



# CDBG-DR PROGRAM GUIDELINES

**Uniform Relocation Assistance Guide &  
Residential Anti-Displacement and Relocation Assistance Plan  
(URA & ADP GUIDE)**

March 29, 2021  
V 2.0

**This page was intentionally left blank.**



## Table of Contents

<b>1</b>	<b>Overview</b> .....	<b>6</b>
<b>2</b>	<b>Established Periods of Time</b> .....	<b>6</b>
<b>3</b>	<b>Definitions</b> .....	<b>6</b>
<b>4</b>	<b>Acronyms</b> .....	<b>16</b>
<b>5</b>	<b>Requirements and Waivers</b> .....	<b>17</b>
5.1	Applicable Waivers and Alternative Requirements .....	17
5.2	One-for-One Replacement .....	17
5.3	Relocation Assistance .....	17
5.4	Tenant-Based Rental Assistance .....	18
5.5	Arm's Length Voluntary Purchase .....	18
5.6	Optional Relocation Policies .....	18
5.7	Displacement Due to a Major Disaster .....	18
<b>6</b>	<b>Acquisition Requirements</b> .....	<b>19</b>
6.1	Voluntary Acquisition .....	19
6.2	Other URA Acquisition Applicability .....	22
6.3	Involuntary Acquisition (49 C.F.R. § 24, Subpart B) .....	22
6.4	Donations (49 C.F.R. § 24.108) .....	24
6.5	Appraisal Requirements (49 C.F.R. § 24.103) .....	24
6.6	Other Acquisition Requirements .....	25
6.7	Decide Not To Acquire .....	26
<b>7</b>	<b>General Relocation Requirements</b> .....	<b>26</b>
7.1	Notifications (49 C.F.R. § 24.203) .....	27
7.2	Residential .....	30
7.3	Non-Residential Requirements .....	40
<b>8</b>	<b>Temporary Relocation</b> .....	<b>43</b>
8.1	Short-Term Housing Interruption .....	44
8.2	Eligible Expenses .....	45
8.3	Ineligible Expenses .....	48
8.4	Relocation Duration and Return Home .....	48
<b>9</b>	<b>Permanent Relocation</b> .....	<b>49</b>
9.1	Allowable Displacing Activities .....	50

9.2	Permanent Relocation Process Overview .....	50
9.3	Eligible Expenses .....	51
9.4	Ineligible Expenses .....	53
<b>10</b>	<b>Payments.....</b>	<b>54</b>
<b>11</b>	<b>PRDOH URA Appeals .....</b>	<b>56</b>
<b>12</b>	<b>Optional Relocation Assistance .....</b>	<b>57</b>
<b>13</b>	<b>PRDOH Residential Anti-Displacement and Relocation Assistance Plan (PRARAP)..</b>	<b>57</b>
13.1	Introduction .....	57
13.2	Purpose.....	58
13.3	Policy to Minimize Displacement .....	58
13.4	Policy on Relocation Assistance.....	59

## 1 Overview

Every project funded in part or in full by Community Development Block Grant – Disaster Recovery (**CDBG-DR**) funds, and all activities related to that project, are subject to the provisions of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (**URA**), as amended, 42 U.S.C. § 4601 *et seq.*, and section 104(d) of the Housing and Community Development Act of 1992, as amended (**HCDA**), 42 U.S.C. § 5304(d), except where waivers or alternative requirements have been provided by the U.S. Department of Housing and Urban Development (**HUD**).<sup>1</sup> The implementing regulations for URA are at 49 C.F.R. Part 24, and the regulations for section 104(d) are at 24 C.F.R. Part 42, subpart C. Additionally, HUD has established regulations specific to CDBG-funded housing activities at 24 C.F.R. § 570.606. The primary purpose of these laws and regulations is to provide uniform, fair, and equitable treatment of persons whose real property is acquired or who are displaced in connection with federally funded projects.

When CDBG-DR funds are planned, intended, or used for any activity or phase of a project and the phases are interdependent, URA applies to that activity or project. This includes any property acquisition, even if CDBG-DR funds are not used to fund the purchase, if the contract to acquire property is executed with the intention of seeking CDBG-DR funds to complete the project or an interdependent phase of the project.<sup>2</sup>

## 2 Established Periods of Time

Unless otherwise specified, all established periods of time addressed in this and all CDBG-DR Program Guidelines, Guides, Plans and documents, will be considered calendar days. On this matter, the Puerto Rico Department of Housing (**PRDOH**), as grantee, will follow Rule 68.1 of the Rules of Civil Procedure of Puerto Rico, 32 L.P.R.A. Ap. V, R. 68.1.

## 3 Definitions

The definitions in this section come directly from 49 C.F.R. § 24.2 and the definitions or terms in the URA guidelines are solely for purposes of providing assistance covered by URA:

- **Agency:** The term Agency means the State Agency or person that acquires real property or displaces a person.

---

<sup>1</sup> Several waivers related to URA, Section 104(d), and 24 C.F.R. § 570.606 requirements are provided in Federal Register Notice Vol. 83 No. 28 (February 9, 2018), 83 FR 5844, at 5858-5859.

<sup>2</sup> HUD Handbook 1378, Chapter 1, at the definition for "Displaced Person" states the following: "Given the nature of the URA and HUD programs, it is not always possible to establish by regulation a specific action or event that always marks the date a project begins for purposes of determining eligibility as a 'displaced person' [...]. Most HUD program regulations identify an event that establishes a 'rebuttable presumption' that a project begins (e.g., date of submission of the application)."

- (i) **Acquiring Agency:** The term acquiring agency means a State Agency, as defined in paragraph (iii) of this section, which has the authority to acquire property by eminent domain under State law, and a State Agency or person which does not have such authority.
- (ii) **Displacing Agency:** The term *displacing Agency* means any Federal Agency carrying out a program or project, and any State, State Agency, or person carrying out a program or project with Federal financial assistance, which causes a person to be a displaced person.
- (iii) **State Agency:** The term State Agency means any department, Agency, or instrumentality of a State or of a political subdivision of a State, any department, Agency, or instrumentality of two (2) or more States or of two (2) or more political subdivisions of a State or States, and any person who has the authority to acquire property by eminent domain under State law. Pursuant to an alternative requirement established by 83 FR 5844, all references to states and State grantees shall include the Commonwealth of Puerto Rico.
- **Alien not lawfully present in the United States:** The phrase “alien not lawfully present in the United States” means an alien who is not “lawfully present” in the United States as defined in 8 C.F.R. § 103.12 and includes:
    - (i) An alien present in the United States who has not been admitted or paroled into the United States pursuant to the Immigration and Nationality Act (8 U.S.C. 1101 *et seq.*) and whose stay in the United States has not been authorized by the United States Attorney General; and,
    - (ii) An alien who is present in the United States after the expiration of the period of stay authorized by the United States Attorney General or who otherwise violates the terms and conditions of admission, parole, or authorization to stay in the United States.
  - **Appraisal:** The term appraisal means a written statement independently and impartially prepared by a qualified appraiser setting forth an opinion of defined value of an adequately described property as of a specific date, supported by the presentation and analysis of relevant market information.
  - **Business:** The term business means any lawful activity, except a farm operation, that is conducted:
    - (i) Primarily for the purchase, sale, lease and/or rental of personal and/or real property, and/or for the manufacture, processing, and/or marketing of products, commodities, and/or any other personal property;
    - (ii) Primarily for the sale of services to the public;

- (iii) Primarily for outdoor advertising display purposes, when the display must be moved as a result of the project; or
- (iv) By a nonprofit organization that has established its nonprofit status under applicable Federal or State law.
- **Citizen:** The term citizen for purposes of this part includes both citizens of the United States and noncitizen nationals.
- **Comparable replacement dwelling:** The term comparable replacement dwelling means a dwelling which is:
  - (i) Decent, safe, and sanitary as described in paragraph 24.2(a)(8) of 49 C.F.R. § 24.2;
  - (ii) Functionally equivalent to the displacement dwelling. The term functionally equivalent means that it performs the same function and provides the same utility. While a comparable replacement dwelling need not possess every feature of the displacement dwelling, the principal features must be present. Generally, functional equivalency is an objective standard, reflecting the range of purposes for which the various physical features of a dwelling may be used. However, in determining whether a replacement dwelling is functionally equivalent to the displacement dwelling, the Agency may consider reasonable trade-offs for specific features when the replacement unit is equal to or better than the displacement dwelling (See 49 C.F.R. Appendix A, § 24.2 (a)(6));
  - (iii) Adequate in size to accommodate the occupants;
  - (iv) In an area not subject to unreasonable adverse environmental conditions;
  - (v) In a location generally not less desirable than the location of the displaced person's dwelling with respect to public utilities and commercial and public facilities, and reasonably accessible to the person's place of employment;
  - (vi) On a site that is typical in size for residential development with normal site improvements, including customary landscaping. The site need not include special improvements such as outbuildings, swimming pools, or greenhouses. (See also 49 C.F.R. § 24.403(a)(2));
  - (vii) Currently available to the displaced person on the private market except as provided in paragraph (ix) of this section (See 49 C.F.R. Appendix A, § 24.2(a)(6)(vii))<sup>3</sup>; and
  - (viii) Within the financial means of the displaced person:

---

<sup>3</sup> See waiver provided at 83 FR 5844, 5858.



(A) A replacement dwelling purchased by a homeowner in occupancy at the displacement dwelling for at least **180 days** prior to initiation of negotiations (180-day homeowner) is considered to be within the homeowner's financial means if the homeowner will receive the full price differential as described in § 24.401(c), all increased mortgage interest costs as described at § 24.401(d) and all incidental expenses as described at § 24.401(e), plus any additional amount required to be paid under § 24.404, Replacement housing of last resort.

(B) A replacement dwelling rented by an eligible displaced person is considered to be within their financial means if, after receiving rental assistance under this part, the person's monthly rent and estimated average monthly utility costs for the replacement dwelling do not exceed the person's base monthly rental for the displacement dwelling as described at § 24.402(b)(2).

(C) For a displaced person who is not eligible to receive a replacement housing payment because of the person's failure to meet length-of-occupancy requirements, comparable replacement rental housing is considered to be within the person's financial means if an Agency pays that portion of the monthly housing costs of a replacement dwelling which exceeds the person's base monthly rent for the displacement dwelling as described in § 24.402(b)(2). Such rental assistance must be paid under § 24.404, Replacement housing of last resort.

(ix) For a person receiving government housing assistance before displacement, a dwelling that may reflect similar government housing assistance. In such cases any requirements of the government housing assistance program relating to the size of the replacement dwelling shall apply. (See 49 C.F.R. Appendix A, § 24.2(a)(6)(ix).)

- **Contribute materially:** The term contribute materially means that during the two (2) taxable years prior to the taxable year in which displacement occurs, or during such other period as the Agency determines to be more equitable, a business or farm operation:
  - (i) Had average annual gross receipts of at least \$5,000; or
  - (ii) Had average annual net earnings of at least \$1,000; or
  - (iii) Contributed at least thirty three percent (33%) of the owner's or operator's average annual gross income from all sources; or

(iv) If the application of the above criteria creates an inequity or hardship in any given case, the Agency may approve the use of other criteria as determined appropriate.

- **Decent, safe, and sanitary dwelling:** The term decent, safe, and sanitary dwelling means a dwelling which meets local housing and occupancy codes. However, any of the following standards which are not met by the local code shall apply unless waived for good cause by the Federal Agency funding the project. The dwelling shall:

(i) Be structurally sound, weather tight, and in good repair;

(ii) Contain a safe electrical wiring system adequate for lighting and other devices;

(iii) Contain a heating system capable of sustaining a healthful temperature (of approximately 70 degrees) for a displaced person, except in those areas where local climatic conditions do not require such a system;

(iv) Be adequate in size with respect to the number of rooms and area of living space needed to accommodate the displaced person. The number of persons occupying each habitable room used for sleeping purposes shall not exceed that permitted by local housing codes or, in the absence of local codes, the policies of the displacing Agency. In addition, the displacing Agency shall follow the requirements for separate bedrooms for children of the opposite gender included in local housing codes or in the absence of local codes, the policies of such Agencies;

(v) There shall be a separate, well lighted, and ventilated bathroom that provides privacy to the user and contains a sink, bathtub or shower stall, and a toilet, all in good working order and properly connected to appropriate sources of water and to a sewage drainage system. In the case of a housekeeping dwelling, there shall be a kitchen area that contains a fully usable sink, properly connected to potable hot and cold water and to a sewage drainage system, and adequate space and utility service connections for a stove and refrigerator;

(vi) Contains unobstructed egress to safe, open space at ground level; and

(vii) For a displaced person with a disability, be free of any barriers which would preclude reasonable ingress, egress, or use of the dwelling by such displaced person. (See 49 C.F.R. Appendix A, § 24.2(a)(8)(vii).)

- **Displaced person**

(i) The term displaced person means, except as provided in the following paragraph (ii) of this definition, any person who moves from the real property or moves their personal property from the real property. (This includes a person who occupies the real property prior to its acquisition, but who does not meet the

length of occupancy requirements of the URA as described at § 24.401 (a) and § 24.402(a):

(A) As a direct result of a written notice of intent to acquire (see § 24.203(d)), the initiation of negotiations for, or the acquisition of, such real property in whole or in part for a project;

(B) As a direct result of rehabilitation or demolition for a project; or

(C) As a direct result of a written notice of intent to acquire, or the acquisition, rehabilitation or demolition of, in whole or in part, other real property on which the person conducts a business or farm operation, for a project. However, eligibility for such person under this paragraph applies only for purposes of obtaining relocation assistance advisory services under § 24.205(c), and moving expenses under § 24.301, § 24.302 or § 24.303.

