

## **Frequently Asked Questions: URA Corrective Actions for Residential Displacement**

The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA) (42 USC 4601 et seq.), and its implementing regulations at 49 CFR Part 24, require that “any person who moves from the real property or moves his or her personal property from the real property<sup>1</sup>” as the direct result of a federally-assisted project involving acquisition, rehabilitation, or demolition is eligible for relocation assistance.

Violations of the URA may exist when persons are identified as displaced without having received the required notices, timely relocation assistance, or accurate moving payments or replacement housing payments (RHP). This can be determined through a U.S. Department of Housing and Urban Development (HUD) monitoring review or self-identified by an agency based on their own monitoring oversight. Displacing agencies must take all corrective actions necessary to comply with the URA.<sup>2</sup> Deficiencies of URA compliance in which meaningful remedial action to correct the error is possible, are known as correctable violations. Generally, correctable violations fall into two categories:

Inadequate Financial Assistance. In any case where a person has not received the full amount of the payment(s) to which they are entitled, the agency must pay the difference between the required payment(s) and the actual payment(s) made by the agency to the displaced person.

Inadequate Replacement Housing. In any case where a person has relocated to housing that does not meet decent, safe, and sanitary standards (DSS), the agency must assist the person in relocating to a new dwelling that is DSS or take action to correct the substandard condition of the person's current dwelling through modification, rehabilitation, or repair to acceptable housing code standards or health and safety needs of the displaced person.

Corrective actions will be necessary to mitigate and remedy adverse effects or consequences of a URA compliance deficiency.

### **1. What is the agency’s responsibility when displaced persons received inadequate relocation assistance?**

The displacing agency using HUD federal financial assistance is responsible for ensuring the funds are used in accordance with all applicable program and cross-cutting requirements. This includes URA compliance for activities undertaken by third parties, such as subrecipients, developers, or other program participants. To prevent non-compliance, the agency should ensure that it has policies and procedures in place to provide accountability and to implement necessary procedural changes to ensure agency staff, subrecipients, developers, or other program participants understand and plan for relocation impacts prior to funding award. Agencies should

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<sup>1</sup> 49 CFR 24.2(a)(9)(i).

<sup>2</sup> 49 CFR 24.4(b).

provide technical guidance and oversight to third parties consistent with the agency's policies and procedures.

When non-compliance is identified, the agency must work with subrecipients, developers, and other program participants to take appropriate actions to remedy correctible deficiencies. If persons were displaced without relocation assistance and benefits (including, but not limited to, required notices and advisory services), the agency must take corrective action to locate and provide the required URA assistance and benefits to the affected displaced persons. For CDBG and HOME-assisted activities, section 104(d) relocation assistance corrective actions may also be required. Corrective actions for section 104(d) compliance issues are beyond the scope of this FAQ.

## **2. How do agencies locate former occupants who moved for a program or project without appropriate URA relocation payments, notices, and advisory services?**

Agencies must make all reasonable efforts to obtain records and contact information, such as forwarding addresses, emergency contacts, and phone numbers from appropriate sources such as the property owner or management agent involved when the project was undertaken. When contact information for the former occupant is not available, or such information does not result in establishing contact, the agency should initiate the following actions:

- Place a notice in local newspapers that are circulated in the neighborhood (for at least 30 days), printed in the language(s) typically spoken in the project area.
- Post a notice in a location within the project area, including at local community-based organizations.
- Check with local post offices, utilities, or schools for a forwarding address or contact information.
- Conduct social media and internet searches.
- Hire a "finding service".
- Other methods identified on a case-by-case basis, such as contacting the local Public Housing Authority if the former occupant was a Housing Choice Voucher (HCV) recipient.

## **3. How can an agency determine whether a former occupant qualifies for URA relocation assistance as a "displaced person"?**

The agency must request documentation of previous occupancy for all persons who moved from the project, which in most instances is after the applicable initiation of negotiations (ION) date. The agency must evaluate all evidence of residential occupancy such as leases, rent rolls, receipts, utility bills, and other personal records to establish a timeline of occupancy for each dwelling within the project. Documentation must be reviewed to determine if the person can demonstrate evidence of principal residency at the time the occupant was required to move as a direct result of the HUD-funded activity or project.

