



CITY OF MERCED

NEIGHBORHOOD STABILIZATION PROGRAM (NSP)

HOUSING RELOCATION GUIDELINES

SERVING THE AREA OF

CITY OF MERCED, COUNTY OF MERCED, CA

NSP Adopted by the Merced City Council on
June 1, 2009



CITY OF MERCED

RESIDENTIAL ANTI-DISPLACEMENT AND TEMPORARY RELOCATION PLAN

The Housing and Community Development Act of 1974, as amended, and the National Affordable Housing Act of 1990, require all grantees of Community Development Block Grant (CDBG) funds or Home Investment Partnership (HOME) funds to follow a written Residential Anti-displacement and Relocation Assistance Plan (Plan) for any activities which could lead to displacement of occupants whose property is receiving funds from these or other federal funding source. Having been developed in response to both aforesaid federal legislations, this Plan is intended to inform the public of the compliance of the City of Merced (hereinafter referred to as "City") with the requirements of federal regulations 24 CFR 570.606 under state recipient requirements and Section 104(d) of the Housing and Community Development Act of 1974 and 24 CFR 92 of the HOME federal regulations. The Plan will outline reasonable steps, which City will take to minimize displacement and ensure compliance with all applicable federal and state relocation requirements.

This Plan will affect rehabilitation activities funded by the U.S. Department of Housing and Urban Development (HUD) under the following program titles: HOME, CDBG, Urban Development Action Grant (UDAG), Special Purpose Grants, Section 108 Loan Guarantee Program, and such other grants as HUD may designate as applicable, which take place within City's limits.

City will provide permanent relocation benefits to all eligible "displaced" households either owner occupied or rental occupied units, which are permanently displaced by the housing rehabilitation program (See Section E on page 4). In addition, City will replace all eligible occupied and vacant occupiable low income group dwelling units demolished or converted to a use other than low income group housing as a direct result of rehabilitation activities. This applies to all units assisted with funds provided under the Housing and Community Development Act of 1974, as amended, and as described in the Federal Regulations 24 CFR 570.496(a), Relocation, Displacement and Acquisition: Final Rule dated July 18, 1990 (Section 104(d)) and 49 CFR Part 24, Uniform Relocation Assistance (URA) and Real Property Acquisition Regulations Final Rule and Notice (URA) dated March 2, 1989.

All City programs/projects will be implemented in ways consistent with City's commitment to Fair Housing. Participants will not be discriminated against on the basis of race, color, religion, age, ancestry, national origin, sex, familial status, or handicap. City will provide equal relocation assistance available: 1) to each targeted income group household displaced by the demolition or rehabilitation of housing or by the conversion of a targeted income group dwelling to another use as a direct result of assisted activities; and 2) to each separate class of targeted income group persons temporarily relocated as a direct result of activities funded by HUD programs.

A. Minimizing Permanent Displacement and Temporary Relocation Resulting from Housing Rehabilitation or Reconstruction Activities:

Consistent with the goals and objectives of activities assisted under the Act, City will take the following steps to minimize the displacement of persons from their homes during housing rehabilitation or reconstruction funded by HUD programs:

1. Provide proper notices with counseling and referral services to all tenants so that they understand their relocation rights and receive the proper benefits. When necessary assist permanently displaced persons to find alternate housing in the neighborhood.
2. Stage rehabilitation of assisted households to allow owner occupants and/or tenants to remain during minor rehabilitation.
3. Encourage owner investors to temporarily relocate tenants to other available safe and sanitary vacant units on the project site area during the course of rehabilitation or pay expenses on behalf of replaced tenants.
4. Work with area landlords, real estate brokers, and/or hotel/motel managements to locate vacancies for households facing temporary relocation.
5. When necessary, use public funds, such as CDBG funds, to pay moving costs and provide relocation/displacement payments to households permanently displaced by assisted activities.

