

RESIDENTIAL ANTIDISPLACEMENT AND RELOCATION ASSISTANCE PLAN

City of Auburn

Adopted July 19, 1999

I. Statement of Purpose

The purpose of this Plan is to define benefits and advisory services that are available when the City of Auburn uses federal Community Development Block Grant (CDBG) funds in an activity that results in displacement; to provide information of the efforts made by the City to minimize displacement; and to maintain affordable rents for low and moderate income displaced persons.

The City shall provide assistance to displaced persons on a non-discriminatory basis. Involuntary displacement shall not result because of race, color, religion, national origin, age, sex, gender or handicap status.

II. Definitions

Comparable Housing - A dwelling that is functionally similar to the present unit, is decent, safe and sanitary, and is currently available on the private market.

Displacement - The involuntary movement of a person or household from a project as a direct result of a CDBG assisted acquisition, demolition or rehabilitation activity.

Displaced Tenant - A tenant who as a result of a written notice must move his or her personal property from real property.

Fair Market Rent - A rental rate published in the Federal Register by bedroom size for individual market areas for the Section 8 Existing Housing Program (Lewiston-Auburn MSA).

Fixed-Move - A displaced person who elects to take full responsibility for moving and receives compensation for this effort.

Low /Moderate Income Person (Household) - A person or household whose gross income (adjusted by family size) is under 80% of median income.

Low/Mod Unit - A dwelling unit with a market rent that does not exceed Fair Market Rent for published Section 8 Existing Housing (in effect at the time the project inception. A unit that rents above the Fair Market Rent that is occupied by a low and moderate income household is not a low/mod unit.

Owner - A person or entity in possession of real property that will benefit from a CDBG assisted activity.

Tenant - A person, household, business, or non-profit organization who has temporary use and occupancy of real property owned by another.

Total Tenant Payment - The maximum amount a low and moderate income tenant will pay out of pocket for rent.

Vacant Occupiable - A vacant dwelling unit that is in a standard condition or a vacant dwelling unit which is in substandard condition but is suitable for rehabilitation, or a dwelling unit in any condition which has been occupied at any time within the period beginning one year before the project inception date.

III. Efforts to Minimize Displacement

It is Auburn's policy to minimize displacement resulting from CDBG assisted activities. Prior to the approval of a proposal which may result in displacement, the City will 1) review the proposal for modifications so that tenants will not have to be displaced; and 2) when the City is reviewing competing proposals, priority will be given to those not involving displacement.

The City will work with an owner to stage improvement activities in order to allow tenants to remain during and after rehabilitation. One unit will be emptied and rehabed first, than a tenant will be allowed to move into the rehabed unit before rehabilitation commences on other units. No family will be required to move from the unit unless the City determines the work cannot be done with the family in residence. Tenants who are temporarily displaced will be given an opportunity to return to the completed unit they had previously occupied.

The City will not undertake a project which will cause the displacement of a low-income household for a household that is not low income without considering all available alternatives.

The City will minimize indirect displacement which may be caused by excessive investment in one neighborhood by distributing CDBG funds throughout all five target areas. Revitalization will be encouraged in these target areas by committing funds for public improvement projects and offering property owners with a source of low interest financing for building improvements.

IV. Notices and Qualifying Conditions

When displacement does occur, the tenant will be given written notice by Certified Mail that they will be required to move from the unit. The letter shall indicate the name, address, and telephone number of a person who may be contacted to provide assistance with the relocation and to answer questions they may have. The notice will include a brief explanation of relocation benefits that are available.

A Tenant must reside in the dwelling unit on the date of rehabilitation loan closing. Tenants who move prior to receiving written notice will be considered ineligible.

Tenants who are evicted with good cause will not be considered displaced and are ineligible for relocation benefits.

No occupant of a dwelling shall be required to move unless first given reasonable a opportunity to relocate to a safe and habitable replacement dwelling, as determined by Community Development staff.

V. Relocation Assistance

In the event displacement of a tenant occurs that is the direct result of a federally funded activity, the City will ensure that tenants are treated fairly and consistently and will provide services and benefits that are listed below.

1. Advisory Services

In an attempt to minimize hardships to displaced tenants, the City will make available the services of a staff person who will provide counseling, process relocation claim benefits, and assist in meeting the relocation needs of the tenant. The City will assist the tenant in securing comparable housing by providing comparable replacement dwelling unit locations and the price rent for establishing the upper limit. Three resources will be provided including the name of landlord, addresses, and landlord telephone numbers.

For tenants relocating within the City of Auburn, the City or its representative may determine that a dwelling is decent, safe and sanitary provided the tenant and landlord agree on an inspection. All displaced households will be given the U.S. Department of Housing and Urban Development's "A Good Place to Live" to assist them in finding a new dwelling unit that is decent, safe and sanitary.

Tenants shall be advised of their rights under the Fair Housing Law and will be given the U.S. Department of Housing and Urban Development's pamphlet "Fair Housing USA". Tenants will also receive the City's version of "Relocation Assistance to Displaced Tenants".

2. Moving Expenses

The City will use CDBG funds to pay for reasonable out-of-pocket moving expenses for displaced tenants who move within 50 miles of Auburn, including transportation, packing, moving and unpacking of household goods, disconnecting and reconnecting utilities, storage of household goods, insurance for the replacement value of goods that must be placed in storage, and replacement value of property lost, stolen or damaged during the move. A displaced person will be assisted to complete a relocation claim form in order to be eligible for benefits.

