thirty (30) days thereafter.

Continuation of Assistance

Prior to and following the ninety (90) day notice, the State Recipient or Developer/Owner continues to work with the relocatees - inspecting units, certifying they meet code; assisting or preparing mortgage applications, sale agreements, or leases as appropriate; assisting or preparing claim forms; processing and verifying claims; documenting claims and making payments.

Note: The HUD claim forms must be used. They can be found in HUD Handbook 1378. Call your Community Development Specialist for a copy or go to www.hud.gov.

Time Limitations for Filing Claims

It should be noted that claims may be filed up to eighteen (18) months following the completion of the move. This means that claims may be filed months after the conclusion of all other project activities. Therefore, if you have unsettled relocation cases at the time you want to close out your grant, you should calculate maximum payments for each potential claimant, document as unpaid costs, maintain documentation in the files, and note amount of unpaid costs on the *Final Financial Report*; otherwise, the funds remaining in the HOME Agreement may be canceled and you would be financially liable for relocation costs. This also highlights the need to expedite relocation.

Relocation Payments

The State Recipient or Developer/Owner is responsible for ensuring that all payments are made in a timely fashion. Payments should be issued within thirty (30) days following the submission of sufficient documentation to support the claim. Advance payments must be made where they would avoid or reduce a hardship. When advance payments are made, the State Recipient or Developer/Owner must document that the payment was used for the purpose intended. For example, a down payment may include the seller or agent's name and purpose for payment with signed receipt. The State Recipient or Developer/Owner should have the recipient sign a letter acknowledging receipt of relocation payments.

Payments for down payment assistance must be applied to the purchase price of a replacement dwelling and related incidental expenses.

Lump sum payments are prohibited. An escrow agreement shall be used for disbursement of monthly relocation payments. In the event of the death of the claimant(s), the remaining escrow shall be used to cover current housing expenses; be disbursed to remaining household members; or pay obligation of deceased person's estate regarding the replacement dwelling.

Payments for rental assistance to owners or renters need not be applied to housing costs. The State Recipient or Developer/Owner has no right to question the uses of the payment; it need not be accounted for beyond obtaining a receipt from the claimant.

State Recipient or Developer/Owners should disburse the payments for rental assistance on a monthly or quarterly basis to the landlord.

If a person makes a claim for payment that must be denied because the unit is substandard, the State Recipient or Developer/Owner must inform the claimant why the claim is being denied, indicate the assistance available for bringing the current unit up to code, and the on-going opportunity to qualify for assistance by moving to a standard unit, providing the move is completed within twelve (12) months of the date of removal from the acquired dwelling or receipt of final payment (if owner-occupant), whichever is later; and that the claim is submitted within eighteen (18) months of the completion of the move.

In any instance in which payments are not made, the State Recipient or Developer/Owner must be able to fully document its efforts to provide payments, the reasons payments were not made, and signed waivers of payment if possible. The regulations mandate that claim for

payment be submitted to the State Recipient or Developer/Owner within a period of eighteen (18) months after displacement. The State Recipient or Developer/Owner should strictly adhere to this limitation and fully document its initial notification of this requirement and all subsequent reminders.

If relocation has not been completed within six (6) months of the date of issuance of the *Notice of Relocation Eligibility*, the State Recipient or Developer/Owner *must* provide in its files a written explanation of delay and plan for timely completion. The State Recipient or Developer/Owner may extend the period a homeowner has to find replacement housing.

Relocation of Mobile Home Residents

Call your DHCD Housing or Community Development Specialist for guidance regarding the relocation of mobile home residents.

Relocation of Businesses, Farms and Non-Profit Organizations

The relocation process is fundamentally the same for both residential and nonresidential cases in terms of systematic organization. Despite the many similarities, however, the regulations governing payment of claims to displaced businesses, farms, and nonprofit organizations are complex.

The owner of a displaced business, farm, or nonprofit organization may be entitled to either actual relocation costs or payment "in lieu of" actual relocation costs. To be eligible for the "in lieu of" payment, certain qualifications must be met.

Specific information must be gathered to help relocate a business, farm, collected on a displaced person, with some additions and deletions. A record of this information including equipment or inventory must be kept on file, also for each individual case.

Displaced businesses, farms, and nonprofits are entitled to receive actual reasonable moving and related expenses. The State Recipient or Developer/Owner is required to provide timely information as to eligible costs, fixed payment in lieu of actual moving, and related expenses when the business cannot be relocated and ineligible costs. See HUD Handbook 1378 for more details.

Complaints and Appeals

The State Recipient or Developer/Owner shall promptly review complaints and appeals. Written complaints and appeals shall be considered regardless of form. If the person needs assistance in filing one, the State Recipient or Developer/Owner shall provide appropriate assistance.