B. Lead Based Paint Mitigation Which Causes Temporary Relocation:

On September 15, 2000, the Final Rule for Lead Based Paint Hazard Control (LHC) went into effect. Among other things, it requires that federally funded rehabilitation must use safe work practices so that occupants and workers can be protected from lead hazards. At no time should the tenant-occupant(s) be present in work areas or designated adjacent areas while LHC activities are taking place in any dwelling unit interior, common area, or exterior. As such, occupants may not be allowed to remain in their units during the time that lead-based paint hazards are being created or treated. Once work that causes lead hazards has been completed, and the unit passes clearance, the occupants can return. The tenant-occupants may not reoccupy a work area or adjacent area until post-lead hazard reduction clearance standards have been achieved and verified with laboratory results. The final rule allows for certain exceptions:

1. The work will not disturb lead-based paint, or create dust-lead or soil-lead hazard; or
2. The work is on exterior only and openings are sealed to prevent dust from entering the home, the work area is cleaned after the work is completed, and the residents have alternative lead free entry; or

3. The interior work will be completed in one period of less than 8-daytime hours and the work site is contained to prevent the release of dust into other areas of the home; or
4. The interior work will be completed within five (5) calendar days, the work site is contained to prevent the release of dust, the worksite and areas within 10 feet of the worksite are cleaned at the end of each day to remove any visible dust and debris, and the residents have safe access to kitchen and bath and bedrooms.

If temporary relocation benefits are not provided because City believes that the project meets one of the above criteria, then proper documentation must be provided in the rehabilitation project file to show compliance. City will ensure that the owner occupant or tenant in the project does not get impacted by lead paint mitigation efforts. In most cases where lead paint mitigation is taking place, occupants (tenants or owners) will be strongly encouraged to relocate even for just a few days until a final lead clearance can be issued by a certified lead based paint assessor. Occupants who are temporarily relocated because of lead based paint mitigation are entitled to the same relocation benefits as those who are relocated because of substantial rehabilitation or reconstruction activities.

C. Temporary Relocation of Owner Occupants:

Owner occupants are not allowed to stay in units, which are hazardous environments during lead, based paint mitigation. When their home is having lead based paint mitigation work done which will not make it safe to live in, then they are eligible for temporary relocation benefits, which will be provided as a grant. In the same way, a unit requiring substantial rehabilitation (with or without lead based paint mitigation) which will not allow the family to access a bath or kitchen facility, or if the unit is being demolished and reconstructed, then the family will be eligible for temporary relocation benefits.

Owner occupants will be encouraged to move in with family or friends during the course of rehabilitation, since they are voluntarily participating in the program. If other arrangements are not feasible, the City provides rental assistance during the construction at no costs to the applicant. The City will complete a temporary relocation benefits form (**See Appendix A**) to document that the owner occupant understands that they must relocate during the course of construction and the benefits they wish to be reimbursed for as part of their relocation.

D. Temporary Relocation of Residential Tenants:

If continued occupancy during rehabilitation is judged to constitute a substantial danger to health and safety of the tenant or the public, or is otherwise undesirable because of the nature of the project, the tenant may be required to relocate temporarily. The City will make determination of the need for temporary relocation. The temporary relocation period will not exceed the construction period. All conditions of temporary relocation will be reasonable. Any tenant required to relocate temporarily will be helped to find another place to live which is safe, sanitary and of comparable value and they have the first right to move back into the original unit being rehabilitated at the same rent or lower. Tenants may move in with family and friends and still receive full or partial temporary assistance based on eligible cost incurred. The City will ensure that each

tenant occupied unit under the program will receive a General Information Notice (GIN) as soon as possible after a loan application is received and the tenant will receive a Notice of Non-displacement (after loan approval), and each tenant occupied unit will have a temporary relocation benefits form completed for them (**See Appendix B & C**). These notices will document that each tenant understands what their relocation rights are, and if they must relocate during the course of construction, that they receive the proper counseling and temporary relocation benefits.

