



**Housing and
Community
Development
Department (HCDD)**

Policy Number	
Policy Version	
Policy Owner	Tom McCasland Director
Effective Date	
Last Revised Date	

HCDD'S URA POLICY

Purpose

The purpose of this policy is to establish fair, consistent, and equitable treatment of persons, businesses, farms or non-profits in accordance to the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) as amended and individual HUD program regulations.

Scope

This policy applies to any planned or intended program or project where federal funds, administered by HCDD, are used in whole or in part, at any phase, of an acquisition, demolition, conversion, and/or rehabilitation activity.

References

- 49 CFR Part 24 Uniform Relocation Assistance and Real Property Acquisitions for Federal and Federally-Assisted Programs
- 24 CFR §570.488 Displacement, Relocation, Acquisition, and Replacement of Housing
- 24 CFR §570.606(d) Optional Relocation Assistance
- 24 CFR §92.353 Displacement, relocation and acquisition
- 24 CFR §92.353(d) Optional Relocation Assistance
- 24 CFR §85.42 as modified by 570.502(a)(16) Retention of Records
- 24 CFR §570.703(d) Eligible activities
- 24 CFR §570.704(4)(e) Application requirements
- 24 CFR §570.108 EDI Grant
- Section 104(d) of the Housing and Community Development Act
- Public Law 114-113; Federal Register Notice 81 FR 39687
- Public Law 114-254; Federal Register Notice 81 FR 83254.
- Public Law 15-123; Federal Register Notice 83 FR 5844.
- Title VII of the Civil Rights Act of 1968 (Fair Housing Act)
- HUD Handbook 1378

Term Definitions

Appeal – The right to apply to a higher level of authority for a reversal of a decision.

Community Development Block Grant (CDBG) – U.S Department of Housing and Urban Development (HUD) provides annual grants on a formula basis to states, cities, and counties to develop viable urban communities by providing decent housing and a suitable living environment, and by expanding economic opportunities, principally for low- and moderate-income persons. The use is governed by the Housing and Community Development Act of 1974.

Comparable replacement dwelling – The term means a decent, safe, and sanitary dwelling that is functionally equivalent to the displacement dwelling. This means, that it the dwelling performs the same function and provides the same utility. The comparable dwelling does not need to possess every feature of the displacement dwelling, rather only the principal features must be present. Refer to URA 49 CFR 24.2(a)(6) for further guidance.

Demolition – The clearance and proper disposal of a structure.

Decent, Safe, and Sanitary Dwelling – A dwelling that meets local housing and occupancy codes. Refer to URA 49 CFR 24.2(a)(8) for further guidance.

Displacement or Displaced – Refers to persons or entities who are required to permanently move, due to a federally funded program or project.

Entity – The term is a thing with distinct and independent existence, such as a business, non-profit organization, or church.

Federal Register Notice – A publication of the U.S. federal government that issues proposed and final administrative regulation of federal agencies.

General Land Office – The Texas General Land Office is the lead state agency for managing the states' Community Development Block Grant – Disaster Recovery funds through the U.S. Department of Housing and Urban Development.

Government Partners – A partnership is formed when multiple government entities collaborate outside of their reporting entity by virtue of an agreement, i.e., memorandum of understanding, interlocal agreement, etc., to work on a project or program.

Home Repair Program Division – The division within the Housing and Community Development Department (HCDD) that provides home repair assistance. The program is designed to only address habitability repair needs to alleviate threats to health, life, and/or safety of the homeowner.

Homeowner or owner-occupant – An individual that holds legal possession of title for land and/or building where they permanently reside.

Housing and Community Development Department (HCDD) – The City of Houston Department that oversees projects funded under HUD programs.

Housing Provider – A landlord, owner, lessor, sublessor, or any other person receiving or entitled to receive rents or benefits for the use or occupancy of any rental unit.

Non-displacement – Refers to persons or entities that are not permanently displaced. Eligibility for relocation services must be determined through temporary relocation provisions or optional relocation plan.

Occupant – A property owner, business owner, residential tenant, or a nonresidential tenant that owns, occupies, and/or rents a place, space, etc.

Program or Project – An 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 the program rules.

Temporary Relocation – A type of relocation that occurs when a tenants or homeowner is required to move out of their home for a period less than twelve (12) months.

