

Relocation Requirements for the City of Minneapolis Assisted Projects with Federal Funding

The City of Minneapolis requires compliance with 49 CFR Part 24 Uniform Relocation Assistance & Real Property Acquisition Act of 1970, as amended, for all projects receiving federal financial assistance from the City of Minneapolis. Please contact the City prior to application if you have any questions.

A relocation plan detailing the applicant's commitment and capability to assure compliance with the applicable relocation regulations must be submitted with any funding request that may potentially receive federal funds and would result in the displacement of any lawful occupant of the subject property.

The relocation plan's detail will need to reflect the nature and complexity of the proposed displacements. The City is clearly looking for the plan to demonstrate the applicant's understanding for the needs of the specific displacee, and how their needs will be addressed, persons or business being displaced.

Notices and Resident Communications

Required Notices

- A. General Information Notices (GIN notice)
 - The GIN notice is to be delivered to all adult residents notifying them of the pending project. The Dept. of HUD requires such notices be given at the time that there is an "application" for funding made to HUD. (Note, not receipt of funds)
 - i. Guideform Notices
 - The Dept. of HUD Handbook 1378 has two Guideform Notices to serve as the basis of a GIN notice. You will need to revise and personalize the notice to fit the specifics of your project.
 - Please see:
 - ii Appendix 2, Guideform General Information Notice Residential Tenant Not Displaced (for tenants remaining in occupancy)
 - OR -
 - iii. Appendix 3, Guideform General Information Notice Residential Tenant To Be Displaced (for tenants permanently displaced)

Note that any notice given to a tenant who is to be permanently displaced must be modified to address "voluntary" nature of any permanent displacement when using Dept. of HUD funds or MHFA tax credits.

B. Notice of Nondisplacement

See HUD Handbook 1378, Appendix 4, Guideform Notice of Nondisplacement to Residential Tenants. This notice is to be given after incomes have been certified and determination of eligibility for continued occupancy is made.

- C. Manner of Notice Delivery
All notices must be sent by certified, return receipt mail addressed to all adult occupants or delivered in person. Such notices must be accompanied by a signed receipt by all adults in occupancy.
- D. Accommodation for language barriers.

*HUD Chg 11 9-01-11 TO BE INCLUDED IN ALL RELOCATION LETTERS

“In order to help you fully participate in the relocation process, reasonable accommodations will be made for persons with disabilities and language assistance will be made available for persons with limited English proficiency. Please let our representative know if you need auxiliary aides, written translation, oral interpretation, or other assistance in order to fully participate in the relocation process.”

- E. Ongoing Communication
The City expects that displacee's will be periodically informed of the pending projects status and timelines impacting the displacee's displacement temporary or permanent. Informal communication such as, resident meetings, newsletters or memos are reasonable.

Temporary Relocation Outline

The intent of a temporary relocation plan is to demonstrate the displacing party's understanding and commitment for reasonable accommodation for residents while the subject building and unit are undergoing rehabilitation. A detailed budget is necessary to demonstrate adequate financing to accomplish reasonable accommodations for all residents whether temporarily displaced out of the unit or remaining in place.

1. Introduction
 - Building name, units, type occupancy, location,
 - Source of funding triggering relocation responsibilities

2. Rehabilitation Project Description
 - Describe extent and magnitude of rehab activities impact on availability of building basics by unit:
 - Sewer interruption schedule
 - Water interruption schedule
 - Use of Kitchen
 - Use of bathroom
 - Use of bedroom(s)
 - Access to unit
 - Elevator
 - Lead or asbestos abatement
 - ADA unit conversions
 - Other _____

This section addresses the contractor's need for access to the specific apartment units; in terms of duration and condition of unit during the contractor's occupancy.

3. Building Resident Demographics
 - Resident profile of those being impacted
 - Health issues:
 - ❖ Sleep accommodations during the day
 - ❖ Medication Access
 - ❖ Privacy
 - ❖ Handicap
 - ❖ Personal aide/case worker
 - Seniors
 - Children (ages & family size)
 - Employment – sleep during the day
 - Section 8 Residents
 - Hennepin County GAF Residents
 - Language barriers – need for interpreters – children not acceptable. See HUD Change 11, 9-01-11*

This section addresses the individual tenant’s ability to remain in the unit during the day while construction is underway and how the unit is left in the evening.

