

MILLE LACS BAND OF OJIBWE
RELOCATION AND REAL PROPERTY ACQUISITION POLICY

I. INTRODUCTION

The purpose of this policy is to ensure that tenants and homebuyers who may be temporarily relocated or displaced as a result of a project assisted by Indian Housing Block Grant funds are treated fairly. This policy applies to any IHBG-assisted activities.

II. ACQUISITION PROCEDURES

When acquiring property by a private owner through any transaction (except condemnation), the Housing Department will:

- a. Before discussing the purchase price, inform the owner
 - i. Of the amount it believes to be the fair market value of the property. Such amount shall be based upon one or more appraisals prepared by a qualified appraiser. However, this provision does not prevent the Mille Lacs Band from accepting a donation or purchasing real property at less than its fair market value.
 - ii. That it will be unable to acquire the property if negotiations fail to result in an amicable agreement.
- b. Request HUD approval of the proposed acquisition price before executing a firm commitment to purchase the property if the proposed acquisition payment exceeds the fair market value. The Department shall include with its request a copy of the appraisal(s) and a justification for the proposed acquisition payment. HUD will promptly review the proposal and inform the Department of its approval or disapproval.

III. DEFINITIONS

- a. Displaced Person. Displaced person means any person (household, business, nonprofit organization or farm) that moves from real property, or moves his or her personal property from real property, permanently, as a direct result of rehabilitation, demolition, or acquisition for a project assisted by the Indian Housing Block Grant. The term “displaced person” includes, but is not limited to:
 - i. A tenant-occupant of a dwelling unit who moves from the building/complex permanently after the submission to HUD of an IHP that is later approved.

- ii. Any person, including a person who moves before the date described in III.a.i. of this policy, that the Department determines was displaced as a direct result of acquisition, rehabilitation, or demolition for the assisted project.
 - iii. A tenant-occupant of a dwelling unit who moves from the building/complex permanently after the execution of the agreement between the recipient and HUD, if the move occurs before the tenant is provided written notice offering him or her the opportunity to lease and occupy a suitable, decent, safe and sanitary dwelling in the same building/complex, under reasonable terms and conditions, upon completion of the project. Such reasonable terms and conditions include a monthly rent and estimated average monthly utility costs that do not exceed the greater of:
 - 1. The tenant-occupant's monthly rent and estimated average monthly utility costs before the agreement; or
 - 2. 30 percent of gross household income.
 - iv. A tenant-occupant of a dwelling who is required to relocate temporarily, but does not return to the building/complex, if either:
 - 1. The tenant-occupant is not offered payment for all reasonable out-of-pocket expenses incurred in connection with the temporary relocation, including the cost of moving to and from the temporarily occupied unit, any increased housing costs and incidental expenses; or
 - 2. Other conditions of the temporary relocation are not reasonable.
- b. A person does not qualify as a displaced person (and is not eligible for relocation assistance under this policy) if:
- i. The person moved into the property after the submission of the IHP to HUD, but before signing a lease or commencing occupancy, was provided written notice of the project, its possible impact on the person (i.e. the person may be displaced, temporarily relocated or suffer a rent increase) and the fact that the person would not qualify as a "displaced person" or for any assistance provided under this section as a result of the project.
 - ii. The person is otherwise ineligible under federal law.
 - iii. The Department determines the person is not displaced as a direct result of acquisition, rehabilitation or demolition for an assisted project. To exclude a person on this basis, HUD must concur in that determination.

- c. The Department may at any time ask HUD to determine whether a specific displacement is or would be covered under this section.

IV. RELOCATION

- a. **Minimize Displacement.** The Housing Department shall take all reasonable steps to minimize the displacement of persons as a result of an IHBG-assisted project.
- b. **Temporary Relocation.** Where residential tenants and homeowners are required to relocate temporarily for a project, such tenants and homeowners will be provided:
 - i. Reimbursement for all reasonable out-of-pocket expenses incurred in connection with the temporary relocation, including the cost of moving to and from the temporarily occupied housing and any increase in the monthly housing costs (including rent, utility costs, etc.).
 - ii. Appropriate advisory services, including reasonable advance written notice of:
 - 1. The date and approximate duration of the temporary relocation;
 - 2. The location of the suitable, decent, safe and sanitary dwelling to be made available for the temporary period;
 - 3. The terms and conditions under which the tenant may occupy a suitable, decent, safe, and sanitary dwelling in the building/complex following completion of the repairs; and
 - 4. The provisions of III(b)(i) of this policy regarding reimbursement.
- c. **Relocation Assistance for a Displaced Person.** A displaced person must be provided relocation assistance at the levels described in, and in accordance with the requirements of, the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 49 CFR part 24.
- d. **Appeals to the Department.** A person who disagrees with the recipient's determination concerning whether the person qualifies as a "displaced person," or the amount of relocation assistance for which the person is eligible, may file a written appeal of that determination with the Department.
- e. The cost of the required relocation assistance is an eligible project cost in the same manner and to the same extent as other project costs. However, such assistance may also be paid for with funds available to the Department from any other source.

- f. The Department shall maintain records in sufficient detail to demonstrate compliance with this policy.