

CHAPTER 9. URBAN RENEWAL

9-1 General. This chapter is applicable to closed Urban Renewal projects with outstanding repayment obligations.

9-2 Responsibilities of the Field Office

- A. Ensure that the Field Office gives special monitoring attention to the following:
1. Projects in which no land has been sold during the last six months. Corrective action is to get an active marketing program into operation (see Urban Renewal Handbook 7214.1 Chapter 2, paragraphs 14 and 15).
 2. Parcels with no appraisals or appraisals older than 18 months. Corrective action is for the community to obtain new or updated appraisals on parcels no later than the time when the planned project and site improvements (e.g. streets, sidewalks, water, sewer, etc.) affecting such parcels are installed (see Urban Renewal Handbook 7214.1, Chapter 2, paragraph 34).
 3. Projects in which payments due HUD are being submitted in excess of 30 days from the date of settlement. Corrective action is for the community to be requested to notify the Field Office when settlement dates are scheduled and for CPD to monitor the payments set aside for HUD on these dates.
 4. Projects in which disposal costs and deductions exceed 15% of sale price. Corrective action is to review costs and disallow those not directly related to the marketing and sale of project land unless specifically approved by HUD.
 5. Projects with Categorical Program Settlement Grant funds approved for Section 112(b) financial settlements, with retention of land proceeds permitted for the completion of previously approved activities. Monitoring of activities being undertaken with land proceeds is required to determine if the activities have been previously approved by HUD for completion.

6. Projects in which interim uses have either not been approved by HUD or are delaying the sale of

project land. Corrective action is that all leases be reviewed by HUD and the community for the purpose of deleting any terms that permit lease periods in excess of 30 days. Such land should be included in an active marketing program.

- B. Ensure that the Field Office is maintaining files on each project with financial obligations and that the following documents are contained in those files.
 - 1. Headquarters original funding memorandum, form HUD-185, and all amendments or revisions.
 - 2. Funding Agreement (form HUD-7082), approval letter and amendments or revisions.
 - 3. Closeout Agreement, approval letter and all amendments or revisions.
 - 4. Field Office Land Proceeds Record for Urban Renewal Project with Repayment Obligations to the Secretary (See April 23, 1985 Headquarters memorandum to all Regional Administrators).
 - 5. Current parcel disposition map, correlated with information of the Field Office Land Proceeds Record.
 - 6. Attachment V, Wire Transfer of Funds to HUD (Headquarters memorandum dated August 28, 1986).
- C. The Field Office must comply with the requirements of the April 23, 1985 memorandum regarding the management of urban renewal projects that are closed with financial repayment obligations to the Secretary.