Actions That May Be Appealed

Persons being displaced may file an appeal if they believe the State Recipient or Developer/Owner has:

- Made a mistake in determining eligibility for payment;
- Made an error in figuring the amount of payment;
- Been unfair in refusing to waive the time limit for filing a claim or the purchase and occupancy requirements;
- Not provided a reasonable choice of comparable replacement housing;
- Not properly inspected the replacement housing; or
- Failed to comply with the provisions concerning the notice of right to continue in occupancy.

Levels of Appeal

There are three levels of appeal. First, an appeal is filed with the Chief Executive Officer or the local governing body of the State Recipient or Developer/Owner. This appeal must be written. The second level of appeal is to DHCD. The third level is to the courts.

Time Limit

The time limit for a person to file an appeal is sixty (60) days after the person receives the written notification of the State Recipient or Developer/Owner's determination.

Right to Legal Counsel

The person filing the Appeal has a right to legal counsel or other representation, but solely at the person's own expense.

State Recipient or Developer/Owner Review and Determination

The State Recipient or Developer/Owner official conducting the review of the appeal shall be either the State Recipient or Developer/Owner's Chief Executive Officer or his or her authorized designee. However, the official shall not have been directly involved in the action appealed.

The State Recipient or Developer/Owner shall notify the person of its written determination including an explanation on which the decision was made. The State Recipient or Developer/Owner shall advise the person of his or her right to appeal to DHCD.

Recordkeeping

The State Recipient or Developer/Owner must maintain a separate relocation file for each displaced person for at least five (5) years after Final Closeout or after the person has received his or her final relocation payment, whichever is later.

The State Recipient or Developer/Owner must also maintain a separate file for each tenant not displaced for at least three (3) years after the termination of the four (4) year guarantee period.

Each separate relocation case file shall be documented sufficiently to demonstrate full compliance with the information specified above.

Furthermore, the State Recipient or Developer/Owner must maintain a separate acquisition file for each parcel of land purchased for at least five (5) years after Final Closeout. See Appendix 24: Model Filing System for more details.

OPTIONAL RELOCATION ASSISTANCE

The Virginia Department of Housing and Community Development (DHCD)'s Indoor Plumbing Rehabilitation Loan Program (IPR) provides 0% loans to low and moderate income (LMI) homeowners whose houses have no commode and the occupants use an outdoor privy or have a "failed septic system." A failed system is either a malfunctioning system in need of repair to the absorption system, deemed a health hazard by the Virginia Department of Health (VDH) due to the presence of sewage on the ground or a malfunctioning system in need of a VDH permit for repair to the absorption system.

In conjunction with this program which is administered by State Recipients, an eligible applicant may be required to vacate their dwelling unit during the rehabilitation, which may be extensive. In some cases, the entire unit may be deemed "substandard and not suitable for rehabilitation" which could warrant reconstruction of a similar replacement unit. In the event of extensive renovation, remodeling, repairs or reconstruction, occupants may be required to temporarily relocate during construction period. In accordance the URA, occupants who voluntarily enroll in a Federally assisted housing program are not entitled to any benefits, however DHCD has elected to provide some modest assistance to qualified households.

These optional relocation benefits include the following:

- Reimbursement for temporary relocation expenses not to exceed \$1,000.00; and
- Provision of a lockable, weather proof storage container (unit) for personal items belonging to the homeowner that must be removed from the dwelling unit;

The State Recipient is required to execute a "Temporary Relocation Agreement" (Appendix G) with the homeowner which details the terms and conditions of the optional relocation assistance.

No other or additional optional relocation assistance will be provided to the homeowner who agrees to temporarily vacate the dwelling unit during the course of the rehabilitation.

APPENDIXES

APPENDIX A – “NOTICE TO OWNER”

APPENDIX B – “WAIVER OF RIGHTS” for DONATION OF REAL PROPERTY

APPENDIX C – “REQUEST FOR WAIVER OF APPRAISAL”

APPENDIX D – “NOTICE OF RELOCATION ELIGIBILITY”

APPENDIX E – “NOTICE OF NON-DISPLACEMENT”

APPENDIX F – “RELOCATION ASSESSMENT AND PLAN”

APPENDIX G – “TEMPORARY RELOCATION AGREEMENT”

APPENDIX A
“NOTICE TO OWNER”

GUIDEFORM
- **VOLUNTARY ACQUISITION** -
- Informational Notice -
(Agencies Without Eminent Domain Authority)

Grantee or Agency Letterhead

(Date)

Dear _____:

(Name of Agency/Person) _____, is interested in acquiring property you own at (address) _____ for a proposed project which may receive funding assistance from the U.S. Department of Housing and Urban Development (HUD).

Please be advised that (Name of Agency/Person) _____ does not have authority to acquire your property by eminent domain. In the event we cannot reach an amicable agreement for the purchase of your property, we will not pursue this proposed acquisition.

We are prepared to offer you (\$) _____ to purchase your property. We believe this amount represents the current market value of your property. Please contact us at your convenience if you are interested in selling your property.

In accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA), owner-occupants who move as a result of a voluntary acquisition are not eligible for relocation assistance.

