

**RESOLUTION #2019-R16**

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF CALLAHAN, FLORIDA ADOPTING A POLICY RELATING TO ANTI-DISPLACEMENT AND RELOCATION FOR USE IN ADMINISTERING COMMUNITY DEVELOPMENT BLOCK GRANTS; PROVIDING DEFINITIONS; DEFINING AN ACTION PLAN; AND PROVIDING AN EFFECTIVE DATE.**

WHEREAS, the Town Council of the Town of Callahan desires to establish a plan regarding anti-displacement and relocation under the Town's Community Development Block Grants, and

WHEREAS, the Town Council of the Town of Callahan recognizes the need to adopt an action plan to implement such goals;

**NOW THEREFORE, BE IT RESOLVED BY TOWN COUNCIL OF THE TOWN OF CALLAHAN, FLORIDA, AS FOLLOWS:**

**THE TOWN OF CALLAHAN  
TENANT ASSISTANCE, RELOCATION & REAL PROPERTY ACQUISITION  
PLAN**

1. Displacement Avoidance Policy:

The Town of Callahan is committed to a policy to make all reasonable efforts to ensure that activities undertaken through the use of Community Development Block Grant (CDBG) and/or other federal funding will not cause unnecessary displacement or relocation. Such federally funded programs will be administered in such a manner that careful consideration is given during the planning phase with regard to avoiding displacement. The Town will also provide information to keep citizens involved in the process regarding pending land use changes, zoning and rezoning actions that threaten the preservation of residential areas. Involuntary displacement shall be reserved as a last resort action necessitated only when no other alternative is available and when the activity is determined necessary in order to carry out a specific goal or objective that is of benefit to the public. In this case, community development and housing programs will be planned in a manner which avoids displacement of households or business.

However, "voluntary" displacement (temporary or permanent) may be necessary in order to achieve a benefit to a household or business (such as rehabilitation or replacement of the building). Such benefits shall be identified and requested by the displaced. Voluntary displacement may also occur when a property owner voluntarily offers his home or business property for sale to the Town. In these cases, the seller may be required to waive rights as a condition of the sale of the property, and the Uniform Relocation Act provisions will govern actions of the Town and/or its representative. 24 CFR Part 570 is a governing document on displacement and is incorporated by reference. 49 CFR Part 24 provides Uniform Relocation Act information and is incorporated by reference. As pertains to the Town's tenant Assistance, Relocation and Real Property Acquisition Plan, the U.S. Department of Housing and Urban Development Handbook #1378, September 1990, shall be adopted in its entirety.

2. Definitions of “Standard” and “Non-Standard Suitable for Rehabilitation” Dwelling Unit Condition.

In the absence of federal and state provided definitions, the following is provided to establish a frame of reference and context when dealing with matters of displacement and/or relocation as defined in 24 CFR Part 570 and 49 CFR Part 24.

A. Standard Condition

A dwelling unit is considered standard if it has no major defects or only slight defects which are correctible through the course of regular maintenance. It must be in total compliance with applicable Town housing and occupancy codes; be structurally sound, watertight and in good repair; be adequate in size with respect to number of rooms and area of living space and contain the following:

1. A safe electrical wiring system adequate for lighting and other normal electrical devices.
2. A separate, well-lighted and ventilated bathroom that provides user privacy and contains a sink, commode, and bathtub or shower stall.
3. An appropriate, sanitary and approved source of hot and cold potable water.
4. An appropriate, sanitary and approved sewage drainage system.
5. A fully useable sink in the kitchen.
6. Adequate space and service connections for a refrigerator.
7. An unobstructed egress to a safe, open area at ground level; and
8. Be free of any barriers which would preclude ingress or egress if the occupant is handicapped.

Failure to meet any of these criteria automatically causes a dwelling to be considered “substandard”.

B. Substandard Condition Suitable for Rehabilitation

A dwelling unit is considered substandard if it does not fully comply with the standard criteria, or has minor defects which require a certain amount of correction but can still provide safe and adequate shelter or has major defects requiring a great deal of correction and will be safe and adequate once repairs are made.

To be suitable for rehabilitation, a trained housing specialist must carefully inspect the dwelling and prepare a work write-up of repairs necessary to bring it up to standard condition. A cost estimate of repairs will be prepared based on the needs identified in the work write-up.

If these costs are equal to or less than 65% of the value of a comparable replacement unit as obtained from more than one licensed contractor, the dwelling will be considered suitable for rehabilitation. If the predicted cost exceeds 65%, the unit will be deemed unsuitable.

