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City of La Mesa  
Community Development Department

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**Acquisition and Relocation  
Procedures Manual**

**For  
City of La Mesa**

**February 10, 2012**

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# Chapter 1 Introduction

The City of La Mesa administers two programs funded by the Department of Housing and Urban Development (HUD) that trigger compliance with Federal Acquisition and Relocation laws. These programs are: the Community Development Block Grant Program (CDBG) and the HOME Program. The purpose of this manual is to provide guidance to La Mesa Community Development Department staff and the City's community development partners on what actions to take to ensure compliance with Federal and HUD acquisition and relocation requirements.

The City is not a direct recipient of Housing Opportunities for Persons with AIDS (HOPWA) program, Emergency Shelter Program (ESG), Supportive Housing Program (SHP) Shelter Plus Care Program (SPC), and SRO Moderate Rehabilitation Program (SRO Mod Rehab). Acquisition and Relocation guidance for these programs is not included in this manual.

## A. Federal Acquisition and Relocation Requirements

### 1. Applicable Laws

#### a. Uniform Relocation Act

In using HUD funds for projects, the City of La Mesa must comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) as amended (42 U.S.C. 4601 et seq.), as amended by Public Law 105-117. Public Law 105-117 prohibits URA relocation benefits, with some exceptions, from being paid to individuals who are not legally present in the U.S. These restrictions have been incorporated into the URA regulations. The URA is the Federal government wide property acquisition and relocation law that applies to all the City's HUD-funded programs.

#### b. Section 104 (d)

The City of La Mesa must comply with Section 104(d) of the Housing and Community Development Act of 1974 (Section 104(d)) when it uses CDBG, (including Section 108 Loan Guarantees) and HOME and demolishes or converts low income dwelling use to another purpose. Public Law 105-117 does not apply to persons eligible for Section 104(d) relocation benefits.

### 2. Federal Regulations

- a. **URA**-The implementing regulations for the URA are found at 49 CFR Part 24. The Department of Transportation (DOT), through the Federal Highway Administration (FHWA) is the lead agency for the URA and as such promulgates the regulations and provides guidance in a series of Frequently Asked Questions and Answers (FAQ)
- b. **Section 104 (d)**-The regulations for Section 104(d) can be found at 24CFR Part 42.

### **3. HUD Program Regulations**

Each HUD program has regulations that further explain how to implement projects that involve acquisition and relocation. For the CDBG program, including Section 108 guarantees, see 24 CFR 570.606; for the HOME program see 24 CFR 92.353;

### **4. HUD Handbook and other Policy guidance**

HUD has issued Handbook 1378 which applies to all HUD programs. In addition, HUD Headquarters has issued Relocation and Acquisition Policy Newsletters, (RAP), which contain additional guidance and the Los Angeles field office has also issued Information Bulletins for guidance on local issues. All of the regulations, guidance and policy are found at the end of this manual or at the web sites listed in Exhibit 29.

## **B. HUD Activities Triggering Compliance with URA and other Federal laws**

The City of La Mesa carries out activities with HUD funds which require compliance with the URA. Projects that only involve administrative or relocation costs do not trigger compliance with Federal relocation laws. Similarly, code enforcement alone does not trigger relocation unless subsequent mitigation causing displacement occurs. La Mesa Community Development Department staff should review the activities listed below to determine when compliance is necessary.

1. Acquisition or demolition of residential or commercial property
2. Rehabilitation of housing (hard and soft costs) including mitigation of lead based paint or other hazards
3. New construction of housing, commercial structures or public facilities/improvements if part of a project involving acquisition or demolition
4. Rehabilitation of public facilities or improvements
5. Economic Development (acquisition of land, and commercial rehabilitation)
6. Permanent easements for water, sewer or other public facility projects

## **C Project Definition**

### **1. Review of Program Definition**

Early in the application process, La Mesa Community Development staff will determine what activities and geographic boundaries comprise the project and document the file accordingly. Staff will review project definitions in HUD program regulations or, if project is not defined in program regulations, will review the URA definition at 49 CFR 24. 2(a)(22). See Exhibit 17 for project definitions by program. Review HUD optional "Template for Project Determination".

### **2. Review of Activities**

Staff will review all activities connected with the project that took place within one year of the application to determine whether the prior activities trigger compliance with the URA and/or Section 104(d). This includes projects where the acquisition or demolition occurred prior to the application, where funds are being requested for a new use like new construction/rehabilitation of housing, commercial structures or public facilities or improvements. Federal acquisition and relocation regulations apply to all the activities within the project area, not just those activities

solely funded by HUD. When necessary, staff will consult with the Relocation Specialist at the HUD L.A Field Office early in the planning phase.

### **3. Project Documentation**

La Mesa Community Development Department staff will document the project file with a map that identifies project boundaries with streets, addresses, buildings, and all parcel numbers, and the names of all property owners and tenants for each building.

### **D. Multiple Funding Sources of Acquisition and Relocation**

Some projects may require funding by more than one HUD program, other Federal programs including tax credits, as well as state or local funds. Combining funding sources is difficult because each program has its own rules for income qualification, deed restrictions, targeted participants, etc.

During the application stage La Mesa Community Development Department staff should:

1. Review the acquisition and relocation regulations for each funding source to identify and address areas of programmatic differences,
2. Prepare a spreadsheet that identifies all funding sources for the project and shows which funding source will pay for what costs and
3. Hold a meeting that includes the various City of La Mesa departments that have project jurisdiction and sponsors, developers, funding agency representatives and /or the local HUD Relocation Specialist to discuss areas where difficulties complying with Federal law could arise. Determine how to comply with the various funding source requirements. In some cases using the most restrictive rules will solve the problem.
4. Consult, if necessary, with the Relocation Specialist at the HUD Los Angeles Field Office early in the planning phase. In addition staff may hire a consultant specializing in acquisition and relocation for HUD programs.

# Chapter 2 URA Acquisition

## A. Overview

### 1. Purpose of URA

The URA implements Federal acquisition and relocation law described at 42 U.S.C 4601 et seq. Its major objective is to ensure that property owners and displaced persons impacted by federally funded projects are treated fairly, consistently and equitably that is property owners are paid a fair market price for their property and displaced persons are provided required relocation assistance. The URA also seeks to minimize litigation and ensure that Federal agencies implement the regulations efficiently and cost effectively.

### 2. Types of Acquisition

The URA recognizes two types of acquisition: involuntary and voluntary. Involuntary acquisitions are subject to the provisions of Subpart B of the URA while voluntary acquisitions are exempt from those provisions. The provisions of Subpart B of the URA establish the process required to be followed when City of La Mesa uses Federal funds to purchase property under the threat of eminent domain. The provisions require the City of La Mesa to treat property owners fairly and pay them the appraised or fair market value for their property. For properties not being acquired under the threat of eminent domain, the URA has established a process for exempting them from Subpart B of the URA. This process involves sending a specifically worded letter to the seller and paying the market value of the property. See Section B below.

## B. Voluntary Acquisition (Not Eminent Domain)

Voluntary acquisitions may be carried out by the City of La Mesa when it does not invoke eminent domain or by organizations that do not have the power of eminent domain. If the City of La Mesa purchases the property directly from the property owners, City of La Mesa, staff will follow 49 CFR 24.101(b) (1 through (5) and HUD Handbook 1378 Chapter 5 Section 5-3 to establish that the purchase is voluntary. See also FHWA questions and answers covering 49 CFR 24.101

### 1. Process to Be Used For Purchases Carried Out by Non Profit Organizations

a. During the application process, non-profit organizations, individuals, developers or other third parties applying for HUD funds through the City of La Mesa will be required to send a “Voluntary Letter” to the property owner at the beginning of the negotiations that states:

- 1) that it does not have the power of eminent domain,
- 2) states the offer and
- 3) states the market value of the property.

b. If the voluntary letter was not sent at the time of the purchase agreement the applicant will send it during the application for HUD funds. The letter will contain the statement that the seller may withdraw from the existing agreement as required by HUD Handbook, Chapter 5, Section 5-3 H. Receipt of the letter by the property owner will be documented either with a return receipt requested from the post office or a signature of receipt by the property owner.

- c. The applicant for HUD funds will be required to submit an appraisal or other evidence of value as of the date of the purchase. [Establishing Property Value](#) on page 7.
- d. It is anticipated in most cases the amount paid for the property will be the same as the market value. The third part sponsor or developer is not required to pay the market value of the property, but if the purchase price of the property is not the same as the amount on the letter, La Mesa Community Development Department staff will state in writing why the price paid is fair to the owner and is a reasonable price for the City of La Mesa. (See [Administrative Settlements](#) on Page 7).
- e. For homebuyer programs, foreclosures and other special sales follow Paragraphs (c), (d) and (e) on [Page 6](#) of this manual.
- f. La Mesa Community Development Department staff will review the price paid for the property and the evidence of value to determine if it is reasonable. See [Page 6](#) , [Establishing Property Value](#) in this manual for the process to be used.

## **2. Process to be Used for Voluntary Acquisitions Carried Out by City of La Mesa**

- a. La Mesa Community Development Department staff will send a “Voluntary Letter” to the property owner that gives the fair market value of the property and states that the City of La Mesa: a) is interested in purchasing the property on a voluntary basis, b) will not use its power of eminent domain and c) if negotiations fail it will not purchase the property. La Mesa Community Development Department staff will document delivery of the letter by the property owner either with a return receipt requested from the post office or a signature of receipt by the property owner.
- b. La Mesa Community Development Department staff will place documentation in the file that shows that the property being purchased: a) is not part of an area where all the properties within that area will be purchased and b) is not part of a project in which purchase of the that specific property is necessary for that project to go forward. If the property is in a redevelopment area where many properties in a certain area will be purchased, La Mesa Community Development Department staff will use the involuntary acquisition process shown on [page 8](#) of this manual.
- c. La Mesa Community Development Department staff or its agents may not initially inform a property owner that the acquisition is voluntary and then later invoke eminent domain.
- d. If any of the following circumstances occur La Mesa Community Development Department staff will immediately implement Subpart B of the URA, retroactively if necessary.
  - i. A third party developer is unable to purchase all properties voluntarily and invoking eminent domain becomes necessary to obtain all properties needed for the project
  - ii. It is anticipated that property owners will require an eminent domain letter, and the tax advantage it represents, to sell the property.
- e. Although not required for voluntary acquisitions, appraisals will generally be obtained. If an alternative document is used to establish property value, the methodology will be approved by La Mesa Community Development Department staff.

f. La Mesa Community Development Department staff will not use a third party to conduct negotiations to avoid compliance with the URA. See HUD Handbook 1378 Section 5-3(A).

### **3. Special Types of Sales**

#### **a. Homebuyer Programs Sales**

i. La Mesa Community Development Department staff will follow all the voluntary acquisition procedures for homebuyer programs. The homebuyer, non-profit sub-recipient or sponsor or City staff will send a properly worded voluntary letter to the seller that states the market value of the property and the offer. This letter will be sent at the beginning of the negotiations, not at the end.

ii. The market value stated on the letter is not required to be paid as the buyer is free to negotiate a higher or lower price. However, if the final purchase price is significantly higher or lower than the market value, the file should contain copies of any counter offers and a written justification of the price paid. See [Paragraph D on page 7](#) and HUD Information Bulletin dated March 27, 2009 of this manual for more information on written justifications.

iii. These voluntary acquisition procedures also apply when HUD funding is added at the end of the acquisition after the offer has been made in order pay a portion of closing cases. In this case La Mesa Community Development Department staff will describe the requirements (i.e., the voluntary letter and proof of property value) in program brochures and initial counseling sessions with potential buyers before they begin making offers on properties.

#### **b. Foreclosure Sales**

i. A voluntary letter will be sent to the bank and delivery documented by return receipt requested from the post office or hand delivery receipted by bank staff.

ii. To show the property was purchased during foreclosure or tax sale, the following types of documents must be obtained and placed in the file: delinquent tax reports, foreclosure notices or lists, bidding documents, bank or other documents that nature of the sale and the opening bid, closing escrow statement a deed showing the transfer of the property.

iii. Foreclosures purchased with HUD Neighborhood Stabilization Program funds must follow the NSP rules.

#### **c. Sales between Other Government Entities.**

Properties that are acquired from other City departments or from other local governmental agencies will be treated like any other voluntary sale. Properties acquired from Federal agencies will be handled according to 49 CFR 24. 101

#### **d. Property Offered to City of La Mesa with No Expression of Interest**

If a property owner offers to sell his or her property to the City of La Mesa, without a prior expression of interest by the City of La Mesa or lists the property on the open market La Mesa Community Development Department staff must still follow all voluntary acquisition procedures.

### **4. Establishing Property Value**

#### **a. Appraisals**

Generally, when purchasing property directly, La Mesa Community Development Department staff will obtain an appraisal establishing property value prior to the beginning of negotiations. The appraisal may be a bank appraisal or a limited appraisal as long as the property's value was established within 6 months of the date of purchase. If a sponsor or developer is purchasing the property directly La Mesa staff will require the non-profit applicant to obtain proof of the property value before signing the purchase agreement. Appraisals obtained after the purchase agreement may not be used to establish the property's value. If a later appraisal is obtained to establish whether the funding can still be supported any differences in property values between the appraisals will be explained in the file.

#### **b. Comparable Sales**

If obtaining a full appraisal is not feasible, La Mesa Community Development Department staff or other qualified person will establish the property value at the time of the purchase by analyzing and comparing sales of three comparable properties with the property being purchased. A copy of the analysis of comparable properties and a statement of the qualifications of the person performing the analysis will be placed in the file. At a minimum, the analysis will include the date, amount, and location, a description of the properties (square feet, #bedrooms, amenities, etc) and the circumstances of the sales. Adjustments will then be made for differences in the properties and a final value established for the property being purchased. City staff will review and sign the document establishing property value if an appraisal is not used. List prices may not be used as sales prices only actual sales.

#### **c. Identities of Interest/Conflict of Interest**

Staff will review the ownership of the property to determine whether there are any identities of interest that may affect the reasonableness of purchase price. If so, the City of La Mesa attorney will be asked to be make an official determination. An identity of interest may occur when the buyer and the seller are related either by family or business ties. For example, a subsidiary company is purchasing property from its parent company; an owner of the property is also a member of the entity buying the property. Sometimes assignments of the property are involved. If La Mesa staff, public officials or members of the board or employees of the developer, or their relatives have an ownership interest in the property see [conflict of interest section of this manual](#).

#### **d. Written Justifications of Price Paid (Administrative Settlements)**

When the property owner does not accept the initial offer for the property and a different amount is negotiated as the purchase price La Mesa Community Development

Department staff will place written justification of the final purchase price in the file as follows:

i. If the price paid for the property is less than the amount shown on the appraisal or other value document, La Mesa Community Development Department staff will document the file with the reason why the final purchase price was a fair price for the owner. While it is the City of La Mesa's goal to obtain properties at a reasonable price it will not try to take advantage of distressed owners especially in markets where housing prices are seriously declining.

ii. If the price exceeds the fair market value, La Mesa Community Development Department staff will place a written justification in the file that documents why the amount paid for the property is reasonable per OMB Circular A-110. La Mesa staff will use the guidance provided in HUD Handbook 1378 Chapter 5, Paragraph 5-4 H.

iii. The written justification will be reviewed and approved by City Manager prior to the purchase of the property. The justification may contain one or more of the following factors:

A) Whether the project cost per square foot or per unit is within an acceptable range of other similar subsidized or non-subsidized properties.

B) Whether the price paid for the property is reasonable given the additional funds that would be spent on litigation.

C) Whether the additional amount paid for the property is within an acceptable percentage, (i.e., ten percent) of the appraised value and can be justified given the extent of the public benefit.

D) Whether the difficulty of finding a specific type of property, (like multi family structures), for a specific type of project (i.e., affordable housing, special purpose housing, public facility), justifies the additional amount paid for the development.

iv. To assist in preparing a written justification La Mesa Community Development Department staff is encouraged to review the unofficial HUD templates called "Administrative Settlements above the Market or Fair Market Value" and Administrative Settlements- Purchased Below Market Value".

**e. Waiver Valuations**

For properties whose value is less than \$25,000 La Mesa Community Development Department staff will follow 49 CFR 24.102(c) and HUD Handbook 1378 Section 5-4 E, F, and G.

**f. Donations-** For properties being donated, follow HUD Handbook 1378, Section 5-5.

**g. Temporary Easements-** See HUD Handbook 1378 Section 5-2 (c).

**h. Initial Tenant Notifications**

La Mesa Community Development Department staff will follow HUD Handbook 1378- Section 5-3 (D)-Access to tenant occupants will be made part of any offer or option contract for voluntary acquisitions whenever possible. Staff will explain to the seller that tenant notification is to the seller's benefit as well as the buyer as the notices inform the tenants not to move and to continue to pay rent and that they will

forfeit any future HUD relocation assistance if they move prematurely. If access is still not granted staff will document the file their attempts to obtain access and will document the date access was obtained.

## C. Involuntary Acquisition (Eminent Domain)

When the City of La Mesa acquires property under the threat of eminent domain La Mesa Community Development Department staff will follow the steps outlined in Subpart B of the URA beginning at 49 CFR 24.102, HUD Handbook 1378 Chapter 5- Paragraph 5-4 and FHWA questions and answers for 49 CFR 24.102.:

### 1. Initial Correspondence with Owner

La Mesa Community Development Department staff will send an “Intent to Appraise” letter to the property owner notifying them of the City of La Mesa’s intent to acquire the property, describing the basic URA protections provided to the owner, and informing the owner of his/her right accompany the appraiser. Staff will place a copy of this letter and proof of its delivery in the file. See sample at HUD Handbook 1378 Appendix 30.

### 2. Appraisals

La Mesa Community Development Department staff will obtain an initial appraisal and a review appraisal will be obtained for all properties. An updated appraisal will be required if six or more months have passed since the original appraisal was completed. All appraisals will be carried out by a qualified appraiser using the requirements of 49 CFR 24.103(d). The City of La Mesa’s criteria for selecting a qualified appraiser includes: experience with HUD programs, experience with eminent domain in eminent domain cases, state licensing and/or certifications.

#### a. Initial Appraisal

La Mesa Community Development Department staff will procure an outside State licensed appraiser to conduct the appraisal of the property and Furniture, Fixtures and Equipment (F&E) if necessary. The appraiser will be selected based on the City’s established criteria per 49 CFR 24.103(d). See also FHWA Questions and Answers covering CFR 24.103.

- i. An appraisal contract will be signed that conforms to [Exhibit 19](#) and [Exhibit 20](#) and follows the guidelines set forth in 49 CFR 24.102, 49 CFR 24.103 and HUD Handbook, Chapter 5, Section J.
- ii. The appraisal will be used to establish the fair market value at the time of the sale. It will not consider any recent zoning changes or future development. The price offered will be no less than the fair market value. The appraisal must be no less than three months old. If the appraisal was not completed within the last three months, a new one will be requested and the fair market value established based on the new date.
- iii. The owner has the right to obtain his or her own appraisal. If the two appraisals differ La Mesa Community Development Department staff and property owner will meet to discuss the differences. Following the meeting La Mesa Community Development Department staff will determine if the amount will be adjusted.

#### b. Review Appraisal

La Mesa Community Development Department staff will review the appraisal according to URA regulations at 49 CFR 24.104 and HUD Handbook 1378 Chapter 5 Section K. Specifically the review appraiser will confirm that all the requirements of 49 CFR 24.103 are met. The file will document that the original appraisal was reviewed by qualified staff, and that no conflict of interest exists between the person conducting the original appraiser and the review appraiser. See FHWA Questions and Answers covering 49 CFR 24.104.

### **3. Offer of Just Compensation and Statement of Summary**

The La Mesa Community Development Department staff will determine the fair market value and send the owner a Notice of Just Compensation and Summary Statement that contains the items listed in 49 CFR 24.102. The amount of the offer will be no less than the fair market value shown on the original and/or review appraisals and will include any tenant improvements per 49 CFR 24.105 and HUD Handbook 1378 Chapter 5, Section L. See FHWA Questions and Answers covering 49 CFR 24.102.

### **4. Negotiation Process**

La Mesa Community Development Department staff will use non coercive methods to negotiate the purchase of the property. They will keep a record of all conversations, counter offers and other correspondence with the property owner to document the negotiation process. Please see 49 CFR 24.102

### **5. Settlements**

#### **a. Administrative Settlements**

If the value of the property is settled out of court through an administrative settlement please follow the process described under [Administrative Settlements](#). See also HUD Handbook 1378 Section 5-4H. If relocation is negotiated concurrently separate the acquisition from the relocation payments as relocation may not be included in any acquisition settlements. See Handbook 1378 Section 5-4 H (6).

#### **b. Condemnation and Court Settlements.**

For more information on condemnation, see HUD Handbook 1378 Section 5-4 I. If the case goes to court, the La Mesa Community Development Department staff will document that that the property owner was paid the amount shown in the court settlement including litigation costs.

## **D. Grantee Oversight of Acquisition Process**

La Mesa Community Development Department staff will review the acquisition at each stage of project development and will use HUD forms whenever possible to document compliance with the URA. For additional information on levels of staff responsibility see Exhibit 28.

### **1. Notice of Funding Availability (NOFA) Process**

La Mesa Community Development Department staff will review the language of the Notice of Funding Availability (NOFA) process to ensure that all Federal acquisition and relocation requirements are described and documents required. [Use Exhibit1 Part 1 for this review.](#)

## **2. Application Process**

- a. The following items will be required as part of the applications: the Voluntary Letter, purchase agreement, proof of market value of property, copies of any letters to tenants, identities of all owners and sellers
- b. La Mesa Community Development Department staff will use Exhibit 2, Part 2 in this manual to review the application as follows:
  - a. Verify that the Letter to the Seller is worded properly and has been documented as being received
  - b. Assess whether the amount paid for the property is reasonable given the evidence of property value submitted
  - c. Ensure that any purchases that exceed the fair market value (involuntary acquisition) or differ from the market value (voluntary acquisition) are adequately justified
  - d. Resolve any identity or interest or conflict of interest situations.
  - e. Review the purchase agreement to make sure there are no conditions to sell the property vacant.

## **3. Implementation**

La Mesa Community Development Department staff will use [Exhibit 2, Part 3](#) to review the acquisition at the implementation stage of the project and take the following actions:

- a. Request and review title documents to ensure there are no problems.
- b. Review the purchase agreement and final escrow documents at contract execution to ensure that all eligible costs are paid and that final costs are consistent with the amount shown in all agreements and the La Mesa City Council approvals.

## **4. Close-Out**

La Mesa Community Development Department staff will use [Exhibit 2, Part 3](#) to review the close out stage of the acquisition and take the following actions:

- i. Ensure that the following documents are placed in the file:
  - A) Voluntary letter and/or other seller correspondence
  - B) Purchase agreement
  - C) Buyer's final statement
  - D) Title report
  - E) Proof of payment (wire transfer)
  - F) Final deed with any deed restrictions
  - G) Appraisals or other proof of property value
  - H) Review appraisal (if required)
  - I) Administrative settlements or court settlements.
  - J) Any special determination

- ii. Review HUD's Integrated Disbursement and Information System (IDIS) reflects the correct amount of HUD funds spend for the project.

## **5. Sample Letters and Forms**

La Mesa Community Development Department staff will use the following samples in the HUD Handbook 1378, revised to reflect project details. This handbook is available on the HUD website <http://www.hud.gov>

### **a. Voluntary Acquisition**

Appendix 31- Letter to Seller (Voluntary Acquisition for Agencies no power of eminent domain)

Appendix 32- Letter to Seller (Voluntary Acquisition for Agencies with eminent domain power)

### **b. Involuntary Acquisition**

Appendix 30- Letter to Intent/Appraise re: Involuntary Acquisition

Exhibit 3- Offer of Just Compensation and Summary Statement

Appendix 19- Appraisal Scope of Work (if fee appraiser used)

Appendix 20- Sample Appraisal Contract

## **6. Special Determinations**

If a special determination is needed to clarify a specific acquisition, La Mesa Community Development Department staff are encouraged to review unofficial HUD templates, "Voluntary Acquisition Determination-Entities with Power of Eminent Domain" or "Voluntary Acquisition without the Power of Eminent Domain" or "Voluntary Acquisition Market Value Determinations".

## Chapter 3 URA Relocation

The purpose of the URA with respect to relocation is to ensure that eligible persons are provided with the amount of relocation assistance they are eligible for. Persons include residential homeowners and renters, businesses owners and renters and people who have property on the site.

This section determines who is eligible, how to plan for relocation, track occupants, provide required notices and provide correctly computer relocation assistance.

### A. Eligibility

#### 1. Persons Displaced

The URA requires that relocation assistance be provided to any person, renter or owner, as defined at 49 CFR 24.2(a) (9) (i) that is displaced as a direct result of a federally assisted project involving acquisition, demolition or rehabilitation. Displaced persons include individuals, households, businesses, non profit organizations, and persons storing property on the site. Review HUD Handbook Chapter 1- Paragraph 1-4 (I) and HUD program regulatory definitions for the source of HUD funding used: CDBG, HOME, HOPWA, ESG, SHP, SPC, SRO for more information.

#### 2. Persons Not Displaced

A person is not considered displaced and is not eligible for permanent relocation assistance if the file documents that he or she:

- 1) has been legally evicted,
- 2) has no legal right to occupy the property;
- 3) was required to move only temporarily and could return to the same or similar unit under the same terms conditions or
- 4) is not legally present in the U.S. La Mesa Community Development Department staff should review the 49 CFR 49.2(a) (9) (ii) and HUD Handbook 1378 Chapter 1 Paragraph 1-4(J) and the following paragraphs for a further explanation of who is not considered displaced.

Staff is reminded that everyone who is eligible for relocation benefits must receive them. The denial of relocation benefits to any person on the property in question must be fully documented and approved by the La Mesa Community Development Department staff project manager.