If you have any questions about this notice or the proposed project, please contact (name) _____, (title) _____, (address) _____, (phone) _____.

Sincerely,

(name and title) _____

NOTES:

1. The case file must indicate the manner in which this notice was delivered (e.g., certified mail, return receipt requested) and the date of delivery.
2. Tenant-occupants displaced as a result of a voluntary acquisition may be entitled to URA relocation assistance and must be so informed per 49 CFR 24.2(a)(15)(iv) – Initiations of negotiations, and 49 CFR 24 Appendix A - 24.2(a)(15)(iv).
3. This is a guideform. It should be revised to reflect the circumstances.

APPENDIX B
“WAIVER OF RIGHTS”
for
DONATION OF REAL PROPERTY

WAIVER OF RIGHTS FOR
DONATION OF REAL PROPERTY

It is my understanding that the (*Entity's Name*) is requesting a funding purpose of the development of affordable housing using funding provided by the U. S. Department of Housing and Urban Development to the Virginia State Department of Housing and Community Development.

I wish to donate my property for this purpose of this project.

I understand that I have the right to be compensated for the fair market value of this property as established by appraisal, however I hereby waive my right to receive fair market value and elect to donate the property or a portion thereof to the (*Entity's Name*) without compensation.

I also understand that a deed will be prepared for my signature and that transfer of title to this property will be recorded in the County land records.

Tax Map Number: Section Number: Lot Number: _____

Owner of Record: _____

I (we) certify that I (We) are the owners of the above identified property and agree to the above commitments.

Owner's Signature: _____ Date: _____

Owner's Signature: _____ Date: _____

Witness:

Type Name: _____

Signature: _____ Date: _____

APPENDIX C
“REQUEST FOR WAIVER OF APPRAISAL”

WAIVER OF APPRAISAL

The (*name of entity*) of hereby requests a waiver of the appraisal requirements in 40 CFR Part 24, implementing regulations for the *Uniform Relocation and Real Acquisitions Policies Act of 1970*, as amended.

The following information to support the waiver request:

1. Number of parcels or easements to be acquired: _____
(attach a list by owner and cost of each parcel)
2. Average size of the parcels or easement: _____
(= total footage divided by # parcels; defined in linear feet or square feet, designated by LF or SF)
3. Commissioner of Revenue's or Utility Company's or Real Estate Agent
Or Estimate of fair market value of an average parcel (as defined in #2) \$_____
4. Cost per LINEAR FOOT or SQUARE FOOT
based on estimate [= #2 divided by #3] \$_____
5. Outline below or on an attached sheet, the (*name of entity*) proposed procedure for computing just compensation to the property owners and for paying compensation, should a waiver be granted.
6. Attach written estimate from either the Commissioner of Revenue, Utility Company, real estate agent or Licensed Appraiser documenting your figures in #3 above.

Signature of Project Manager Date
DHCD Approval:

Date Appendix C: Request for Waiver of Appraisal

APPENDIX D
“NOTICE OF RELOCATION ELIGIBILITY”

GUIDEFORM
GENERAL INFORMATION NOTICE
RESIDENTIAL TENANT TO BE DISPLACED

Grantee or Agency Letterhead

(date)

Dear _____:

_____ (City, County, State, Public Housing Authority (PHA), other) _____, is interested in _____ (acquiring, rehabilitating, demolishing) _____ the property you currently occupy at _____ (address) _____ for a proposed project which may receive funding assistance from the U.S. Department of Housing and Urban Development (HUD) under the _____ program.

The purpose of this notice is to inform you that you may be displaced as a result of the proposed project. This notice also serves to inform you of your potential rights as a displaced person under a federal law known as the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA). You may be eligible for relocation assistance and payments under the URA, if the proposed project receives HUD funding and if you are displaced as a result of acquisition, rehabilitation or demolition for the project.

- **This is not a notice to vacate the premises.**
- **This is not a notice of relocation eligibility.**

If you are determined to be eligible for relocation assistance in the future, you may be eligible for: 1) Relocation advisory services including help to you find another place to live; 2) At least 90 days advance written notice of the date you will be required to move; 3) Payment for your moving expenses; and 4) Replacement housing payments to enable you to rent, or if you prefer to purchase, a comparable replacement home. You will also have the right to appeal the agency's determination, if you feel that your application for assistance was not properly considered. The enclosed HUD brochure, "Relocation Assistance To Tenants Displaced From Their Homes" provides an explanation of this assistance and other helpful information.

(NOTE: Pursuant to Public Law 105-117, aliens not lawfully present in the United States are not eligible for relocation assistance, unless such ineligibility would result in exceptional hardship to a qualifying spouse, parent, or child. All persons seeking relocation assistance will be required to certify that they are a United States citizen or national, or an alien lawfully present in the United States.)

Please be advised that you should continue to pay your rent and meet any other obligations as specified in your lease agreement. Failure to do so may be cause for eviction. If you choose to move or if you are evicted prior to receiving a formal notice of relocation eligibility you will not be eligible to receive relocation assistance. It is important for you to contact us before making any moving plans.