For temporary moves, where the tenant returns to the rehabed unit, the tenant shall be reimbursed for all reasonable out-of-pocket expenses incurred with the temporary relocation including the cost of moving to and from the temporarily occupied housing.

A displaced person has a choice of two methods of calculating payment: payment for moving and related expenses or a fixed moving expense and dislocation allowance as follows:

A. Actual Reasonable Moving and Related Expenses

A displaced tenant is entitled to payment for actual moving expenses that the City determines to be reasonable, customary and necessary. The payment for moving services shall be made directly to the mover. The City will secure at least two bids from a commercial mover. The bid will be awarded to the low bidder unless there are unusual circumstances that should be considered.

B. Fixed Moving Expense and Dislocation Allowance

A fixed move is for tenants who prefer to take full responsibility for the move. The City will make a payment to cover any moving expenses pay based on the number of rooms in a unit or the number of rooms of furniture to be moved. There is no requirement to document how the funds are used. The fixed move will be paid according the schedule for Fixed Residential Moving Cost Schedule of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, published in the Federal Register.

www.fhwa.gov/real-estate/uniform_act/relocation/moving-cost-schedule.cfm

C. Security Deposit

A displaced LMI tenant is eligible to receive benefits to cover a security deposit that is required by the landlord if required of all other tenants in the building. The maximum security deposit shall be equal to one month's rent. The amount shall be reduced by any refund of security deposit received by the displaced LMI tenant from the Owner of the building from which the tenant is being displaced.

VI. Community Development Projects Subject to the Uniform Relocation Act

When the City uses Community Development Block Grant funds in housing projects, then the Uniform Relocation Assistance and Real Property Acquisition (Uniform Act) Policies shall be followed. Benefits and assistance to be provided shall be according to the most currently promulgated federal regulations (24 CFR Part 42).

The City will provide protection for tenants who remain as well. This involves keeping tenants informed and assuring they do not move unnecessarily. All rental projects involving Community Development funds will be evaluated to determine if there is economic displacement. To avoid economic displacement, tenants who remain in a project will receive the offer of a suitable unit at an affordable price. If there is no rent increase and the rent amount remains fixed for one year, the unit will be considered affordable and no replacement payment calculation will be made.

Displaced tenants in occupancy for 90 days or less will be eligible for replacement housing payments for a period of 42 months. The payment amount will be the difference between the lesser of rent and estimated utility costs for the replacement dwelling and 30% of the tenant's average monthly gross income or to the amount of the old rent/utility costs, whichever is less. A tenant has a right to receive cash replacement housing payments or Section 8 assistance, if available.

If a tenant chooses to buy rather than rent a replacement home, the tenant may be eligible for assistance based on the present value of the monthly payments for the appropriate number of months. The amount of the payment must be applied to purchase a dwelling.

VII. Community Development Projects Subject to Section 104(D) of the Uniform Relocation Act

Part 570, Subpart K of Title I of the Housing and Community Development Act of 1974 requires that reasonable relocation assistance be provided to low and moderate income persons displaced as a result of the use of Community Development Block Grant funding to demolish or

convert low/mod units which are occupied or vacant occupiable. Benefits and assistance to be provided shall be according to the most currently promulgated federal regulations (24 CFR Part 42).

A. Buildings to be Demolished or Converted Subject to One for One Replacement

Whenever buildings are to be demolished or converted to another use using Community Development Block Grant funds, all occupied and vacant occupiable low/moderate-income dwelling units will be replaced with low/moderate-income dwelling units, one for one. Replacement units will be located in the same neighborhood as the units replaced. The new units will remain low/moderate-income dwelling units for a period of 10 years after occupancy. The one-for-one replacement does not apply to units which were vacant for a period of 3 months prior to demolition or conversion.

A person is eligible for assistance when living in a unit to be converted and the market rent (including utilities) of the converted unit does not exceed the Fair Market Rent before conversion. A person is eligible for assistance when living in a unit to be demolished regardless of the pre-demolition market rent.

B. Replacement Housing Payment

A low and moderate income displaced person is eligible for benefits if he/she has not been offered a suitable unit at or below the greater of Total Tenant Payment or a cost equivalent to the old rent plus utility costs. A payment will be made to the tenant to reduce the new rent/utility costs for a period of 60 months. The total tenant payment is the highest of:

- 1) 30 percent of the person's monthly adjusted income; or
- 2) 10 percent of the person's monthly gross income.

Replacement housing assistance shall be equal to 60 times the amount obtained by subtracting the Total Tenant Payment and the monthly rent and estimated average monthly cost of utilities for a comparable replacement dwelling.

The City shall make a payment for reasonable and necessary security deposit required to rent the replacement dwelling unit and for credit checks.

Auburn Housing Authority provides housing assistance to eligible very low-income households displaced by government action. Households displaced as a result of a CDBG activity will be given preference for admission to any of the family or elderly housing projects or other federal rent subsidy programs in the City of Auburn. Actual placement will depend upon the availability of a federal subsidy or vacant dwelling unit. Auburn may offer Section 8 assistance, if available. Displaced tenant cannot insist on cash if Section 8 assistance is available.

If a tenant chooses to buy rather than rent a replacement home, the tenant may be eligible for assistance based on the present value of the monthly payments for the appropriate number of months. The amount of the payment must be applied to purchase a dwelling.

VIII. Appeal by Displaced Persons

A person may file an appeal when he/she believes the City failed to properly determine that the person qualifies as a displaced person; failed to properly determine the amount of relocation payment required, failed to provide appropriate counseling services. A person who is dissatisfied with the City's determination may appeal first to the City Council then to the HUD Field Office to review that determination.