The agency must complete a case-by-case analysis of available occupancy records in context with the date of the submission of an application for HUD assistance and the applicable initiation

of negotiations<sup>3</sup> (ION). Program-specific relocation requirements may also apply. Persons who meet the definition of displaced person and moved permanently from the real property after the ION and did not receive timely and accurate written notices are eligible for URA relocation assistance.

**4. Should a General Information Notice (GIN) be issued<sup>4</sup> to a displaced person who moved without first receiving timely and accurate written notices?**

Agencies must take whatever steps are necessary to remedy oversights, such as inadequate replacement housing, notices, advisory services, and underpayments. HUD recommends agencies provide a displaced person with a GIN that has been revised to reflect the circumstances to ensure the person is fully informed and eligible for relocation assistance. In addition, displaced persons are entitled to a Notice of Relocation Eligibility under the URA as part of an agency's advisory services.

**5. How are relocation benefits calculated when a displaced person is found and determined to be eligible for a RHP?**

In addition to providing the displaced person with the appropriate payment for moving and related costs for their initial move from the displacement dwelling, the displacing agency may also be required to provide the displaced person with subsequent moving and related payments, if circumstances as noted below lead the displaced person to move again.

When a displaced person is determined to be eligible for a RHP, the payment calculation involves a point-in-time analysis which must be calculated using housing costs, gross income, and household composition as of the applicable (ION) date. Generally, a displaced person must occupy a DSS replacement unit to qualify for an RHP. Other corrective actions may be necessary to mitigate adverse consequences of the deficiency when a displaced person moves to replacement housing that is not DSS.

The scenarios below provide basic examples of corrective actions which may be required:

Displaced Person Moves to DSS, Comparable Replacement Unit

When an agency fails to offer referrals to comparable replacement dwellings at least 90 days before the person must move and the person enters into a lease or purchase agreement and occupies a DSS replacement dwelling, the RHP should be based on the cost of the DSS replacement dwelling provided it is otherwise comparable to the displacement unit.

Displaced Person Moves to a DSS, non-Comparable Replacement Unit

When an agency does not offer referrals to comparable replacement dwellings prior to a displaced person's move from the displacement dwelling at least 90 days before the person must move, and the person moves to a DSS replacement unit that is not comparable to the displacement dwelling, agencies must locate the person and provide

<sup>3</sup> 49 CFR 24.2(a)(15) and program regulations as applicable [e. g. 24 CFR 92.353(c)(3), 24 CFR 570.606(b)(3) – CDBG]

<sup>4</sup> 49 CFR 24.203(a)

the person with advisory services and the option to move to comparable housing. To do this, agencies must identify at least one comparable replacement dwelling and preferably three comparable replacement dwellings, and provide the person referrals to currently available comparable dwellings. When identifying the comparable replacement dwellings, the displacing agency must also identify the specific comparable replacement dwelling used to determine the price or rent used for establishing the upper limit of the RHP and the basis for the determination and notify the person of their maximum available RHP based on those referrals. The agency may consider moving and related expenses needed to comply with the URA requirements, even if paid later as corrective actions, as relocation assistance associated with the project or program assisted with federal financial assistance under the relevant authorities. Additionally, depending upon the underlying program's statute, a grantee may have the ability to provide optional relocation assistance or other forms of corrective actions to provide additional assistance to displaced persons under these conditions. Finally, housing of last resort payments pursuant to 49 CFR 24.404 are not corrective actions but may be utilized to assist displaced persons who would have qualified for last resort payments at the time that they were displaced.

