

project were to be provided uniform and equitable treatment in conjunction with their relocation. While the Portsmouth Redevelopment and Housing Authority, Portsmouth, Virginia, has encountered little difficulty in its displacement and acquisition programs in addressing the basic goal of the act, it is strongly felt that the law and accompanying regulations must be amended and updated in order to continue to address legislative intent and to make the act responsive to today's conditions and needs. Only through such revisions can the act continue to provide uniform and equitable treatment of displacees. The following represent several revisions that have been suggested to accomplish this goal.

MOVING EXPENSES

The \$10 000 in-lieu-of payment for businesses has proven to be inadequate in today's market, particularly for large business concerns. Further, computation of the average annual net earnings by using only the two years prior to acquisition in most instances has not provided a true picture of the displaced firm's earlier operations. During this period, many former patrons have moved out of the area due to redevelopment and displacement activities, thereby considerably decreasing net earnings. Increasing the maximum in-lieu-of payment and increasing the time period for computing average net earnings from two to five years (permitting business concerns to select the most representative two years) would prevent windfalls as well as inequities.

REPLACEMENT HOUSING PAYMENTS

There is a critical need for increases in both the \$15 000 replacement housing payment for displaced homeowners and the \$4000 payment to tenants. The differential ceiling amount for homeowners is unreasonable in today's housing market because in the vast majority of cases this payment is insufficient to permit homeowners to purchase a replacement dwelling free from a mortgage. Further, dispersal of the rental assistance payment for tenants and certain others in a lump sum has often encouraged tenants to rent standard units that are well above their continued ability to pay. After these monies have been expended, many tenants often

are forced to move back into substandard housing. Although a comprehensive counseling program is essential to carrying out a successful relocation program--and such a program is in place at this authority and many other agencies--the enticement of receiving a check for \$4000 often distorts the purpose for which the assistance is intended.

One suggested method of updating the replacement housing payment schedule for tenants would be the establishment, by geographic area, of a schedule of maximum differential payments, similar to the procedure used by HUD to establish and update fair-market rents. This would help ensure equitable compensation for displaced tenants, taking into account differentials in housing costs throughout the country. A similar method could be used for homeowner payments that are pegged to the Consumer Price Index or some other relevant guideline.

DOWN PAYMENT ASSISTANCE

The down payment assistance available to tenants and certain others is presumably designed to encourage qualified tenants to purchase rather than rent, and the requirement for matching funds over \$2000 is correspondingly intended to be an incentive for tenants to become homeowners. However, the authority notes that this requirement has seemed to discourage many tenants who might have otherwise become homeowners, leaving them with the feeling that they have somehow been penalized.

RELOCATION INCENTIVE FUNDING

Together with the other needed amendments, the problem of having to use community development block grant monies for relocation costs has placed a significant burden on other eligible programs, oftentimes precluding a locality from undertaking activities necessitating displacement. Therefore, it is recommended that the development of incentive funding be considered for communities undertaking large-scale community revitalization activities involving displacement.

[N.B. These and other initiatives have been offered by me in testimony before members of the U.S. Senate Intergovernmental Relations Committee on behalf of the National Association of Housing and Redevelopment Officials.]

Proposed Revisions in the Uniform Relocation Act

Dudley H. Millen

The 1970 Uniform Relocation Act, based on the experience of the District of Columbia's Department of Housing and Community Development, has been successful in its intent to provide meaningful information, services, and payments to displacees required to relocate as a result of government-related endeavors. Agencies have been compelled to ensure the eventual relocation of residential displacees into suitable and standard replacement housing and supplemental payments have enhanced this process. Thus, the goals have generally been achieved. The exception may be the households whose financial resources disqualified them for subsidized housing while market-

rate housing actually exceeded their means.

A proposed solution to this inequity may be an increase in the range of financial assistance for all categories of displacees. The District of Columbia has incorporated programs to supplement the \$15 000 replacement housing payment for homeowners up to an additional \$10 000 and down payment assistance for displaced tenants up to \$11 000. These provisions have significantly increased home ownership opportunities among D.C. residents. The Uniform Act should be amended to include similar benefits.

Nevertheless, this still leaves a void for

displacees who relocate into rental housing. It is among this group that the greatest inequities may have occurred, and an increase of the \$4000 tenant assistance payment may not be the solution. The cost of current market housing may require a totally different and more innovative approach.

A complete change in the moving expense payment provisions is also recommended. While the actual moving expense option should be retained, the dislocation allowance should be eliminated and the fixed payment increased to provide displacees \$150 for each of the first three rooms of furniture and \$75 for each additional room up to \$975 for 10 rooms. This amount will be the maximum fixed

payment. Any amount in excess of the net moving cost would be substituted for the dislocation allowance and would be appropriately scaled in proportion to the size of the vacated dwelling unit.

The relocation program of the Department of Housing and Community Development's Central Relocation Assistance Office for the District of Columbia has been most notably affected by the limited availability of dwelling units within the financial means of a preponderance of low-income households in the displacee workload. However, this predicament may be created more by the economics of supply and demand within the District's housing market rather than by shortcomings within the Uniform Act.

Relocation and Real Property Acquisition Implementation by Counties

Fred Rogers

There are very few small counties that have the personnel or expertise in the field of land acquisition necessary to acquire property in accordance with Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970.

Several of the larger counties (i.e., those with a population of 200 000 or more) do acquire properties in accordance with the 1970 act. The problems of acquiring trained personnel in the field are very real. In order to have a well-organized program, the personnel needed are a person to write legal descriptions, an appraiser, a negotiator, a person for relocation assistance for residential property, and another for relocation assistance for business property.

In most cases, the counties or local agencies work with the state's department of transportation in order to gain familiarity with the program. I might add that the Illinois State Department of Transportation has been very cooperative in assisting local agencies in complying with federal requirements. It is almost mandatory that the local agencies have a person who can devote a substantial part of his or her time, at least initially, to studying the requirements of the policies and procedures presented by the various agencies for acquisition of real properties. As far as the local agencies are concerned, it is felt that they have done their utmost to achieve the goals that were set by Congress and have in all instances to my knowledge been uniform and equitable.

The County Superintendents Association of Illinois, cognizant of the problem with the small counties, has through its secondary road liaison recommended that the policy be instituted to allow the local agencies to acquire property valued at less than \$2500 without the use of a certified appraiser. This policy change has gone a long way in alleviating the problems that the small local agencies encountered. Further, reduction in costs of acquisition could be realized by increasing the land values so acquired to \$5000.

In the area of relocation assistance, particularly in urban renewal areas, the compensation for relocation is not commensurate with the actual cost involved in relocation. Some of the local agencies have, through their local public bodies, used additional funds to supplement federal funds in assisting with relocation. The greater inequity is the movement of businesses from their established locations to new locations, which does, in most cases, decrease the amount of business that was realized in their previous locations. There is no fair and equitable method of mathematically computing such losses of business or disruption of the cash flow.

In brief, the intent of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 has been adhered to and has worked as well as any federal policy in place now. I believe that local agencies are, in their own way, trying to achieve the intent of the federal legislation.

Condemnation Blight

Paul B. Rodbell

The Fifth Amendment to the U.S. Constitution provides in part that no person shall be deprived of property without due process of law nor shall prop-

erty be taken for public use without just compensation. Article III, Section 40, of the Maryland Constitution provides that the General Assembly shall