

**RESOLUTION NO. 20220111.5**

**A RESOLUTION OF THE CITY OF PANAMA CITY, FLORIDA, ADOPTING THE CDBG-DR ACQUISITION AND RELOCATION POLICY FOR RELOCATING INVOLUNTARILY DISPLACED PERSONS, REPEALING ALL RESOLUTIONS IN CONFLICT HEREWITH, AND PROVIDING FOR AN EFFECTIVE DATE.**

WHEREAS, the Uniform Relocation Act, 42 U.S.C.S §§ 4601 et seq., establishes minimum standards for when a federally funded CDBG-DR project results in displacement of residents; and

WHEREAS, the City of Panama City seeks to adopt the Community Development Block Grant – Disaster Recovery (“CDBG-DR”) Acquisition and Relocation Policy for ensuring compliance with those minimum standards.

NOW, THEREFORE BE IT RESOLVED by the City of Panama City Commission, as follows:

Section 1. The City of Panama City adopts the Acquisition and Relocation Policy attached hereto as Exhibit “A”.

Section 2. All other resolutions and policies or sections of resolutions and policies of the City of Panama City in conflict with the provisions of this Resolution are hereby repealed to the extent of such conflict.

Section 3. If any section, paragraph, sentence, or clause hereof or any provision of this Resolution is declared to be invalid or unconstitutional, the remaining provisions of this Resolution shall be unaffected thereby and shall remain in full force and effect.

Section 4. This Resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED this the 11<sup>TH</sup> day of January, 2022.

CITY OF PANAMA CITY COMMISSION  
City of Panama City, Florida, A Municipal Corporation

By: \_\_\_\_\_  
Greg Brudnicki, Mayor

ATTEST:

\_\_\_\_\_  
Jan Smith, City Clerk - Treasurer

## Exhibit "A"

# City of Panama City Community Development Block Grant – Disaster Recovery (CDBG-DR) Acquisition and Relocation Policy

## 1. INTRODUCTION

The Uniform Relocation Act establishes minimum standards for federally funded programs/projects involving the displacement of persons from their homes, businesses, or farms due to acquisition, rehabilitation, demolition or any other reason which may permanently or temporarily displace someone involuntarily as a result of undertaking a federally funded project.

The City of Panama City only anticipates engaging in housing-related projects that may result in the applicability of URA requirements. All CDBG-DR funded infrastructure and economic development projects should not result in the applicability of URA requirements. However, the City would comply with the requirements, policies, and waivers related to the URA established in this policy, should the need arise.

## 2. UNIFORM RELOCATION ACT REQUIREMENTS

Under the Uniform Relocation Act (URA) displaced persons are eligible to the following benefits:

- Advisory services
- Offer of a comparable replacement unit
- Replacement housing payments
- Moving expenses

In addition to being required by law, relocation advisory services are very important to completing a successful relocation. Relocation advisory services will be provided to all eligible displaced persons. Key advisory services include:

- Determining the needs, preferences, and eligibility of displaced persons;
- Explaining available relocation assistance
- Relocation claims assistance
- Explaining a person's right to appeal
- Providing current and ongoing listings of comparable dwellings or residential displacements and replacement sites
- Supplying information on other federal and state programs offering assistance
- Providing counseling and other assistance to minimize hardship in adjusting to relocation
- Provide information concerning the full range of housing opportunities within the local housing market

The City will also aid in identifying and resolving personality/realty issues prior to or at the time of the appraisal of the property. A storage allowance of up to \$150 will be provided to each family unit displaced if storage is necessary and essential to the move, and a moving allowance of \$300 will be provided each family unit so displaced. This allowance will be provided in two payments of \$150 on move out and move in. No person will be discriminated against based upon age, race, color, religion, sex, handicap, familial status, national origin, genetics, or presence of children in the households.

As part of the displacement benefits, Panama City will ensure the relocation office is convenient to public transportation or within walking distance of displaced persons. In addition, the office will be open during hours convenient to the displaced person, including evening hours when necessary.

