

**DECLINE STREET REDEVELOPMENT
PROJECT**

**URBAN RENEWAL PLAN
ANYTOWN, KENTUCKY**

JANUARY 2000

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URBAN RENEWAL PLAN

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INTRODUCTION

CHAPTER 1

PURPOSE

Anytown has recognized the slum/blighted conditions in the Decline Street area of the City and is pursuing funding to address this area. The City is initiating a Community Development Program to revitalize and improve living conditions in this neighborhood. In initiating this Community Development Program, the City is recognizing and responding to accelerating deterioration and blight, the inadequacies of public facilities, and shortage of suitable housing for low and moderate income families in the community, and requests by area residents for assistance in upgrading their neighborhood.

The purpose of this Urban Renewal Plan (also known as a Development Plan) is to outline the actions to be taken for the implementation of the Community Development Program. This program will seek to stimulate and guide (through the activities specified herein) public and private investments in the redevelopment of the Decline Street area. This project area as outlined in Chapter 2 is the focus of this Urban Renewal Plan.

To achieve this, Anytown will initiate a Community Development Program to perform the activities specified in this plan in accordance with the provisions of the Kentucky Revised Statutes, Chapter 99.

In accordance with KRS 99.370(2) and KRS 99.540, this plan addresses the following topics:

1. Location, character and extent of public and private land ownership and uses proposed within each project area.
2. Proposed land acquisition, demolition and clearance activities within the project area.
3. Proposed redevelopment and improvements within the project area.
4. Proposed rehabilitation activities of all types within the project area.
5. Relationships of this plan to local development objectives, strategies and standards.
6. Maximum density and building requirements within the project area.
7. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (Uniform Act) will be followed by the City during relocation procedures.

COMMUNITY BACKGROUND

Anytown is a City located in eastern Kentucky containing 10 square miles. In 1990, the City had a population of 802. The population increase to 810 in 2000. Of the 810 people residing in the City in 2000, 701 (86.5%) were White, 82 (10.1%) were Black, 5 (0.6%) were American Indian, 6 (0.7%) were Asian, and 7 (0.9%) were listed as "Other". In addition, there were 9 persons (1.1%) that reported as being two or more races. In 2000, 85 residents of the City were Hispanic or Latino (10.5%).

The Decline Street area of Anytown is a minority community located in the south end of the city. The area has a large concentration of dilapidated housing with some newer homes. Five (5) of the older homes have no usable indoor toilet. Four (4) households do not have indoor water service.

PROJECT AREA LOCATION

The Community Development Block Grant received by Anytown was obtained to assist in the redevelopment of the Decline Street project area. Appendix A contains various maps that depict the location of the neighborhood that is covered by the Urban Renewal Plan. As can be seen from reviewing the project area map, the Decline Street area includes properties located from 100-400 Decline Street, as well as those located on Slum Street, Revive Street and Narrow Lane.

PROJECT OVERVIEW

A Community Development Block Grant has been approved by the Governor's Office for Local Development to provide funding for the redevelopment of the Decline Street project area. The project funded with this grant is known as the Decline Street Redevelopment Project. This project will take approximately twenty-four months to complete and will accomplish the following tasks:

1. Seven (7) parcels of land containing seven (7) structures and three (3) mobile homes will be acquired in order to eliminate title problems and allow clearance of these structures.
2. Eighteen (18) structures will be cleared in order to eliminate a concentrated area of dilapidated housing and enable seven (7) owners to build homes that have running water and public sewer.
3. Ten (10) families will relocate into decent, safe, and sanitary housing. Six (6) LMI homes will be connected to a public sanitary sewer system in order to provide indoor plumbing and eliminate malfunctioning septic tanks.
4. Three (3) substandard houses will be rehabilitated to International Property Maintenance Code and will be provided with public sewer. One (1) house, constructed prior to 1978, will be tested for lead based paint and addressed in accordance with new HUD lead based paint regulations.

5. Three (3) City roadways included as part of the project area will be upgraded in order to improve the flow of storm water runoff and restore road conditions after construction activities are complete. Installation of 5,750 linear feet of 8” sanitary sewer lines will be installed in order to eliminate malfunctioning septic systems and outdoor bathroom facilities. Water lines will be extended in order to serve all homes within the project area.

PROJECT GROUP RESPONSIBILITIES

For the project to succeed, a number of different groups must work together. Table 1 presents these groups and their responsibilities. As these presentations reveal, the City Council is ultimately responsible for all phases of the project and therefore retains all control of the project.

TABLE 1 PROJECT GROUP RESPONSIBILITIES DECLINE STREET REDEVELOPMENT PROJECT	
GROUP	RESPONSIBILITY
Anytown City Council	Legal applicant for all funds; <u>final</u> approval of and responsibilities for all project activities; approval of all project documents and plans; final decisions on all administrative appeals. Maintenance of all accounting records.
Proficient Consulting	Provides technical assistance to the City Council regarding Federal procedures and practices which most efficiently implement this plan. Responsible for establishing project accounting procedures. Implements the policies of the City Council; carries out the day to day activities of the project, supervises all remaining staff and consulting professionals. Complete administration of the project.

AMENDMENT PROCESS

Any provision of this Urban Renewal Plan may be amended if the City Council determines that it is necessary and desirable to do so. Such an amendment must be approved in the same manner as was the adoption of this Urban Renewal Plan (including a public hearing). Amendments refer to major, substantive changes in the proposal set forth in the Urban Renewal Plan.

CHAPTER 2

PROJECT AREA DESCRIPTION

The purpose of this chapter is to describe the project area as it presently exists. Particular emphasis will be placed on housing and socioeconomic conditions as these factual matters are central to the City Council's determination that the project area is a slums/blight area and therefore eligible for Urban Renewal activities as defined by KRS 99.

SOCIOECONOMIC CONDITIONS

As previously described the Decline Street area of rural Anytown is a minority community located in the south end of the city. The Decline Street project area contains a concentration of LMI families living in substandard housing. Of twenty-four (24) occupied structures in the neighborhood, ten (10) are dilapidated and require demolition. Five (5) of these homes do not have indoor toilets. Four (4) homes do not have indoor water with one (1) home only having water to a sink.

