



RESIDENTIAL ANTI-DISPLACEMENT AND RELOCATION ASSISTANCE PLAN

Purpose of the RARAP

This Residential Anti-displacement and Relocation Assistance Plan (RARAP) is prepared by the Iowa Economic Development Authority (IEDA) in accordance with Section 104(d) of the Housing and Community Development Act of 1974, 24 CFR part 42, and 24 CFR part 570, as amended by waivers and alternative requirements. This policy is applicable to any activity and/or project assisted with the use of CDBG-DR grant funds and may be subject to the Uniform Relocation Assistance and Real Property Acquisition Act (URA) and CDBG program requirements. The implementing regulations for the URA are at 49 CFR part 24. The regulations implementing section 104(d) are at 24 CFR part 42. The regulations for applicable CDBG program requirements are at 24 CFR 570.488 and 24 CFR 570.606.

This RARAP is a modification of [existing policies](#) and has been adapted for CDBG-DR to meet the URA, Section 104(d), related waivers, and the alternative requirements specified in the Consolidated Notice.

Applicability to Subrecipients

Through this amended policy, Iowa Economic Development Authority's RARAP will ensure that CDBG-DR programs minimize displacement or adverse impacts from displacement, consistent with the requirements of Section IV.F of the Consolidated Notice, Section 104(d) of the HCDA (42 U.S.C. 5304(d)) and implementing regulations at 24 CFR part 42, and 24 CFR 570.488 or 24 CFR 570.606, as applicable.

Because 24 CFR 570.606(d) regulations have been waived ([see section below](#)), this policy may be adopted by IEDA's subrecipients or they may choose to develop their own for IEDA approval. As stated in the waiver, the approved plan must:

- be made available to the public (by publication in a newspaper of general circulation) once approved and
- describe the relocation assistance that the subrecipient will provide and how it meets the goals of the program, and
- provide for equal relocation assistance within each class of displaced persons.

CDBG-DR Program Policy

As stated in the 2020 Derecho CDBG-DR Action Plan, the proposed programs will address existing displacement due to the derecho by providing new housing opportunities. The development of the Action Plan accounted for the substantial challenges experienced by displaced individuals, families, businesses, farms, and nonprofit organizations. It is not anticipated that any of the CDBG-DR programs will displace housing applicants especially among vulnerable populations.

The following would not be considered a displaced person:

- A person who has been evicted for cause based upon a serious or repeated violation of the terms and conditions of the lease or occupancy agreement, violation of applicable federal, State or local law, or other good cause, and the participating jurisdiction





determines that the eviction was not undertaken for the purpose of evading the obligation to provide relocation assistance;

- A person who moves into the property after the submission of the application but, before signing a lease and commencing occupancy, was provided written notice of the project, its possible impact on the person (e.g., the person may be displaced, temporarily relocated, incur a rent increase), and the fact that the person would not qualify as a “displaced person” as a result of the project;
- A person who is ineligible under [49 CFR 24.2\(g\)\(2\)](#); and
- A person who HUD determines was not displaced as a direct result of acquisition, rehabilitation, or demolition for the CDBG–DR activity and/or project.

Relocation Assistance to Displaced Persons

Low-income households permanently displaced as a result of CDBG-DR activities will be provided with relocation assistance under the HCDA and URA. Those households that are displaced but not low-income may be provided relocation assistance as needed, within the limitations of the allocation and to the extent that it is allowed as per the URA and implementing regulations at 49 CFR Part 24.

A displaced person may choose to receive the following:

- **Advisory Services** – providing referrals to comparable and suitable replacement homes, the inspection of replacement housing to ensure that it meets established standards, help in preparing claim forms for relocation payments, and other assistance to minimize the impact of the move.
- **Moving Expenses** – payment for reasonable moving and related expenses (security deposits and credit checks) or a dislocation allowance (based on the amount of personal property to move).
- **Replacement Housing Assistance** – enables the displaced to rent (rental assistance) or buy a comparable or suitable replacement home (purchase Assistance).

Minimizing Displacement

Consistent with the goals and objectives of CDBG–DR activities assisted under the Act, IEDA will take the following steps to minimize the direct and indirect displacement of families and individuals from their homes and neighborhoods. Subrecipients may determine the actions needed based on local needs and priorities.

