

Memorandum



CITY OF DALLAS

DATE April 3, 2009

TO Trinity River Committee Members:

David A. Neumann (Chair)
Mayor Pro Tem Dr. Elba Garcia (Vice-Chair)
Deputy Mayor Pro Tem Dwaine Caraway
Carolyn R. Davis
Linda Koop

Pauline Medrano
Mitchell Rasansky
Steve Salazar

SUBJECT Relocation Assistance for Property Owners

On the April 7, 2009 meeting of the Trinity River Corridor Project Committee, the attached briefing will be presented by Rebecca Dugger, Director of the Trinity River Corridor Project, and Regina Barber, Relocation Specialist for the Trinity River Corridor Project. This briefing will provide information on how relocation assistance is provided for federally funded projects, and what portions of the Trinity River Corridor Project require relocation efforts..

If you have additional questions, please let me know.

A handwritten signature in black ink, appearing to read 'Jiff Jordan'.

Jiff A. Jordan, P.E.
Assistant City Manager



THE TRINITY
DALLAS

c: Honorable Mayor and Members of the City Council
Mary K. Suhm, City Manager
Ryan S. Evans, First Assistant City Manager
Ramon F. Miguez, P.E., Assistant City Manager
A. C. Gonzalez, Assistant City Manager
Forest E. Turner, Interim Assistant City Manager
David K. Cook, Chief Financial Officer

Deborah A. Watkins, City Secretary
Thomas P. Perkins, Jr., City Attorney
Craig D. Kinton, City Auditor
Judge C. Victor Lander
Helena Stevens-Thompson, Asst. to the City Manager
Frank Libro, Director, Public Information Office

CITY OF DALLAS
RELOCATION ASSISTANCE
for Property Owners

Trinity River Corridor Project Committee
April 7, 2009



PURPOSE

- Provide a general overview of relocation assistance for City projects that are federally funded.
- Provide list of projects that will require relocation related to the Trinity Corridor Project.



TABLE OF CONTENTS

- Background
- Objectives of the Relocation Process
- Types of Displacements
- Relocation Financial Assistance
 - Computation of Moving Expense Payments
 - Computation of Replacement Housing Payments
- Relocation Assistance – Trinity River Corridor



BACKGROUND

- Congress passed the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA) in 1970 to provide uniform and equitable treatment of persons displaced from homes, businesses, non-profits and farm operations for federally assisted projects. The Act was amended in 1987 to broaden its coverage to include displacement caused by rehabilitation and demolition in addition to acquisitions.
- The City of Dallas passed Chapter 39A of the Dallas City Code entitled “Relocation Assistance-Eminent Domain” in 1972 to address local displacements that were not covered under the Federal regulations.



BACKGROUND

Various laws mandate relocation assistance for persons displaced by governmental actions.

- Federal Law – Public Law 91-646:
 - When the State or the City use federally assisted funds, the URA requires the displacing entity to:
 - Provide relocation assistance for all federally funded projects causing displacement.
 - Assure displacement from a dwelling doesn't occur unless a comparable replacement dwelling is available.
 - Certify that it will follow a residential anti-displacement plan in accordance with Section 104d of the Community Development Act for federally funded projects.
 - Adopt and make public its residential anti-displacement plans.
 - Review all written appeals in accordance with applicable law and regulations.



BACKGROUND

- Dallas City Code – Chapter 39A – “Relocation Assistance-Eminent Domain” requires the following:
 - Relocation assistance must be provided to eligible persons displaced by actions of the City of Dallas.
 - City Manager appointment of an individual whose primary responsibility is to administer the City Relocation Program.
 - Persons are assigned to provide relocation assistance on a project by project basis.
 - A local relocation office that is reasonably accessible to the public.
 - Information regarding residential and commercial replacement sites must be maintained and readily available.
 - Written 90-day notice to vacate.
 - Procedures established to address and review appeals.