Furthermore, door to door socioeconomic surveys conducted within the project area in July, 1999 revealed a substantial level of need. Of the twenty-three (23) households in the project area, seventeen (74%) are LMI, six (26%) are very low income, and seven (30%) are extremely low income. Seven (7) of the households are elderly, sixteen (16) are disabled, and eight (8) have female-headed households.

HOUSING CONDITIONS

There is a limited supply of affordable standard housing in Anytown. In addition, Anytown has both concentrated and scattered site substandard housing. As standard affordable housing is limited in rural Anytown, the best option for both the community and residents is to construct stick built replacement homes in the project area.

A survey of housing conditions, 100% exterior and 75% interior, was completed in July of 1999. In the Decline Street project area, eighteen (18) out of thirty-two structures (56.3%) are considered to be dilapidated, deteriorated, or obsolete and require clearance.

EXISTING LAND USE

Appendix A contains the Decline Street Redevelopment Project Area Map. The map depict the land use as residential in nature surrounded by farms and rural uses to the south of the city with the exception of one inactive commercial structure located on Decline Street. All structures included in the project area are single family residential in nature.

EXISTING ZONING

Anytown has adopted Citywide planning and last updated their Comprehensive Plan in 1994. The City also has zoning and subdivision regulations. According to the zoning regulations the area is zoned R-2, low to medium density residential. The minimum lot size for single family residential homes on public sewers is 7,500 square feet. Any new lots created as part of the Decline Street Redevelopment Project would meet or exceed the minimum standards.

Most existing lots will also meet these standards. Any that do not would be considered non-conforming lots of record under the “grandfather” provisions of the ordinance.

INFRASTRUCTURE

Anytown will re-pave and make ditching and drainage improvements along approximately 2800 linear feet of city (Decline Street, Slum Street, Revive Street, and Narrow Lane) once construction activities are complete. In addition, 5,750 linear feet of 8” sewer lines will be installed to serve all homes located within the project area. The Anytown Water and Sewer Commission has also agreed to extend a 3” water main approximately 400 feet to the end of Narrow Lane to serve the last two houses on this road.

CHAPTER 3

GOALS AND OBJECTIVES

INTRODUCTION

The purpose of this chapter is to (1) summarize the needs of the Decline Street neighborhood and (2) to develop goals and objectives to address these needs. These goals and objectives will guide the implementation of the project. This chapter will also present an approximate schedule for the implementation of the project.

GOALS AND OBJECTIVES

The following goals and objectives will define the project's mission and guide its implementation:

GOAL: *To eliminate blighting conditions within the project area.*

OBJECTIVE:

- (a) To clear all dilapidated structures within the project area and relocate all displaced households into suitable housing.
- (b) To use code enforcement to clear dilapidated structures and require rehabilitation of other remaining substandard units.
- (c) To acquire and clear additional properties as necessary or advantageous to completing the mission of the project.

OBJECTIVE: *To increase housing opportunities for LMI residents of the Decline Street Neighborhood.*

- (a) To assist homeowners in purchasing or constructing decent safe and sanitary replacement housing.
- (b) To improve lot layouts where possible.

GOAL: *To enhance the quality of life in the Decline Street Neighborhood by improving the infrastructure in the area.*

OBJECTIVE:

- (a) To repave and improve three (4) City streets upon completion of all other activities to restore any deterioration.
- (b) To extend 5,750 linear feet of 8" sewer lines to all homes located within the project area.
- (c) To extend a 3" water main approximately 400 feet to the end of Narrow Lane to serve the last two houses on this road

PROJECT SCHEDULE

The performance schedule, included in Appendix A, presents an approximate timeline for the completion of the Decline Street Redevelopment Project. This schedule is presented for informational purposes only. Major activities are identified in the quarter in which they begin and are to be continuous until the quarter where completion is noted.

CHAPTER 4

DEVELOPMENT PLAN

INTRODUCTION

The purpose of this chapter is to present and briefly discuss the development activities to be initiated and completed within the project area. Some of these activities may not be included as part of the redevelopment plan for the Decline Street neighborhood.

This Urban Renewal Plan must clearly address and discuss the following points:

1. Relationship of the project to the Comprehensive Plan.
2. Land acquisition and demolition.
3. Redevelopment proposals.
4. Public Improvements.
5. Rehabilitation proposals.
6. Zoning and land use change.
7. Public and private ownership of property upon completion of the project.

The project may be reduced to five key activity groups:

1. Property acquisition. This includes acquisition of lots and houses as well as any necessary easements for public facilities work.
2. Clearance of structures not suitable for rehabilitation. This includes asbestos inspections prior to demolition and disposal at a permitted facility.
3. Relocation of families into standard housing.
4. Housing construction and rehabilitation. This includes testing for lead based paint on all homes built prior to 1978 and addressing lead based paint in accordance with new HUD regulations.
5. Public improvements. This activity includes the repaving of project area streets, the installation of drainage improvements, and extension of water and sewer lines. (If applicable)

Each of these five groups will be briefly discussed in this chapter. Later chapters will present more information regarding these activity groups.

RELATIONSHIP TO THE COMPREHENSIVE PLAN

The Anytown Planning Commission updated their Comprehensive Plan for the City in May 1994. The overall housing goal for Anytown, included as part of the plan, is to “develop housing and residential areas which provide safe, sound, and decent housing for all families and individuals, both private ownership and rental properties, at affordable prices.” Some objectives to achieve this goal are as follows: (1) Improve and conserve the quality of new and existing housing through the enforcement of the Subdivision regulations, Zoning Ordinance, building permits, and building codes;” (2) Encourage the development of both single and multi-family housing within areas that are served by existing utility facilities; and (3) Encourage and provide for assisted owner and rental housing units for the area’s low income and elderly population. Although the plan does not specifically address the project area, the redevelopment of Decline Street neighborhood is in conformance with these provisions.

PROPERTY ACQUISITION-CLEARANCE

All acquisitions will be done in accordance with the Uniform Act. Approximately seven (7) parcels of land including seven (7) dilapidated stick-built homes and one (1) mobile home will be acquired. This will allow clearance of a total of eight (8) structures and resolve title problems with the properties so replacement homes can be built. Acquired properties will be re-lotted to meet City requirements and sold back to the owner-occupants for construction of replacement homes.

