

DISPLACEMENT AND RELOCATION NEEDS FOR PRESENT AND FUTURE HIGHWAY PROGRAMS

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The concern of the highway official in relocation assistance actually dates back many years. Long before the enactment of the 1962 Federal-Aid Highway Act, the Bureau of Public Roads and the state highway departments were interested in the relocation of tenants and owners. As far back as August 1947, a booklet published by the Bureau and entitled "Relocation of Tenants and Owners to Expedite Construction of Arterial Routes," advocated attention to this problem and set forth current experience and techniques used in Los Angeles, Chicago, New York City, and elsewhere.

PROVISIONS AND IMPLICATIONS OF THE 1962 AND 1968 HIGHWAY ACTS

A limited program of specific relocation assistance was authorized in the 1962 Federal-Aid Highway Act. It required mandatory relocation assistance to all owners and tenants who moved from residential sites, and optional assistance to business establishments. The Act authorized federal-aid reimbursement of up to \$200 for residential moving costs and up to \$3,000 for business moving costs. Moving cost payments were to be made provided such payments were legally authorized in a particular state.

This relocation assistance program was vastly upgraded 6 years later. In the 1968 Federal-Aid Highway Act, the Congress provided legislative authority and funding unprecedented among public works programs for the compensation of highway displacees of all kinds. Many of the far-reaching provisions in Chapter V of the 1968 Act are as follows:

1. New declaration of legislative policy with respect to highway relocation assistance,
2. Provision for assurances to be given by the state highway departments in connection with specific project proposals,
3. Increase in the level of all moving cost payments without a ceiling but with certain limitations,
4. Provision for 100 percent federal share of the first \$25,000 of such payments to any person until July 1, 1970,
5. Authorization for an additive to fair market value of property acquired in the form of a replacement housing payment up to \$5,000,
6. Provision for a similar additive in the form of a rent supplement for tenants up to \$1,500,
7. Sanction of the payment of expenses to the property owner incidental to the transfer of his property to the state,
8. Requirement for an expanded level of relocation assistance services to displacees, and
9. Definition of several real property acquisition policies that are mandatory on all federal-aid highway acquisitions.

The legal capability of the states for complying fully with the payment provisions of the 1968 Act is the key to its early implementation, even with 100 percent federal reimbursement as the Act provides to July 1, 1970. Two types of assurances must be given by the states. One involves real property acquisition policies, and the states indicate no substantial legal obstacles to providing the required assurances. The second relates to the adequacy of the state relocation assistance program, including assurances that a supply of decent, safe, and sanitary housing is available. Forty

states have indicated they can legally comply with the provisions of the 1968 Act. Three states have complied with the 1968 Act by agreements for advance of funds, retroactive to August 23, 1968, the effective date of the 1968 Act.

According to estimates of the Bureau of Public Roads, the federal-state highway program will be responsible for 50,000 displacements annually for the next several years. Approximately one-fourth of these will be in rural areas, and the other three-fourths in urban areas. About 87 percent of the annual total will involve residences, 10 percent will involve businesses and nonprofit organizations, and the remaining 3 percent will affect farms. Over half of all displacements will be necessary because of Interstate Highway projects. Most of the projected residential displacements will involve housing costing less than \$15,000 each or renting for less than \$110 monthly.

Generalized data such as these, cumulated on a national basis, frequently obscure variations from state to state, and from region to region. For example, a few states do not have any significant relocation problems with respect to the available replacement accommodations. In some cities relocation housing supply falls far short, even into the foreseeable future, of the relocation housing required for highway purposes. Other places have ample relocation housing at reasonable cost. In some states the most acute relocation problems exist in rural and not in urban areas.

The 1968 Federal-Aid Highway Act requires that replacement housing be decent, safe, and sanitary, and that highway agencies be responsible for making such housing available to highway relocatees. Many such relocatees now live in slum or blighted facilities or in housing that does not meet the standards set up by the Bureau of Public Roads for decent, safe, and sanitary housing. Accordingly, the intent of the Congress in the 1968 Act was to upgrade housing in connection with the highway program, and this goal is indeed a worthwhile social objective.