OBJECTIVES OF THE RELOCATION PROCESS

- To provide relocation assistance for eligible persons permanently and involuntarily displaced by governmental actions. Each displaced person is entitled to receive the following:
 - Advisory service by personal contact.
 - Relocation payments, if eligible.
 - Explanations of eligibility requirements.
 - Technical assistance with:
 - Applications and required forms
 - Contract negotiations
 - Purchasing Property



OBJECTIVES OF THE RELOCATION PROCESS

- To provide current information on availability of comparable replacement sites, commercial and residential.
- To provide current information on federal, state and local housing programs.
- To minimize hardships by providing counseling, referrals to other sources of assistance (e.g., welfare assistance, job training, drug or alcohol treatment, child care, etc.) and such other help as may be appropriate.



TYPES OF DISPLACEMENTS

- Eminent Domain – acquisition of private property for public use.
- Rehabilitation and demolition for federally assisted projects. These are federally funded projects administered by private developers and nonprofit organizations.



RELOCATION FINANCIAL ASSISTANCE

Relocation financial assistance is provided for:

- Moving and Related Expenses
- Replacement Housing Payments

These are two separate payments. A displaced person may qualify for a moving expense payment and not qualify for a replacement housing payment.



COMPUTATION OF THE MOVING EXPENSE PAYMENTS

Moving and Related Expenses – persons who occupy a property on the date of the displacing action are eligible to receive a moving expense payment for actual moving and related expenses for both residential and business establishments.

- Residential - a fixed payment starting at \$400 for one room of furniture and up to eight rooms for \$1,300, each additional room thereafter is \$100. The payment for a residential move is based on the number of occupied rooms according to a schedule provided by the U.S. Department of Transportation Federal Highways Administration.



COMPUTATION OF THE MOVING EXPENSE PAYMENTS

- Commercial - a fixed payment for a business is based on the average net earning for the business the two years prior to being displaced. The maximum payment is \$20,000 and the minimum is \$1,000.

OR

Actual moving and related expenses payment for residential and commercial is based on the actual cost of expenses incurred and supported by the lowest of three bids, substantiated invoices and/or receipts.



COMPUTATION OF THE REPLACEMENT HOUSING PAYMENTS

- Replacement Housing Payments - Homeowners:
 - Homeowners who own and occupy their homes at least 180 days immediately prior to displacement and purchase a dwelling that meets minimum housing standards within 18 months of displacement are eligible to receive a replacement housing payment (RHP) of \$22,500 or the amount required to purchase comparable replacement housing.
 - This amount may include an increased mortgage interest payment and certain other closing costs normally paid by a buyer.
 - Homeowners who move without being offered a comparable replacement dwelling remain eligible for the RHP up to 18 months after the offer is made.




COMPUTATION OF THE REPLACEMENT HOUSING PAYMENTS

- Rental Assistance Payments – Tenants:
 - Tenants who occupy their residential dwellings at least 90 days or less prior to being displaced and purchase or rent a structure that meets minimum housing standards within 18 months of being displaced are eligible for a rental assistance payment up to \$5,250 or the amount required to rent comparable replacement housing.
 - Tenants who move without being offered a comparable replacement dwelling remain eligible for a payment up to 18 months after the offer is made.
 - Payment for tenants is the difference between the base monthly rent paid for the displacement dwelling and the monthly rent paid for a decent, safe and sanitary replacement dwelling multiplied by 42.



COMPUTATION OF THE REPLACEMENT HOUSING PAYMENTS

- Acquisition Cases – the payment is the lesser of the difference between the cost of:
 - The comparable replacement dwelling, as determined by the City, and the price paid for the acquired property
 - For Example: Acquisition has made an offer to purchase owner's property for \$40,000, and Relocation determined the comp to be \$80,000, therefore the replacement housing payment is the difference in the comp and the offer price, $\$80,000 - \$40,000$, therefore the RHP amount is  \$40,000.

Trinity River Corridor Project Relocation Needs

- Flood Control Improvements
 - Dallas Floodway Extension
 - Pump Stations
- Recreation
 - Trinity Audubon Center
- Transportation
 - Sylvan Avenue Bridge
 - Trinity Parkway



Notes from Recent Example

- Delux Inn
 - Delux Inn Hotel relocation consists of tenant replacement housing and commercial business relocations
 - Residents – 98% of the residents that are eligible for financial benefits are relocating to local hotels in the vicinity, while 2% are attempting to become first time home buyers.
 - Businesses – Consist of owner of property, lessor and sub-lessee.



Questions?

