



DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES

Grants Management Division

m e m o r a n d u m

TO: Bruce K. Walden, Chief Administrative Office

FROM: Elizabeth Tyler, AICP, City Planner/Director

DATE: March 18, 2004

SUBJECT: **City Comments on the Lakeside Terrace Relocation Plan Prepared by the Housing Authority of Champaign County**

Description

On the agenda for the March 22, 2004 meeting of the Urbana City Council Committee of the Whole is a Letter Submitting Comments on the Lakeside Terrace Relocation Plan to the Housing Authority of Champaign County. The comments are in response to the Housing Authority's request for comments during their 30-day public comment period for their Draft Relocation Plan for Lakeside Terrace. Comments on the draft plan are due by 5:00 PM, April 15, 2004.

Issues

The issue is to determine if the comment letter, prepared by staff, contains all the comments that the City of Urbana desires to submit to the Housing Authority of Champaign County regarding the Draft Relocation Plan for Lakeside Terrace.

Background

In order to proceed with the redevelopment of Lakeside Terrace, the Housing Authority of Champaign County is required to prepare a Relocation Plan for the residents of the property.

The Relocation Plan for Lakeside Terrace is designed to provide relocation arrangements for the 96 households currently living at Lakeside Terrace.

The Plan indicates that all families currently living at Lakeside Terrace will be provided Section 8 Tenant-Based Housing Subsidies or can relocate to another public housing site. However, other options are also covered such as homeownership and replacement housing payments.

The framework for the relocation is mandated by the Uniform Relocation Assistance and Real Property Acquisition (URA), Section 104 (d) of the Community and Housing Development Act (Section 104 (d)), and HUD Handbook 1378 Chg-4.

Attached is a draft letter to the Housing Authority of Champaign County that provides comments on the draft Lakeside Terrace Relocation Plan.

Many of the comments prepared by staff are designed to make the plan more complete by requesting that forms and information referenced in the Plan be included in the document. A more specific comment inquires if the HACC has adequately considered the amount of staff necessary to provide assistance to all the households being relocated. Lastly there are comments in regard to relocation assistance and how this assistance is determined.

Options

1. Urbana City Council can approve the comment letter as prepared.
2. Urbana City Council can approve the comment letter with changes or additions.
3. Urbana City Council can withhold approval of the comment letter.

Fiscal Impacts

There would be no fiscal impact to the City budget, as no City funding has been allocated toward the relocation of the tenants at Lakeside Terrace.

Recommendations

Staff recommends that the Urbana City Council approve the comment letter for the Lakeside Terrace Relocation Plan.

Memorandum Prepared By:

**Bob Grewe, AICP
Manager, Grants Management Division**

Attachments:

(1) City of Urbana comment letter on the HOUSING AUTHORITY OF CHAMPAIGN COUNTY LAKESIDE TERRACE RELOCATION PLAN - DRAFT March 4, 2004

(2) HOUSING AUTHORITY OF CHAMPAIGN COUNTY LAKESIDE TERRACE RELOCATION PLAN - DRAFT March 4, 2004

cc:

Ed Bland

Matthew Hogan

March 18, 2004

Matthew Hogan
Housing Authority of Champaign County
205 West Park Avenue
Champaign, IL 61820

Dear Mr. Hogan:

On behalf of the City of Urbana, please accept the following comments on the Draft Lakeside Terrace Relocation Plan, dated March 4, 2004.

Page 1, paragraph 3

This paragraph notes that all families currently residing at Lakeside Terrace will be provided Section 8 Tenant-Based Housing Subsidies. This paragraph should note that such an offer is contingent on the HACC receiving the number of replacement and relocation vouchers requested. However, such a contingency would not be necessary if the HACC is prepared to utilize their existing vouchers for relocation, should the amount of vouchers requested not be provided by HUD.

Page 1, paragraph 4 Introduction

This paragraph makes reference of the Uniform Relocation Assistance and Real Property Acquisition (URA), Section 104 (d) of the Community and Housing Development Act (Section 104 (d)), and HUD Handbook 1378 Chg-4. In that these documents are the foundation for the Relocation Plan, they should be provided as attachments to the Plan or at a minimum should be readily available to anyone that desires a copy of the documents.

Page 2, item IV. Statement of Anti-Displacement

This statement is too vague to provide adequate meaning. This section might be improved by referencing specific laws, policies and guidelines that HACC will pursue in order to minimize displacement, rather than mentioning “reasonable steps”.

Page 2, Item V.A. Major Components of the Relocation Process

It seems the last sentence of this paragraph should indicate that contact information “will be” given rather than “was” given, since this appears to be a future action.

Page 3, Item V.G. Major Components of the Relocation Process

This item notes that that Relocation Officer and the Housing Manager will assist displaced residents in the lease-up of replacement housing. Considering that Burch Village and Lakeside Terrace residents might be pursuing relocation within the same timeframe, do these two (2) positions provide adequate staff to deliver the level of assistance necessary accommodate all tenants?

Page 4, Item VII. Survey

A copy of the Resident Need Survey should be attached to the Relocation Plan.

Page 5, Item VIII. C. Advisory Services

Considering the rather tight timeline between relocation and demolition, is it in the best interest of the Housing Authority to rent to new tenants that will likely have to vacate the facility in a few months? It would seem more appropriate to not rent the Lakeside Terrace facility once the General Information Notice has been sent.

