

Residential Anti-Displacement and Relocation Assistance Plan

It shall be the policy of the State of North Carolina Office of Recovery and Resiliency (NCORR), to follow the plan described below to minimize adverse impacts on persons of low-and-moderate income resulting from acquisition, rehabilitation, and/or demolition activities assisted with funds provided under Title 1 of the Housing and Community Development (HCD) Act of 1974, as amended, as described in 24 CFR 42.325. NCORR is North Carolina's administrator of U.S. Department of Housing and Urban Development's (HUD) Community Development Block Grant- Disaster Recovery (CDBG-DR) and Community Development Block Grant – Mitigation (CDBG- MIT) Programs and certifies that it will comply with this Residential Anti-Displacement and Relocation Assistance Plan.

Every effort will be made to minimize temporary or permanent displacement of persons due to the delivery of HUD CDBG-DR and CDBG-MIT Programs administered by NCORR. The State has utilized the waivers set forth in applicable Federal Register Notices pertaining to the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) including, but not limited to, the following notices:

- CDBG-MIT Main Notice, 84 FR 45838, 8/30/2019; Notice 86 FR 561,1/6/21; and Omni Notice, 87 FR 36869, 6-21-2022;
- CDBG-DR Hurricane Florence Main Notice (also applies to Hurricane Matthew), 85 FR 4681, 1/27/2020;
- CDBG-DR (Hurricanes Florence and Matthew), 83 FR 5844, 2/9/2018;
- CDBG-DR (Hurricanes Florence and Matthew), 84 FR 4836, 2/19/2019; and
- CDBG-DR (Tropical Storm Fred), 87 FR 31636, 5/24/2022.

POLICY

NCORR plans to minimize displacement, however it realizes that some displacement may occur through the provision of its disaster recovery and mitigation programs. In developing its recovery programs, NCORR considers any potential disturbance to citizens its programs may cause, because it understands the importance of community and the disruption storm survivors have already endured. Therefore, NCORR commits to considering alternatives that will keep residents in their current locations and/or homes, thereby minimizing displacement. These alternatives will be weighed against the feasibility of implementing the alternative from a likelihood of future damage, cost, regulatory, and administrative perspective. The ReBuild NC Homeowner Recovery Program, for example, makes every effort to ensure that residents are re-housed on their storm-damaged property in a more resilient manner so that they are less at risk for future storm damage. However, the Strategic Buyout Program represents NCORR's primary mitigation effort to permanently relocate citizens to safer areas, out of harm's way. This program involves the permanent, voluntary relocation of property owners who choose to participate by selling their property located in areas designated as a higher risk for future storm damage. The acquisition of buyout properties may result in the permanent involuntary displacement of tenants. When relocation is required,

NCORR will provide the relocation assistance required under the Uniform Relocation and Real Property Acquisition Policies Act of 1970 (URA) and applicable HUD policy. Relocation assistance will be provided to all eligible persons displaced by an NCORR-funded CDBG-DR or CDBG-MIT activity, including the provision of advisory services, replacement housing payments, and reimbursement for allowable expenses. When such displacement is unavoidable, or part of a planned program (as is the case with the Strategic Buyout effort), NCORR will follow its policies regarding the implementation of relocation assistance included in its URA Policy Manual. URA policies may be revised intermittently and will be available for public review on the NCORR's website. URA requirements and waivers are described below. NCORR utilizes a system of record to document its program activities. Displacement, relocation, acquisition and replacement of housing activities will be recorded in compliance with NCORR's Record Retention and Access Policy.

WAIVERS

RELOCATION BY SUBRECIPIENTS

NCORR requires subrecipients to adopt the NCORR's Residential Anti-Displacement and Relocation Assistance Plan or develop and adopt its own plan regarding any activity assisted with funding from CDBG-DR or CDBG-MIT as allowed under the waiver for optional relocation plans. When an entity decides to adopt its own plan, the plan must be provided to NCORR for review. The final relocation plan must be approved by NCORR and made available to the public, HUD, and other agencies as applicable. In the event of displacement because of a federally funded award, NCORR requires that the subgrantee and subrecipients to comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, (42 U.S.C. 4601 et seq.) ["URA"], for any household, regardless of income which is involuntarily and permanently displaced.

URA REGULATIONS APPLY

For the sake of ensuring the consistent administration of relocation benefits, HUD has waived Section 104(d) of the Housing and Community Development Act of 1974 as amended, and 24 CR 42.350, to the extent that relocation requirements differ from those under the URA regulations at 49 CFR Part 24. Therefore, NCORR commits to consistently implementing the requirements at 49 CFR Part 24 in its administration of URA assistance.

ONE-FOR-ONE REPLACEMENT

CDBG-DR regulations applicable to Hurricane Matthew and Hurricane Florence disaster recovery efforts waive the requirement to provide one-for-one replacement for lower income dwelling units that are damaged by the disaster and not suitable for rehabilitation. Units which meet NCORR's definition of Not Suitable for Rehabilitation are exempted from the one-for-one replacement requirements. NCORR's applicable definition of not suitable for rehabilitation is included in NCORR's program policy manuals. In the absence of a program-specific definition, programs and activities may default to the definition found in the Uniform Relocation Act (URA)

POLICY MANUAL

It is worth noting that the waiver for the one-for-one replacement requirement was extended and modified by the 2020 Consolidated Notice to apply to owner-occupied lower-dwelling units demolished or converted with applicable CDBG-DR funding, such as Tropical Storm Fred CDBG-DR funds. However, previous notices that applied to Hurricane Matthew and Hurricane Florence CDBG-DR funds, for example, did not have the same distinction and applied the waiver regardless of occupancy.