For additional information on Property Acquisition, refer to Chapter 6 of this Urban Renewal Plan. For additional information on Relocation matters, refer to Chapter 7 of this Urban Renewal Plan.

PUBLIC IMPROVEMENTS

City roads located within the project area (Decline, Slum, Revive Streets and Narrow Lane) currently need ditching and drainage improvements in order to adequately channel storm water runoff. As demolition and construction activities will degrade the condition of the road, Anytown will re-pave and make ditching and drainage improvements along approximately 2800 linear feet of Decline, Slum, Revive Streets and Narrow Lane. Sanitary sewer also needs to be extended to the project area as many of these homes have malfunctioning septic systems or outdoor bathroom facilities. Therefore, 5,750 linear feet of 8” sewer lines will be extended to serve all homes located within the project area. In addition, the Anytown Water and Sewer Commission will extend a 3” water main approximately 400 feet to the end of Narrow Lane to serve the last two (2) houses on this road. In general, eliminating the poor road and unsanitary conditions in the neighborhood will increase the quality of life for those residents living there.

NEIGHBORHOOD REDEVELOPMENT

The City will stimulate neighborhood redevelopment by assisting homeowners and renters in obtaining any necessary financing to construct or purchase replacement homes. Present project area residents will have priority in purchasing lots.

For additional information on Neighborhood Redevelopment, refer to Chapter 9 of this Urban Renewal Plan.

HOUSING REHABILITATION

Three (3) LMI owners are living in substandard houses that need to be rehabilitated to International Property Maintenance Code. Of the three (3) structures, two (2) are in need of moderate rehabilitation and one (1) needs major rehabilitation. As part of rehabilitation activities, testing and elimination of lead based paint will be conducted in accordance with new HUD guidelines for structures built prior to 1978. At the present time, only one (1) of the homes to be rehabilitated as part of this project was built prior to 1978.

FUTURE LAND USE

The thirty-two (32) structures located within the Decline Street neighborhood includes twenty-eight (28) single family stick-built homes, three (3) mobile homes, and one (1) double wide mobile home. While some housing will be eliminated in the project area, it will remain single family residential in nature due to the construction of single-family replacement homes in the neighborhood. One inactive commercial building is located adjacent to the project area off of Decline Street Road. However, the character and future land use of this area is not expected to change from single family residential in the future.

CHAPTER 5

FINANCING AND COSTS

INTRODUCTION

KRS 99.370 requires disclosure of (1) the means of financing the proposed Urban Renewal activities and (2) the costs associated with said Urban Renewal activities. The purpose of this chapter is to provide this information.

COSTS

Table 2 presents the estimated costs associated with the implementation of the project as set forth in the 2000 Kentucky CDBG Housing Application for the Decline Street Redevelopment Project.

TABLE 2

ESTIMATED PROJECT COSTS

DECLINE STREET REDEVELOPMENT PROJECT

Acquisition	\$ 91,600
Clearance	25,000
Relocation	373,406
Public Facility Improvements	307,562
Rehabilitation	79,500
Planning and Administration	100,000
Contingencies	54,647
TOTAL COSTS	\$ 1,031,715

FINANCING

Table 3 presents information relative to the sources of funds available for defraying project costs. No deficits are expected to be incurred during the life of the project.

TABLE 3
SOURCES OF PROJECT FUNDS

Community Development Block Grant	\$ 1,000,000
Anytown (cash)	11,715
Lot sales, rents	20,000
TOTAL FUNDING	\$ 1,031,715

In addition to a cash contribution of \$11,715 for street improvements, Anytown will provide in-kind labor and equipment for clearance activities at an estimated value of \$47,000 and in-kind labor for road drainage improvements estimated at \$4,000. The City of Anytown will waive an estimated eight (8) water tap-on fees at \$500 each (seven (7) new houses and one existing house at the end of Narrow Lane). They will also waive an estimated 20 sewer tap-on fees at \$300 each (seven (7) new houses and thirteen (13) existing homes). The total in-kind value of these tap fee waivers is \$10,000. The City of Anytown will also extend a 3” waterline approximately 400 feet at the end of Narrow Lane. The value of this in-kind service is estimated at \$3,200 (400 linear feet at \$5.00 plus two (2) meters valued at \$400 and one valve at \$400).

CHAPTER 6

ACQUISITION-CLEARANCE-DISPOSITION

INTRODUCTION

The purpose of this Chapter is to discuss the aspects of the project relative to Property Acquisition, Clearance, and Disposition. This Chapter will summarize the provisions and procedures of the City's Property Acquisition and Disposition Policy" which is the "Uniform Act".

PROPERTIES DESIGNATED FOR PURCHASE

To complete the project objectives, it will be necessary for the City to acquire approximately seven (7) parcels of land including seven (7) dilapidated stick-built homes, and one (1) mobile home. The Decline Street Redevelopment Project Map, located in Appendix A, identifies the properties that are designated for purchase. The primary purpose of property acquisition will be to clear dilapidated properties, make lots available for construction of replacement homes, and to clear title to those properties which are currently in estates.

ACQUISITION OF OTHER PROPERTY

It is not intended at this time to purchase properties other than those designated by the project area map in Appendix A. It is possible, however, that unforeseen events in the execution of the project could necessitate the purchase of additional properties. Property not designated for purchase may be acquired if, in the opinion of the City, the purchase of the property is necessary for the success of the project. The procedure for this is set forth in KRS 99.460.

EXEMPTION FROM ACQUISITION

A property designated for purchase as part of Decline Street Redevelopment Project may be exempted from acquisition if the City Council determines that the purchase of the property is not necessary to accomplish the mission of the project.

EMINENT DOMAIN

Under KRS 99.360 and 99.550, the City may exercise the power of Eminent Domain. The procedure for the exercise of this power is set forth in KRS 99.420. The City will make every attempt, however, to avoid the use of this power.

ACQUISITION PROCEDURES

Any property to be acquired by the City will be appraised by at least two (2) and sometimes three (3) appraisers to determine Fair Market Value. These appraisals are calculated in consideration of the characteristics of the properties as they presently exist and not on their potential value upon completion of the project. The City will then offer the property owners the amount determined by the two (three) appraisers to represent Fair Market Value or "just compensation".