- 4. Personal Property
 - Remain in unit or removed – by whom, where?
 - Move about unit – by whom?
 - Resident’s responsibilities

- 5. Reasonable Accommodation Plan
 - In-Unit Rehab
 - When acceptable to remain in unit
 - Duration of contractor’s work in unit
 - Number of extended revisits by contractor
 - Condition of unit each evening
 - Length of work day
 - Beginning and end daily times
 - Accommodations in building to minimize upset – meal options, day rooms, child safety

This section describes the building manager’s plan to accommodate the residents who remain in occupancy during the day.

- Out of Unit Temporary Relocation
 - When implementing
 - Alternate housing options – how paid to vacate
 - Notice provisions
 - Notice/Contact to return

This section describes the process to remove a resident temporarily, because it has been determined that they cannot reasonably remain in the unit while rehabilitation is in process.

- 6. Project Implementation
 - Who will be responsible for:
 - Determining resident needs, providing alternate moving options, required notices, claim payment and file maintenance
 - Communication plan – Notices, schedules

- 7. Temporary Relocation Budget
 - Out of unit options _____
 - ❖ Vacant units
 - ❖ Motels
 - ❖ Apartments
 - ❖ Friend/family
 - ❖ Other
 - Meals _____
 - Transportation _____
 - Personal Property Moves _____

- Staff/Consulting _____
- Other _____
- Total Temporary Relo Budget _____

The relocation plan level of detail will vary with size and magnitude of the project and specific resident needs. The above represents a brief overview of matters that may be relevant for your project. The above list is not meant to be exhaustive or limiting. It is provided by means to assist you in identifying relevant issues or relocation concerns.

Permanent Relocation Plan Content/Outline

1. Identify all sources of financing you expect to receive assistance from.
2. Proposed project timing and relocation timeline.
3. Identify displacee by unit number or address.
4. Nature of Permanent Displacement
Does HUD or MHFA voluntary permanent displacement policy apply?
5. Displacee demographics
See temporary relocation for guidelines
6. Identify displacee special needs to be addressed for successful relocation
7. Replacement housing preliminary search
Provide enough information to demonstrate that adequate comparable replacement housing can reasonably be expected to be available.
8. Acknowledge knowledge of URA standard for scope of services and who will be the responsible party to implement permanent relocation.
9. Relocation budget.

General

Questions

Please call your city project manager for any questions regarding the preparation of your relocation plan or the City's interpretation of any URA regulation citation. You will be directed to the relocation person assigned to your project.

Relocation Appeals

If the implementation of your project leads to a request for a relocation appeal, please contact your city project manager right away.

FILE CHECKLIST – RELOCATION

Parcel No.: _____

Property Owner: _____

- URA Compliant Initial Information Letter _____
- URA Compliant Initial Meeting _____
- URA Compliant Minimum Compensation Analysis _____
- URA Compliant Replacement Housing Analysis _____
- URA Compliant Notice of Eligibility: _____
- URA Compliant Receipt for Relocation Booklet: _____
- URA Compliant 90 Day Vacate Notice(s): _____
- URA Compliant 30 Day Vacate Notice(s): _____
- URA Compliant Decent/Safe/Sanitary Inspection: _____
- Advance Payments: _____
- Copy of Check (s): _____

- Moving Claim Costs: _____
- Copy of Check (s): _____

- Replacement Housing Payment Claim Costs: _____
- Copy of Check (s): _____

- Claim Packet: _____
- Displacee Record Complete: _____

COMMENTS: _____

File complete: _____ By: _____

MINNEAPOLIS RELOCATION POLICY

This policy applies to all private development receiving direct (e.g., loan, grant) or indirect (e.g. Industrial Revenue Bonds, Housing Revenue Bonds) City financing, including Neighborhood Revitalization Program financing, which will result in the displacement of residential or business tenants. In many instances a project will be receiving assistance from a program which is also governed by other Federal or State relocation standards. In such cases, those relocation regulations and standards shall apply exclusively. This policy is not applicable to rehabilitation or weatherization assistance for owner-occupied buildings of not more than three dwelling units where the owner occupant is the applicant for assistance.