A tenant receiving temporary relocation shall receive the following:

1. Increased housing costs (e.g. rent increase, security deposits) and
2. Payment for moving and related expenses, as follows:
 - a. Transportation of the displaced persons and personal property within 50 miles, unless the grantee determines that farther relocation is justified;
 - b. Packing, crating, unpacking, and uncrating of personal property;
 - c. Storage of personal property, not to exceed 12 months, unless the grantee determines that a longer period is necessary;
 - d. Disconnection, dismantling, removing, reassembling, and reinstalling relocated household appliances and other personal property;
 - e. Insurance for the replacement value of personal property in connection with the move and necessary storage;
 - f. The replacement value of property lost, stolen or damaged in the process of moving (not through the fault of the displaced person, his or her agent, or employee) where insurance covering such loss, theft or damage is not reasonably available;
 - g. Reasonable and necessary costs of security deposits required to rent the replacement dwelling;
 - h. Any costs of credit checks required to rent the replacement dwelling;
 - i. Other moving related expenses as the grantee determines to be reasonable and necessary, except the following ineligible expenses:
 - 1) Interest on a loan to cover moving expenses; or
 - 2) Personal injury; or
 - 3) Any legal fee or other cost for preparing a claim for a relocation payment or for representing the claimant before the Grantee; or
 - 4) Costs for storage of personal property on real property already owned or leased by the displaced person before the initiation of negotiations.

E. Rehabilitation Activities Requiring Permanent Displacement:

The City rehabilitation program will not typically trigger permanent displacement and permanent displacement activities fall outside of the scope of this plan. If a case of

permanent displacement is required, then the staff responsible for the rehabilitation program will consult with City legal counsel to decide if they have the capacity to conduct the permanent displacement activity. If City does not have the capacity, then a professional relocation consultant will be hired to do the counseling and benefit determination and implementation. If City does wish to do the permanent displacement activity then they will consult and follow the HUD Relocation Handbook 1378.

F. Rehabilitation Which Triggers Replacement Housing:

If the City rehabilitation program assists a property where one or more units are eliminated, then Section 104 (d) of the Housing and Community Act of 1974, as amended, applies and City is required to replace those lost units. An example of this would be a duplex unit, which is converted into a single-family unit. In all cases where rehabilitation activities will reduce the number of housing units in the jurisdiction, then City must document that any lost units are replaced and any occupants of reduced units are given permanent relocation benefits. (This does not apply to reconstruction or replacement housing done under a rehabilitation program where the existing unit(s) is demolished and replaced with a structure equal in size without in loss number of units or bedrooms.)

Replacement housing will be provided within three years after the commencement of the demolition or conversion. Before entering into a contract committing City to provide funds for an activity that will directly result in such demolition or conversion, City will make this activity public (through a noticed public hearing and/or publication in a newspaper of general circulation) and submit to the California Department of Housing and Community Development or the appropriate federal authority the following information in writing:

1. A description of the proposed assisted activity;
2. The location on a map and the approximate number of dwelling units by size (number of bedrooms) that will be demolished or converted to a use other than as targeted income group dwelling units as a direct result of the assisted activity;
3. A time schedule for the commencement and completion of the demolition or conversion;
4. The location on a map and the approximate number of dwelling units by size (number of bedrooms) that will be provided as replacement dwelling units;
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 targeted income group dwelling unit for at least 10 years from the date of initial occupancy; and,
7. Information demonstrating that any proposed replacement of dwelling units with smaller dwelling units (e.g., a two-bedroom unit with two one-bedroom units) is

consistent with the housing needs of targeted income group households in the jurisdiction.

The Housing Division at City is responsible for tracking the replacement of housing and ensuring that it is provided within the required period. City is responsible for ensuring requirements are met for notification and provision of relocation assistance, as described in Section 570.606, to any targeted income group displaced by the demolition of any dwelling unit or the conversion of a targeted income group dwelling unit to another use in connection with an assisted activity.

