

RESIDENTIAL ANTI-DISPLACEMENT AND RELOCATION ASSISTANCE PLAN

HUD PROGRAMS
(Rev. 12/22)

North Dakota Department of Commerce's (NDDOC) Residential Anti-displacement and Relocation Assistance Plan (RARAP) was prepared in accordance with the Housing and Community Development Act of 1974 (HCD Act of 1974), as amended, and U.S Department of Housing and Urban Development (HUD) Regulations at 24 CFR Part 42. It is applicable to projects assisted by NDDOC through the Community Development Block Grant (CDBG), regulated by 24 CFR Part 92. Recipients of HOME Investment Partnerships Program (HOME) funds should contact the North Dakota Housing Finance Agency for the RARAP for HOME-funded activities. If a project is funded by both CDBG and HOME, Subrecipients/Developers (Recipients) must follow both plans.

Every effort will be made to avoid permanent displacement of all persons due to a CDBG-funded project. NDDOC reserves the right to reject any application which fails to minimize permanent displacement of tenants. If temporary relocation or permanent displacement is necessary, NDDOC will comply and will require compliance by Recipients with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) and Section 104(d).

Minimize Displacement

NDDOC will take all reasonable steps to minimize the displacement of persons (i.e., families, individuals, businesses, not-for-profit organizations and farms) as a result of a project assisted with CDBG funds including, but not limited to:

- Encouraging Recipients to stage rehabilitation of dwelling units to allow tenants to remain in the building/complex during and after the rehabilitation by working with vacant units first.
- Assisting Recipients with locating vacant units in other properties in the immediate area, if any, to house persons who must be relocated temporarily during rehabilitation.
- To the extent feasible, residential tenants will be provided a reasonable opportunity to lease and occupy a suitable, decent, safe, sanitary and affordable dwelling unit in the building/complex upon completion of the project.

Relocation Assistance to Displaced Persons under Section 104(d)

A displaced person may choose to receive either assistance under the URA and implementing regulations at 49 CFR part 24 or assistance under Section 104(d) of the HCD Act of 1974. NDDOC will ensure Recipients provide relocation assistance for eligible displaced persons (as defined by regulation) who, in connection with an activity assisted with CDBG funds, move permanently from real property as a direct result of the demolition of any dwelling unit or conversion of a lower-income dwelling unit. If a displaced person chooses assistance under Section 104(d), the assistance a displaced person may qualify for includes:

- **Advisory Services:** a displaced person will be advised of his or her rights under the Fair Housing Act (42 U.S.C. 3601-19). If a comparable replacement dwelling unit to be provided to a minority person is located in an area of minority concentration, the minority person will also be given, if possible, referrals to comparable and suitable decent, safe and sanitary replacement dwelling units not located in such areas.
- **Moving Expenses:** payment for moving expenses at levels described 49 CFR part 24.

- Security Deposits and Credit Checks: the reasonable and necessary cost of any security deposit required to rent the replacement dwelling unit and the cost of credit checks required to purchase or rent the replacement dwelling unit.
- Interim Living Costs: displaced persons shall be reimbursed for actual, reasonable, out-of-pocket costs incurred in connection with a displacement, including moving expenses and increased housing costs, if one or more of the following apply:
 - The person must relocate temporarily because continued occupancy of the dwelling unit constitutes a substantial danger to the health or safety of the person or the public.
 - The person is displaced from a “lower-income dwelling unit,” none of the comparable replacement dwelling units to which the person has been referred qualifies as a lower-income dwelling unit; and a suitable lower-income dwelling unit is scheduled to become available in accordance with Section 42.375.
- Replacement Housing Assistance: displaced persons are eligible to receive replacement housing assistance as determined under Subpart E of 24 CFR.

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

NDDOC will require replacement of all occupied and vacant occupiable lower-income dwelling units demolished or converted to a use other than lower-income housing in connection with a project assisted with funds provided under the CDBG program in accordance with 24 CFR 42.375.

Lower-income dwelling unit is defined as a dwelling unit with market rent, including utility costs, that does not exceed the applicable Fair Market Rent for existing housing as established under 24 CFR part 888.

Housing conditions as defined in the North Dakota Consolidated Plan in Section MA-20.

- Vacant occupiable: a vacant unit in standard condition or substandard suitable for rehabilitation.
- Standard Condition: housing that meets Housing Quality Standards (HQS) set forth in the Section 8 program, all zoning ordinances and uniform codes adopted by the state, which are national or international codes.
- Substandard Suitable for Rehabilitation: a housing unit or, in the case of multifamily dwellings, the building(s) containing the housing units, where the estimated cost of making the needed replacements and repairs is less than the estimated cost of new construction of a comparable unit or units. This cost comparison does not include any costs associated with demolition.