##### a. Legal Evictions

- i. La Mesa Community Development Department staff will review HUD Handbook 1378, Section 1-4(J) (1)) prior to initiating the legal eviction process.
- ii. Relocation benefits may be denied due to eviction only if the file documents that state and/or local laws, were properly followed i.e., there was a valid reason for the eviction, the timing and wording of eviction notices were correct, and the court upheld the conviction. Reasons for evictions under State law include: failure to pay rent, violations of any provision of the lease or rental agreement, material damage to the rental property, substantially interference with other tenants and use of the rental property for an unlawful purpose. Refer to following state website:

[www.dca.ca.gov/publications/landlordbook/terminations.shtml](http://www.dca.ca.gov/publications/landlordbook/terminations.shtml) or  
[www.dca.ca.gov/publications/landlordbook/evictions.shtml](http://www.dca.ca.gov/publications/landlordbook/evictions.shtml).

iii. If the eviction is due to non payment of rent, the file must document that the person was notified that he or she had not paid rent for at least two months. For all evictions the file must also contain a copy of the three day notice to quit(s) that shows the reason for the eviction, and evidence of the final disposition of the eviction i.e., a court document showing the eviction was upheld.

iv. Denials of assistance to any person evicted must be approved be accompanied in the file by a determination based on the facts of the case signed and approved by La Mesa's staff project manager.

v. Displaced persons evicted after the Initiations of Negotiations (ION) date or who did not move timely from the project when notified to do so may not be denied relocation benefits. See HUD Handbook 1378 Exhibit A for more on the ION date.

**b. Unlawful Occupancy-** 49 CFR 24(a)(9)(ii)(K).

To determine whether an occupant is a lawful tenant La Mesa Community Development Department staff or consultant will assess the following:

- 1) whether he or she had an agreement with the owner to pay rent, if not, is there other evidence that demonstrates payment to the owner,
- 2) whether the occupant lived in the unit without the owner's permission or knowledge, or
- 3) whether the occupant was engaged in illegal activity on the property.

Any occupant whose name is not on the lease must be given the opportunity to provide other evidence (driver's license, utility bill, and other official correspondence) that he or she lived in the unit and qualifies for relocation assistance. To deny relocation benefits based on illegal activity the file must document that the activity was illegal, that it was known by the authorities and legal action had begun. If a person is currently in jail or is in another governmental institution determine whether the stay is temporary or permanent. If the stay is temporary, relocation benefits will be made if the person is otherwise eligible. If the person has a criminal record, call the local HUD office for guidance.

**c. Temporary Displacement** – See [page 34](#) for more on temporary relocation.

i. Temporary displacement occurs when the displacement is for less than 12 months and the person returns to the same type of unit under the same or reasonable rental conditions including the same rent for 12 months. Activities, like minor rehabilitation, lead based paint or other abatement activities cause temporary rather than permanent relocation. Persons temporarily displaced under these conditions are not eligible for permanent relocation benefits; however, tenants whose rent increases beyond their ability to pay the rent are considered [economically displaced](#).

ii. If the temporary relocation exceeds 12 months, the displaced person is considered permanently displaced, permanent relocation payments are due and a Notice of Eligibility must immediately be issued. To ensure that the temporary procedures are followed, La

Mesa Community Development Department staff should review the progress of the relocation at the 8<sup>th</sup> month. If the 12 months will be exceeded a Notice of Eligibility should be issued 30 days before the permanent relocation will begin. Temporary relocation payments may not be deducted from the permanent relocation due. The full amount of the permanent relocation will be paid.

**d. Persons Not Legally Present in the U.S. \*\***

i. Public Law 105-117 prohibits aliens who are not lawfully present in the United States from receiving relocation assistance but also provides exceptions for “exceptional and extremely unusual hardship” to such a person’s spouse, parent or child who is a citizen or legal resident of the U.S. Health and safety and family unity are two exceptions identified. The law also allows for other exceptions that have significant or demonstrable adverse impacts. See 49 CFR 24.208 and FHWA Questions and Answers covering illegal aliens.

ii. The City of La Mesa will comply with Public Law 105-117 by: 1) obtaining proper certifications of residency from persons being paid relocation benefits with HUD funds, 2) citing the U.S. legal residency requirement in the General Information Notices and Notices of Eligibility Notices and 3) documenting any exceptions granted. Certifications of legal residency will be documented by using the HUD claim form which contains a block for the household head to sign certifying legal residency. No other certification or proof of legal residency will be required.

iii. If relocation benefits are disallowed because the person lacks legal residency in the U.S. the file will document either that the person declined to sign the residency certification and/or was notified in writing to submit the certification by a specific deadline and did not submit it.

iv. Exception requests will be signed by the head of the household, and will state the reason for the exception is being requested. Exceptions must be approved by City of La Mesa Project Manager. In defining hardship under the family unity exception, the City of La Mesa will expand the definition of family to include siblings, grandparents, nieces and nephews.

v. If some household members are legal residents and others are not, the City of La Mesa will pro-rate moving expenses based on the percentage of household members or business owners who are in the U.S. legally. Unless an exception is requested, replacement housing payments will be paid according to the methodology developed by the Federal Highway Administration (FHWA). See FHWA Question Number 55. Replacement Housing Payments may not be based on the percentage of household members legally in the U.S. For circumstances that require a special determination, La Mesa Community Development Department staff are encouraged to review HUD’s unofficial template “Legal Residency Exemptions”.

**e. Vacancies**

Vacancies in units occur for various reasons, some are personal and some are connected to the HUD project. Applicants for HUD funding will be required to provide a history of occupancy during the six months prior to the application. Tenants that move because the owner fails to renew a lease or move as a condition of the purchase agreement so that the

owner may sell the property as vacant may not be excluded from receiving Federal relocation benefits. La Mesa Community Development Department staff will review the circumstances of all occupants who vacate their unit within six months of the application to determine if the unit was vacated as a result of the HUD funding request. If so, tenants will be re-contacted and assessed for eligibility for URA relocation benefits. See HUD Handbook 1378 Section 1-4(I)(4).

## **B. Relocation Planning**

Applicants for projects involving occupied buildings will be required to submit a preliminary and a final relocation plan. The preliminary plan will be submitted during the application and a final plan will be submitted at the time a project is approved and a contract with the City of La Mesa is executed. Prior to preparing a relocation plan staff will review the URA requirements at 49 CFR 24.205, HUD Handbook 1378 Section 2-2 and FHWA Questions and Answers covering 49 CFR 205. La Mesa Community Development Department staff will use [Exhibit 2](#) checklist to ensure that the final relocation plan contains the following elements.

### **1. Contents of Preliminary Relocation Plan**

- a. The estimated # of currently occupied units in the building and # vacated in the last year
- b. The estimated # of households to be displaced (permanently or temporarily) by bedroom size, the current rents for each bedroom size and the estimated # of households that are low income.
- c. The estimated cost of relocation based on the number of households to be displaced. The replacement housing payment will be estimated as the difference between current project rents (or, if tenants are low income, 30 % of their estimated income) and other comparable, available units in the community
- d. A statement regarding who will carry out the relocation (specific relocation firm, or name or title of La Mesa Community Development Department staff.
- e. A statement regarding what funds will be used for the relocation and evidence that those funds are committed to the relocation
- f. A complete list of tenants by unit. If it is not possible to provide the names of tenants, the applicant will provide a timeline for providing the names and La Mesa Community Development Department staff will determine what date the names will be required.
- g. The specific steps the sponsor will take to minimize project displacement.

### **2. Contents of Final Relocation Plan**

#### **a. Residential Relocation Data To Be Included**

- i. The estimated number of households to be displaced including owner/tenant status, value and rental rates of properties to be acquired, family characteristics, impacts on minorities, the elderly, large families and disabled persons.
- ii. The estimated number of comparable replacement dwellings (including price ranges and rental rates) available to fulfill the needs households displaced. Refer to last resort housing if not enough comparable homes available.

**b. Business Relocation Data to Be Included**

- i. The estimated number, type and size of the businesses, farms, and non-profit organizations to be displaced, the number of employees affected and anyone with only personal property.
- ii. The estimated number of available replacement business sites. (If sites are unavailable, state the impact on businesses being displaced)
- iii. An explanation of any complex or lengthy moving processes for small businesses with limited financial resources and/or an analysis of business moving problems
- iv. The need for any special relocation advisory services.

**c. Actions To Be Taken to Minimize Displacement**

- i. The City will stage rehabilitation so that occupants can stay in the unit as long as possible or be moved to another unit in the same building rather than off site
- ii. The City will ensure that temporary displacement lasts no longer than 12 months and tenants are returned to the same or similar unit under the same conditions and
- iii. The City will provide Notices of Non Displacement to all occupants eligible by HUD program rules to stay.

**d. Relocation Costs to Be Included**

- i. For moving expenses multiply the number of people expected to be displaced by the fixed moving rate for the size unit
- ii. For replacement housing payments multiply the difference between the current rent comparable market rents by 42 months. Income should be considered whenever available. If income is not available a range should be provided that estimates at the low end that all replacement housing will be based on a rent differential between the replacement and comparable rent and at the upend end estimates should project that all or most of the persons in the project are low income.
- iii. Add in the cost of any consultant fees

**e. Timeline for Noticing**

During the planning process La Mesa Community Development Department staff should review the timing requirements of the URA required notices. Staff should establish a timeline as soon as possible to insure that are notices are sent timely. See notices on [page 19](#) of this manual.

**C. Initiations of Negotiations (ION)**

The key date for establishing eligibility for relocation assistance is the Initiations of Negotiations date. For projects involving eminent domain the ION is the date the Offer of Just Compensation is issued. The ION date for voluntary acquisitions varies by program but is generally the date the City of La Mesa commits to a project. This commitment is evidenced by an executed agreement with a non- profit housing developer or other third party to do the project or, if the City of La Mesa purchases the property directly from the owner, the date the purchase agreement is signed. Site control could also be a factor. See URA Regulations at 49 CFR 24.2 (a)(15), HUD Handbook 1378 Section 1-4 T, Exhibit A and HUD program regulations CDBG and HOME.

## D. Occupancy Lists

### 1. Overview

La Mesa Community Development Department staff will ensure that occupants are tracked at each stage of the project (application, approval, contract execution, implementation and close-out) to ensure that:

- 1) all eligible persons are paid all relocation benefits they are due,
- 2) no occupant was asked to leave to avoid paying them HUD relocation assistance,
- 3) no occupant leaves the site prematurely without being informed of their eligibility for benefits and
- 4) anyone denied relocation benefits can be documented as not eligible for benefits. See Exhibit Part 1A for a checklist to be used for this purpose.

If at any time during a review of occupancy, La Mesa Community Development Department staff learn that any occupant who left the property did not receive a properly worded General Information Notice, Move In Notice, or Notice of Eligibility and left the project without receiving relocation benefits he or she will be located, re-contacted and, if eligible, paid full relocation benefits. The decision not to pay any occupant relocation benefits must be approved by the Project Manager. The file for anyone not receiving relocation assistance (moving or replacement housing) must completely document the reason no relocation assistance was paid.

### 2. Projects Involving Acquisition or Acquisition and Rehabilitation

The applicant for HUD funds will be required to provide a list of persons occupying the project site on the date the applicant first made an offer for the property and on the date escrow closed.

For each occupant who left during this period the applicant will provide:

- 1) the amount of any relocation assistance provided and,
- 2) if no relocation payment was made an explanation for the non-payment.

If it is not feasible for the applicant to provide a list of occupants at the time of application, the reason will be documented, and a new date established by La Mesa Community Development Department staff as to when the list will be provided. An occupant list must be provided no later than the contract execution date. Staff will review the application data and the purchase agreement to determine whether any person was displaced for the HUD project and, if so, whether re-contact is necessary to determine the person's eligibility for HUD relocation assistance.

### 3. Funding Projects When Acquisition and/or Demolition Occurred Within Year Prior to Application

The applicant for HUD funds will be required to provide a list of persons occupying the project site on the date the property was originally acquired or demolished and, for each occupant the applicant will provide: 1) the amount of any relocation assistance provided and: 2) if no relocation payment was made an explanation for the non-payment. La Mesa Community Development Department staff will review the data and determine if any person on the list was displaced because of the HUD project and if so, whether re-contact is necessary and whether the person is potentially eligible for HUD relocation assistance.

## **4. Rehabilitation Projects Where Applicant Controls Site**

The applicant for HUD funds will be required to submit list of all persons occupying the site on the application date. City staff will review the list of occupants at contract execution and at project completion to determine if anyone was displaced because of the HUD project and if so, whether re-contact is necessary to determine eligibility for relocation benefits.

### **E. Relocation Notification Process**

#### **1. Overview of Noticing Process**

La Mesa Community Development Department staff will ensure that project occupants are notified about the HUD project, informed how the project will affect them and provided with information on their rights under the URA. The notification process will include holding meetings and/or issuing all notices including General Information Notices, Move-In Notices, Notices of Non Displacement and Notices of Eligibility. All notices provided to occupants must be worded properly and delivered timely. For those who are unable to read and understand English, a notice in their own language will be provided. To review the notification process, staff will use Relocation Checklist Exhibit 2, Part V.

#### **2. Delivery of Notices**

HUD Handbook 1378 Section 2-3(J). Letters will either be personally delivered and confirmed by occupants' signature or sent certified returned mail return receipt accepted. A copy of the postal delivery will be placed in the file. E-mail is not acceptable proof of delivery. If the occupant rejects personal delivery or the certified mail, staff will document delivery attempts.

See also URA regulations at 49 CFR 24.5.

#### **3. Meetings**

If more than five households will be relocated, a meeting for all affected tenants will be held. To document meetings the following information will be placed in the files: meeting notices, (with date and time), method of distribution, personnel conducting the meeting, agenda, information provided including any hand-outs, a list of attendees and the name of any translators.

See HUD Handbook 1378, Section 2-2 D.

#### **4. General Information Notice (GIN)**

The GIN informs project occupants whether they might be displaced because of a Federal project and explains what protections they are afforded under the URA. See 49 CFR 24.203(a). Staff will provide all occupants with a HUD brochure about relocation concurrent with the GIN either the one for residential tenants, the one for homeowners.

**a. Wording and Review of the General Information Notice-**The wording of the GIN will vary depending on whether the property is residential or commercial and whether the tenant is eligible to stay or will be permanently displaced. Staff will use the sample notices in HUD Handbook 1378. New language, specific to the project, may be added but language should not be deleted unless approved by La Mesa Community Development Department staff.

**b. Timing of General Information Notices** -Staff will ensure that General Information Notices are sent timely as follows per HUD Handbook 1378 Section 2-4(B). In no case may a General Information Notice be sent after the Initiations of Negotiations date. For a discussion of the ION date see page 24 and URA Regulations at 49 CFR 24.2 (a)(15), HUD Handbook 1378 Section 1-4 T, Exhibit A and HUD program regulations CDBG, HOME, HOPWA, ESG, SHP, SPC and SRO. A General Information Notice is only valid until the project is committed as evidenced by an agreement between the sub-recipient developer/sponsor and grantee or the Offer of Just Compensation.

**i. Voluntary Acquisition**

**A) Acquisition or Acquisition/Rehabilitation Projects Not Owned by Applicant**

A GIN must be submitted as soon as feasible (i.e., after the loan is approved, at close of escrow or execution of loan agreement). If it is not feasible for the applicant to issue a GIN at the time of application, the reason will be documented and provided at a date that is feasible but in case later than the date the agreement with the City of La Mesa is executed.

**B) Projects Involving New Construction where Acquisition and/or Demolition have occurred prior to request for HUD funding-**

If tenants are on site, a GIN must be submitted at the time of the application. If tenants are not on the site La Mesa Community Development Department staff will verify the timing of the acquisition or demolition and determine if those activities are part of the request for HUD funding. If yes, an occupant list will be reconstructed, former tenants located and General Information Notices sent to those who are potentially eligible.

**C) Projects Involving Rehabilitation Where the Application for Funds is for Rehabilitation of a Building Already Owned by the Applicant**

A GIN must be submitted at the time of application.

**ii. Involuntary Acquisition**

General Information Notices will be provided to tenants on the day the Notice of Intent to Appraise is issued.

**5. Move-In Notice**

The purpose of the Move-In Notice is to allow owners to continue to rent units during the application for Federal funding without incurring additional relocation liability. Tenants who sign a properly worded Move-In Notice are not eligible for URA assistance.

See HUD Handbook 1378 Section 2-3(I).

La Mesa Community Development Department staff will ensure that Move In Notices are provided to all new tenants who move into the project after the application for HUD funding. The Sample Move in Notice at Appendix 29 of HUD Handbook 1378 will be used.

## 6. Notice of Non Displacement

The purpose of the Notice of Non Displacement is to notify occupants who will not be required to move that they may continue to reside in their homes under the same lease terms and conditions thus preventing unnecessary departures and lowering relocation costs.

See also HUD Handbook 1378 Section 2-3(d).

### a. Wording of Non Displacement Notice

The Notice of Non Displacement informs occupants that:

- 1) The project described in the GIN notice has been approved,
- 2) they should not move now,
- 3) they will not be required to permanently move from the building,
- 4) the conditions under which they will be permitted to stay, including their rent, and
- 5) the conditions under which any temporary displacement will occur.

The sample Notice of Non Displacement in HUD Handbook 1378 will be used.

### b. Timing of Non Displacement Notice

Tenants must receive the NOE on or shortly after the ION date which for many HUD programs is the execution of binding loan agreement. Please see Exhibit A for a discussion of the ION date by HUD program. **Failure to deliver such notice at this time could substantially increase the cost of relocation.** A tenant who moves after the date of the executed agreement before receiving a Notice of Non Displacement is eligible for permanent relocation assistance. A General Information Notice does not substitute for a Non Displacement as it is only for proposed project. After the project is approved and a tenant's income and other eligibility cannot be assessed can a Non Displacement Notice be issued.

## 2. Notice of Eligibility for Relocation Assistance

The purpose of the Notice of Eligibility (NOE) is to notify occupants of their eligibility for specific relocation benefits i.e., advisory, moving and residential or business relocation assistance. The timing and wording of the NOE is critical. Staff will see that Notices of Eligibility are worded properly and issued timely. See 49 CFR 24.203(5)(b) and HUD Handbook 1378 Section 2-3©. If a HUD brochure was not sent with the GIN, send it with the NOE.

### a. Wording of the Notice of Eligibility (NOE)

- i. The first paragraph of the notice will show the name and address of the project, the funding source, and the date the occupant is eligible for relocation assistance.
- ii. The NOE will describe the occupants' specific eligibility for relocation assistance according to whether the occupant is a homeowner or renter or is a residential or commercial tenant. It will describe moving options, advisory services, and, for residential occupants, the exact amount of replacement housing assistance that will be provided. The NOE shows will show how the replacement housing payment was calculated for that person i.e., the rent and utility amounts and/or the persons' income, if applicable.

- iii. The NOE will instruct occupants not to move and to continue to pay their rent and explain that another notice will be issued no less than 90 days before the occupant must move.
- iv. The NOE will contain the addresses of at least three comparable housing units. One of them will be identified as the most comparable unit and will be used to establish the amount of the replacement housing payments. Averaging of comparable units is not allowed.
- v. The comparable unit will be inspected to show the unit is decent, safe, and sanitary. Documents in the file must show that replacement units meet URA, local housing standards or Section 8 Housing Quality Standards if there are no local housing standards. La Mesa Community Development Department staff will use [Exhibit 6](#) as the URA inspection form. For more information on inspections see [page 33](#).

**b. Timing of Notice of Eligibility**

Notices of Eligibility are due on the Initiations of Negotiations (ION) date. The ION date varies according to type of acquisition and the entity carrying out the acquisition. See 49 CFR 24.203(b) and HUD Handbook 1378 Section 1-4T- and Appendix A for more.

La Mesa Community Development Department staff will use the sample notices provided in HUD Handbook 1378 whenever possible. Modifications to the HUD sample must be approved by the Project Manager.

**i. Voluntary Acquisition-Entities without the Power of Eminent Domain**

For projects involving property acquisition by non profit organizations, the Notice of Eligibility should be issued as soon as possible after the date the sub-recipient, CHDO, or sponsor executes a contract with the City of La Mesa to use HUD funds for the project. All occupants legally residing on the property on that date are eligible for full relocation assistance.

**ii. Voluntary Acquisition Entities with the Power of Eminent Domain-**

For projects involving property acquisition by government entities with the power of eminent domain that elect not to use it, the Notice of Eligibility is due on the date the government entity executes the purchase agreement.

**iii. Involuntary Acquisition- Entities with the Power of Eminent Domain**

For projects involving properties purchased under threat of eminent domain, the Notice of Eligibility is due on the date the Offer of Just Compensation is issued to the property owner.

**8. Ninety Day Notices**

Each occupant to be displaced must receive at least 90 days written advance notice before being required to move. This notice cannot be given before the person has been issued a notice of eligibility for relocation assistance or before being notified of the availability of a comparable replacement dwelling. The notice must specify the date by which the property must be vacated or if that date is not known, the occupants must be informed that they will receive another notice at least 30 days before the day they must move. See 49 CFR 24.203(b). Please see the sample notice at Exhibit 4.

## 9. Temporary Displacement Notices

The purpose of the Temporary Displacement Notice is to give tenants reasonable advance written notice of the location, terms and conditions of the temporary move and of their eligibility for reimbursement of all reasonable out of pocket expenses. La Mesa Community Development Department staff will use the HUD sample notice of non-displacement for temporary relocation in HUD Handbook 1378, Appendix 4. Notices should not be issued until a temporary relocation plan is in place. Please see further discussion of [temporary relocation](#) on page 33 of this manual.

# Chapter 4 URA Residential Relocation Assistance

## A. Overview

Upon project approval occupants will be interviewed to determine their eligibility for the following types of relocation assistance: advisory services, moving expenses and replacement housing payments. Advisory services and moving expenses are provided to all displaced persons while replacement housing payments are only provided to homeowners and residential tenants who are displaced if the cost of finding comparable replacement housing exceeds the cost of the displacement housing. Replacement housing must be shown by inspection to be decent, safe and sanitary and meet local occupancy standards. Replacement housing for a homeowner is another similar home while replacement housing for a renter is a replacement housing payment representing the difference between the rent the person currently pays and how much a new rental unit would cost for forty-two months. Low income renters would use income instead of their current rent as the comparative base in the calculation of their replacement rental housing. See page 31 for homeowner relocation assistance and pages 31-32 for renter assistance.

## B. Permanent Relocation

### 1. Intake process

The sample intake form shown in HUD Handbook 1378 Appendix 8 or similar form will be completed for each occupant. It will be modified, if necessary, to fit special circumstances. It will be completed as soon after the project is approved as possible so that occupants can be issued the appropriate notices in a timely manner.

### 2. Notices

The sample notices provided in HUD Handbook 1378 will be used. It will be modified to show the City of La Mesa letterhead, the project name and HUD funding source on it. Timing, wording and delivery of notices will conform to Pages 16-18 of this manual.

Sample General Information Notice- Residential Not Displaced- Appendix 2

Sample General Information Notice- Non Residential Not Displaced Appendix 2a

Sample General Information Notice- Residential Tenant to Be Displaced- Appendix 3

Sample General Information Notice- Non Residential Tenant Displaced- Appendix 3a

Sample Move In Notice- Appendix 29

Sample Notice of Eligibility- Appendix 6 for residential and Appendix 7 for business

Sample of Non Displacement/Temporary Displacement- Appendix 4

Sample Notice of Eligibility- Homeowner- Appendix 5

Sample Ninety Day Notice- Exhibit 4

### 3. Advisory Services

La Mesa Community Development Department staff will ensure that the advisory services listed in 49 CFR 24.205 are offered and that files document for each residential displaced person what advisory services were needed and what advisory services were provided. See HUD Handbook 1378 Section 2-6 and use [Exhibit 7A](#) to document the file.

- a. Explanation of relocation payments and process for filing claims
- b. Explanation of other relocation assistance including government assistance
- c. Specific list of comparable housing units and the one that is most comparable
- d. Reasonable opportunity for minority persons to re-locate in an area of non minority concentration
- e. Transportation to comparable housing
- f. Counseling (i.e. assistance finding replacement housing, childcare while looking for housing, landlord negotiations).

#### **4. Moving expenses**

a. Displaced persons are eligible for the cost of moving personal property from the displacement housing to the replacement housing. The La Mesa Community Development Department staff will follow the URA regulations at 49 CFR 24.301 and HUD Handbook 1378 Paragraph 3-2. Payment will be based on the reasonable cost of moving based on actual moving costs or the fixed payment as provided in the California fixed schedule.

b. La Mesa Community Development Department staff will: 1) document claims with receipts for actual expenses or a copy of the fixed scheduled, 2), explain any unusual circumstances, 3)document the file with proof of the payment of moving expenses. Use Appendix 11 in HUD Handbook 1378 as the Residential Claim form for moving expenses and [Exhibit Number 5](#) for the California Fixed Schedule. Moving expenses will be prorated for households who have some members who are legal residents of the U.S. and some who are not legal residents.

#### **5. Replacement Housing Payments for Homeowners**

a. Homeowners who have occupied their homes for more than 180 prior to the date on the Notice of Just Compensation and Summary Statement and who are displaced involuntarily are entitled to a replacement housing payment in addition to the purchase price of their home. Property owners who are properly documented as voluntarily selling their property are not eligible for relocation assistance. See pages 9-11 for a description of the [voluntary acquisition](#) process. A property owner who receives an eminent domain letter for “tax purposes” is considered eligible for relocation as the acquisition is not considered voluntary.

b. The replacement housing payment for homeowners is the difference between the price of the displacement home and the price paid for the replacement home or a comparable home (whichever is lower), plus any additional mortgage financing costs, and reasonable incidental expenses. La Mesa Community Development Department staff will follow HUD Handbook 1378 Section 3-4 and 49 CFR 24.401).

c. A comparable as defined 49 CFR 24.2(a)(6) and 49 CFR 24.2(a)(6) Appendix A same reference must be decent safe and sanitary, functionally equivalent, adequate in size for its occupants, in an area without adverse environmental conditions, in a location no less desirable, on a typical size site and improvements, is currently available, is within the displaced person’s financial means. In addition to the price, the terms of

the mortgage must be compared to see if an interest rate adjustment and mortgage differential payments needs to be included in the replacement housing payment. Addresses of three comparable homes will be provided on the Notice of Eligibility and the most comparable home will be used as the basis for computing the replacement housing payment. The comparability of homes will be documented on Appendix 12 of HUD Handbook 1378. If the RHP is based on the comparable home La Mesa Community Development Department staff will ensure that file documents support this decision with a written determination is placed in the file.