Under the URA, the term "displaced person" means:

1. A person who moves permanently from the real property after the property owner (or person in control of the site) issues a vacate notice to the person, or refuses to renew an expiring lease in order to evade the responsibility to provide relocation assistance, if the move occurs on or after:
  - a. The date the Subrecipient submits a project application for CDBG-DR funds for the project that is later approved, if the Subrecipient has site control; or,
  - b. The date the Subrecipient obtains site control, if that occurs after the project application is submitted and approved.
2. A person who moves permanently from the real property after the initiation of negotiations, unless the person is a tenant who was issued a written notice of the expected displacement prior to occupying the property (otherwise known as a "Notice of Eligibility for Relocation Assistance").
3. A person who moves permanently and was not issued a Notice of Non-displacement after the application for CDBG-DR funds is approved.

If any buyout properties with renters or tenants are deemed eligible for relocation assistance, the City of Panama City will provide assistance to the renter(s) occupying the property. As a displaced tenant under URA, a tenant is eligible to receive two types of assistance: Moving Assistance and Replacement Housing Assistance. The Moving Assistance can be an actual reasonable moving and related expenses reimbursement or a fixed payment for moving expenses determined by a schedule published by the Federal Highway Administration. The Replacement Housing Assistance can take two forms: Rental Assistance or Down Payment Assistance. If the displaced tenant chooses to continue to rent a dwelling, the award amount they are eligible for is 42 months times the difference in rent/utilities of their current rent and their replacement dwelling (including lot rent, if a mobile home unit). Rental Assistance is capped at \$4,500 for 90-day occupants, except in situations where housing of last resort applies. Another option is for the displaced tenant to purchase a new home and receive a lump sum Down Payment Assistance. If the displaced tenant elects to receive lump sum Down Payment Assistance, their award cannot exceed what they would have been eligible for had they continued to rent a unit.

Tenants seeking assistance with moving expenses must complete Form C-25 - Residential Claims for Moving and Related Expenses. This form will be made available by the City.

### **3. UNIFORM RELOCATION ACT PURPOSE**

The City of Panama City is undertaking a program funded through the U.S. Department of Housing and Urban Development (HUD) which may result in the relocation of persons from their current residences.

These programs may result in tenants renting a portion of an owner-occupied unit being displaced as properties are acquired by the City for demolition, clearance, and conversion to open space. The properties are being voluntarily sold to the City by the property owners, however, some properties contain residential rental units making the tenants eligible for assistance under the Uniform Relocation Act of 1970.

Panama City will provide or oversee, whichever is applicable, relocation assistance for lower-income tenants who, in connection with a federally-assisted activity, move permanently or move personal property from real property as a direct result of the demolition of any dwelling unit or the conversion of a lower income dwelling unit in accordance with the requirements of 24 CFR 24.350. A displaced person who is not a lower-income tenant will be provided relocation assistance in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and implementing regulation at 49 CFR Part 24.

The City of Panama City understands that it must provide the options for assistance to those who may be involuntarily displaced from their current residence due to programs or projects funded by HUD. The process for relocation assistance for persons displaced by the CDBG-DR programs will include the following:

- Identification of Tenants to be Displaced
- Notification to Tenants of Impending Displacement
- Notification of Availability of Assistance
- Application Review
- Work with Tenants to be Displaced
- Temporary Relocation
- Permanent Relocation
- Record Keeping

#### **4. DUPLICATION OF BENEFITS**

No person will receive any payment for Relocation benefits under these regulations if that person receives a payment under Federal, state, or local law which is determined to have the same purpose and effect as such payment under these regulations. The City is not required to conduct an exhaustive search for such other payments, only to avoid creating a duplication based on the City's knowledge at the time the payment is computed.