Any acquisition will be conducted in accordance with all applicable federal and state regulations. Federal regulations are set forth in the "Uniform Act" and its implementing regulations. This Act covers such topics as procedures for acquisition and disposition; determination of just compensation; and the grievances and appeals procedure. The Uniform Act and its implementing regulations are the official property acquisition policies of the City.

VOLUNTARY ACQUISITION POLICY

Voluntary acquisition shall be permitted only if the property has not been designated for acquisition. Only vacant land will be acquired by voluntary acquisition. The City may decline to purchase any property. Property owners will be responsible for paying any taxes due and for providing clear title to the property. Anytown will pay other closing costs such as surveying, legal fees and recording fees.

CODE ENFORCEMENT

All property owners in the Decline Street Project Area shall be required to maintain existing buildings in accordance with the International Property Maintenance Code. Any property found to be deficient shall be repaired to meet the International Property Maintenance Code or shall be demolished and removed. Any property which is found to be in substantial noncompliance with the Code may be declared a public nuisance. The City Council may demolish and clear dilapidated structures with written owner's permission.

HEARING PANEL

The Mayor, with the City Council's approval, shall appoint three (3) individuals who shall constitute a Hearing Panel for the purpose of conducting hearings pursuant to this plan. Members of the Hearing Panel may not be employees of the City and shall serve without compensation. An enforcement officer shall not be a member of the Hearing Panel.

NOTICE OF VIOLATION

When any property is declared a public nuisance, notice of the violation shall be given as follows:

Written notice of the violation and an order to remedy the violation shall be delivered or sent by certified mail to the owner or responsible person of the property.

If the City is unable to determine or locate the owner or responsible person of the property, the notice of violation shall be posted in a conspicuous place on or near the property, and it shall be published pursuant to Chapter 424 of the Kentucky Revised Statutes in a newspaper of general circulation in Anytown, Kentucky.

Notice to any one owner of the property shall constitute notice to all other owners of the same property.

Notice mailed to an owner at the last address shown on the property tax roll maintained by the City P.V.A. office shall constitute notice to all owners of the property. Each owner of property located in the project area shall have a duty to notify the City of the proper mailing address of the owners of the property in a timely manner.

PERIOD TO CURE

In the written notice, the owner or responsible person shall be afforded a period during which to cure the violation. The following periods to cure shall apply: (a) 45 calendar days for dilapidated structures; and (b) 90 calendar days for structures damaged by fire. The City may extend the period to cure for an additional time not to exceed the original period. All periods to cure shall begin when notice is mailed.

HEARING

Any owner of property declared a nuisance under this plan shall have the right to a hearing before the Hearing Panel. A hearing request must be made within 15 calendar days of mailing the Notice of Violation. A request for a hearing shall be timely submitted in writing, signed by the requesting owner, containing the current mailing address and telephone number of the requesting owner, and received by or delivered to the Mayor’s office no later than 15 calendar days following the date of mailing the Notice of Violation. Upon receipt of a timely submitted written request, the City shall schedule a hearing before the Hearing Panel as soon as reasonably possible. Written notice of the date, time, and location of the hearing shall be mailed to the owner or responsible person who requested the hearing. At the hearing, both the owner or responsible person and the City's representative shall be allowed to present evidence and to cross-examine witnesses. The rules of evidence shall not apply. At the conclusion of the hearing, the Hearing Panel shall go into closed session, to discuss whether the notice of violation and order to remedy was appropriate under the circumstances. The decision of the panel shall be made by majority vote and announced in open session following deliberations. A written order containing the findings and decisions of the Hearing Panel shall be filed with the Mayor and mailed to the owner within five (5) business days following announcement of the Panel's decision.

ABATEMENT BY CITY

If the owner or responsible person of property in violation fails to properly cure or remedy the violation within the time prescribed in the notice, or within seven (7) days following entry of an order by the Hearing Panel upholding a notice of violation, whichever is later, then the City, in its discretion and without obligation, may enter upon the property and take such action as it deems appropriate to cure the violation and abate the nuisance. Such action may include, the cutting or removing of grass and weeds, the removal of trash, debris, garbage, refuse, materials, waste, junk, litter, and other matter constituting a violation, the repair of any unsafe or unsanitary condition, and the demolition and removal of any dilapidated structure. The City may file a lien against the property for the reasonable value of labor, materials, and equipment used in remedying the situation together with any legal costs incurred by the City.

CLEARANCE

All structures acquired by the City will be demolished or otherwise prepared for redevelopment. Where purchase for redevelopment is not appropriate, the City may elect to use Code Enforcement as described above to bring about demolition of the dilapidated structure.

PROPERTY DISPOSAL

Properties to be purchased by the project will be disposed or redeveloped in the following manner:

1. Acquired properties not suitable for residential redevelopment may be sold to adjoining property owners for side yards or additions to existing lots. Priority shall be given to improving adjacent lots to meet zoning regulations.
2. Persons displaced by this project shall have first priority to purchase land acquired for this project. Owners have priority over renters. Those with an earlier date of occupancy have priority over later residents.
3. Any vacant lots suitable for residential development remaining at the end of the project shall be used for construction of LMI housing. Habitat for Humanity will be given first priority.
4. For further details on redevelopment activities, please refer to Chapter 10 of this plan.

CHAPTER 7

RELOCATION

INTRODUCTION

The implementation of the proposals of this Urban Renewal Plan will result in the displacement of approximately ten (10) households. Seven (7) owners and three (3) renters require relocation into standard housing. The purpose of this chapter is to present the key provisions of the "Relocation Policy" which will govern this relocation process. Anytown will use "The Uniform Act" as it's implementing regulations in the displacement and relocation of project area residents. A relocation plan for the Decline Street Redevelopment Project is presented in Appendix B and gives further details. The temporary relocation policy can also be found in Appendix B.