(ii) **Persons not displaced.** The following is a nonexclusive listing of persons who do not qualify as displaced persons under this part:

(A) A person who moves before the initiation of negotiations (see § 24.403(d)), unless the Agency determines that the person was displaced as a direct result of the program or project;

(B) A person who initially enters into occupancy of the property after the date of its acquisition for the project;

(C) A person who has occupied the property for the purpose of obtaining assistance under the URA;

(D) A person who is not required to relocate permanently as a direct result of a project. Such determination shall be made by the Agency in accordance with any guidelines established by the Federal Agency funding the project (See 49 C.F.R. Appendix A, § 24.2(a)(9)(ii)(D));

(E) An owner-occupant who moves as a result of an acquisition of real property as described in §§ 24.101 (a)(2) or 24.101 (b)(1) or (2), or as a result of the rehabilitation or demolition of the real property. (However, the displacement of a tenant as a direct result of any acquisition, rehabilitation, or demolition for a Federal or federally assisted project is subject to this part);

(F) A person whom the Agency determines is not displaced as a direct result of a partial acquisition;

(G) A person who, after receiving a notice of relocation eligibility (described at § 24.203(b)), is notified in writing that he or she will not be displaced for a project. Such written notification shall not be issued unless the person has not moved and the Agency agrees to reimburse the person

for any expenses incurred to satisfy any binding contractual relocation obligations entered into after the effective date of the notice of relocation eligibility;

(H) An owner-occupant who conveys his or her property, as described in §§ 24.101(a)(2) or 24.101(b)(1) or (2), after being informed in writing that if a mutually satisfactory agreement on terms of the conveyance cannot be reached, the Agency will not acquire the property. In such cases, however, any resulting displacement of a tenant is subject to the regulations in this part;

(I) A person who retains the right of use and occupancy of the real property for life following its acquisition by the Agency;

(J) An owner who retains the right of use and occupancy of the real property for a fixed term after its acquisition by the Department of the Interior under Pub. L. 93-477, Appropriations for National Park System, or Pub. L. 93-303, Land and Water Conservation Fund, except that such owner remains a displaced person for purposes of 49 C.F.R. Part 24, subpart D;

(K) A person who is determined to be in unlawful occupancy prior to or after the initiation of negotiations, or a person who has been evicted for cause, under applicable law, as provided for in § 24.206. However, advisory assistance may be provided to unlawful occupants at the option of the Agency in order to facilitate the project;

(L) A person who is not lawfully present in the United States and who has been determined to be ineligible for relocation assistance in accordance with § 24.208;

- **Dwelling:** The term dwelling means the place of permanent or customary and usual residence of a person, according to local custom or law, including a single family house; a single family unit in a two-family, multi-family, or multi-purpose property; a unit of a condominium or cooperative housing project; a non-housekeeping unit; a mobile home; or any other residential unit.
- **Dwelling site:** The term dwelling site means a land area that is typical in size for similar dwellings located in the same neighborhood or rural area. (See 49 C.F.R. Appendix A, § 24.2(a)(11).)
- **Farm operation:** The term farm operation means any activity conducted solely or primarily for the production of one (1) or more agricultural products or commodities, including timber, for sale or home use, and customarily producing such products or commodities in sufficient quantity to be capable of contributing materially to the operator's support.

- **Federal financial assistance:** The term Federal financial assistance means a grant, loan, or contribution provided by the United States, except any Federal guarantee or insurance and any interest reduction payment to an individual in connection with the purchase and occupancy of a residence by that individual.
- **Household:** A family and/or individuals who reside together in a single dwelling, including a live-in aid, if applicable.
- **Household income:** The term household income means total gross income received for a **twelve (12) month** period from all sources (earned and unearned) including, but not limited to wages, salary, child support, alimony, unemployment benefits, workers compensation, social security, or the net income from a business. It does not include income received or earned by dependent children and full-time students under 18 years of age. (See 49 C.F.R. Appendix A, § 24.2(a)(14) for examples of exclusions to income).
- **Initiation of negotiations:** Unless a different action is specified in applicable Federal program regulations, the term initiation of negotiations means the following:
  - (i) Whenever the displacement results from the acquisition of the real property by a Federal Agency or State Agency, the initiation of negotiations means the delivery of the initial written offer of just compensation by the Agency to the owner or the owner's representative to purchase the real property for the project. However, if the Federal Agency or State Agency issues a notice of its intent to acquire the real property, and a person moves after that notice, but before delivery of the initial written purchase offer, the initiation of negotiations means the actual move of the person from the property.
  - (ii) Whenever the displacement is caused by rehabilitation, demolition, or privately undertaken acquisition of the real property (and there is no related acquisition by a Federal Agency or a State Agency), the initiation of negotiations means the notice to the person that he or she will be displaced by the project or, if there is no notice, the actual move of the person from the property.
  - (iii) In the case of a permanent relocation to protect the public health and welfare, under the Comprehensive Environmental Response Compensation and Liability Act of 1980 (Pub. L. 96-510, or Superfund) (**CERCLA**) the initiation of negotiations means the formal announcement of such relocation or the Federal or federally-coordinated health advisory where the Federal Government later decides to conduct a permanent relocation.
  - (iv) In the case of permanent relocation of a tenant as a result of an acquisition of real property described in § 24.101(b)(1) through (5), the initiation of negotiations means the actions described in § 24.2(a)(15)(i) and (ii), except that such initiation

of negotiations does not become effective, for purposes of establishing eligibility for relocation assistance for such tenants under this part, until there is a written agreement between the Agency and the owner to purchase the real property. (See 49 C.F.R. Appendix A, § 24.2(a)(15)(iv)).

- **Lead Agency:** While HUD is the lead agency for CDBG-DR funds, the Federal Highway Administration is the lead agency for URA, as URA is a cross-cutting federal requirement that is applicable to all federally funded programs, including CDBG.
- **Mobile home:** The term mobile home includes manufactured homes and recreational vehicles used as residences. (See 49 C.F.R. Appendix A, § 24.2(a)(17)).
- **Mortgage:** The term mortgage means such classes of liens as are commonly given to secure advances on, or the unpaid purchase price of, real property, under the laws of the State in which the real property is located, together with the credit instruments, if any, secured thereby.
- **Nonprofit organization:** The term nonprofit organization means an organization that is incorporated under the applicable laws of a State as a nonprofit organization, and exempt from paying Federal income taxes under section 501 of the Internal Revenue Code (26 U.S.C. 501).
- **Owner of a dwelling:** The term owner of a dwelling means a person who is considered to have met the requirement to own a dwelling if the person purchases or holds any of the following interests in real property:
  - (i) Fee title, a life estate, a land contract, a 99-year lease, or a lease including any options for extension with at least fifty (50) years to run from the date of acquisition; or
  - (ii) An interest in a cooperative housing project which includes the right to occupy a dwelling; or
  - (iii) A contract to purchase any of the interests or estates described in § 24.2(a)(1)(i) or (ii); or
  - (iv) Any other interest, including a partial interest, which in the judgment of the Agency warrants consideration as ownership.
- **Person:** The term person means any individual, family, partnership, corporation, or association.
- **Program or project:** The phrase program or project means any activity or series of activities undertaken by a Federal Agency or with Federal financial assistance received or anticipated in any phase of an undertaking in accordance with the Federal funding Agency guidelines.

- **Relocation Specialist:** The term relocation specialist refers to individuals who on behalf of the Program will be communicating with entitled persons regarding URA. This term is synonymous with URA Case Manager.
- **Salvage value:** The term salvage value means the probable sale price of an item offered for sale to knowledgeable buyers with the requirement that it be removed from the property at a buyer's expense (i.e., not eligible for relocation assistance). This includes items for re-use as well as items with components that can be re-used or recycled when there is no reasonable prospect for sale except on this basis.
- **Small business:** A small business is a business having not more than 500 employees working at the site being acquired or displaced by a program or project, which site is the location of economic activity. Sites occupied solely by outdoor advertising signs, displays, or devices do not qualify as a business for purposes of § 24.304. **State:** Any of the several States of the United States or the District of Columbia, the Commonwealth of Puerto Rico, any territory or possession of the United States, or a political subdivision of any of these jurisdictions. Pursuant to an alternative requirement established by 83 FR 5844, all references to states and State grantees shall include the Commonwealth of Puerto Rico.
- **Subrecipient:** Non-Federal entity that receives a subaward from a pass-through entity to carry out part of a Federal program; but does not include an individual that is a beneficiary of such program. A subrecipient may also be a recipient of other Federal awards directly from a Federal awarding agency.
- **Tenant:** The term tenant means a person who has the temporary use and occupancy of real property owned by another.
- **Uneconomic remnant:** The term uneconomic remnant means a parcel of real property in which the owner is left with an interest after the partial acquisition of the owner's property, and which the Agency has determined has little or no value or utility to the owner.
- **Uniform Act or URA:** The term Uniform Act means the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (Pub. L. 91-646, 84 Stat. 1894; 42 U.S.C. 4601 *et seq.*), and amendments thereto.
- **Unlawful occupant:** A person who occupies without property right, title or payment of rent or a person legally evicted, with no legal rights to occupy a property under State law. An Agency, at its discretion, may consider such person to be in lawful occupancy.
- **URA Case Manager:** A URA Case Manager (sometimes referred to as simply "Case Manager" in this Guide) refers to an individual who on behalf of the Program will be

communicating with entitled persons regarding URA. This term is synonymous with Relocation Specialist.

- **Utility costs:** The term utility costs refer to expenses for electricity, gas, other heating and cooking fuels, water, and sewer.
- **Utility facility:** The term utility facility means any electric, gas, water, steam power, or materials transmission or distribution system; any transportation system; any communications system, including cable television; and any fixtures, equipment, or other property associated with the operation, maintenance, or repair of any such system. A utility facility may be publicly, privately, or cooperatively owned.
- **Utility relocation:** The term utility relocation means the adjustment of a utility facility required by the program or project undertaken by the displacing Agency. It includes removing and reinstalling the facility, including necessary temporary facilities; acquiring necessary right-of-way on a new location; moving, rearranging, or changing the type of existing facilities; and taking any necessary safety and protective measures. It shall also mean constructing a replacement facility that has the functional equivalency of the existing facility and is necessary for the continued operation of the utility service, the project economy, or sequence of project construction.
- **Waiver valuation.** The term waiver valuation means the valuation process used and the product produced when the Agency determines that an appraisal is not required, pursuant to §24.102(c)(2) appraisal waiver provisions.

## 4 Acronyms

The following acronyms are commonly used in the implementation of programs subject to this regulation:

- Bureau of Citizenship and Immigration Service (**BCIS**)
- Federal Emergency Management Agency (**FEMA**)
- Federal Housing Administration (**FHA**)
- Federal Highway Administration (**FHWA**)
- Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (**FIRREA**)
- Housing and Community Development Act of 1974 (**HCDA**)
- Housing of last resort (**HLR**)
- U.S. Department of Housing and Urban Development (**HUD**)
- Mortgage interest differential payment (**MIDP**)
- Puerto Rico Department of Housing Uniform Relocation Assistance and Real Property Guide (**PRDOH URA Guide**)
- Replacement housing payment (**RHP**)



- Surface Transportation and Uniform Relocation Act Amendments of 1987 (**STURAA**)
- Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (**URA**)
- U.S. Department of Transportation (**USDOT**)
- Uniform Standards of Professional Appraisal Practice (**USPAP**)

## 5 Requirements and Waivers

### 5.1 Applicable Waivers and Alternative Requirements

In 83 FR 5844, HUD provided waivers and alternative requirements to select requirements under the URA, section 104(d) of the HCDA, and Section 414 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, as amended, 42 U.S.C. 5181, concerning the use of CDBG-DR funds. HUD extended these waivers and alternative requirements to the additional CDBG-DR funds allocated to Puerto Rico under Federal Register Notices Vol. 83, No. 157 (August 14, 2018) 83 FR 40314, and Vol. 85, No. 17 (January 27, 2020) 85 FR 4681. These waivers and alternative requirements are summarized below.

### 5.2 One-for-One Replacement

One-for-one replacement requirements at section 104(d)(2)(A)(i) and (ii) and (d)(3) of the HCDA and 24 C.F.R. § 42.375 are waived in connection with CDBG-DR funds allocated under the aforementioned Notices for lower-income dwelling units that are damaged by the disaster and not suitable for rehabilitation. The section 104(d) one-for-one replacement requirements generally apply to demolished dwelling units or converted occupied and vacant occupiable lower-income dwelling units. This waiver exempts disaster-damaged units that meet the definition of "not suitable for rehabilitation" from the one-for-one replacement requirements.

PRDOH defines "not suitable for rehabilitation" units as storm-damaged homes that cannot be rehabilitated or reconstructed in place under existing agency policies and award caps, due to legal, engineering, or environmental constraints (permitting, extraordinary site conditions, historic preservation, etc.).

### 5.3 Relocation Assistance

The relocation assistance requirements at section 104(d)(2)(A) of the HCDA and 24 C.F.R. § 42.350 are waived to the extent that they differ from the requirements of URA and its implementing regulations at 49 C.F.R. Part 24, as modified by waivers and alternative requirements established, for activities related to disaster recovery. This waiver of section 104(d) relocation assistance requirements assures uniform and equitable treatment by setting the URA and its implementing regulations as the sole standard for relocation assistance provided under the CDBG-DR Program.

#### 5.4 Tenant-Based Rental Assistance

The requirements of sections 204 and 205 of the URA, and 49 C.F.R. § 24.2(a)(6)(vii), 24.2(a)(6)(ix), and 24.402(b) are waived to the extent necessary to permit a grantee to meet all or a portion of a grantee's replacement housing payment obligation to a displaced tenant by offering rental housing through a Tenant Based Rental Assistance (**TBRA**) housing program subsidy (e.g., Section 8 rental voucher or certificate), provided that comparable replacement dwellings are made available to the tenant in accordance with 49 C.F.R. § 24.204(a) where the owner is willing to participate in the TBRA program, and the period of authorized assistance is at least **forty two (42) months**.

TBRA programs, such as the Section 8 rental voucher program, are programs administered by HUD Public Housing, typically not through disaster recovery grants. TBRA programs referenced in this waiver are not disaster recovery programs. This waiver allows PRDOH to use TBRA programs to meet the URA benefit obligation of providing comparable replacement dwellings which are supported by TBRA to displaced persons, so long as the displaced person is willing to participate in the TBRA program.

#### 5.5 Arm's Length Voluntary Purchase

The requirements at 49 C.F.R. 24.101(b) (2) (i) and (ii) are waived to the extent that they apply to an arm's length voluntary purchase carried out by a person who uses funds allocated under the aforementioned Notices and does not have the power of eminent domain, in connection with the purchase and occupancy of a principal residence by that person.