G. Record Keeping and Relocation Disclosures/Notifications:

City will maintain records of occupants of federally funded rehabilitated, reconstructed or demolished property from the start to completion of the project to demonstrate compliance with section 104(d), URA and applicable program regulations. Each rehabilitation project, which dictates temporary or permanent or replacement activities, will have a project description and documentation of assistance provided. (See sample forms in HUD Relocation Handbook 1378, Chapter 1, Appendix 11, form HUD-40054)

Appropriate advisory services will include reasonable advance written notice of (a) the date and approximate duration of the temporary relocation; (b) the address of the suitable, decent, safe, and sanitary dwelling to be made available for the temporary period; (c) the terms and conditions under which the tenant may lease and occupy a suitable, decent, safe, and sanitary dwelling.

Notices shall be written in plain, understandable primary language of the persons involved. Persons who are unable to read and understand the notice (e.g. illiterate, foreign language, or impaired vision or other disability) will be provided with appropriate translation/communication. Each notice will indicate the name and telephone number of a person who may be contacted for answers to questions or other needed help. The notices and process below is only for temporary relocation. If permanent relocation is involved then other sets of notice and noticing process and relocation benefits must be applied (See HUD relocation handbook 1378 for those forms and procedures). The Temporary Relocation Advisory Notices to be provided are as follows:

1. General Information Notice: As soon as feasible when an owner investor is applying for Federal financing for rehabilitation, reconstruction, or demolition, the tenant of a housing unit will be mailed or hand delivered a General Information Notice that the project has been proposed and that the tenant will be able to occupy his or her present house upon completion of rehabilitation. The tenant will be informed that the rent after rehabilitation will not exceed current rent or 30 percent of his or her average monthly gross household income. The tenant will be informed that if he or she is required to move temporarily so that the rehabilitation can be completed, suitable housing will be made available and he or she will be reimbursed for all reasonable extra expenses. The tenant will be cautioned that he or she will not be provided relocation assistance if he or she decides to move for personal reasons. **See Appendix B** for sample notice to be delivered personally or by certified mail.

2. Notice of Non Displacement: As soon as feasible when the rehabilitation application has been approved, the tenant will be informed that they will not be permanently displaced and that they are eligible for temporary relocation benefits because of lead based paint mitigation or substantial rehabilitation, or reconstruction of their unit. The tenant will also again be cautioned not to move for personal reasons during rehabilitation, or risk losing relocation assistance. **See Appendix C** for sample notice to be delivered personally or by certified mail.
3. Disclosure to Occupants of Temporary Relocation Benefits: This form is completed to document that City is following its adopted temporary relocation plan for owner occupants and tenants. **See Appendix D** for a copy of the disclosure form.
4. Other Relocation/Displacement Notices: The above three notices are required for temporary relocation. If City is attempting to provide permanent displacement benefits then there are a number of other forms which are required. Staff will consult HUD's Relocation Handbook 1378 and ensure that all the proper notices are provided for persons who are permanently displaced as a result of housing rehabilitation activities funded by CDBG or other federal programs.

Date

Name

Address

Merced CA 95340

Dear Homeowner:

This letter is to advise you that you will receive, at no cost to you, rental assistance during the construction of your home. The Housing Program will pay on your behalf for the following items:

- Monthly Rent
- Security/Pet Deposit
- Utility Connection/Reconnection Fees
- Water, Sewer and Garbage Fees at Rental Unit

The Housing Program can also assist you with moving expenses. These expenses, however, will be paid from your loan. These expenses include:

- Rental Storage Unit
- Professional Movers
- Moving Supplies i.e., packaging materials, tape, boxes, etc.

We would like to remind you to contact your homeowner's insurance provider to advise them that your home will be vacant while your home is under construction. We recommend that you ask if your homeowner's policy extends to the relocation unit while you are a tenant.

