

**IEDA's  
Residential Anti-displacement  
and Relocation Assistance Plan**

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## PURPOSE OF THE RARAP

This Residential Anti-displacement and Relocation Assistance Plan (RARAP) has been developed 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 applicable CDBG program requirements at 24 CFR part 570.488 and 24 CFR 570.606, as amended by waivers and alternative requirements for disaster recovery.

The purpose of this RARAP is to provide guidance on the policies it applies to any activity and/or project assisted with CDBG-DR grant funds and may be subject to the Uniform Relocation Assistance and Real Property Acquisition and Real Property Acquisition Policies Act of 1970, as amended (URA) and its implementing regulations set forth at 49 CFR part 24. The URA regulations include amendments adopted by the Federal Highway Administration (FHWA) in the [URA Final Rule](#) published on May 3, 2024, with an effective date of June 3, 2024.

This RARAP is aligned with IEDA's URA Policies & Procedures, and the HUD and CDBG-DR waivers, and alternative requirements, specified in the CDBG-DR Consolidated Notice, as amended.

## APPLICABILITY TO SUBRECIPIENTS

IEDA and its Subrecipients must implement acquisition and relocations activities in accordance with 49 CFR part 24, as amended in June 3<sup>rd</sup>, 2024, Section 104(d) (24 CFR part 42), and applicable CDBG-DR requirements (24 CFR 570.606 and CFR 570.488). Consistent with the CDBG-DR Consolidated Notice, and since 24 CFR 570.606(d) has been waived (see Waiver section of this RARAP), subrecipients may adopt IEDA's RARAP, or develop their own RARAP for IEDA approval, provided the plan complies with URA (49 CFR part 24) and Section 104(d) requirements of the Housing and Community Development Act (24 CFR part 42). As stated in the waiver, the approved plan must:

1. Be made available to the public (by publication in a newspaper of general circulation) once approved;
2. Describe the relocation assistance that the subrecipient will provide and how it meets the goals of the program, and;
3. Ensure equal relocation assistance within each class of displaced persons.

## CDBG-DR PROGRAM POLICY

The programs proposed under IEDA's current CDBG-DR Action Plans are designed to address existing displacement and unmet housing needs resulting from disaster events. These programs prioritize the provisions of new and replacement housing opportunities for households impacted by the disaster and are not anticipated to cause displacement. IEDA recognizes the substantial challenges experienced by displaced individuals, families, businesses, farms, nonprofit organizations. Consistent with the intent of the CDBG-DR programs, the proposed activities are structured to support recovery and housing stability and are not expected to result in the displacement of housing applicants, including those in vulnerable populations.

Under the updated URA Final Rule, effective June 3, 2024, the definition of displaced persons includes:

*“Individuals who are permanently displaced from their residences or businesses, and those who are required to move temporarily for a Federally funded project.”*

This definition also applies to tenants residing in properties that have been acquired through voluntary acquisition, provided there is a binding agreement obligating the property as part of the Federally funded project.

The following categories outline individuals who are **not classified as displaced persons** under the URA regulations include:

- a. Individuals who move out prior to initiation of negotiations
  - Persons who relocate prior to the initiation of negotiations are not considered displaced unless the agency determines the move was a direct result of acquisition, rehabilitation, or demolition for the CDBG–DR activity and/or the project.
- b. Individuals who move in after application submission
  - Person who move into the property after the submission of the application but— before signing a lease and commencing occupancy—are not classified as displaced, provided they were given written notice regarding the project. This notice must inform the individual of the project, and its possible impacts, including possible displacement, temporary relocation, or a rent increase, and must clearly state that they would not qualify as a ‘displaced person’ as a result of the project.
- c. Evicted individuals
  - Person who has been evicted for cause, due to 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, The participating jurisdiction must determine that the eviction was not undertaken for the purpose of evading the obligation to provide relocation assistance.
- d. Additional individuals listed under other categories at 49 CFR 24.2(a)(iv) are not considered displaced persons.

IEDA will adhere to the URA’s provisions regarding persons not displaced, applying these definitions exactly as written.

### **Temporary Relocation (URA 2024 Update)**

When a person must move temporarily due to a CDBG-DR project, IEDA/Subrecipients will:

1. Provide required notices under 49 CFR 24.203 and advisory services under 49 CFR 24.205.
  - a. The General Information Notice (GIN) will state the person will not be required to move without at least 90 days written notice and, for residential moves, that at least one comparable dwelling will be available before any move (except emergency moved under 49 CFR 24.294 (b)).
2. Ensure the person’s reasonable and necessary out-of-pocket costs are fully reimbursed for temporary relocations, including costs to move and return personal property and if approved by the displacing agency, storage expenses.
3. Limit temporary relocation for up to a maximum of 12 months.
  - a. If a temporary relocation move lasts beyond 12 months, the person will be treated as permanently displaced and offered full URA benefits.

## REQUIRED NOTICES AND CONDITIONS

A person, business, non-profit or farm currently occupying real property to be acquired by IEDA will not be required to move without first being given a General Information Notice (GIN) detailing the project, and at least ninety (90) day advance written notice. A person, business, non-profit or farm will need to establish on the date of the initiation of negotiations that they have legal occupancy of the real property.

Residential occupants eligible for relocation assistance will not be required to move unless at least one (1) comparable “decent, safe and sanitary” replacement residence, available on the market, is identified and provided to them by the Agency.