#### 5.6 Optional Relocation Policies

Grantees may allow their subrecipients to establish separate optional relocation policies for CDBG-DR programs, which is otherwise not contemplated by 24 C.F.R. § 570.606(d). This waiver is intended to provide States with maximum flexibility in developing optional relocation policies with CDBG-DR funds.

#### 5.7 Displacement Due to a Major Disaster

Section 414 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, as amended, 42 U.S.C. 5181, states that no person otherwise eligible for replacement housing payment under URA shall be denied that eligibility for failure to meet the occupancy requirements set by the URA due to being displaced from the subject property as a result of a major disaster as determined by the President. Section 414 of the Stafford Act (including its implementing regulation at 49 C.F.R. § 24.403(d)(1)), is waived to the extent that it would apply to real property acquisition, rehabilitation, or demolition of real property for a CDBG-DR funded project commencing more than **one (1) year** after the date of the latest applicable Presidentially declared disaster undertaken by the grantees, or subrecipients, provided that the project was not planned, approved, or otherwise underway prior to the disaster.

For purposes of this paragraph, a CDBG-DR funded project shall be determined to have commenced on the earliest of: (1) The date of an approved Request for Release of Funds and certification, or (2) the date of completion of the site-specific review when a program utilizes tiering, or (3) the date of sign-off by the approving official when a project converts to exempt under 24 C.F.R. § 58.34(a)(12). Because no projects funded by the CDBG-DR allocations for the year 2017 disasters commenced within one (1) year of the qualifying disaster event, this waiver applies to activities undertaken as part of PRDOH's CDBG-DR portfolio of programs, outlined in the Action Plan for Disaster Recovery, as amended.

This waiver does not apply concerning persons that meet the occupancy requirements to receive a replacement housing payment under the URA nor does it apply to persons displaced or relocated temporarily by other HUD-funded programs or projects. Such persons' eligibility for relocation assistance and payments under the URA is not impacted by this waiver.

## 6 Acquisition Requirements

CDBG-DR funds may be used to acquire real property for any public purpose as set forth in the URA and HCDA as modified by waivers or alternative requirements. Methods of acquisition include purchase, long-term lease of **fifteen (15) or more years** and donations. PRDOH may acquire real property directly or provide CDBG-DR assistance to another public agency, or public or private non-profit subrecipient to acquire real property. When federal funds are planned, intended, or used for any activity or phase of a project and the phases are interdependent, the URA applies to the land acquisition even if CDBG-DR does not fund the purchase.

Requirements for acquisition under the URA differ based on whether it is voluntary or involuntary.

### 6.1 Voluntary Acquisition

Voluntary acquisitions are those acquisitions carried out with no threat or use of eminent domain (condemnation). The URA acquisition requirements found at 49 C.F.R. § 24.101(b)(1-5) describe the situations and related requirements that must be met in order for an acquisition to be considered voluntary. For the purposes of the CDBG-DR Program, only three (3) of these situations will be encountered.

- 1) The requirements for real property acquisition at 49 C.F.R. § 24, Subpart B do not apply if all of the following conditions are met:
  - No specific site or property needs to be acquired;
  - Property to be acquired is not part of an intended, planned, or designated project area where all or substantially all of the property within the area is to be acquired within specific time limits;

- An Agency will not acquire property if the negotiations fail to reach an amicable agreement, and the owner of such property is informed in writing; and
  - An Agency will inform the owner in writing of what it believes to be the fair market value of the property.
- 2) Acquisitions for CDBG-DR funded programs or projects that are undertaken by an Agency that does not have the authority of eminent domain are not subject to the aforementioned real property acquisition requirements at Subpart B, provided that such agency shall:
- Prior to making an offer for the property, clearly advise the owner that it is unable to acquire the property if negotiations fail to result in an agreement; and
  - Inform the owner in writing of what it believes to be the market value of the property.
- 3) The acquisition of real property from a Federal Agency, State, or State Agency, if the Agency desiring to make the purchase does not have authority to acquire the property through condemnation.

In situations where a property owner resides on the property subject to an application to a CDBG-DR Program that would result in acquisition, such as the R3 Program, the acquisition is voluntary so long as the requirements above are met. No property will be acquired through involuntary purchase or eminent domain or condemnation if negotiations for acquisition fail to result in an agreement. Owners of such properties acquired voluntarily by PRDOH are not considered displaced persons, (see 49 C.F.R § 24.2(a)(9)(ii)(E) or (H)), and as such, are not entitled to relocation assistance benefits under URA. However, tenants in such properties may be eligible for optional relocation assistance benefits. More information about relocation benefits for such tenant can be found under the Relocation Requirements of this Guide.

As per Article 1331 of the Puerto Rico Civil Code, Act No. 55-2020, a lessee (tenant) is a person who acquires the use and benefit of a good in exchange of a particular price.

The basic steps for the voluntary purchase of property are outlined below:

1. **Determine Ownership** – The acquiring agency should determine ownership of the property by reviewing available property records. A title search to determine ownership is often necessary.
2. **Determine Property Value** - Although an appraisal is not required by regulations, the use of an appraisal is recommended. If an appraisal is not prepared, the

estimate of market value must be prepared by a person familiar with real estate values. The Acquiring Agency's files must include an explanation, with reasonable evidence, of the basis for the Agency's estimate of market value.

- a. If the appraisal process is used, a review appraisal is not mandatory because voluntary acquisition is not subject to the Uniform Act;
  - b. If a knowledgeable person does a valuation of the property it must be in writing;
  - c. The valuation does not need to be complicated or detailed;
  - d. The written opinion is not required to be based on a selection of chosen "comparables" as is the case with a formal appraisal; and
  - e. The knowledgeable person should state the following in the written opinion:
    - i. Their qualifications in one (1) short paragraph;
    - ii. A brief description (but not an official legal description) of the location of the property; and
    - iii. An estimate of the value of the property.
3. **Voluntary Acquisition Notice** - In cases of voluntary acquisitions, the Acquiring Agency must inform the property owner in writing of what it believes to be the market value of the property. The notice must also include a statement that the Acquiring Agency does not have, or will not use, the power of eminent domain.
4. **Negotiations** - In the case of voluntary acquisitions under URA, there is nothing in the regulations to preclude negotiations resulting in agreements at, above, or even below the Agency's estimate of market value after the property owner has been so informed and all applicable requirements have been satisfied. Acquiring Agencies should consider alternative sites to complete the project prior to entering into any purchase agreement at an amount that exceeds the Agency's estimate of market value but cannot be reasonably supported and justified.
5. **Administrative Settlement** - When Federal funds pay for or participate in acquisition costs, a written justification for the higher amount shall be prepared which states the available information to support the incremental cost over and above the estimated market value. PRDOH approval is required prior to a subrecipient entering into a purchase agreement for more than the estimated market value.
6. **Closing** – Following successful negotiations closing documents are prepared and executed. At closing the owner is provided with a closing statement (HUD-1 or equivalent). Executed closing documents should be recorded.

## 6.2 Other URA Acquisition Applicability

The provisions of the URA apply when acquiring fee title subject to retention of a life estate or a life use; to acquisition by leasing where the lease term, including option(s) for extension, is **fifteen (15) years** or more; and to the acquisition of permanent and/or temporary easements necessary for the project. However, PRDOH may apply the real property acquisitions regulations to any less-than-full-fee acquisition that, in its judgement, should be covered.

The provisions of URA do not apply to temporary easements or permits needed solely to perform work intended exclusively for the benefit of the property owner, which work may not be done if agreement cannot be reached.

## 6.3 Involuntary Acquisition (49 C.F.R. § 24, Subpart B)

Involuntary acquisitions are those acquisitions that could be subject to the threat or use of eminent domain. Involuntary acquisitions are subject to the requirements of 49 C.F.R. § 24, Subpart B. The exercise of the power of eminent domain requires that a displacing project serve a public use. For purposes of CDBG-DR funds, public use does not include economic development activities that primarily benefit private entities.

Notifications and documents are sent in English and Spanish. Each notice includes contact information of a person who can be contacted to answer questions or provide other needed help. Persons who are unable to read or understand the notifications must be provided with appropriate translation or interpretation services in accordance with the PRDOH CDBG-DR Language Access Plan and Reasonable Accommodation Policy, as applicable to the needs of a displaced person or their household.

The basic steps for the involuntary purchase of property are outlined below:

1. **Determine Ownership** – The Acquiring Agency should determine ownership of the property by reviewing available property records. A title search to determine ownership is often necessary.
2. **Notice to Owner (49 C.F.R. § 24.102(b))** – This notice serves as the initial written communication to an owner whose property may be acquired. The notice must be in writing and provides information on the basic protections for property owners under the URA. The HUD information brochure, “When a Public Agency Acquires Your Property”, should be included with the notice. Proof of certified delivery must be maintained in the case file. When notifications are personally served, recipients will be asked to sign an acknowledgement of notification.
3. **General Information Notice to Tenant** – If the property is occupied by any renting tenants, a General Information Notice should be issued to each tenant as soon as

feasible via certified mail or hand delivery. When notifications are personally served, recipients will be asked to sign an acknowledgement of notification.

4. **Appraisal (49 C.F.R. § 24.103)** – The property must be appraised by a licensed appraiser and be consistent with the Uniform Standards of Professional Appraisal Practice (**USPAP**). The property owner or their representative must be invited to accompany the appraiser during the appraiser's inspection of the property.
  - a. **Waiver Valuations (49 C.F.R. § 24.102(c))** – An appraisal is not required for cases involving acquisition of property with a low market value. If the valuation problem is uncomplicated and the anticipated value of the proposed acquisition is estimated at \$10,000 or less, the acquiring agency may prepare a waiver valuation. The person performing the waiver valuation must have sufficient understanding of appraisal principles and the local real estate market to be qualified to prepare the waiver valuation. If the anticipated amount of a waiver valuation is expected to exceed \$10,000 but is less than \$25,000 the acquiring agency may request PRDOH and HUD approval to exceed the \$10,000 threshold.
  - b. An appraisal is also not required if the owner is donating the property and releases the acquiring agency from its obligation to appraise the property.
5. **Appraisal Review (49 C.F.R. § 24.104)** – After the appraisal is conducted, it must be examined by a qualified review appraiser. The review appraiser must examine the appraisal to check that the appraisal meets all applicable requirements, and to evaluate the initial appraiser's documentation, analysis, and soundness of opinion. The review appraiser must certify that the appraisal and its process conformed to the USPAP and 49 C.F.R. § 24.103.
6. **Establish Just Compensation (49 C.F.R. § 24.102(d))** - Before initiation of negotiations, the Acquiring Agency shall establish an amount which it believes is just compensation for the real property. The amount shall not be less than the approved appraisal of the fair market value of the property
7. **Written Offer to Purchase and Summary Statement (49 C.F.R. § 24.102(e))** - Promptly after establishing just compensation, the Acquiring Agency must send the property owner a written Offer to Purchase. Along with the initial written purchase offer, the owner shall be given a written statement of the basis for the offer of just compensation.
8. **Negotiations (49 C.F.R. § 24.102(f), 24.106)** – The Agency shall make all reasonable efforts to contact an owner or their agent to fairly negotiate for the purchase of the property, including incidental expenses. If negotiations are successful, complete the sale. If, after affording an owner reasonable opportunity to consider

and/or counteroffer, negotiations are unsuccessful, consider an administrative settlement to complete the sale.

9. **Administrative Settlement (49 C.F.R. § 24.102(i))** - The purchase price for the property may exceed the amount offered as just compensation when reasonable efforts to negotiate an agreement at that amount have failed and an authorized PRDOH official approves such administrative settlement as being reasonable, prudent, and in the public's interest. When Federal funds pay for or participate in acquisition costs, a written justification for the higher amount shall be prepared, which states the available information to support the incremental cost over and above the established just compensation.
10. **Condemnation** – If negotiations are unsuccessful, the Acquiring Agency can choose to walk away or proceed with eminent domain through the court system. Condemnation is the legal process by which the title to the property is acquired through the process of eminent domain. The Agency shall institute formal condemnation proceedings, and court will determine just compensation for the property.
11. **Payment** – Before requiring an owner to surrender possession of real property, the Agency shall pay to the owner, or deposit with the court for the benefit of the owner, the agreed purchase price that is not less than the Agency's approved appraisal or, in a condemnation, the court award of compensation.
12. **Closing** – Following successful negotiations closing documents are prepared and executed. At closing the owner is provided with a closing statement (HUD-1 or equivalent). Executed closing documents should be recorded.

#### **6.4 Donations (49 C.F.R. § 24.108)**

An owner whose real property is to be acquired may, after being fully informed by the Acquiring Agency of the right to receive just compensation for such property, donate the property or any part thereof to the agency. The Acquiring Agency must obtain a valuation of the real property unless the owner, in writing, releases the Agency from such obligation, except as provided in 49 C.F.R. § 24.102(c)(2).

#### **6.5 Appraisal Requirements (49 C.F.R. § 24.103)**

The acquiring agency must procure appraisal and review appraisal services in accordance with PRDOH Procurement Manual for the CDBG-DR Program, Regulation



9205<sup>4</sup>. An agreement for appraisal services requiring compliance with Uniform Appraisal Standards for Federal Land Acquisitions (**UASFLA**) must be executed.

Procurement Manual for the CDBG-DR Program, Regulation No. 9205, is available in English and Spanish, at: <https://cdbg-dr.pr.gov/en/download/procurement-manual-cdbg-dr-program/> and <https://cdbg-dr.pr.gov/download/manual-de-adquisiciones-programa-cdbg-dr/>.

A minimum of one (1) appraisal is required; however, if the project is potentially controversial or where property values exceeds one hundred thousand dollars (\$100,000.00), the acquiring agency may consider having a second independent appraisal. A review appraisal must be prepared for each appraisal conducted. The appraisal report(s), including the review appraiser's report, must meet the requirements at 49 C.F.R. § 24.103 and 49 C.F.R. § 24.104.

The property owner must be invited to accompany each appraiser on the appraiser's inspection of the property as required by 49 C.F.R. § 24.102(c)(1).