Uniform Relocation Assistance and Real Property Acquisitions Policies Act of 1970 as amended (Title 49 CFR Part 24) (42 U.S.C. 4601 et seq.) (URA) – Applies to all acquisitions of real property or displacements of persons resulting from federal or federally assisted programs or projects. URA provides important protections and assistance for those affected by the acquisition, rehabilitation, or demolition of real property in connection with Federal or federally funded projects. The law was enacted by Congress to ensure that people whose real property is acquired, or who move as a direct result of projects receiving Federal funds, are treated fairly and equitably and receive assistance in moving from the property they occupy.

Policy

Section 1 – General

- a) *Focal points*. This policy emphasis is on establishing a standard for administering acquisition and relocation activities. Specifically, meeting URA’s objective to:
 1. Provide uniform, fair, equitable treatment of persons whose real property is acquired or who are displaced in connection with federally funded projects
 2. Ensure relocation assistance is provided to displaced persons to lessen the emotional and financial impact of displacement
 3. Ensure that no individual or family is displaced unless decent, safe, and sanitary housing is available within the displaced person’s financial means
 4. Help improve the housing conditions of displaced persons living in substandard housing; and
 5. Encourage and expedite acquisition by agreement and without coercion
- b) *Covered Activities*. There are three (3) URA triggering activities; acquisition, demolition/conversion, and rehabilitation.
 1. *Acquisition*. Acquisitions of real property or a change to the title ownership with federal funds qualifies as an acquisition project.
 2. *Demolition or Conversion*. The demolition of any dwelling unit or the conversion of a lower-income dwelling unit to a use other than a lower-income dwelling resulting in a reduction of available low-income housing stock in the area.
 - i. *One-for-one replacement*. If low to moderate income housing is demolished or converted for another purpose, the exact number of units destroyed (or reduced) must be replaced per Section 104(d) of the Housing Act. HCDD is required to submit a One-for One Replacement Plan to HUD, reporting any units that apply to Section 104(d). HUD does not necessarily need to approve the Plan; however, HUD requires the opportunity to review the Plan and provide feedback if deemed necessary.
 - ii. *Determination Letter*. HCDD will document the answers to questions based on requirements from 24 CFR Part 42.375(c) and determine if Section 104(d) applies to a program/project.
 3. *Rehabilitation*. Restoring properties to a decent, safe, and sanitary condition in connection with a federally funded project qualifies as a rehabilitation project.
- c) *Program versus Project*. HCDD funds both programs and projects. For this policy, the difference between a program and project is listed below:
 1. A program is a series of activities where HCDD is the acting agency that is providing services and activities subject to URA requirements.
 2. A project is when HCDD administers federal assistance in the form of an agreement with another party who engages in a triggering activity.
- d) *URA requirements*.
 1. *Applicability*. URA requirements apply to any phase of a planned or intended program or project. If the potential exists that the URA may apply in a future phase, the URA requirements must be met in every phase.

2. *Notices.* All notices are issued to disclosure that federal funds will be used in conjunction with proposed acquisition and relocation activity and provide timely notices to those impacted.
- e) *Threshold.* URA does not have a monetary threshold.

Section 2 – Triggering Events and Required Documents

- a) *Timeline.* Both the URA and individual HUD program regulations have defined a triggering event to issue notices and those dates are used to secure required documents for compliance. Those dates are:
 1. *Commencement.* The commencement date of a project is the date federal financial assistance is requested or allocated.
 - i. *Required Documents.* Pre-requisite documents are required to be submitted with a request for financial assistance to satisfy acquisition and relocation requirements. *Acquisition.* Notice to Seller (Notice of Interest or Notice of Intent to Acquire as applicable), URA Assurances, Seller’s Occupancy Certification, Foreclosure Residential Property Occupancy Certification, Appraisal, Site Map, and Title Report. For entities with eminent domain authority, Notice to Seller is not applicable. Those with eminent domain authority must use a Notice to Interest or Notice to Intent to Acquire as applicable. *Relocation.* Relocation Plan, Relocation Budget, Rent Roll, Breach of Contract documents, sample of Notices, and Tenant Summary Report. [Hint: A General Information Notice must be issued as soon as feasible; however, prior to the execution of a loan agreement.] There may be additional documents required on a case by case basis.
 2. *Date of Initiation of Negotiation (ION).* The date that serves as a milestone in determining eligibility for relocation assistance, which results in issuance of additional notices. CDBG, 24 CFR 570.606(B)(3), identifies the ION date as the date of the “execution of the grant or loan agreement between the grantee and the person owning or controlling the real property.” HOME, 24 CFR 92.353(c)(3), also identifies the execution of an agreement covering a URA activity as the ION date. In the case where the City is the purchaser of real property, the ION date is the date of purchase.
 - i. *Required Document.* Within 7-10 after an agreement is executed or after the closing date whichever is later, additional documents are required to be provided. *Acquisition.* A copy of Environmental Clearance, Purchase Agreement, Settlement Statement (Complete Closing Disclosure), recorded Deed, and Title Policy. *Relocation.* Notice of Nondisplacement or Notice of Eligibility as applicable, 90-day Notice, Current Rent Roll, and Tenant Status Report. There may be additional documents required on a case by case basis.