Page 7, Item XI. B. Comparable Units

The Replacement Housing Payment form HUD-40061 should be attached to the Relocation Plan.

Page 8, Item XI. C 2 Comparable Units

Are persons who receive a Section 8 Tenant Voucher subject to the payment limit referenced in this section? If yes, this seems contrary to the concept of the holder of a Section 8 Tenant Voucher living where they want. It would seem that the only restriction for a Section 8 Tenant Voucher holder is that rent would not exceed HUD Fair Market Value rent.

Page 9, Item XII. B 4 Replacement Housing Payment

Claim form HUD 40053 should be attached to the Relocation Plan.

Page 9, Item XIII. Paragraph 1. Tenant Based Assistance

The provision that the HACC, not the tenant, will decide if the displaced tenant receives tenant-based assistance or a replacement housing payment seems contrary to other provisions for relocation assistance. Please provide a citation to the Federal code and/or guideline that provides for such an arrangement.

Page 13, Item XV. Last Paragraph Actual Reasonable Moving and Relocation Expenses
HUD form 40056 and HUD form 40054 should be attached to the Relocation Plan.

Page 13, Item XVI. Paragraph 1. Security Deposits

Is the HACC confident that one (1) month's contract rent will be sufficient to pay for security deposits that will be required to accommodate all the tenant choices for replacement housing?

Further, should a tenant select a replacement housing unit that requires a security deposit that is more than one (1) month's contract rent, could not the HACC waive the Section 8 Administrative Plan rule to accommodate relocation cases or create a relocation provision in the Section 8 Administrative Plan?

Page 13, Item XVII Procedures for Reimbursement
HUD form 40058 should be attached to the Relocation Plan.

Thank you in advance for your consideration of these comments.

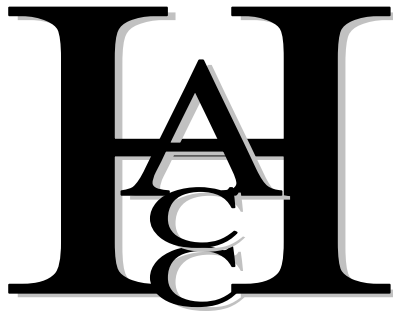
Questions regarding this correspondence should be directed to Bob Grewe, Manager, Grants Management Division at 217.384.2441 or bpgrewe@city.urbana.il.us.

Sincerely,

Tod Satterthwaite, Mayor
City of Urbana

cc:
Edward Bland Jr.

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03/04/2004



Housing Authority of Champaign County



Lakeside Terrace Relocation Plan

January 2004



Housing Authority of Champaign County

Notice for Public Comment

Lakeside Terrace Relocation Plan

The Housing Authority of Champaign County (HACC) is in the process of developing a Relocation Plan for the residents of the Lakeside Terrace public housing development. At this time, the HACC is requesting written comments concerning the draft Relocation Plan for Lakeside Terrace. This draft Relocation Plan may be viewed at the locations listed below.

It is the intention of the HACC to redevelop the existing public housing site into a mixed-income development. This proposed redevelopment requires the permanent relocation of all existing residents of Lakeside Terrace. Lakeside Terrace consists of twenty-one residential townhouse buildings and one non-dwelling building totaling 99 units – there are 17 one-bedroom units, 44 two-bedroom units, 30 three-bedroom units and 8 four-bedroom units.

Please submit your written comments to one the following addresses by April 15th, 2004 at 5:00 p.m.:

Mailing Address: Housing Authority of Champaign County
Attn: Matthew Hogan
205 West Park Avenue
Champaign, Illinois 61820

Email: matthew@hacc.net

Locations where this Relocation Plan may be viewed:

Housing Authority of Champaign County
Administrative Office
205 W. Park Ave.
Champaign, Illinois

Housing Authority of Champaign County
Lakeside Terrace Site Manager's Office
17 Lakeside Terrace
Urbana, Illinois

Urbana Public Library
201 S. Race St.
Urbana, Illinois

City of Urbana
Community Development Services
400 S. Vine St.
Urbana, Illinois

Champaign Public Library
505 S. Randolph St.
Champaign, Illinois



HOUSING AUTHORITY OF CHAMPAIGN COUNTY LAKESIDE TERRACE RELOCATION PLAN

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HOUSING AUTHORITY OF CHAMPAIGN COUNTY LAKESIDE TERRACE RELOCATION PLAN

I. Introduction

Lakeside Terrace is a public housing development located in Urbana, Illinois that has been identified by the Housing Authority of Champaign County (herein referred to as HACC) for total demolition and redevelopment

Since it will take more than one year to redevelop Lakeside Terrace, all residents of Lakeside Terrace will be considered to be permanently relocated. In order to complete the redevelopment of this site, approximately 96 households currently living in these units will be required to move. This Relocation Plan will describe the method to be used in relocating these residents permanently.

Section 8 Tenant-Based Housing Subsidies will be provided to all families currently residing at Lakeside Terrace that would like to participate in the HACC Section 8 Program. Since the residents of Lakeside Terrace are already provided with a public housing unit, and have already been screened for eligibility, the Housing Authority of Champaign County has deemed the residents of Lakeside Terrace that choose to remain in the public housing program eligible for relocation to a like unit at another public housing site.