This criteria is arbitrary, however, and the Town Council/Board of Adjustments may authorize deviations based on the unique aspects of each dwelling, owner, tenant, etc. on a case by case basis. Each deviation so approved must be thoroughly documented.

### Displacement Policy and Procedures

#### III. Permanent, Involuntary Displacement

The Town will provide reasonable relocation assistance to persons (families, individuals, businesses, nonprofit organizations, displaced (moved permanently and involuntarily) as a result of the use of CDBG/federal assistance to acquire or substantially rehabilitate property). Assistance to displaced persons may include:

- a) Payment for actual moving and relocation expenses documented by receipts and/or vouchers from service providers and utility companies. The documents shall be submitted prior to the disbursement of payment.
- b) Advisory services necessary to help in relocating.
- c) Financial assistance sufficient to enable the displaced person to lease and occupy a suitable, decent, safe and sanitary replacement dwelling where the cost of rent and utilities does not exceed 30 percent of the household gross income of a family earning 80 percent of the median income for the jurisdiction.

#### A. Provisions for One-on-One Replacement

The Town will replace all occupied and vacant occupiable low/moderate income dwelling units demolished or converted to use other than a low/moderate income housing as a direct result of activities assisted with funds provided under the Housing and Community Development Act of 1974, as amended, and as described in 24 CFR Part 570. Replacement low/moderate income units may include public housing or existing housing receiving Section 8 project based-assistance.

All replacement housing will be provided within two years of the commencement of the demolition rehabilitation relating to conversion and will meet the following requirements:

1. The units will be located within the Town.
2. The units will meet all applicable Town housing, building, and zoning ordinances and will be in standard, or better, condition.
3. The units will be designed to remain low/moderate income dwelling units

for at least 10 years from the date of initial occupancy (applies to initial tenant only).

4. The unit will be sufficient in size and number (functionally equivalent) to house at least the number of occupants who could have been housed in the units that are demolished or converted.

Before obligating or expanding CDBG/federal funds that will directly result in such demolition or conversion, the local government will make public and submit to the Florida Department of Economic Opportunity and/or the U.S. Department of Housing and Urban Development the following information in writing.

1. A description of the proposed assisted activity.
2. The general location on an area map including approximate number of dwelling units by size (number of bedrooms) that will be demolished or converted to a use other than low/moderate income dwelling units.
3. A time schedule for commencement and completion of the demolition or conversion.
4. The general location on a service area map and approximate number of dwelling units by size (number of bedrooms) that will be provided as replacement units.
5. Identification of the source of funding at the time of submittal and the time frame, location and source for the replacement units.
6. The basis for concluding that each replacement dwelling unit will be designed to remain a low/moderate income dwelling unit for at least 10 years from the date of initial occupancy.
7. Information demonstrating that any proposed replacement of a unit with a smaller unit is consistent with the housing needs of LMI persons in the jurisdiction.

**B. Provisions for Relocation Assistance for Residential Displacement**

The Town will provide relocation assistance, as described in 24 CFR Part 570, to each low/moderate income household involuntarily displaced by the demolition of housing or by the conversion of a low/moderate income dwelling to another use as a direct result of CDBG/federally assisted activities. Persons that are relocated are entitled to:

1. A choice between actual reasonable moving expenses or a fixed expense and dislocation allowance.
2. Advisory services.

3. Reimbursement for reasonable and necessary security deposits and credit checks.
4. Interim living costs, and
5. Replacement housing assistance which may include a Section 8 housing voucher/certificate and referral to assisted units; cash rental assistance to reduce the rent and utility cost or lump sum payment equal to the present value or rental assistance installments to be used toward purchasing an interest in a housing cooperative or mutual housing association for a period up to 60 months (5 years).

C. Provisions for Non-Residential Relocation

Businesses, non-profit organizations, etc., shall not be relocated unless the move is voluntary, essential to the project from the public view, and the owner waives his/her rights under the Uniform Act except for the following relocation assistance:

1. Actual moving and reasonable re-establishment expenses not less than \$1,000 nor more than \$20,000 equal to prorated share for a period of interruption of operations of the average annual net earnings. Average annual net earnings before taxes during the two taxable years immediately prior to the taxable year it was displaced.
2. No other benefits will be provided and a signed waiver acknowledging that fact will be required.

IV. Temporary, Voluntary Displacement and Relocation

- A. Persons occupying housing which is to be rehabilitated using CDBG/federal funds must voluntarily agree to inclusion in the program and shall vacate the housing at the direction of the Town (or its designated agency), in order to facilitate the safe, timely and economical rehabilitation process.
- B. A moving allowance of \$300 will be provided each family unit so displaced. This allowance will be provided in two payments of \$150 each on move out and move back in.
- C. The Town may provide a safe, decent and sanitary housing unit for use as temporary relocation housing. The unit shall be available free of charge to temporarily displaced households for the time period authorized by the Town's designated agency, generally for the period of rehabilitation construction. Households who occupy the unit shall have a \$75 refundable deposit withheld from their initial moving allowance payment. This deposit shall be refunded in full immediately after the relocation unit is vacated in a clean and undamaged condition. The deposited refunded shall be denied in full or in part for payment of damages to the owner/lessee due to the occupants (a) failure to properly clean or maintain the unit, (b) physical damage to the unit, (c) loss of keys to the unit, (d)

need for any special condition such as fumigation. A \$25 per day penalty may also be assessed for the household's failure to do so by the Town's designated agency.

- D. A storage allowance of up to \$150 will be provided each family unit displaced if Storage is necessary and essential to the move.
- E. Insurance cost of up to \$100 for the replacement value of the household property in connection with the move will be provided each family unit displaced if storage is necessary and essential to the move.

V. Permanent, Voluntary Displacement and Relocation

If it is determined by the Town that occupants of a dwelling should be permanently relocated, and the occupant's voluntary consent, the government will assist in the relocation to a decent, safe and sanitary dwelling unit. Benefits, if provided, will be limited to increases in monthly housing costs incurred by the occupant in an amount equal to the lesser of 60 times the increase or 30 percent of the person's annual income. 24 CFR Part 570 must be consulted to determine specific limitations.

VI. Tenant Assistance Policy/federal Rental Rehabilitation Program.

- A. It is not the local government's policy to displace families in rental units. Participating landlords will be required to warrant that the proposed rehabilitation will not cause any tenant to be permanently displaced unless the owner will be able to relocate the tenant displaced in accordance with HUD relocation criteria. Rental Rehabilitation funds will not be used to rehabilitate the structures if the rehabilitation will cause the permanent displacement of LMI families.
- B. If it becomes necessary for an owner to temporarily move a tenant from a unit as a direct result of rehabilitation assisted through rental rehabilitation funds, the owners will assure that the tenant is offered a decent, safe and sanitary dwelling unit at an affordable rate as described on the applicable regulations. No tenant will be considered displaced if the owner has offered the tenant a decent, safe, sanitary and affordable unit and the tenant declined the offer.
- C. Should temporary displacement becomes necessary for a LMI family as a result of the rental rehabilitation assistance, the owner will assure that tenants are provided necessary financial assistance, information, counseling, referrals and housing location options regarding Federal Housing Ordinance and other relocation services as needed without regard to race, color, religion, sex, familial status, age, handicap or national origin, so as to enable the family to obtain decent, safe, and sanitary housing at an affordable rate.
- D. The Housing Authority of Nassau County shall provide federal preferences to any qualified LMI family subject to relocation. Where Section 8 Housing vouchers are available, such preferences will apply.

- E. Where required compensation to obtain replacement housing shall not exceed \$3,000 threshold. Should such projected compensation to the tenant exceed this threshold, consideration shall be given to not performing the demolition rehabilitation which would cause displacement.

VII. Displacement of Homeowners

When rehabilitation of the dwelling is not feasible or cost effective, demolition of house with CDBG/federal funds may be considered, only as a voluntary action by the homeowner.

Although homeowners have a right to assistance as previously discussed, CDBG/federal funds available for relocation assistance are limited. Therefore, financial assistance shall not exceed that described in accordance with 49 CFR 24.401, and the regulations under U.S. HUD Handbook 1378.

VIII. Appeals/Counseling

- A. If a claim for assistance is denied by the Town, the claimant may appeal where applicable to either the State of Florida or U.S. Department of Housing and Urban Development, and their decision shall be final unless a court determines the decision was arbitrary and capricious.
- B. Counseling will be provided to displacements in the area of households finance, fair housing rights, real estate transactions, and locating and evaluating replacement housing options. Counseling shall be provided by the Town or its designated agency.

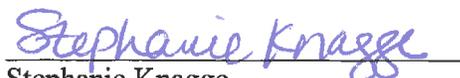
To permanently displaced households to ensure that:

1. No person is discriminated against based upon age, race, color, religion, sex, handicap, familial status, national origin, genetics or presence of children in the households
2. Displaces receive information concerning the full range of housing opportunities within the local housing market.

**DULY PASSED AND ADOPTED** by the Town Council of the Town of Callahan, Florida at a regular meeting on this 17<sup>th</sup> day of JUNE, 2018.

  
Martin Fontes  
Mayor, Town of Callahan

**ATTESTED:**

  
Stephanie Knagge,  
Clerk, Town of Callahan