In accordance with 49 C.F.R. § 24.103(d)(2) if the acquiring agency uses a contract (fee) appraiser to perform the appraisal, such appraiser shall be State licensed or certified in accordance with title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (**FIRREA**), 12 U.S.C. 3331 *et seq.*

## 6.6 Other Acquisition Requirements

1. **Coercive Action** – An Agency shall not advance the time of condemnation or defer negotiations or condemnation or the deposit of funds with the court, or take any other coercive action in order to induce an agreement on the price to be paid for the property.
2. **Uneconomic Remnant** – If the acquisition of only a portion of a property would leave the owner with an uneconomic remnant, the Agency shall offer to acquire the uneconomic remnant along with the portion of the property needed for the project.
3. **Fair Rental** – If the Agency permits a former owner or tenant to occupy the real property after acquisition for a short term, or a period subject to termination by the Agency on short notice, the rent shall not exceed the fair market rent for such occupancy.
4. **Conflict of Interest** –

---

<sup>4</sup> On August 4, 2020, PRDOH approved "Procurement Manual for the CDBG-DR Program", Regulation No. 9205, effective on September 3, 2020 (Regulation No. 9205), which repeals the "Procurement Manual and Contractual Requirements for CDBG-DR", Regulation No. 9075 of February 26, 2019 (Regulation No. 9075); and any other previously regulation, manual, administrative order, or circular letter regarding this matter. All ongoing procurements initiated before September 3, 2020, must abide by the repealed "Procurement Manual and Contractual Requirements for CDBG-DR", Regulation No. 9075 of February 26, 2019.

- a. The appraiser, review appraiser or person performing the waiver valuation shall not have any interest, direct or indirect, in the real property being valued for the Agency.
- b. No person shall attempt to unduly influence or coerce an appraiser, review appraiser, or waiver valuation preparer regarding any valuation or other aspect of an appraisal, review or waiver valuation. Persons functioning as negotiators may not supervise or formally evaluate the performance of any appraiser or review appraiser performing appraisal or appraisal review work, except that, for a program or project receiving Federal financial assistance, the Federal funding Agency may waive this requirement if it determines it would create a hardship for the Agency.
- c. An appraiser, review appraiser, or waiver valuation preparer making an appraisal, appraisal review or waiver valuation may be authorized by the Agency to act as a negotiator for real property for which that person has made an appraisal, appraisal review or waiver valuation only if the offer to acquire the property is \$10,000, or less.

## **6.7 Decide Not To Acquire**

In the event the acquiring agency decides not to acquire the property for any reason, the agency should notify the owner and all tenants in writing of its intention not to acquire the property. Any person moving from the property thereafter will not be eligible for relocation payments and assistance.

## **7 General Relocation Requirements**

Anyone who meets the URA definition of a “displaced person” must be fully informed of their rights and entitlements to relocation assistance and payments provided under the URA. For the CDBG-DR Program, any Displacing Agency that is administering Program funded projects or activities which cause displacement shall ensure that all URA relocation requirements are met. These requirements include, but are not limited to:

- Provision of written notifications to displaced persons that inform them about potential future displacement, eligibility, and actions to be taken during the implementation of a displacing project;
- Identification of comparable dwellings or sites to those from which persons are displaced sufficiently prior to their displacement;
- Engagement in relocation planning that identifies extent of potential displacement, types of activities displaced (residential, business), and needs to minimize impacts of displacement to the extent possible; and
- Provision of relocation services and assistance payments to residential and non-residential displacements based on individual needs and entitlements as afforded by URA and HCDA regulations.

The types of notifications, services, and assistance that will be made available to displaced persons will vary depending on whether it is a residential or non-residential displacement, and whether it will be a temporary relocation (less than **one (1) year**) or permanent relocation.

## 7.1 Notifications (49 C.F.R. § 24.203)

The following URA notifications are those which displaced persons (or potentially displaced) will receive depending on their individual situation and eligibility. All URA notifications are provided in English or Spanish at the preference of each person. Each notice includes contact information of a specific person who can answer questions or provide other necessary assistance. Persons who are unable to read or understand the notifications must be provided with appropriate translation, interpretation, or other accessibility services in accordance with the PRDOH CDBG-DR Language Access Plan and Reasonable Accommodation Policy.

Certain notices described in this part require **delivery with certification** as indicated below, meaning that they are personally served or sent by certified first-class mail, with return receipt requested and documented in the Program system of record. When notifications are personally served, recipients will be asked to sign an Acknowledgement of Document Receipt to confirm receipt. A URA case file must indicate the method by which these notifications were delivered.

### 7.1.1 Notice to Owner (49 C.F.R. § 24.102(b))

If a proposed project from a Displacing Agency is expected to receive Federal funding and involve involuntary acquisition, the Agency needs to notify the owner(s) in writing of its interest in acquiring the property and the basic protections applicable under the URA. This may include acquisitions made before an application to the CDBG-DR program if the Agency anticipates receiving CDBG-DR assistance for the project. The Notice to Owner makes no commitments to the owner.

### 7.1.2 General Information Notice (GIN) (49 C.F.R. 24.203(a))

Once an Agency or other entity makes a formal action to pursue CDBG-DR funds (i.e. submits an application to a CDBG-DR program) for a project, as soon as feasible, the General Information Notice (**GIN**) must be issued to potentially displaced persons that may be displaced by the assisted project.

The GIN discloses to all potentially displaced persons that the Displacing Agency may provide assistance, via federal funding subject to URA, to support the rehabilitation, reconstruction, or acquisition of the property they occupy. The GIN outlines the basic requirements to be eligible for URA protections, the relocation assistance they may be eligible for, and the procedures for obtaining the payment(s). It also provides information

about the reasonable relocation advisory services available to help the displaced person successfully relocate.

The GIN advises households NOT to relocate until advised to do so by the Displacing Agency. The GIN advises households that they will not be required to move without at least **ninety (90) days** advance written notice for permanently displaced persons or without at least **thirty (30) days** advance written notice for temporary relocation, as well as being provided with at least one (1) comparable dwelling. Persons that relocate after receiving a GIN but before receipt of one of these notices are considered to have moved voluntarily and for reasons other than Program-funded activities, making them not a displaced person.

The GIN informs the displaced person that any person who is an alien not lawfully present in the United States is ineligible for relocation assistance unless such ineligibility would cause extremely unusual hardship to a qualifying spouse, parent, or child. Finally, the GIN provides information about the person's right to appeal an Agency determination as to a person's application for assistance for which a person may be eligible.

For property owners who have applied to a CDBG-DR Program to receive funding for a displacing project, a copy of the GIN is provided to that Applicant.

#### 7.1.3 Notice of Non-Displacement – No Relocation Required

All households receiving a Notice that will not need to relocate to complete Agency activities are provided a Notice of Non-Displacement – No Relocation Required. Every effort is made to provide the Notice in a timely manner following the review and approval of the Program activities. Once provided with a Notice of Non-Displacement – No Relocation Required, a household is determined to not qualify for PRDOH URA assistance unless the Program activities are significantly altered. A circumstance that would prompt a notice of non-displacement no relocation required would be that program activity doesn't take place or that the tenant can stay on property while repairs are being made.

#### 7.1.4 Notice of Non-Displacement – Temporary Relocation Required

All households receiving a GIN that will need to relocate for periods up to **twelve (12) months** to complete Program activities are provided a Notice of Non-Displacement – Temporary Relocation Required. Temporary relocation is most commonly required when a tenant occupies a storm-damaged property that qualifies to receive rehabilitation or reconstruction in its original location, but the scope of work and/or special household conditions requires the occupants to move temporarily. The need for permanent displacement vs. temporary relocation will be determined on a case-by-case basis in compliance with URA regulations.

### 7.1.5 Notice of Eligibility (NOE)

PRDOH will provide a Notice of Eligibility as soon as feasible following the determination that a person will qualify as a displaced person and satisfies the eligibility requirements specified below in the Household Eligibility Requirements for URA section of this document.

#### 7.1.5.1 NOE-Temporary Relocation

This document informs the tenant that the relocation period will not exceed **twelve (12) months**. In addition, it notifies eligible households of their entitlements for relocation advisory services, moving costs and rental assistance.

PRDOH will also provide the household with a Comparable Dwelling Listing form, which provides information on at least one (1) comparable replacement dwelling available to them. This comparable will determine the maximum rental assistance for the household. Also, the displaced person(s) will be informed that he/she/they will receive a notice indicating, at least **thirty (30) days** in advance, the specific date by which they must move.

#### 7.1.5.2 NOE-Permanent Relocation

This document informs the tenant of their eligibility for relocation advisory services, moving costs and replacement housing payments to permanently relocate. Together with the NOE, PRDOH provides information on at least one (1) comparable replacement dwelling and the maximum amount of replacement housing payments available to the household. Also, the displaced person(s) will be informed that he/she/they will receive a notice indicating, at least **ninety (90) days** in advance, the specific date by which they must move.

PRDOH requests households receiving a Notice of Eligibility to indicate their relocation preferences as soon as feasible in order to support accurate relocation planning and market analysis. Preferences are non-binding and do not affect the household's eligibility for PRDOH URA assistance and services.

Eligibility for relocation assistance begins based on whether the activity includes acquisition. If no acquisition is occurring, then on the date of a notice of intent to acquire (described in §24.203(d)), the initiation of negotiations (defined in §24.2(a)(15)), or actual acquisition, whichever occurs first. When this occurs, the Agency shall promptly notify all occupants in writing of their eligibility for applicable relocation assistance.

#### 7.1.6 Thirty (30) Day Notice

Households who must temporarily relocate due to program activities are provided a minimum thirty **(30) day** notice of the date by which they must vacate to allow Program activities to continue. Applicants may not knowingly create an emergency situation (failing to inform PRDOH of project plans, disconnecting utilities, restricting access and

egress with construction staging, etc.) requiring households to vacate with less than **thirty (30) days** written notice from PRDOH. Households may choose to relocate at any point after receipt of the **thirty (30) day** notice; up to the relocation date provided by PRDOH with no loss of PRDOH URA eligibility.

If project plans are delayed, PRDOH may choose to provide a revised **thirty (30) day** notice to impacted households with a new relocation date. If households have been unable to secure temporary relocation housing with the Program's assistance by the relocation date, the project activities must be delayed until suitable housing can be secured.

#### 7.1.7 Ninety (90) Day Notice (49 C.F.R. 24.203(c))

No lawful occupant that qualifies as "displaced persons" as defined in 49 C.F.R. § 24.2(a)(9) and who have been provided a Notice of Eligibility shall be required to move unless they receive **at least ninety (90) days advance written notice** of the earliest date by which they may be required to move.

Households may relocate and/or initiate a claim for relocation assistance at any point after receipt of the **ninety (90) day** notice up to the relocation date provided by the Program with no loss of URA eligibility. The household must notify PRDOH immediately when they have determined their move out date. Households have up to **twelve (12) months** from the date of the **ninety (90) day** notice to occupy a replacement dwelling and up to **eighteen (18) months** from the date of the **ninety (90) day** notice to submit a claim relocation assistance.

## 7.2 Residential

PRDOH CDBG-DR Program activities include rehabilitation, reconstruction, new construction, demolition, and acquisition of storm-damaged single-family or multifamily residential properties. Prospective Agency activities may result in temporary relocation or permanent displacement subject to URA.

Displacement resulting from pre-award activities is generally not considered to be undertaken for a program or project with federal financial assistance if federal funds had not yet been anticipated, meaning that URA will not apply.

Below are the services necessary to provide, and requirements to follow, in the event of URA-eligible residential relocation and displacement.

### 7.2.1 Relocation Planning

As part of the initial application intake and eligibility review process, URA collects basic property and project data to estimate the number of households to be displaced. The data collected includes:

- Property address;

- Household demographics;
- Flood zone designation; and
- Substantial damage determination.
  - Substantially damaged structures are defined as those that suffered damage equal to or greater than **fifty percent (50%)** of the cost of repair as compared to the current market value of the structure.

Applicants are required to disclose to PRDOH the names and best-known contact information for all household members occupying subject properties during the period of Program assistance. The Applicant is responsible for notifying PRDOH of changes to this information that may occur between the date of application and Program close-out. Applicants who fail to provide requested information about their property occupants may be found ineligible for Program assistance.

PRDOH conducts a project-specific review of the complexity and nature of the anticipated displacing activity, if any. This review may be revised up to final application close-out, as necessary to reflect changes in funded activities.

### 7.2.2 Applicant Advisory Services

As a condition for receiving CDBG-DR assistance, Applicants agree to comply with PRDOH's URA requirements. Applicants must disclose to PRDOH all households occupying the assisted property and must coordinate construction or relocation plans with PRDOH to ensure households receive proper notification and relocation services. PRDOH's applicant advisory services focus on supporting Applicants in their compliance efforts.

PRDOH may assist Applicants in properly disclosing property occupants and construction plans. In order to maintain accurate records, PRDOH may request periodic updates of this information from the Applicant. PRDOH may also request the Applicant's assistance in contacting property occupants. Applicants will be made aware that refusing to provide the requested information and/or assistance may be considered a violation of URA that would result in the Applicant being found ineligible for PRDOH assistance.

PRDOH does not interfere in the Applicant's efforts to enforce legally agreed upon occupancy terms. However, Applicants must keep PRDOH informed of all potential and actual eviction proceedings as they occur to ensure proper documentation and notification of the household's loss of URA eligibility. Failure to adequately inform PRDOH in advance may result in the loss of Program eligibility if the eviction appears to have been undertaken in order to clear the property for construction. PRDOH requests that all households in delinquency be given at least **thirty (30) days** to cure the issue before the Applicant proceeds to legal eviction.

### 7.2.2.1 Subsequent Tenant Occupancy

Owner applicants to CDBG-DR Programs are discouraged from allowing tenants to move in to a property after an application for Program assistance to that property has been submitted, which is referred to as “subsequent occupancy.” Should an applicant have a new household occupy the property after the date of application to the Program and prior to substantial completion of Program activities, the Program requests the Applicant to provide a Move-In Notice prior to their move in or lease, which states that the household may be required to relocate and that they will not be eligible to receive URA assistance. A sample Move-In Notice is provided to all Applicants to facilitate this notification. Failure to properly notify households moving into the property after the date of application will result in the Applicant being responsible for all relocation expenses incurred under URA.

