

**CITY OF SOMERSET, KENTUCKY**

**RESOLUTION NO. 09-05**

**OPTIONAL RELOCATION ASSISTANCE POLICY  
CITY OF SOMERSET SCATTERED SITE HOUSING PROJECT IV**

WHEREAS, The City of Somerset, Kentucky, herein referred to as the City, is requesting Community Development Block Grant Funds (CDBG) program funds for the purpose of providing temporary relocation payments and moving expenses for the City of Somerset Scattered Site Housing Project IV located in the City of Somerset, Kentucky, and

WHEREAS, such activities are within the City's jurisdiction and are in compliance with the eligible activity requirements of the CDBG Program rules and regulations, and

WHEREAS, any low income owner-occupant whose structure will be reconstructed with CDBG program funds, and

WHEREAS, such residential structures are deteriorated beyond repair to the extent that the owner has to move awaiting the construction of the replacement structure on the existing site, and

WHEREAS, under Section 5305(a)(11) of the Housing and Community Development Act of 1974, as amended (the Act), a grantee may use CDBG funds to provide relocation payments and other relocation assistance to persons displaced by activities that are not subject to the Uniform Relocation Assistance and Real Property Acquisition policies Act of 1974, as amended, (URA or Uniform Act) or in excess of URA requirements, and

WHEREAS, the Agency deems it in the best interest of these owner occupants to develop a written Optional Relocation Assistance Policy (Policy) to provide the same level of moving and replacement housing assistance to each household being assisted, and

WHEREAS, because this assistance is not required by State or local law, this written Policy will make available to the public a description of the relocation assistance that the City has elected to make available, and

WHEREAS, the City does make assurance that it will provide this assistance in an equal and fair manner for those who qualify, and

WHEREAS, the City defines and sets forth the eligibility requirements that will be considered for providing this assistance in the Policy as follows:

### ***TEMPORARY RELOCATION ASSISTANCE***

Whenever possible, those residents being relocated or whose homes are being rehabilitated will be encouraged to remain in their existing structure while rehabilitation or new construction work is being done. If the Agency staff makes a determination that the occupant cannot remain in the structure, the Agency will pay the actual cost of moving and establishing another residence for a period to be determined by the Agency in accordance with this temporary relocation policy. This temporary relocation policy is voluntary on the part of the Agency and may not cover all temporary relocation costs.

### **ELIGIBILITY**

Temporary relocation assistance is available only upon notification by the Agency that it is necessary for an occupant to move during new construction or rehabilitation activities. Temporary relocation costs must be reasonable and approved prior to the occupant entering into a lease or rental agreement. Expenditures without prior approval of the project manager may be incurred at the risk of the occupant. Temporary relocations must be approved by the project manager. Families that move of their own accord without prior approval for a temporary relocation will not be eligible for reimbursement of costs.

### **MOVING EXPENSE PAYMENT**

An occupant who must relocate temporarily while their house is being rehabilitated or reconstructed who is not eligible for moving expenses under the Uniform Act will receive a lump sum payment of \$1000. One half of the lump sum payment will be made when the occupant moves out of the house and the remaining one half will be paid when they move back into their reconstructed home. If an occupant stays in temporary housing on their own property while their house is reconstructed, only \$500 will be paid for one move.

### **RENTAL PAYMENTS**

Occupants will be encouraged to stay with friends or relatives especially when the temporary relocation is for a short period of time (30 days or less). Relatives and friends may charge the relocated family rent for providing shelter according to the schedule below. Such agreements must be in writing and approved by the project manager.

1 or 2 persons staying with friends or relatives - \$200

3 or 4 persons staying with friends or relatives - \$250

More than 4 persons staying with friends or relatives - \$300

For longer relocations, the temporarily relocated family will first be given the option of renting any available housing the City may have acquired that would be suitable for temporary housing. Next, the City will work with the local public housing authority to provide temporary housing. If these sources are not available the family can rent other available rental properties. All rental

agreements must be in writing.

Rents must be reasonable for the area and generally should not exceed the HUD fair market rent for the locality. For owner-occupants, the City will pay the monthly rent. The occupants will be responsible for all utilities at the temporary site. The utilities included in the rent shall be considered when determining if the occupant shall pay a portion of the rent.

The maximum temporary relocation payment per household for each month of temporary relocation:

One Bedroom Unit – \$350

Two Bedroom Unit - \$450

Three Bedroom Unit –\$550

Four Bedroom Unit - \$600

Five Bedroom Unit - \$650

For a rental unit, the number of bedrooms is based on the number of bedrooms of the unit the household is moving out of unless additional bedrooms are needed due to overcrowding.

#### **DEPOSITS**

The occupant shall be responsible for any deposits or lock purchases. The Agency shall not pay any refundable deposits. It is the occupants responsibility to meet all lease or rental requirements to obtain refunds of deposits including notifying the owner or rental agent of when they will be moving out of the unit.

#### **STORAGE**


If new construction or rehabilitation work cannot be completed with the occupant's household goods in place, the Agency may provide insured storage space. Temporary storage costs must be reasonable and approved by the Agency prior to the occupant entering into a rental agreement for temporary storage. Expenditures without prior approval of the Agency shall be the responsibility of the occupant.

#### **LENGTH OF TEMPORARY RELOCATION**

For reconstructed houses, the length of the approved temporary relocation shall generally be six months. For rehabilitated houses, the length will be based on the expected time to complete the work. This will allow time for the occupant to move out, a four month construction period and time for the occupant to move into the new house. Temporary relocations beyond six months must be approved by the project manager. Once a certificate of occupancy is issued for the house and the project manager has notified the family that they can now occupy the house, the family will be given a reasonable amount of time to move into the reconstructed /rehabilitated house. This will generally be 14 to 30 days depending on coordination with the rental agreement. It is the occupant's responsibility to move within the allotted time, clean the vacated temporary residence or storage building and return the key to the owner. The owner must provide proof that they have obtained their homeowners insurance prior to occupying the new house.

Participants must understand that if the house is completed in the winter or during other periods of wet or adverse weather, the yard work may not be completed at the same time as the house. The Agency will not be responsible for rental payments once the house itself is complete. If the occupants fail to vacate the temporary rental property in the time allotted, they shall be responsible for any additional rental payments or loss of deposits. If the temporary relocation is extended due to the failure of the contractor to complete the work on time, the Agency shall deduct the cost of any required additional rent or storage payments from the contract amount as liquidated damages.

APPROVED THIS 9<sup>th</sup> DAY OF November 2009, BY THE SOMERSET CITY COUNCIL, PULASKI COUNTY, KENTUCKY.

  
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Edward R. Girdler, Mayor

ATTEST:  
  
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