- d. Legal residency in the U.S. is required for URA relocation assistance. The certification on the HUD claim form is sufficient for this purpose. [\(See Page 28 for residency requirements.\)](#)

## **6. Replacement Housing Payments (RHP) for Renters**

Persons who have resided at the displacement rental units for at least 90 days qualify under 49 CFR 24.402. See HUD Handbook 1378 Section 3-5. Persons who have not resided at the displacement unit for at least 90 days qualify under 49 CFR 24.404(c)(3). See HUD Handbook 1378 Section 3-6.

### **a. Replacement Housing Payment Calculation Methodology**

i. The RHP is calculated as the difference between the rent and utilities at the displacement unit and the rent and utilities at either a comparable unit or the actual replacement unit, whichever is lower, for forty two months. The exception is for persons who meet the HUD [“low to moderate income limit”](#). For these persons the calculation will be based on the difference between the household’s rent at a comparable unit or the actual replacement unit, whichever is lower, and thirty percent of the household’s gross income. See 49 CFR 24. 402 and HUD Handbook 1378 Section 3-5 for more details on calculating the RHP.

ii. La Mesa Community Development Department staff will ensure that the RHP is calculated correctly, that the income used in the calculation is placed in the file and is for the correct time period and that documentation of the RHP calculation is in the file.

### **b. Documentation of RHP Calculations**

i. Rent -Documents verifying the amount of rent at the displacement, comparable, and replacement units must be in the file. If a rental agreement is not available for the displacement unit, rent receipts for several months will be obtained. A rent roll from the previous landlord is also acceptable documentation of the rent.

ii. Utilities

A) Tenants will be asked to provide their actual utility bills for the previous 12 months. If 12 months of bills are not available and a fewer number is reasonable, document that one year’s utility bills are unavailable and use the bills provided. If the renter is unable or unwilling to provide the utility bills and bills cannot be obtained from the utility company obtain a statement from the tenant authorizing the use of the San Diego County Housing Authority (HA) utility schedule.

B) The file must document the type of utilities at the displacement, comparable and replacement units. For the displacement unit use the lease or, if no lease is available use a signed statement or intake form with utility information. For the comparable unit use a utility schedule and for the replacement use the new lease and /or inspection form.

C) If the utility schedule is used, identify the source of the schedule and compare the type of utilities existing at the displacement, comparable and replacement unit with the utility schedule amounts for each type of utility. Adjust for any differences. [Use [Exhibit 15](#) to document the file. If the tenant moves out of the City of La Mesa's jurisdiction use the new jurisdiction's utility schedule, If a special determination is needed staff should first review HUD's unofficial template for Utilities.

### iii. Household Income

Household income is defined as total gross income received for a 12 month period from all sources. See 49 CFR 24.2(a)(14) . For an explanation of how to document income see HUD Handbook 1378 Section 6-2(c) (1) (C). La Mesa Community Development Department staff will ensure that the low-income formula will be used to calculate the RHP for low-income households. A rent to rent calculation will only be used for a person who appears to be low income if the file contains a letter, documented as received by the tenant that: a) describes the amount of the benefit that would be payable if income documentation were to be provided, b) describes the type of documentation required and c) gives a date the documentation must be received.

A) Evidence of wages or self employment. Self certification of periodic self employment may be accepted as proof of income to the extent it is part of other income for the entire household. However it should not be accepted in lieu of regular employment or self employment tax return. Employment should be documented by pay stubs, wage statements from employers or tax returns.

B) Evidence of pension income from social security, VA, private pensions, unemployment or other government assistance will be an award letter, copy of check or copy of electronic payment to the bank.

C) When a household's documented income is less than its rent and/or other expenses and the income would qualify it either for higher benefits under the URA or for benefits under Section 104(d), La Mesa Community Development Department staff or consultants will take the following actions.

- a) Ask the household to provide bank statements, a list of household expenses and a statement of how expenses are met given their stated income.
- b) If the statement does not adequately explain how expenses are met, La Mesa Community Development Department staff will send a letter to the head of the household that states that the income does not adequately document how the household can meet its expenses, requests additional income documents to be submitted 30 days from the date of the letter and explains the consequences of not providing the information (i.e., relocation payments will be based on a rent to rent calculation). If the household does not respond within 30 days, document the file and base relocation payments on the difference between the displacement rent and the lower of the rent at the comparable unit or rent at the replacement unit.

- c) If the household is drawing down their savings in order to make expenses, a copy of the bank statement will be sufficient proof of meeting expenses.
- d) La Mesa Community Development Department staff will review all the evidence and documents supporting whether household's low income can be accepted and used for the RHP calculation. Staff will review HUD's unofficial Rent to Rent Template and complete a written determination.
- e) The Project Manager will approve Relocation Housing Payments for any households who appear to be low income but whose relocation payment will be based on the rent to rent calculation.

#### iv. Legal Residency and Replacement Housing Payments

The City of La Mesa will consider [exception](#) requests that meet the criteria 49 CFR 24.208 . If an exception is not made, La Mesa Community Development Department staff will follow the Federal Highway Administration (FHWA) "URA Frequently Asked Questions (FAQ)" Section 105-117 to determine the amount of RHP to be provided to households that have at least one person who is a legal resident of the U.S but also have other household members who are not legal residents of the U.S. To document legal residency in the U.S., the head of the household will sign the legal residency certification which is on the HUD claim form and show on the form how many household members are legal residents of the U.S.

#### v. Comparability

- vi. La Mesa Community Development Department staff will ensure that all displaced persons are offered comparable housing as defined in the URA at 49 CFR 24.2(d) and Appendix A 49 CFR 24.2(d) . Briefly, it must be decent safe and sanitary, functionally equivalent, adequate in size for its occupants, in an area without adverse environmental conditions, in a location no less desirable, typical size site and improvements, currently available, within financial means of the tenant (usually 30 percent of income) and government have a similar subsidy. The addresses of at least three comparable homes must be provided to the displaced tenants prior to giving them a Ninety-Day Notice to vacate their unit. (See page 29). These three addresses, including the one designated as the most comparable unit, will be shown on the Notice of Eligibility. The most comparable unit will be used as the basis for computing the replacement housing payment. Averaging comparable rents is not permitted. For more information, see 49 CFR 24.204, 49 CFR 24.403 and HUD Handbook 1378, Chapter 1 Paragraph 1-4(F).
- vii. La Mesa Community Development Department staff will use the HUD comparability form shown in HUD Handbook 1378 Appendix 12 to document the three comparable rental units and the one designated as the most comparable. If the same building is used as the comparable unit for several displaced renters, the file will show that the number of units available at the same rent will accommodate the number of displaced persons provided that building as a comparable unit.
- viii. If the RHP is based on a comparable unit La Mesa Community Development Department staff will ensure that file documents support this decision and a written determination is placed in the file. See HUD's unofficial template on Comparable

Housing Determination, Comparable Housing Used in Computing Replacement Housing Payment.

ix. Non -Payment of RHP

- A) La Mesa Community Development Department staff will thoroughly review all situations where no replacement housing payment will be made. Staff will review all relevant documents, HUD Handbook 1378 Section 6-2 and HUD's unofficial templates: Non Payment of Relocation Assistance Due to Eviction, Non Payment of Residential Relocation Due to Failed Inspection, Non Payment of Relocation Due to Lack of U.S. Residency, Non Payment of Residential Relocation Due to Unlawful Occupancy and Non Payment of Relocation Determination Due to Tenant Departure.
- B) A written determination justifying the decision not to pay URA relocation benefits will be prepared by staff and signed by the Project Manager's Department Head. The determination and supporting documents will be placed in the file. The person(s) affected will be sent a written notice of their ineligibility for URA relocation assistance that describes the reasons for the persons' ineligibility and their right to appeal the decision.

**vi. Waivers**

- i. Waivers are prohibited per 49 CFR 24.207(f) and HUD Handbook 1378 Section 1-8(B).

Neither La Mesa Community Development Department staff nor any other project participant (sponsor, sub-recipient, developer, etc) will request a waiver of relocation benefits from any eligible occupant. Similarly an occupant may not waive relocation assistance for which they are ineligible.

- ii. Waivers obtained by the applicant or previous property owner will be scrutinized carefully and HUD guidance requested.
- iii. In rare circumstances a waiver may be appropriate. One example is if the person is selecting a higher benefit in another program. In this event the displaced person must be provided a Notice of Eligibility that explains the exact amount of the estimated benefit, must sign a statement saying they understand the specific amount they may be waiving and the reason the benefit is not being claimed. La Mesa Community Development Department staff will review the facts, compare benefits and prepare a written justification. For a sample determination, see HUD's unofficial template "Non Payment of Relocation Due to Waiver".

**c. Down payments**

Down payments to purchase a home will be paid as a lump sum directly to the escrow company. Prior to payment La Mesa Community Development Department staff will review the claim form, purchase agreement, escrow documents and inspection reports to ensure that the person has qualified for a loan or has other means of purchasing the balance of the property, the amount of the down payment is correct and the house meets URA decent safe and sanitary standards. These documents and proof of the payment to the escrow company will be placed in the file.

**d. Lawful Occupancy**

To determine whether persons are lawful occupants of the displacement unit, La Mesa Community Development Department staff will obtain the following documents in the file: signed intake form, lease or rent receipts, utility bills, driver's license, mail, or other identification. If these documents show that the occupant was living in the unit at the time of the displacement, the person will be considered "displaced". If anyone is listed on the original intake form who does not receive relocation assistance La Mesa Community Development Department staff will document the reason.

**e. Occupancy Standards**

In referring displaced tenants to a replacement housing unit, the City of La Mesa will follow the occupancy standard shown below and document the file with a copy of the occupancy standard and evidence it is met: The occupancy standard to be used for all relocations is based on two people per bedroom and one person in the living room

**f. Uneconomic Rent**

If a tenant pays more than 25 percent less rent than the fair market value because of family or friendship ties, the City will use the Fair Market Rent to compute the Replacement Housing Payment.

**g. Economic Displacement**

La Mesa Community Development Department staff will avoid, whenever possible, economic displacement. A person will be considered permanently displaced and eligible for all relocation benefits if he or she will not be able to return to a unit like the one they vacated at the same rent for at least a year. Please see Exhibit 24 for more information.

**7. Special Types of Housing**

**a. Section 8**

i. Public housing residents who are being displaced from public housing will be provided with referrals for a comparable public housing unit, or, if possible be given a portable Section 8 voucher. In this case no replacement housing payment will be made, only a security deposit and advance to facilitate a timely move.

ii. Current Section 8 tenants will be given a transfer voucher to a like unit within the City of La Mesa. Please note that the new Section 8 voucher could be for a unit with fewer bedrooms if the composition of the household is smaller than it was at the time the original voucher was provided. The City of La Mesa is not obligated to find an available unit in another jurisdiction however if the receiving jurisdiction is able to accept the new voucher, document the file accordingly.

iii. If available, a new Section 8 voucher may be offered to a qualified low income household. However, if the household requests a Replacement Housing Payment, a replacement housing payment must be provided.

iv. For addition information about Section 8 situations please see 49 CFR 24.2 (a)(6)(14) and Appendix A with the same citation. See also FHWQ Question and Answers #103, HUD Handbook 1378 (3-5)(B-3). For Section 104 Section 8 questions see 24 CFR 42.350(e)(1)

v. La Mesa Community Development Department staff will ensure that the tenant file contains evidence that:

- A) The General Information Notices and Notices of Eligibility that were sent were modified to address Section 8 situations.
- B) Tenants were provided with at least 3 comparable units
- C) Replacement units met the Section 8 inspection criteria
- D) The Housing Authority has signed a contract for each new Section 8 tenant.
- E) Any extra payments, reduced payments, or no payments are completely justified.

**b. Shelter Plus Care Assistance**

La Mesa Community Development Department staff will work with the housing authority to place tenants who are being displaced from Shelter Plus Care leased housing to another Shelter Plus care unit. Prior to making such a referral La Mesa Community Development Department staff will consult with the local HUD office to ensure the persons' move can be qualified under SPC regulations.

**c. Homeless Facilities**

i. Emergency shelters are not considered permanent housing so the residents are not eligible for replacement housing payments. Instead, emergency shelter residents will either be moved at no cost by the sponsor or given up to \$50 to move their own personal property.

ii. Transitional housing is considered permanent housing so displaced residents are eligible for relocation assistance and will be referred to comparable housing which, in this case, would be similar type of transitional housing i.e., shared living dormitory to shared dormitory, shared room to shared room or a private rental unit to a similar sized rental unit with the same kinds of services. If the housing is provided at no cost to the resident, as part of a HUD or other government grant program, a Replacement Housing Payment will not be made. In cases where displaced occupants are paying rent, then the usual formula would be used to calculate a replacement housing payment. The usual moving payments will apply.

iii. La Mesa Community Development Department staff will ensure that the tenant relocation file shows that the replacement housing is comparable; the replacement homeless facility has accepted the homeless person(s) and that the services are comparable to the displacement homeless facility.

**d. Motels/Hotels**

Displaced persons residing in a motel or hotel on a permanent basis are considered permanently housed and are eligible for permanent relocation assistance. Residence of 90 days is not required. La Mesa Community Development Department staff must determine whether the persons' stay at the motel/hotel is temporary or permanent by contacting the landlord and obtaining a record of the person's hotel stay. Staff should also obtain evidence that motel is the person's permanent residence (receipt of mail, voters registration, driver's license, etc). Another motel may only be used as comparable housing if it is available for permanent residency and contains the same types of amenities (including cooking facilities) as the displacement unit. To determine if Section 104(d) applies review the monthly rent to determine if rents qualify as low income dwellings and the income of residents to see if they have low income.

**e. Board and Care Facilities**

Tenants being displaced from board and care facilities will be relocated to a comparable facility that offers the same level of services for the same price. Assistance from HUD may be necessary in order to establish comparability as HUD has no fair market values for board and care homes. Files will be thoroughly documented to show comparability.

**f. Rehabilitation Treatment Facilities and Half Way Houses**

Persons residing in drug and alcohol rehabilitation treatment facilities should be referred to another similar treatment facility. Persons living in half way houses would be referred to another halfway house.

**g. Mobile Homes**

Both tenants and owners of mobile homes are eligible for relocation assistance, moving expenses and replacement housing. La Mesa Community Development Department staff will carry out this relocation to comply with 49 CFR 24.501. See also definition of mobile home at Appendix A, 49 CFR 24.2(a)(17), HUD Handbook Section 3-9 and Federal Highway Administration Questions and Answers Part F.

**8. Relocation Payment/Claim Process**

**a. HUD Claim Forms**

HUD claim forms will be used to document moving expenses and replacement housing, down payment, homeowner assistance. Use HUD Handbook 1378 Appendix 13 for 180 Day Homeowner claims and Appendix 14 for Rental Assistance or Down payment claims.

**b. Payment Schedule**

Home owner and down payment assistance will be provided as a lump sum while replacement housing payments for rental assistance will be paid in three installments. The first installment will be an advance to cover first and last month's rent which the second and third payments will be paid in successive months..

**c. Review of Claims**

i. The Project Manager will review all claim forms prior to payment specifically the calculation of all payments and supporting documentation. Supporting documentation

will include: leases and utility schedules for displacement, comparable, and replacement units, an inspection report, evidence of legal residence if required, and for low income claimants income documentation. Please see [Exhibit 2](#), Part IV for a complete list of review items. Although it is not necessary to review all leases and utility receipts prior to payment these documents must be reviewed prior to project closeout.

ii La Mesa Community Development Department staff will forward the relocation claim with a request for payment to the Finance Department. Payment will be provided by wire transfer to the escrow company, if down payment or homeowner assistance or by check if it is rental assistance. A copy of the check will be maintained in the file. Whenever possible a receipt from the recipient will be obtained. No back rent may be deducted from the relocation without the written permission of the recipient.

## **9. Inspections**

- a. The URA at 49 CFR 24.403(b) requires that replacement housing be inspected to see that it meets the decent, safe and sanitary standard as defined in 42 CFR 24.2. (a)(8) These standards require compliance with local housing standards for both occupancy and habitability. For occupancy standards see [page 30](#) of this manual.

La Mesa Community Development Department staff will not use or allow its relocation consultants to use the backup URA criteria listed at 24 CFR 24.2 (a)(8)(i-vii). This section can only be used by jurisdictions without a state or local housing code, La Mesa Community Development Department staff will ensure that the file contains documentation that the housing is inspected prior to making the final relocation payment and that the criteria used is the correct City of La Mesa code.

- b. If the replacement housing fails the inspection, the replacement housing payment cannot be made. Notify the tenant of the items not meeting the inspection standard and give them a 30 day deadline to provide evidence of compliance. If the non conforming item is not cleared, notify the tenant in writing that payments will be suspended until items comply.
- c. If the displaced person moves out of state, La Mesa Community Development Department staff will contract with a qualified inspector in the area of the move to do the inspection. The cost of the inspection will be considered part of the relocation budget. A self inspection by the displaced person is not allowed unless that person is a documented to be qualified inspector.

## **10. Special Circumstances**

La Mesa Community Development Department staff will follow the policies listed in the “URA Frequently Asked Questions (FAQ)” issued by the Federal Highway Administration (FHWA) for circumstances not specifically described by the URA or if not listed staff will consult with local HUD relocation staff and place a written determination and supporting documents in the file.

## **11. Last Resort Housing**

The URA describes monetary limits for replacement housing in 49 CFR 24.401 (\$22,500 for homeowners) and 49 CFR 24.402 (\$5,250 for renters). However if the replacement housing payment, which is properly calculated, exceeds the monetary limits, the last resort housing provision in 49 CFR 24.404 will be invoked and the full 42 months of URA replacement

housing payments will be paid. La Mesa Community Development Department staff will not impose any monetary caps on replacement housing payments. Review HUD Handbook 1378 Section 3-3 and HUD Information Bulletin issues by the Los Angeles HUD Office on April 27, 2007. In addition displaced renters residing less than 90 days at the displacement unit will also be paid based on 49 CFR 24.404.

## **C. Temporary Residential Displacement and Relocation**

Residential occupants who are temporarily relocated from HUD funded projects are not eligible for permanent relocation benefits but they are eligible for out of pocket expenses for temporary relocation. The URA as revised in January 2005 defines temporary relocation as relocation that lasts no longer than 12 months. In carrying out temporary relocation La Mesa Community Development Department staff will consult URA regulations at Appendix A 49 CFR 24.2(a)(9)(ii)(D) and HUD Handbook Chapter 2 Section 2-7. In addition, La Mesa Community Development Department staff should consult HUD program regulations for CDBG and HOME during the planning stage of the project. For business relocation see [page 36](#) in this manual.

### **1. Temporary Relocation Plan**

If temporary displacement is expected to occur, La Mesa Community Development Department staff will ensure that a temporary relocation plan is completed and implemented fairly. Refer to the sample temporary plan at [Exhibit 12 A](#). The plan will outline the types of out of pocket expenses that will be paid i.e., lodging, meals, transportation, utilities and child care. The temporary relocation plan should be made available to all affected persons.

### **2. Temporary Displacement less than 4 Months**

Temporary assistance will be paid for out of pocket expenses as outlined in the Temporary Relocation Plan. Typical out of pocket expenses would be lodging (hotel or apartment) food (per diem or cooking facilities) and expenses related to utilities, transportation, child care, etc.

### **3. Temporary Displacement Between 4 and 6 Months**

Temporary relocation will be based on the difference between the rent and utilities at the temporary displacement unit and the temporary replacement unit. The size unit will be based on the occupancy standard for permanent housing as identified as [page 30](#) of this manual. Income will not be considered in the temporary calculation. The fixed moving rate will be used to pay for the move to and from the displacement and replacement unit. Occupants being displaced will also be reimbursed for any other reasonable out of pocket expenses for the move as identified in the relocation plan.

Typical out of pocket expenses would be lodging (hotel or apartment) food (per diem or cooking facilities) and expenses related to utilities, transportation, child care, etc.

#### **4. Temporary Displacement Between 6 and 12 months.**

Staff will evaluate whether rehabilitation that is projected to take over 6 months is likely to end in permanent relocation and determine whether it would be more cost effective to pay permanent relocation benefits from the beginning rather than incur additional costs for the additional temporary relocation. Temporary relocation payments will be based on the difference between the rent and utilities at the temporary displacement unit and the temporary replacement unit. The size unit will be based on the occupancy standard as identified on page 30 of this manual. Income will not be considered in the temporary calculation. The fixed moving rate will be used to pay for the move to and from the displacement and replacement unit. Occupants being displaced will also be reimbursed for any other out of pocket expenses for the move including utility reconnections.

#### **5. Temporary Displacement That Lasts Over 12 Months**

- a. If the displacement lasts more than 12 months the person is considered permanently displaced and eligible for permanent relocation assistance. Shorter term temporary relocation typically occurs in projects when lead based paint is being abated, pests are being eliminated or rehabilitation of units is not substantial. Longer term temporary relocation occurs when rehabilitation is more substantial. For more information about lead based paint program relocation, see [Exhibit 23](#).
- b. Persons whose temporary displacement becomes permanent will receive a [Notice of Eligibility](#) ninety days prior to the end of the 12 month period. All permanent relocation benefits will be due including advisory services, moving expenses and replacement housing. A person may elect to stay permanently as the temporary displacement unit or may choose another replacement unit. Low income tenants will be paid permanent relocation based on their income.

#### **6. Notice of Temporary Displacement**

A Notice of Temporary Displacement will be issued to all tenants who will be temporarily relocated temporarily from the project.

#### **7. Temporary Relocation Claims**

With respect to claims, La Mesa Community Development Department staff will use [Exhibit 12B](#) in this manual for simpler temporary relocations and Appendix 15 of HUD Handbook 1378 for more complex claims. Staff will review all claims and ensure that payments are based on actual receipts. Please note that persons may not receive an amount equal to a hotel stay for staying with relatives.

#### **8. Special Determinations**

If a special determination is needed, La Mesa Community Development Department staff will review HUD's unofficial template, Temporary Relocation Assistance Determination and put a determination in file.

#### **9. Documentation**

Files will document the location of the temporary relocation, the amount claimed, supporting documentation for the claims and proof of payment.

## **Chapter 5 URA Business Relocation**

### **A. Displaced/ Eligible Business**

1. To qualify for relocation assistance, the business must meet the definition of “displaced person” as defined at 49 CFR 24.2(a) (9).
2. A business is defined in the URA at 49 CFR 24.2 (a) (4) as any lawful activity, (except a farm operation, which is defined at 49 CFR 24.2(a) 12), that primarily purchases, sells, leases or rents personal and other real property for the manufacture, processing or marketing of products, commodities or other personal property or sells services to the public or see outdoor advertising. Non-profit organizations also classified as non residential and treated like businesses.
3. Businesses may be owned by one person, a partnership, or a corporation. Businesses include self employed persons who are housed under a single roof and share expenses or who lease their space from someone else. Examples of these kinds of businesses are swaps meets, business incubators and beauticians.

### **B. Ineligible Businesses**

1. Businesses engaged in unlawful or illegal activities are not eligible for relocation assistance but they are entitled as a person with personal property on the site. Refer to paragraph number 4 on page 29 for personal property only moves. A business that is operating on a site that is not zoned for that type of business is not considered “unlawful” will not be excluded from receiving relocation benefits.
2. Business owners who are not legal residents of the U.S. are not eligible for URA relocation assistance. If some of the owners are legal residents the relocation will be pro-rated according to the percentage of owners who are legal residents.
3. To deny relocation benefits to any business for the above reasons La Mesa Community Development Department staff will document that the business was operating a business illegally (i.e., ordinance establishing the business is illegal and notification to cease) or the businesses did not provide the legal residency certification as requested within the specified time limit.

### **C. Planning**

#### **1. Relocation Plan**

If the project requires any businesses to be displaced La Mesa Community Development Department staff will ensure that a relocation plan is developed as early as possible in the project phase See relocation planning in these procedures and 49 CFR 24.205 and HUD Handbook 1378 Section 2-2 for more information about relocation planning for business displacement.

#### **2. Minimizing Displacement**

As part of the planning process La Mesa Community Development Department staff will minimize business displacement by:: asking sponsors, CHDO’s, and/or sub-recipients not to increase tenant rents for at least one year after rehabilitation is completed, to stage rehabilitation or make other arrangements to keep the business open during rehabilitation.

## D. Notices

The notices will be worded properly, issued according to the same time limits and proof of delivery requirements shown on [pages 19-22](#) of this manual. La Mesa Community Development Department staff will use the sample forms provided in HUD Handbook 1378 according to the timeline and other requirements shown in Chapter 2 of this handbook: Businesses will be provided with HUD Brochure-Non Residential Relocation when the General Information Notice is issued..

1. General Information Notice Non residential Tenant Not Displaced Appendix 2a in HUD Handbook 1378 or General Information Notice- Non Residential Tenant Displaced Appendix 2b will be issued as soon in the project process as possible either at application or other submission.
2. Notice of Eligibility- Appendix 7- To be issued after the Initiations of Negotiations (ION) date has passed and interviews are completed See [page 17](#) of this manual for an explanation of the ION date.
3. Notice of Non Displacement- To be issued after the Initiations of Negotiations to business tenants who will not be permanently displaced. See Appendix 4 in HUD Handbook 1378.
4. Temporary Displacement- any notice of temporary displacement

## E. Intake

### 1. Interviews

La Mesa Community Development Department staff will ensure that business and other non-residential tenants are interviewed as soon as possible after the project has been approved. They will also ensure that the business' needs and preferences are documented and that they are provided with all required notices and advisory services. (See [page 38](#) of this manual for more information on advisory services). Staff will use the HUD sample intake form, Appendix 9, or similar form to document the interview.