Again, this is not a notice to vacate the premises and does not establish your eligibility for relocation payments or assistance at this time. If you are determined to be displaced and are required to vacate the premises in the future, you will be informed in writing. In the event the proposed project does not proceed or if you are determined not to be displaced, you will also be notified in writing.

If you have any questions about this notice or the proposed project, please contact
(name)_____, (title)_____,
(address)_____, (phone)_____.

Sincerely,

(name and title)_____

Enclosure

NOTES

1. The case file must indicate the manner in which this notice was delivered (e.g., personally served or certified mail, return receipt requested) and the date of delivery. (See Paragraph 2-3 I of Handbook 1378.)
2. This is a guideform. It should be revised to reflect the circumstances.
3. Optional paragraphs for displaced residents of public housing projects (may be modified based on the PHA's resident return policy):

“Even though you will be provided all of the assistance the URA requires for a permanent move, the Authority believes that every resident displaced from the site should have the right to reapply for occupancy once this project is complete. For this reason, after project completion, every resident who receives assistance as a “displaced person” will be contacted and offered an opportunity to reapply for occupancy in the newly-revitalized community. Furthermore, because you will be a former occupant who was “displaced” from the site, you will also receive a priority preference to return.

In the event the number of those who request to return and qualify for housing exceeds the number of units available, rating and ranking criteria will be used to identify those who will be offered a unit at the site until all available units are filled. If you do return, the Authority may help defray the costs of the return move. If you have Replacement Housing Payments not yet spent or obligated, you may be asked to forfeit these payments as a condition for returning to public housing, since this assistance will no longer be necessary to meet your housing needs. Such assistance, if not forfeited, must be considered as income and may affect your eligibility and rent.”

APPENDIX E
“NOTICE OF NON-DISPLACEMENT”

GUIDEFORM
NOTICE OF NONDISPLACEMENT
TO RESIDENTIAL TENANT

Grantee or Agency Letterhead

(date)

Dear _____:

On (date) , the (City, County, State, Public Housing Authority (PHA), other) , notified you of proposed plans to rehabilitate the property you currently occupy at (address)_____ for a project which could receive funding assistance from the U.S. Department of Housing and Urban Development (HUD) under the _____ program. On (date) , the project was approved and will receive federal funding. Repairs will begin soon.

- **This is a notice of nondisplacement.** You will not be required to move permanently as result of the rehabilitation.

This notice guarantees you the following:

1. Upon completion of the rehabilitation, you will be able to lease and occupy your present apartment or another suitable, decent, safe and sanitary apartment in the same building/complex under reasonable terms and conditions. *
2. If you must move temporarily so that the rehabilitation can be completed, you will be reimbursed for all of your extra expenses, including the cost of moving to and from temporary housing and any increased interim housing costs. The temporary unit will be decent, safe and sanitary, and all other conditions of the temporary move will be reasonable.

Since you will have the opportunity to occupy a newly rehabilitated apartment, I urge you not to move. (If you do elect to move for your own reasons, you will not receive any relocation assistance.) We will make every effort to accommodate your needs. Because federal funding is involved in this project, you are protected by the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended. Of course, you must continue to comply with the terms and conditions of your lease.

If you have any questions, please contact (name), at (phone), (address). This letter is important to you and should be retained.

Sincerely,

(name and title)

NOTES:

1. The case file must indicate the manner in which this notice was delivered (e.g., personally served or certified mail, return receipt requested) and the date of delivery. (See Paragraph 2-3 I of Handbook 1378.)
2. This is a guideform. It should be revised to reflect the circumstances.

** Based on the applicable HUD program regulations, if “reasonable terms and conditions,” are defined, one of the following statements or other language may also be required in this Notice:*

- a. *Under HOME at 24 CFR 92.353(c)(2)(C)(1): “Your new lease will be for a term of not less than one year at a monthly rent will remain the same or, if increased, your new monthly rent and estimated average utility costs will not exceed: 1) if you are low income, the total tenant payment as defined by HUD (under 24 CFR 5.628), or (2) 30% of the monthly gross household income, if you are not low income.”*
- b. *Under CDBG at 24 CFR 570.606(b)(2)(D)(1): “Your monthly rent will remain the same or, if increased, your new rent and estimated average utility costs will not exceed 30% of the household’s average monthly gross income.”*
- c. *Under Section 221 Mortgage Insurance Programs at 24 CFR 221.795(i): “Your monthly rent and estimated average utility costs will not exceed the amount approved by HUD.”*

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APPENDIX F
“RELOCATION ASSESSMENT AND PLAN”

This supplemental appendix is required by the Commonwealth of Virginia when an owner/developer has applied for funds to acquire or rehabilitate a project that has current, occupied housing units or other portions of the property. It is designed to identify all occupants (residential and non-residential) in the property to determine the feasibility of the project. Full and complete information will assist in the evaluation of the application. If you have any questions or need assistance with the supplemental appendix, please contact Kevin Hobbs at (804) 371-7120.