#### **5. IDENTIFICATION OF PERSONS TO BE DISPLACED**

The City of Panama City will keep records of all residential structures which contained rental units containing tenants who may require relocation assistance under CDBG-DR programs. Name and contact information for current tenants will be collected during the application phase. Contractors or program staff will then work with property owners to identify those properties containing tenants who will be displaced. Records documenting the properties and persons requiring assistance must include the following:

- Property address
- Unit identification if applicable

- Number of rooms in unit
- Name of property owner (applicant)
- Number of male and female adults in family; number of children by age and sex
- Property type (single detached, multi-family, etc.)
- Monthly rent
- Names of all persons residing in the unit at the time of displacement
- Names of all persons seeking relocation assistance
- Certification of legal residency for all persons seeking assistance

## **6. NOTIFICATIONS TO TENANTS**

Program staff will notify all tenants who may be displaced by providing them with materials informing them of the benefits and services available to them. Tenants residing in the structure at the time that negotiations are initiated between the homeowner and the City will be notified of the relocation program and are fully eligible for assistance (see § 24.2(a)(15)(i) and (ii) and § 24.2(a)(15)(iv)). Program staff will be in contact with all the tenants affected by CDBG-DR programs to discuss their needs. The documents provided to the tenants will, at the least, provide a general description of the relocation program including the following:

1. Informs the person that he or she may be displaced for the project and generally describes the relocation payment(s) for which the person may be eligible, the basic conditions of eligibility, and the procedures for obtaining the payment(s).
2. Indicates that any person displaced will be given reasonable relocation advisory services including housing referrals, help in filing payment claim(s), and other necessary assistance to help the person successfully relocate.
3. Informs any person to be displaced from a dwelling that he or she cannot be required to move permanently unless at least one comparable replacement dwelling has been made available to the displaced person. No person will be required to move without at least 90 days advance written notice.
4. Describes the person's right to appeal the City's determination as to eligibility for or the amount of any relocation payment for which the person is eligible. It also describes the person's right to disagree with the City's determination of whether the person qualifies as a "displaced person."

Tenants will also be provided with an application for assistance for relocation costs. This application will act as the official request for relocation assistance. Tenants who choose not to complete the application will not be eligible for relocation assistance.

## **7. APPLICATION REVIEW**

Applications will be reviewed by program staff and information provided by the tenants for their case files will be evaluated to determine the tenant households' housing needs. Program staff providing relocation services will communicate with each household to be displaced to determine the household's relocation needs and preference and explain the relocation payments and other assistance for which the household may be eligible, the related eligibility requirements, and the procedure for obtaining such assistance.

Program staff processing applications will need to gather data to help provide information on the estimated number of households to be displaced, including the family characteristics (e.g., minority,

ethnic, handicapped, elderly, large family, income level). Information should be gathered to allow for the comparison of available decent, safe, and sanitary housing in the area with the housing needs of the tenants being displaced. The comparison should include (1) price ranges, (2) sizes (number of bedrooms), and (3) type of housing single-family, multi-family, mobile home etc. Any information on special relocation considerations should also be gathered and evaluated, such as the presence of elderly or disabled or children attending school. Program staff will make every effort not to relocate households in areas resulting in children being forced to change schools unless otherwise requested by the displaced household.

## **8. WORK WITH TENANTS TO BE DISPLACED**

Program staff will work with tenants to identify comparable replacement dwellings within a 30-mile area of their current dwelling. A comparable replacement dwelling includes the following:

1. Decent, safe and sanitary (DSS) which means a dwelling which meets applicable housing and occupancy codes. However, if any of the following standards are not met by an application code, such following standards shall apply, unless waived for good cause consistent with federal regulations. The dwelling shall:
  - a. Be structurally sound, weather-tight, and in good repair.
  - b. Contain a safe electrical wiring system adequate for lighting and other electrical devices.
  - c. Contain a heating system capable of sustaining a healthful for a displaced person, except in those areas where local climatic conditions do not require such a system.
  - d. Be adequate in size with respect to the number of rooms and area of living space needed to accommodate the displaced household. 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.
  - e. Contains unobstructed egress to safe, open space at ground level. If the replacement dwelling unit is on the second story or above, with access directly from or through a common corridor, the common corridor must have at least two means of egress.
  - f. Displaced tenants who are handicapped must have access to a unit which is free of any barriers which would preclude reasonable ingress, egress, or use of the dwelling by such displaced person.
2. 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, reasonable trade-offs for specific features may be considered when the replacement unit is "equal to or better than" the displacement dwelling (see Relocation Manager for guidance).
  - a. Adequate in size to accommodate the occupants.