In its Instructional Memorandum 80-1-68 of September 5, 1968, the Bureau of Public Roads stated that the following are the minimum acceptable requirements for decent, safe, and sanitary housing:

1. Conforms with all applicable provisions for existing structures that have been established under state or local building, plumbing, electrical, housing, and occupancy codes, and similar ordinances or regulations applicable to the property in question.
2. Has a continuing and adequate supply of potable safe water.
3. Has a kitchen or an area set aside for kitchen use that contains a sink, in good working condition and connected to hot and cold water, and a sewage disposal system. A stove and refrigerator in good operating condition shall be provided when required by local codes, ordinances, or custom. When these facilities are not so required by local codes, ordinances, or custom, the kitchen area or area set aside for such use shall have utility service connections and adequate space for the installation of such facilities.
4. Has an adequate heating system in good working order that will maintain a minimum temperature of 70 deg in the living area under local outdoor design temperature conditions. A heating system will not be required in those geographical areas where such is not normally included in new housing.
5. Has a bathroom, well lighted and ventilated and affording privacy to a person within it, containing a lavatory basin and a bathtub or stall shower, properly connected to an adequate supply of hot and cold running water, and a flush water closet, all in good working order and properly connected to a sewage disposal system.
6. Has provision for artificial lighting for each room.
7. Is structurally sound, in good repair, and adequately maintained.

The requirements for each building used for dwelling purposes are as follows:

1. Has 2 safe unobstructed means of egress leading to safe open space at ground level. Each dwelling unit in a multi-dwelling building must have access either directly or through a common corridor to 2 means of egress to open space at ground level. In buildings of 3 stories or more, the common corridor on each story must have at least 2 means of egress.

2. Has 150 sq ft of habitable floor space for the first occupant in a standard living unit and at least 100 sq ft of habitable floor space for each additional occupant. The floor space is to be subdivided into sufficient rooms to be adequate for the family. All rooms must be adequately ventilated. Habitable floor space is defined as that space used for sleeping, living, cooking, or dining purposes, and excludes such enclosed places as closets, pantries, bath or toilet rooms, service rooms, connecting corridors, laundries, and unfinished attics, foyers, storage spaces, cellars, utility rooms, and similar spaces.

Decent, safe, and sanitary housing for rental or sleeping rooms might be expected to vary somewhat from these standards, for obvious reasons. Rental sleeping rooms shall meet the minimum requirements contained in paragraphs 1, 4, 6, and 7 for housing and 1 for buildings and the following:

1. Have at least 100 sq ft of habitable floor space for the first occupant and 50 sq ft of habitable floor space for each additional occupant.
2. Have lavatory and toilet facilities that provide privacy including a door that can be locked if such facilities are separate from the room.

Instead of these standards a local housing code may be submitted by the agency providing the relocation assistance to the Director of Public Roads for approval. Any local code submitted shall be reasonably comparable to the Bureau's standards. The Director of Public Roads may approve exceptions to the standards where unusual conditions exist.

The 1968 Act requires the replacement housing payment to be measured by a series of factors, including the average price of a comparable dwelling. A comparable dwelling is defined by the Bureau of Public Roads to be one that is substantially equal and functionally equivalent with respect to number of rooms, area of living space, type of construction (wood, frame, or stucco), age, state of repair, accessibility to public services and places of employment, and type of neighborhood.

Under some circumstances, property owners, tenants, farmers, or businessmen may feel that payment determinations by state highway department personnel are not in accordance with law. An appeals mechanism, accordingly, is provided by the Bureau of Public Roads in its Instructional Memorandum 80-1-68.

An applicant for a relocation payment shall be notified promptly in writing concerning his eligibility for the payment claimed; the amount, if any, he is entitled to receive; and the time and manner in which the payment will be made. This notification shall also inform the applicant of his right to appeal and the procedures therefor, in the event the applicant is dissatisfied with the initial ruling on his application for payments.

The head of the state agency shall establish procedures, consistent with applicable state law, for reviewing appeals. Those procedures shall provide, at the minimum, that any person taking such an appeal shall be given (a) full opportunity to be heard and (b) a prompt decision giving reasons in support of the result reached.