The Commonwealth of Virginia will use this information to determine the potential impact that the proposed project will have on occupants, and to determine the possible relocation requirements (either temporary or permanent) for the project. Additionally, this information is necessary to demonstrate compliance with the Uniform Relocation and Real Property Policies Act of 1970, as amended, (URA).

Please complete all sections of the supplemental appendix.

The Commonwealth of Virginia, in compliance with the URA, requires that evidence of the delivery of the notices described in Section II – General Information Notice – Residential Occupants and Section XII – General Information Notice – Non-residential Occupants must be included as an attachment with this submission. This includes: all residential tenants who are legally in project units at the time of the project application, all businesses that may be renting space to operate (including “home businesses” that sell goods or services) and any non-profit organization on-site.

Once we have determined the number of legal residents and non-residential organizations who may be temporarily or permanently relocated, we will factor this information into the determination of project approval or denial.

Section I. Project Summary:

Developer Name:

Relocation Coordinator(s) Name:

Relocation Coordinator’s Address:

Relocation Coordinator’s Phone Number:

Relocation Coordinator’s Fax Number:

Relocation Coordinator’s Email Address:

Description of Project:

Project Address:

Total Number of Units:

Number of Occupied Units:

Acquisition and Relocation

Number of Vacant Units:

Current Unit Mix (number of occupied and vacant units based on bedroom size):

Size of Site:

Activity Type(s): for example, acquisition with or without rehabilitation, or rehabilitation only.

Description of Relocation Needs: *(Please describe how the current occupants will be affected by the proposed project, including information obtained from the survey regarding who is eligible to stay and who needs to move from their unit, post project due to income or legal resident status restrictions.)*

Estimated Start Date of both Permanent and Temporary Relocation Moves:

Section II. General Information Notice

All residential and non-residential occupants must be provided a “*General Information Notice*” prior to the submission of the application for assistance to the Commonwealth of Virginia (See Attachment 1: Sample General Information Notice – Residential Occupant). Applicant must provide evidence of delivery (registered, certified or hand delivered) of this notice.

Section III. Resident Survey

All households must be surveyed to determine any relocation needs. This survey will establish requirements for either temporary or permanent relocation requirements. (See Attachment 2: Sample Resident Survey). The survey is required to be completed prior to acquisition.

List, in summary form, details of resident surveys conducted.

Section IV. Relocation Destinations

List anticipated relocation destinations of current residents in the following chart:

Replacement Housing	Number of Relocation to Each Housing Type			
	1 BR	2 BR	3 BR	TOTAL
Vacant units onsite				
Vacant units in other properties				
Homeownership				
Other Housing Options				
TOTAL				

Identify developments available for relocation in the following chart:

Development	1 BR	2 BR	3 BR
Unit Totals			

Are any of the proposed relocation units located outside the project locality? <Y/N>

If yes, please describe:

Section V. Number of Households to be Displaced

List the number of households to be displaced. Household characteristics to include:

- Unit size

- Income by household
- Tenure by household
- Resident age by occupant
- Household size
- Sex by occupant
- Persons with disabilities
- Ethnicity by occupant
- Race by occupant
- Other pertinent household information (households with car, with pet, etc.)

Section VI. Temporary Move Assistance

The provisions for “temporary relocation” under the URA allow that a resident may be moved for a short period of time (*less than one year*) to allow their unit to be rehabilitated, or because an emergency situation exists which is a threat to their health or safety. It is important to understand that all provisions of temporary relocation *must be reasonable*. All out of pocket moving costs and related expenses must be paid for by the project. If at any time, the terms and conditions of a temporary move are deemed unreasonable, the affected household may be considered eligible for relocation benefits under the URA.

Include a detailed description of any temporary move assistance that applies to the project. This description should include the number of residents to be temporarily relocated, where the temporary units are located, how resident temporary moves will be conducted, how the projects proposed rehabilitation will be phased to minimize tenant disruption, and the relocation coordinator overseeing the entire process. Also include a plan for how the temporary move costs will be paid. Residents who will not be permanently displaced from the project must be given a *Notice of Nondisplacement** and a *Notice of Temporary Relocation**.

* Once the project receives preliminary approval (DHCD approval), the Commonwealth of Virginia DHCD staff will provide samples of these notices.

Section VII. Permanent Move Assistance

Residents who are to be displaced from the project will be given a *Notice of Eligibility for Relocation Assistance** that will discuss their eligibility for assistance under the URA. Residents will be cautioned not to move until they receive this notice. This notice will be provided to each resident or non-residential tenant by the developer/owner as soon as possible once the loan agreement or other project agreements are executed (initiation of negotiation).

The developer will not require any residential household to move unless at least one (where possible, three or more) comparable replacement dwelling unit is made available at least 90 days before the required move. *All affected households must be provided 90 days written advance notice before the required move after they have been provided with the address of at least one comparable, available unit.*

* Once the project receives preliminary approval (DHCD approval), the Commonwealth of Virginia DHCD staff will provide samples of these notices.