Enclosed you will find a pamphlet entitled Relocation Information for your review. If you have any questions or concerns feel free to contact me at 209-385-6976.

Sincerely,

Dawn Mendonca
Housing Finance Specialist

General Information Notice on Temporary Relocation

Dear: _____

Date: _____

On (date), (the property owner) submitted an application to the City of Merced for financial assistance to rehabilitate the building, which you occupy at (address)_____.

This notice is to inform you that, if the assistance is provided and the building is rehabilitated, you will not be displaced. Therefore, we urge you not to move anywhere at this time. If you do elect to move for reasons of your choice, you will not be provided relocation assistance. If the application is approved and Federal assistance is provided for the rehabilitation, you will be able to lease and occupy your present apartment (or another suitable, decent, safe and sanitary apartment in the same building) upon completion of the rehabilitation. Of course, you must comply with standard lease terms and conditions.

After the rehabilitation, your initial rent, including the estimated average monthly utility costs, will not exceed the greater of (a) your current rent/average utility costs, or (b) 30 percent (30%) of your gross household income. If you must move temporarily so that the rehabilitation can be completed, suitable housing will be made available to you for the temporary period, and you will be reimbursed for all reasonable extra expenses, including all moving costs and any increase in housing costs. We urge you not to move. If the project is approved, you can be sure that we will make every effort to accommodate your needs. Because Federal assistance would be involved, you would be protected by the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended.

You will be contacted soon. If you have any questions about our plans, please contact me at (209) 385-6976. This letter is important and should be retained.

Sincerely,

Dawn Mendonca
Housing Finance Specialist

NOTICE OF NON-DISPLACEMENT

**GUIDEFORM NOTICE OF ELIGIBILITY FOR SECTION 104(d)
RELOCATION ASSISTANCE -- LOWER INCOME RESIDENTIAL TENANT*
Section 8 Assistance NOT Available**

Dear: _____

Date:

On ____ (date) ____, we notified you of proposed plans to ____ (identify project) _____. On ____ (date) ____, the project was approved.

This is a notice of eligibility for relocation assistance. To carry out the project, it will be necessary for you to relocate. However, you do not need to move now. You will not be required to move without at least 90 days advance written notice of the date by which you must vacate. When you do move, you will be entitled to relocation payments and other assistance.

You may choose assistance under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA), or section 104(d) of the Housing and Community Development Act of 1974, as amended (section 104(d)).

The effective date of this notice is _____ (date of initiation of negotiations) _____. You are now eligible for relocation assistance, including: Counseling and Other Advisory Services. Security Deposit and Credit Checks. (Not provided under URA.)

We will pay the cost of any security deposit required to rent a replacement dwelling unit and for required credit checks.

Payment for Moving Expenses: You may choose either (1) a payment for your actual reasonable moving and related expenses, or (2) if you prefer, a fixed moving expense and dislocation allowance of \$ _____.

Replacement Housing Payment: You are eligible for a replacement housing payment to rent or purchase a replacement home. The payment will be based on several factors, including the cost of a "comparable replacement home" and your average household income.

Listed below are three "comparable replacement homes" that you may wish to consider:

Address Contact	Rent and Utility Costs	Name and Phone # of Person to
1. _____		
2. _____		
3. _____		

We would be pleased to provide you with transportation to inspect these dwelling units. We believe that the unit at _____ (address) _____ is the most representative of your present home. The rent and the estimated average cost of utility services for that unit is \$_____. Based on the information you provided about your income, you may be eligible for rental assistance up to \$_____).

This is the maximum amount that you would be eligible to receive. It would be paid in (indicate number of installments or lump sum). If you rent a decent, safe and sanitary home where the monthly rent and average estimated utility costs are less than \$_____, your rental assistance payment would be based on the actual cost of such unit.

