

## **Uniform Relocation Act Instructions**

Property Acquisition/Permanent Easement Projects:

Recipients of Community Development Block Grant funds are required to comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA). The purpose of the URA is to ensure that owners of acquired property/permanent easements and displaced persons are treated fairly, aware of their rights under the URA, and receive appropriate payments and assistance.

For property/permanent easement acquisition, the URA applies to all real property/permanent easement acquisitions (including donations) which occur on or after the date the Notice of Intent (NOI) is received by the Michigan State Housing Development Authority. The procedures consist of notifying the property owners of their rights, determining just compensation for their property, and offering the property owner(s) just compensation.

We highly recommend that communities take the following steps simultaneously with submission of the Notice of Intent to ensure that the project remains financially feasible. Please note additional URA steps will be required if your project is selected for funding. The additional URA process requirements and instructions would be provided at the application stage of the funding process.

1. Obtain an option on the property. Options are acceptable and will not be considered as incurring costs early. However, the closing cannot take place until the environmental review is done and a grant agreement is in place. The initial URA letters (voluntary or involuntary letters) should probably be sent at the time of the options.
2. There is a financial regulation that states CDBG funds can only be used to pay up to the fair market value of the property. To determine the fair market value of the property, we are requiring two appraisals and a copy of the tax assessment showing the present SEV.
3. The community will need to determine if the acquisition will be a voluntary or involuntary transaction. It is anticipated that typically for the land assembly and signature building programs that the voluntary sale letter will be appropriate. For your convenience, the voluntary sale sample letter has been placed on the other side of this page. Please contact Tonya Young at (517) 335-4337 if you determine that your project would involve an involuntary transaction.

**SAMPLE LETTER  
VOLUNTARY, ARM'S LENGTH PURCHASE OFFER**

Date

Sellers Name  
Sellers Address

Dear Seller:

This is to inform you that (Agency/Person) would like to purchase the property located at (street address or other property identification), if a satisfactory agreement can be reached. We are prepared to pay \$\$\$\$ for clear title to the property under the conditions described in the attached proposed contract of sale.

Because federal funds are involved in this project, we are required to disclose to you the following information:

- 1) The sale is voluntary. If you do not wish to sell, the (Agency/Person) will not acquire your property. The (Agency/Person) will not use the power of eminent domain to acquire the property.
- 2) We estimate the fair market value of the property to be \$\$\$\$.

Since the purchase would be a voluntary arm's length transaction, you would not be eligible for relocation payments or other relocation assistance under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA), or any other law or regulation. Also, as indicated in the contract of sale, this offer is made on the condition that no tenant will be permitted to occupy the property before the sale is completed.

Again, please understand that if you do not wish to sell your property, we will take no further action to acquire it. If you are willing to sell the property under the conditions described in the attached contract of sale, please sign the contract and return it to us.

If you have any questions about this matter, please contact (contact name). His/Her telephone number is \_\_\_\_\_.

Sincerely,

(Buyer's Name/Title)