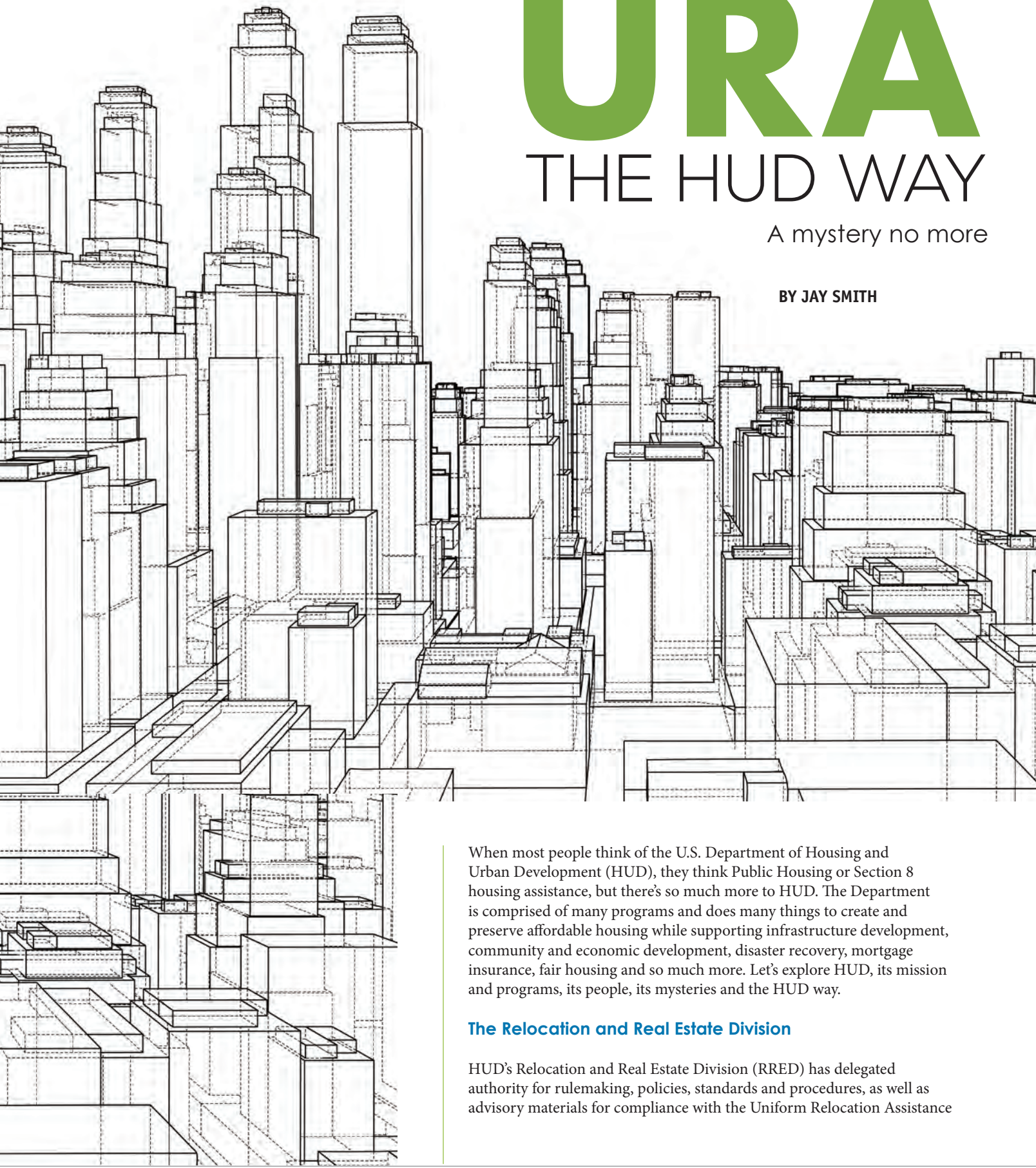

# URA
## THE HUD WAY

### A mystery no more

BY JAY SMITH

When most people think of the U.S. Department of Housing and Urban Development (HUD), they think Public Housing or Section 8 housing assistance, but there's so much more to HUD. The Department is comprised of many programs and does many things to create and preserve affordable housing while supporting infrastructure development, community and economic development, disaster recovery, mortgage insurance, fair housing and so much more. Let's explore HUD, its mission and programs, its people, its mysteries and the HUD way.

### The Relocation and Real Estate Division

HUD's Relocation and Real Estate Division (RRED) has delegated authority for rulemaking, policies, standards and procedures, as well as advisory materials for compliance with the Uniform Relocation Assistance

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and Real Property Acquisition Policies Act of 1970 (URA), as amended, across all of HUD's programs. The Division is headed by Will Rudy, who took the helm three years ago and has spent most of his professional career at HUD serving in numerous management and program policy positions.

Rudy notes that outside of the Headquarters office in Washington, D.C., RRED includes 10 Regional Relocation Specialists, one of whom is based in each of HUD's regional offices. Recent increases in congressional appropriations to HUD for disaster recovery assistance have enabled the Department to hire two limited-term employees in Houston and San Juan to assist with HUD's role in long-term disaster recovery. RRED actively participates in federal interagency working groups with the Federal Highway Administration and other federal agencies on URA rulemaking and cross-cutting policy issues.

RRED is developing a series of web-based adult learning training modules for external stakeholders and for HUD program staff. The first module, "URA the HUD Way," as well as an introductory video on the URA and its applicability to housing and community development programs are available at www.hudexchange.info/programs/relocation/. The modules include a series of knowledge checks and a final review that award users a certificate upon successful completion.