Prior to displacement of a person, business, non-profit or farm, as a result of an acquisition by the Agency, the eligible occupants will be given a written Notice of Eligibility (NOE) by certified mail, personal hand delivery or electronic delivery, which will inform them of the benefits that they are eligible to receive. The NOE shall indicate the name, address and telephone number of a person on behalf of IEDA who may be contacted to provide assistance with the advisory services and replacement housing assistance, including addressing questions.

## RELOCATION ASSISTANCE FOR 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.

Displaced person(s) may choose to receive the following assistance:

- a. **Advisory Services** – Referrals to comparable replacement homes, inspection of replacement housing to ensure that it meets decent, safe and sanitary standards, help in preparing claim forms for relocation payments, language access, and other reasonable accommodations to minimize the impact of the move (49 CFR 24.205).
- b. **Moving Expenses** – Payment of actual, reasonable moving and related expenses (security deposits and credit checks) or allowable alternative.
  - New provisions include:
    - Reimbursement up to \$1,000 for application fees and credit reports required to lease a replacement dwelling (49 CFR 24.301(g)(7));
    - Residential self-move may be based on the lower of two commercial mover bids (49 CFR 24.301(b)(2)(iv)); and
    - Search cost for non-residential moves increased to \$5,000 (49 CFR 24,301(g)(18)(i)).
- c. **Replacement Housing Payments (RHPs)** – Payments for rental assistance or purchase of replacement housing for displaced person/household.
  - 90-day homeowners: up to \$41,200 for replacement home (49 CFR 24.401(b));
  - 90-day tenants/others displaced: rental assistance or down payment assistance up to \$9,570 for a comparable or suitable replacement home (49 CFR 24.402).
- d. **Reestablishment Expenses (Business/Non-profit/Farm)** – Payment for reestablishment expenses up to \$33,200 (49 CFR 24.304); fixed payment in lieu of actuals: \$1,000-\$53,200 based on average annual net earnings (49 CFR 24.305 (a)).

## 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 persons from their homes and neighborhoods. Subrecipients may determine the actions needed based on local needs and priorities, as well as the applicable project objectives, and include the steps listed below in their local Residential Anti-displacement and Relocation Plan (RARAP):

- 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 Federal Register Notice for the CDBG-DR Consolidated Notice initially published February 3, 2022 ([87 FR 6364](#)), as amended, outlines waivers and alternative requirements that apply to the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA), Section 104(d) of the Housing and Community Development Act, and Section 414 of the Stafford Act. Where a waiver or alternative requirement permits flexibility in the provision of relocation assistance, IEDA and its subrecipients shall apply the updated definitions, notice requirement, eligibility criteria, and benefit limits established under the URA Final Rule. These waivers are designed to promote access to decent, safe, and sanitary housing.

All waiver and alternative requirements described below shall be implemented in a manner consistent with the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA) and its implementing regulations at 40 CFR part 24, as amended effective June 3, 2024.

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

One-for-one replacement requirements in [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.

### Replacement not Required Based on Unit Availability

Under 24 CFR §42.375(d)(1), IEDA may submit to HUD for consideration a determination request that the one-for-one replacement requirement does not apply based on objective data that there is an adequate supply of vacant lower-income dwelling units in standard condition available on a non-discriminatory basis within the area.

### Section 104(d) Relocation Assistance

For the purpose of this waiver, all determinations of displaced person eligibility, required notices, temporary relocation status, and the calculation of assistance amounts shall be made in accordance with 49 CFR part 24, as amended effective June 3, 2024. This includes, but is not limited to, updated definitions of displaced persons, eligibility of persons required to move temporarily, and revised replacement housing payment limits.

The relocation assistance requirements in 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 in the amounts and types provided under the [URA regulations](#) or assistance under [Section 104\(d\)](#) to ensure uniform and equitable treatment. 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 when using CDBG-DR**

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**

Consistent with 49 CFR 24.2(a), as amended effective June 3, 2024, tenants who move as direct result of a voluntary acquisition are considered displaced persons when a binding written agreement obligates the agency to purchase the property. Such tenants shall be provided with relocation assistance in accordance with URA requirements, notwithstanding the voluntary nature of the acquisition.

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 [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

Any optional relocation assistance provided under this waiver shall supplement, and not replace or reduce, relocation assistance required under the URA. Optional relocation assistance must be administered in a manner consistent with 49 CFR part 24, as amended effective June 3, 2024, including updated notice requirements, temporary relocation provisions, and revised payment limits.

The regulations at [24 CFR 570.606\(d\)](#) are waived to the extent that they require optional relocation policies to be established at IEDA or permitted for subrecipients if written public, and equitable. 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](#) (42 U.S.C 5181) (Section 414) 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:

1. The date of an approved Request for Release of Funds and certification;
2. The date of completion of the site-specific review when a program utilizes Tiering; or
3. 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.

IEDA will ensure that such persons' eligibility for relocation assistance and payments under the URA is not impacted by this waiver.

## **APPEALS**

IEDA or its subrecipients (depending on which entity is carrying out the activity) will provide a process for persons to appeal decisions concerning their eligibility for and the amount of assistance. The appeals process will follow URA requirements at 49 CFR 24.10. If dissatisfied with the Agency's determination with respect to a claim for relocation into comparable replacement housing under Section 104(d), a person may submit a request to HUD to review the determination. The decision of the HUD Secretary shall be final unless a court determines the decision was arbitrary and capricious.

## **CONTACT INFORMATION**

IEDA shall be responsible for tracking the replacement of lower-income dwelling units to ensure that they are provided within the required period and shall track relocation payments and other relocation assistance to any lower-income displaced person. IEDA can be contacted at (XXX) XXX-XXXX.

## 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.

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Authorized Signature