This plan will therefore set forth the timeframes and procedures mandated by the Uniform Relocation Assistance and Real Property Acquisition (URA), Section 104 (d) of the Community and Housing Development Act (Section 104 (d)), and HUD Handbook 1378 Chg-4. Both the URA and Section 104 (d) applies to any project that includes the rehabilitation, acquisition, and/or demolition of a property that will require displacement of the resident(s). Section 104 (d) is limited by serving only lower income persons (income that does not exceed 80 percent of the median income), while the URA addresses the needs of displaced persons from all incomes (see Attachment 1 for a summary of major differences between Section 104 (d) and the URA). HUD Handbook 1378 Chg-4 is designed to guide the implementation of both the URA and Section 104 (d).

II. Property Description

Construction of Lakeside Terrace began on October 5, 1951 and the date of full availability was November 1, 1952. The original site included 21 residential townhouse buildings and one non-dwelling building totaling 99 units. The units consist of 17 one-bedroom units, 44 two-bedroom units, 30 three-bedroom units, and 8 four-bedroom units. The one non-dwelling building is being used both as a community center and housing a local after school program for the children of Lakeside Terrace. Three townhouse units (2 one-bedroom and 1 two-bedroom) are currently being used by the Resident Council, onsite manager, and onsite maintenance.

III. Statement of Non-discrimination

When exercising its rights and obligations under this Relocation Plan, the Housing Authority of Champaign County will not discriminate against any individual or family because of race, color, creed, national origin, sex, age, disability, or familial status.

IV. Statement of Anti-Displacement

The Housing Authority of Champaign County will take all reasonable steps to minimize the displacement of residents of Lakeside Terrace.

V. Major Components of the Relocation Process

A. General Information Notice

The General Information Notice (GIN) is the first notice to be sent to the residents informing them of the intent to redevelop the site. The GIN also presents general information concerning relocation and urges the residents not to move until they receive formal notification of their eligibility for relocation assistance. The contact information was given for two HACC contacts, the Executive Director and the Relocation Officer.

B. Notice of Eligibility for Relocation

The Notice of Eligibility for Relocation will inform the resident of his/her eligibility for relocation assistance and give an estimated amount of assistance to be expected. Also included in this notice will be the procedures for obtaining the assistance.

C. Scheduling of Walk-Through Inspections

The HACC Housing Manager will schedule walk-through inspections of the units for all of the residents that will be displaced. The resident, site manager and relocation officer will be present for this inspection. The purpose of the walk-through of all displaced units is to take a full inventory of all furniture, appliances, and utilities in unit.

D. Notice of Eligibility for Section 8

The Notice of Eligibility for Section 8 will inform the resident of their eligibility to receive Section 8 assistance and schedule a date for the issuance of the Section 8 Housing Choice Voucher.

E. Issuance of Section 8 Housing Choice Vouchers

The HACC will offer all displaced residents Section 8 Housing Choice Vouchers. The date of the issuance will be established with the Notice of Eligibility for Section 8.

F. Referrals to Other Agencies

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Referrals to other agencies will be made on a case-by-case basis. The Champaign-Urbana Tenants Union and Land of Lincoln Legal Assistance Foundation will be available to provide counseling and advice on the rights of the residents under the Fair Housing laws. All residents will be given information packets including the HELP BOOK (A Human & Social Service Directory for Champaign County); List of Schools for Champaign and Urbana, Information concerning the Illinois Employment Training Center of Champaign; Flyers regarding Housing Discrimination; and Champaign-Urbana Mass Transit District Route and Schedule information.

G. Lease-up of Replacement Housing

The Relocation Officer and Housing Manager will assist the displaced residents in the lease-up of the replacement housing. This will include the presentation of comparable replacement housing choices (comparable units) and any advisory services or referrals needed to successfully lease the replacement housing.

H. Relocation Moving and Related Expenses Disbursed

The HACC will procure moving contractors to provide moving assistance as requested by the resident. If the resident chooses not to utilize a HACC moving contractor, the HACC will disburse the funds as the resident incurs relocation moving and related expenses. The resident will be required to provide adequate documentation for the relocation expense.

I. Replacement Housing Assistance Disbursement

The cash rental assistance will be provided in 42 equal installments, which will be disbursed monthly for a period of 42 months, to those displaced who chose not to receive either a Section 8 Housing Choice Voucher or relocation to another public housing unit. It should be noted that in order to be eligible for replacement housing assistance displaced persons must have moved into a replacement dwelling unit within one year after they have moved from the displacement dwelling and the unit they move into must be decent, safe and sanitary. Prior to any claim being considered the HACC will verify that the replacement dwellings are decent, safe and sanitary by performing Housing Quality Standards inspections on the units. If the tenant's unit (a unit that they moved to as replacement housing) does not meet HQS, then the tenant will be informed that they have the opportunity to move to a unit that does meet HQS within 12 months of displacement. The tenant has an additional 6 months to put in a claim for relocation (total of 18 months).

VI. Timeframes

- A. Within 18 months of the Demolition/Acquisition Application approval from HUD, all relocation and demolition is scheduled to be completed.
- B. Within 6 months of the completion of relocation at Lakeside Terrace all demolition should be completed.