## Challenges and Considerations

Both challenges and unique opportunities arise when administering URA requirements created largely in the context of highway and airport construction across a broad array of homeless assistance, affordable housing and community development programs. Chief among these challenges is that HUD programs frequently result in displacement and subsequent relocation of its own low-income clients or other low-income individuals, and there is not a uniform triggering even for all HUD programs.

"In some situations, having to comply with the URA requirements is straightforward. However, often the opposite is true," said Rudy. "There are many factors that affect URA applicability in a project. Not the least of these is the source of HUD funds used in an acquisition, rehabilitation or demolition project."

The source of funds contributes to the complexity of a potential project. To understand the importance of source of funds, consider that the URA definition of initiation of negotiations (ION), which is found at 49 CFR 24.2(a)(15), points out that the source of funds may affect the date that the URA applicability is triggered and the date on which persons who may be displaced by the project would be considered eligible for URA assistance. Adding to the complexity, most affordable housing projects receive funds from more than one HUD program. To ensure that you, as a relocation consultant, project developer or grantee, fully understand the potential complexities related to your projects, Rudy recommends that grantees and developers responsible for HUD-funded projects contact the HUD Regional Relocation Specialist for their area.

## Further Requirements

In 1987, Congress enacted Section 104(d) of the Housing and Community Development

Act of 1974, as amended (49 CFR Part 42). Known as the "Barney Frank Amendment" to acknowledge the bill's author, Congressman Barney Frank, Congress established these additional requirements to address concerns that the URA did not adequately protect lower-income persons from the impact of HUD's urban renewal and revitalization programs. Section 104(d) establishes its own set of relocation requirements triggered by conversion or demolition of lower-income housing. It applies only when HUD's Community Development Block Grant (CDBG), HOME Investment Partnership (HOME) Program, or Section 108 Loan Guarantee Loan funding are used in projects that involve demolition or conversion of housing that rents at or below the local fair market rents and displaces persons whose incomes are at or below 80 percent area median income. Communities receiving these funds must certify that they have established a Residential Anti-Displacement and Relocation Assistance Plan that includes these essential elements: (1) intent to minimize displacement; (2) one-for-one replacement requirements for all occupied and vacant occupiable dwelling units demolished or converted to a use other than lower-income housing; and (3) provision of relocation assistance.

Some Section 104(d) requirements are similar to URA requirements, while others differ significantly. For instance, Section 104(d) imposes a one-for-one replacement requirement for any housing that rents at or below the local fair market rents and is either demolished or converted to another use. Section 104(d) also requires that replacement housing payments be made to displaced tenants for 60 months instead of the 42 months specified by the URA. According to Rudy, "While Section 104(d) can be quite challenging, it is an important addition to federal relocation requirements because it assures such housing will continue to be available at affordable rents to low- and moderate-income persons for a minimum of 10 years. Section 104(d) ensures that all persons have access to housing that may be rented within their means."

Rudy advises that, "Comprehensive project planning by the HUD grantee or developer is the key to minimizing complications in the development process. If a project involves the use of federal funds to acquire, rehabilitate or demolish occupied property, it is critical that the planning consider the source of funds and the applicable funding requirements. If HUD funds are involved, it's advisable to contact a HUD Regional Relocation Specialist for guidance."

## HUD's Role in National Disaster Recovery Efforts

When you think about immediate federal disaster response, it is the Federal Emergency Management Agency (FEMA) that comes to mind. But few people are aware that HUD plays a role in disaster response. HUD lends a helping hand to FEMA and disaster victims in the immediate aftermath of a disaster by deploying HUD staff to work with other Federal, State and local agencies at "Joint Field Offices" located in disaster areas.

Long-term recovery efforts or disaster mitigation efforts? You may be thinking of the Army Corps of Engineers. But it is a little-known fact that HUD plays a substantial role in long-term disaster recovery as well as disaster mitigation efforts in Presidentially Declared Disaster Areas. Congress has appropriated over $85 billion for HUD's Community Development Block Grant – Disaster Recovery Program (CDBG-DR) to assist in long-term disaster recovery efforts dating back to the 9/11 World Trade Center disasters and including numerous hurricanes, floods, tornadoes and wildfires, as well as the 2018 Hawaii volcano. CDBG-DR funds can be used for a variety of activities, from the restoration of infrastructure and mitigation against future disasters to economic revitalization and the rebuilding of housing for low- and moderate-income tenants and homeowners. HUD's RRED provides training and technical assistance on URA and Section 104(d) to communities who are using CDBG-DR and other HUD resources in their disaster recovery efforts.

## In Summary

HUD recognizes the importance of engaging IRWA's network of relocation professionals to further its mission of improving the nation's communities. HUD presented sessions on both URA and disaster recovery during IRWA's 2019 International Education Conference in Portland, Oregon. If you missed these sessions, materials are available on HUD's website at https://www.hudexchange.info/programs/relocation/. This same website contains useful tools and information, including statutes, regulations, policy, guidance, forms, as well as contact information for HUD's Regional Relocation Specialists across the country. ✪

*William (Jay) Smith is a Relocation Specialist for Region IX, U.S. Department of Housing & Urban Development Jay was selected as a HUD Community Builder Fellow in 1998 and has been HUD's Region IX Relocation Specialist since 2002. Prior to joining HUD, Jay worked for the San Francisco Mayor's Office of Community Development focusing on community-based planning and economic development.*