I. DEFINITIONS

For the purpose of this policy the following definitions will apply:

- A. Displacement: A move by the occupant of a dwelling unit or commercial unit caused by a change in occupancy conditions which makes such unit unsuitable or unavailable for occupancy. This change may be due to major rehabilitation, demolition or an unreasonable increase in occupancy costs. Destruction of the dwelling unit by fire or a natural disaster not within the control of the property owner does not constitute displacement. Business tenants that move at the end of a lease term are not considered displaced under this policy.
- B. Unreasonable Increase in Occupancy Cost: Any increase in cost shall be considered unreasonable if it causes the household rent to exceed the greater of the following:
1. The tenants' cost of the rent and utilities at the time that the contract for assistance is executed or,
 2. 30% of the residential tenant's households gross income.
- C. Eligible Occupants: Persons that are occupying buildings owned by developers receiving City development assistance as defined herein. To be eligible the occupant must have been legally occupying the building on or before the date of the application for assistance.

Eligibility for assistance commences on the date of closing of acquisition or development assistance.

Tenants who move in after the date of application for financial assistance by the developer must be notified in writing of the impending development and the fact that they will not be eligible for relocation assistance. This notice will be given when they make their rental application. An otherwise eligible tenant will not be eligible

if he/she is evicted for good cause. Good cause shall be limited to non-payment of rent, destruction of property, endangering the health and safety of other occupants, gross and repeated disturbance of the peace of other occupants, conducting illegal activities, or maintaining a nuisance. Owner-occupants, including owners who were in occupancy at the time of an assisted acquisition, are not eligible occupants.

Former tenants who have been displaced as a result of circumvention of this policy shall be eligible occupants as defined by this policy (i.e., in the case of a non-acquisition assisted developer, evicting the tenants or raising the rents before obtaining City assistance, or in the case of an acquisition-assisted developer, obtaining an agreement from the seller to evict tenants before a sale).

- D. Continued Occupancy: An offer from the developer to an eligible occupant to continue to occupy the same unit (or a similar suitable replacement dwelling in the same building) or project for a period of at least two years from the date assistance is awarded or used, whichever is later.
- E. Displacement Plan: A plan containing a description of benefits to be provided to permanently and temporarily displaced occupants, of relocation services to be provided by the developer and a statement of any circumstances unique to the project.
- F. Persons: Any individual, partnership, corporation or association.
- G. Suitable Replacement Dwelling: A dwelling unit which meets the following criteria:
 1. Meets Section 8 existing housing program standards.
 2. Will not cause an unreasonable increase in occupancy costs.
 3. Is of adequate size as defined by HUD Section 8 occupancy guidelines.
 4. Is generally as desirable with respect to access to public transportation, community facilities, is not subject to severe environmental problems.
 5. If at all possible is located in the same area.
 6. Offers a reasonable prospect of long-term tenure.

II. DISPLACEMENT PLANS

The developer shall provide the City with a displacement plan at the time of the financial commitment request. Individual occupant data stating income, sex and ages of all household occupants, and the size and rent level of the unit currently being occupied, shall be included in the plan. For properties with vacant units, the plan must be accompanied by a signed affidavit from the owner/applicant attesting:

1. That at the time the building was being vacated the current owner/applicant had no financial interest in the building and that no agreement existed between the present owner and the seller requiring the eviction of tenants.
2. That, if the owner/applicant did have an interest in the building, no evictions were made except for cause:
3. That the landlord did not evict by causing the units to be uninhabitable.

This plan must be approved by the funding agency of the City before the financial assistance being requested is approved. The plan should be reviewed for consistency with the provisions of this policy.

III. NOTICES

A. Preliminary Notices to Tenants: Within twenty days of the execution of a purchase agreement, or within twenty days of the approval of an assistance agreement with the City, in the case of a project not involving acquisition, the developer shall give a written notice to each tenant which shall include the following information:

1. The type of development planned.
2. How and when the tenant will be affected.
3. A statement as to whether or not the tenant is an eligible occupant (i.e., has resided in the unit for more than 90 days).
4. A statement that the tenant may be eligible for continued occupancy or relocation assistance in the event the assisted acquisition or application for other assistance is completed.
5. A statement that the tenant should not move until he/she/it has discussed relocation with the developer; that if they move without contacting the developer, they may waive their right to assistance; furthermore, shall state the name and address of the person(s) authorized by the developer to handle relocation.