RELOCATION FINDING

In accordance with KRS 99.370(4), the Anytown City Council finds that there is and will continue to be a feasible method for the temporary or permanent relocation of households displaced from the project area. The Agency further finds that there are few decent, safe and sanitary units outside the project area at rents or prices within the financial means of the displaced families. Therefore, last resort replacement housing will be constructed as needed to provide decent, safe and sanitary units to displaced residents. The City will provide a financing program for the displaced residents, which will give homeowners in the project area the opportunity to construct replacement homes. Lots will be purchased as needed in order to ensure that sufficient land is available for construction of replacement housing.

RELOCATION RESOURCES

Because all households being displaced by this project are owner-occupants, the approved CDBG application provides for the construction of new single family homes for owner/occupants who will be relocated once their existing home is demolished. For those displaced residents that choose not to participate in the construction of new homes, housing available on the private market will be used as relocation resources.

ELIGIBILITY

A household must meet all of the following tests before being eligible for receiving Relocation benefits:

1. Receive a Notice of Relocation Eligibility.
2. Homeowners must have owned and occupied their home for a period of not less than 180 days prior to the date of Notification of CDBG Grant Award.
3. Renters must have lawfully occupied their rental dwelling for a period of not less

than 90 days prior to the date a written offer to purchase is made to acquire the property they are living in. All displaced parties must be willing to relocate to decent, safe and sanitary homes which meet all applicable local, state and federal regulations and ordinances.

4. All occupants displaced from their homes shall be eligible for moving expenses.
5. Permanent moving expenses will only be paid once to any family or for any one structure.

RELOCATION BENEFITS

Relocation benefits will be determined on a case by case basis in accordance with the Uniform Relocation Act and Section 104(d) of the Housing and Community Development Act of 1974, as amended. An Anti-displacement and Relocation Plan has been developed and is included as Appendix B.

MISCELLANEOUS

No household will be required to move without at least 90 days notice. Eviction will be used only as last resort and will not effect the eligibility for relocation benefits of any displaced person or business.

GRIEVANCE PROCEDURE

Residents have the right to appeal any action of the City for failure to properly determine their eligibility for or the amount of a relocation payment or payment for incidental expenses or certain litigation expenses. A resident's acceptance of the amount offered by the City does not limit the right to appeal the City's determination and seek a larger payment.

An appeal must be filed within 60 days after the City provides written notification of its determination of claim amounts. The first level of appeal is to the City Council. In response to an appeal, the City will provide residents a copy of the decision, a statement of the facts and legal basis upon which it is based, a description of any additional benefits granted and notification of the right to appeal the decision to the Department of Local Government.

If not satisfied with the City Council's determination, residents may appeal to the Department of Local Government, 1024 Capital Center Drive, Frankfort, Kentucky 40601. A state review may be obtained by sending a written request to the Department of Local Government within 30 days after receiving a letter containing the City's decision, together with a written statement of the facts. A full copy of the grievance procedure can be found in Appendix D.

CHAPTER 8

PUBLIC FACILITIES IMPROVEMENTS

INTRODUCTION

The purpose of this Chapter is to briefly identify the public improvements to be installed or completed during the course of the project.

City roads located within the Decline Street project area (Decline Street, Slum Street, Revive Street and Narrow Lane) currently need ditching and drainage improvements in order to adequately channel storm water runoff. As demolition and construction activities will degrade the condition of the road, Anytown will re-pave and make ditching and drainage improvements along approximately 2800 linear feet of city streets in the project area. Sanitary Sewer also needs to be extended to the project area as many of these homes have malfunctioning septic systems or outdoor bathroom facilities. Therefore, 5,750 linear feet of 8" sewer lines will be extended to serve the last two (2) houses on this road. In general, eliminating the poor road and unsanitary conditions in the neighborhood will increase the quality of life for those residents living there.

CHAPTER 9

HOUSING REHABILITATION AND NEW CONSTRUCTION

INTRODUCTION

The purpose of this chapter is to summarize the key provisions of the rehabilitation and new construction component of the Decline Street Redevelopment Project.

Three (3) LMI owners are living in substandard houses that need to be rehabilitated to International Property Maintenance Code. Of the three (3) structures, two (2) are in need of moderate rehabilitation and one (1) needs major rehabilitation. As part of rehabilitation activities, testing and elimination of lead based paint will be conducted in accordance with new HUD guidelines for structures built prior to 1978. At the present time, only one (1) of the homes to be rehabilitated as part of this project was built prior to 1978.

A more detailed explanation of the procedures to be followed during implementation of this component is contained in the project's Rehabilitation Plan located in Appendix B.

ELIGIBILITY

Eligibility requirements for housing rehabilitation financial assistance is detailed in the Housing Rehabilitation guidelines found in Appendix C. There are no restrictions on period of ownership, however, those who have lived in the project area the longest shall have first priority for funding.

The Housing Rehabilitation Officer will inspect units for deficiencies utilizing the BOCA National Maintenance Code. The Rehabilitation Officer will complete work write-ups for the needed repairs of each property. These work write-ups will be utilized as the scope of work in contracting procedures.

Each property owner to receive rehabilitation assistance will complete an application to be provided by the City. The staff will verify all financial information on the applicant. This information will be confidential. The staff will then determine, according to guidelines set forth in the Rehabilitation Plan, the type of financial assistance available. This will then be discussed with the property owner. Subsidies will be based on income and assets of the property owner.

FINANCIAL ASSISTANCE-HOUSING REHABILITATION

The financial assistance to be provided participating property owners will have one or a combination of two possible forms. These two forms of assistance are:

1. Forgivable (Deferred) Loans: LMI owner-occupants are eligible for forgivable deferred loans. These loans are made directly by the City. The source of the funds are from the CDBG grant. The loan is forgiven at a rate of 20% per year. At the end of five (5) years, the entire loan is forgiven. If the property changes hands before the entire loan is forgiven, some repayment of the loan may be

required. Payment schedules in these cases will be determined by the staff of the agency and approved by the City Council. Payment scheduled in these cases will be based on individual situations.

2. **Leveraged Loans:** Over income households and owners of rental properties may be eligible for leveraged loans. A portion of the leveraged loan will be made by the City from CDBG funds. CDBG financing will be in the form of a five (5) year forgivable deferred loan. The remaining funds will be provided by the property owner's through their own funds or financing provided by a lender. Only health and safety concerns will be addressed for properties occupied by over income families. Over income owner occupants will be required to pay two-thirds of the rehabilitation costs. Owners of rental properties may be eligible for partial financing from CDBG funds if one or more tenant households are LMI. To determine the owners contribution, the income and expenses for the property will be considered as well as the ability to pay for any over income renter-occupants. The maximum owner contribution will be two-thirds of the rehabilitation costs for properties occupied by LMI persons. The owner contribution may be higher for properties occupied by over income families.