Section 3 – Types of Acquisitions

- a) *Acquisition.* There are two (2) distinct acquisition transactions under the URA: involuntary and voluntary.
 1. Involuntary acquisition is subject to 49 URA 24 Subpart B. This type of acquisition is referred to as *eminent domain*.

The use of eminent domain must be declared at the start of the acquisition process and can involve legally condemning a property through the courts. When condemnation occurs, additional documents and activities are required.

2. Voluntary acquisition is exempt from Subpart B; however, URA documents are still necessary to ensure compliance with fair and equitable treatment of persons.

Below are a few examples of voluntary acquisition programs:

- i. Homebuyer Assistance Program
- ii. Multi-Family Development
- iii. CHDO Development
- iv. New Home Development

Section 4 – Types of Relocation

- a) There are two (2) types of relocation assistance available:

1. *Permanent Displacement*. Permanent displacement occurs when a tenant or owner must move, never to return to the property. For HUD and the URA, the word “displacement” refers only to occupants whose relocation is permanent. Also “eligibility” refers to persons who are designated as permanently displaced. (*Tenants who are required to temporarily relocate **may receive** benefits through the URA, but they will be notified using a Notice of Non-displacement or Notice of Ineligibility.*)

- i. Examples of permanent displacement may include, but are not limited to:

- a) When a home occupied by a tenant is purchased by a buyer that received federal funds for their down payment assistance
- b) When an occupied structure is demolished and is converted for a new purpose
- c) When an occupied multifamily property is demolished for future green space
- d) When an occupant does not receive proper relocation notices
- e) When temporary relocation exceeds 12 months

2. *Temporary Relocation*. Temporary relocation occurs when a tenant or owner is moved for less than twelve (12) months into a comparable unit and is properly assured that they can return to an available dwelling on the property. The following scenarios are examples when temporary relocation applies:

- i. A multifamily tenant is relocated to a comparable unit, which can be either a unit on the property or one at an offsite location, while their original unit is under construction. After construction is completed, the tenant may return to their original unit.
- ii. A tenant who occupies a residence participating in a home repair program that requires occupants to be relocated during construction for a short period of time.

- b) *Optional Relocation*. URA does not cover temporary relocation of homeowners who voluntarily participate in a program to repair their home. CDBG 24 CFR 570.660(d) and HOME 24 CFR 92.353(d) require a separate policy to outline relocation assistance available to homeowners that are not displaced, as defined under URA. For simplicity

and flexibility, HCDD has an Optional Relocation Policy not included in this policy. Refer to the Optional Relocation Policy for further guidance.