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C. The U.S. Department of Housing and Urban Development must approve all time extensions.

VII. Survey

To help the HACC assess the needs of each individual family, a Resident Need Survey will be sent to all households. These surveys will ask residents to identify areas they will need assistance in order to relocate. The Relocation Team of the HACC will evaluate these surveys and determine which social services may be helpful to the family and determine what special needs may be needed to ensure a smooth transition to their new place of residence. If the resident agrees, the HACC will make the initial contact with service providers to guarantee the families receive the services and assistance they need.

It may be necessary to follow up with families after the initial survey has been received if any additional information is necessary or any further clarification is needed.

VIII. Advisory Services

Includes timely notices, information booklets, explanation of assistance and referrals to social services, counseling and advice of their rights under the Fair Housing Act.

Notices:

All occupants will receive the required notices explaining the displacement process. These notices will be hand delivered or sent by registered first class mail. These notices are as follows:

A. General Information Notice (GIN):

This notice will be sent to all residents of Lakeside Terrace public housing site informing them of the HACC's intention to demolish and redevelop, provided that funding becomes available for Lakeside Terrace. This action would require the current residents of Lakeside Terrace to become displaced, thus possibly making them eligible for either the URA or Section 104(d) benefits. This notice stresses that the household should not move at this time and that any additions to their household composition may result in the reduction of relocation assistance. This notice also provided the name, address and phone numbers of two contact persons responsible for assisting them with their relocation.

Contact Persons will be:

Matthew Hogan
Special Projects Coordinator
Housing Authority of Champaign
County
205 W. Park Ave.
Champaign, Illinois 61820
(217) 378-7100 ext. 141

Edward Bland Jr.
Executive Director
Housing Authority of Champaign
County
205 W. Park Ave.
Champaign, Illinois 61820
(217) 378-7100 ext. 102

B. Move-In Notice

This notice will be issued to any person moving into Lakeside Terrace once the General Information Notice has been sent to the residents and the funding source has been secured informing them that they will be displaced and that they may not be entitled to any relocation assistance.

C. Notice of Eligibility

This notice will inform the residents who will be displaced of their rights and levels of assistance under the URA or Section 104(d). This notice will also contain the addresses of comparable replacement units, information concerning moving expenses and a specified amount for a replacement housing payment.

D. 90 Day Notice

This notice will inform all displaced households of the day by which they must vacate the property. For permanently displaced households, they will be given no less than 90 days.

IX. Explanation of Assistance

All eligible families residing at Lakeside Terrace will be provided with both written and oral explanation of assistance. A series of meetings will be held at the Lakeside Terrace Community Center informing the residents of their rights concerning relocation. Booklets concerning the Section 104(d) and URA will be distributed. The Champaign-Urbana Tenants Union and Land of Lincoln Legal Aid Foundation will be available to provide counseling and advice on their rights under the Fair Housing laws. The contact persons organizing and carrying out the relocation will be present and written information concerning their names, telephone numbers and addresses will be given.

X. Eligibility for the Section 8 Housing Choice Voucher Program

Persons eligible for Section 104(d) must be a low/moderate income household. The HACC will use the income limits established by the Department of Housing and Urban Development and periodically amended.

Eligibility for the Section 8 Program will be limited to the low-income household. This is 80% of the median family income established by the U.S. Department of Housing and Urban Development on an annual basis.

Initially families will be given 60 days to turn in a Request for Tenancy Approval and a proposed lease, with the possibility of (2) 30 day extensions not to exceed 120 days in all. Requests for extension must be submitted to the HACC, in writing, on forms provided by the HACC. Any extensions beyond 120 days must be approved by the Section 8 Manager, or the Executive Director, in accordance with the provisions provided within the Section 8 Administration Plan. Participants that are transitioned into the Section 8 tenant based program will be bound by the rules and regulations governed by HUD and

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the rules and regulations governed by the HACC Section 8 Administrative Plan. Before families are issued vouchers, they will have been given an oral briefing as mandated by 24 CFR 982.301 (a) and given briefing packets as mandated by 24 CFR 982.301 (b). Additionally, they will be provided with the HELP BOOK (A Human & Social Service Directory for Champaign County); List of Schools for Champaign and Urbana, Information concerning the Work Force Program; Flyers regarding Housing Discrimination; and Champaign-Urbana Mass Transit District Route and Schedule information.

XI. Comparable Units

A. What is a Comparable Unit?

1. Generally, comparable units must be Decent, Safe, & Sanitary. For the Lakeside Terrace residents, the definition of decent, safe, & sanitary means the comparable unit(s) must meet the Section 8 Housing Quality Standards or the Uniform Physical Conditions Standards for Public Housing.
2. Functionally equivalent to the displacement unit. The term ‘functionally equivalent’ means that it performs the same function, provides the same utility, and is capable of contributing to a comparable style of living. While a comparable replacement unit need not possess every feature of the displacement unit, the principal features must be present. Principal features are bedroom size, air conditioning, carpeting, and washer dryer hookups.
3. In an area not subject to unreasonable adverse environmental conditions from either natural or human sources.
4. In a location generally not less desirable than the location of the displacement unit with respect to public utilities and commercial and public facilities, and reasonably accessible to the person’s place of employment.
5. On a site that is typical in size for residential development with normal site improvements, including customary landscaping.
6. Currently available to the displaced person. A dwelling is considered “available” if the person is informed of the location of the dwelling; has sufficient time to negotiate and enter into a purchase agreement or lease for the dwelling; and, subject to reasonable safeguards, is assured of receiving the relocation assistance and acquisition payment, if applicable, in sufficient time to complete the purchase or lease.
7. A comparable replacement unit for a person receiving government housing assistance before displacement may reflect similar government housing assistance.
 - a. A privately owned unit with a project-based housing subsidy may qualify as a comparable replacement unit only for a person displaced from a similar government-owned public housing.