For the R3 Program, the procedure for handling subsequent tenant occupants differs. Should an Applicant choose to have a new household occupy the property after the date of application to PRDOH, the Applicant must inform the Program of the new prospective tenants prior to allowing them to move in. PRDOH is responsible for ensuring that a Move-In Notice is provided to the disclosed household.

### 7.2.3 Relocation Advisory Services (49 C.F.R. 24.205(c))

To assure that the person(s) who are affected by the project understands their rights and responsibilities, relocation advisory services are provided to all persons who must relocate from program-assisted properties. Limited advisory services (separate from housing counseling services) are additionally provided to PRDOH Applicants and households not required to relocate to ensure notifications are received and applicable policies are clearly understood.

Dedicated Relocation Specialists are available to answer any questions about the URA, and PRDOH's relocation policies and procedures. Communication, whether in person, mail correspondence, on the phone, or via email, is recorded in the PRDOH's system of record. Individual household information is kept confidential to all parties other than the household unless disclosure is authorized in advance by the household. PRDOH does not provide legal advice or intervene in landlord/tenant or other similar disputes.

Relocation advisory services include determining the relocation needs and preferences of each person or household who must relocate. Relocation specialists are available to explain relocation payments, assistance for which the person or household may be eligible and associated eligibility criteria, and process for obtaining such assistance. Relocation advisory services shall include a personal interview with each displaced person. When feasible, contact shall be face-to-face.



#### 7.2.4 Intake Meeting

PRDOH meets with all households required to relocate to determine their relocation needs and preferences. Whenever possible, this meeting is conducted in person. The meeting is coordinated with the delivery of the **thirty (30) day** notice and/or **ninety (90) day** notice, whenever possible. Households may request more than one (1) face to face meeting. The meeting may be conducted prior to delivery of the **thirty (30) day** notice or **ninety (90) day** notice when a relocation date is not yet known but is anticipated to be within the next **sixty (60)** or **one hundred twenty (120) days** as appropriate.

The purpose of the intake meeting is to:

- Ensure that all applicable notices described in the Notifications section have been provided and understood by the household;
- Describe the relocation process to the household, including the procedures for submitting expense claims and receiving payments;
- Explain the eligibility requirements and process for obtaining each type of available assistance, including any applicable payment calculations and limitations;
- Collect documentation from the household to be used to validate their eligibility and amount of assistance;
- Collect information on the specific features of the household's current dwelling and their relocation needs with respect to accessibility, transportation, and community; and
- Collect demographic data from the household to be included in PRDOH's reporting of assisted persons.

#### 7.2.5 Comparable Replacement Dwellings (49 C.F.R. § 24.2(a)(6))

PRDOH continuously reviews information on the availability, purchase prices, and rental costs of potential comparable replacement dwellings. Households are encouraged to review the housing market and notify PRDOH of preferred properties. No household is required to relocate until at least one (1) comparable<sup>5</sup> replacement dwelling has been made available to them. If a household is required to relocate more than once due to program activities, including potentially renegotiating lease terms due to changes in the expected duration of relocation, PRDOH will identify comparable replacement housing for each required relocation.

---

<sup>5</sup> In addition, § 24.204(a) requires that, "where possible, three (3) or more comparable replacement dwellings shall be made available." Thus, the basic standard for the number of referrals required under this section is three (3). Only in situations where three (3) comparable replacement dwellings are not available (e.g., when the local housing market does not contain three (3) comparable dwellings) may the Agency make fewer than three (3) referrals. See 49 Appendix A to Part 24.

In order to be identified as comparable, a dwelling must be functionally equivalent to the displacement dwelling. The term "functionally equivalent" means that it performs the same function and provides the same utility. It does not require the replacement dwelling to include all the same features of the displacement dwelling.

At a minimum, a comparable dwelling must be able to adequately house the entire household being relocated. This includes providing any medically necessary accommodations required by any member of the household. PRDOH will consider the following additional factors in determining a unit's comparability:

- Environmental conditions at the location;
- Distance from the displacement dwelling;
- Location with respect to access to public utilities, commercial and public facilities, and the displaced person's place of employment;
- Size of the dwelling site;
- Cost as compared to the market and the financial means of the displaced person; and
- Length of lease and other rental terms.

A dwelling is considered to be made available to the household if the household is informed of its location and the household is able to successfully negotiate a lease within a reasonable period of time, should they choose to do so. If a household does not attempt to negotiate a lease within a reasonable period of time and the unit is subsequently leased to others, additional comparable replacement dwellings may be made available to the household at PRDOH's discretion. A reasonable period of time is generally understood to be at least **thirty (30) days**.

In the event that the agency fails to identify and make available at least **two (2)** comparable replacement dwellings for a temporary relocation and at least **three (3)** comparable<sup>6</sup> replacement dwellings for permanent relocation, the reasons for offering fewer units must be documented.

**Temporarily occupied housing** must be decent, safe, and sanitary. The Section 8 Housing Quality Standards checklist<sup>7</sup> may be used to document inspection and that the dwelling is free of lead paint and other hazards. **The temporary unit must be suitable** but not necessarily comparable (see 49 C.F.R. § 24.2(a)(6) Comparable replacement dwelling).

The agency will provide transportation to view the identified properties upon request. The agency may also assist households with completing rental applications and satisfying

---

<sup>6</sup> (a) General. No person to be displaced shall be required to move from his or her dwelling unless at least one comparable replacement dwelling (defined at §24.2 (a)(6)) has been made available to the person. When possible, three or more comparable replacement dwellings shall be made available. 49 C.F.R. § 24.204(a)

<sup>7</sup> [https://www.hud.gov/sites/documents/DOC\\_11775.PDF](https://www.hud.gov/sites/documents/DOC_11775.PDF)

other requirements of the lease negotiation process. The agency does not provide legal advice to households.

### 7.2.6 Housing of Last Resort

Whenever a program or project cannot proceed on a timely basis because comparable replacement dwellings are not available within the project area as a whole or within the monetary limits for owners or tenant, PRDOH will offer additional or alternate assistance to eligible households. Any decision to provide housing of last resort must be adequately justified on a case-by-case basis in accordance with 49 C.F.R. § 24.404.

Methods for providing replacement housing of last resort include, but are not limited to:

- A replacement housing payment in excess of the limits outlined in 49 C.F.R. § 24.401 or 49 C.F.R. § 24.402; Rehabilitation and/or additions to an existing replacement dwelling;
- Construction of a new replacement dwelling;
- Relocation and, if necessary, rehabilitation of a dwelling; and
- Removal of barriers for persons with disabilities.

Provisions of last resort housing assistance will be decided on a case-by-case basis, only after appropriate consideration has been given to the availability of comparable replacement housing in the project area, the resources available to provide comparable replacement housing, and the individual circumstances of the displaced person.

### 7.2.7 Decent, Safe, and Sanitary (DSS) Inspections 49 C.F.R. § 24.403(b)

PRDOH conducts an inspection of all relocation dwellings occupied by assisted households to ensure decent, safe, and sanitary (**DSS**) conditions. This inspection should be conducted prior to negotiating a lease, and always before occupying the dwelling. It is preferred that relocation dwellings be inspected prior to being occupied by the displaced person. There is no limit to the number of inspections PRDOH will perform per household.

Should a dwelling fail the initial inspection, the property owner will be given the opportunity to cure the identified issues within a reasonable period of time, but no longer than **ten (10) calendar days** before requesting a follow-up inspection. Should the issues persist upon reinspection and/or if the household so requests, PRDOH will work with the household to identify an alternate relocation dwelling.

### 7.2.8 Reasonable Accommodations

In certain circumstances, displaced households may require a reasonable accommodation in order to fully benefit from temporary or permanent relocation activities undertaken in conjunction with Agency activities. Reasonable

accommodations that serve a disability related need in the displaced household shall be made to a relocation dwelling for persons with a disability or physical impairment that substantially limits one or more major life activities. Reasonable accommodations may include, but are not limited to:

- Doors of adequate width;
- Ramps or other modifications to bisect stairs and access bathtubs, shower stalls, toilets, sinks or storage cabinets; and
- Physical modifications to the unit based on the displaced person's needs.

The handling and evaluation of Reasonable Accommodation requests, as well as the provision of accommodations and modifications, should follow the guidance and requirements found in the PRDOH CDBG-DR Reasonable Accommodation Policy found, in English and Spanish, at <https://cdbg-dr.pr.gov/en/resources/policies/general-policies/> and <https://cdbg-dr.pr.gov/recursos/politicas/politicas-generales/>.

#### 7.2.9 Language Access

All URA related forms, written materials, and verbal messages used to communicate with displaced households will be made available in Spanish and English. Displaced persons who are unable to read or adequately understand Spanish or English will be provided with appropriate counseling and translation in accordance with the PRDOH Language Access Plan found, in English and Spanish, at <https://cdbg-dr.pr.gov/en/resources/policies/general-policies/> and <https://cdbg-dr.pr.gov/recursos/politicas/politicas-generales/>.

#### 7.2.10 Moving Assistance

PRDOH regularly communicates with households to ensure they are adequately preparing to relocate by the relocation date. This includes confirming the household is making plans to move and/or store their personal property. Referrals to counseling, including the Housing Counseling Program and other sources of assistance that may be available, may be made to households that appear to be having difficulty adjusting to the relocation or preparing to move.

If requested, PRDOH may organize moving and storage services on the household's behalf. Such actions must be authorized by the household.

#### 7.2.11 Expense Claim Assistance

PRDOH routinely communicates with relocated households to encourage eligible claims are submitted in a timely manner. Where necessary and requested, PRDOH may provide assistance collecting appropriate expense documentation and filling out all necessary claim forms. Households are ultimately responsible for submitting all payment claims to PRDOH within required timeframes.

### 7.2.12 Government Housing Assistance

For households that may be eligible for tenant-based rental assistance and qualify as “displaced persons,” PRDOH will advise the household on the requirements and procedures, including the applicable timelines to coordinate with PRDOH's relocation date, to obtain such a long-term rent subsidy. These requirements may be considered in PRDOH's evaluation of comparable replacement dwellings. It is ultimately at the household's discretion to pursue and obtain this assistance.

For households receiving government housing assistance at the displacement dwelling, PRDOH will work with the household and their assigned relocation specialist to coordinate a transfer or pause in the existing assistance during the relocation period.

### 7.2.13 Household Eligibility Requirements for URA

To be eligible for URA relocation assistance, a household must be:

- Distinct from the person(s) or entity responsible for the application to a program included in the Puerto Rico Action Plan for Disaster Recovery and its Amendments. A household is defined as all persons occupying the same unit regardless of familial status unless it can be proven or demonstrated that some persons occupying the unit are defined as legal tenants as per Puerto Rican Civil Code. If the person can be defined as a tenant, those persons will be excluded from the household for Program purposes such as income verification, etc. However, that proven tenant, who is distinct from the household may be eligible for URA as described in this document;
- Actively occupying a housing unit within a property receiving Agency assistance at the time of funded acquisition, rehabilitation, or reconstruction activities are scheduled to commence. All households occupying assisted properties on the date of application to PRDOH must be allowed to renew their occupancy through the duration of Agency assistance by initiating negotiations. Households whose occupancy begins after the date of application are similarly protected unless they were provided a proper Move-In Notice at the beginning of their occupancy;
- Required to relocate from the assisted housing unit for a minimum of **one (1) day** in order to complete PRDOH activities. Relocation is considered to be required if Agency activities in the unit or other parts of the property will result in the housing unit not being decent, safe, and sanitary for habitation for a period of time exceeding **eight (8) hours**. This includes restriction of unit access and egress as well as the provision of utilities. For situations like these, the agency could allow a maximum of two (2) night's stay in a nearby hotel to be reimbursed to the tenant once proper claim forms have been filled out and approved by the Agency. If the

tenant is unable to pay for such accommodations the Agency could provide an advance payment to cover the costs.

- They are legally entitled to occupy the housing unit. All household members of the person legally entitled to occupy the housing unit are presumed to be in lawful occupancy unless the household or specific household members have been evicted for serious or repeated violation of material terms of the lease or occupancy agreement; and
- Lawfully present in the United States. All members of the household must certify they are a citizen or national of the United States, or an alien who is lawfully present in the United States. No PRDOH URA assistance is provided to household members who fail to provide this certification unless such persons can demonstrate that the denial of relocation assistance will result in an exceptional and extremely unusual hardship to other household members who are a citizen, national, or alien lawfully admitted for permanent residence in the United States.

In the event a household that would otherwise be required to relocate is determined to be ineligible for URA assistance, PRDOH notifies the household in writing of its determination. Notification is personally served or sent by certified first-class mail, return receipt requested and documented in PRDOH system of record. Households may appeal PRDOH's determination, in accordance with the Appeals section of this document. Applicants are advised to delay relocation and construction plans while any such appeal is pending.

#### 7.2.14 Non-Responsive Households

In the event a household does not readily respond to PRDOH's outreach and notifications, the following good faith efforts must be made to locate and contact the household. A household is considered non-responsive after:

- A minimum of **three (3) attempts** to contact the household using the last known contact information result in no meaningful reply.
  - These attempts to contact will have a **thirty (30)** day gap between them.
- At least **one (1)** request to the Applicant for updated contact information or other assistance contacting the household that does not produce new information and/or a response from the household.

If a household that is required to relocate ceases to respond to Agency outreach and/or notifications prior to the relocation date, PRDOH will confirm with the Applicant that the household continues to occupy the property. If so, outreach and notifications continue until the household becomes responsive or can be documented as non-cooperative as described below. If the household has already vacated the property, the Applicant is responsible for documenting to PRDOH that the move was voluntary and unrelated to

Agency activities and/or providing active contact information for the household to PRDOH.

In the event that a non-responsive household subsequently contacts PRDOH, communication, advisory services, and payments will resume without penalty, for the duration of the grant.

#### 7.2.15 Non-Cooperative Households

Households subject to relocation must cooperate with PRDOH to receive PRDOH URA assistance and payments, including vacating the assisted property in a timely manner. Households that fail to cooperate and vacate the property in a timely manner may be subject to eviction to allow PRDOH activities to proceed.