FINANCIAL ASSISTANCE-NEW CONSTRUCTION

1. Tenants who are displaced from their homes will be eligible to purchase any available lots for construction of a replacement home for \$1.00 upon approval of a loan construction of the home. Renters can use their relocation payment for a down-payment. Any renter that uses their relocation payment as a down payment to purchase or construct a home shall receive a minimum of \$5,250 for down payment assistance as their relocation payment. Relocation Payments: Funds are available through the CDBG program for relocation payments to homeowners to construct replacement houses on their property. Under the "make-whole" provisions of the Uniform Act, Owners will be left in the same financial condition as before the relocation in terms of amount of mortgage on the property and ownership interest.

Any financing to be provided by a renter to construct a replacement home must be approved prior to the bidding. The renter shall be required to be pre-qualified for financing to purchase a home prior to being provided extensive assistance in locating a replacement home. Any renter that is not current on payment of their rent to the current or prior owner shall not be eligible for homeownership counseling. Renters who wish homeownership counseling must authorize a credit check. This is to eliminate wasted effort on part of the staff if the renter cannot be approved for financial assistance.

SELF HELP

In recognition of the fact that some property owners may wish to do some of the rehabilitation work themselves, the City may provide assistance for self-help rehabilitation. The exact nature of the self-help to be provided will be based on each individual situation.

Possibilities for self-help include the purchase of material by the agency while the property owner provides the labor. Review and approval of self-help proposals will be made by the Project Manager. Property owners may appeal to the City Council if they are not satisfied with the Project Manager’s decision.

PRIORITIES

Table 4 presents the priority schedule for rehabilitation work. Households with incomes above 80% of median shall be assisted only after all households with incomes at or below 80% of median family income. Property owners are required to have paid all back property taxes and utility bills before being eligible for rehabilitation assistance or new housing construction.

TABLE 4 REHABILITATION PRIORITY SCHEDULE DECLINE STREET REDEVELOPMENT PROJECT	
Group Priority	Comments
1. Emergency	LMI Emergency cases which directly threaten health or safety. Other cases where hardship circumstances require priority status. This category requires approval of the Project Manger.
2. Elderly Households	LMI, Age 62 or older and head of household.
3. Physically Handicapped	LMI, Head of household is physically handicapped.
4. Female Head of Household	LMI, Head of household is female.
5. Large Families	LMI, Five or more members of household.
6. All others	All other low to moderate income families served on a first-come basis with those living in the project area the longest receiving first priority. Over income families (those with incomes over 80% of median family income for the area) shall only be served after LMI families have been addressed. Over-income families will be prioritized by need based on ability to pay. Those with the least ability to pay shall have highest priority.

NOTE: Priority group determined by type of household occupying the house. Lower income residents shall be given priority over higher income residents.

RENT RESTRICTIONS/RENTAL REHABILITATION

Rental properties shall be eligible for partial forgivable deferred loans based on an analysis of income and expenses for the property. Landlords participating in the program will be subject to rent restrictions for five (5) years beyond the date of loan closing. Rent increases will be limited to ten percent over a five (5) year period. This restriction is imposed in light of the generous financial assistance made available to them.

LOAN INSURANCE

Where appropriate, the City may require the loan recipient to purchase FHA Title I Loan Insurance. This loan insurance policy protects the lender in the event of default; 90% of the total loan amount is protected by the policy. Use of the FHA Title I Policy allows loans to be made to many persons, who otherwise might not qualify for loans. It also has the advantage of normally not requiring that a lien or mortgage be placed on the property. The cost of insurance is usually very low and is built into the monthly repayment amount when required.

UNITS TO BE REHABILITATED

Figure 1 shows all residential structures which are slated for rehabilitation work as part of the Decline Street Redevelopment Project.

CHAPTER 10

NEIGHBORHOOD REDEVELOPMENT

The primary goal of redevelopment will be to relocate displaced residents of the project area into decent, safe and sanitary housing. The secondary goals will be to eliminate blighting conditions such as substandard lots, provide necessary public utilities to residents, improving road conditions, and clearance of title problems which have lead to deferred maintenance of several properties in the neighborhood.

LAND DISPOSITION

After acquired properties in the Decline Street neighborhood are cleared of dilapidated structures, rubbish, and brush, they will be used for the construction of replacement or LMI housing or sold to adjacent property owners to create lots which meet the City's proposed zoning requirements. Use of properties acquired and sold by the City for redevelopment will be subject to restrictions by the City Council. The City may assemble multiple acquired parcels to meet specific public use needs or facilitate their redevelopment.

Priority for the sale of properties acquired under this Community Development program will be given to, in order:

1. Project area property owners who are being displaced as a result of property acquisition;
2. Project area tenants who are being displaced;
3. Habitat for Humanity for the construction of homes for low and moderate income persons; and
4. The general public.

CHAPTER 11

MISCELLANEOUS

CITIZENS PARTICIPATION

The Anytown City Council recognizes the critical role of citizen participation in assuring the success of the project. A public hearing was held to solicit citizen comment prior to submittal of the grant application for funding. This public hearing is documented in the CDBG grant application.

DURATION OF PLAN

This Urban Renewal Plan is in effect until the completion of the project.

DEVELOPMENT RESTRICTIONS

No building permit shall be issued for any structure or use within the project area during the duration of this Urban Renewal Plan unless the proposed activity is found to be in conformance with this Urban Renewal Plan (KRS 99.380). This determination will be made by the Project Manager. The determination may be appealed to the City Council in conformance with the Grievance Procedures.

EVIDENCE OF ADOPTION

Per the requirements of KRS 99.370 and 99.540, a number of legislative and other public actions and findings of fact are necessary to adopt this Urban Renewal Plan and initiate the completion of its redevelopment proposals.