### 2. Business Notification of Move Date

As part of the intake, La Mesa Community Development Department staff will notify the displaced businesses in writing that they are required to give the date they plan to start the move so that staff or relocation consultant may inspect and inventory the property to be moved. Relocation assistance may not be withheld for the lack of a move date unless the file documents that the business was provide timely notification of the requirement, did not provide a date for the move, had no reasonable explanation for the lack of notification or moving expenses could not be documented or were unreasonable. See HUD Handbook, Section 4-3(A) (7), and 49 CFR 24.301(i).

### 3. Equipment Inventory

La Mesa Community Development Department staff will ensure that the file documents all equipment on site to be moved and that, for most moves, an appraisal that covers furniture, fixtures and equipment (FF and E) will be obtained and any tenant leaseholds is documented. In less complex moves, if an appraisal is not needed to establish values a chart listing the FF and E may be used.

## Furniture, Fixtures, Equipment Inventory Format

Qty	Description of Item	Status- (Equipment to be moved, dismantled or reassembled or substituted	Other special circumstances or comment

## F. Relocation Assistance

Businesses are eligible to receive advisory services and moving expenses and either re-establishment expenses or a fixed in-lieu payments. Fixed in-lieu payments are typically provided to businesses going out of business. To obtain in lieu payments, the business must meet specific criteria. Businesses are not required to obtain a “comparable replacement site” as in residential relocation nor are they eligible for Section 104(d) relocation benefits.

### 1. Advisory Services

La Mesa Community Development Department staff will work closely with developers/consultants to ensure that businesses are provided with all required advisory services shortly after contract execution. Files will document that the following types of advisory services, listed in 49 CFR 24.205 (c) (2) (i) are provided to all businesses/non profits displaced. See also HUD Handbook 1378 Chapter 2.. Use [Exhibit 7B](#) to document advisory services.

- a. Information regarding their eligibility for relocation benefits and procedures for obtaining them. Use HUD brochures shown in the resource portion of this manual.
- b. Needs and preferences with respect to finding an appropriate replacement site i.e., space required, utility hook ups, permits, type of facilities, equipment installation, location, re-establishment at the new location
- c. The need for any outside specialist
- d. Identification of personality and realty issues
- e. The time required to vacate
- f. The difficulty locating displacement sites
- g. The need for any advance relocation assistance

### 2. Moving and Other Expenses

Displaced businesses are eligible for reimbursement of reasonable, necessary actual moving expenses associated with transporting of the business and personal property to a location no more than 50 miles away. La Mesa Community Development Department staff may consider a move further than 50 miles if justified by unusual circumstances. Here is a list of the most common

types of eligible moving expenses. Refer to 49 CFR 24.301, 49 CFR 24.303 , 49 CFR 24.306., HUD Handbook 1378 (4-3) and FHWA Questions and Answers 57-83 for more details.

- Transportation costs at 49 CFR 24.301(g)(1).
- Packing, crating, unpacking and uncrating at 49 CFR 24.301(g)(2)
- Disconnecting, dismantling, removing, reassembling and reinstalling appliances, machinery, equipment, utilities, and other personal property at 49 CFR 24.301 (g)(3).
- Storage of personal property for up to 12 months (or longer, if approved) at 49 CFR 24.301 (g)( 4)
- Insure the replacement value of the property in connection with the move and storage 49 CFR 24.301(g) (5 )
- Replacement value of property lost stolen/damaged in the move- 49 CFR 301(g)(6)
- Other moving related not listed as ineligible under 49 CFR 24.301(h)
- Mobile home disassembly, repairs, modifications, non refundable fees. See 49 CFR 24.301(g) (8-10)
- Licenses, permits or fees required at the replacement site based on its reusable life. See 49 CFR 24.301(g)(11)
- Professional services to plan the relocation move the property and/or install the equipment at the new site. See also HUD Handbook 1378 Section 4-5 A(2).
- Re-lettering signs at 49 CFR49 301(g)(17).
- Actual direct loss of tangible personal property as a result of the move. See 49 CFR 24.301(g)(13) and HUD Handbook 1378 Section 4-3(A)(3)
- The reasonable cost for reselling an item not to be relocation- 49 CFR 24.301(g)(15)
- Purchase of substitute personal property- See HUD Handbook 1378 Section 4-3 A4 and 49 CFR 24.301(g)(16)
- Searching for a replacement location.- See 49 CFR 24.301(g)(17) not to exceed \$2,500.
- Low value/high bulk. See also HUD Handbook Section 4-2. See also 49 CFR 24.301(g)18)
- Utility connections (See HUD Handbook 1378 Chapter 4 Section 4-5 A (1) and 49 CFR 24.303 (a) and for discretionary utilities see 49 CFR 24.306.
- Professional services (See HUD Handbook 1378 Chapter 4 Section 1-5 A (2) and URA 49 CFR 24.303 (b),
- Impact Fees –See HUD Handbook 1378 Chapter 4 Section 4- Section 4-5 (A) (3) and URA 49 CFR 24.303(c)).
- Reasonable and Necessary Expense- Expenses caused by the move which are not expressly stated as ineligible or identified specifically as a re-establishment may be

considered reasonable and necessary. (To use this category staff must prepare a written determination. See unofficial HUD template “Business Necessary and Reasonable”)

### **3. Re-establishment Expenses (See 49 CFR 24.304)**

Up to \$10,000 can be paid for eligible re-establishment expenses (49 CFR 24.304) to: 1) bring the replacement site up to code, modify the replacement site to accommodate the business, 2) construct and install new signage, 3) advertise the new location and 4) pay for two year increases in the cost of operations. Since \$10,000 often does not cover all the expenses associated with the new building, La Mesa Community Development Department staff should determine if some items are eligible under the moving expense category or can qualify as reasonable and necessary. See 49 CFR 24.304 and HUD Handbook 1378 Section\_4-6.

### **4. In-Lieu Payments**

Some small businesses may be eligible to choose a fixed payment, of between \$1,000 and \$25,000 rather than payments for actual moving expenses. See 49 CFR 24.305 and HUD Handbook Chapter 4 Section 4-7 for further information.

### **5. Multiple Businesses**

Sometimes multiple businesses (i.e., a swap meet, business incubator, hair salon) occupy a single unit or site. Businesses that are identified as separate entities will be eligible for the re-establishment or in lieu relocation benefits. If one single entity is established as the business, only that entity will receive relocation benefits with consideration given to needs of its connected organizations. To determine what entities are entitled to business re-establishment or in lieu payments La Mesa Community Development Department staff or consultants must conduct a personal interview on the premises and document whether the same premises and equipment are shared, work areas are clearly defined and separate, some employee duties are co-mingled and whether each entity files a separate tax return, holds a separate license, and/or has a separate accounting system.

## **G. Ineligible Expenses**

Some business relocation expenses are ineligible under the URA i.e., loss of goodwill, loss of profits, loss of trained employees, personal injury, cost of operating the business at the new location for two year. Refundable security and utility deposits are also ineligible. For a complete list see 49 CFR 24.301:.

## **H. Types of Moves**

Displaced businesses may hire commercial mover or move themselves. In either case, moving expense claims must be supported by at least two bids or actual receipts broken down by labor and requirement. See URA 49 CFR 24.301 (d). City of La Mesa] staff and or consultants will attend the meeting between and the bidders to ensure all the equipment is included in the bids. Staff will review the bids, evaluate the costs included in the bid, review the conditions of the move and participate in the selection of the mover. If a business moves itself the amount to be paid will be no more than the amount paid a commercial moving company taking into considering overhead and profit and the hourly rate for labor will be no more than the industry average. See [Exhibit 13B](#) for the City of La Mesa policy on self moves.

## I. Business Claims

1. **Claim Form-La Mesa Community Development Department staff** will use HUD Form 40055 “Claim for Actual Reasonable Moving and Related Expenses - Businesses, Non Profit Organizations, and Farm Operations” for business claims and ensure that claims are supported by actual receipts and any special determinations. See Appendix 16 in HUD Handbook 1378.

2. **Non Payment of Business Relocation-** La Mesa Community Development Department staff will completely document the rationale for not paying business relocation to persons who appear displaced. In writing the determination, staff will review HUD’s unofficial template on Non Payment of Business Relocation”.

## J. Temporary Business Relocation

**La Mesa Community Development Department staff** will review the feasibility of mitigating the effects of the project (i.e. rehabilitation) on the business, versus temporarily or permanently relocating businesses. If temporary relocation is too complex or costly and permanent relocation is more cost effective, permanent relocation payments will be made. See HUD Handbook 1378 Sections 2-7 (D) and 4-8.

## K. Multi Use Projects

For multi-use projects, where residential and businesses exist in the same project, and rehabilitation of residential and/or commercial areas will affect the access to the business, La Mesa Community Development Department staff should determine the need for temporary relocation assistance. Since the URA does not require the payment of temporary relocation benefits to businesses; La Mesa Community Development Department staff should determine whether to pay temporary relocation out of non HUD funds so that a business may not be unduly affected by a short term loss of business.

## L. Differences in California State and Federal Business Relocation Laws

1. Loss of Good Will -California state law allows the payment of loss of goodwill” but the URA does not; therefore the City of La Mesa will not use HUD funds to pay for any loss of goodwill.

2. Global Settlements- California state law allows the use of global settlements but the URA does not; therefore the City of La Mesa will not use global settlements for projects triggering the URA. If there is a settlement, the file will identify all relocation assistance paid with HUD funds and document that all costs were eligible, specifically the eligibility citation.

## M. Personal Property Only

A person that is not being displaced from a dwelling, a business, farm or non profit organization, but owns personal property that must be moved must be compensated for the cost of moving their personal property. This includes a mini storage facility. To facilitate the move of some personal property La Mesa Community Development Department staff may request that the owner of the property transfer the property to the City of La Mesa for disposal. See 49 CFR 24.301(e) and Handbook 1378 Section 4-4. If property is abandoned La Mesa Community Development Department staff will evaluate whether it is cost effective to pay for the removal of the property as part of demolition or rehabilitation as long as the property owner is duly notified.

## Chapter 6 Grantee Oversight of Relocation Process

This section details the steps La Mesa Community Development Department staff will take to ensure that all projects that involve acquisition, rehabilitation and demolition projects comply with the URA relocation requirements. For additional information on levels of staff responsibility see Exhibit 28.

### A. NOFA/Pre-Application

- a. If a NOFA is issued, La Mesa Community Development Department staff will ensure that the NOFA will be clearly worded to require compliance with URA if the project involves acquisition, demolition or rehabilitation.
- b. If a NOFA is not issued, staff will ensure that any pre-application materials clearly show URA requirements.

### B. Application Process

1. At application La Mesa Community Development Department staff will identify which projects must comply with the URA and Section 104(d). Information about occupants (residential and business) will be requested. (how many, what size, what type, homeowners and renters, temporary and permanent, actual names of residential and business occupants including those who have left within the last six months).
2. Staff will request a preliminary relocation plan, review the relocation liability associated with the application and will determine if the estimated relocation cost is reasonable, what funds will be used to pay for the relocation and whether those funds are currently available and the project is still feasible. See [Exhibit 2](#) Part 1 for the checklist to be used. If Section 104(d) is triggered please see [Section III](#) on page 44 in this manual. A relocation consultant should be identified.

### C. Project Approval

Upon approval of the project for funding, La Mesa Community Development Department staff will take the following actions. See [Exhibit 2, Part 2](#) for the checklist to be used.

1. Require the final relocation plan be completed and review it to ensure it meets the URA requirements at 49 CFR 24.205 and HUD Handbook 1378 section of planning (2-2).
2. Determine who will hire and/or pay for the relocation consultant. Staff will either oversee the selection of a relocation consultant or approve the consultant selected by the third party developer.
3. Review the occupancy list, and determine the timeline for accomplishing the relocation including: the date when issuing General Information Notices will be issued, interviews with occupants begin and Notices of Eligibility or Non Displacement will be issued.
4. Review that the wording the General Information Notices meets the criteria outline on page 21 of this and ensure all notices are sent as soon as possible. Review the wording of the contract with the third party developer to ensure compliance with the URA and/or Section 104(d).

#### D. Contract Execution (See [Exhibit 2](#) Part 3 for the checklist to be used.)

1. Meet with the relocation consultant and the third part developer too go over the URA/Section 104(d) requirements, the County/City procedures, documentation requirements and reports required
2. Determine if a meeting of residents or businesses is desired and if so, either conduct the meeting or oversee the process with the consultant or third party developer leading the meeting
3. Review the occupancy with the one provided during the application process list to ensure all residents are accounted for and all General Information Notices have been issued.
4. Ensure that for any occupant have left the project or have not been targeted to receive relocation assistance the file documents the decision not to provide benefits.
5. Ensure that all initial interviews have been completed and Notices of Eligibility or Notices of Non Displacement are ready to be issued. (Wording is correct and delivery process in place).

#### E. Project Implementation

1. Review monthly reports to ensure relocation is proceeding smoothly and all eligible persons have received relocation assistance.
2. Review claims ( form completed correctly, correct amount payment, amount paid supported by evidence of lease, utilities, income and DSS utilities,
3. Ensures payment is made and proof of payment is in fileFor business relocation ensures that business receive all the relocation assistance they are eligible for including advisory services and moving expenses, 3)no ineligible expenses are paid for with HUD funds, 4) files are properly documented (i.e. claim forms, equipment inventory, proof of payment. See [Exhibit 2](#) and Part IV (E) of this manual for a list of items to be reviewed
4. Prepare written special determinations as needed to explain the rational for taking specific actions. See [Exhibit 30](#) for a list of unofficial templates that may be consulted for the special determinations. Sample templates include those for not paying relocation benefits, documenting amount paid for properties, exempting non U.S legal residency and performing replacement housing calculations.

#### F. Project Completion (See [Exhibit 2](#) Part 4 for the checklist to be used)

1. Review files to ensure they are completed and properly organized
2. Review files to ensure they contain signed claim forms, proof of payment and documentation supporting the calculation of benefits was correct i.e., leases, utilities receipts and/or schedules and comparability of housing offered
3. Review income documentation to ensure payee met income standards
4. Verify that replacement unit was comparable and occupancy standards.
5. Verify that inspections met the decent, safe, sanitary housing standard.
6. Review files to ensure that all special determinations are in the file. If not done during project implementation, prepare after review of unofficial HUD templates. See [Exhibit 30](#).
7. Review files to ensure that all legal residency exemptions are documented
8. Verify that any person who was not paid relocation assistance was not eligible
9. No waivers were obtained or they were properly documented as qualifying a waiver

# **Chapter 7 Section 104(d) of the Housing and Community Act of 1974**

## **A. Overview**

Compliance with Section 104(d) is triggered when Community Development Block Grant (CDBG) funds, including Section 108 loans, and/or HOME funds are used in a project that demolishes or converts lower income dwellings for a use other than low income housing (i.e., commercial, industrial, market rate housing, or other non housing public use). Lower income dwelling units are defined as those with market rents (including tenant or owner paid utilities) that do not exceed the fair market rent (FMR). The income of the person living in the unit is not a factor in defining definition of lower income dwelling. See 24 CFR Parts 42.

## **B. Project Definition**

La Mesa Community Development Department staff will review Page 2 Project Definition of this manual to determine what activities and geographic boundaries comprise the project and will require compliance with Section 104(d). When triggered, Section 104(d) applies to the whole project, not just a specific parcel or activity within the project. A single unit of housing converted triggers compliance for all the units in the building. If HUD funds did not fund the demolition or conversion but are requested for subsequent acquisition, rehabilitation or new construction compliance with Section 104(d) will also be triggered. Consult with the local HUD relocation as needed.

## **C. Planning**

During the earliest phase of planning for the project La Mesa Community Development Department staff will:

1. Note the presence of CDBG or HOME funds.
2. Identify the physical boundaries of the project and all activities that will take place in it
3. Determine whether demolition or conversion of a low mod dwelling will occur. Converting one unit of low mod housing dwelling to a housing that is no low income triggers compliance for all the units in the project not just for the unit converted.
4. Include the Section 104 (d) relocation assistance in the relocation plan for that project.
5. Include the Section 104 (d) in the estimate of relocation assistance in the relocation plan.
6. Hire a relocation consultant experienced with Section 104(d) relocation benefit requirements.

## **D. Dual Eligibility**

If the HUD project triggers compliance with both Section 104(d) and the URA, La Mesa Community Development Department staff will calculate the relocation assistance under both programs and use the calculation that is more advantageous to the displaced person. If the URA is more advantageous even though the Section 104(d) replacement housing payment is higher (i.e., greater flexibility of down payment assistance) the file will document that the household made an informed decision. The household will not receive benefits under both regulations only the one that is higher or more advantageous.

## E. Requirements

### 1. Anti Displacement Plan

24 CFR 570.606 (c) of the CDBG regulations requires the City of La Mesa to adopt, make public and certify that they are following a residential anti-displacement and relocation assistance plan. 42 CFR 375 directs that the plan provide the steps that will be taken to minimize displacement resulting from any HOME or CDBG funded activities. The City of La Mesa has published a Residential Anti-Displacement and Relocation Assistance Plan (RARAP) in its most recent Consolidated and Annual Plans. See [Exhibit 10](#).

### 2. One for One Replacement Plan Requirement (See One for One Replacement Template)

#### a. Description of Plan

24 CFR 42.375 (c) requires the City of La Mesa to prepare and publish a One for One Replacement Plan before it enters into a contract committing CDBG or HOME funds for a project that will demolish lower income dwelling units or convert them to another use. The following information will be made public: 1) a project description, 2) the project's location on a map, 3) the number of dwelling units being demolished or converted, 4) the name, address and number of units identified as replacement dwellings, 5) the time frame for providing the replacement units, 6) source of funding for the replacement units and 7) the basis for concluding that the replacement units will remain affordable for 10 years. The Project Manager will be responsible for the Plan.

#### b. Units to Be Replaced

i. The City of La Mesa will replace all vacant or occupiable lower income dwelling units that are demolished or converted to another use. Substandard units that are suitable for rehabilitation, that have been vacant for over three months will not be replaced. See definition of vacant occupiable dwelling unit in 24 CFR 42.305.) If one unit in a building is demolished or converted Section 104(d) applies to the whole building. La Mesa Community Development Department staff must ensure that all persons displaced, if income requirements are met, should be reviewed for eligibility for the required 60 months replacement housing payments.

ii. Replacement units must be: 1) located within the City of La Mesa's jurisdiction, 2) be in standard condition, and 3) be designed to remain affordable for 10 years. For each unit being replaced, the number of bedrooms replaced must equal the number of bedrooms lost. Replacement must occur within a four year time period specifically within one year of application or within three years of the beginning of demolition or conversion can be counted as replacement units.

iii. Low income dwelling unit refers to a dwelling unit with a market rent, including utilities, that does not exceed the Fair Market Rent (FMR) (See 24 CFR 42. 305). The income of the person is not a determining factor in the definition of low-income dwelling unit. A motel room, for example, may be considered a low income dwelling unit if it rents at the FMR, if it rents for more than the FMR it would not be considered a low-income dwelling unit.

### **c. Application Process**

Applicants for HUD funding must state in its application how many lower income dwelling units will be demolished or converted. If the project being requested eliminates lower income dwellings than it replaces, the CITY OF LA MESA will not fund it unless replacement units are found.

### **d. Project Log**

Staff will maintain a log that: 1) lists all lower income dwellings demolished or converted to other use and shows address, the number and types of units and 2) a list of replacement units by address, number and time of units, 3) date of occupancy and 4) proof of affordability restrictions.

## **3. Relocation Assistance**

### **a. Advisory Assistance**

Per 24 CFR 42.350 advisory services are the same as the URA. Refer to 49 CFR 24.205(c) of the URA regulations and "[advisory assistance](#)" on page 24 of this manual.

### **b. Moving and Other Expenses**

Per 24 CFR 42.350 moving and related expenses are paid either at a fixed rate per the California state Moving Schedule, or displaced persons are reimbursed for reasonable, actual moving costs as stated in the URA guidelines. (See "[moving expenses](#)" on page 25 of this manual and 49 CFR 24.301 of the URA. In addition, security deposits and credit checks are also eligible costs for displaced persons under Section 104(d).

### **c. Replacement Housing Payments**

#### **i. Eligibility**

Eligibility for replacement housing payments is limited to low and moderate income families only. Legal residence in the U.S not required. See [Exhibit 8](#) for income limits prior to 2010 and link for 2010 income limits.

#### **ii. Calculation**

Section 104(d) Replacement Housing Payments are for 60 months. The amount is based on the difference between the Total Tenant Payment and the rent for a comparable unit or the actual rent at the displacement unit, whichever is less. The Total Tenant Payment is based on the HUD regulations at 24 CFR Part 813 replaced by Part 5. It adjusts income by subtracting specific exclusions. The most common exclusions are for children, disabled and elderly persons and for extra medical expenses. For a complete list of exclusions see Part 5 Family income. For further information on computing income see the following website:

<http://www.hud.gov/offices/cpd/affordablehousing/training/web/calculator/definitions/part5.cfm>

iii. Down payment- Replacement Housing Payments instead of being applied to another rental unit may be applied to a down payment for a new housing, but only housing identified as a cooperative. For additional information on the definition of cooperative, [see HUD RAP dated April 2007](#).

- iv. Section 8- If a Section 8 voucher is offered to a displaced person who is eligible for Section 104(d) relocation benefits in lieu of Replacement Housing Payments, the household is required to accept it. If the voucher is not accepted, no replacement housing payment is due. For more information see 24 CFR 42.350 (e)(1).
  - v. Income Issues-If a displaced household's income appears to be low income but cannot be verified see "[household income](#)" on page 27 of this manual. If a special determination is needed see HUD's unofficial templates: "Section 104(d) Determination of Income" or "Rent to Rent Determination for Potential Low Income Tenants."
  - vi. Comparable Replacement Dwelling Unit- Meets 49 CFR 24.204 and 49 CFR 24.2(d)(1-6) and 24 CFR 42.305 which references the Total Tenant Payment standard.
- d. Temporary Housing
- See interim living costs at 24 CFR 42.350(d) for reimbursement of out of pocket expenses.

#### **4. Section 104 (d) Notices**

The following notices are required for Section 104(d) projects: General Information Notice, Move In Notice, Notice of Non Displacement, and the Notice of Eligibility. The City of La Mesa will use the URA HUD sample notices in HUD Handbook 1378 for the first three notices and for the Notice of Eligibility will use either Appendix 25 or Appendix 26 depending on whether Section 8 vouchers are available. Timing of notices is the same as the URA. [See section on notices](#) of this manual. A HUD Section 104(d) brochure should be sent with the GIN or no later than the NOE.

#### **5. Claim Forms**

The City of La Mesa will use the HUD claim form shown in the HUD Relocation Handbook 1378, Appendix 27.

#### **6. Grantee Oversight of Section 104 Compliance**

La Mesa Community Development Department staff will determine at each phase of the project what actions need to be taken to guarantee compliance with Section 104(d) is with respect to the following:

##### **a. NOFA/Pre-Application**

If a NOFA is issued, La Mesa Community Development Department staff will ensure that the NOFA will be clearly worded to require compliance with Section 104(d) if the project involves demolition or conversion of any low income dwellings. If a NOFA is not issued, staff will ensure that any pre-application materials clearly show Section 104(d) requirements.

##### **b. Application**

- i. The Project Manager will review the application to see if the project involves the demolition or conversion of any low income dwellings. If so, staff will ensure that the application lists which occupants may be low income and eligible for Section 104(d)

relocation assistance and estimates the amount needed for the required relocation assistance.

ii. La Mesa Community Development Department staff will ensure that the final relocation plan describes: the applicability of Section 104(d) to the project and the requirements to publish a One for One Replacement Plan and pay relocation assistance to eligible displaced tenants. Staff should ensure that the General Information Notices are issued either upon application or shortly thereafter.

### **c. Project Approval**

La Mesa Community Development Department staff will review the project file to ensure that all notices are delivered timely including General Information Notices, Move In Notices and Notices of Eligibility (HUD Handbook 1378 Appendix 25 or Appendix 26) and refer to Section 104(d).

### **d. Project Implementation**

**i. Relocation Assistance** -La Mesa Community Development Department staff will review the project file to ensure that:

- A) Section 104(d) claims form (Appendix 27 in HUD Handbook 1378) are used
- B) All eligible low income persons are provided Section 104(d) benefits or the file documents that the household refused to provide income documentation.
- C) Replacement Housing Payments have been calculated correctly ( i.e., 60 instead of 42 months used, and the income is based on the Total Tenant Payment (TTP) with exclusions property applied
- D) Legal residency was not a factor in eligibility that is no one was excluded from receiving Section 104(d) assistance because of lack of legal residency in the U.S.
- E) Income documentation establishes the household's income qualifies as low income.

### **ii. One for One Replacement Plan**

La Mesa Community Development Department staff will develop a One for One Plan Replacement Plan that contains the elements required by 24 CFR Part 42.375 and publish it in the Consolidated Plan and on the City of La Mesa's website. See review of One for One Replacement Plan.

### **e. Close-Out**

La Mesa Community Development Department staff will ensure that the One for One Replacement Plan meets the required criteria, is published on the City of La Mesa's website and is added to the overall one for one replacement housing log. If the housing designated as the replacement housing is not completed or time or does not meet the affordability criteria another site will be selected and an amended One for One plan re-published. In addition, La Mesa Community Development Department staff will review the project and tenant files to ensure that files contain all appropriate notices, claim forms, proof of payment and other documentation supporting the amount paid.