Section VIII. Resident Preferences

List, in summary form, all resident preferences as detailed in the resident survey described in Section III of this appendix.

Section IX. Relocation Resources and Services

List the resources and advisory services available to assist displaced households.

Section X. Off-Site Acquisition and/or Relocation

Describe plans (if any) to acquire off-site property as part of the project and/or describe plans to handle off-site displacement of households.

Section XI. Overcoming Potential Impediments to Relocation

Describe any identified challenges to the successful relocation of displaced households.

Section XII. Non-Residential Occupants

Please provide a list of any non-residential occupants (retail, office, storage or other) currently occupying the building, the square footage under the lease, and any other specific or unique features regarding their occupancy, including utility and communication connections or access requirements (secure entry, loading dock, etc.).

All non-residential occupants must be provided a “*General Information Notice*” prior to the submission of the application for assistance to the Commonwealth of Virginia. (Attachment 3: Sample General Information Notice – Non-residential Occupant). Applicant must provide evidence of delivery (registered, certified or hand delivered) of this notice.

Section XIII. Relocation Costs

Below is a budget that indicates the projected costs for each element of the planned relocation.

URA Relocation Move (including moving costs and utilities)	\$
Non-URA Return Move (optional – including moving costs and utilities)	\$
URA Temporary Move (less than 1 year including moving costs and utilities)	\$
Security Deposits and other initial occupancy payments	\$
Off-Site Acquisitions and Moves (if any): - Property Acquisition(s) \$ _____ - Non-Residential Moves at \$ _____ per move - Tenant Moves (replacement housing and physical move costs) at \$ _____ per move	\$
Relocation program administration, counseling	\$
Increases in monthly relocation housing costs over 42 months (URA) (or 60 months-104 (d))	\$
Contingency (commonly 10% of total budget)	\$
Total	\$
Source of Funds:	\$
Source of Funds:	\$
Source of Funds:	\$
TOTAL	\$
Estimate of Physical Moving Costs and Utility Relocation Costs	
Of ____ resident households required to move, ____ will be moved at \$ _____ each for a total of:	\$
A one-time move into another unit in the same development: ____ will be moved at \$ _____ each for a total of:	\$

Two moves within the same project: _____ will be moved at \$_____ each for a total of:	\$
One move to a unit at another assisted development and then a return move back to the site: _____ will be moved at \$_____ each for a total of:	\$
One permanent move to another assisted development: _____ will be moved at \$_____ each for a total of:	\$
One move into a unit in the private market: _____ will be moved at \$_____ each for a total of:	\$
Physical moving costs and utility costs (all moves)	\$

Section XIV. Resident Participation

Describe activities involving residents in relocation planning, including consultation with residents and/or resident council. Describe what actions will be taken to ensure effective communication with residents (1) who need services and information in languages other than English and (2) with disabilities.

Section XV. Relocation Recordkeeping and Notice

Describe recordkeeping plans and how notices will be delivered.

NOTE: All requested information, including the requirements in Section II - “General Information Notice” – Residential Occupants and Section XII – “General Information Notice” – Non-residential Occupants must in included with the application submission to the Commonwealth of Virginia DHCD.

ATTACHMENT #1

SAMPLE

**GENERAL INFORMATION NOTICE
(Residential Occupant)**

After we meet with individual occupants, we will be in a position to better determine if you may have the opportunity to remain in the project once work is completed. Even if you are able to remain in the project after work is completed, you may be required to move temporarily. If you are asked to move temporarily, suitable housing will be made available to you for the temporary period, and you will be reimbursed for all reasonable extra expenses, including all moving costs and any increase in housing costs.

The URA requires that all legal tenants in a HUD-assisted project be provided with the opportunity to lease and occupy a suitable, decent, safe and sanitary unit in the building upon completion of the project. If you are able to continue to occupy a unit in the building, your initial rent, including the estimated average monthly utility costs, will not exceed the greater of (a) your current rent and average tenant paid utility costs, or (b) 30 percent of your adjusted household income (for example after adjustments are made for dependents or necessary child care). Of course, you must comply with standard lease terms and conditions.

However, if you are required to move permanently to another location, you will be eligible for relocation assistance under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended. **However, do not move now.** **This is NOT a notice to vacate the premises.** You are urged not to move or sign any agreement to purchase or lease a new unit before meeting with us and receiving a formal notice of your eligibility for relocation assistance. If you move or are evicted by due process of the Commonwealth of Virginia courts, before receiving a notice to move, you may not receive any relocation assistance. Please contact us immediately before you make any moving plans.

If you must move permanently, you will be eligible for relocation assistance, along with advisory services, which includes referrals to comparable replacement housing, payment for moving expenses, and at least 90 days advance written notice of the date you will be required to move.