- b. 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 is reasonably accessible to the person's place of employment.
  - c. 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, and greenhouses.
  - d. Currently available to the displaced person on the private market. However, a comparable replacement dwelling for a person receiving government housing assistance before displacement may reflect similar government housing assistance.
  - e. Within the financial means of the displaced person.
3. A replacement dwelling rented by an eligible displaced person is considered to be within his or her financial means if, after receiving rental assistance under this rule, 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.
4. For a displaced household 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 the Uniform Relocation pays that portion of the monthly housing costs of a replacement dwelling which exceeds thirty percent (30%) of such person's gross monthly household income or, if receiving a welfare assistance payment from a program that designates amounts for shelter and utilities, the total of the amounts designated for shelter and utilities. Such rental assistance must be paid under Section XVIII, Housing of Last Resort.
5. All displaced persons, especially the elderly and handicapped, shall be offered transportation to inspect housing to which they are referred by program staff. In addition, program staff will assist with the following items:
  - a. Provide current and continuing information on the availability, purchase prices, and rental costs of comparable and suitable commercial and farm properties and locations. They will assist any person displaced from a business or farm operation to obtain and become established in a suitable replacement relocation.
  - b. Minimize hardships to persons in adjusting to relocation by providing counseling, advice as to other sources of assistance that may be available, and such other help as may be appropriate.
  - c. Supply persons to be displaced with appropriate information concerning Federal and State housing programs, disaster loan and other programs administered by the Small Business Administration, and other Federal and State programs offering assistance to persons to be displaced.
  - d. Provide referrals to appropriate agencies for displaced persons requiring social services, food stamps etc.
  - e. Provide each expected displaced person with a Relocation Assistance Brochure.
6. Moving costs associated with moving personal property from the existing dwelling unit to the new dwelling unit are eligible for relocation compensation.
7. If a displaced tenant otherwise qualifies for the replacement housing payments except that they have not yet purchased or occupied a suitable replacement dwelling, the Contractor will inspect the proposed dwelling. If the proposed dwelling is found to meet the standards set forth for

decent, safe and sanitary dwellings, the displaced tenant can submit a request for payment of the specific sum provided they purchase or occupy the inspected dwelling within the time limits specified.

## **9. TEMPORARY RELOCATION**

In cases where suitable long-term housing can't be immediately identified and secured, temporary housing arrangements may need to be secured. The housing arrangements and facility must meet all the housing criteria required under Uniform Relocation except that it is functioning as a temporary housing solution until a more permanent solution can be identified. This may include, but not be limited to, the utilization of hotels for temporary housing. In such cases, the facility must be agreeable to the household residing on-site for an extended period.

## **10. PERMANENT RELOCATION**

Any comparable dwelling which allows for the displaced tenant and their household to reside in the facility for one year or more is considered to be a permanent relocation site. Displaced tenants and their households are eligible for two types of assistance under URA: Moving Assistance and Replacement Housing Assistance (Rental Assistance or Down payment Assistance).

Moving Assistance will be calculated using the fixed moving expenses method and are eligible for a moving claim reimbursement. Once a tenant has relocated to the replacement dwelling, contractor or program staff will assist the tenant in submitting form HUD 40054 to the City for the reimbursement. The City may advance a portion of the relocation claim to cover necessary expenses, such as application fees, security deposits or first month's rent.

In standard protocol, one payment will typically be processed for Moving Assistance. However, there may be specific cases when a displaced tenant requires two payments for Moving Assistance: 1) advance payment for necessary up-front costs and 2) the remaining amount of their moving costs.