## **Chapter 8 Record Keeping**

La Mesa Community Development Department staff will review 49 CFR 24.9 and Chapter 6 of HUD Handbook 1378 and these procedures for a list of records that must be maintained for projects involving acquisition and relocation. The checklist designated Exhibit 1 for acquisition and Exhibit 2 for relocation will be used. Staff will ensure that the following documents are placed in the file.

### **A. Acquisition Files**

#### **1. Notices**

- a. For voluntary acquisition the “voluntary” letter to the seller
- b. For involuntary acquisition: Notice to Appraise, Offer of Just Compensation and Summary Statement and any other correspondence related to the purchase.

#### **2. Documents Related to the Purchase**

Including purchase agreement, escrow settlement papers

#### **3. Documents Related to the Property Value.**

An appraisal or other estimate of value for voluntary acquisitions and an appraisal and review appraisal for involuntary acquisitions. If three months has passed a second appraisal may be necessary.

### **B. Relocation Files**

#### **1. Record Retention**

Acquisition and relocation records will be retained until three years after a project is completed and closed out. A project may be closed out when all the funds have been spent, program objectives met, displaced persons relocated and audits completed. See HUD Handbook 1378 Section 6-1 (D).

#### **2. Availability and Confidentiality of Records**

Records are considered confidential information, and the contents should only be available to authorized La Mesa Community Development Department staff, HUD personnel or other audit staff. Upon written request, information may be released to affected persons or their designated representative. See HUD Handbook 1378 Section 6-2 (a) for more details.

#### **3. Project Relocation File**

- a. Summary List of Occupants on site as the following dates: Application, Approval, Contract Execution and Project Completion
- b. Record of any meetings held and information covered at the meeting
- c. Summary List of Occupants who were paid and how amount they were paid, if not paid, the reason why. Summary list of occupants not paid and reason why not paid
- d. Fixed Payment Schedule used to compute moving expense
- e. Section 8 income limits used in Section 104(d) eligibility or URA RHP calculations

#### **4. Relocation Files for Individual Residential Tenants (Tenant Files)**

- a. Site Occupant Record (HUD Handbook 1378) Appendix 8 for residential and Appendix 9 for business occupants.
- b. Notices (FIN, NOE, Notice of Non Displacement, Move-In, etc) and proof of delivery
- c. Claim Form (URA or Section 104(d) whichever applies)
- d. Supporting documentation of replacement housing payment claim i.e., intake form, lease or rent receipt, utility receipts or property completed utility schedule See HUD Handbook 1378 Section 6-2(d)
- e. Evidence of income, if part of the housing payment calculation: wages, self employment, government and private pensions (i.e., SSA, SSI, VA), rental income, etc. See HUD Handbook 1378 Section 6-2 C (2).
- f. Section 104(d) income calculations—evidence of Part 5 exclusions
- g. Explanation of any special circumstances (calculation or otherwise)
- h. Evidence of Section 8 transfer, if applicable
- i. Evidence of comparability of designated unit HUD Handbook 1378- Appendix 12)
- j. Proof of payment of moving expense (fixed schedule or receipts);
- k. Security deposits and credit checks (Section 104(d) only)
- l. Proof of payment of relocation housing payment/ receipt by claimant
- m. Record of Inspection (In town and out of town moves)
- n. Appeals, exceptions to legal residency requirement if any, explanations, correspondence
- o. Advisory services provided
- p. Evidence of down payment (escrow, price paid, proof of payment)

#### **5. Individual Homeowner Files**

- a. Notices and proof of delivery
- b. Claim forms
- c. Appraisal of displacement home
- d. List of comparable homes (HUD Comparability Form)
- e. Purchase price of new home and other incidentals per the purchase agreement and final escrow settlement), and proof of payment- wire transfer
- f. Inspection of replacement home
- g. Log of advisory services provided

#### **6. Businesses Tenant Files**

- a. Notices and proof of delivery
- b. Business Claim Form
- c. Appraisal or other documentation of fixtures, furniture and equipment and leasehold interest, if any. (Provide an explanation for any furniture, furniture, equipment that is not moved.
- d. Receipts for all moving expenses and proof of payment
- e. Receipts for re-establishment and proof of payment
- f. Log of advisory services provided

# Chapter 9 Appeal Process

## A. Overview

It is the City of La Mesa's goal to resolve most acquisition and relocation issues informally with La Mesa Community Development Department staff and or consultants. If the issue is not resolved informally then the occupant will be directed to file a formal appeal according to the following procedures. See 49 CFR 24.10 and HUD Handbook 1378 Paragraph 1-10. Staff should also consult HUD program regulations CDBG and HOME, as some programs give low income tenant a right to a HUD appeal.

## B. Issues That Can Be Appealed

Any occupants who are dissatisfied with the City of La Mesa's decision concerning their status as a displaced person, the comparability of their new housing, the timing of their move, the adequacy of their temporary relocation, the amount of their relocation payments or any other aspect of the relocation may appeal the decision.

## C. Informal Resolution

1. Any occupants dissatisfied with his or her relocation should discuss it first with the consultant, and then, if unsatisfied, with the sponsor and then the designated City of La Mesa Project Manager.
2. If the issue is not resolved informally, La Mesa Community Development Department staff will document the reason for the decision and the person may then file an appeal in writing.
3. If the issue is resolved at this stage, staff or consultant will summarize in writing any discussions with the occupant and document the reasons for the decision in the file. La Mesa Community Development Department staff

## D. Written Appeal

### 1. Timeline

A written appeal must be addressed to the La Mesa Community Development Director within 60 days after the date the person received their Notice of Eligibility or Non Displacement, relocation payment or when they first became aware of the problem.

### 2. Items to Be Included in the Appeal

- a. Name, address, and signature of the claimant
- b. Date of the incident; date of the appeal
- c. Name and address of the project
- d. A description of the issue being appealed with all the pertinent facts
- e. A description of the actions taken to resolve the issue
- f. Supporting documentation. (i.e. notices, comparables, inspections, claim forms, payments)

### **3. Decision Maker**

The final decision on the appeal will be made by the City Manager

## **E. Appeal Process**

### **1. Staff Review**

La Mesa Community Development Department staff will review the appeal and prepare a package with all the information for the City Manager to review. The package will include:

- a. A summary of the issues/list of relevant facts
- b. All documents provided by the appellant,
- c. Documents supporting relevant facts
- d. All other pertinent file documents including
- e. Any consultant recommendations or special determinations
- f. All applicable Federal regulations, HUD policy and City of La Mesa policy

### **2. Hearing**

City Staff will arrange the location of the hearing, set the date and notify the appellant. The notification to the appellant will include directions to the hearing location, a description of the hearing process, and a list of any additional documents required.

The City Manager will consider all file documents, information submitted by the person, in making the determination.

## **F. Right to Legal Counsel**

The appellant has a right to legal or other representation and may elect to have a personal hearing. He or she may also inspect and copy all materials pertinent to the appeal and to seek judicial review of the agency's decision. The Project Manager will be responsible for coordinating the date of the hearing and/or arranging for materials to be copied/ and or inspected.

## **G. Written Decision**

The hearing committee will consider all the evidence presented and make a recommendation to the Agency head. Following the City Manager's final review, a written decision will be provided to the person within 15 days of the appeal's written submission to the City of La Mesa or a hearing, if requested. The decision will include the facts considered in the decision and if full relief is not granted, the decision will advise the person of the reason for the denial and the right of judicial appeal.

\*See HUD program regulations for CDBG and HOME

# **Chapter 10 Other Acquisition/Relocation Issues**

## **A. Adding HUD Funds for Acquisition to an Existing Project**

### **1. Compliance with other Federal laws and regulations**

La Mesa Community Development Department staff will review all Federal laws and regulations that may be triggered if HUD funds are added to existing projects. To determine what other Federal laws and regulations apply, review program regulations. For CDBG see 24 CFR Subpart K 570.600; for the HOME program see 24 CFR Subpart H 92.350-357 and Subpart K, for the ESG Program see 24 CFR 576.79; for the Supportive Housing Program (SHP) see 24 CFR 583.330. With respect to the National Environmental Protection Act regulations at CFR Part 58 before funds are committed. La Mesa Community Development Department staff will ensure that all statutory checklists are completed and signed and any required Requests for Release of Funds are approved by HUD prior to committing HUD funds to any project.

### **2. Using HUD funds with Projects involving State Funds**

La Mesa Community Development Department staff will review the following issues involving the use of state funds to see if additional action is necessary to comply with all HUD regulations.

#### **a. General Information Notices**

A state general information notice does not substitute for a Federal General Information Notice since the language and timing is different. When HUD funds are added to a project a HUD General Information Notice is required to be issued to all occupants on the site.

#### **b. Legal residency in the U.S.**

The URA prohibits relocation assistance from being provided to persons who are not legal residents of the URA. The State of California does not have this requirement. If HUD funds are added to a project, residency information, which was not previously required, must be obtained from all persons on the project site.

#### **c. Definition of voluntary acquisition**

Under state law a property listed on the open market may be considered a voluntary acquisition. This is not true under the URA. To be considered voluntary under the URA a properly worded notice must be sent to the property owner. This may involve issuing a voluntary letter after negotiations are underway or completed and giving the owner the option to withdraw from the purchase.

#### **d. Business relocation**

Loss of good will and global settlements allowable under State law are not allowed under the URA.

### **3. Tax Credit Projects**

Generally, the use of Federal tax credits alone in a project does not trigger compliance with the URA; but the URA is triggered when tax credit funds and HUD funds are used in the same project. The income targeting requirements for tax credit project are more restrictive than HOME or CDBG. City staff must be alert to situations where a sponsor, in order to receive

maximum consideration in the tax credit application process, may decide to “voluntarily” displace tenants who would otherwise be eligible under HUD program rules to remain at the project. To ensure compliance with the URA HUD local relocation staff should be consulted to determine whether such displacement qualifies as voluntary. The wording of notices to occupants must be reviewed thoroughly.

## **B. Using HUD Funds with Other Funding Sources for Relocation Payments.**

If more than one funding source is used to provide relocation assistance, La Mesa Community Development Department staff will ensure that the City of La Mesa’s accounting records clearly show, by person, which relocation benefits were paid with HUD funds versus which relocation was paid with other funds.

## **C. Conflicts of Interest**

A conflict of interest generally arises when the owner(s) of property being purchased with HUD funds has an interest in the entity purchasing the property either individually or as a member of a group like a Limited Liability Corporation (LLC) or a Trust. La Mesa Community Development Department staff will review acquisitions and take the following actions to ensure there is no conflict of interest.

1. Review the following HUD Conflict of Interest provisions : CDBG program, (24 CFR 570.611), HOME program, (24 CFR 92.356)and SHP program (24 CFR 583.330(e)) and
2. Obtain all ownership documents including grant deeds, tax liens, assignments, promissory notes, title reports to ensure that there is no conflict of interest and determine whether any parties involved in the new acquisition had a prior ownership interest in the property and/or will have an interest in the new ownership like tax credit investors, parent companies, housing developers, housing operators, and family trusts etc. If there is an apparent conflict of interest, request that City of La Mesa Counsel to make a written determination as to whether there is a conflict of interest. If there is a conflict of interest, the City of La Mesa will not fund the project.

## **D. Program Income**

If property is acquired, in full or in part by HUD, and held for a period with tenants paying rent to the acquiring agency, La Mesa Community Development Department staff must determine the applicability and/or use of program income. For the CDBG program see 24 CFR 570.500(a) and (b) and(c) for sub-recipient reporting see 24 CFR 570.504(c). For the HOME program see 24 CFR 92.502 (c) (2) and 24 CFR 92.503(a).

## **E. Contracts with Consultants and Developers**

1. Contracts with Relocation Consultants

The City of La Mesa will contract directly with relocation consultants. La Mesa Community Development Department staff will review the HUD Los Angeles Office Information Bulletin, [Exhibit 14](#), prior to engaging the services of a consultant company to provide acquisition and/or relocation services. Consultants hired for HUD projects must have previous experience with HUD programs and knowledge of both the URA and Section 104(d). Staff will ensure that files include the selection process for the consultant. Contracts

with relocation consultant will contain the instruction to follow the procedures in this manual. Review the optional sample Request for Consultant Qualifications..

## 2. Contracts with Developers with regard to relocation

City of La Mesa contracts with developers for projects involving relocation will clearly state the developer's responsibility for complying with all Federal acquisition and relocation requirements i.e., the URA, HUD Handbook, HUD program regulations, Section 104 (d) and the procedures in this manual. Such contracts will not relieve La Mesa Community Development Department staff of their acquisition and/or relocation responsibilities as outlined in these procedures.

## F. Program Issues

Prior to approving an application for HUD funds that involves acquisition or relocation. La Mesa Community Development Department staff will review program specific rules for these activities.

### 1. CDBG (Including Section 108 Loans)

- a. Acquisition, demolition and rehabilitation are eligible activities under the CDBG program. Refinancing an existing mortgage is not eligible. Title to the property must transfer to a wholly separate entity in order to be an eligible acquisition.
- b. Relocation is an eligible activity under the CDBG program. It is usually connected with acquisition, demolition or rehabilitation which triggers URA or Section 104(d) relocation assistance. Optional Relocation is also eligible under 24 CFR 570.606(d) when the relocation is not required by the URA or the payments exceed URA payments. When optional relocation payments will be made, an optional relocation plan will be developed.
- c. CDBG projects must meet the national objective. Relocation meets the same national objective as the activity that triggered it. For example if the activity was qualified as low mod housing, the relocation will also qualify as low/mod housing. If the project met the slum/blight national objective, the relocation would qualify as slum blight. See 24 CFR 570.
- d. Acquisition and relocation are discussed in 24 CFR 570.606. This section defines displaced and not displaced persons, establishes the Initiations of Negotiations date and describes the Residential Anti Displacement and One for One Replacements and other Section 104(d) requirements. Use of real property requirements are at 24 CFR 570.505.

### 2. HOME

- a. Eligibility- Acquisition and rehabilitation are eligible under the HOME program. Refinancing of existing debt may only be funded if carried out by housing that is being rehabilitated with HOME funds. (See 24 CFR 92.205 (b)).
- b. Income Targeting- The HOME program establishes income requirements. See 24 CFR 92.215 and 92.252. A person occupying the building at the time of the acquisition who does not meet these income limits must be displaced.
- d. Relocation- HOME funds may only be used to pay for relocation costs for HOME projects, either relocation required under the URA or Section 104(d), or optional

relocation. HOME funds cannot be used to pay relocation for a project funded with other, non-HOME funds. See 24 CFR 92.206(e) and HUD RAP September 2007.

e. Acquisition and relocation policies are covered under 24 CFR 92.353. These regulations address minimizing displacement, temporary relocation, relocation assistance and define displaced and not displaced persons. Property standards are found at 92.251.

### **3. Lead Based Paint**

This program provides grantees assistance in abating lead based hazards. As a result some households may have to relocate temporarily. The URA applies but the lead based programs regulations provide additional guidance. See [Exhibit 23](#) lead based paint programs. In general temporary relocation lead based paint abatement should follow the guidelines in HUD Handbook 1378 in Chapter 2 at paragraph 2-7 and Chapter 3 at Paragraph 3-5.

### **G. Resident Return Policy**

La Mesa Community Development Department staff will review program regulations, HUD Handbook Section 1-4 EE and City of La Mesa policies and develop a resident return policy for each project that states how many persons will return to the project, the timing for the return and the criteria that will be used to establish what persons are eligible to return and their priority for the return.

### **H. Fair Housing and Equal Employment Opportunity (FHEO) Considerations**

La Mesa Community Development Department staff will ensure that FHEO laws and regulations are followed. For issues to consider in projects involving acquisition and relocation please see document entitled "FHEO Considerations". For clarification please contact the Los Angeles HUD Office EEO Specialist.

### **I. Developing and Maintaining a Resource Manual**

La Mesa Community Development Department staff will develop and maintain a resource manual for acquisition and relocation that contains all the applicable statutes, regulations, HUD handbooks, program regulations and policy memoranda and will also include internet resources listed on Exhibits 29 and 30.

## HUD PROGRAMS COVERED BY URA AND/OR SECTION 104(d)

The following HUD programs are subject to the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and/or section 104(d) of the Housing and Community Development Act of 1974.

<b><i>PROGRAM</i></b>	<b><i>REGULATION</i></b>
<b><i>Community Planning and Development</i></b>	
Community Development Block Grants (CDBG) Entitlement Program	24 CFR 570.606
CDBG HUD-Administered Small Cities and Insular Area Programs	24 CFR 570.420(b)(3)(iv)/570.606
State CDBG Program	24 CFR 570.488/570.606
Section 108 Loan Guarantees	24 CFR 570.606/570.700
CDBG Insular Area Grants	24 CFR 570.405/570.606
Brownfields Economic Development Initiative (BEDI)	NOFA incorporates by reference 24 CFR 570.606
Self Help Homeownership Opportunities Program (SHOP)	Section 1 of the Housing Opportunity Program Extension Act of 1996 (42 U.S.C. 12805)
Home Investment Partnerships Program (HOME)	24 CFR 92.353
Emergency Shelter Grants (ESG)	24 CFR 576.59
Housing Opportunities for Persons with AIDS (HOPWA)	24 CFR 574.630
Section 8 Moderate Rehabilitation Single Room Occupancy (SRO)	24 CFR 882.810
Shelter Plus Care (S+C)	24 CFR 582.335
Supportive Housing Program (SHP)	24 CFR Part 583.310
Urban Empowerment Zones (EZs) Round II	Grant Agreement incorporates URA by reference
Historically Black Colleges and Universities Program (HBCU)	24 CFR 570.404
Economic Development Initiative (EDI)	24 CFR 570.606 (competitive); 49 CFR Part 24 (non-competitive)
Youthbuild	24 CFR 585.308
Special Purpose Grants	24 CFR 570.400/570.606
Urban Development Action Grants (UDAG)	24 CFR 570.457/570.606* <i>Terminated</i>
<b><i>Public and Indian Housing Programs</i></b>	
Community Development Block Grants for Indian Tribes and Alaska Native Villages	24 CFR 1003.602
HOPE VI	URA or Section 18, as applicable
Indian Housing Block Grant Program (IHCDBG)	24 CFR 1000.14
Native Hawaiian Housing Block Grant Program (NHHBG)	24 CFR 1006.375

Project-Based Voucher Program and Project-Based Certificate Program	24 CFR 983.10
Public Housing Capital Fund Program	URA or Section 18, as applicable
Public Housing Homeownership (Section 32)	24 CFR 906.24
Required and Voluntary Conversion of Developments (Public Housing)	24 CFR 972.130 and 24 CFR 972.230
<b><i>Housing Programs</i></b>	
Assisted Living Conversion Program	24 CFR 891.510
Disposition of Multifamily Projects and Up Front Grants	24 CFR 290.17
Prepayment of Low Income Housing Mortgages	Prepayment not subject to URA, see 24 CFR 248.165. Resale or rehabilitation projects receiving HUD financial assistance may be covered by URA.
Section 8 Loan Management Set-Aside for projects with HUD-Insured and HUD-Held Mortgages	24 CFR 886.338
Section 202 Supportive Housing for the Elderly	24 CFR 891.155
Section 811 Supportive Housing for Persons with Disabilities	24 CFR 891.155

# Exhibit 1 Acquisition/Relocation Checklist

## Part I NOFA Review

### A. Regulatory Citations and Required

- Contains statement regarding compliance with URA
- Program regulations regarding relocation
- Compliance with Section 104(d) if HOME or CDBG funds will pay for acquisition, demolition or rehabilitation and low mod dwellings will be demolished.

### B. Project Information

- Contains a statement requiring the number of low income dwellings to be demolished or converted, by bedroom size
- Map of area where property is located (if more than one parcel, list all parcels and identify all owners)
- Application identifies all activities connected to the site including any prior property acquisition

### B. Acquisition- Cites requirement to submit:

- For voluntary acquisition
  - Evidence that seller was notified that buyer did not have power of eminent domain
  - Requirement to provide evidence of fair market value
  - For government entities
    - Evidence that seller was notified will not use power of eminent domain
    - Evidence of fair market value
    - Evidence that property not part of designated area where all properties will be acquired
- For eminent domain acquisitions- evidence of compliance with Subpart B of URA
  - Letter to Appraise
  - Offer of Just Compensation and Summary Statement
  - Appraisal and Review Appraisals
  - Any settlement documents
- Evidence of Ownership/Site control (Deed and Title insurance) or Purchase Agreement

\_\_\_\_\_ Identity of Interest between Buyer and Seller and Owner if different than buyer

### **C. Relocation- List of Items Required to be Submitted during Application**

#### 1. Relocation Plan

\_\_\_\_\_ List of occupants currently on site and who left within last 6 months

\_\_\_\_\_ Explanation for any occupant departures in 12 months prior to application

\_\_\_\_\_ Description of the number of households expected to be displaced

\_\_\_\_\_ Defines relocations as permanent or temporary or none

\_\_\_\_\_ Estimate of relocation costs (including cost of relocation services)

\_\_\_\_\_ Source and commitment of funding for relocation

\_\_\_\_\_ Describes advisory services

\_\_\_\_\_ Describes who will carry out relocation—status of staff---if not on board currently a timeline for hiring someone

#### 2. Copy of General Information Notices Sent or Timeline for sending them out

### **Part 2- Acquisition Review at Application -Voluntary Acquisition**

#### 1. Governmental and Non Governmental Entities)

\_\_\_\_\_ Any letters of interest/negotiation (optional)

\_\_\_\_\_ Voluntary Letter or Language in Purchase Agreement

\_\_\_\_\_ Voluntary Letter Delivery

\_\_\_\_\_ Evidence of Fair Market Value/Basis for amount established (appraisal/other value)

\_\_\_\_\_ Purchase Agreement

\_\_\_\_\_ Tax credit projects- statements and/or documentation of any identity of interest

#### 2. Governmental Entities Only

\_\_\_\_\_ Statement/Evidence that project is not in a designated area where all of the properties are to be acquired

\_\_\_\_\_ Statement that agency will not acquire if negotiations fail

**Part 3- Acquisition Review Involuntary Acquisition (Governmental Entities Only)**

- \_\_\_ Letter to Appraise
- \_\_\_ Offer of Just Compensation/Summary Statement
- \_\_\_ Letters of Negotiation
- \_\_\_ Appraisal
- \_\_\_ Review Appraisal
- \_\_\_ Purchase Agreement with Seller
- \_\_\_ Administrative Settlement Justification
- \_\_\_ If litigation, court settlement papers

**Part 4 Acquisition Review at Project Approval**

- \_\_\_ Resolution of any identity of interest issues
- \_\_\_ Final Escrow Documents
- \_\_\_ County approval document
- \_\_\_ Executed agreement with County

**Part 5 Acquisition Review at Project Completion Review**

- \_\_\_ Deed Recordation
- \_\_\_ File Documentation Review- Include all documents listed above

**Part 6 Project Review (Check program for definition of project otherwise use URA)**

Project Information (Where several parcels/owners involved)

- \_\_\_ Map of Project showing project boundaries
- \_\_\_ List of parcels in project and which are being acquired
- \_\_\_ List of all owners and property addresses
- \_\_\_ Sources and uses chart showing all properties/sources of funding

## Exhibit 2 Relocation Checklist

### Part I Application/Planning Review

#### A. Review applicability of Section 104(d)

- CDBG/Home Funded  One for One Replacement Status  
 Demolition/Conversion of low income Units  Correct notices and benefits formula

#### B- Occupant Status

- Names/addresses of who (which units) will be displaced?  
 Whether relocation is temporary or permanent  
 Will some tenants stay and other tenants go?  
 Based on income requirement  
 Based on tenant characters- seniors/disabled  
 Will rents for some tenants go up?  
 If no occupant list is available a list of how many units/household of what type to occupied/to be displaced

#### C- Preliminary Estimate of Costs

- Number of household by units/bedroom size  
 Current rents in building  Current rents in area/ project rents  
 Possible low income  Are some tenants not in U.S. legally?  
 Section 104(d) payments  
 If exact information not available, develop a range of relocation costs  
(from no low income occupants to all low income occupants)  
 If temporary relocation - (Less than 12 months)  
 How many persons for how long  
 Type of out of pocket: moving, housing/utilities, food

#### D. Relocation Staffing

- Request Name of Organization who will carry out relocation  
 Request statement of relocation experience  
 Does sub-recipient/consultant has appropriate experience  
 HUD regulations  Housing versus business)  
 Size of effort involved  HOME/CDBG or other source of HUD funds

\_\_\_\_\_ Did the application explain who will carry out the following relocation functions:

\_\_\_\_\_ Prepare estimates      \_\_\_\_\_ Interview occupants      \_\_\_\_\_ Send out notices  
\_\_\_\_\_ Find comparable housing      \_\_\_\_\_ Calculate benefits      \_\_\_\_\_ Advisory services

**E. Funding Source for Relocation**

\_\_\_\_\_ Name of entity/funding source for relocation provided

\_\_\_\_\_ Status of funds for relocation- If not now in place, is there a future commitment

**F. Occupant Notification**

\_\_\_\_\_ Meetings with tenants (Date, presenter, type of info)

\_\_\_\_\_ General Information Notice GIN

\_\_\_\_\_ Date to be issued      \_\_\_\_\_ delivery method      \_\_\_\_\_ wording

**Part 2- Project Approval Review**

**1. Conduct Meeting with Sub-recipient/CHDO/sponsor/to go over Status of Relocation**

**A. Review Relocation Staffing**

\_\_\_\_\_ Who is carrying out relocation?

\_\_\_\_\_ If consultant, is consultant on board?

**B. Review General Information Notice**

\_\_\_\_\_ Status of GIN- has it been sent

\_\_\_\_\_ Review Wording of GIN if not already sent

\_\_\_\_\_ Review method of delivery of GIN if not already sent

**C. Review Occupancy Lists**

\_\_\_\_\_ Who has moved in since application? Was there a move in notice?

\_\_\_\_\_ Compare current occupant list with application list- if anyone has dropped off the list is there documentation as to why person left. If benefits were paid was the amount and appropriateness correct?

