

U.S. Department of Housing and Urban Development  
Community Planning and Development

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Special Attention of:

**Notice:** CPD-94-16

All Regional Administrators  
All Field Office Managers  
Regional Directors for CPD  
CPD Division Directors  
All HOME Participating Jurisdictions

Issued: May 25, 1994  
Expires: May 25, 1995

Cross References: 24 CFR Parts  
91, 92 and 570

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**Subject:** HOME Program; Residential Antidisplacement and Relocation Assistance Plan

1. **BACKGROUND.**

- a. Legislation. On October 28, 1992, the President approved the Housing and Community Development Act of 1992 (Public Law 102-550) (1992 Act). Section 220(b) of the 1992 Act amended Section 105(b) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12705(b)) to require a participating jurisdiction (PJ) to certify as part of its Comprehensive Housing Affordability Strategy (CHAS) that it is following a Residential Antidisplacement and Relocation Assistance Plan (Plan) under its HOME Investment Partnerships Program (HOME) that requires the same actions and provides the same rights as the Plan required for the Community Development Block Grant (CDBG) Program under section 104(d) of the Housing and Community Development Act of 1974 (1974 Act).
- b. Regulations. The requirement that a PJ certify that it is following a Plan under the HOME Program was incorporated into the CHAS regulation (24 CFR Part 91) in a final rule published March 12, 1993 (58 FR 13686). However, the Department has not yet published a regulation establishing specific Plan requirements for the HOME Program.

2. **POLICY.** The certification and Plan are required, even if the PJ's HOME-assisted projects will not result in the demolition or conversion of a low/moderate-income dwelling. Until such time as HUD publishes a regulation describing specific Plan requirements for the HOME Program, a PJ with a CDBG grant must follow the Plan currently applicable to its CDBG Program or a Plan identical to its CDBG Plan. PJs (e.g., HOME consortia) that are not CDBG grantees, must establish and follow a Plan that meets the requirements of the applicable CDBG regulation (24 CFR 570.606(c) for local jurisdictions and §570.488(c) for States).

3. **EFFECTIVE DATE.** For the HOME Program, the requirements of the Plan became effective upon the submission of the PJ's FY 1994 CHAS. The Plan applies to every new commitment (defined in 24 CFR 92.2) of HOME funds, including FY 1992 or 1993 funds, that occurs on or after the date of the CHAS submission.
4. **SUMMARY OF RESIDENTIAL ANTIDISPLACEMENT AND RELOCATION ASSISTANCE PLAN.** Under a Plan, the PJ must:
  - a. Identify the reasonable steps it will take to minimize the displacement of persons from their homes as a result of an assisted project.
  - b. Replace all occupied and vacant occupiable "low/moderate-income dwellings" that are converted to a use other than "low/moderate-income dwellings" or are demolished for a project.
  - c. Provide relocation assistance to low/moderate-income households (including families and individuals) displaced as a direct result of the conversion of a low/moderate-income dwelling or the demolition of any housing for a project.
5. **GUIDEFORM RESIDENTIAL ANTIDISPLACEMENT AND RELOCATION ASSISTANCE PLAN.** Attached is a Guideform Residential Antidisplacement and Relocation Assistance Plan that complies with existing requirements. It includes examples of steps that a PJ might wish to undertake to minimize the direct and indirect displacement of persons from their homes.
6. **PROPOSED REGULATION AT 24 CFR PART 43.** HUD plans to publish in the near future a proposed rule at 24 CFR Part 43 that would set out proposed requirements for Residential Antidisplacement and Relocation Assistance Plans governing the HOME and CDBG Programs. Public comment will be invited.

**GUIDEFORM RESIDENTIAL ANTIDISPLACENT AND  
RELOCATION ASSISTANCE PLAN -- HOME PROGRAM**

The [jurisdiction] will replace all occupied and vacant occupiable lower income housing demolished or converted to a use other than lower income housing in connection with a project assisted with funds provided under the HOME Investment Partnerships Act.

All replacement housing will be provided within three years after the commencement of the demolition or conversion. Before entering into a contract committing the [jurisdiction] to provide funds for a project that will directly result in demolition or conversion, the [jurisdiction] will make public by [describe how, such as publication in a newspaper of general circulation] and submit to HUD [the State, under the State HOME Program] 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 housing that will be demolished or converted to a use other than as lower income housing 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 bedrooms and location on a map of the replacement housing that has been or will be provided.
5. The source of funding and a time schedule for the provision of the replacement housing;
6. The basis for concluding that the replacement housing will remain lower income housing for at least 10 years from the date of initial occupancy;
7. Information demonstrating that any proposed replacement of housing 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 approved Comprehensive Housing Affordability Strategy (CHAS).

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

The [name and phone number of the office] is responsible for tracking the replacement of lower income housing and ensuring that it is provided within the required period.

The [name and phone number of the office] is responsible for providing relocation payments and other relocation assistance to any lower income person displaced by the demolition of any housing or the conversion of lower income housing to another use.

Consistent with the goals and objectives of activities assisted under the Act, the [jurisdiction] will take the following steps to minimize the direct and indirect displacement of persons from their homes: \*

1. Coordinate code enforcement with rehabilitation and housing assistance programs.
2. Evaluate housing codes and rehabilitation standards in reinvestment areas to prevent undue financial burden on established owners and tenants.
3. Stage rehabilitation of apartment units to allow tenants to remain in the building/complex during and after the rehabilitation, working with empty units first.
4. Arrange for facilities to house persons who must be relocated temporarily during rehabilitation.
5. Adopt policies to identify and mitigate displacement resulting from intensive public investment in neighborhoods.
6. Adopt policies which provide reasonable protections for tenants faced with conversion to a condominium or cooperative.
7. Adopt tax assessment policies, such as deferred tax payment plans, to reduce impact of increasing property tax assessments on lower income owner-occupants or tenants in revitalizing areas.
8. Establish counseling centers to provide homeowners and tenants with information on assistance available to help them remain in their neighborhood in the face of revitalization pressures.

\* The jurisdiction must determine the appropriate steps. Those listed are examples.