PRDOH expects households to relocate within the timeframes provided in the **thirty (30) day** notice and/or **ninety (90) day** notice or to have notified PRDOH of a serious issue affecting their ability to relocate within the established timeframe.

If a tenant fails to move out after receiving the notices disclosed, the Case Manager will be responsible for establishing communication with the household and providing an updated list of comparable units. All efforts will be made to encourage the tenant to comply with the requested relocation.

In the event a household that PRDOH has determined qualifies as “displaced persons” as defined in 49 C.F.R. § 24.2(a)(9) fails to vacate the assisted property by the established relocation date (extended as appropriate by appeal and/or reasonable accommodation determinations), the household may be evicted “for the project” without penalty to the Applicant. The household retains their entitlement to relocation assistance and payments, provided a suitable permanent dwelling is occupied, and payment claims are submitted within required timeframes. Legal fees incurred in the eviction, if any, are not URA eligible expenses. Prior to any eviction being pursued, Subrecipients are required to notify PRDOH for approval.

#### 7.2.16 Waiver of Relocation Assistance

Households who qualify to receive URA relocation assistance may choose to not receive the relocation assistance or benefits provided by URA. Households may waive their rights and entitlements by signing a written statement that specifically identifies the assistance and payments the household has chosen not to accept. The statement must also clearly show the household has been informed of the assistance and payments they are entitled to receive. Once a household waives their rights in this way, PRDOH ceases all communication with the household with respect to the assistance and/or payments so waived.

Should a household become eligible for different assistance or payments following a waiver, PRDOH informs the household of the changes to their eligibility in writing. The

household may choose at that time to pursue new assistance and payments or they may again elect to waive their rights and entitlements. A new written and signed statement is required to waive their rights to the new assistance and payments.

PRDOH never encourages households to waive their rights or entitlements under URA. Any waiver of rights is completely at the discretion of the household.

### **7.3 Non-Residential Requirements**

Businesses who need to be relocated due to program activities need to be informed of the assistance available which will be provided to them by URA.

#### **7.3.1 Relocation Planning (49 C.F.R. § 24.205)**

For all activities, the acquiring Agency will take all reasonable steps to minimize displacement as a result of a project. The general process for relocation assistance is as follows:

1. Project Development Phase
  - a. Site identification and intent to use federal funds;
  - b. Issue General Information Notice along with HUD Relocation Brochure as soon as feasible; and
  - c. Issue Move-In Notice to new business if applicable.
2. Project/Application Review Phase
  - a. Determine needs and preferences of persons likely to be displaced;
  - b. Identify comparable replacement dwellings or other resources; and
  - c. Compute relocation costs and assistance.
3. Determination of persons to be displaced or not displaced.
4. Businesses Displaced
  - a. Issue Notice of Eligibility within **seven (7) to ten (10) calendar days** of Initiation of Negotiations (**ION**);
    - i. ION triggered by applicable CDBG regulations; or,
    - ii. Issue Notice of Intent to Acquire to trigger ION.
  - b. Update displaced businesses needs and preferences;
  - c. Explain available payments and services;
  - d. Issue 90-day Notice;
  - e. Inspect replacement business location for decent, safe, and sanitary conditions;
  - f. Business moves;
  - g. Assist with preparing claims;
  - h. Process claims and make payment; and
  - i. Maintain records to demonstrate compliance with regulations.



5. Businesses Not Displaced
  - a. Issue Notice of Non-Displacement to business not displaced;
  - b. Explain available assistance;
  - c. Explain temporary relocation policies, if applicable;
  - d. If applicable, ensure temporary business location is decent, safe, and sanitary; and
  - e. If applicable, process moving costs for temporary relocation.
6. Maintain records to demonstrate compliance with regulations.

### 7.3.2 Notifications

All notices listed in this part are personally served or sent by certified first-class mail, return receipt requested, and documented in the project record. When notifications are personally served, recipients will be asked to sign an acknowledgement of notification. Notifications are sent in English and Spanish. Each notice includes contact information of a person/business who can be contacted to answer questions or provide other needed help. Persons/Business who are unable to read or understand the notifications must be provided with appropriate translation or interpretation services in accordance with the PRDOH Language Access Plan.

- General Information Notice (GIN);
- Notice of Relocation Eligibility (NOE);
- Notice of Non-Displacement (NND);
- Thirty (30) Day Notice; and
- Ninety (90) Day Notice

### 7.3.3 Relocation Advisory Services (49 C.F.R. § 24.205(c)(2)(i))

To assure that the business who is affected by the project understands their rights and responsibilities, relocation advisory services as required by 49 C.F.R. § 24.205(c)(2)(i) is provided to all business who must relocate due to program activities. Relocation Specialists are available to answer questions about the URA, and PRDOH's relocation policies and procedures.

Communication, whether in person, on the phone, mail correspondence or via email, are recorded in the acquiring agency's system of record. The business information is kept confidential to all parties unless disclosure is authorized in advance by the business owner. The acquiring entity does not provide legal advice or intervene in landlord/business owner or other similar disputes.

Relocation specialists are available to explain relocation payments, assistance for which the business owner may be eligible and associated eligibility criteria, and process for obtaining such assistance. Relocation advisory services shall include a personal interview with each displaced business. When feasible, contact shall be face-to-face.

#### 7.3.4 Relocation Needs and Preferences (49 C.F.R. § 24.205(c)(2)(i))

Relocation advisory services include meeting with business likely to be displaced to determine their relocation needs and preferences. The purpose of the meeting is to:

- Collect business's replacement site requirements;
- Collect current lease terms and other contractual obligations and the financial capacity of the business to accomplish the move;
- Determine the need for outside specialists in accordance with §24.301(g)(12) that will be required to assist in planning the move, assistance in the actual move, and in the reinstallation of machinery and/or other personal property;
- For businesses, an identification and resolution of personalty/realty issues. Every effort must be made to identify and resolve realty/personalty issues prior to, or at the time of, the appraisal of the property;
- Estimate the time required for the business to vacate the site;
- Estimate the anticipated difficulty in locating a replacement property; and
- Identify any advance relocation payments required for the move, and the Agency's legal capacity to provide them.

#### 7.3.5 Comparable Replacement Dwellings (49 C.F.R. § 24.2(a)(6))

Based on the needs and preferences of the business owner to be displaced, the acquiring agency identifies comparable replacement locations. A minimum of one (1) comparable business location should be identified.

In order to be identified as comparable, a location must be functionally equivalent to the displacement location. The term "functionally equivalent" means that it performs the same function and provides the same utility. It does not require the replacement location to include all the same features of the displacement location.

At a minimum, a comparable business location must be able to adequately house the entire business being relocated. This includes providing any medically necessary accommodations required by any member of the business. PRDOH will consider the following additional factors in determining a unit's comparability:

- Environmental conditions at the location;
- Distance from the displacement dwelling;
- Location with respect to access to public utilities, commercial and public facilities, and the displaced person's place of employment;
- Size of the dwelling site;
- Cost as compared to the market and the financial means of the displaced business owner; and
- Length of lease and other rental terms.

The Agency will provide the business owner with current information on available replacement locations that meet their needs. The Agency may also provide the business owner with the names of real estate agents and brokers who can assist them in finding the type of replacement location they need. While the Agency will assist the business owner in obtaining a suitable replacement location, they should take an active role in finding and relocating to a location of their choice; no one knows their needs better than they do. When searching for a replacement location, they should ensure that there are no zoning or other requirements which will unduly restrict their planned operations.

In the event, the acquiring agency fails to identify and make available at least **two (2)** comparable replacement business locations for a temporary relocation and at least **three (3)** comparable replacement business location for permanent relocation, the reasons for offering fewer locations must be documented.

#### 7.3.6 Moving Assistance and other Related Reasonable Expenses (49 C.F.R. § 24.305 )

The acquiring agency regularly communicates with businesses to ensure they are adequately preparing to relocate by the relocation date. Businesses, farms or nonprofit organizations that are determined eligible for URA may choose one of two general options available to them. They may claim a payment for actual moving and related expenses or a fixed payment in lieu of actual moving expenses. Nonresidential tenants opting for a claim of actual moving and related expenses, may be eligible for reimbursement of other expenses related to their relocation such as, actual direct loss of personal property or purchase of substitute personal property. Both options will be reviewed with the nonresidential tenant to determine which claim best suits the needs of the relocation.

#### 7.3.7 Expense Claim Assistance 49 C.F.R. § 24.205 (c)(2)(i)(F)(iv)

The acquiring agency routinely communicates with relocated businesses to encourage eligible claims are submitted in a timely manner. Where necessary and requested, the acquiring agency may provide assistance collecting appropriate expense documentation and filling out all necessary claim forms. Businesses are ultimately responsible for submitting all payment claims to the acquiring agency within required timeframes.

## 8 Temporary Relocation

The URA Regulations provide guidance for assistance to tenant-occupants who are temporarily displaced due to federally assisted projects involving the acquisition, rehabilitation, or demolition of apartments, homes, commercial buildings, etc., which could allow for a quick return for the original occupants. Temporary relocation is required for occupied projects being rehabilitated if the scope of work requires:

- Packing, moving or storing furniture or personal items in order to perform the work;
- Involves the unit kitchen or bathroom where the work prevents the use of these areas for their intended use by the occupant; and/or
- Creates odor, debris, noise or other hazards that may affect safety and sanitary conditions of the unit.

Relocation is considered temporary when the displaced household must relocate for up to **one (1) year (twelve (12) months)**. Any residential tenant who has been temporarily relocated for a period beyond **one (1) year** will be offered permanent relocation assistance. This assistance would be in addition to any assistance the person has already received for temporary relocation and may not be reduced by the amount of any temporary relocation assistance. (See Section on Permanent Relocation)

### 8.1 Short-Term Housing Interruption

If the Agency activities will result, for a period of time not exceeding **eight (8) hours**, in the housing unit not being DSS for habitation, having restricted access to entry, and/or interruption in the provision of utilities, the options for the tenants of such a housing unit include the following:

- The tenant can select to stay for the time being with friends and family, at their office, or some other location which they feel is safe, meets their temporary needs, and allows for them to remain outside the housing unit and/or property for the duration of the temporary vacancy.
- If the tenant has nowhere to stay while the repairs causing the temporary non-DSS condition are occurring, then the tenant may book a hotel or short-term rental for up to **two (2) nights**.
  - Should this option be exercised, the tenant shall be notified in writing of the hours during which they will need to temporarily vacate the property. This time period can be no more than eight (8) hours.
  - This notification will make clear that, while they are free to stay at the hotel or short-term rental throughout the duration allowed by the operator of the hotel or short-term rental, they are only required to temporarily vacate for a specified period of no more than eight (8) hours.
  - To the extent possible, the tenant is responsible for booking a hotel or short-term rental, which most closely matches the size and amenities of the housing unit being repaired and is within a reasonable distance. Tenants will be reimbursed up to the maximum lodging allotted per locality and season as determined by the Department of Defense.<sup>8</sup>

---

<sup>8</sup> <https://www.defensetravel.dod.mil/site/perdiemCalc.cfm>

## 8.2 Eligible Expenses

PRDOH reimburses households that are temporarily relocated for all reasonable out-of-pocket expenses incurred in connection with the relocation. The temporarily displaced household is responsible for submitting applicable source documentation to support costs incurred and to receive reimbursement. In addition, the household must provide proof of occupancy, or intent to occupy, a decent, safe, and sanitary dwelling adequately sized to accommodate all occupants. Relocation expenses beyond the parameters outlined in this manual must be pre-approved by PRDOH prior to the household incurring the cost. Relocated households may be responsible to bear any cost not approved by PRDOH in advance.

### 8.2.1 Increased Housing Costs 49 C.F.R. § 24.2 (a)(9)(ii)(D)

PRDOH pays the difference between the actual rent plus utility costs incurred at the temporary unit and the rent plus average annual utility costs incurred at the displacement dwelling. Actual rent costs are capped by PRDOH based on the costs of comparable replacement dwellings available at the time of relocation and appropriate to the length of relocation anticipated. Where a household receives a monthly housing subsidy, the amount of the subsidy is subtracted from the contract rent amount when determining the increased housing cost. PRDOH may also cap base housing costs at **thirty percent (30%)** of household income for low to moderate income households. PRDOH will use adjusted low to moderate income requirements as defined by the adjusted income limits for Puerto Rico and clarified by HUD's Affordable Housing Guide<sup>9</sup>. These limits are amended annually.

For relocations of less than one (1) month, the increased housing cost is pro-rated by the number of days relocated. In the event a household relocates to a hotel or other similar accommodation, hotel costs must be necessary and reasonable for the area in which they are located.

PRDOH pays increased housing costs from the effective date of the occupancy agreement for the temporary unit through the date the occupancy agreement is effectively terminated to return to the displacement dwelling. In the event the household does not return to the displacement dwelling, or returns after the permanent relocation date provided in a **ninety (90) day** notice, increased housing costs are paid through the earliest of:

- The date the household waives their right to temporary relocation payments;
- The return home date PRDOH provided to the household;
- The date the household occupies a permanent replacement dwelling; and

---

<sup>9</sup> [www.hud.gov/sites/dfiles/State/documents/2018-Affordable-Housing-Guide.pdf](http://www.hud.gov/sites/dfiles/State/documents/2018-Affordable-Housing-Guide.pdf)

- The permanent relocation date provided in a **ninety (90) day** notice.

In the event household members relocate separately, the total payment to all household members combined will not exceed the difference between the maximum replacement housing costs established by PRDOH plus combined utility costs incurred at each temporary unit and the rent plus average annual utility costs incurred at the displacement dwelling. No single household member will receive payment greater than the difference between the individual's actual costs incurred at the temporary unit and their share of the rent plus average annual utility costs incurred at the displacement dwelling. PRDOH establishes the maximum replacement housing cost based on the assumption that the entire household will relocate together regardless of when PRDOH is informed of the household's actual relocation plans.

### 8.2.2 Moving Expenses (49 C.F.R. 24.301(b))

PRDOH pays the actual moving costs incurred by the household to move to the temporary unit and return to the displacement dwelling. Moving costs must be necessary and reasonable to be reimbursed by PRDOH. Households are encouraged to use an insured, licensed mover to limit the liability of property lost, stolen, or damaged in the process of moving. The Program additionally pays reasonable, actual costs incurred for moving supplies to support self-moves or commercial moves.