Section 5 – Relocation Assistance

- a) *Purpose.* Relocation assistance is provided to lessen the emotional and financial impact of displacement. Persons are not relocated unless decent, safe, and sanitary housing is available within the households' financial means. Under some circumstances, where housing meeting these standards is unavailable, housing of last resort may be an option. Refer to HUD Handbook 1378.
- b) *Advisory services.* All persons or entities required to relocate must be informed of activities and scheduling associated with a program or project that will temporarily or permanently displace them. Advisory services must be provided as required by 49 CFR 24.205. Examples of advisory services include, but are not limited to:
 1. HUD brochure, which outlines rights and responsibilities, must be given to occupants.
 2. Each person or entity must be contacted to discuss their needs, preferences and concerns.
 3. Comparable housing or business space must be identified, although, occupants may choose to go with other options.
- c) *Notices.* All persons and entities are entitled to a timely notice explaining the possibility of displacement and applicable relocation assistance they may be entitled to under URA 49 CFR 24.
 1. *Guideforms.* The forms are templates made available as appendices in the HUD's *Tenant Assistance, Relocation and Real Property Acquisition Handbook 1378* (also referred to as HUD Relocation Handbook 1378). Any modifications to the guideforms must be aligned with URA 49 CFR §24.203 *Relocation Notices* and specific program or project requirements.
 2. *Manner of notices.* 49 CFR §24.5 provides the minimum manner on how to issue the notices from hand delivery to English proficiency guidance.
- d) *Moving expenses for persons and entities.* Moving expenses should include packing and packing materials, moving, and storage as applicable.
- e) *Replacement housing costs for residential tenants.* To ascertain the replacement housing payment, the increased housing costs can include, but not limited to, rent differential (49 CFR 24.104(c)), mortgage interest costs (49 CFR 24.401(d)), and incidental expenses (49 CFR 24.401(e)).
 1. A low income permanently displaced person has the option to choose a 42-month rental differential payment based on URA requirements or 60-month rental differential based on 104d, as applicable.
 2. Down payment assistance is also available for those who choose to purchase a home after being permanently displaced.
- f) *Actual or Fixed Relocation Costs.* Both nonresidential entities and persons may be reimbursed for actual moving costs or they may elect to receive a fixed reimbursement based on a formula. However, as their relocation needs are very different, nonresidential entities are allowed reestablishment costs as well. There are established limits to the costs, which are found in the latest HUD Relocation Handbook 1378 and HUD-CPD-1043.

Section 6 – Technical Assistance and Monitoring

- a) *Technical assistance.* Technical assistance is provided to program division, other City departments, and others that work with HCDD. The PGM's URA section will carry out technical assistance on behalf of the department to ensure URA and individual HUD program regulations are consistently being adhered to throughout the department and our community partners.
 - 1. *Schedule.* Technical assistance schedule will vary based on the timeline and needs of the program or project. PGM's URA section will outline the base frequency in the standard operating procedures.
- b) *Monitoring.* The PGM's URA section will periodically monitor programs and projects that trigger relocation to ensure the fair and consistent treatment of persons or entities.
 - 1. *Schedule.* Monitoring reviews will be held quarterly after the council approves a program or project or the closing transaction of federally assisted transaction with an agreement, i.e., loan agreement, letter of agreement, or memorandum of agreement. If warranted, the monitoring review frequency may be increased or decreased once risk factor is determined.

Section 7 – Other Requirements

- a) *Fair Housing Law.* When a homeowner, residential tenant, or entities, is affected by a program or project where Fair Housing is triggered, HCDD will adhere to laws identified below to safeguard persons' rights:
 - 1. *Statement of Non-Discrimination.* Title VIII of the Civil Rights Act of 1968 (Fair Housing Act) prohibits discrimination in all relocation services offered by the City of Houston based on race, color, national origin, religion, sex, familial status, including children under the age of 18, and handicap (disability).
 - 2. *Assistance Animals Notice.* HUD, in press release number 20-013, has issued guidance on how housing providers can comply with the Fair Housing Act when assessing a person's request to have an animal in housing to provide assistance because of a disability. A common reasonable accommodation is an exception to a no pet policy. The notice provides a step-by-step set of best practices for complying with the Act.
- b) *Residential Anti-Displacement and Relocation Assistance Plan (RARAP).* In accordance with the Housing and Community Development Act of 1974, as amended, HCDD has a RARAP to cover project assisted with CDBG and HOME. The intent of the RARAP is to administer Relocation activities according to the contract between HCDD and HUD. Minimizing displacement is consistent with the goals and objectives of activities assisted under the Act. The plan demonstrates that HCDD will take steps to lessen the direct and indirect displacement of persons from their homes. Refer to HCDD's Residential Anti-Displacement and Relocation Assistance Plan for details.
- c) *Extension.* Replacement housing payments should be issued within a year to permanently displaced persons, unless it is determined that an extension is prudent for good cause. For example, good cause can be an event beyond the control of the displaced person such as a

natural disaster, life threatening or reasonable delays in occupying a decent, safe, and sanitary replacement dwelling.