- b. A privately owned unit made affordable by a housing program subsidy to a person (i.e. subsidy not tied to the building) such as a Section 8 rental voucher, may qualify as a comparable replacement unit for a person receiving a similar subsidy before displacement or displaced from a unit with a project-based subsidy.

The HACC will to the maximum extent feasible provide “3” comparable units for each household and select one unit which will be most comparable to the displaced unit for replacement housing assistance calculations.

B. Methodology for establishing Comparable Units:

For purposes of establishing the payment limit, the comparable replacement dwellings shall, to the extent feasible, be selected from the neighborhoods in which the displacement dwelling is located or in a nearby similar neighborhoods where housing costs are generally the same or higher.

Size, function, and location will be principal features that will be taken into consideration when determining comparable units. In addition, the HACC will confer with the displaced family to ascertain any pertinent information, which could prove useful in selecting a comparable replacement unit for the individual family. For example, does the family consider close approximation to employment a priority or is close approximation to other family members or friends a priority? Does the family desire close approximation to schools or close approximation to other services? Meetings will be set up to confer with the family concerning replacement housing and a questionnaire will be given to them and discussed what they would consider a comparable replacement unit. This information will be forwarded to the Section 8 inspectors to assist them in selecting a comparable unit for the individual families.

For purposes of computing a Replacement Housing Payment, form HUD-40061 (Selection of Most Representative Comparable Replacement dwelling) will be used.

C. Resident appeal process for Comparable Units

Residents will have the right to agree or disagree that the units presented to them are comparable units. If a family believes that the units presented to them are not comparable units, they have the right to appeal. The family must submit a written notice that the units are not comparable and explain why the units are not comparables. The family has two weeks from the issuance of the comparables to submit the written notice disagreeing with the comparables. If the family fails to submit this notice within the time frame set forth, the comparable unit provided by the HACC will be used in determining payment limits for replacement housing costs. If it is determined that the comparable units provided to the family were not comparable, the HACC will with the assistance of the family provide other comparable units to the family and will adjust the replacement housing assistance accordingly.

1. The family either approves the units saying that they are comparable or the family signs a waiver stating that they have selected another unit, other than the comparable unit, and understands that the family will incur any increase in cost.
2. It should be noted, families are not required to select the comparable unit as their replacement-housing unit. The comparable unit is provided for two purposes, #1 to provide the family with a replacement unit and #2 to set a payment limit on the cost of replacement housing. However, the family is not required to move into any comparable unit provided by the HACC. The family may select any rental unit that would meet the Housing Quality Standards inspection as their replacement-housing unit. If the family selects another unit other than a comparable unit provided by the HACC, the family will incur any rental cost over the computed replacement housing assistance.

XII. Replacement Housing Payment

A. Section 104(d): The 104(d) Replacement Housing Payment is available only for low/moderate income households where CDBG/HOME funds are used in the project and the unit will be demolished.

1. Displaced tenants with incomes above the Section 8 low/moderate Income limit are eligible to receive assistance under the URA.
2. The 104(d) Replacement Housing Payment makes up (for a 60 month period) the difference between:
3. Gross Rent costs for the replacement dwelling (or comparable) whichever is less and the tenant's total tenant payment, calculated as the greater of;

30% of adjusted income; or

10% of gross income

Under Section 104(d) – HUD form 40072 is used for the Replacement Housing Payment Calculation

B. Uniform Relocation and Real Property Acquisition Act is available to a displaced person (tenant or owner-occupied). Replacement housing payment is determined if the person:

1. Lawfully occupied the displacement dwelling for at least 90 days immediately prior to the initiation of negotiations; and
2. Rents, or purchases, and occupies a decent, safe and sanitary replacement dwelling one year after the tenant moves from the displaced dwelling.
3. Replacement Housing Payments make up (for a 42 month period) the difference between:

- a. The lesser of rent and estimated utility costs for the replacement dwelling or comparable unit; and
 - b. The lesser of:

30% of the tenant's average monthly gross income; or,

the monthly rent and estimated average utility costs of the displacement dwelling
4. The cash rental assistance will be provided in 42 equal installments, which will be disbursed monthly for a period of 42 months. It should be noted that in order to be eligible for replacement housing assistance displaced persons must have moved into a replacement dwelling unit within one year after they have moved from the displacement dwelling and the unit they move into must be decent, safe and sanitary. Prior to any claim being considered the HACC will verify that the replacement dwellings are decent, safe and sanitary by performing Housing Quality Standards inspections on the units.

Claim form HUD 40053 is used to compute the rental assistance or the down payment assistance.