The matter of adequately relocating highway displacees, according to the terms and requirements of the 1968 Act, is a very complex and time-consuming operation. Enlarged staffs of the Bureau of Public Roads and state highway departments and appropriate organization changes will be required in order to do the kind of job that is now required. Some state highway departments have already added substantially to their present right-of-way staffs. Some estimates indicate that within the next year or two state highway department right-of-way personnel will probably need to be doubled in number.

Moreover, special and new kinds of talent that are new to highway department operations will probably need to be considered in connection with the relocation assistance function. Housing marketing specialists, who can ascertain and evaluate replacement housing needs and availability, may be needed. Personnel with sociological, psychological, behavioral, and other welfare-oriented backgrounds may need to be considered. A new complex of personnel and organizational operation comes into play here.

HOUSING SUPPLY AND RELOCATION HOUSING DEMAND

Persuasive evidence is available to indicate that the demand for relocation housing will substantially exceed the supply in particular areas of the nation, especially in urban areas in view of the requirement for decent, safe, and sanitary housing. Recent studies by the U. S. Department of Housing and Urban Development reveal that approximately 26 million new housing units will be required over the next decade to reasonably satisfy the need for housing in the United States. Only a small fraction of this need has been authorized and funded by current housing programs.

The major emphasis of remedial legislation involving public works relocations has been assistance to be rendered displacees, securing of replacement housing, and adequate relocation payments for the cost of moving. This was the principal thrust of Chapter 5, Section 30, of the 1968 Federal-Aid Highway Act. It is becoming increasingly apparent that another element must now be considered in connection with displacements resulting from highway and other public works improvements. This involves the need to equate the supply of and demand for decent, safe, and sanitary housing that will result from displacements of all kinds. The supply must become available at time intervals that approximately coincide with the orderly programming and construction sequence of public works projects. Unless the supply of decent, safe, and sanitary housing is appropriately augmented to meet this demand, public works projects will be delayed unreasonably. In some areas, badly needed public works programs could be held up for years or abandoned altogether because replacement housing in adequate quantities simply is not available. There is evidence that this condition obtains in a substantial number of urban areas and in many rural areas.

Chapter 5, Section 30, of the 1968 Federal-Aid Highway Act requires that the state highway departments provide assurances that

(3) within a reasonable period of time prior to displacement there will be available, to the extent that can be accomplished, in areas not generally less desirable in regard to public utilities and public and commercial facilities and at rents or prices within the financial means of the families and individuals displaced, decent, safe, and sanitary dwellings, as defined by the Secretary, equal in number to the number of and available to such displaced families and individuals and reasonably accessible to their places of employment.

Availability of relocation payments, including additives to fair market value, will not necessarily result in the availability of housing adequate both in quality and quantity. Further, unless the housing supply is increased, the new relocation payment program may inflate the selling prices of existing housing.

The intent of the Congress is that the authorized federal-aid highway program proceed with reasonable dispatch. Therefore, the Federal Highway Administration is exploring means for equating the supply of and demand for relocation housing and for timing the supply to coincide with project construction. To this end, arrangements have been made with the Department of Housing and Urban Development (HUD) for discussion of a logical series of actions and events to ensure that relocation housing is available. These include the following:

1. Effort could be made to assign to HUD the immediate responsibility (by administrative or legislative authority) for ascertaining what the relocation housing demand will be during the next 10 to 15 years. Included in this demand would be all federal, state, and local public works needs and additionally those private needs that can be ascertained. The data so obtained would be stratified by class of housing, occupancy (owner or tenant), categories of cost, and other bases. Such an effort should be a continuing one and should span at least a decade at any one point in time.

2. HUD could similarly be assigned the responsibility to ascertain for the same time period the housing supply of present federal, state, and local programs and to relate that supply to the demand and the classes of housing needs previously identified.

3. These data will reveal where the deficiencies and disparities will exist in terms of supply of and demand for decent, safe, and sanitary housing for relocation purposes. HUD could then seek authority and moneys for either augmented or federal and federal-aid relocation housing programs or both to bridge the gap between supply and demand. All ongoing and authorized programs and funding involving housing will need to be evaluated with this suggested approach.

