



Mayor Jim Gray

LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT
Division of Grants and Special Programs

**TO: MAYOR JIM GRAY
URBAN COUNTY COUNCIL**

**FROM: IRENE GOODING, DIRECTOR
DIVISION OF GRANTS AND SPECIAL PROGRAMS**

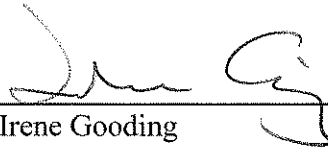
DATE: MARCH 12, 2012

**SUBJECT: REQUEST COUNCIL AUTHORIZATION TO APPROVE OPTIONAL
RELOCATION ASSISTANCE POLICY FOR LOW-INCOME OWNER-
OCCUPANTS WHO ARE BEING INVOLUNTARILY DISPLACED AS A
RESULT OF USE OF COMMUNITY DEVELOPMENT BLOCK GRANT
FUNDS OR HOME INVESTMENT PARTNERSHIPS PROGRAM FUNDS**

As a recipient of federal funds under the Community Development Block Grant program and the HOME Investment Partnerships program, the Lexington-Fayette Urban County Government is required to comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (Uniform Act) in the purchase of property and relocation of residents, businesses, and organizations, in the use of these federal funds.

The proposed Optional Relocation Assistance Policy will be used in addition to the Uniform Act when low-income owner-occupants (families and individuals) are being involuntarily displaced from properties with fair market values less than the outstanding balance of the mortgage loan(s) on the properties. The policy is limited to people who qualify as 180-day homeowners whose negative equity does not exceed 125% of the appraised value. The maximum monetary assistance will not exceed \$20,000. The use of this policy will permit the LFUCG to purchase property with a negative equity without reducing the replacement housing payment. The goal is to continue homeownership for displaced homeowners.

Council authorization to approve Optional Relocation Policy is hereby requested.



Irene Gooding
Director

Cc: Richard Moloney, Chief Administrative Officer

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