1. The City will hold a public hearing at the Anytown City Hall, on February 15, 2000 at 7:00 p.m. to solicit public comment on the proposed redevelopment project and this plan.
2. By approval of this Urban Renewal Plan, the Anytown City Council finds that the Decline Street Redevelopment Project meets the definition of slums and blight contained in KRS 99.340. These areas meet the definition of slum area by virtue of the degree of dilapidated housing as documented in this Urban Renewal Plan.
3. This plan must be adopted by the Anytown City Council and approved by the
Anytown Planning Commission.

APPENDIX B

DECLINE STREET REDEVELOPMENT PROJECT

ANYTOWN, KENTUCKY

RELOCATION AND ANTI-DISPLACEMENT PLAN

In the implementation of the Decline Street Redevelopment Project, it will be necessary to relocate families living in deteriorated structures in the project area to safe, decent and sanitary housing. Approximately ten (10) families, seven (7) owners and three (3) renters, included as part of the project presently live in dilapidated structures and will have to be relocated to suitable housing.

A. Administration

All relocation activities in Anytown will be administered by the designated Community Development officer and in accordance with the Uniform Relocation Act and the U.S. Department of Housing and Urban Development's relocation procedures

B. Purpose

The purpose of this relocation function is to provide maximum assistance to persons and families displaced as part of the Community Development programs acquisition and clearance activities in obtaining suitable, safe, decent, and sanitary replacement housing.

C. Relocation Standards

1. Physical and Occupancy Standards

All units considered for relocation purposes must meet the HUD Section 8 Housing Quality Standard and appropriate building codes and have the appropriate number of bedrooms for the family size.

2. Ability to Pay

No individual or family should be referred to a comparable replacement dwelling for which the anticipated rent or mortgage payments and utilities will exceed 30% of their gross monthly income, including relocation benefits.

3. Environmental Standards

A suitable replacement housing unit must be in a location free of adverse environmental conditions and of similar accessibility as the displaced former residence to public services, utilities, employment, commercial facilities, churches, recreation, etc.

4. Non-Discrimination

All replacement housing considered for this relocation activity are open to all persons regardless of race, color, religion, handicapped status, or national origin, in a manner consistent with Title VII of the Civil Rights Act of 1968.

5. Proposal for Assuring Availability of Replacement Housing

- a. It is anticipated that owner occupants will construct replacement homes on their existing lots. However, should this not be the case, all persons being relocated will be assisted in purchasing or constructing replacement homes in other areas of the City. If necessary, the City will use condemnation powers to purchase lots in order to make suitable building sites available to those being displaced. Those displaced will be given first priority in purchasing lots available for construction of new homes outside the project area. Owners will receive "make whole" benefits so they are no more in debt than before they were relocated.
- b. As there are only three renters to be relocated, they will be assisted in finding a replacement rental property in Anytown. Renters who wish to become homeowners will be given priority to purchase any available lots in the project area. Renters can use their relocation assistance as a down payment to purchase or construct a replacement home. Renters who wish to become homeowners will be given homeownership counseling.
- c. Priority for the sale of properties acquired under this Community Development program will be given to, in order:
 1. Project area property owners who are being displaced as a result of property acquisition.
 2. Project area tenants who are being displaced.
 3. Habitat for Humanity for construction of homes for low and moderate income persons.
 4. The general public with LMI families given priority.
- c. Any displacee who chooses not to construct new housing in the

project area will be assisted in finding suitable replacement housing elsewhere. Public housing and other assisted housing units will be given top priority for replacement housing referrals. The following requirements for replacement housing shall apply.

1. Replacement housing for relocation activities must be inspected prior to referral to displacees and subsequent to occupancy to insure that it meets the HUD Housing Quality Standards.

2. No persons being relocated as part of this Community Development Program may be referred to a unit which:

a. Is structurally deficient, lacks appropriate water and sewer service, has inadequate weatherization, or is inaccessible to handicapped displacees or otherwise fails to meet the HUD Housing Quality Standards and other building codes;

b. Has loan payments or rent greater than the displacees ability to pay;

c. Is in a blighted area for which no redevelopment is planned; and

d. Is in an inconvenient location from the person's place of employment and for which commercial activities, recreation, church, etc. are not accessible.

6. Relocation Assistance Advisory Services

At the earliest possible date, persons to be displaced as part of the Community Development Program will be contacted and informed of the relocation procedure, replacement housing referrals, financial assistance, and social services assistance available under the relocation activity. Eligible persons will be informed verbally and given written information statements about the relocation process and financial assistance to insure their understanding of the program and a smooth relocation.

7. Housing Discrimination Complaint:

If a person displaced by this relocation activity is unable to purchase or rent a replacement dwelling because of alleged discriminating practices pertaining to race, color, creed, or national origin, a HUD Housing Discrimination Complaint Form shall be made available, completed, and filed for each family or individual so aggrieved.

8. Social Services

Persons being relocated will be provided with needed social services counseling prior and subsequent to their relocation. The Community Development Agency shall endeavor to assure the availability of counseling services related to job, financial, educational, health, and other social services. Referrals will be made to governmental, civil, and community agencies.

D. Equal Opportunity

1. The City shall take such actions as listed below to assure that all displaced persons are provided with the maximum opportunities to select replacement housing within the community's total housing supply; lessen racial ethnic, and economic concentrations; and facilitate desegregation and racially inclusive patterns of occupancy and use of public and private facilities:
 - a. Make full use of HUD properties, multiple listing services, and normal real estate management and brokerage services.
 - b. Inform members of minority groups of housing opportunities in non-traditional neighborhoods and provide services to familiarize them with such neighborhoods.
 - c. Cooperate fully with fair housing groups, human relations bodies, and other social groups, civic and religious groups interested in facilitating freedom of residence.

E. Grievance Procedure

1. Each person being displaced as part of this relocation activity will be informed both verbally and in writing about the grievance procedure. The grievance procedure will operate as follows:
 - a. A person may file a written appeal with the Community Development officer in any case in which the person believes that the agency has failed to properly determine the person's eligibility for, or the amount of a payment required under the Uniform Act, or a relocation payment required under these regulations. Persons may also request an appeal concerning a review of the quality and adequacy of replacement housing. Any person requiring assistance in filing an appeal will be assisted by the Community Development officer.
 - b. Appeals must be filed within 60 days after the person receives written notification of the agency's determination on the person's claim.
 - c. All appeals will be reviewed in a timely manner and the persons filing

the appeal will be notified in writing of the agency's decision, the basis for that decision, and procedures for further appeal.

