What is URA?

- Established minimum standards for Federally funded programs and projects
- Provides protections for citizens and businesses
- Applies to acquisition, rehabilitation, or demolition of real property
When Does URA Apply?

- Are you considering using CDD-administered HUD funds?
Impact

- Project Implementation and Budget
- Grant Administration Time & Expense
- Personal Concerns
Pre-Application Activities

- Notification
- Compliance with URA requirements
First Steps

- STOP
- Acquisition of real property or easements
- Housing rehabilitation projects
- Demolition and reconstruction
Consult with CDD

Acquisition and URA

Think it through

Is HUD funding under consideration?

Begin the process to acquire property or easements

Notify the public

Do you have a prospective seller?

Provide the Seller with a General Information Notice.

Arrange for an appraisal (or two)

Provide the Seller with an Offer to Purchase

Get a signed Voluntary Acquisition Acknowledgement

Execute a Buy/Sell

Close the Sale.

No worries, unless you change your mind.
Consult with CDD

Housing Rehabilitation and URA

Think it through

Yes

Is HUD funding under consideration?

No

No worries, unless you change your mind.

Begin the process to rehabilitate occupied homes

Notify tenants of their rights with General Information Notice; establish norms

Get a signed Acknowledgement / Receipt of URA Rights

Inspect Temporary Housing, i.e., safe, decent, sanitary, and in good repair

Notify tenants of the upcoming move.

Get a signed Acknowledgement / Receipt of Upcoming Move

Move tenants; store belongings safely

Conduct timely reimbursement of costs which exceed norms.

Complete Rehabilitation

Inspect Rehab Housing, i.e., safe, decent, sanitary, and in good repair

Move tenants back to equivalent units
Consult with CDD

Demo, New Construction and URA

Think it through

Begin the process to demo structure

Is HUD funding under consideration?

No worries, unless you change your mind.

No

Yes

Notify the public

Do you have a prospective seller?

Provide the Seller with a General Information Notice.

Provide the Seller with an Offer to Purchase

Get a signed Voluntary Acquisition Acknowledgement

Arrange for an appraisal (or two)

Execute a Buy/Sell

Close the Sale.
Consult with CDD || Demo, New Construction and URA || Think it through

Is HUD funding under consideration?

Yes → Begin the process to construct on demo'ed site:
- Notify tenants of rights with General Information Notice; establish norms
- Get a signed Acknowledgement / Receipt of URA Rights
- Inspect Temporary Housing, i.e., safe, decent, sanitary, and in good repair
- Notify tenants of the upcoming move.

No → No worries, unless you change your mind.
- Get a signed Acknowledgement / Receipt of Upcoming Move
- Move tenants; store belongings safely
- Conduct timely reimbursement of costs which exceed norms.
- Demo and Construct
- Inspect New Housing, i.e., safe, decent, sanitary, and in good repair
- Move tenants back to equivalent units
URA and Homebuyer Assistance

- **Timing**
  - Pre purchase agreement

- **Actions**
  - Notification of rights
  - Establish Fair Market Value

- **Documentation**
  - Voluntary Acquisition
  - Fair Market Value
Voluntary Acquisition Form Letter

[Form Content]

Dear [Seller's Name],

The Seller and Buyer understand that if the conditions of this agreement are not met, either party may terminate the Purchase and Sale Agreement by notifying the other party by certified mail, return receipt requested, on the Purchase and Sale Agreement's termination.

The Buyer and Seller agree to sell and purchase the property for [Purchase Price], which is an estimate of the fair market value.

Acceptance and Understanding: The Buyer and Seller agree that if the conditions of this agreement are not met, either party may terminate the Purchase and Sale Agreement by notifying the other party by certified mail, return receipt requested, on the Purchase and Sale Agreement's termination.

[Signatures and Dates]
Right to Withdraw Form Letter

HOME Investment Partnerships Program
Notice of Voluntary Arm's Length Transaction and Seller's Right to Withdraw

This letter must be received by the seller prior to the acquisition if the Voluntary
Agreement was not signed prior to the Purchase and Sales Agreement.

Date: __________________

Property Owner(s): __________________

Address: __________________

Subject Property: __________________

Buyer(s): __________________

Dear ____________________:

On ___________ we entered into an agreement to acquire your property for $ ___________. Our records do not indicate that we made it clear to you that our efforts to acquire your property is voluntary in nature, without any threat of eminent domain condemnation, and that we informed you that we believe the estimated fair market value of your property to be $ ___________. An appraisal or third party opinion determined that the fair market value of this property is $ ___________, and has been provided to the seller. The seller has been informed of his right to be compensated for the fair market value of this property.

Because we failed to advise you of one or both of the above, we wish to offer you the opportunity to withdraw from your agreement to sell, without penalty. In order to proceed, it is necessary that you complete, sign, and return this letter to us indicating your decision to withdraw from our agreement.

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 for Local Defense Under the Uniform Relocation Assistance and Real Property Acquisition for Local Defense Act of 1970 (URA) or any other law or regulation.

In light of the voluntary nature of the sale, please select one of the following:

☐ I choose to affirm the terms and conditions of the existing purchase and sales agreement, or

☐ I choose to void the existing purchase and sales agreement.

Owner's Signature: ____________________ Date: ________________

If you have any questions about this notice, please contact ____________________ at ____________

Sincerely,

______________________________

(Signature and title of Buyer Representative) ____________________

______________________________

(City) ____________________

Montana Department of Commerce
Community Development Division

HOME Investment Partnerships Program
Homebuyer Assistance

Montana Department of Commerce
Community Development Division

HOME Investment Partnerships Program
Homebuyer Assistance
Resources

- Department of Commerce HOME Program

- Department of Commerce CDBG Program
  - http://comdev.mt.gov/CDBG/cdbggrantadminmanual.mcpx

- HUD Handbook 1378
Questions?

Department of Commerce
Community Development Division

P.O. Box 200523
Helena, MT 59620-0523
406-841-2770
DOCHOME@mt.gov
DOCCDBG@mt.gov