In determining Rental Assistance per URA HUD regulations, if the total gross monthly household income qualifies as low income according to the URA Low Income Limits, the City must compute 30% of the monthly household income and use it as one of the factors for comparison in the base monthly rental determination. The base monthly rental represents the amount the City will use as the rental amount for the displacement unit. The City will look at the lesser of three items:

- The total amount for current monthly rent plus average monthly utilities
- If the displaced person meets the low-income criteria, the agency will compute 30% of the person's average monthly gross household income
- If the displaced person's rent is paid through a State welfare program that designates an amount for shelter and utilities, then that amount is considered, e.g.: shelter, utilities designation, etc.

If the tenant is low income, the lesser of the three will be used to compare against present rent (and utilities) of market rent. If the tenant is not low income, the URA eligibility amount is the difference between the present rent (plus average utilities) and the replacement dwelling rent (plus average utilities) across 42 months.



Per HUD regulations, Rental Assistance is to be dispersed to the displaced tenants in three installments, rather than one lump sum. However, if a tenant will be using URA assistance to purchase a home, the Down Payment Assistance is allowed to be dispersed in one lump sum to reduce or eliminate hardship. Rental Assistance payments will be dispersed from the City to the displaced tenant every 14 months; 3 installments over 42 months. The first installment can be processed once the tenant has signed a year lease with the replacement dwelling landlord/property management company, moving has commenced and HUD Form 40058 is submitted.

To prompt the Rental Assistance payments for each tenant, a contractor or program staff will submit a payment plan (Payment Authorization Form) to the City to help schedule the payments to the displaced tenants. The Contractor will also receive and submit the displaced tenant's W9 to the City. Once the household has signed a legally binding rental agreement, such as a lease, or has obtained ownership of a property, evidenced by a deed to the property, the household will be considered successfully relocated and further relocation services, outside of follow-up support services, will no longer be available to the tenant

#### **11. RECORD KEEPING**

Contractor or program staff will be responsible for maintaining all files and documentation for displaced tenants. This includes, at a minimum, identification of tenants who were not assisted with relocation services. Tenants that were successfully assisted or that began the process for assistance services, but later terminated activities on their own accord must also have files, which includes the information identified in Section I of this document as well as their completed application. All data identifying comparable dwelling units must also be maintained in addition to any payment requests, evidence of payments made on behalf of the tenants, identification documentation and HUD forms. All files must be secured so as to protect the privacy of those persons and their households.

#### **12. APPEAL PROCESS URA**

Any person(s) has a right to submit an appeal to the City if they disagree with the Moving Assistance eligibility amount, the Rental Assistance eligibility amount or the determination from the City of whether a person(s) is qualified as displaced.

If a person(s) wishes to appeal their Rental Assistance eligibility amount, they can notify the City of their wish to appeal the amount of the assistance. In such a case, the City will re-review the assistance calculations for any potential errors and respond within 15 days of receipt. If no errors are found, they will re-present the amount of rental assistance to the tenant. If a tenant continues to not agree, the City will allow the tenant to submit up to three comparable dwellings they find more compatible with their needs, under URA regulations, and submit to the City for determination to recalculate eligibility determination. If the person(s) is considered low income, and continues to disagree with the City's final decision, they may submit an official appeal to the HUD Field Office.

If a tenant finds their Moving Assistance insufficient, a tenant can ask for and receive local bids from moving companies to submit to the City, seeking additional assistance. The City decision will be determined within 15 days of receipt. If the person(s) is considered low income, and continues to disagree with the City's final decision, they may submit an official appeal to the HUD Field Office.

If a person(s) disagrees with the City's determination of whether they qualify as a "displaced" person(s) or household, the person(s) can submit an official claim to the City seeking an appeal of the determination, submitting any supporting documentation they see fit. The City decision will be determined within 15 days of receipt. If the person(s) is considered low income, and continues to disagree with the City's final decision, they may submit an official appeal to the HUD Field Office.