- d. A person has a right to be represented by legal counsel or other representative in connection with his or her appeal, but solely at the person's own expense.
- e. If the appellant is not satisfied with the Community Development officer's decision, they may then take the appeal to the Anytown City Council. The City Council will then review the appeal and issue a decision.
- f. The agency shall permit a person to inspect and copy all materials pertinent to his or her appeal except materials which are classified as confidential by the agency.
- g. If the Anytown City Council disapproves an appeal, the appellant is entitled to a review by the Department of Local Government, 1024 Capital Plaza Center, Frankfort, Kentucky 40601. A state review may be obtained by sending a written request to the Department of Local Government at the above address within 30 days after receiving the review findings from the City Council.

F. Relocation Payments

- 1. Relocation payments shall be in full conformance with the provisions of the Uniform Act of 1970, as amended.
- 2. Fixed payment for moving expenses shall be determined in accordance with Department of Transportation, Federal Highway Administration's (49 CFR, Part 24) the fixed relocation payment schedule.

G. Temporary Relocation

Temporary relocations must be approved by the project manager. Families that move of their own accord without prior approval for a temporary relocation will not be eligible for reimbursement of costs. Circumstances when temporary relocations may be approved include the following:

- 1. The occupant's house must be demolished in order for their replacement house to be constructed requiring them to temporarily re-locate to another house.

Occupants will be encouraged to stay with friends or relatives especially when the temporary relocation is for a short period of time (30 days or less). Relatives and friends may charge the relocated family rent for providing shelter. However, the rent must be reasonable and not exceed one-half of the fair market rent for the

unit.

For longer relocations, the temporarily relocated family will first be given the option of renting any available housing the City may have acquired that would be suitable for temporary housing. Next, the City will work with the local public housing authority to provide temporary housing. If these sources are not available, the family will be assisted in finding a local, moderately priced hotel room (for short relocations) or other available rental properties. Rents must be reasonable for the area and generally should not exceed the fair market rent for the area. For owner-occupants, the City will pay the monthly rent and any reasonable direct out of pocket moving costs. For tenants, the City will pay the difference in cost between the rent the occupant was paying and the cost at the temporary facility and any reasonable direct out of pocket moving costs. **All rents and out of pocket moving costs must be documented by receipts.** In general, the occupant will be responsible for utilities at the temporary site on the same basis as the house they were relocated from.

H. Eviction Procedures

Eviction procedures will occur only as a last resort in the project area. Eviction will in no way effect the claimant's eligibility for relocation payments.

I. Other Provisions

If questions arise concerning any area not addressed in this Relocation Policy, the provisions of the Uniform Act of 1970, as amended, shall apply.

J. Anti-Displacement Plan

1. A total of eighteen (18) dilapidated structures included in the Decline Street Redevelopment Project are unsafe, cannot be rehabilitated, and require clearance. Ten (10) of these structures are occupied or occupiable. Eight (8) of these homes are occupied by LMI households. The structures to be cleared are shown on the project area map included in Appendix A. The number of LMI bedrooms lost to demolition and to be replaced are shown on the One-For-One Replacement Form included at the end of Appendix B.
2. The performance schedule attached as Appendix A shows the anticipated time schedule for the commencement and completion of demolition activities.
3. Seven (7) new replacement homes will be constructed as part of the project. This includes one (1) four-bedroom house, one (1) 3-bedroom house, and three (3) 2-bedroom units. These units with a total of thirteen (13) LMI bedrooms will replace most of the seventeen (17) LMI bedrooms lost through demolition. It is anticipated that the remaining four (4) LMI bedrooms needed will be replaced by the Habitat for Humanity. The project area map in

Appendix A shows the anticipated location of the construction of replacement homes.

4. The source of funds for the construction of replacement homes will be CDBG grant funds in the form of relocation payments, and excess payments to meet make whole provisions. A total of \$373,406 of the \$1,000,000 total funds will be used for relocations. The anticipated timing of replacement home construction is shown in Appendix A, the performance schedule.
5. The replacement homes will be constructed for residents displaced by the redevelopment project. Five (5) LMI owner-occupant households require relocation into standard housing. As 71% of the owners of the replacement homes are LMI, it is anticipated that this percentage of replacement homes will continue to be occupied by LMI families for the next ten years.

**A RESOLUTION ADOPTING THE DECLINE STREET
REDEVELOPMENT PROJECT
URBAN RENEWAL PLAN**

NOW, THEREFORE, BE IT RESOLVED THAT:

WHEREAS, in accordance with KRS Chapter 99, an Urban Renewal Plan, also know as the Development Plan, has been prepared for the City of Anytown and said plan addresses the Decline Street Redevelopment Project, and

WHEREAS, the Decline Street Redevelopment Project Urban Renewal Plan documents conditions which meet the definition of slums and blight contained in KRS 99.340, and

WHEREAS, after due public notice, a public hearing was held by the City of Anytown on February 15, 2000 at 6:30 P.M. to solicit public comment on the Urban Renewal Plan and the proposed housing project.

NOW, THEREFORE, be it resolved by the Anytown City Council:

The City finds that there is a feasible method for the temporary or permanent relocation of families displaced from the development area.

The City finds that the project area identified within the plan is a slum or blighted area.

The City finds that the Development Plan will afford maximum housing opportunity consistent with the sound needs of the community as a whole for redevelopment of the development area by private enterprise.

The City finds that the Development Plan conforms to the general or master plan, including the Comprehensive Plan, for the development of the community as a whole.

The City finds that Federal or State assistance is necessary to enable the development area to be redeveloped in accordance with the Development Plan, and funds will be available for the community share of the cost.

That based on the foregoing, the Anytown City Council hereby adopts and approves the Decline Street Redevelopment Project Urban Renewal Plan, also known as the Development Plan, dated January 2000, attached hereto and incorporated herein by reference.

Adopted this _____ day of _____, 2000 by the Anytown City Council, Anytown, Kentucky.

Mayor _____

Attest:
