

**RESIDENTIAL ANTI-DISPLACEMENT AND RELOCATION ASSISTANCE PLAN**

An Anti-Displacement and Relocation Assistance Plan is required by all grantees prior to funding, whether or not demolition activities are planned. If you have not previously adopted a plan, utilize this format at a minimum to adopt a plan. If you have previously adopted a plan, you may submit an executed copy of that plan in lieu of completing this form (if your activities include demolition or conversion, you will need to get clearance from OHCP prior to proceeding with any demolition or conversion. ATTACH INFORMATION REQUESTED IN THE FORM TO THE PLAN.

Ordinance or Resolution Number and Date: \_\_\_\_\_

The \_\_\_\_\_ (*Community*) will replace all occupied and vacant occupiable low- and moderate-income dwelling units demolished or converted to a use other than low- and moderate-income housing as a direct result of activities assisted with funds provided under the Housing and Community Development Act of 1974, as amended, and as described in 24 CFR 570.488. HUD regulations have extended this requirement to the HOME program as well.

All replacement housing will be provided within three years of the commencement of the demolition or rehabilitation relating to conversion. Before obligating or expending funds that will directly result in demolition or conversion, the \_\_\_\_\_ (*Community*) will make public and submit to the Office of Housing and Community Partnerships (OHCP) the following information in writing:

1. A description of the proposed assisted activity;
2. The location of each site on a map and the number of dwelling units by bedroom size that will be demolished or converted to a use other than as low- and moderate-income 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 general location on a map and approximate number of dwelling units by bedroom size that will be provided as replacement dwelling units;
5. The source of funding and a time schedule for the provision of replacement dwelling units;
6. The basis for concluding that each replacement dwelling unit will remain a low- and moderate-income unit for at least 10 years for the date of initial occupancy;
7. An analysis determining whether a dwelling unit proposed to be demolished is occupiable or not; and
8. An analysis determining whether a dwelling unit proposed to be demolished or converted is considered a low- and moderate-income unit.

The \_\_\_\_\_ (*Community*) will provide relocation assistance, as described in 24 CFR 570.488, to each low- and moderate-income household displaced by the demolition of housing or conversion of a low- and moderate-income dwelling to another use as a direct result of assisted activities.

Consistent with the goals and objectives under the Act, the \_\_\_\_\_ (*Community*) agrees to provide substantial levels of assistance to persons displaced by HUD-assisted programs and will further seek to minimize displacement of persons as a result of assisted activities.

\_\_\_\_\_  
Signature of Chief Elected Official, CEO

\_\_\_\_\_  
Typed Name and Title of CEO

PROCEDURE FOR DETERMINING VACANT OCCUPIABLE LOW- AND MODERATE- INCOME UNITS  
PER SECTION 104(D) - THE BARNEY FRANK AMENDMENT

The analysis procedure outlined on the attached pages established the minimal procedure that communities must follow to determine whether vacant units slated to be demolished or converted with CDBG or HOME funds are considered to be low- and moderate- income units and are "occupiable". If either condition is true, the unit falls under the protection of the Barney Frank Amendments, and a replacement unit must be provided. This analysis procedure must be completed for CDBG or HOME assisted activities involving the demolition or conversion of residential units and submitted to the Office of Housing and Community Partnerships for approval prior to the implementation of the activities.

Instructions:

The analysis procedure consists of three parts.

First a determination is made as to the total value of the property. This involves adding the current value of the property to 75% of the rehabilitation costs, along with any other fees or costs.

**Note:** Any property that has a before-rehab value of less than \$10,000, has been vacant for at least 3 months, and has been documented to be dilapidated will be considered not suitable for rehabilitation. No further analysis need be done in this case.

Second, a determination must be made as to whether the unit is suitable for the rehabilitation. To compute this, use the total cost, as figured earlier, and determine the monthly debt service based on a 30-year mortgage at the current market rate. For multiple unit buildings, divide this figure by the number of units. Add 20% to account for taxes, insurance, and other expenses and also add the appropriate utility allowance. This figure represents the Total Housing Payment (THP), which must be compared to area market rents for comparable units. If the rent (THP) exceeds the market rents, the project can be judged to be economically infeasible as a rental project.

Third, a determination must be made as to whether the unit is low or moderate income or not. To do this, simply compare the THP computed above to the Fair Market Rent (FMR) <http://www.huduser.org/datasets/fmr.html>. If the THP exceeds the FMR, it can be assumed that the unit is not a low-moderate-income unit and, therefore, need not be replaced.

Please attach an explanation page to the analysis page, giving the address of comparable units and describing how the analysis was performed. While a certified appraiser need not be involved, the explanation should clearly establish that the comparable units were appropriate by obtaining a value from a third party who is familiar with property values in the area, such as a Realtor. (attach copy of the opinion)

A housing unit converted or demolished with CDBG or HOME funds, must be replaced if:

- Occupied, regardless of its condition and rents at or below FMR
- Currently vacant but occupied within the past 3 months regardless of its condition
- Vacant for more than 3 months and suitable for rehabilitation

Conversion includes changing the use of a unit (e.g., from permanent rent housing to a shelter or a non-residential use); and rehabilitating a LMI unit which ultimately causes the unit's rent to exceed FMR.

June 2007

PROCEDURE FOR DETERMINING VACANT OCCUPIABLE LMI UNITS PER BARNEY FRANK

Grantee: \_\_\_\_\_ Contact Name and No.: \_\_\_\_\_  
 Program: \_\_\_\_\_ Project: \_\_\_\_\_  
 Unit Address: \_\_\_\_\_ Date Submitted: \_\_\_\_\_

Current Value	\$	No. of Bedrooms	
+ 75% Rehab Cost	\$	FMR=	
+ Other Cost	\$		
TOTAL	\$		
D/S at 30 years at		Rate= \$	D/S per month
Number of units in project=			
Divide D/S by No. Units =		Unit D/S per month	
+ 20% for Misc. Expense =	\$		
+ Utility Allowance =	\$	/month	
Total Housing Payment =	\$	/month	
#1 Comparable Gross Rent * =	\$	/month	
#2 Comparable Gross Rent * =	\$	/month	
Average Comparable Rent =	\$	/month	
Yes	No	Does the total housing payment exceed the average market rent	
Yes	No	Does the total housing payment exceed the FMR	
Answers to either of the above questioned is "Yes". This means that the unit is not considered "occupiable" and need not be replaced per Barney Frank requirements.			

\* Includes Utilities

PROCEDURE FOR DETERMINING VACANT OCCUPIABLE LMI UNITS PER BARNEY FRANK

EXPLANATION OF THE ANALYSIS.

Addresses of comparable units:

1.	2.
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Describe how analysis was performed:

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While a certified appraiser need not be involved, explain how the establishment of the comparable units was appropriate.

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