1. *Notification.* Displaced person must be informed that they have the right to request for an extension. Everyone must be treated fairly, consistently, and equitably. HCDD must be able to prove all tenants have this benefit.
- d) *Hardship.* Relocation assistance cannot be provided to a person who has been determined as not lawfully present in the United States (49 CFR§24.208(g)).
 1. *Exception.* Hardship can, however, be granted to issue relocation assistance in accordance with 49 CFR §24.208(h), if an exceptional and extremely unusual hardship will result in a significant adverse impact on health, safety, continued existence of the family unit, or other impact deemed as adverse to a member of the household.

Section 8 – Internal Controls

- a) *Uniform Project Assessment and Funding (UPAF).* The UPAF is an internal HCDD procedure that describes the processes related to the selection, approval, and funding of projects. A project requires various divisions from Finance to Compliance to confirm the applicability of their respective requirements.
 1. *Public Notice of Funding Determination (PNFDF).* A component of the UPAF process requires a PNFDF form to be used as the tool to document project eligibility, compliance applicability, and environmental review. PGM’s URA staff confirms if a project may be subject to URA and makes a notation on the type of URA triggering activity, i.e., acquisition, one-for-one replacement, and/or relocation.
 - i. Other items, such as program guidelines, action plans, reallocation of funds, and substantial amendments, also follow the UPAF process.
 - ii. If an activity is not required to follow the UPAF process, the Program division originator is responsible to seek URA guidance from the PGM’s URA section.

Section 9 – Appeals

- a) *Purpose.* In accordance with 49 CFR 24.10, a person or entity that disagrees with an eligibility determination and/or the amount of relocation assistance, they may file a written appeal with the HCDD Director or the department designee. HCDD requires the Agency to assist the displaced person with filling their appeal. The appeal will follow the minimum requirements according to 24.10 (a) – (h), Fair Housing Law, and any other complaint policy that is under any URA or program regulations.
- b) *Time allotted.* A complainant has up to 60-days to submit a written appeal from the date a notification of the claim was received by the complainant.
- c) *Notification of Right to Appeal.* Any applicable notice (or a comparable form) will contain an appeal clause to ensure a person or entity is informed their right to seek an appeal.
- d) *Process.* There three levels to an appeal.
 1. *First.* The initial appeal must be made to the project’s Relocation Specialist (i.e., developer’s staff or consultant).

2. *Second.* If the person or entity is not satisfied with the results, the second appeal will be made to HCDD's PGM URA section. The appeal must be made in writing and a response will be issued within 30 calendar days of receiving the complaint, when possible.
3. *Third.* If the complainant disagrees with the URA section's decision, they can make a final appeal request to HCDD's PGM Appeal section. The appeal must be made in writing and a response is issued within 30 calendar days, with possible.

Section 10 – Special Funding and Waivers

- a) *CDBG-Disaster Recovery Funding.* Congress makes special appropriation associated with a Presidentially declared disaster to allow for CDBG disaster recovery (CDBG-DR) funds to assist with long-term recovery efforts.
 1. *CDBG-DR 2015.* Houston had two devastating flooding events in 2015. HUD issued direct allocation of CDBG-DR 2015 to the City. [Public Law: 114-113. Federal Notice: 81 FR 39687.]
 2. *CDBG-DR 2016.* Houston had two devastating flooding events in 2016. HUD issued direct allocation of CDBG-DR 2016 to the State of Texas. Subsequently, from the direct allocation to the State, the Texas General Land Office (GLO) granted CDBG-DR 2016 to the City of Houston. [Public Law: 114-254. Federal Register Notice: 81 FR 83254.]
 3. *CDBG-DR 2017.* Hurricane Harvey made landfall August 2017 and caused unprecedented flooding. The State received direct allocation of CDBG-DR 2017 funding from HUD. Subsequently, the GLO awarded the City of Houston CDBG-DR 2017 funding. [Public Law: 15-123. Federal Register Notice: 83 FR 5844.]
 4. *CDBG-MIT.* In 2018, HUD announced the Further Additional Supplemental Appropriation for Disaster Relief Requirements Act to issue additional funds for mitigation activities related to lowering the risk of future disasters impact. [Public Law: 113-20. Federal Register Notice: 84 FR 45838.]
- b) *Waivers.* The Federal Register Notice (FR) associated with each funding allocation has waivers applicable to relocation. Refer to the applicable FR for further details and the URA's standard operating procedures for implementation of the waivers.