An alternative to this approach would be for the states themselves, through their state highway departments or other state authorities, to ascertain the need for and provide necessary replacement housing. This would involve state enabling legislation, probably similar to the 1968 California statute. It could put the highway departments in the housing business to the extent necessary to satisfy the requirements of their programs.

PROPOSALS AND PROGRAMS FOR RELOCATION HOUSING

The problem of finding and obtaining appropriate housing sites in the urban and suburban areas of the nation is a most difficult one. It has been proposed, therefore, that Section 108, Title 23, of the federal-aid highway laws be amended to add \$100 million each year for a 2-year period to permit federal participation (in the usual project ratios) in land acquired by the states (at their option) to be used for relocation housing. Federal highway trust fund participation would be limited to land only, and the housing improvements would be provided presumably by a local housing authority, a redevelopment agency, the state highway department, or any other public or private group designated by the state. Any recoupment obtained from this land acquirement during the process of providing the housing would be shared with the federal government in the same ratio as it was financed in the first instance. There already is language in Section 108 of the highway laws relating to relocation assistance, but it probably is not broad enough to accomplish what is intended here. The authority would be optional, not mandatory.

The Bureau of Public Roads and the Federal Highway Administration have been seeking to arrange for highway relocatees to have preference in securing decent, safe, and sanitary housing that becomes available under existing public housing programs. The Veterans Administration and the Federal Housing Administration have initiated procedures to this end. Discussions are continuing with other agencies of the Department of Housing and Urban Development and with the Farm Home Loan Administration. It is quite obvious that preferences for those displaced must be obtained, either legislatively, or administratively, if necessary public works projects are to be provided for the public accommodation.

Because advance acquirement of lands for highway rights-of-way provides additional and often critically needed lead time prior to construction, the relocation of persons and businesses can be accommodated with much more deliberation and far less friction—and perhaps less cost—than otherwise would be possible. Advance acquisition is now authorized and funded under the 1968 Act. An apportionment of \$100 million of advance acquisition funds was made for fiscal year 1970, but only \$31 million was budgeted for 1969. Both the Federal Highway Administration and the state highway departments will seek to execute this program so that it will augment the relocation assistance effort.

Efforts are already being made to facilitate the joint development of highways and other community needs and the multiple use of highway rights-of-way. There could be linkages of all kinds between this program and the relocation of residences, farms, businesses, and other activities from the federal-aid rights-of-way. These linkages can be explored further, especially in terms of the potential of research and development activities. The joint development program is well under way now in the Bureau of Public Roads, Federal Highway Administration, and the state highway departments. Currently under consideration are over 300 projects ranging in status from joint development planning to feasibility study, physical construction, and final completion of the works involved.

The following are possible research and development projects that might help to alleviate some of the operational deficiencies in the current program:

1. A study of possible linkages among joint development, multiple use, and relocation assistance in connection with the highway program.
2. Alternative techniques for conducting housing marketing surveys in order to ascertain the extent of the additives required under the 1968 Highway Act and the quantities and quality of replacement housing.
3. Alternative methods for filling the gap between decent, safe, and sanitary housing supply and relocation housing demand.
4. A documented legal analysis of acquiring property for relocation housing as a highway and public purpose, with or without housing improvements.
5. A study of the organizational arrangements and personnel requirements for the relocation assistance activity in state highway departments.
6. Alternative methods for determining the replacement housing payment (the additive) in connection with relocation assistance programs.
7. An analysis and evaluation of differences among the states in their approaches to the provision of replacement housing in connection with public works programs generally and the highway program particularly.
8. An analysis of the authority and funding of state and local housing agencies and the opportunities they may provide in supplying relocation housing.
9. An analysis of existing state law and a suggested model act relating to the acquisition of relocation housing sites.
10. A method for providing decent, safe, and sanitary relocation housing, either new or rehabilitated, through private enterprise.
11. An in-depth analysis of the alternative methods of administration of a uniform relocation assistance program.
12. A study of the practical determination of fair market values of property acquired for highway purposes in light of the additives provided in the 1968 Highway Act.
13. The development of a survey technique for determining housing requirements of displacees, using attitudinal and behavioral characteristics as well as other pertinent physical, sociological, economic, and other elements such as in-depth interview techniques.