XIII. Tenant-Based Assistance

Under Section 104(d), the grantee (HACC), not the tenant decides whether tenant-based assistance or a replacement housing payment will be made.

It should be noted that the tenant has the right to refuse the offer of tenant based assistance under Section 104(d), and retains the right to a cash payment under the URA. However, the URA only provides for replacement housing assistance for a period of 42 months rather than the 60 months provided by Section 104(d).

XIV. Homeownership

If the displaced person wishes to purchase a home, the payment must be provided in a lump sum for a down payment. However, for Section 104(d), cooperatives and mutual housing are the only permitted forms of homeownership. It should be noted that the HACC is not guaranteeing displaced persons that they will be able to purchase a home. The displaced person must be approved from a financial institution (Bank or Mortgage Company) to purchase a new home before any funds will be allocated.

To participate in this homeownership program, enrollment in the Housing Authority of Champaign County Section 8 Homeownership program is mandatory.

A. Eligibility Requirements.

1. To qualify for assistance under the homeownership option, a family must:

- a. Currently be on the Section 8 Rental Program, and have been on the program at least one year.
- b. Be in good standing with the HACC.
- c. Have a history of full time employment (defined as 30 hours per week). This is waived for senior citizens and disabled persons.
- d. Have a minimum annual income of \$10,500.
- e. Be a first time homebuyer as defined by HUD.
- f. Complete the formal application process established by the HACC.
- g. Qualify and enroll in the Family Self Sufficiency Program.

B. Program Requirements.

1. To receive Housing Assistance Payments through the Section 8 Homeownership Program, the family must comply with the terms of the mortgage and HACC program requirements.
 - a. Maintain the condition of your home in compliance with the Housing Quality Standards established by HUD and the HACC.
 - b. Comply with the use and occupancy standards: (1) the home must be your family's only residence; (2) you cannot have an ownership interest in any other residential property; (3) you must report changes in the composition of your household to the HACC; and (4) you cannot sublet or lease your home.
 - c. Recertify for the Homeownership Program every year.
 - d. Adhere to all obligations of the family.
2. Failure to comply with the Section 8 Homeownership requirements could result in the loss of your monthly Housing Assistance Payment.

B. Home Purchase Process.

1. Once the HACC determines the eligibility of the family to participate in the program, the family will be issued a Homeownership Voucher. The voucher holder will have 180 days to comply with the following:
 - a. Participate and satisfactorily complete the pre-assistance homeownership and home counseling program.
 - b. Identify a home you wish to purchase that complies with HUD and HACC requirements.

- c. Find an HACC approved lender, with the assistance of the HACC Homeownership Coordinator, who agrees to finance your home purchase.
- d. Obtain a Housing Quality Standards inspection as well as an independent professional inspection of the home.
- e. Enter into a sales contract and finalize the purchase of your home.

The Housing Authority of Champaign County is under no obligation to approve any home purchase unless it meets all requirements outlined in the HUD regulations and HACC Administrative Plan that governs the Section 8 Homeownership Program.

XV. Actual Reasonable Moving And Related Expenses

Any displaced residential owner-occupant or tenant-occupant who qualifies as a displaced person is entitled to payment of his or her actual moving and related expenses, as the agency determines to be reasonable and necessary, including expenses for:

1. Transportation of the displaced person and personal property (this may include reimbursement at the current mileage rate for personally owned vehicles that need to be moved. The HACC will use the IRS approved mileage reimbursement rate). Transportation costs for a distance beyond fifty miles are not eligible, unless the housing authority determines that relocation beyond fifty miles is justified. Examples of this would be employment, education leading to a four-year degree, or medical. The family must provide evidence of such. A written job offer, enrollment or doctor's notice indicating that due to medical purposes the family would need to relocate to a certain area for either treatment or environment.
2. Packing, crating, uncrating, and unpacking of the personal property.
3. Storage of personal property for a period not to exceed 12 months, unless the housing authority determines that a longer period is necessary.
4. Disconnecting, dismantling, removing, reassembling, and reinstalling relocated household appliances and other personal property.
5. Any existing utility hook-ups, including reinstallation of telephone and cable television service will be eligible cost.
6. Insurance for the replacement value of the property in connection with the move and necessary storage
7. The replacement value of property lost, stolen, or damaged in the process of moving (not through the fault or negligence of the displaced person, his or her agent, or employee) where insurance covering such lost, theft, or damage is not reasonably available.
8. Credit Checks.

9. Other moving-related expenses as the housing authority determines to be reasonable and necessary, except in the following ineligible expenses:
 - a. interest on a loan to cover moving expenses; or
 - b. personal injury; or
 - c. any legal fee or other costs for preparing a claim for a relocation payment or for representing the claimant before the agency; or
 - d. the cost of moving any structure or other real property improvement in which the displaced person reserved ownership; or
 - e. cost for storage of personal property or real property owned or leased by the displaced person before the initiation of negotiations.

The tenant has the option of payment of actual reasonable moving and related expenses; or a fixed moving expense and dislocation allowance based on the Department of Transportation (DOT) schedule that is published periodically.