B. Notice of Relocation Eligibility: Within thirty days of firm commitment for financing or closing of sale, whichever is later in the case of acquisition-assisted development, or within thirty days of the closing on the assistance agreement in the case of a non-acquisition assisted project, the developer shall inform each tenant in writing whether he/she/it will be offered the right to continued occupancy, and the terms of such occupancy, including whether or not any temporary relocation will be necessary. If the tenant is not offered continued occupancy, then the notice must inform the tenant of the right to relocation services, and benefits and the name and address of the person(s) to contact to discuss relocation, or must inform the tenant that he/she/it is not an eligible occupant and is not entitled to relocation benefits.

The developer will not require any lawful occupant to move either temporarily or permanently from his/her/its unit without at least 6 days advance written notice, except for cause as herein defined.

IV. CONTINUED OCCUPANCY/TEMPORARY DISPLACEMENT

- A. Continued Occupancy: If the tenant is extended an offer to continue occupancy, the developer's contract must include a maximum housing cost for the period of continued occupancy commencing from the date of closing in the case of assisted acquisition, or date of contract for assistance in the case of a non-acquisition development on the following terms:
1. There shall not be any unreasonable increase in occupancy cost in the first year.
 2. At the beginning of the second year, the rent may be increased. The monthly increase shall not exceed the sum of the average monthly increase in the owner's costs for utility charges and property taxes over the previous year, plus five percent (5%) of the monthly costs (exclusive of utilities) charged the prior year.
 3. If a tenant is offered but refuses continued occupancy, the owner is not obligated to make further efforts under this policy. The developer will notify the funding agency of the City if such an offer is refused.
- B. Temporary Displacement: The developer may require the tenant to relocate for a temporary period only if the relocation is necessary to carry out the project and he/she/it is permitted to occupy a unit in the completed project. If required, the temporary relocation will not exceed 12 months in duration; a decent, safe, and sanitary dwelling in an area not subject to unreasonably adverse environmental conditions will be available to the tenant for the period of the temporary relocation; and the developer will reimburse the tenant for actual, reasonable, out-of-pocket expenses, including moving costs to and from the temporary dwelling and any increase in monthly cost (rent and reasonable utility costs) incurred in connection with the temporary relocation. If the new unit is not ready for occupancy within the 12 month period, the developer will notify the tenant of the earliest date by which it will be ready, and the tenant in that case will have the right to agree to wait until the extended date or to request that he/she/it be treated as permanently displaced.

V. PERMANENT DISPLACEMENT/SERVICES AND BENEFITS

- A. Replacement Housing Services and Assurances: A minimum of 30 days before mandatory vacation of the premises, the developer shall provide eligible residential tenants to be permanently displaced, a reasonable choice of suitable replacement dwellings.

The developer shall provide relocation services to such displaced residential tenants. These services shall include, at a minimum, an interview with each displacee to determine the housing needs of the household and provision of current continuing information on the location and cost of suitable replacement dwellings. Transportation assistance to view replacement housing shall also be provided, if needed. The developer may contract with the City for these services.

- B. Rental Assistance or Certificate for Assisted Housing:

Fifteen (15) days preceding the date a residential tenant is required to vacate, the developer must provide the City with either:

1. A lump sum payment equal to twenty-four (24) times the difference between the tenants current gross rent and the gross rent of a comparable, suitably sized unit, identified by the developer and approved by the City or
2. Assurance that a Section 8 Housing Certificate or voucher has been issued or approved for the displaced tenant. If a certificate or voucher is not available, the City will disburse a Rental Assistance Payment in two annual installments. The amount will be based on the monthly difference between the gross on-site rent and the lesser of the gross comparable or actual replacement rents times twenty-four (24) months. Any remainder will be refunded to the developer. Gross rents will be determined by applying the most current Section 8 Utility Schedule. However, if the tenant is not eligible for assisted housing and chooses to purchase a house, the Agency will disburse the Rental Assistance Payment based on comparables or \$2,000.00 whichever is the lesser of two at the time of closing on the replacement house.