If the dwelling units that will be demolished or converted do not meet the definition of occupied or vacant occupiable, a One-For-One Replacement Plan is not applicable. NDDOC must be provided evidence the units meet this condition.

When preparing a One-For-One Replacement Plan, acceptable replacement must meet the following requirements:

- Located within the Recipient’s jurisdiction. To the extent feasible and consistent with other statutory priorities, the units shall be located within the same neighborhood as the units replaced.
- Units must be sufficient in number and size to house no fewer than the number of occupants who could have been housed in such units.
- The units must be provided in Standard Condition. Replacement units may include units that have been raised to Standard Condition from Substandard Condition Suitable for Rehabilitation if the following are met:
 - No person was displaced from the unit.

- The unit was vacant at least three months before the execution of the agreement between the Recipient and the property owner.
- The units must initially be made available for occupancy at any time during the period beginning 1 year before the Recipient makes public the required One-For-One Replacement Plan and ending 3 years after the commencement of demolition or rehabilitation related to conversion.

The units must be designated to remain lower-income dwelling units for at least 10 years from initial occupancy. Replacement units may include, but are not limited to, public housing or existing housing receiving Section 8 Project-Based Assistance.

Before NDDOC enters into a written agreement committing funds for a project that will directly result in the demolition or conversion of lower-income dwelling units, Recipients will publish a One-For-One Replacement Plan in a newspaper of general circulation and on their applicable website and social media. The recipient must make the plan available for a period of 14 days and receive public comments. The plan and all comments received must be submitted to NDDOC. NDDOC will then facilitate submission of plan and proof of publication to HUD.

The One-For-One Replacement Plan must include

1. A description of the proposed assisted project.
2. The address, number of bedrooms, and a location on a map of lower-income dwelling units that will be demolished or converted to a use other than lower-income dwelling units as a result of an assisted project.
3. A time schedule for the commencement and completion of the demolition or conversion.
4. To the extent known, the address, number of lower-income dwelling units by size (i.e., number of bedrooms) and location on a map of the replacement lower-income housing that has been or will be provided.
5. If there are vacant units, provide a list detailing the condition of each unit either standard condition, substandard condition and suitable for rehabilitation, or substandard not suitable for rehabilitation. Substandard not suitable for rehabilitation means any units where estimated costs of replacement and repairs is more than the estimated cost of new construction of comparable units. These units do not meet the definitions of standard or substandard suitable for rehabilitation listed above.
6. The source of funding and a time schedule for the provision of the replacement dwelling units.
7. The basis for concluding that each replacement dwelling unit is designated to remain a lower-income dwelling unit for at least 10 years from the date of initial occupancy.
8. Information demonstrating that any proposed replacement of lower-income dwelling units with smaller dwelling units (i.e., a two-bedroom unit with two one-bedroom units), or any proposed replacement of efficiency or single-room occupancy unit with units of a different size, is appropriate and consistent with the housing needs and priorities identified in the HUD-approved Consolidated Plan and 24 CFR 42.375(b).
9. Proof of publication of plan and availability to the public, minimum of 14 days. The plan must be published prior to funding.

To the extent that the specific location of the replacement dwelling units and other data in items 4 through 7 are not available at the time of the general submission, the Recipient will identify the general location of such dwelling units on a map and complete the disclosure and submission requirements as soon as specific data is available.

Replacement not Required Based on Unit Availability

Under 24 CFR 42.375(d), the one-for one replacement requirement does not apply to the extent the HUD field office determines, based upon objective data, that there is an adequate supply of vacant

lower-income dwelling units in standard condition on a nondiscriminatory basis within the area. The Recipient must submit directly to the HUD field office the request for determination that the one-for-one replacement requirement does not apply. Simultaneously with the submission of the request, the recipient must make the submission to HUD public and inform interested persons that they have 30 days from the date of submission to provide to HUD additional information supporting or opposing the request. A unit of general local government (UGLG) funded by the state may submit the request for determination to NDDOC. The UGLG must make the submission public and inform interested persons that they have 30 days from the date of submission to provide NDDOC with additional information supporting or opposing the request. After considering the submission and any additional data, if NDDOC agrees with the request, NDDOC will provide HUD field office its recommendation with supporting information.

Contacts and Appeals

NDDOC's Division of Community Services is responsible for monitoring the CDBG Recipient's compliance with URA throughout the development process including tracking the replacement of lower-income dwelling units and ensuring they are provided within the required period.

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