**D. Review Final Relocation Plan**

\_\_\_\_\_ Final Number of persons being displaced has been determined

\_\_\_\_\_ Type of Displacement has been determined

\_\_\_\_\_ Final Estimate of Costs has been made

\_\_\_\_\_ Availability of Comparable Units has been determined

\_\_\_\_\_ Timeline for Issuing Notices

\_\_\_\_\_ Procedures for Filing Claims have been set up

\_\_\_\_\_ Advisory services have been defined and checklist prepared

\_\_\_\_\_ Appeal procedures have been set up

- \_\_\_\_\_ Plan has been finalized according to state and HUD rules
- \_\_\_\_\_ Legal residency status has been reviewed and considered.

**E. Review Applicability of Section 104(d)**

- \_\_\_\_\_ Review funding sources (applies of CDBG/Section 108/HOME only)
- \_\_\_\_\_ Correct Notices
- \_\_\_\_\_ Correct Claim Forms?
- \_\_\_\_\_ Covered in the Relocation Plan
- \_\_\_\_\_ Formula for benefits is correct
- \_\_\_\_\_ Number of months is correct
- \_\_\_\_\_ Applied to all low income
- \_\_\_\_\_ Applied irrespective of U.S. residency status
- \_\_\_\_\_ One for One Replacement Plan Needed

**Part 3 Contract Execution Review**

1. Review the contract to ensure the following elements are contained in the body of the contract or as an exhibit:

- \_\_\_\_\_ Laws for which compliance is required- URA regulations, Public Law HUD Handbook and program citations
- \_\_\_\_\_ Reference to use of City of La Mesa Relocation Procedures Manual
- \_\_\_\_\_ Materials provided to developer/consultant
- \_\_\_\_\_ Amount of budget for relocation and statement regarding funding source used to pay for relocation
- \_\_\_\_\_ List of persons considered displaced and eligible for relocation benefits
- \_\_\_\_\_ Reference to City of La Mesa Acquisition and Relocation Procedures Manual
- \_\_\_\_\_ Payment of Claims- Supporting documentation requirements
- \_\_\_\_\_ Reporting Responsibility (how often, what data)
- \_\_\_\_\_ Monitoring/Access to Relocation Files
- \_\_\_\_\_ Sponsor/developer's responsibility during HUD audit

2. Review and approve final Relocation Plan

3. Conduct meeting with developer/CHDO/sponsor, City project management staff, and/or relocation consultant. Invite HUD local relocation specialist.

**a.** Give a packet to the sub-recipient and/or relocation consultant that includes:

- \_\_\_\_\_ Copy of all laws for which compliance is required- URA regulations, HUD Handbook and program citations, Section 104(d), if applicable

\_\_\_\_ Amount of budget for relocation; if not in contract source and commitment (If in relocation plan or budget, state that is the case)

\_\_\_\_ List of persons considered potentially eligible for benefit

\_\_\_\_ Periodic reporting Requirements

\_\_\_\_ Levels of Responsibility for Reviewing Relocation Compliance

\_\_\_\_ Developer staff responsible

\_\_\_\_ Relocation staff review

\_\_\_\_ La Mesa Community Development Department staff reviews

\_\_\_\_ Procedures for filing, documenting and paying claims

\_\_\_\_ Monitoring/Access to Relocation Files

b. Review the List of Occupants with sub-recipient and/or relocation consultant

\_\_\_\_ Compare the list of occupants as of ION with current occupant lists to see if any one has left; if so obtain information about the departure and determine if re-contact is necessary. Check eviction documentation.

\_\_\_\_ Determine the Presence of illegal aliens

\_\_\_\_ Review the [City of La Mesa's] exception policy

\_\_\_\_ Review methodology for calculating benefit

\_\_\_\_ Determine what tenants will be permanently displaced and will be paid relocation? This list will be provided as an attachment to the contract with the developer and/or relocation consultant.

\_\_\_\_ Determine whether any tenants are eligible for other relocation benefits (i.e. Section 104(d), local ordinances)

\_\_\_\_ Determine whether some tenants are eligible for temporary displacement

\_\_\_\_ Temporary relocation policy is in place that covers all out of pocket expenses and its provisions are fair and equitable to displaced persons.

c. Review Timing, Wording, and Delivery of Notices

\_\_\_\_ GIN- Status

\_\_\_\_ Move In Notices

\_\_\_\_ Notice of Displacement/Notice of Eligibility

\_\_\_\_ Temporary Notices

d. Review City of La Mesa Relocation Manual for procedures for:

\_\_\_\_ Interviewing tenants

\_\_\_\_ Form to be used

\_\_\_\_ Documents to be collected

\_\_\_\_ Claim process

- Timely completion
- Determining occupancy standards for replacement housing
- Determining replacement housing inspection standards
- Providing status reports
- Status reports to be provided regularly
- Review of claims
- Payment Procedures
- File documentation
- Other

**Part IV Project Completion Review**

**A. Occupancy List**

- Did everyone receive benefits?
- If no benefits, agency has reviewed and approved
  - Evictions were proper
  - Agency has reviewed and approved

**B. Review of Claim Forms**

- Forms completed correctly
- All Payments made
- Inspections completed for both in-town and out of town replacement housing
- Moving Expenses for Housing
  - Actual supported by received
  - Fixed according to updated CA schedule

**C. Review of Rental Housing Replacement Housing**

- Comparable units- sufficient number and documented as comparable
- Calculations are supportable
  - Rent (Lease or rent receipts)
  - Utilities
  - Income
- Referred to correct unit size
- Correct income schedule used
- Section 8 - Documentation of initial award or transfer
- Down payment documentation in file
- Legal residency issues

\_\_\_\_\_ Exceptions approved or  
\_\_\_\_\_ FHWA methodology used

D. Review of Homeowners Replacement housing

\_\_\_\_\_ Provided if acquisition was involuntary  
\_\_\_\_\_ Replacement housing documented

E. Advisory Assistance

\_\_\_\_\_ Assistance Documented

F. Review of Business Relocation

\_\_\_\_\_ All equipment identified and accounted for (appraisal or other document)  
\_\_\_\_\_ Re-establishment  
\_\_\_\_\_ Moving expenses supported by bids/receipts

G. Review of Section 104(d)

\_\_\_\_\_ Does the law apply?  
\_\_\_\_\_ #Units demolished/converted  
\_\_\_\_\_ Correct payments made?  
\_\_\_\_\_ Correct income formula used  
\_\_\_\_\_ Correct income limits applied  
\_\_\_\_\_ Number of months is correct  
\_\_\_\_\_ Security deposit included  
\_\_\_\_\_ Applied to all low income and low income only  
\_\_\_\_\_ Applied irrespective of U.S. residency status  
\_\_\_\_\_ One for One Replacement Plan published  
\_\_\_\_\_ Units Replaced

H. Other Review

\_\_\_\_\_ Advisory Assistance  
\_\_\_\_\_ Complaints settled.  
\_\_\_\_\_ Files Organized Properly

### Exhibit 3 Offer Of Just Compensation

Agency Letterhead

  (Date)  

  (Name)  

  (Address)  

  (Address)  

Dear \_\_\_\_\_,

The purpose of this letter is to make you an offer of just compensation for your property located at   (Address of Property)  .

  (Name)  ,   (Title)  ,

on behalf of the City of La Mesa, has established the amount of just compensation for your property at \$                    .

This amount is based on the fair market value established by an appraisal and approved by a review appraiser.

The City of La Mesa proposes to purchase your property for the established fair market value stated above. Attached you will find a Summary Statement of the Basis for the Determination of Just Compensation.

If you have any questions about this matter, please do not hesitate to call me at   (Phone Number)  . I look forward to hearing from you soon.

Sincerely,

  (Name)  

  (Title)  

  (Agency)  

Attachment

**SUMMARY STATEMENT OF THE BASIS FOR THE DETERMINATION**

**Description and Location of Property:**

The Property to be acquired is located at \_\_\_\_\_ (*Address*), and is also described as being in the City of \_\_\_\_\_, \_\_\_\_\_ County, \_\_\_\_\_, and identified as: (*Lot Number, Subdivision, Plat, etc.*), also being recorded in (*Book, Page, and Date*) in the records located at \_\_\_\_\_.

This is the same property described in a deed from dated \_\_\_\_\_, 19\_\_\_\_, and recorded in Deed Book \_\_\_\_\_, Page \_\_\_\_\_, Clerk’s Office, \_\_\_\_\_. Said lot fronts \_\_\_\_\_, and from a point of beginning commences \_\_\_\_\_ (*Distance and Directions*), and on record at Tax Map: \_\_\_\_\_ Map Code: \_\_\_\_\_, Route #: \_\_\_\_\_.

**Purpose of Purchase:**

**Interest in the Property:**

**Improvements:**

**Declaration of Offer:**

Based on the appraisal and the review appraisal prepared for the property to be acquired, the City of La Mesa hereby makes you an offer to acquire your property in the amount of \_\_\_\_\_ dollars (\$ \_\_\_\_\_ .00). This offer is for the fair market value of your property and does not include any consideration of decrease or increase in value attributable to the project in which it is being acquired. If relocation payments are applicable, they are not represented in the amount identified in this offer letter.

Should you have any questions concerning this summary statement and the City’s offer, please contact (Name) at the City of La Mesa Community Development Department, phone number \_\_\_\_\_.

\_\_\_\_\_  
SIGNATURE OF AUTHORIZING OFFICIAL

\_\_\_\_\_  
DATE

## Exhibit 4 90 Day Notice to Vacate

### *Agency Letterhead*

You were issued a notice of eligibility for relocation assistance which identified the address of a comparable unit that was most representative of your present home. This notice informed you that it would be necessary for you to relocate in order for the Agency to carry out its project, and that you would not be required to vacate your unit without at least 90 days advance written notice of the date by which you must vacate.

This is your 90-day notice to vacate the property. You must vacate the property no later than 90 days from the date of this Notice.

When you do move, you will be entitled to relocation payments and other assistance in accordance with Federal regulations implementing the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA). This assistance was outlined in the Notice of Eligibility for Relocation Assistance you previously received.

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.

We will continue to provide you with the address of other replacement housing units for you to consider, and provide transportation to inspect these units. Please remember that we cannot base your payment on any unit that is not a "comparable replacement home," and decent, safe and sanitary. Therefore, do not commit yourself to purchase or rent a unit until we inspect it.

In addition to relocation payments and housing referrals, counseling and other services are available to you. However, in order for you to obtain a replacement housing payment, you must move to a decent, safe and sanitary home within one year after you vacate your present home. Therefore, do not move into your selected unit until it has been inspected and approved.

If you have any questions, please contact the Agency's representative.

This letter is important to you and should be retained.

## **Exhibit 5 Uniform Relocation Assistance and Real Property Acquisition Policies Act Fixed Residential Moving Cost Schedule**

Fixed Residential Moving Cost Schedules are set by the Federal Highway Administration and are update annually. The City of La Mesa will use the most recent schedule when determining residential moving expenses for relocation reimbursements.

## Exhibit 6 Inspection Checklist

Name \_\_\_\_\_

Project Name \_\_\_\_\_

Address \_\_\_\_\_ #Persons on Lease \_\_\_\_\_

Number of Bedrooms \_\_\_\_\_ Number of Baths \_\_\_\_\_ Square Footage \_\_\_\_\_

Type of Kitchen Facilities: Full \_\_\_\_\_ Hot plate \_\_\_\_\_ Shared \_\_\_\_\_

Other: Explain \_\_\_\_\_

Utilities: Indicate if included in lease

Water \_\_\_\_\_ Gas \_\_\_\_\_ Electric \_\_\_\_\_ Sewer \_\_\_\_\_ Other \_\_\_\_\_

House is:

1. Structurally Sound \_\_\_\_\_
2. Weather tight \_\_\_\_\_
3. In good repair \_\_\_\_\_
4. Safe electrical wiring adequate for lighting and other devices \_\_\_\_\_
5. Heating system capable of sustaining a healthful temperature of approximately 70 degrees unless climate does not require it \_\_\_\_\_
6. Adequate in size with respect to # of rooms and area of living space needed to accommodate displaced persons.
7. Unobstructed egress to safe, open space at ground level, if second floor, two means of egress \_\_\_\_\_
8. Handicapped free of barriers that would preclude ingress/egress or use \_\_\_\_\_
9. Bathroom is:  
Separate \_\_\_\_\_ well lighted \_\_\_\_\_ ventilated \_\_\_\_\_  
Private \_\_\_\_\_ sink \_\_\_\_\_  
Presence of bathtub or shower \_\_\_\_\_ Good working condition \_\_\_\_\_  
Presence of toilet \_\_\_\_\_ good working condition  
Properly connected to sources of water and sewage \_\_\_\_\_
10. Housekeeping dwelling with kitchen area that:  
Contains fully usable sink \_\_\_\_\_  
Is properly connected to potable hot and cold water and to sewage/drainage \_\_\_\_\_  
Adequate connections for stove and refrigerator \_\_\_\_\_  
Name/Organization \_\_\_\_\_ Date Inspected \_\_\_\_\_

## Exhibit 7A Residential Advisory Assistance

Name of Grantee/Sponsor \_\_\_\_\_

Project Name \_\_\_\_\_

Name of Person \_\_\_\_\_

Address \_\_\_\_\_

<b>Date Identified</b>	<b>Identification of Needs</b>	<b>Date Resolved</b>	<b>Resolution</b>
	Explanation of Benefits		
	Transportation		
	Child Care		
	Help with comparable Unit		
	Help with Credit		
	Help with Landlord		
	Disability/elderly issues		
	Referrals to other Government Assistance		
	Assistance with claims		
	Moving Assistance		
	Other (Describe		

## Exhibit 7B Business Advisory Assistance

Name of Business \_\_\_\_\_ Type of Business \_\_\_\_\_

Date Identified	Identification of Needs	Date Resolved	Resolution
	Business Replacement Site		
	Space Required		
	Utility Hook Ups		
	Permits		
	Number and Type of Rooms		
	Outbuildings		
	Location needs to market goods/services		
	Financial Considerations		
	Other Space Considerations		
	Need for Outside Specialist		
	Personnel Issues		
	Equipment		
	Fixtures		
	Furniture		
	Realty Issues		
	Time Required to Vacate		
	Difficulty Locating Displacement Property		
	Advanced Relocation Required		

## **Exhibit 8 Uniform Act (URA) Income Limits State Of California**

The City of La Mesa will use the most up to date household income limits when determining eligibility for relocation assistance. Income limits are determined annually by HUD and are posted to the HUD website.

[www.hud.gov](http://www.hud.gov)

## Exhibit 9- Notice Procedures

Type of Notice	When Notice Should Be Sent	Who Will Send it
Involuntary Acquisition		
Letter of Interest/Letter to Appraise	At appraisal	La Mesa Community Development Department staff in charge of acquisition/eminent domain process
Just Compensation and Summary Statement	After appraisal and review appraisal and value determination	La Mesa Community Development Department staff in charge of acquisition or eminent domain process
<b>Voluntary Acquisition</b>		
Voluntary Notice	Prior to purchase agreement or after the fact if application submitted after purchase agreement is signed	La Mesa Community Development Department staff or third party applicant
Relocation Notices		
<b>General Information Notice</b>		
Involuntary Acquisition	Letter of Interest	La Mesa Community Development Department staff in charge of eminent domain process
Voluntary Acquisition	Purchase Agreement	Notice provided by applicant, reviewed by La Mesa Community Development Department staff
Move In Notice/Notice to Prospective Tenant	At time of move in; after application submitted and General Information Notice sent to other tenants	Notice provided by applicant; reviewed by La Mesa Community Development Department staff
<b>Notice of Eligibility</b>		
Involuntary Acquisition	Offer of Just Compensation	La Mesa Community Development Department staff in charge of eminent domain process

<p>Voluntary Acquisition</p> <p>Project carried out by City of La Mesa</p> <p>Project carried out by third party applicant</p>	<p>Approval of Consolidated Plan or Amendment to Consolidated Plan listing project site</p> <p>Execution of contract between City of La Mesa and third party applicant or contractor and site control exists</p>	<p>La Mesa Community Development Department staff in charge of acquisition</p> <p>Notice provided by applicant; reviewed by La Mesa Community Development Department staff</p>
Ninety Day Notices	90 Days prior to vacate assuming- cannot issue until address of comparable unit provided to displacee	Notice provided by La Mesa Community Development Department staff or provided by applicant and reviewed by La Mesa Community Development Department staff
Notice of Non Displacement	Same timing as Notice of Eligibility	Notice provided by La Mesa Community Development Department staff or provided by applicant and reviewed by La Mesa Community Development Department staff
Temporary Notice	No less than 90 days before temporary relocation starts	Notice provided by La Mesa Community Development Department staff or provided by applicant and reviewed by La Mesa Community Development Department staff

**Exhibit 10 City of La Mesa Residential Anti-Displacement and Relocation Assistance Plan**

**Community Development Block Grant & Home Investment Partnerships Programs**

## **City Of La Mesa Acquisition, Anti-Displacement and Relocation Assistance Plan**

This Residential Anti-displacement and Relocation Assistance Plan (RARAP) is prepared by The City of La Mesa in accordance with the Housing and Community Development Act of 1974, as amended; and HUD regulations at 24 CFR 42.325 and is applicable to the City's CDBG, and HOME-assisted projects.

The City will review all instances of property acquisition involving CDBG or HOME funding, including third party acquisitions that will ultimately involve federal funding. Early in the process prior to any purchase and/or displacement, the City will consult with HUD staff and with professional relocation specialists, to determine the correct approach to implementation of relocation regulations.

With the assistance of relocation consultants, the City will provide the applicable notices on the correct schedule.

### **Minimize Displacement**

Consistent with the goals and objectives of activities assisted under the Act, the City of La Mesa will avoid the displacement of people from their homes when implementing CDBG or HOME funded projects. Should displacement and relocation be unavoidable, the City of La Mesa will take the following steps to minimize the direct and indirect impacts on people affected by the City's actions:

- Coordinate code enforcement with housing maintenance and rehabilitation programs to maintain the quality of the housing stock and to avoid deterioration and private sector disinvestment in residential neighborhoods.
- Evaluate housing codes and rehabilitation standards in reinvestment areas to prevent undue financial burden on established owners and tenants.
- Stage rehabilitation of apartment units to allow tenants to remain in the building/complex during and after the rehabilitation, working with empty units first.
- Arrange for facilities to house persons who must be relocated temporarily during rehabilitation.
- Identify and mitigate displacement resulting from intensive public investment in residential neighborhoods.
- Implement the adopted regulations in the Condominium Conversion Ordinance to provide reasonable protections and relocation assistance to tenants of apartment units faced with conversion to a condominium.
- Provide homeowners and tenants with information on assistance available to help them remain in their neighborhood in the face of revitalization pressures.

- ❑ To avoid displacement, give priority to rehabilitation of housing, as opposed to demolition, unless the demolition is unavoidable due to the nature and extent of the proposed project.
- ❑ If feasible, demolish or convert only dwelling units that are not occupied or vacant occupiable dwelling units (especially those units which are “lower-income dwelling units” (as defined in 24 CFR 42.305).
- ❑ Only those properties deemed essential to the need or success of the project will be demolished or converted.

**Relocation Assistance to Displaced Persons**

La Mesa will provide relocation assistance for lower-income tenants who, in connection with an activity assisted under the CDBG or HOME Programs, move permanently or move personal property from real property as a direct result of the demolition of any dwelling unit or the conversion of a lower-income dwelling unit in accordance with the requirements of 24 CFR 42.350. A displaced person who is not a lower-income tenant, will be provided relocation assistance in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and implementing regulations at 49 CFR Part 24.

Relocation assistance to displaced persons shall include the following components:

1. Interview the persons being displaced to determine eligibility for relocation benefits
2. Assist the eligible displaced persons to file a claim for relocation benefits
3. Verify and document the claim, including documentation of the comparable housing and inspection of the replacement units
4. Pay the claim
5. Document the paid claim.

**Voluntary Acquisition and Relocation**

The City of La Mesa and a property owner can negotiate an amicable agreement for the acquisition of residential property, which does not trigger relocation for the owner occupant property owner. The City of La Mesa will inform the property owner that it will not use eminent domain procedures if the purchase negotiations fail. The City will document the value of the property through a professional appraisal or comparable methodology. The City will inform the owner of its estimate of the fair market value in writing before seller enters a sales contract. A sample voluntary acquisition letter is included as Attachment A. If a tenant is displaced, relocation assistance will be provided.

### **One-for-One Replacement of Lower-Income Dwelling Units**

The City of La Mesa will replace all occupied and vacant but suitable for occupancy lower-income dwelling units demolished or converted to a use other than lower-income housing in connection with a project assisted with funds provided under the CDBG or HOME Program in accordance with 24 CFR 42.375.

Before entering into a contract committing La Mesa to provide funds for a project that will directly result in demolition or conversion of lower-income dwelling units, La Mesa will publish a notice in a newspaper of general circulation and hold a public hearing before the City Council. The City Council will consider the circumstances of the project and determine if a waiver from the requirement for one for one replacement should be pursued.

The City will submit to HUD the following information in writing:

1. A description of the proposed assisted project;
2. The address, number of bedrooms, and location on a map of lower-income dwelling units that will be demolished or converted to a use other than as lower-income dwelling units as a result of an assisted project;
3. A time schedule for the commencement and completion of the demolition or conversion;
4. To the extent known, the address, number of lower-income dwelling units by size (number of bedrooms) and location on a map of the replacement lower-income housing that has been or will be provided.
5. The source of funding and a time schedule for the provision of the replacement dwelling units;
6. The basis for concluding that each replacement dwelling unit will remain a lower-income dwelling unit for at least 10 years from the date of initial occupancy; and
7. Information demonstrating that any proposed replacement of lower-income dwelling units with smaller dwelling units (e.g., a 2-bedroom unit with two 1-bedroom units), or any proposed replacement of efficiency or single-room occupancy (SRO) units with units of a different size, is appropriate and consistent with the housing needs and priorities identified in the HUD-approved Consolidated Plan and 24 CFR 42.375(b).

To the extent that the specific location of the replacement dwelling units and other data in items 4 through 7 are not available at the time of the general submission, La Mesa will identify the general location of such dwelling units on a map and complete the disclosure and submission requirements as soon as the specific data is available.

### **Replacement not Required Based on Unit Availability**

Under 24 CFR 42.375(d), the City of La Mesa may submit a request to HUD for a determination that the one-for-one replacement requirement does not apply based on objective data that there is an adequate supply of vacant lower-income

dwelling units in standard condition available on a non-discriminatory basis within the area.

**Contacts**

The Community Development Department is responsible for tracking the replacement of lower income dwelling units and ensuring that they are provided within the required period. The phone number for the Community Development Department is 619-667-1177.

The Community Development Department is responsible for providing relocation payments and other relocation assistance to any lower-income person displaced by the demolition of any dwelling unit or the conversion of lower-income dwelling units to another use. The phone number for the Community Development Department is 619-667-1177.

Attachment A  
Voluntary Acquisition Informational Notice

Grantee or Agency Letterhead  
(date)

Dear \_\_\_\_\_:

The City of La Mesa 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) under the \_\_\_\_\_ program.

Please be advised that, the City of La Mesa possesses eminent domain authority to acquire property, however, in the event you are not interested in selling your property, or if we cannot reach an amicable agreement for the purchase of your property, we will not pursue its acquisition under eminent domain.

Your property is not a necessary part of the proposed project and is not part of an intended, planned, or designated project area where substantially all of the property within the area is to be acquired.

The City of La Mesa is prepared to offer you (\$)\_\_\_\_\_ to purchase your property. We believe this amount represents the current market value of your property based on a professional appraisal.

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 guideform may only be used if all of the requirements of 49 CFR 24.101(b)(1)(i)-(iv) are met.
4. This is a guideform. It should be revised to reflect the circumstances.

# Exhibit 11 City of La Mesa One-For-One Replacement Plan 20XX

To comply with the Housing and Community Development Act of 1974 (42 U.S.C 5304(d)), the City of La Mesa has prepared the following One for One Replacement Plan. The regulations at 24 CFR 42.375 require that all occupied and vacant occupiable lower-income dwellings that are demolished or converted to a use other than as lower-income dwelling units, in connection with an assisted Community Development Block Grant (including any Section 108 loans) and/or HOME activity must be replaced with comparable lower income dwelling units.

The City certifies that the replacement units are, 1) in standard condition, 2) located in the City of La Mesa’s jurisdiction, 3) will be made available for occupancy within one year before the displacing activity is made public and 3 years after the demolition or conversion commence and 4) sufficient in number and size to house no fewer than the number of occupants who could have been housed in the units that are demolished or converted. The number of occupants who could have been housed in units is consistent with the City of La Mesa’s housing occupancy code.

**Date information about displacing activity made public:            INSERT DATE**

**Date Demolition Begins:    INSERT DATE            Date Demolition Ends: INSERT DATE**

**Source of Funding for the Displacement Units: NAME FUNDING SOURCE**

**Time Schedule for Replacing Units: INSERT DATE**

**Occupancy:** Insert Date of Occupancy

**Basis for concluding each replacement dwelling unit will remain a lower income dwelling unit for at least 10 years from the date of initial occupancy:** Describe basis of on going affordability

<b>Displacing Activity</b>	<b>IDIS Project #</b>	<b>Address</b>	<b>Date Demolished or Converted</b>	<b>Funding Source</b>	<b>#Units</b>	<b>Bedrm Size</b>
Insert name of activity causing the displacement	20XX-0XX	Address displacement occurring	MM/DD/YYYY	Name funding source		
<i>Total Dwellings Demolished/Converted</i>						
<b>Replacement Housing</b>	<b>Project #</b>	<b>Address</b>	<b>Date Available</b>	<b>Term of Affordability</b>		
Name of replacement project	None	Address of replacement project	Insert Date Name Terms	Name funding source		
<i>Total Replacement Dwellings</i>						

**Please see attached map for location of units demolished and replacement units.**

## **Exhibit 12A City Of La Mesa Temporary Relocation Plan**

This plan will cover residential tenants who will not be required to move permanently but who must relocate temporarily for the development. Such tenants must at a minimum be provided with the following. Please see 49 CFR 24.2(a)(9)(ii)(D), Appendix A and HUD Handbook 1378 Section (1-4) II and (4-8).

