

SEVEN THINGS YOU NEED TO KNOW NOW
An Introduction to Relocation
in Rental Rehabilitation Projects

1) **HUD cares about this.** The federal government takes the rights of tenants in rental rehabilitation properties very seriously.

2) **So should we.** Grantees and developers who are working on HUD-funded projects need to understand that the Uniform Relocation Act addresses “fairness” issues.

☞ Tenants whose living circumstances are changed by a project – either by higher rents or involuntary moves -- should be protected and compensated.

3) **The relocation rules are not all one-sided.** These are actions that can be taken to control costs and prevent displacement.

☞ These actions include informing tenants about the project, treating them fairly during the process, staging work if it is feasible, and keeping their rents affordable.

☞ Tenants must continue to pay rent and comply with the lease during the process.

4) **Mistakes can be costly.** Planning for relocation and tenant concerns is critical because grantees, owners and sub-recipients can all take actions which can incur a financial liability for the jurisdiction.

☞ Permanently Displaced tenants are entitled to 42 or 60 months of rental assistance, depending on the situation. Many claims exceed \$10,000.

☞ Although some claims are unavoidable, there is no reason to incur these costs by failure to follow the rules.

5) **Planning is Critical.** Relocation concerns must be thought about early in the process so decisions about rents, construction timing, and project feasibility can be considered before they are a crisis.

6) **Cooperation is Essential.** All parties involved in the project – the various departments in the funding jurisdiction, sub-recipients, and developers must “do the right thing” in order to make the process work.

7) **There are three basic requirements for tenants in rental rehabilitation projects.**

☞ They must be given *timely information* about the pending application. If the project is approved, they must be *advised about any changes* that will occur to their situation. If they are not advised – and they move – they could claim that they were displaced even if that was not intended.

☞ If they must be displaced, they must be *offered a comparable replacement unit* that is decent, safe, and sanitary. *Moving Expenses* must be paid. No one can be required to move without 90 days notice.

☞ Tenants who will stay in the property after work is complete must be *offered a suitable unit* that is decent, safe, and sanitary, and *affordable* to them.