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.

Stage rehabilitation of apartment units to allow tenants to remain in the building/complex during and after the rehabilitation, working with empty units first.

Arrange for facilities to house persons who must be relocated temporarily during rehabilitation.

Explore project alternatives that might avoid the displacement of persons.

Adopt policies to identify and mitigate displacement resulting from intensive public investment in neighborhoods.

Adopt policies which provide reasonable protections for tenants faced with conversion to a condominium or cooperative.





Adopt tax assessment policies, such as deferred tax payment plans, to reduce impact of increasing property tax assessments on lower income owner-occupants or tenants in revitalizing areas.

Establish counseling centers to provide homeowners and tenants with information on assistance available to help them remain in their neighborhood in the face of revitalization pressures.

Where feasible, give priority to rehabilitation of housing, as opposed to demolition, to avoid displacement.

If feasible, demolish or convert only dwelling units that are not occupied or vacant occupiable dwelling units (especially those units which are “lower-income dwelling units” (as defined in [24 CFR 42.305](#)).

Target only those properties deemed essential to the need or success of the project.

Advise applicants for HUD funding of the URA requirements at the time of application.

Waivers

The applicable Federal Register Notice for the 2020 CDBG-DR funds can be found at [87 FR 6374](#). For the purpose of promoting the availability of decent, safe, and sanitary housing with respect to the use of CDBG-DR funds, HUD has waived the following requirements that are applicable to URA, Section 104(d), and Section 414 of the Stafford Act:

One-for-One Replacement of Lower-Income Dwelling Units

One-for-one replacement requirements at [section 104\(d\)\(2\)\(A\)\(i\) and \(ii\) and 104\(d\)\(3\)](#) of the HCDA and [24 CFR 42.375](#) are waived for owner-occupied lower-income dwelling units that are damaged by the disaster and not suitable for rehabilitation. The section 104(d) one-for-one replacement housing requirements apply to occupied and vacant occupiable lower-income dwelling units demolished or converted in connection with a CDBG assisted activity.

This waiver exempts all disaster-damaged owner-occupied lower-income dwelling units that meet the grantee’s definition of “not suitable for rehabilitation,” from the one-for-one replacement housing requirements of 24 CFR 42.375. Before carrying out activities that may be subject to the one-for-one replacement housing requirements, the grantee must define “not suitable for rehabilitation” in its action plan or in policies/procedures governing these activities. Prior to the implementation of this waiver and alternative requirement, grantees must reassess post-disaster population and housing needs to determine the appropriate type and amount of lower-income dwelling units (both rental and owner-occupied units) to rehabilitate and/or reconstruct.

Tenant-occupied and vacant occupiable lower-income dwelling units demolished or converted to another use other than lower-income housing in connection with a CDBG-DR assisted activity are generally subject to one-for-one replacement requirements at 24 CFR 42.375 and that these provisions are not waived. The demolition and/or disposition of public housing units continue to be subject to section 18 of the United States Housing Act of 1937, as amended, and 24 CFR part 970.

Section 104(d) Relocation Assistance

The relocation assistance requirements at section 104(d)(2)(A)(iii) and (B) of the HCDA and 24 CFR 42.350, are waived to the extent that an eligible displaced person may choose to receive either assistance under the [URA regulations](#) or assistance under [Section 104\(d\)](#). This waiver does not impact a person’s eligibility as a displaced person. The waiver limits the amounts and types





of relocation assistance that a displaced person is eligible to receive. A displaced person is eligible to receive the amounts and types of assistance for displaced persons under the URA for activities related to disaster recovery.

Without this waiver, disparities exist in relocation assistance associated with activities typically funded by HUD and FEMA (e.g., buyouts and relocation). Both FEMA and CDBG funds are subject to the requirements of the URA; however, CDBG funds are subject to section 104(d), while FEMA funds are not. This limited waiver of the section 104(d) relocation assistance requirements assures uniform and equitable treatment for individuals eligible to receive benefits under Section 104(d) by establishing that all forms of relocation assistance to those individuals must be in the amounts and for the types of assistance provided to displaced persons under URA requirements.