### **1. Notices**

Persons being temporarily displaced will be provided with a Notice of Non Displacement/Temporary Displacement stating the following. See [Appendix 4](#) in HUD Handbook 1378 for a sample notice.

- a. The date and approximate duration of the temporary relocation.
- b. The displacement is not permanent, and that if the relocation exceeds 12 months, permanent URA relocation assistance will be paid.
- c. The address of the suitable, decent, safe, and sanitary dwelling to be made available for the temporary period.
- d. The terms and conditions under which the tenant may lease and occupy a suitable, decent, safe, and sanitary dwelling in the building/complex upon completion of the project.
- e. The type of out of pocket temporary relocation expenses to be paid.

### **2. Reimbursement for Out of Pocket Expenses**

Reimbursement will be made for the following types of all reasonable out of pocket expenses incurred in connection with the temporary relocation. Stipends will not be paid for staying with friends or relatives. With the exception of food, which will be paid on a per diem basis, payments will be made directly to the vendor or reimbursement receipts will be required for reimbursement. Please see [Exhibit 12B](#) for a sample claim.

- a. Cost of moving to and from the temporary occupied housing
- b. Cost of lodging (stay at a hotel or apartment)
- c. Per Diem allowance for food: \$35 per day for adults, \$20 for children under the age of 12. If lodging includes cooking facilities no food allowance will be paid.
- d. Additional utility costs including cable and internet service
- e. Additional transportation or child care costs
- f. Other costs approved by the Project Manager.

### **3. Advisory Assistance**

Temporarily displaced persons will be provided with appropriate advisory services to assist them in finding a temporary unit, obtaining transportation and child care to find temporary housing and filing a claim for reimbursement for out of pocket expenses.

## **TEMPORARY RELOCATION POLICY (IF 12 Month Limit To Be Exceeded)**

After 9 months of temporary relocation, the Project Manager will evaluate the project to determine whether or not the relocation will exceed the 12 month limit.

If so, the following actions will be taken:

1. All affected displaced tenants will be sent a letter that explains:
  - a. how much longer the temporary relocation is expected to last,
  - b. their eligibility for permanent relocation assistance under the URA\* and
  - c. a Notice of Eligibility. See [page 12 in these procedures](#) for additional information.
2. If the relocation is not expected to exceed the 12 months limits for more than a few months, tenants will be given the option to remain in their temporary unit for a specified period of time and return to the project. In this event,
  - a. The letter will provide a deadline for tenants to state their intention of staying.
  - b. Displaced tenants who wish to stay will state their intention to stay in writing and temporary relocation benefits will continue until they return to the project. The file will reflect that they received a Notice of Eligibility which explains the exact amount of benefits due them. The tenants' request to stay will be acknowledged in writing with a caveat that if they changes their mind that additional temporary relocation benefits will be deducted from their permanent relocation benefits.
3. Following the interview each tenant who will be displaced for more than 12 months will receive a Notice of Eligibility and provided all relocation assistance for which they are eligible.
4. A 90 Day Notice will be provided at the same time as the Notice of Eligibility. This notice will give tenants 90 days in which to move. Temporary benefits will continue until the earliest of the date the person vacates the unit or the date on the 90 day letter at which time the permanent relocation will be calculated to start.
5. Claims will be filed, supporting documentation will be obtained and relocation assistance paid made per the City of La Mesa's usual procedures.
6. If a situation arises where a special determination is needed, the Project Manager will be the approving signatory.

\*Or Section 104(d) if this law has been triggered.

# Exhibit 12B Temporary Relocation Claim Form

Name of Project \_\_\_\_\_  
Name of Displacing Entity \_\_\_\_\_  
Name of Household and Household Member \_\_\_\_\_  
Address of Displacement \_\_\_\_\_  
Address of Temporary Displacement \_\_\_\_\_  
Number of Days/Months Displaced: \_\_\_\_\_

Lodging

Hotel Plus Tax \_\_\_\_\_  
Apartment Rent \_\_\_\_\_  
Difference in Rent \_\_\_\_\_  
X #Days/Month \_\_\_\_\_  
Subtotal \_\_\_\_\_

Food

Per Diem of \_\_\_\_ per day \_\_\_\_\_  
# Days \_\_\_\_\_  
Subtotal \_\_\_\_\_

Utility Hook Ups

Telephone \_\_\_\_\_  
Gas/Water/Electric \_\_\_\_\_  
Cable/Internet \_\_\_\_\_  
X Days/Month \_\_\_\_\_  
Subtotal \_\_\_\_\_

Fixed Moving (includes utilities) \_\_\_\_\_

Transportation \_\_\_\_\_

Other Out of Pocket Expenses \_\_\_\_\_  
(Explain)

Total \_\_\_\_\_

Signature of Claimant \_\_\_\_\_ Date \_\_\_\_\_

Approved by \_\_\_\_\_ Date \_\_\_\_\_

Amount Paid \_\_\_\_\_ Date \_\_\_\_\_

## Exhibit 13A Business Claim Documentation

<b>Actual Move Costs</b>	Bids/Estimates/Invoices
	Receipts
	Personal Property Inventory
	Explanations for Special Circumstances
	Confirmation of labor/equipment costs
	Appraisal for Inventory or Leasehold
<b>Loss of Tangible Personal Property</b>	Move cost estimate
	Appraisal for Value in Place
	Receipts for sales proceeds
	Receipts for costs of advertising and conducting sale
	Computation sheet.
<b>Search Expense</b>	Cost break down per type of expense
<b>Obsolete Printing</b>	Samples of obsolete printing
	Invoices for reprinting
	Count of obsolete items
	Computation Sheet
<b>Storage</b>	Invoice for storage
	Eligibility Explanation
<b>Substitute Personal Property</b>	Move cost estimate
	Proof of cost of substitute property, installed
	Receipts for sale proceeds or trade in values
	Receipts for cost of advertising/conducting sale
<b>Permits, Licenses, Fee and Certifications</b>	Copies of documents obtained Receipts for Payment Explanation of eligibility and deductions, if any
<b>Professional Services</b>	Invoices Eligibility explanations as necessary
<b>In Lieu of Fixed Payments</b>	Tax returns Narrative explanation Computation methodology

## Exhibit 13B Non Documented Self-Move Policy

1. The City of La Mesa may choose to allow a business to move itself instead of hiring a commercial mover. It will follow 49 CFR Part 24.301(d) and 24.301(g) (1) through (g) (7) and (g) (11) through (g) (18) and 24.303.
2. To be reimbursed for a self move, the business must provide at least two bids or estimates prepared by a commercial mover, an estimate of the self move, and why they believe a self move will be cheaper or more efficient. The business estimate must be provided by qualified staff. The estimate(s) must include the following:
  - a. List of equipment to be moved
  - b. Hourly rate for the move
  - c. Any distance considerations
  - d. Any services included: packing, crating
  - e. All other eligible moving costs for businesses listed in the URA at 49 CFR 24.301 and in HUD Handbook 1378 Paragraph 4.2 (c) and 2.7 (a)(2)
3. The amount paid for the self move will be the lowest reasonable bid or estimate.
4. City of La Mesa Project Manager and/or relocation consultant will review the following issues thoroughly prior to approving a self move.
  - a. The completeness and eligibility and the work specifications for which the bids or estimates were solicited. The specifications will be limited to only the services needed by the individual business, based on the selected relocation site.
  - b. A comparison of the two commercial bids or estimates and any business estimates to ensure they cover the same work.
  - c. The reasonableness of the bids versus displaced business estimate of the move. Although the displaced business may have lower labor costs than a commercial but may spend more time completing the move versus the reasonableness of the outside bids.
  - d. The inclusion of any duplicate compensation in the payment (i.e., costs associated with moving real property improvements either already acquired by the City of La Mesa or real property improvements retained by the business.)
  - e. La Mesa Community Development Department staff must ensure that the self move does not include compensation in the self-move payment for non-compensable relocation costs (i.e. costs associated with purchasing real property improvements, costs identified as reestablishment expenses and compensation for loss of goodwill)
5. La Mesa Community Development Department staff will prepare an agreement with the business as follows:
  - a. Lists all eligible costs to be paid under the agreement and contains an acknowledgement from the business that the sum of money stated in the agreement covers all the expenses associated with the cost of the move and that the business will not be paid for any additional costs in excess of the amount specified in this agreement.
  - b. States the amount of the business will be paid for the self move.

- c. Contains an acknowledgement from the business that they are responsible for insurance requirements during the move for workman's compensation, damage to personal property, and similar insurance expenses and failure to have appropriate insurance may result in additional costs and liabilities for the business but under no circumstances will the failure to have appropriate insurance result in additional liability or expenses for the City of La Mesa.
- d. Under no circumstances will the business be permitted to make a self-move of hazardous substances that require special licensing requirements to move.
- e. The business can receive up to 50 per cent of the total amount of the self-move agreement as an advance payment. The balance of the payment will be paid upon vacation of the property and signed release by the business that all personal and real property has been moved or abandoned at the project site.
- f. If, even after diligent investigation of what may be a legitimate moving expense, the agent and the business fail to recognize a potential cost and therefore did not secure estimates or bids for the work and the cost was necessary and reasonable, the business may be reimbursed for the actual costs incurred. All such costs must be reviewed and concurred upon by La Mesa Community Development Department staff.
- g. The wording of the agreement will be approved by the Project Manager.

## Exhibit 14 Residential Claim Documentation

<b>URA Claims</b>	
<b>Actual Move Costs</b>	Invoices/Receipts
	Proof of Payment
<b>Fixed Moving</b>	CA Fixed Moving Schedule
	Documentation of number of rooms
	Proof of Payment
<b>Homeowner Replacement Housing</b>	Closing Escrow Document
	Claim Form
<b>Tenant Replacement Housing</b>	Leases or rental receipts for displacement, comparable and replacement housing
	Utility Receipts or Utility Schedule
	Evidence of types of utilities at replacement, comparable and replacement unit
	Income
	Earnings or Self Employment
	Pensions (SSA/SSI/VA/ Other)
	Self certification
	Summary Form (Final calculation)
	Claim Form
	Proof of Payment
	Explanation of special circumstances
<b>Down payments</b>	Proof of Escrow, Deed, Title Insurance
	Signed Claim form
	Proof Payment Received
<b>Eligibility</b>	Legal Residency
	Inspections
	Housing Comparability
<b>Section 104(d)</b>	
<b>Moving Expenses</b>	Same as URA except security deposits are also eligible
<b>Rental Housing</b>	Same as URA except use Section 104(d) claim form and income calculations

## Exhibit 15 Comparison of Utilities

**Type Unit**      Displacement                      Comparable                      Replacement      **Address:**

\_\_\_\_\_

**No. Bdrms:**      \_\_\_\_\_

**Document**      \_\_\_\_\_

Utility	Amount	Amount	Amount
Water			
Gas Cooking Heating			
Electric Cooking Heating			
Sewer			
Sanitation			
<b>Total</b>			

**Comments:**

\_\_\_\_\_  
**Signature/Title**

\_\_\_\_\_  
**Date**

## Exhibit 16 URA Income Summary

Name of Person	Type of Income	Document	Amount	Frequency	Annual
<b>First Person</b>	Wages	Earnings			
	Self Employment	Tax Return			
		Tax Return			
		Receipts			
		Self Certification			
	SSA	Letter			
		Statement			
		Letter			
	SSI	Statement			
		Letter			
VA	Statement				
Other Pension	Letter				
	State				
Rental	Receipts				
	Statement				
Other (Explain)					

<b>Second Person</b>	Wages	Earnings			
	Self Employment	Tax Return			
		Tax Return Receipts			
	SSA	Self Certification			
		Letter Statement			
	SSI	Letter			
		Statement			
	VA	Letter			
State					
Other Pension	Letter State				
Rental	Receipts Statement				
Other (Explain)					
<b>Subtotal</b>					
<b>Total</b>					

## **Exhibit 17 Project Definitions**

### **URA**

49 CFR 24.2 a (22) Program or project. The phrase program or project means any activity or series of activities undertaken by a Federal Agency or with Federal financial assistance received or anticipated in any phase of an undertaking in accordance with the Federal funding Agency guidelines.

### **CDBG-**

Project is not defined in CDBG regulations; use URA definition.

### **HOME**

Project means a site or sites together with any building (including a manufactured housing unit) or buildings located on the site(s) that are under common ownership, management, and financing and are to be assisted with HOME funds as a single undertaking under this part. The project includes all the activities associated with the site and building. For tenant-based rental assistance, project means assistance to one or more families.

(42 U.S.C. 11382(8), 11384(d)).

## Exhibit 18 URA versus Section 104(d)

Subject	URA Regulations	Section 104(d)
<b><u>I. Citation</u></b>	(49 CFR Part 24)	24 CFR Part 42
<b><u>II. Relocation Plan</u></b>	Planning requirement under 49 CFR 24	Planning requirement under 49 CFR 24
		A. One for One Replacement Plan
		<u>1. Replace Units</u> On a One for one basis low income dwelling units lost. <u>2. Publish plan that includes:</u> ---Project Map/location ---Name and address and number of units being demolished o converted by bedroom size ---Name and address and number of replacement units by bedroom size, date, and affordability period
		B. Residential Anti-Displacement and Relocation Assistance Plan (RARAP)
<b><u>III. Eligibility</u></b>		
A. Displaced Persons		
Displaced Person	Residential tenants and homeowner occupants  Nonresidential owners and tenants (businesses, non-profits & farms)	Only residential tenants are covered  Other displaced persons (e.g., homeowners) may be eligible under URA provisions.
Persons displaced by <u>acquisition</u>	Eligible for assistance.	Only if housing units are demolished or LI units are converted <sup>1</sup> )
Persons displaced by <u>rehabilitation</u>	Eligible for assistance.	NA (unless LI units are converted as a result of rehabilitation)
Persons displaced by <u>demolition</u> (and reduction of low income units)	Eligible for assistance.	Displaced LI residential tenants are eligible.
Persons displaced by <u>conversion</u> of lower income dwelling	NA (provided no acquisition, rehabilitation, or demolition involved)	Displaced LI tenants eligible only if market rent and utilities of the displacement dwelling did not exceed the FMR before conversion.

<sup>1</sup> Conversion (1) This term means altering a housing unit so that it is: (s) Used for non-housing purposes; (ii) Used for housing purposes, but no longer meets the definition of lower-income dwelling unit; or (iii) Used as an emergency shelter. See 24 CFR 42.305.

<b>Subject</b>	<b>URA Regulations</b>	<b>Section 104(d)</b>
<b>U.S. Legal Residency</b>	Required; but may meet exception criteria	No requirement
<b>Income</b>	No income requirements, covers persons of all income levels.	Only lower-income (LI) residential tenants- See Section 8 definition
<b>IV. Notices</b>	URA	Section 104(d) *R=Revise to104(d)
General Information Notice (GIN)  Notice of Eligibility  Non Displacement  Move In Notice	HUD Handbook 1378 -Appendices 1-3a  HUD Handbook 1378 Appendix 5-7  HUD Handbook 1378 Appendix 29	HUD Handbook 1378 Appendices 1-3a *(R)  HUD Handbook 1378 Appendices 25-6  HUD Handbook 1378 Appendix 4 *R  HUD Handbook 1378 Appendix 29- Revise to show Section 104(d)
<b>V. Relocation Benefits</b>		
A. Replacement Housing Payments (RAP)		
Term	42 months	60 months
Method for Calculating Total Rental Asst Paymt	Term multiplied by the monthly difference	Term multiplied by the monthly difference
Monthly Rental Assistance Payment	Monthly difference between the lesser of: <ul style="list-style-type: none"> <li>• Old rent and <sup>3</sup>utility costs or;</li> <li>• 30% of gross monthly income (if low income);</li> <li>• <sup>4</sup>Other and <ul style="list-style-type: none"> <li>➤ <b>Monthly rent &amp; utility costs for the lesser of:</b> comparable dwelling, DSS replacement or occupied dwelling</li> </ul> </li> </ul>	Monthly difference between <sup>22</sup> (TTP) and the greater of: <ul style="list-style-type: none"> <li>• 30% of adjusted monthly income (exclusions for elderly disable, children, medical payments, etc) or</li> <li>• 10% of gross monthly income;</li> <li>• <sup>4</sup>Other and <ul style="list-style-type: none"> <li>➤ <b>Monthly rent &amp; utility costs for the lesser of:</b> comparable dwelling, DSS replacement or occupied dwelling</li> </ul> </li> </ul>

<sup>2</sup> Total Tenant Payment- See 24 CFR 5.628 for the definition.(used in Section 8 and HOME programs)

<sup>3</sup> Includes gas, water, electric, sewer, heating and air conditioning

<sup>4</sup> Welfare rent for URA and Welfare rent and minimum public housing payment under 104(d)- rarely used

<b>Subject</b>	<b>URA Regulations</b>	<b>Section 104(d)</b>
B. Use of Government Housing Assistance (Vouchers, etc.)	<p>If displaced residential tenant is not currently receiving government housing assistance, cash replacement housing payment is required (person may accept government housing assistance, if available).</p> <p>If displaced person currently in government assisted housing, must be offered a government assisted rental, unless one is not available</p>	<p>Agency may offer Housing Choice Voucher (Section 8) assistance in lieu of a cash replacement housing payment under 104(d).</p> <p>However, LI tenants may request assistance calculated under URA instead.</p>
C. Down payment Assistance	Payment equals 42 x monthly rental assistance payment. Agency may increase up to \$5,250 (if calculation is less).	Limited to purchase of cooperative or mutual housing and based on present (discounted) value of 60 x monthly rental assistance payment.
D. Moving and Related Expenses	<p>Displaced person may choose:</p> <ul style="list-style-type: none"> <li>• Payment for actual moving and related expenses;</li> <li>• Fixed Residential Moving Cost Schedule;</li> <li>• or in some cases, a combination of both.</li> </ul>	Same as URA.
E. Security Deposit	Pay only if non-refundable.	Payment required
F. Advisory	Finding and applying for a comparable unit, filing a claim, transportation, government referrals, other.	Same as URA
VI. Temporary	Out of pocket expenses Temporary Notice- Appendix 15	Out of pocket expenses Temporary Notice- Appendix 15
VII. Claim Forms	HUD Handbook 1378 Appendix 14	HUD Handbook 1378 Appendix 27
VIII. Documentation	HUD Handbook 1378 Chapter 6	<p>HUD Handbook 1378 Chapter 6 + Security Deposit</p> <p>Cooperative status- down payment</p> <p>One for One Replacement and Publication of RARAP</p>

# Exhibit 19 CDBG Regulations- Acquisition and Relocation Citations

[Code of Federal Regulations][Title 24, Volume 3][Revised as of April 1, 2007] From the U.S. Government Printing Office via GPO Access [CITE: 24CFR570.606] [Page 153-155]

TITLE 24--HOUSING AND URBAN DEVELOPMENT CHAPTER V  
OFFICE OF ASSISTANT SECRETARY FOR COMMUNITY PLANNING AND DEVELOPMENT,  
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
PART 570\_COMMUNITY DEVELOPMENT BLOCK GRANTS

## Table of Contents

Subpart K Other Program Requirements

Section 570.606 Displacement, relocation, acquisition, and replacement of housing.

### (a) General policy for minimizing displacement.

Consistent with the other goals and objectives of this part, grantees (or States or state recipients, as applicable) shall assure that they have taken all reasonable steps to minimize the displacement of persons (families, individuals, businesses, nonprofit organizations, and farms) as a result of activities assisted under this part.

### (b) Relocation assistance for displaced persons at URA levels.

(1) A displaced person shall be provided with relocation assistance at the levels described in, and in accordance with the requirements of 49 CFR part 24, which contains the government-wide regulations implementing the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) (42 U.S.C. 4601-4655).

(2) Displaced person.

(i) For purposes of paragraph (b) of this section, the term "displaced person" means any person (family, individual, business, nonprofit organization, or farm) that moves from real property, or moves his or her personal property from real property, permanently and involuntarily, as a direct result of rehabilitation, demolition, or acquisition for an activity assisted under this part. A permanent, involuntary move for an assisted activity includes a permanent move from real property that is made:

(A) After notice by the grantee (or the state recipient, if applicable) to move permanently from the property, if the move occurs after the initial official submission to HUD (or the State, as applicable) for grant, loan, or loan guarantee funds under this part that are later provided or granted.

(B) After notice by the property owner to move permanently from the property, if the move occurs after the date of the submission of a request for financial assistance by the property owner (or person in control of the site) that is later approved for the requested activity.

(C) Before the date described in paragraph (b) (2) (i) (A) or (B) of this section, if either HUD or the grantee (or State, as applicable) determines that the displacement directly resulted from acquisition, rehabilitation, or demolition for the requested activity.

(D) After the "initiation of negotiations" if the person is the tenant-occupant of a dwelling unit and any one of the following three situations occurs:

(1) The tenant has not been provided with a reasonable opportunity to lease and occupy a suitable decent, safe, and sanitary dwelling in the same building/complex upon the completion of the project, including a monthly rent that does not exceed the greater of the tenant's monthly rent and estimated average utility costs before the initiation of negotiations or 30 percent of the household's average monthly gross income; or

(2) The tenant is required to relocate temporarily for the activity but is not offered payment for all reasonable out-of-pocket expenses incurred in connection with the temporary relocation, including the cost of moving to and from the temporary location and any increased housing costs, or other conditions of the temporary relocation are not reasonable; and the tenant does not return to the building/complex; or

(3) The tenant is required to move to another unit in the building/complex, but is not offered reimbursement for all reasonable out-of-pocket expenses incurred in connection with the move.

(ii) Notwithstanding the provisions of paragraph (b) (2) (i) of this section, the term "displaced person" does not include:

(A) A person who is evicted for cause based upon serious or repeated violations of material terms of the lease or occupancy agreement. To exclude a person on this basis, the grantee (or State or state recipient, as applicable) must determine that the eviction was not undertaken for the purpose of evading the obligation to provide relocation assistance under this section;

(B) A person who moves into the property after the date of the notice described in paragraph (b) (2) (i) (A) or (B) of this section, but who received a written notice of the expected displacement before occupancy.

(C) A person who is not displaced as described in 49 CFR 24.2(g) (2).

(D) A person who the grantee (or State, as applicable) determines is not displaced as a direct result of the acquisition, rehabilitation, or demolition for an assisted activity. To exclude a person on this basis, HUD must concur in that determination.

(iii) A grantee (or State or state recipient, as applicable) may, at any time, request HUD to determine whether a person is a displaced person under this section.

(3) Initiation of negotiations. For purposes of determining the type of replacement housing assistance to be provided under paragraph (b) of this section, if the displacement is the direct result of privately undertaken rehabilitation, demolition, or acquisition of real property, the term "initiation of negotiations" means the execution of the grant or loan agreement between the grantee (or State or state recipient, as applicable) and the person owning or controlling the real property.

**(c) Residential anti-displacement and relocation assistance plan.**

The grantee shall comply with the requirements of 24 CFR part 42, subpart B.

**(d) Optional relocation assistance.**

Under section 105(a) (11) of the Act, the grantee may provide (or the State may permit the state recipient to provide, as applicable) relocation payments and other relocation assistance to persons displaced by activities that are not subject to paragraph (b) or (c) of this section. The grantee may also provide (or the State may also permit the state recipient to provide, as applicable) relocation assistance

to persons receiving assistance under paragraphs (b) or (c) of this section at levels in excess of those required by these paragraphs. Unless such assistance is provided under State or local law, the grantee (or state recipient, as applicable) shall provide such assistance only upon the basis of a written determination that the assistance is appropriate (see, e.g., 24 CFR 570.201(i), as applicable). The grantee (or state recipient, as applicable) must adopt a written policy available to the public that describes the relocation assistance that the grantee (or state recipient, as applicable) has elected to provide and that provides for equal relocation assistance within each class of displaced persons.

**(e) Acquisition of real property.**

The acquisition of real property for an assisted activity is subject to 49 CFR part 24, subpart B.

**(f) Appeals.**

If a person disagrees with the determination of the grantee (or the state recipient, as applicable) concerning the person's eligibility for, or the amount of, a relocation payment under this section, the person may file a written appeal of that determination with the grantee (or state recipient, as applicable). The appeal procedures to be followed are described in 49 CFR 24.10. In addition, a low- or moderate-income household that has been displaced from a dwelling may file a written request for review of the grantee's decision to the HUD Field Office. For purposes of the State CDBG program, a low- or moderate-income household may file a written request for review of the state recipient's decision with the State.

**(g) Responsibility of grantee or State.**

- (1) The grantee (or State, if applicable) is responsible for ensuring compliance with the requirements of this section, notwithstanding any third party's contractual obligation to the grantee to comply with the provisions of this section. For purposes of the State CDBG program, the State shall require state recipients to certify that they will comply with the requirements of this section.
- (2) The cost of assistance required under this section may be paid from local public funds, funds provided under this part, or funds available from other sources.
- (3) The grantee (or State and state recipient, as applicable) must maintain records in sufficient detail to demonstrate compliance with the provisions of this section.