For example, if the displacement dwelling was a two-bedroom unit but the person relocated to a DSS one-bedroom unit, the person's maximum RHP should be calculated based on a currently available, comparable two-bedroom dwelling unit. In this scenario, the displaced person has the option to either: 1) move, based on the new information provided, and request payment of the person's moving and related costs as the agency determines to be actual, reasonable, and necessary to move to a different dwelling unit and a RHP based on a currently available comparable dwelling unit, or 2) remain in place and file a relocation payment claim for a RHP based on the cost of their actual DSS replacement dwelling unit. If the displaced person chooses to move and requests payment for a new RHP and moving costs and related expenses, the Agency may consider these costs to be reasonable and necessary to comply with the URA requirements. The moving costs and related expenses must be calculated in accordance with Subpart D of the URA regulations

#### Displaced Person Moves to non-DSS Replacement Unit

If the replacement unit is not currently DSS due to changes in the household composition after leaving the displacement unit, and the replacement unit would have been DSS upon initial occupancy by the household, the agency should assist the household in filing for a RHP. Eligibility criteria is satisfied based on the unit's DSS condition for the household composition at the time displacement occurred (i.e., when the displaced person should have been originally assisted).

If the replacement unit was not DSS upon initial occupancy, based on household composition at displacement, the household must receive advisory services and be provided with the option to move to a comparable replacement dwelling that is DSS based on the household's composition at the time of displacement. The displacing agency must also identify the specific comparable replacement dwelling, and the price or

rent used for establishing the upper limit of the RHP and the basis for the determination and notify the person of their maximum available RHP based on those referrals. In this scenario, the displaced person has the option to move based on the new information provided. If the displaced person chooses to move and requests payment for a new RHP and moving costs and related expenses, the Agency may consider these costs to be reasonable and necessary to comply with the URA requirements. The moving costs and related expenses must be calculated in accordance with Subpart D of the URA regulations

#### Displaced Person Moves to a Homeownership Unit

If a displaced person wishes to purchase a home instead of renting a new unit, the displaced tenant must be notified of their eligibility for a downpayment assistance payment. The downpayment assistance payment is based on the costs of the displacement rental unit and the comparable replacement unit used for establishing the upper limit of the RHP. The displacing agency also has the ability to increase a displaced person's downpayment assistance payment to the maximum amount of the rental assistance payment under regulation if the displacing agency treats all eligible displaced persons in like circumstances equally. Any downpayment assistance payments provided to displaced persons may only be provided if the unit purchased is DSS. The RHP can be applied to the existing mortgage balance or used as reimbursement as evidenced by settlement records. If the replacement unit is not DSS, the agency must work to remedy deficiencies and to assist the person in filing a claim for down payment assistance payments, if possible. The displaced person may elect to move to alternative replacement housing to qualify for a RHP.

#### **6. Is the agency obligated to provide relocation assistance if it is unable to locate former occupants who moved without first receiving timely and accurate written notices?**

When an agency has fully documented the results of its efforts to locate former occupants, corrective action may be satisfied with no further action required. If an agency subsequently receives an inquiry from a person claiming to have been displaced, it should consider the merits of the claim to evaluate eligibility as a displaced person for relocation assistance and payments.

#### **7. What relocation records does an agency need to retain?**

Corrective actions must be conducted in a timely manner to mitigate or remedy the impacts to the displaced households. Each search action and its results must be documented in the project file for all relocation cases. All related documentation must be retained in the project file or submitted to HUD to clear monitoring findings as necessary. HUD recommends agencies maintain records of their acquisition and displacement activities consistent with recordkeeping requirements of Chapter 6 of HUD Handbook 1378, "[\*Tenant Assistance, Relocation and Real Property Acquisition.\*](#)"

**8. If I have relocation questions that are not answered above, where can I go for additional help?**

HUD has a series of no cost web-based training modules and accompanying videos entitled “URA the HUD Way” available at <https://www.hudexchange.info/trainings/ura-the-hud-way/>.

For general information about the URA, contact the [HUD Regional Relocation Specialist](#) within your geographical area. For more detailed inquiries related to program specific projects, contact the appropriate HUD program office staff for a referral to a Regional Relocation Specialist for assistance when appropriate.