For the purposes of determining moving expenses whether fixed or actual, the HACC will perform a walk through on all displaced units in order to take inventory of all furniture, appliances, and utilities in unit. (Utilities must be working at time of walk-through, in other words, HACC will not reimburse the installation of telephone service, if tenant did not have service at the displaced unit or if their service has been disconnected). Any resident who fails to cooperate with the walk-through will not be reimbursed for any moving expenses.

Self-Moves. If a person to be displaced elects to take full responsibility for the move, the HACC may make a payment for the person's moving expenses in an amount not to exceed the lower of two acceptable bids or estimates obtained by the HACC or prepared by qualified staff. No additional documentation for such expenses is required. At the Agency's discretion, a payment for a low-cost or uncomplicated move may be based on a single bid or estimate. In either case, the HACC may negotiate a lower amount with the person (to reflect in part the savings possible through a self-move). (If the HACC and the person to be displaced are unable to negotiate an agreed-upon amount to cover the self-move, full documentation is required.)

Expeditious Payment. The HACC will review claims in an expeditious manner. The claimant shall be promptly notified as to any additional documentation that is required to support the claim. Payment for a claim shall be made as soon as feasible following receipt of sufficient documentation to support the claim.

Advance Payments. If a person demonstrates the need for an advance relocation payment in order to avoid or reduce a hardship, the HACC shall issue the payment subject to such safeguards as are appropriate to ensure that the objective of the payment is accomplished. For example, an advance payment may be placed in escrow or paid directly to the moving contractor, new landlord or utility company; and/or the person may be required to enter

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into a contract committing the person to return any amount for which the person is later determined to be ineligible.

Outstanding Balances. If a displaced person has any outstanding balances owed to any utility companies or the HACC, the HACC will request that the resident signs a waiver allowing for their relocation expenses to first go towards the payment of these debts. If acceptable, payments will first be made to any utility company and then to the HACC. If the relocation expenses are not sufficient to cover all debts owed, the displaced family will be required to enter into a repayment agreement with the HACC. Failure to honor the repayment agreement by a family participating on the Section 8 Voucher Program, or has been transferred to another public housing unit, can be terms for termination of the Section 8 Voucher (According to the termination of assistance as described in the Section 8 Administrative Plan) or eviction from public housing (in accordance with the Admittance and Continued Occupancy Plan).

HUD form 40056 or HUD form 40054 will be used for moving expense claims.

XVI. Security Deposits

Under Section 104(d) only the cost of a reasonable and necessary security deposit required to lease the replacement dwelling unit is eligible for reimbursement. The displaced person is entitled to keep any refund due when the tenant moves from the replacement dwelling. In accordance with the Section 8 Administrative Plan, the HACC will limit the maximum security deposit to be paid to the lesser of one month's contract rent or actual cost of security deposit.

Advance payment of deposits will be provided for any family who documents a need for such. Security deposits will be paid directly to the landlord.

XVII. Procedures for Reimbursement

All claims for a relocation payment shall be filed with the HACC within 18 months after the date of the actual move. The family needs to have completed all required forms and submitted all documentation (if requested) in order for their claim to be considered complete. If family needs assistance in filling out any forms the HACC will assist the family.

HUD form 40058 will be used to determine relocation payments due to the family.

XVIII. Grievance Procedure (Handbook 1378 Paragraph 1-33)

If a person disagrees with the determination of the HACC concerning relocation payment(s) or other relocation assistance for which the person is eligible, the person may file a written appeal with the HACC. The person must file the written appeal within 60 days after the person receives written notification of the HACC determination on the person's claim. On a case by case basis, for good cause, the HACC shall extend such time limit. An example of good cause would be illness. The HACC shall promptly review all written appeals in accordance with applicable law, regulations, and the following policies. The HACC shall consider a written appeal regardless of form. Actions which

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may be appealed with the HACC is any case which the person believes that the HACC has failed to:

- A. Properly determine that the person qualifies, or will qualify (upon moving), as a displaced person who is eligible for relocation assistance;
- B. Properly determine the amount of any relocation payment required by Handbook 1378 or a payment required under paragraph 5-6 or 5-7 of Handbook 1378. (A person's acceptance of a payment that is less than the full amount claimed does not limit the person's right to appeal).
- C. Provide appropriate referrals to comparable replacement dwellings or inspect the replacement dwelling in a timely manner, or
- D. Waive the time limit for (1) the filing of a claim or appeal or (2) purchasing, renting or occupying a replacement dwelling. It should be noted in most cases a Section 8 Voucher will be used towards the replacement housing assistance and accordingly is subject to HACC regulations regarding outstanding vouchers. Vouchers are issued for up to 120 days. Any extensions beyond 120 days must be approved by the Section 8 Manager, or the Executive Director, in accordance with the provisions provided within the Section 8 Administration Plan.

Legal Representation. The person has a right to be represented by legal counsel or other representatives in connection with his or her appeal, but solely at the person's own expense. In the event that a lower income person is unable to prepare a written appeal or needs assistance in preparing an appeal, the HACC shall provide such assistance, or refer the person to an appropriate third party who will provide such assistance at no cost to the person. (e.g. certain citizen groups, tenant unions, neighborhood legal services or Urban League)

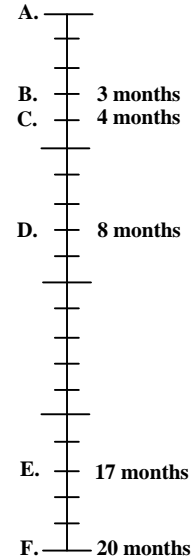
Reviewing of Documents. The HACC shall permit a person to inspect and copy (at the cost of 10 cents a copy) all material pertinent to his/her appeal, except materials which the HACC determines may not be disclosed to the person for reasons of confidentiality. An example would be that HACC would not disclose any material pertaining to any other relocated person. In order for person to review and or copy materials concerning their file, they must submit a written request to the HACC and an appointment will be scheduled for the review and or copying of materials. Reviewing the materials will always be in the presence of a designated HACC staff. At no time will a person be allowed to take any original materials off of HACC premises. If the person wishes to have their representative review the file a signed authorization of release will need to have been signed before the HACC may allow the person's representative to review or copy the materials. Again, any reviewing of the materials will be in the presence of a designated HACC staff and no original materials will be allowed off the HACC premises.

Hearing Officer. The person conducting the review of the appeal shall be either the Executive Director or his or her authorized designee. However, the reviewing official shall not have been directly involved in the action of the appeal. In deciding an appeal, the agency will consider all pertinent justification and other material submitted by the person, and all other available information that is needed to ensure a fair and full review

of the appeal. The agency will promptly, after receipt of all information submitted by the person in support of an appeal make a written determination on the appeal, including an explanation of the basis on which the decision was made, and furnish the person a copy. If full relief requested is not granted, the HACC shall advise the person of his or her right to seek judicial review and, the right to ask the HUD Field Office or State to review the HACC's determination.

XIX. Timing of Displacement

- A. The displaced persons will be relocated.
- B. The buildings located at Lakeside Terrace will be vacated.
- C. The Lakeside Terrace site will be demolished.
- D. The site will be redeveloped into a mixed-income development.
- E. First notification to former Lakeside Terrace residents of the intent to lease-up the new development
- F. The property management company will lease-up the new development.



XX. Tenant Selection Criteria

To be determined by the property management company with input from the Lakeside Terrace Residents, the Lakeside Terrace Working Group, the HACC Resident Advisory Board, the City of Urbana, the HACC Board of Commissioners, and the HACC Staff.

XXI. Grantee Responsible for Subgrantee (Handbook 1378: paragraph 1-29(b))

If the grantee provides program/project funds to a third party that acquires property or causes displacement that is subject to the URA, the grantee is responsible for ensuring compliance with the URA in the manner described in Handbook 1378, notwithstanding the third party's contractual obligation to the grantee to comply.

XXII. Recordkeeping and Program Monitoring

In order to demonstrate compliance with applicable laws, regulations and policies the HACC will maintain detailed record keeping (according to URA & Section 104(d)), including records of contacts with affected persons. Records will be kept for three years past the latest of:

- A. Final relocation payment has been made;
- B. The date the project was completed; or,
- C. The date by which all issues from litigation, negotiation, audit, or other actions (Ex. civil rights compliance have been resolved).

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Records are considered confidential information and the contents will be available only to authorized staff of the HACC, authorized staff of the City of Urbana and HUD. Records are not subject to public information requests.

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Attachment 1: SUMMARY OF MAJOR DIFFERENCES BETWEEN 104 (D) AND THE URA RELOCATION ASSISTANCE

Part I: Eligibility for Assistance

Subject	Section 104 (d)	URA/HUD Program Regulations
Income Requirements	Only lower income persons are assisted.	Displaced persons of all incomes are eligible.
Economic Displacement Criteria	Displaced person is eligible if not offered a suitable unit at or below the greater of: (1) Total Tenant Payment; or, (2) Old rent/utility costs.	Displaced person is eligible if not offered an appropriate unit at or below the greater of: (1) 30% of gross income; or, (2) Old rent/utility costs.
Person displaced by demolition	Displaced person is eligible regardless of the pre-demolition market rent.	Displaced person is eligible regardless of the pre-demolition market rent.

Part II: Amount of Assistance Provided

Subject	Section 104 (d)	URA/HUD Program Regulations
Rental Assistance Term	60 Months	42 Months
Monthly Rental Assistance Payment	Amount needed to reduce new rent/utility costs to Total Tenant Payment, with is usually the greater of: (1) 30% of adjusted monthly income; or, (2) 10% of gross monthly income.	Amount needed to reduce new rent/utility costs to the lower of: (1) Old rent/utility costs; or, (2) 20% of gross monthly income (varies by program).
Use of Section 8 Rental Assistance	If Section 8 assistance and suitable referrals are offered, displaced person cannot insist on cash replacement housing payment.	Displaced person has the right to a cash replacement housing payment but may accept Section 8 assistance if it is offered.
Other Housing Assistance	Assistance includes security deposit at replacement dwelling.	Assistance does not include security deposit.
Homeownership Assistance	Limited to purchase of cooperative or mutual housing and based on present (discounted) value of 60 monthly rental payments.	Not limited to cooperative or mutual housing. Payment equals 42 monthly rental payments.
Moving and Related Expenses	Same as URA.	Person may choose either: (1) Payment for actual moving and related expenses; or, (2) Alternative allowance based on DOT schedule.
Advisory Services	Same as URA.	Comprehensive services provided.