While the CDBG-DR regulations apply to the majority of NCORR's disaster recovery efforts, NCORR's Strategic Buyout Program is governed by the regulations issued for CDBG-MIT funds. The issuance of 87 FR 36872, June 21, 2022, V. provides a revised waiver to the one-for-one replacement exemption for CDBG-MIT funds allocated under PLs 115-123 and 116-20. This waiver indicates that the previous waivers and alternative requirements required that properties treated with CDBG-MIT funds must be "tied" to a previous storm and be storm-damaged. This revised waiver recognizes that CDBG-MIT funds are to be used to lessen the risk of future storm damage. Therefore, the waiver removes the requirement to demonstrate damage by a previous disaster as long as the activity meets the objective of moving people and property out of harm's way and is aligned with the objectives of the MIT funding. NCORR has applied the waiver at 87 FR 36872 in the implementation of its Strategic Buyout Program.

TENANT-BASED RENTAL ASSISTANCE

HUD waivers allow an agency to use tenant-based rental assistance (such as Section 8 housing choice vouchers) to meet all or a portion of its relocation assistance obligation if it also provides comparable replacement dwellings for consideration by the displaced person. NCORR does not administer such rental assistance however NCORR may allow its subrecipients that administer such assistance to utilize this waiver. If this assistance is administered by a subrecipient, NCORR will request that the subrecipient indicate its plan in writing for review, commit to providing 42 months of assistance, and must be approved by NCORR.

ARM'S LENGTH VOLUNTARY PURCHASE

While the acquisition requirements under URA are waved, NCORR plans to perform acquisition under its Strategic Buyout Program to meet all the requirements of 49 CFR 24.101(b)(1)(i-iv). NCORR will provide an offer to acquire an applicant's property under the Strategic Buyout Program. This offer will be made in writing and based on the appraised current fair market value. If an owner rejects the offer, no further attempt will be made to have the owner approve the acquisition. Any eligible tenant displaced by this activity will be provided with the relocation assistance required under the URA.

SECTION 414 WAIVER OF THE ROBERT T. STAFFORD DISASTER RELIEF AND EMERGENCY ASSISTANCE ACT.

The regulations listed on page one of this document provide waivers to Section 414. These waivers have been utilized by NCORR in the implementation of its programs. Under the CDBG-DR waivers, NCORR will follow "option b" as applicable to CDBG-DR funded efforts consistently and will ensure it is so stated in its policy manuals. Section 414 of the Stafford Act is waived to the extent that it would apply to real property acquisition, rehabilitation, or demolition of real property for a CDBG-DR or CDBG-MIT funded project, undertaken by NCORR or its subrecipient, that began more than one (1) year after the Presidentially declared disaster, provided that the project was not planned, approved, or otherwise underway prior to the disaster. NCORR understands that the program commencement date is the earliest of: (1) The date of an approved Release for Request of Funds (RROF) and certification, or (2) the date of

completion of the site-specific review when a program utilizes tiered environmental reviews, or (3) the date of sign-off by the approving official when a project converts to exempt under 24 CFR 58.34(a)(12). Further, NCORR will ensure that this waiver does not apply 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. NCORR will ensure that such persons' eligibility for relocation assistance and payments under the URA is not impacted by this waiver.

SECTION 104(D) APPLICABILITY

As previously noted, current CDBG-DR and CDBG-MIT regulations waive to various degrees the requirements found at section 104(d)(2)(A)(i) and (ii) and 104(d)(3) of the HCDA. Waivers applicable to Hurricane Matthew and Hurricane Florence CDBG-DR funds, for example, exempt all disaster-damaged lower-income dwelling units that meet NCORR's definition of "not suitable for rehabilitation" from the one-for-one replacement housing requirements of 24 CFR 42.375. Moreover, the waivers acknowledge that the one-for-one replacement requirements of Section 104(d) do not take into account the large, sudden changes that a major disaster may be caused to the local housing stock, population, or economy. Disaster-damaged housing structures that are not suitable for rehabilitation can pose a threat to public health and safety and to economic revitalization.

Nonetheless, NCORR acknowledges that there may be scenarios in which 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 may be subject to the one-for-one replacement requirements. In those cases, NCORR will work, as appropriate and necessary, with other government agencies and/or private developers to directly or indirectly meet the one-to-one replacement requirements of 24 CFR 42.375.

Lastly, NCORR acknowledges that 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 and will work with impacted entities to follow the requirements provided by HUD.

Certification of Compliance

The North Carolina Office of Recovery and Resiliency (NCORR) commits to implementing this Residential Anti-Displacement and Relocation Plan, minimizing displacement whenever feasible, and certifies that it will comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (Pub. L. 91–646) [42 U.S.C. 4601 et seq.].

The North Carolina Office of Recovery and Resiliency hereby adopts this Residential Anti-Displacement and Relocation Assistance Plan for the projects funded under the CDBG-DR and CDBG-MIT Programs.

Division on Behalf of the North Carolina Office of Recovery and Resiliency (NCORR)

Printed Name: Laura Hogshead

Title: Director, NCORR

Signature

Date of Approval