

CITY OF AUSTIN

**Draft Optional Relocation Policy for the Housing
Rehabilitation Loan Program (HRLP) – HOME or CDBG Funded**

Exhibit to the HRLP Guidelines

I. DEFINITIONS

- 1) **Optional Relocation** – For single-family housing, the temporary move of a family and specific belongings out of a residence during the period that that home is being rehabilitated or repaired.
- 2) **Displaced Persons**-The term displaced person means a person (family, individual, business, nonprofit organization, or farm, including any corporation, partnership or association) that moves from real property or moves personal property from real property, permanently, as a direct result of acquisition, rehabilitation, or demolition for a project assisted with HOME or CDBG funds.
- 3) **Family** – Persons living in a household, as determined by intake information.
- 4) **Head of Household** – For purposes of this program, this is the individual designated by the family to assist program staff with activities related to the optional relocation assistance.
- 5) **Temporary Housing** – Living accommodations provided for a family during the repair or rehabilitation activities at their home until the residence passes safety clearance, and the family can reoccupy their home.

II. OPTIONAL RELOCATION ASSISTANCE POLICY GUIDE

This Policy has been prepared to provide information regarding optional relocation assistance for the Housing Rehabilitation Loan Program (HRLP) – HOME or CDBG funded. Funds for this activity are provided by the U.S. Department of Housing and Urban Development (HUD). Regulatory information regarding optional relocation can be found at 24 CFR 92.353(d) and 24 CFR 570.606(d) respectively.

Optional Relocation Assistance

Assistance is an approved expense by HUD under the HOME and CDBG Programs and has been approved by the City/Austin Housing Finance Corporation (AHFC). It is not a requirement that the City /AHFC offer optional relocation assistance. However, this assistance opportunity should be viewed as a commitment on behalf of the City /AHFC to provide assistance for adequate temporary housing to low-to-moderate income households that do not exceed 80% of the Median Family Income (MFI), as amended per household size and as defined by HUD for the Austin-Round Rock-San Marcos, TX Metropolitan Statistical Area.

Temporary Relocation Benefits

Only program staff can determine if relocation is necessary. Optional relocation reimbursement applies only to household members. Expenses may include temporary housing and other moving and storage expenses. Eligible paid receipts for each household cannot exceed \$3,000. Eligible receipts showing payment must be on company letterhead or a printed receipt with the business name and address and be paid in advance of submission. Paid receipts from family members or relatives are not acceptable. The paid receipts are ineligible for reimbursement if dated prior to the closing date or 30 days after the signed date of the Final Inspection Concurrence Warranty Information form.

In support of fair housing practices, the City/AHFC will not discriminate as to the availability of assistance, nor to the selection of the type of assistance. Each homeowner and their family

circumstances are to be evaluated as they exist at the time of the needed assistance. Should circumstances change, the City/AHFC, at its discretion, may consider those changes and act accordingly. At times when HRLP staff determine that it is in the best interest to provide optional relocation services (such as moving expense assistance and/or replacement housing assistance to owner-occupants who must move temporarily) this document should be used as a guide.

An expense is eligible if the owner first obtains approval for the expense by program staff before incurring the cost. After obtaining approval, the applicant is required to pay for the expense first and then **submit eligible paid receipts to program staff for reimbursement**. Program staff have the right to approve or deny each reimbursement request; to determine whether a need exists; and the amount of reimbursement to be paid. Applicants will be reimbursed for eligible expenses by check, up to the stated limit of \$3000, within 30 days of each paid receipt submission.

Eligible Expenses

- 1) Costs for temporary living quarters, such as hotel, motel, apartment or a short term lease.
 - a. If the family uses a pre-paid temporary housing unit, no funds will be dispersed directly to the family for rent. Only household members identified on the HRLP application are eligible for reimbursement
- 2) Costs for commercial storage. Locks purchased to secure the commercial storage unit are ineligible.
- 3) Costs for professional moving assistance and boxes. Payments to relatives and/or friends for moving assistance are ineligible.
- 4) Costs for commercial rental moving truck. Gasoline expenses are ineligible.

Homeowners must pay for the following on their own and cannot be reimbursed for the following expenses.

Ineligible Expenses

- 1) Paid receipts not on business letterhead and any receipts program staff deny.
- 2) Packing, cleaning of existing house, and/or cleaning of rental upon departure of displaced homeowner.
- 3) Persons who are not in enrolled in HRLP or who are in the program but are not current clients.
- 4) Any damage to the hotel/motel.
 - a. Local and long distance calls are not eligible for reimbursement.
 - b. Cable service will not be provided unless motel/hotel provides cable with the room as part of the room cost.
 - c. Any property missing from the hotel/motel during the temporary relocation.
- 5) Insuring property in a temporary unit or in storage. Locks purchased to secure temporary storage units.
- 6) All food costs and gasoline expenses for personal automobile and/or commercial rental moving trucks.

- 7) Costs of transportation will be the sole responsibility of the family. City/AHFC will not pay for mileage reimbursements.
- 8) Routine daily maintenance of a rental unit and cleaning costs for a temporary unit upon exit.
- 9) PO Box or mail transfers and all utilities while relocated including all utilities at the rehabilitated property.
- 10) All paid receipts dated before the closing date.
- 11) All paid receipts dated more than 30 days after the signed date of the Final Inspection Concurrence Warranty Information form.
- 12) All paid receipts submitted after the \$3000 maximum has been paid.
- 13) Payments to relatives and/or friends for moving assistance and/or temporary living quarters.
- 14) This Optional Relocation Assistance policy does not pertain to emergency housing for citizens not in the City of Austin. Optional Relocation Assistance is not available for hurricane/wind, water/flood, fire/smoke, or other natural or manmade related housing emergencies.

III. IMPORTANT

- 1) Security – All household belongings must be removed from the property by the owner so that the home is totally vacant before the repairs or reconstruction can begin.
- 2) Pet Policy - Program staff must pre-approve if any animals/pets can remain on the site during the temporary relocation.
 - a. Animals normally kept out of doors, such as small livestock or caged birds, may be left on the premises, if arrangements can be made for their care. All expenses are the applicant's responsibility.
 - b. Residents are encouraged to find safe, suitable lodging for pets during the temporary relocation. All expenses are the applicant's responsibility.
- 3) Relocation payments are not considered as income for federal or state income tax purposes. They do not affect eligibility for Social Security payments, welfare, or other related governmental assistance.