Contact us immediately if you do not agree that these units are comparable to your home. We will explain the basis for our selecting these units. And, if necessary, we will find other units. We will not base your payment on any unit that is not a "comparable replacement home." Should you choose to buy (rather than rent) a decent, safe and sanitary replacement home, you would be eligible under the URA for a down payment of \$_____. Under the URA, you are not limited in the type of home you choose.

Section 104(d) assistance for a down payment is available only for purchasing an interest in a housing cooperative or mutual housing association. We estimate that you are eligible for a down payment of \$_____ under section 104(d). Let us know if you would prefer to buy a replacement home, and we will help you find such housing.

Attached is a brochure entitled, "Relocation Assistance to Tenants Displaced From Their Homes." Please read the brochure carefully. It explains your rights and some things you must do to obtain relocation payments under the URA. With the exception of the differences explained in this letter, this information also applies to section 104(d) assistance. For example, 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 commit yourself to rent or buy a unit until we inspect it.

Please be advised that you are eligible for assistance to help you relocate. In addition to relocation payments and housing referrals, counseling and other services are available to you. A representative of this office will soon contact you to determine your needs and preferences. He/she will explain your rights and help you obtain the relocation payments and other assistance for which you are eligible. If you have any questions please contact me at (209) 385-6976. Please remember not to move before we have a chance to discuss your eligibility for assistance. This letter is important to you and should be retained.

Sincerely,

Dawn Mendonca
Housing Finance Specialist

Enclosure

NOTES:

*1. This Guide form Notice is to be used only where, in addition to URA assistance, the tenant is eligible for section 104(d) assistance. Section 104(d) eligibility occurs when:

- (a) The project is financed with CDBG or UDAG funds or a Section 108 loan guarantee;
- (b) The displaced person meets the definition of "lower income person;" and
- (c) The move is a direct result of the demolition of the dwelling unit or the conversion of a low/moderate-income dwelling unit.

2. This Guide form Notice is to be used when the displaced person will not be offered a Section 8 certificate or voucher.

3. The case file must indicate the manner in which this notice was delivered (e.g., personally served or certified mail, return receipt requested) and the date of delivery. (See Paragraph 2-3d of Handbook.)

4. This is a guide form. It should be revised to reflect the circumstances.

CITY OF MERCED
DISCLOSURE TO OCCUPANT OF TEMPORARY RELOCATION BENEFITS
Top to be completed at time of loan application submittal or Home Visit

Property Address: _____

___ Rental Unit ___ Owner/Occupied Unit

The rehabilitation loan specialist working on behalf of the city of Merced has explained the temporary relocation services and benefits available under the current rehabilitation program relocation plan.

I/we have been advised that the city of Merced will inform me if I need to be temporarily relocated and will to assist me with scheduling any necessary moves and answer any questions about assistance as needed.

Acknowledged:

Occupant Signature Date Occupant Signature Date



Complete this at time of acceptance of Work Write Up with initials by occupant

The rehabilitation construction specialist for the City of Merced has explained the Rehabilitation Scope of Work for our house and I/we agree that it will:

- ___ Not require I/we to be relocated. **(If initialed then STOP here and sign bottom.)**
- ___ Yes, I/we need to be temporarily relocated. **(Complete rest of form if initialed.)**

Start date and duration of relocation:

- ___ Starting on or about _____ we will move for all or part of the rehabilitation project.
- ___ Approximate length of temporary relocation: _____ Number of days.

For temporary relocation, I/We elect to (check all that apply):

- ___ Relocate with friends and family.
- ___ Relocate into a suitable temporary housing unit identified by rehab specialist.
- ___ Relocate furnishings only into a temporary storage unit.

___ I/We have been told what our relocation benefits are and elect **Not** to be reimbursed for any eligible relocation expenses.

___ I/We have been told what our relocation benefits are and want to be reimbursed for: _____

By signing, occupant(s) acknowledge receipt of copy of this form:

Occupant Signature Date Occupant Signature Date