PRDOH may request three (3) quotes from professional moving companies to establish a maximum eligible cost for a commercial move. Temporarily relocated households are required to submit moving cost estimates for approval prior to the move. Failure to submit an estimate ahead of time may result in the resident not being fully reimbursed. Tenants will be reimbursed the approved cost incurred of commercial, licensed, and bonded movers.

Tenants who opt to perform a self-move may receive reimbursement of actual costs incurred to complete the move. Self-moving expenses may include packing supplies, equipment rental fees, and reasonable transportation costs. Transportation costs for a distance beyond 50 miles are not eligible for reimbursement, unless determined as necessary by PRDOH.

In the event a household is required to move from one temporary unit to another (due to changes in the duration of relocation, DSS conditions, etc.), PRDOH additionally pays for the move to the new temporary unit. PRDOH does not pay for moves during the relocation period that the household makes voluntarily.

In addition to moving costs, PRDOH pays the following actual costs incurred in each eligible move:

- Supplies and/or services to clean the unit being vacated according to occupancy terms;
- Fees for disconnection and reconnection of necessary utilities like power, water, and sewer; and
- Costs to transfer telephone, cable, or internet, provided the household maintained the services at the displacement dwelling.

Refundable security deposits are not considered an expense. However, to ease the burden such expenses might cause at the time of a temporary move, PRDOH may elect to advance funds for such deposits under a repayment agreement or may pay such deposits on behalf of the temporarily relocated person (provided any refund will be made to PRDOH and not the person).

### 8.2.3 Security Deposits (24 C.F.R. 42.350(c))

In cases where a household will be temporarily displaced, PRDOH advises Applicants to retain applicable security deposits throughout the relocation. To assist households with the cost of securing a temporary unit without receipt of their security deposit from the displacement unit, PRDOH may elect to pay refundable security deposits for the temporary unit. The amount of any security deposit payment shall not exceed two (2) month's rent at the temporary unit, unless additional security is required to obtain market-rate housing for low to moderate income households.

To ensure such funds are ultimately returned, PRDOH requires that the household and the landlord of the temporary unit execute a rider to the temporary lease. The rider states that the security deposit, less the amount of any damages caused by the tenant, will be returned directly to PRDOH at the conclusion of the household's occupancy of the temporary unit.

### 8.2.4 Other Expenses (49 C.F.R. § 24.301)

PRDOH pays the actual costs incurred by displaced persons, except as otherwise noted, for the following related relocation expenses. All claims must be supported by appropriate expense documentation and submitted to PRDOH within **eighteen (18) months** of the relocation date provided in the **thirty (30) day** notice or the date the replacement dwelling was occupied, whichever is earlier.

- **Move Out Cleaning.** The documented cost of supplies and/or services to clean the dwelling being vacated according to occupancy terms.
- **Packing/Unpacking.** The documented costs for packing, crating, unpacking, and uncrating supplies, and services required for the move to the permanent replacement dwelling. Actual costs may not be reimbursed to displaced persons receiving fixed payment for moving expenses.

- **Storage.** Total cost incurred to store personal property for a period not to exceed **twelve (12) months** from the relocation date provided in the **thirty (30) day** notice or the date the replacement dwelling is occupied, whichever is earlier. Insurance required by the storage contract is also reimbursable.
- **Residential Re-establishment Charges.** Any additional fees charged to disconnect and reconnect household appliances and other specialized personal property. Non-refundable utility termination and establishment charges are also reimbursable.
- **Broker Fees.** Fees, up to one month's rent at the unit being moved into, paid to licensed real estate brokers to support the negotiation of occupancy terms and agreements.
- **Application Fee.** Any application fees required to secure the selected replacement dwelling, plus a reasonable number of alternative potential replacement dwellings.

### 8.3 Ineligible Expenses

Program Applicants are not eligible to receive **any** payments under URA for the assisted property. This includes compensation for lost rental income during the relocation period. Relocated households are not entitled to payment for any of the following expenses:

- The cost of moving any structure or other real property improvement to the displacement dwelling in which the household reserved ownership;
- Interest on a loan to cover moving expenses;
- Personal injury;
- Any legal fee or other cost for preparing a claim for a relocation payment or for representing the claimant before PRDOH;
- Expenses for searching for a replacement dwelling other than fees charged by a licensed real estate broker;
- Costs for storage of personal property on real property already owned or leased by the household; and
- Refundable utility deposits.

### 8.4 Relocation Duration and Return Home

Households are provided a **thirty (30) day** notice to relocate from the displacement dwelling. Applicants may not undertake activities that impede the household's access to the dwelling, the habitability of the dwelling, or the general safety of the property until the household has fully relocated to a temporary unit or PRDOH has found the household non-cooperative.



PRDOH estimates the relocation duration based on the funded scope of work at the time of relocation. Estimated durations may be used for planning purposes, including evaluating the suitability of replacement housing options. Regardless of the estimated duration, temporary relocation will continue until Agency activities are complete and the displacement dwelling is returned to decent, safe, and sanitary condition or the household is permanently relocated, whichever occurs first. A household is permanently relocated following the relocation date provided in a **ninety (90) day** notice even if the household has not vacated the temporary unit. Applicants and/or authorized property representatives may not collect rent for the displacement dwelling from relocated households.

PRDOH relies on a Final Inspection to establish that Agency activities are complete, and the property meets decent, safe, and sanitary standards. Once a passing Final Inspection is performed and the home receives a Use Permit (*Permiso de Uso*), if applicable, PRDOH notifies relocated households in writing to return to the displacement dwelling within **thirty (30) days**. This Return Home Notice is personally served or sent by certified first-class mail, return receipt requested, and documented in PRDOH's system of record. A copy of the Return Home Notice is also provided to the Applicant to facilitate return occupancy negotiations.

Applicants are required to grant relocated households new occupancy agreements upon return for a period not less than **twelve (12) months**. The occupancy terms, including cost and all pre-relocation amenities, must be unchanged from the pre-relocation terms throughout the **twelve (12) month** return period. Households must be allowed the opportunity to replace non-returning household members in order to maintain the pre-relocation household size; however, the Applicant and/or authorized property representative retains the right to evaluate and assess any proposed new occupants according to applicable State and local laws. Return occupancy agreements must be submitted to PRDOH for review.

If the household elects not to pursue or fails to negotiate return occupancy terms by the communicated return home date through no fault of the Applicant, Co-Applicant, and/or authorized property representative, the dwelling may be advertised for occupancy at market rates without Agency restrictions.

## 9 Permanent Relocation

Households who qualify as displaced persons as defined in 49 C.F.R. § 24.2(a)(9), who are expected to be relocated from the displacement dwelling for more than **twelve (12) months** are considered to be permanently displaced persons. Agency policies strive to minimize involuntary permanent displacement. Applicants who purposely circumvent these policies in order to displace occupants are ineligible for Agency assistance and

may be additionally responsible for the costs incurred by the acquiring agency to permanently relocate households adversely impacted by their actions. This section concerns permanent displacement that is triggered by allowable Agency activities.

## 9.1 Allowable Displacing Activities

Within the parameters of the PRDOH Recovery Programs as outlined in the current Puerto Rico Action Plan for Disaster Recovery (Action Plan) and its amendments, and further defined by each Agency's individual guidelines, grant agreements, and other governing documents, there are limited allowable activities that may result in households qualifying as "displaced persons" as defined in 49 C.F.R. § 24.2(a)(9). Each individual case may be subject to Agency review before authorizing the permanent displacement of households. Generally, the following are considered to be activities that may result in permanent displacement.

- Properties subject to demolition which will not be rebuilt, but rather maintained as green space, as part of relocation award and under other applicable programs;
- Properties subject to reconstruction that are unable to obtain building permits and/or zoning approval to return the same number of living units to the property as prior to the qualifying event. This can also include cases where accommodations required by the occupying household are not able to be incorporated into the project plans;
- Projects requiring relocation that exceeds **twelve (12) months**. No fault delays can be caused by resource shortages, approved scope changes, or other demonstrated hardships. Displaced households continue to have the right to return as an alternative to permanent displacement up through the completion of Agency activities;
- Permanent displacement as the result of infrastructure or economic development activities funded with CDBG-DR funds; and
- Permanent relocation from an assisted property due to incomplete and/or inaccurate notifications about relocation, provided the Applicant fully cooperates with all Agency efforts to contact the impacted households.

In addition, PRDOH supports voluntary permanent displacement when the total payments for replacement housing are less than the limits specified in 49 C.F.R. § 24.402(a).

## 9.2 Permanent Relocation Process Overview

1. Project Development Phase:
  - a. Site identification and intent to use federal funds;
  - b. Issue General Information Notice along with HUD Relocation Brochure as soon as feasible; and
  - c. Issue Move-In Notice to new tenants if applicable

2. Project/Application Review Phase:
  - a. Determine needs and preferences of persons likely to be displaced;
  - b. Identify comparable replacement dwellings or other resources; and
  - c. Compute relocation costs and assistance.
3. Determination of persons to be displaced or not displaced.
4. Persons Permanently Displaced:
  - a. Issue Notice of Eligibility within **seven (7)** to **ten (10)** days of ION;
    - i. ION triggered by applicable CDBG regulations; or,
    - ii. Issue Notice of Intent to Acquire to trigger ION.
  - b. Update displaced persons needs and preferences;
  - c. Explain available payments and services;
  - d. Issue Ninety (90) day Notice;
  - e. Inspect replacement housing for decent, safe, and sanitary conditions;
  - f. Person moves;
  - g. Assist with preparing claims;
  - h. Process claims and make payment; and
  - i. Maintain records to demonstrate compliance with regulations.

### 9.3 Eligible Expenses

PRDOH provides displaced persons with replacement housing payments and reimbursement for reasonable moving and other related out-of-pocket expenses per 49 C.F.R. § 24.301.

Except as specified in the Payments section below, when providing down payment assistance, PRDOH requires proof of occupancy of a decent, safe, and sanitary dwelling adequately sized to accommodate all occupants prior to issuing replacement housing payments. In order to receive reimbursement, the displaced person must submit applicable source documentation to support the cost incurred. Expenses beyond the parameters outlined in this guide must be pre-approved by PRDOH prior to the household incurring the cost. Relocated households may be responsible to bear any cost not approved by PRDOH in advance. Before making a replacement housing payment or releasing a payment from escrow, PRDOH or its designated representative shall make a thorough internal and external inspection of the replacement dwelling to determine whether it is decent, safe, and sanitary.

#### 9.3.1 Rental Assistance

Displaced persons who occupy a replacement rental dwelling within **twelve (12) months** of the permanent relocation date may receive rental assistance calculated as **forty-two (42) times** the difference between the monthly rent and cost of utilities at a comparable replacement dwelling identified by PRDOH and the base monthly rental at the

displacement dwelling. In the event the monthly rent and cost of utilities at the actual replacement dwelling is less than the costs estimated for PRDOH's identified comparable replacement dwelling, the displaced person may only receive **forty-two (42) times** the difference between the actual monthly costs and the base monthly rental.

The base monthly rental is the average monthly cost for rent and utilities at the displacement dwelling for the **twelve (12) months** prior to relocation for Agency activities. In the event the average monthly cost for rent is less than the fair market rent for the same period of time, PRDOH uses the fair market rent to determine the base monthly rental. When the displaced person's average monthly gross income at the time of relocation is classified as "low income", the base monthly rental is **thirty percent (30%)** of the average monthly gross income. A displaced person is classified as "low income" as defined by the adjusted income limits for Puerto Rico as clarified by HUD.

In the event that a household qualifying as "displaced persons" as defined in 49 C.F.R. § 24.2(a)(9) is residing separately at the time they become displaced persons, the household may elect to resume co-habitation or continue to reside separately with no adverse impact to their eligibility for URA assistance. Should PRDOH be informed of a desire to continue residing separately, or in the event select household members waive their rights to URA assistance, PRDOH identifies comparable replacement dwellings adequately sized to accommodate each separate component of the former household. The rental assistance is also calculated individually for each separate component of the former household according to the comparable replacement housing and base monthly rental costs incurred by those specific members of the former household.

### 9.3.2 Down Payment Assistance

Displaced persons may elect to purchase a replacement home. In such instances and when the purchase occurs within **twelve (12) months** of the permanent relocation date, PRDOH provides down payment assistance equal to the maximum amount of rental assistance due to the displaced person, assuming selection of PRDOH's most comparable replacement dwelling.

The full payment must be applied to the purchase price of the replacement dwelling and related incidental expenses. Therefore, PRDOH prefers to issue such payments in conjunction with the displaced person closing on the purchase of the replacement dwelling. Where such coordination is not feasible, PRDOH ensures payment will reimburse the displaced person's for out-of-pocket costs incurred for the down payment on the replacement property or related incidental expenses.

### 9.3.3 Moving Expenses

Displaced persons are entitled to receive payment for moving expenses determined in one of the following ways:

- Reimbursement of direct payment of commercial, licensed, and bonded movers;
- Reimbursement of actual costs incurred to complete a self-move. Self-moving expenses may include packing supplies, equipment rental fees, and reasonable transportation costs; and
- Fixed payment for moving expenses based upon the most recent edition of the Fixed Residential Moving Cost Schedule approved by the Federal Highway Administration. Documentation supporting occupancy of the replacement dwelling is required to receive a fixed payment for moving expenses.

#### 9.3.4 Other Expenses

PRDOH pays the actual costs incurred by displaced persons, except as otherwise noted, for the following related relocation expenses. All claims must be supported by appropriate expense documentation and submitted to PRDOH within **eighteen (18)** months of the permanent relocation date provided in the **ninety (90) day** notice or the date the replacement dwelling was occupied, whichever is earlier.