You should continue to pay your monthly rent and to comply with your lease terms and conditions since failure to pay rent and meet your other obligations as a tenant may be cause for eviction and loss of relocation assistance **(If you do elect to move for reasons of your choice, you will not be provided relocation assistance.)**

Again, this is **NOT** a notice to vacate and does not establish eligibility for relocation payments or other relocation assistance.

Again, we urge you not to move now.

This letter is important and you should keep it. We will continue to advise tenants of the outcome of our application for assistance. You will be contacted by a representative of (Developer/Applicant/Owner name here). In the meantime, if you have any questions about our plans, please contact: _____ (name), _____ (title), at _____ (phone), _____

Phone # for the Hearing Impaired _____

Sincerely,

(name)

(title)

ATTACHMENT #2

SAMPLE RESIDENT SURVEY FORM

(To be completed for each residential household.)

PROJECT NAME:

DATE:

Name:		Apt. Address:	
Property:			
Number of Bedrooms:		Current rent: \$ /month	Utilities: \$ /month
Rental Assistance: Housing Grants Section 8 Other		Section 8: Yes No	Other:
Date first moved to property: Month: Year:			
Month to month lease Yes No	Long term Lease Yes No	Expiration Date:	

1. Complete the chart below with the name, age, sex, relationship to Head of Household (HOH), employment, gross annual wages, or other income for each person who occupies this unit.

	Name	AGE	SEX	Relationship to Head of Household	Type and Location of Employment	Wages/Salaries	Benefits/Pension	Other Income
HOH								
2								
3								
					<i>TOTAL</i>			

2. List all assets and annual income from sources other than wages for all members of the household who receive this kind of income. Include retirement, pensions, insurance, 401(k), CDs, money market funds, commissions, interest, dividends, Social Security, SSI Disability, TANF, scholarships and other income.

RES. #.	NAME	TANF	SOCIAL SECURITY	PENSION (LIST)	DISABILITY (LIST)	INTEREST/DIVIDENDS	OTHER (SPECIFY)	TOTAL ANNUAL NON-WAGE INCOME
HOH								
2								
3								

TOTAL COMBINED INCOME: \$ _____

AREA MEDIAN INCOME FOR HOUSEHOLD SIZE (%) _____

3. What is your racial group and ethnicity? We need to know this for statistical purposes.

Ethnicity (select *only one*)

Hispanic or Latino _____

Not Hispanic or Latino _____

Race (select *one or more*)

American Indian or Alaska Native _____

Asian _____

Black or African American _____

Native Hawaiian or Other Pacific Islander _____

White _____

4. What language do you speak in your home? _____

5. Do you or someone in your household speak/read English? Y _____ N _____

6. Is there any information that you can provide that will enable us to better serve your housing needs?
(disability, i.e. mobility, visual or hearing impairment)

7. Do you have any pets in the household? Y _____ N _____

If Yes, describe _____

8. If offered the opportunity, would you like to continue to live here? Y _____ N _____

9. Do you own a car? Y_____ N_____

10. Do you use public transportation regularly Y_____ N_____ Type_____

11. If you were to move, do you have any preference where? _____

12. Are there any issues or concerns that you would like to add regarding your apartment?

13. We may need to contact you again to ask additional questions:
Home Phone: _____ Work Phone: _____

SURVEYORS USE ONLY:

Name: _____ Date Surveyed: _____

Overcrowded: Yes ____ No ____ Obvious Health & Safety Conditions: Yes ____ No ____

COMMENTS:

Attempts: *Date* *Time* *Comment*

1st _____ _____ _____

2nd _____ _____ _____

3rd _____ _____ _____

Call: _____

Reschedule: _____

ATTACHMENT #3

SAMPLE

GENERAL INFORMATION NOTICE

(Non-residential Occupant)

space will be made available to you for the temporary period, and you will be reimbursed for all reasonable extra expenses, including all moving costs.

However, if you are required to move permanently to another location, you will be eligible for relocation assistance under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended. **However, do not move now. This is NOT a notice to vacate the premises.** You are urged not to move or sign any agreement to occupy new space before meeting with us and receiving a formal notice of your eligibility for relocation assistance. If you move or are evicted by due process of the Commonwealth of Virginia courts before receiving a notice to move, you may not receive any relocation assistance. Please contact us immediately before you make any moving plans.

If you must move permanently, you will be eligible for relocation assistance, along with advisory services, which includes referrals to comparable replacement space, reimbursement for moving expenses, and at least 90 days advance written notice of the date you will be required to move.

You should continue to pay your monthly rent and to comply with your lease terms and conditions since failure to pay rent and meet your other obligations as a tenant may be cause for eviction and loss of relocation assistance. **(If you do elect to move for reasons of your choice, you will not be provided relocation assistance.)**

Again, this is not a notice to vacate and does not establish eligibility for relocation payments or other relocation assistance.

Again, we urge you not to move now.

