

URA Relocation Assistance for Tenants Fact Sheet

What is URA Relocation Assistance for Tenants?

The Uniform Relocation Assistance and Real Property Acquisition Policies Act provides relocation assistance to people who must sell their homes to the Government (such as when the Government exercises its powers of eminent domain). Property owners who choose to sell their properties to the community as a result of a FEMA property acquisition project do so voluntarily and are not eligible for relocation assistance. However, tenants of those properties might leave their homes involuntarily. Therefore, they might be eligible for assistance under the URA.

How do I know if I might be eligible?

If the property you are renting or leasing is your primary residence and you must relocate because of the acquisition project, you might be eligible if you—

- Occupied the dwelling for at least 90 days before the community initiated negotiations with the property owner.
- Rent or purchase a decent, safe, and sanitary replacement dwelling within one year after moving out of the original dwelling.

If I am eligible, what kind of assistance will I get?

If you are eligible, you are entitled to—

- Reasonable out-of-pocket moving expenses.
- Compensation for a reasonable increase in rent and utility expenses.
- Relocation advisory services to help you find appropriate housing.

You must verify your rent and expenses with receipts, a lease, copies of utility bills, etc.

If I am eligible, how much assistance will I get?

The amount of assistance varies and depends on your expenses. However, total compensation for a rent increase generally may not exceed \$5,250.

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How do I calculate compensation for a rent increase?

Subtract the base monthly rent for the displacement dwelling from the monthly rent and average monthly utilities costs for a comparable or replacement dwelling, and multiply by 42. Your compensation will be either that amount or \$5,250, whichever is less. See the example on the next page.

$$\begin{array}{rcccl}
 \text{Monthly Rent and} & & \text{Base Monthly Rent} & & \\
 \text{Utilities for} & & \text{for Displacement} & \times & 42 \\
 \text{Replacement Dwelling} & - & \text{Dwelling} & & \\
 & & \text{or} & & \\
 & & \$5,250 & &
 \end{array}$$

What is base monthly rent?

The base monthly rent is the lesser of—

- The average monthly cost for utilities plus rent at the displacement dwelling.
- Thirty percent of the tenant's average gross monthly household income.

How can I apply for tenant relocation assistance?

Contact your community point of contact. He or she will help you compile the documentation you need and fill out the necessary forms. Keep copies of your old and new leases, receipts for any repairs you had made, old and new utility bills, and all other expenses related to your old and new homes. The State and community will determine whether or not you are eligible, and the amount of assistance to which you are entitled.

I rent a mobile home, how does tenant relocation assistance affect me?

If you rent both the the mobile home and the homepad it rests on, you are eligible for these benefits. If you own your mobile home, but rent the homepad, you also are eligible for other benefits. Ask your community's point of contact.

Calculating Compensation for a Rent Increase

Step 1: Calculate Base Monthly Rent.

The base monthly rent is the lesser of:

- The average monthly cost for utilities plus rent at the displacement dwelling as determined by FEMA
- 30 percent of the tenant's average gross monthly household income

Step 2: Subtract Base Monthly Rent for Displacement Dwelling from Monthly Rent for Replacement Dwelling.

Step 3: Multiply by 42.

STEP 1:

Displacement Dwelling (Flooded Home)		Household Income		Base Monthly Rent	
Monthly Rent	\$400/mo	Adult 1	\$16,000/yr	The lessor of:	
Average monthly utilities cost (i. e., electricity, gas, water)	\$100/mo	Adult 2	8,000/yr	Average monthly rent at displacement dwelling	\$500
		Child 1	0/yr		
		Child 2	0/yr		
Total Average monthly rent	\$500/mo	Total annual household income	\$24,000/yr	30 percent (.30) of gross monthly household income	\$24,000 <u>÷ 12</u> 2,000 <u>x .30</u> 600

STEP 2:

Replacement Dwelling (New Home)	
Monthly rent	\$450/mo
Average monthly utilities cost (i. e., electricity, gas, water)	\$120/mo
Total average monthly rent	\$570/mo

STEP 3:

Compensation	
\$570	Average monthly rent (new home)
<u>- 500</u>	Base monthly rent
70	
<u>x 42</u>	
\$2,940	Total compensation for rent increase

If comparable housing is not available, or it is not available within the maximum \$5,250 limit, it must be provided before you are required to move.