URA Replacement Housing Payments for Tenants

The requirements of sections 204 and 205 of the URA ([42 U.S.C. 4624](#) and [42 U.S.C. 4625](#)), and [49 CFR 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 rental housing program subsidy (to include, but not limited to, a housing choice voucher), provided that comparable replacement dwellings are made available to the tenant in accordance with 49 CFR 24.204(a) where the owner is willing to participate in the program and the period of authorized assistance is at least 42 months.

This waiver and alternative requirement is subject to the following: If assistance is provided through a HUD program, it is subject to the applicable HUD program requirements, including the requirement that the tenant must be eligible for the rental housing program. Failure to grant this waiver would impede disaster recovery whenever rental program subsidies are available but funds for cash replacement housing payments are limited and such payments are required by the URA to be based on a 42- month term.

URA Voluntary Acquisition — Homebuyer Primary Residence Purchase

Grantees may implement disaster recovery program activities that provide financial assistance to eligible homebuyers to purchase and occupy residential properties as their primary residence. Such purchases are generally considered voluntary acquisitions under the URA and subject to the URA regulatory requirements at 49 CFR 24.101(b)(2).

For CDBG–DR, 49 CFR 24.101(b)(2) is waived to the extent that it applies to a homebuyer, who does not have the power of eminent domain, and uses CDBG–DR funds in connection with the voluntary purchase and occupancy of a home the homebuyer intends to make their primary residence. This waiver is necessary to reduce burdensome administrative requirements for homebuyers following a disaster. Tenants displaced by these voluntary acquisitions may be eligible for relocation assistance.

Safe Housing Incentives

The limitation on eligible activities in section [42 U.S.C. 5305\(a\)](#) is waived and HUD is establishing the following alternative requirement to establish safe housing incentives as an eligible activity. A safe housing incentive is any incentive provided to encourage households to relocate to suitable housing in a lower risk area or in an area promoted by the community's comprehensive recovery





plan. Displaced persons must receive any relocation assistance to which they are entitled under other legal authorities, such as the URA, section 104(d) of the HCDA, or those described in the Consolidated Notice. The grantee may offer safe housing incentives in addition to the relocation assistance that is legally required.

Optional Relocation Assistance

The regulations at [24 CFR 570.606\(d\)](#) are waived to the extent that they require optional relocation policies to be established at the grantee level. Unlike with the regular CDBG program, states may carry out disaster recovery activities directly or through subrecipients, but 24 CFR 570.606(d) does not account for this distinction. This waiver makes clear that grantees receiving CDBG–DR funds may establish optional relocation policies or permit their subrecipients to establish separate optional relocation policies. The written policy must: be available to the public, describe the relocation assistance that the grantee, state recipient (i.e., a local government receiving a subgrant from the state through a method of distribution), or subrecipient (as applicable) has elected to provide, and provide for equal relocation assistance within each class of displaced persons according to 24 CFR 570.606(d). This waiver is intended to provide states with maximum flexibility in developing optional relocation policies with CDBG–DR funds.

Waiver of Section 414 of the Stafford Act

[Section 414 of the Stafford Act](#) and its implementing regulation at [49 CFR 24.403\(d\)\(1\)](#) are waived to the extent that they would apply to real property acquisition, rehabilitation, or demolition of real property for a CDBG–DR funded project commencing more than one 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 before the disaster.

For purposes of this waiver, a CDBG–DR funded project shall be determined to have commenced on the earliest of:

The date of an approved Request for Release of Funds and certification;
the date of completion of the site-specific review when a program utilizes Tiering; or
the date of sign-off by the approving official when a project converts to exempt under [24 CFR 58.34\(a\)\(12\)](#).

The waiver will simplify the administration of the disaster recovery process and reduce the administrative burden associated with the implementation of Stafford Act Section 414 requirements for projects commencing more than one year after the date of the Presidentially declared disaster considering most of such persons displaced by the disaster will have returned to their dwellings or found another place of permanent residence.

This waiver does not apply with respect to 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.





Certification

IEDA certifies that they have in effect and are following a Residential Anti-displacement and Relocation Assistance Plan (RARAP) as required by section 104(d)(1) and (2) of the HCDA and 24 CFR 42.325.

Authorized Signature