This letter is important and you should keep it. We will continue to advise tenants of the outcome of our application for assistance. You will be contacted by a representative of (Developer/Applicant/Owner name here). In the meantime, if you have any questions about our plans, please contact: _____ (name), _____ (title), at _____ (phone), _____

Phone # for the Hearing Impaired _____

Sincerely,

(name)

(title)

APPENDIX G
“TEMPORARY RELOCATION AGREEMENT”

TEMPORARY RELOCATION AGREEMENT

This agreement, dated the ____ day of _____, 20____ by and between, _____, herein referred to as "HOMEOWNER", and AGENCY, herein referred to as the "AGENCY".

Whereas, the HOMEOWNER has entered into contract with AGENCY to obtain rehabilitation services under the Indoor Plumbing Rehabilitation Program, and whereas the HOMEOWNER understands and does agree to temporarily vacate the premises during the course of the rehabilitation, the following is agreed to:

1. STORAGE UNITS:

1. AGENCY will provide a lockable, weather proof storage container (unit) for items belonging to the homeowner to be placed during the course of the relocation.
2. AGENCY will have said storage unit delivered to the HOMEOWNER'S site in a timeframe reasonable (minimum of seven days) to allow for all personal belongings removed from the house prior to construction start.
3. HOMEOWNER will be responsible for removing all personal belongings from the home and placing them in the storage unit prior to the scheduled start of construction. HOMEOWNER will also be responsible for securing the storage unit.
4. HOMEOWNER will be responsible for removing all personal belongings from the unit upon the completion of construction and leaving the storage unit empty, broom clean, and with the site free of any clutter or debris that would prevent it from being picked up.
5. AGENCY will be responsible for arranging for pickup of the unit once the project has been completed. Completion of the project will be signified by the issuance of a Certificate of Occupancy by the locality; final acceptance of the work by the HOMEOWNER, Contractor, and AGENCY; or otherwise agreed standard of completion.
6. The storage units are rented on a monthly basis. While the AGENCY will be paying the cost of the rental, any delays in pickup of the unit due to either A) the unit not being emptied, B) the unit not being properly swept out, or C) items on the property preventing access to the unit for pick-up, will be the responsibility of the HOMEOWNER. This includes, but is not limited to additional rental terms and failed pickup charges.

7. HOMEOWNER accepts full responsibility for any damage to the unit while it is in their possession, and will be responsible for any repair or replacement costs charged by the rental company. This does not include damage done by the Contractor, which is covered by three-party construction contracts.

8. AGENCY will have no responsibility for any items damaged during the storage period. If at any time, the HOMEOWNER notices any leakage or other problems that might endanger their possessions, they are to contact: _____
_____.

2. RELOCATION EXPENSES:

AGENCY **will** be paying any costs associated with the temporary residency of the HOMEOWNER. If costs are to be paid, the following conditions apply:

(Unless costs are to be paid, skip to Section 3)

1. Payments will be made directly to the vender for the cost of temporary housing.
2. Payments will be made in the form of a company check.
3. HOMEOWNER is responsible for locating temporary housing. HOMEOWNER will also be responsible for agreement with said housing provider and will be ultimately responsible for charges incurred, beyond what AGENCY agrees to within this agreement.
4. HOMEOWNER is responsible for adhering to all rules and requirements of the owner or management of the temporary housing. Failure to adhere to these rules will release AGENCY from any responsibility to provide and/or finance the costs of temporary relocation.
5. HOMEOWNER will be responsible for telephone, entertainment, dining, or other expenses above and beyond the rental fees agreed to within this agreement.
6. HOMEOWNER agrees to provide notice IN WRITING a minimum of seven (7) days in advance should they decide to leave the location of AGENCY financed temporary housing location. Such notice does not in any way commit AGENCY to provide funds for the cost of a new temporary rental situation.

3. PAYMENT:

AGENCY will pay a maximum of **\$1000.00** for all temporary relocation expenses. The limits of these expenses are:

- First priority of funds will be for the rental of a storage unit; and
- If any funds are remaining, funds will be used for temporary rental housing costs.

These limits are for the total period of construction and AGENCY will not be responsible for additional costs due to unavoidable delays in completion of the construction. Any exceptions
Acquisition and Relocation

to these limits must be negotiated between AGENCY and HOMEOWNER and agreed to *in writing* and signed by both parties. HOMEOWNER will be responsible for all charges incurred as a result of temporary relocation above, beyond, or excluded by this agreement.

This agreement replaces all previous agreements between HOMEOWNER and AGENCY pertaining to the temporary relocation process of the Community Development Block Grant program.

Signatures:

HOMEOWNER _____ date _____

HOMEOWNER _____ date _____

COUNTY _____ date _____

HOMEOWNER

Sworn and subscribed to before me, a Notary Public, in and for the Commonwealth of Virginia by

_____, this ____ of 200__.

Notary Public

My Commission Expires: _____

My Registration Number: _____

COUNTY

Sworn and subscribed to before me, a Notary Public, in and for the Commonwealth of Virginia
by

_____, this ____ of 200____.

Notary Public

My Commission Expires: _____

My Registration Number: _____