- C. Moving Expenses for Permanent Displacement: In the case of permanent displacement from a property, a displaced residential tenant may elect to receive either a Fixed Payment for a self-move, or have their Actual Moving Costs reimbursed. Business tenants are eligible only for actual moving expenses as defined at Section 2 below.

1. Fixed-Payment Schedule

Furnished Rooms:

When a dwelling unit is furnished by the landlord, the tenant will be eligible to receive a moving expense payment of \$30.00 for the first room and \$15.00 for each additional room they occupy. The tenant will also be

eligible to receive a Dislocation Allowance of \$250.00 which is to help cover sundry costs due to displacement, such as disconnection and reconnection of phone service, damage deposits, and so forth.

Unfurnished Rooms:

When a dwelling unit is furnished by the tenant, not including stoves or refrigerators, the tenant will be eligible to receive a payment as defined in the schedule below. This schedule also includes the \$250.00 Dislocation Allowance.

<u>No. of Rooms</u>	<u>Room Schedule</u>		<u>Dislocation Allowance</u>		<u>Total</u>
1 Room*	\$ 75.00	+	\$250.00	=	\$325.00
2 Rooms	125.00	+	250.00	=	375.00
3 Rooms	175.00	+	250.00	=	425.00
4 Rooms	225.00	+	250.00	=	475.00
5 Rooms	250.00	+	250.00	=	500.00
6 Rooms	275.00	+	250.00	=	525.00
7 Rooms	300.00	+	250.00	=	550.00

*The one-room allowance includes efficiencies and sleeping rooms.

Bathrooms, closets and hallways are not to be included as rooms for the purpose of computing the Fixed-Payment Moving Expense Allowance.

The Agency will determine the number of rooms furnished at the time of displacement, should there be any disagreement between the tenant and developer over this issue.

2. Actual Moving Expenses

Should the tenant elect to receive Actual Moving Expenses, the billing should be charged directly to the displacing developer. The amount to be billed will be the lowest of three competitive bids received from licensed moving companies.

Compensable moving expenses include:

- a. Transportation of the displaced person and personal property from the acquired site to the replacement site. Transportation costs for a distance beyond fifty (50) miles are not eligible.
- b. Packing, crating, unpacking and uncrating of the personal property.
- c. For residential tenants, disconnecting, dismantling, removing, reassembling relocated household appliances, other personal property, or utilities (including a telephone) to a service equivalent to that existing in the displacee household.
- d. Storage of the personal property, as the developer determines to be necessary (generally, the period of needed storage will not exceed 12 months).
- e. Insurance of the personal property in connection with the move and necessary storage.

VI. BENEFITS FOR NON-ELIGIBLE OCCUPANTS

Any residential occupant of a dwelling unit as of the date of closing who is displaced, but not otherwise eligible for benefits as contained in this policy will be eligible for actual moving expenses in an amount not to exceed \$250.00. These occupants shall also be informed of at least two available rental units which are comparable in terms of size of unit and, if at all possible, are located in the same area.

VII. WAIVER OF BENEFITS

Eligible occupants may waive part or all of the benefits they are eligible to receive. To do so (and hence relieve the developer of the requirements of this policy) the eligible occupant must sign a written statement that they have received notice of relocation policy rights and stating which benefits are to be waived.

VIII. CONTRACT WITH THE CITY

A developer may contract with the City to provide the services and benefits contained in this policy. Execution of such a contract does not relieve the developer of any responsibilities under this policy. Further, the possibility of a contract with the City does not create an obligation on the part of the City to enter into such a contract.

IX. APPEALS

A tenant who believes he/she/it has not received the proper relocation assistance or opportunities to relocate to a suitable unit may appeal to the Community

Development Committee of the City Council, or, where the assistance was provided to the developer through a program administered by the Minneapolis Community Development Agency (MCDA), to the MCDA Board of Commissioners. Those bodies shall have the power to order the developer to provide further assistance or benefits to a tenant or take other such corrective action as may be appropriate. Such appeal must be brought within six (6) months of the alleged violation of this policy. After exhaustion of this appeal process, the tenant may seek judicial review of his/her/its appeal on its merits.