- **Move Out Cleaning.** The documented cost of supplies and/or services to clean the dwelling being vacated according to occupancy terms;
- **Packing/Unpacking.** The documented costs for packing, crating, unpacking, and uncrating supplies, and services required for the move to the permanent replacement dwelling. Actual costs may not be reimbursed to displaced persons receiving fixed payment for moving expenses;
- **Storage.** Total cost incurred to store personal property for a period not to exceed **twelve (12) months from the permanent relocation date provided in the ninety (90) day notice** or the date the replacement dwelling is occupied, whichever is earlier. Insurance required by the storage contract is also reimbursable;
- **Residential Re-establishment Charges.** Any additional fees charged to disconnect and reconnect household appliances and other specialized personal property. Non-refundable utility termination and establishment charges are also reimbursable;
- **Broker Fees.** Fees, up to **one (1) month's rent** at the unit being moved into, paid to licensed real estate brokers to support the negotiation of occupancy terms and agreements; and
- **Application Fee.** Any application fees required to secure the selected replacement dwelling, plus a reasonable number of alternative potential replacement dwellings.

#### 9.4 Ineligible Expenses

Owner-occupants, including applicants to PRDOH Housing Recovery Programs, who move as a result of a voluntary acquisition are not eligible for relocation assistance. Displaced persons are not entitled to payment for any of the following expenses.

- The cost of moving any structure or other real property improvement to the displacement dwelling in which the household reserved ownership;
- Interest on a loan to cover moving expenses;
- Personal injury;
- Any legal fee or other cost for preparing a claim for a relocation payment or for representing the claimant before PRDOH;
- Expenses for searching for a replacement dwelling other than fees charged by a licensed real estate broker;
- Costs for storage of personal property on real property already owned or leased by the household; and
- Refundable security and utility deposits

## 10 Payments

### 10.1.1 Temporary Relocation

Households are required to document their relocation from the displacement dwelling and occupancy of decent, safe, and sanitary accommodations prior to receiving URA payments. If the household is unable to finance the relocation activity until reimbursement without undue hardship, PRDOH may advance payments using cost estimates upon receipt of documentation supporting the intent to relocate. Any funds advanced in this manner must subsequently be reconciled to actual costs incurred and supported by documentation of occupancy.

PRDOH encourages households to submit expenses documentation on an ongoing basis throughout the relocation period. PRDOH issues URA payments promptly to households who have submitted appropriate documentation of eligible expenses. PRDOH maintains records of the total amount of PRDOH URA payments made to each relocated household throughout the duration of relocation. At the conclusion of the relocation, the household is asked to acknowledge the total amount of payments received as their complete and accurate assistance claim. Upon receipt of this acknowledgement, PRDOH closes the household's file and the household may not submit any additional expenses for payment.

All payments are issued to the relocated household unless the household authorizes PRDOH in writing to make payments to a third party on their behalf. PRDOH provides written confirmation to households throughout relocation of all payments made on their behalf to third parties. PRDOH prefers to make relocation housing payments and security deposit payments directly to the landlord or leasing entity when all parties consent. There is no restriction on the payments PRDOH may make on behalf of the household upon receiving proper written authorization.

### 10.1.2 Permanent Relocation

Relocation assistance payments for residential tenants who are displaced for HUD projects are subject to 42 U.S.C. § 3537(c) and must be disbursed in installments, except that lump sum payments may be made to cover (1) moving expenses, (2) a down payment on the purchase of replacement housing, or incidental expenses related to moving expenses or a down payment on the purchase of replacement housing. The payment schedule is determined by the type of assistance being provided.

Payments will be made in no less than three (3) installment payments, with final payment reserved until PRDOH can document continued occupancy at the selected replacement dwelling for a period **not less than three (3) months**, except when the rental assistance payment is **five hundred dollars (\$500.00)** or less. Where the rental assistance payment is **five hundred dollars (\$500.00)** or less, the payment may be made in two (2) installments with **no less than a four (4) month interval between payments**. To the extent feasible, payment for moving and other related out-of-pocket expenses is combined with a replacement housing payment following receipt of adequate documentation of costs incurred.

In the event that the household is unable to finance relocation until reimbursement without undue hardship, PRDOH may advance payments using cost estimates upon receipt of documentation supporting the intent to relocate. Any funds advanced in this manner must subsequently be reconciled to actual costs incurred. No payments are issued prior to the displaced person receiving a **ninety (90) day** notice with a relocation date.

All payments are issued to displaced persons unless the person authorizes PRDOH in writing to make payments to a third party on their behalf. PRDOH provides written confirmation to displaced persons of all payments made on their behalf to third parties. To close their claim, displaced persons are asked to acknowledge the total amount of payments received. Upon receipt of this acknowledgement, the displaced person may not submit any additional expenses for payment.

### 10.1.3 Non-Residential Relocation

Payment for Moving and Reestablishment Expenses falls into two (2) general categories:

- Payment for Actual, Reasonable Moving and Related Expenses. If they choose this payment, they may also be eligible for a Payment for Reestablishment Expenses, up to \$25,000.
- Fixed Payment ("In Lieu Of" Payment). As an alternative to receiving payment for their actual, reasonable, and related moving and reestablishment expenses, certain persons are eligible to choose a Fixed Payment in the amount of \$1,000 - \$40,000.

## 11 PRDOH URA Appeals

Applicants to PRDOH CDBG-DR programs, as well as households associated with assisted properties, have the right to appeal Agency determinations with respect to URA eligibility, services, and/or payments. Aggrieved persons may file a written appeal in any case where the person believes that PRDOH has failed to properly consider the person's application for assistance under URA. Also, any displaced person who disagrees with a PRDOH determination of eligibility for benefits or the amount of relocation assistance for which the person is eligible under URA may file a written appeal to PRDOH.

Households have the right to appeal the following Agency determinations:

- Eligibility for URA assistance, including the requirement to relocate;
- Amount of relocation or other related expense payments; and
- Timeframe to exercise rights and entitlements of URA, including relocation timeframes

In addition, households may file an appeal to allege deficiencies in the Agency's relocation assistance advisory services as defined in 49 C.F.R. § 24.205(c) and the Agency's governing documents. Acceptance of Agency services and/or payments does not limit a household's right to appeal.

Persons are encouraged to include any statement of fact or other material which they feel has a bearing on the appeal. Acquiring agency or PRDOH representatives may assist households in their appeal submission.

Appeals must be submitted within **sixty (60) days** of the date the person receives notification of the acquiring agency's decision regarding their claim. Appeals must be directed to PRDOH in writing through any of the following means:

- **Via email at:** [LegalCDBG@vivienda.pr.gov](mailto:LegalCDBG@vivienda.pr.gov)
- **Postal Mail:** Puerto Rico CDBG-DR Program  
ATTN: URA Appeals-Legal Division  
P.O. Box 21365  
San Juan, PR 00928-1365

While the Agency is reviewing a household's appeal, any pending relocation is suspended unless continued occupancy constitutes a substantial danger to the health or safety of the occupants or the public. Following the Agency's review of the appeal, a notification with the determination is sent to the household. If applicable, the notification will address revisions resulting from the appeal to the relocation timeframe.

A person has a right to be represented by legal counsel or other representative in connection with their appeal, but solely at the person's own expense. PRDOH shall permit



a person to inspect and copy all materials pertinent to their appeal, except materials which are classified as confidential by PRDOH. However, PRDOH may impose reasonable conditions on the person's right to inspect, consistent with applicable laws.

In deciding an appeal, PRDOH shall consider all pertinent justification and other materials submitted by the person, and all other available information that is needed to ensure a fair and full review of the appeal.

After receipt of all information submitted by a person in support of an appeal, PRDOH shall make a written determination on the appeal within **thirty (30) calendar days**, including an explanation on the basis of which the decision was made, and furnish the person a copy.

If the determination is in the household's favor, the notification will outline how the household can expect to receive revised determinations, services, and/or payments. If PRDOH does not grant the full relief requested, or denies the appeal, the notification will inform the household of their right to seek judicial review of the Agency's determination.

## **12 Optional Relocation Assistance**

Households who must relocate from their hurricane-impacted property temporarily for construction activities associated with acceptance of a repair or reconstruction award, including those who are provided Optional Relocation Assistance (**ORA**) under the R3 Program and applicants who choose to relocate through a relocation award, are not considered displaced persons (see 49 C.F.R § 24.2(a)(9)(ii)(E) or (H)). As such, these households are not entitled to relocation assistance benefits under URA. However, tenants on such properties may be eligible for relocation assistance benefits under URA.

PRDOH may establish ORA policies and procedures for programs with activities that may require such assistance on a limited basis to CDBG-DR Program participants whose voluntary participation may require relocation. Such assistance will be provided in accordance with the Relocation Assistance Plan detailed below.

## **13 PRDOH Residential Anti-Displacement and Relocation Assistance Plan (PRARAP)**

### **13.1 Introduction**

In addition to the URA requirements outlined in this guide, the Government of Puerto Rico makes every effort to coordinate with municipalities and other authorities to minimize the direct and indirect displacement of families and individuals from their homes and neighborhoods because of federally assisted activities.

The PRDOH Residential Anti-Displacement and Relocation Assistance Plan (**PRARAP** or Plan) has been prepared by the PRDOH in accordance with section 104(d) the Housing

and Community Development Act of 1974 (**HCDA**), as amended, 42 U.S.C. § 5304(d), and the Housing and Urban Development (**HUD**) regulations at 24 C.F.R. § 42.325, as amended by applicable waivers.

This PRDOH policy aims to minimize the displacement of residents of Puerto Rico as a result of projects funded through CDBG-DR allocated by HUD under 83 FR 5844, 83 FR 40314, and 85 FR 4681. A person is “displaced” if they are required to move as a direct result of the government’s intent to acquire the property or the government’s rehabilitation or demolition of the property provided the person did not voluntarily enter into negotiations with the government to sell the property or assist with the rehabilitation or demolition (per 49 C.F.R. § 24.2(a)(9)). A person can be temporarily displaced if the conditions of their move meet this definition, but they have the ability to return within **twelve (12) months**.

### 13.2 Purpose

This Plan outlines the broad steps that PRDOH will take, in conjunction with Municipalities and the private sector, to minimize displacement. Additional details on the implementation of this Plan within the specific context of individual PRDOH project activities can be found in this Guide, as well as in the individual program guidelines. As per 24 C.F.R. § 42.325 (a)(2), as amended by applicable waivers, all Municipalities, as units of general local government,<sup>10</sup> receiving funds from PRDOH are required to follow the PRARAP. Subrecipients, other than municipalities, are also required to comply with the PRARAP.

### 13.3 Policy to Minimize Displacement

PRDOH will seek to minimize displacement consistent with the goals and objectives for the activities assisted under the HCDA. In addition, PRDOH will coordinate with municipalities and other local level authorities to minimize the direct and indirect displacement of persons from their homes and neighborhoods because of assisted activities.

PRDOH will take steps to the extent feasible, such as those stated below, to minimize displacement:

- Assist its development partners and/or subrecipients by locating facilities to house persons who must be relocated temporarily during rehabilitation by offering vacant units in other PRDOH regulated properties in the immediate area, if any;
- Plan construction activities to allow tenants to remain in their units as long as possible, by rehabilitating empty units or building first;
- Stage rehabilitation of apartment units to allow tenants to remain in the building/complex during and after the rehabilitation, working with empty units first;

---

<sup>10</sup> According to HUD, a “Unit of General Local Government” refers to a city, county, town, parish, village, or other general-purpose political subdivision of a State.

- Support local efforts to enact tax assessment policies which reduce the impact of potentially increasing property tax assessments on lower income owner-occupants or tenants in revitalizing areas;
- Institute liquidated damages requirements for rehabilitation projects in order to incentivize project completion and, to the maximum extent possible, ensure relocation timeframes of less than **twelve (12) months** (temporary in nature);
- Give priority to rehabilitation, repair or reconstruction, of housing, where feasible and in accordance with applicable program guidelines, as opposed to demolition, to avoid displacement;
- When applicable in accordance with activity type, i.e. purchasing of easements, etc., target only those properties deemed essential to the need or success of the project;
- Coordinate code enforcement with rehabilitation and housing assistance programs;
- Evaluate housing codes and rehabilitation standards in reinvestment areas to prevent undue financial burden on established owners and tenants;
- Establish or utilize approved local counseling centers to provide homeowners with assistance to understand their options and implement their choices in the face of displacement. Projects which include intensive public investment in neighborhoods will be required to publicize the availability of local counseling centers. PRDOH will require documentation of relocation notices for proposed activities in funding applications which could trigger relocation of existing persons in accordance with its adopted URA practices;
- If a project funded by CDBG-DR which benefits an owner-applicant results in a tenant's temporary relocation, the tenant must be allowed to return to the same unit at the same rental rate for at least a one-year term after the program-funded activities have been completed; and
- Ensure that PRDOH and its subrecipients have sufficient resources, expertise, processes and procedures to comply with acquisition and relocation requirements under URA, as well as evaluate options to minimize displacement for projects that will potentially involve displacement and consider any actions necessary to ensure compliance with this PRARAP.

#### **13.4 Policy on Relocation Assistance**

As applicable, and in compliance with the URA and PRDOH policies and procedures, all displaced persons and non-displaced tenants who are required to relocate temporarily will receive advisory services, reasonable and eligible moving expenses, and replacement housing assistance.

Additionally, as outlined in a waiver established in 83 FR 5844, grantees receiving CDBG-DR funds may establish optional relocation policies or permit their subrecipients to

establish separate optional relocation policies. This waiver is intended to provide States with maximum flexibility in developing optional relocation policies with CDBG-DR funds.

PRDOH has chosen to implement an optional relocation policy for the R3 Program under which homeowners may qualify for optional relocation assistance only if they must vacate the storm-impacted property during program-sponsored construction. Homeowners who are not residing in the storm-impacted property for any reason other than program-sponsored construction are not eligible for optional relocation assistance. The R3 Program may provide optional relocation assistance only on an extremely limited basis and as a last resort for homeowners to secure temporary housing during program-sponsored construction. Applicants who must temporarily vacate the storm-damaged property for construction activities sponsored by the R3 Program are not considered displaced persons, (see 49 C.F.R. § 24.2(a)(9)(ii)(E) or (H)), and as such, are not entitled to relocation assistance benefits under URA. For more information on the optional relocation policy, please consult the R3 Program Guidelines, available in English and Spanish at <https://cdbg-dr.pr.gov/en/resources/policies/program-policies/> and <https://cdbg-dr.pr.gov/recursos/politicas/politicas-de-programas/>.

**END OF DOCUMENT.**