(Approved by the Office of Management and Budget under OMB control number 2506-0102)[61 FR 11477, Mar. 20, 1996, as amended at 61 FR 51760, Oct. 3, 1996]

## Exhibit 20 HOME Acquisition and Relocation Citations

### 92.353 Displacement, Relocation, and Acquisition

a. *Minimizing displacement.* Consistent with the other goals and objectives of this part, the participating jurisdiction must ensure that it has taken all reasonable steps to minimize the displacement of persons (families, individuals, businesses, nonprofit organizations, and farms) as a result of a project assisted with HOME funds. To the extent feasible, residential tenants must be provided a reasonable opportunity to lease and occupy a suitable, decent, safe, sanitary, and affordable dwelling unit in the building/complex upon completion of the project.

b. *Temporary relocation.* The following policies cover residential tenants who will not be required to move permanently but who must relocate temporarily for the project. Such tenants must be provided:

1. Reimbursement for all reasonable out-of-pocket expenses incurred in connection with the temporary relocation, including the cost of moving to and from the temporarily occupied housing and any increase in monthly rent/utility costs.
2. Appropriate advisory services, including reasonable advance written notice of:
  - i. The date and approximate duration of the temporary relocation;
  - ii. The location of the suitable, decent, safe, and sanitary dwelling to be made available for the temporary period;
  - iii. The terms and conditions under which the tenant may lease and occupy a suitable, decent, safe, and sanitary dwelling in the building/complex upon completion of the project; and
  - iv. The provisions of paragraph (b) (1) of this section.

c. *Relocation assistance for displaced persons.*

1. *General.* A displaced person (defined in paragraph (c)(2) of this section) must be provided relocation assistance at the levels described in, and in accordance with the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) (42 U.S.C. 4201-4655) and 49 CFR part 24. A “displaced person” must be advised of his or her rights under the Fair Housing Act and, if the comparable replacement dwelling used to establish the amount of the replacement housing payment to be provided to a minority person is located in an area of minority concentration, the minority person also must be given, if possible, referrals to comparable and suitable, decent, safe, and sanitary replacement dwellings not located in such areas.

2. *Displaced Person.*

i. For purposes of paragraph (c) of this section, the term displaced person means a person (family individual, business, nonprofit organization, or farm, including any corporation, partnership or association) that moves from real property or moves personal property from real property, permanently, as a direct result of acquisition, rehabilitation, or demolition for a project assisted with HOME funds. This includes any permanent, involuntary move for an assisted project, including any permanent move from the real property that is made:

- A. After notice by the owner to move permanently from the property, if the move occurs on or after:
  1. The date of the submission of an application to the participating jurisdiction or HUD, if the applicant has site control and the application is later approved; or
  2. The date the jurisdiction approves the applicable site, if the applicant does not have site control at the time of the application; or

B. Before the date described in paragraph (c)(2)(i)(A) of this section, if the jurisdiction or HUD determines that the displacement resulted directly from acquisition, rehabilitation, or demolition for the project; or

C. By a tenant-occupant of a dwelling unit, if any one of the following three situations occurs:

1. The tenant moves after execution of the agreement covering the acquisition, rehabilitation, or demolition and the move occurs before the tenant is provided written notice offering the tenant the opportunity to lease and occupy a suitable, decent, safe, and sanitary dwelling in the same building/complex upon completion of the project under reasonable terms and conditions. Such reasonable terms and conditions must include a term of at least one year at a monthly rent and estimated average monthly utility costs that do not exceed the greater of:

i. The tenant's monthly rent before such agreement and estimated average monthly utility costs; or

ii. The total tenant payment, as determined under 24 CFR 5.613, if the tenant is low-income, or 30 percent of gross household income, if the tenant is not low-income; or

2. The tenant is required to relocate temporarily, does not return to the building/complex, and either:

i. The tenant is not offered payment for all reasonable out-of-pocket expenses incurred in connection with the temporary relocation; or

ii. Other conditions of the temporary relocation are not reasonable; or

3. The tenant is required to move to another dwelling unit in the same building/complex but is not offered reimbursement for all reasonable out-of-pocket expenses incurred in connection with the move, or other conditions of the move are not reasonable.

ii. Notwithstanding paragraph (c)(2)(i), a person does not qualify as a displaced person if:

A. The person has been evicted for cause based upon a serious or repeated violation of the terms and conditions of the lease or occupancy agreement, violation of applicable federal, State or local law, or other good cause, and the participating jurisdiction determines that the eviction was not undertaken for the purpose of evading the obligation to provide relocation assistance. The effective date of any termination or refusal to renew must be preceded by at least 30 days advance written notice to the tenant specifying the grounds for the action.

B. The person moved into the property after the submission of the application but, before signing a lease and commencing occupancy, was provided written notice of the project, its possible impact on the person (e.g., the person may be displaced, temporarily relocated, incur a rent increase), and the fact that the person would not qualify as a "displaced person" (or for any assistance under this section) as a result of the project;

C. The person is ineligible under 49 CFR 24.2(g)(2); or

D. HUD determines that the person was not displaced as a direct result of acquisition, rehabilitation, or demolition for the project.

iii. The jurisdiction may, at any time, ask HUD to determine whether a displacement is or would be covered by this rule.

3. *Initiation of negotiations.* For purposes of determining the formula for computing replacement housing assistance to be provided under paragraph (c) of this section to a tenant displaced from a dwelling as a direct result of private-owner rehabilitation, demolition or acquisition of the real property, the term initiation of negotiations means the execution of the agreement covering the acquisition, rehabilitation, or demolition.

d. *Optional relocation assistance.* The participating jurisdiction may provide relocation payments and other relocation assistance to families, individuals, businesses, nonprofit organizations, and farms displaced by a project assisted with HOME funds where the displacement is not subject to paragraph (c) of this section. The jurisdiction may also provide relocation assistance to persons covered under paragraph (c) of this section beyond that required. For any such assistance that is not required by State or local law, the jurisdiction must adopt a written policy available to the public that describes the optional relocation assistance that it has elected to furnish and provides for equal relocation assistance within each class of displaced persons.

e. *Residential anti-displacement and relocation assistance plan.* The participating jurisdiction shall comply with the requirements of 24 CFR part 42, subpart C.

f. *Real property acquisition requirements.* The acquisition of real property for a project is subject to the URA and the requirements of 49 CFR part 24, subpart B.

g. *Appeals.* A person who disagrees with the participating jurisdiction's determination concerning whether the person qualifies as a displaced person, or the amount of relocation assistance for which the person may be eligible, may file a written appeal of that determination with the jurisdiction. A low-income person who is dissatisfied with the jurisdiction's determination on his or her appeal may submit a written request for review of that determination to the HUD Field Office.

## Exhibit 21 Lead Based Paint Programs

- A. Lead Based Paint Act- Lead Based Paint- 24 CFR Part 35-Subpart A- Disclosure of Know Lead Based Paint et al issued in response to 42 USC 4852 (d). 24 CFR 35.1345 states that “occupants shall be temporarily relocated before and during hazard reduction activities to a suitable, decent, safe and similarly accessible dwelling unit that does not have lead based hazards. HUD grantees are advised to follow the policy outlined in HUD Handbook 1378 in Chapter 2 at Paragraph 2-7 and at Chapter 3 at Paragraph 3-15 for temporary relocation. Temporary relocation expenses generally include out of pocket moving and housing expenses. HUD recommends that a temporary policy be adopted so that all persons displaced by lead based requirements are treated fairly.
- B. HUD has three Lead Based Paint Programs issued via NOFA: Lead Based Paint Hazard Control Grant Program (LBPHC), Lead Hazard Reduction Demonstration Grant Program (LHRD) and Operation Lead Elimination Action Program (LEAD). These programs are authorized by Section 1011 of the Residential Lead Based Paint Hazard Reduction Act of 1992 and is included in the Appropriations Act for each year it is funded.
1. See the following website for more information.  
<http://www.hud.gov/library/bookshelf12/supernofa/nofa08/leadsec.pdf>
  2. These lead based paint programs are specifically must comply with the URA.
  3. HUD grantees are advised to follow the policy outlined in HUD Handbook 1378 in Chapter 2 at Paragraph 2-7 and at Chapter 3 at Paragraph 3-15 for temporary relocation. Temporary relocation expenses generally include out of pocket moving and housing expenses. HUD recommends that a temporary policy be adopted so that all persons displaced by lead based requirements are treated fairly.
  4. The NOFA contains the following language with regard to relocation.
    - a. Page 22 of the 2008 NOFA, Paragraph c states that “for temporary relocation of families and individuals while the remediation is conducted and until the time the affected unit receives clearance for re-occupancy”.
    - b. Page 24 of the 2008 NOFA, Paragraph g. Written Policies and Procedures states that “applicants should describe in their work plan policies and procedures for procurements (contracting), unit eligibility, unit selection and prioritization, all phases of lead hazard evaluation and control, including risk assessments, inspections, development of specifications for contractor bids, pre-hazard control blood lead testing, financing, temporary relocation and clearance examinations. Grantees, subcontractors, sub-grantees, sub-recipients, and their contractors must adhere to these policies and procedures”.
    - c. Page 30 of the 2008 NOFA, Paragraph w. Relocation states that “ The relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA), as amended, and the implementing government-wide

regulation at 49 CFR part 24, that cover any person (including individuals, businesses, and farms) displaced as a direct result of the acquisition, rehabilitation, or demolition of real property, apply to this grant program. If such persons are required to temporarily relocate for a project, the requirements of the URA regulations at 49 CFR 24.2(a)(9) must be met. HUD recommends that applicants review these regulations when preparing the proposal. (They can be downloaded from the Government Printing Office website at <http://www.gpoaccess.gov/cfr/index.html> by entering the regulatory citation in quotes without any spaces (e.g., "49CFR24.2") in the Quick Search box.). See the **General Section** for additional information about relocation. "

- d. Page 46 of the 2008 NOFA Paragraph f states "Describe the applicant's plan for the relocation of occupants of units selected for remediation, if temporary relocation is necessary. If temporary relocation is necessary, the applicant should describe the relocation process (i.e., the uses of safe houses and other housing arrangements, storage of household goods, stipends, incentives, etc.), and the source of funding for relocation. Describe your plan for ensuring the right of return and/or first referral of occupants who have had to relocate temporarily for the lead hazard control work to be performed. If temporary relocation is not necessary, please describe measures to protect the occupants.
  
- e. Please be advised that, HUD program regulations provide for payment for temporary relocation costs for tenant-occupants, but not owner-occupants. Under the CDBG program, it is possible to provide for assistance to owner-occupants, but only if the grantee adopts an optional relocation policy in accordance with 24 CFR 570.606(d). The HOME program has similar provisions, but none of the other HUD program regulations provide the same option.

## **Exhibit 22 Economic Displacement - CPD Programs**

### **HOME – § 92.353**

Such reasonable terms and conditions must include a term of at least one year at a monthly rent and estimated average monthly utility costs that do not exceed the greater of:

The tenant's monthly rent before such agreement and estimated average monthly utility costs; **or**

The total tenant payment, as determined under 24 CFR 5.613, if the tenant is low-income, or 30 percent of gross household income, if the tenant is not low-income;

### **CDBG – § 570.606**

The tenant has not been provided with a reasonable opportunity to lease and occupy a suitable decent, safe, and sanitary dwelling in the same building/complex upon the completion of the project, including a monthly rent that does not exceed the greater of the tenant's monthly rent and estimated average utility costs before the initiation of negotiations **or** 30 percent of the household's average monthly gross income;

## Exhibit 23 Initiations of Negotiations/Notice Dates

Type Acquisition Program	Type of Event	Regulation	GIN Date	ION Date (Notice of Eligibility Due)
<b>Involuntary Acquisition Eminent Domain Subject to Subpart B</b>	<b>Project involves acquisition, rehabilitation or demolition</b>			
All HUD programs	Project undertaken with HUD funds involving eminent domain	Subpart B 49 CFR 24.101 to 24.108- HUD Hand- book 1378(5-4)	Notice to Owner or Letter to Appraise or as soon as possible after that if not feasible- before NOE	Offer of Just Compensation
<b>Voluntary Acquisition No Eminent Domain Not Subject to Subpart B</b>		<b>HUD Handbook Chapter (2-3)</b>		
1. Agency who has power of eminent domain but will not use it. – Applies to all HUD programs	Acquisition, Rehabilitation or Demolition	49 CFR 24.101(b)(1)	Date of Offer Letter or Consolidated Plan publication whichever is earlier.	Executed purchase agreement date
<b>2. Agency Without Power of Eminent Domain</b>	<b>Privately Undertaken Rehabilitation Demolition or Acquisition</b>	<b>49 CFR 24.101(b)(2)- HUD Handbook 1378 Chapter (5-3)</b>	<b>As soon as feasible- HUD assumes application for HUD funds or site control if later. * All occupants to receive</b>	
<b>CDBG</b>		24 CFR 570.606(b) and		Execution of Grant or Loan Agreement and the person owning or controlling the real property
<b>HOME</b>		24 CFR 92.353 (c)(3)		Execution of the agreement between the grantee and project sponsor

\*Grantee to document if another date is more feasible. Access to tenants to be part of purchase agreement

## Exhibit 24 Project Timeline

Date Completed	Event	Steps Taken
	Pre-application	If government entity- board approval document If eminent Domain- Offer Letter General Information Notices If Eminent Domain Appraisal If Eminent Domain Review Appraisal Condemnation Notices/Settlement Documents Notices of Eligibility
	Application Received	If no eminent domain- Voluntary Letter
	During Application	Site Control (Purchase Agreement, deed, or option Review acquisition documents for Conflict of Interest Appraisal or other document showing property value Preliminary relocation Plan Complete review General Information Notices Source of funding for relocation identified and committed
	Application Closes	Selection and rating process
	Project Approval	City of La Mesa board approval Consolidated Plan or Substantial Amenement Date Conditional Approval Letter Environmental Review If consultant used, consultant contract signed Final Relocation paln Review Plan Begin Interviews with occupants Obtain comparable date Environmental Review
	Agreement/Contract Signed	ION Date- Notices of Eligibility/Non Displacement/Temporary Displacement Notices
	Property Purchased	Escrow closes

Relocation Begins

- Liens, conditions recorded
- Deed Transfer
- Advisory Services/Claims Filed
- Relocation Begins- First occupant relocated
- Review of Claims by Agency Staff- Payment of Claims
- Last Person Relocated
- Final Claim Paid
- File Documentation

## Exhibit 25 Project Organization Index Acquisition

Tab	Document
P-1	Description of Property List of Owners List of Parcel Map
P-2	City of La Mesa Board approval Application Approval Letter Final Agreement
A-1	Eminent Domain Board of Approval of Property Purchase Offer Letter Correspondence between Agency and Property Owner Contracts for Fee Appraisers (If Any) Appraisal Review Appraisal Offer of Just Compensation Final Acceptance Condemnation Document Final Settlement
A-2	Voluntary Letter Correspondence Between Buyer and property owner Final Acceptance Evidence of Property Value Administrative Settlement
A-3	Application Additions to Application Letters with respect to Application Information about occupancy submitted Ownership of Property- Deed/Title Insurance

Occupancy Information- proof no occupants

A-4

Deed showing original ownership

Title Insurance

Information on All Property Owners

## Exhibit 26 Project Organization Index Relocation

- R-1      Occupant Data from Application  
          Preliminary Relocation Plan  
          Final Relocation Plan  
          Relocation Consultant Contract
  
- R-2      General Information Notice  
          Summary Schedule of date GIN's sent
  
- R-3      Contract with Non Profit  
          Other programmatic documents
  
- R-4      List of Occupants on ION date  
          Summary of Notice of Eligibility/Non Displacement sent  
          Summary of Temporary Notices sent
  
- R-5      Final List of Occupant  
          Progress Reports  
          Final Summary of all Relocation Payments
  
- R-6      Explanation of any occupants not receiving benefits

## Exhibit 27 Project Organization Index Relocation Homeowner/Tenants Files

<b>RO</b>	<b>Homeowners- Eminent Domain Only</b>
RO-1	Deed showing ownership
RO-2	General Information Notice/Proof of receipt Notice of Eligibility/Proof of Receipt
RO-3	Evidence of Property Value Comparables Provided Comparable Comparison Chart Incidentals
RO-4	Log of Advisory Services
RO-5	Claim Form for RHP Supporting Documentation for Claim Form
RO-6	Moving Expenses Receipts for Moving
RO-7	Inspection Form
<b>RR</b>	<b>Relocation- Renters</b>
RR-1	General Information Notice/Proof of Receipt
RR-2	Intake Form
RR-3	Notice of Eligibility/Proof of Receipt Comparability Form
RR-4	Claim Form Supporting Documentation for Claims Lease Utilities Income Documentation HUD income limits if low income
RR-5	Proof of Payments Moving Expense Claim Moving expense- proof of payment
RR-6	Inspection of New Unit

	Log of Advisory Services
RR-7	Special Circumstances
	Occupancy
RR-8	Reason for non Payment including eviction
D-1	Downpayment Assistance Documentation
	Escrow Document
	Payment to escrow company

## Exhibit 28 Levels of Staff Responsibility

<b>Action to Be Taken</b>	<b>Staff Person Responsibility</b>
<u>Review of NOFA</u>	
<u>Project Review</u>	Housing/CD Project Manager
Activities/Funding/Boundaries of Project	Housing/CD Project Manager
URA Compliance	Housing/CD Project Manager
Section 104(d) Compliance	Housing/CD Project Manager
<u>Application Review</u>	
<u>Involuntary Acquisition</u>	
Notice to Acquire	Real Estate Manager
Hire Appraiser/Appraiser Contract	Real Estate Manager
Appraisal	Third Party Appraiser
Review Appraisal	Third Party Appraiser/Real Estate Staff
Office of Just Compensation- Wording and Delivery	Real Estate Manager
Administrative Settlement	Real Estate Manager
Condemnation	Real Estate Manager
<u>Voluntary Acquisition</u>	
Review of Voluntary Letter	Housing/CD Project Manager
Review of Redevelopment Plan/Need for Project	Housing/CD Project Manager
Review of Occupancy List	Project Manager
Review of Appraisal or other Value	Real Estate Manager
Comparison of Price with Value	Real Estate Manager
Written Justification of Price If Paid More or Less than Appraised or Market Value	Director of CD/Housing
Review Preliminary Relocation Plan	Housing/CD Project Manager
Review of General Information Notice (Wording and Delivery)	Housing/CD Project Manager
<u>Project Approval</u>	
Review compliance with URA/Section 104(d)	Housing/CD Project Manager
Selection of Relocation Consultant	Director of CD/Housing
Preparation of Final Relocation Plan	Relocation Consultant
Review of Final Relocation Plan	Housing/CD Project Manager
Review of Occupancy List	CD/Housing Project Manager and Relocation Consultant
<u>Contract Execution</u>	
Final Review of Acquisition Documents	Real Estate Department
Final Agreement - Relocation Wording	Housing/CD Project Manager
Preparation of Relocation Notices	Relocation Consultant
Review of Notice of Eligibility	Housing/CD Project Manager
Review of Comparable Unit	Housing/CD Project Manager
Review of Notice of Non Displacement	Housing/CD Project Manager
Review of Other Notices	Housing/CD Project Manager
Comparison of Occupancy List to Application	Housing/CD Project Manager
Meetings with Occupants	Relocation Consultant and Project Manager
Interview Occupants	Relocation Consultant
Deliver Notices/Documentation of Delivery	Relocation Consultant
<u>Project Implementation</u>	
Advisory Services	Relocation Consultant
File/ Document Claims	Relocation Consultant and Occupant
Review Progress of Relocation	Housing/CD Project Manager
Review of Claims Amount	Finance Officer
Moving Receipts	

Replacement Housing Payments  
Down payments  
Inspection of Unit  
Review of Claims Documentation  
Lease  
Utilities (Schedule or receipts)  
Income  
Inspections  
Pay Claims  
Special Determination  
Legal Residency  
No relocation payable  
Income not used or unreported income  
Eviction

Relocation Consultant  
Housing/CD Project Manager

Finance Officer

Director CD/Housing  
Director CD/Housing  
Director CD/Housing  
Staff attorney

Close Out

Complete final documentation  
Review of Documentation  
Review of Final Occupancy to Occupancy at Application  
Section 104(d) Requirement Paid Appropriately  
One for One Replacement Plan

Relocation Consultant  
Housing/CD Project Manager  
Housing/CD Project Manager  
Housing/CD Project Manager

Appeals

Collection of information/recommendation  
Final Determination

Project Manager  
Director CD/Housing and Committee

## Exhibit 29 - Web Resources

### A. HUD

1. HUD Home Page- <http://www.hud.gov>
  2. HUD acquisition and relocation- <http://www.hud.gov/offices/cpd/library/relocation/index.cfm>
  3. Uniform Relocation Act Regulations  
<http://www.hud.gov/offices/cpd/affordablehousing/training/web/relocation/overview.cfm>
  4. Section 104(d) - Regulations  
[http://www.hud.gov/offices/cpd/affordablehousing/training/web/relocation/section\\_104d.cfm](http://www.hud.gov/offices/cpd/affordablehousing/training/web/relocation/section_104d.cfm)  
Sample Plan- <http://www.hud.gov/offices/cpd/lawsregs/notices/priorto95/cpd9416.doc>
  5. HUD Handbook 1378-  
<http://www.hud.gov/offices/cpd/library/relocation/policyandguidance/handbook1378.cfm>
  6. HUD Claim Forms- <http://www.hud.gov/offices/cpd/library/relocation/forms.cfm>
  7. HUD Notices- See Appendices at  
<http://www.hud.gov/offices/cpd/library/relocation/policyandguidance/handbook1378.cfm>
  8. HUD Total Tenant Payment Rules <http://www.hud.gov/offices/cpd/library/affordablehousing/training/web/calculator/definitions/part5.cfm>
  - 9 HUD Rap-All <http://www.hud.gov/offices/cpd/library/relocation/policyandguidance/hudrap>  
Home Program Issues  
<http://www.hud.gov/offices/cpd/library/relocation/policyandguidance/hudrap/vol3no2.pdf>  
Cooperatives and Mutual Housing  
<http://www.hud.gov/offices/cpd/library/relocation/policyandguidance/hudrap/vol3no1.pdf>  
Utility Schedules  
<http://www.hud.gov/offices/cpd/library/relocation/policyandguidance/hudrap/vol2no2.pdf>  
Temporary easements  
<http://www.hud.gov/offices/cpd/library/relocation/policyandguidance/hudrap/vol2no1.pdf>  
Voluntary acquisition  
<http://www.hud.gov/offices/cpd/library/relocation/policyandguidance/hudrap/vol1no2.pdf>
  10. HUD Brochures - <http://www.hud.gov/offices/cpd/library/relocation/publications>
  11. HUD forms- <http://www.hud.gov/offices/cpd/library/relocation/forms.cfm>
  12. HUD Training Page- <http://www.hud.gov/offices/cpd/library/relocation/training/>
- ### B. FHWA Links
1. Relocation Law-<http://www.fhwa.dot.gov/realestate/act.htm>
  1. FHWA Website-<http://www.fhwa.dot.gov/realestate/ua/index.htm>
  2. FHWA Frequently Asked Questions-  
<http://www.fhwa.dot.gov/realestate/ua/uafaqs.htm>

3. Fixed Moving Costs- <http://www.fhwa.dot.gov/realestate/fixsch96.htm>

C. Los Angeles Field Office Web Page

1. Acquisition and Relocation Templates <http://www.hud.ov.local/ca/working/cpd/tta.cfm>

## Exhibit 30 Resource Manual

- A. Acquisition and Relocation Statute
- B. URA Regulations
- C. FHWA Questions and Answers.
- D. FHWA Moving Schedule
- E. Section 104(d) Regulation.
- F. Section 104(d) Income- Part 5
- H. HUD Handbook 1378.
- I. HUD Headquarters Relocation and Acquisition Policy Memoranda
  - 1. April 2005- Appraisal Waivers
  - 2. November, 2005 -Voluntary Acquisition
  - 3. February 2006- Temporary Easements
  - 4. August 2006- Utilities
  - 5. April 2007- Section 104(d)- Cooperative Housing
- J. Los Angeles Field Office Information Bulletins
  - 1. June 16, 2004- Recent Monitoring
  - 2. March 2006- Suggestions for Compliance/Procedures
  - 3. April 24, 2007- Monetary Limits and Last Resort Housing
  - 4. November 5, 2007- Compliance During Decline in Housing Prices
  - 5. March 11, 2008- Using a Consultant
  - 6. August 15, 2008-Acquisition Issues Uncovered During Monitoring
  - 7. August 16, 2008- Program Issues Uncovered During Monitoring
  - 8. March 30, 2009- Homebuyer Program
  - 9. November 8, 2009- Overall Management of Acquisition and Relocation
  - 10. September 30,2010- Comparability of Units under the URA and Section 104(d)
  - 11. October 7, 2010- Documenting Questionable Low Income and Relocation Payments
  - 12. December 6, 2010- Appraisal Process under the URA
  - 13. March 15, 2011- Acquisition and Relocation Determination Templates
- K. HUD sample brochures.
  - 1. When a Public Agency Acquires Your Property
  - 2. Relocation Assistance to Businesses
  - 3. Relocation Assistance to Displaced Tenants
  - 4. Relocation Assistance under Section 104(d)

## 5. Relocation Assistance to Homeowners

### L. Determination Templates

1. Administrative Settlement- Purchases above the Market or Fair Market Value
2. Administrative Settlement- Purchases below the Market Value
3. Comparable Housing Determination
4. Comparable Housing Determination for Transitional Housing
5. Comparable Housing Used in Computing Replacement Housing Payment
6. Legal Residency Exemptions
7. Non Payment of Business Relocation
8. Non Payment of Relocation Assistance Due to Eviction
9. Non Payment of Residential Relocation Due to Failed Inspection
10. Non Payment of Relocation Due to Lack of U.S. Residency
11. Non Payment of Residential Relocation Due to Unlawful Occupancy
12. Non Payment of Relocation Determination Due to Tenant Departure
13. Non Payment of Relocation Due to Waiver
14. Payment of Business Relocation Reasonable and Necessary Determination
15. Rent to Rent Determination for Potential Low Income Tenant
16. Section 104(d) Determination of Income Eligibility for Relocation
17. Temporary Relocation Assistance Determination
18. Utility Determination
19. Voluntary Acquisition Determination- Entities with Power of Eminent Domain
20. Voluntary Acquisition without the Power of Eminent Domain
21. Voluntary Acquisition Market Value Determination