



700 West Liberty Street | Louisville, KY 40203-1911
502.540.6000 | louisvillemsd.org



FAQ—Tenants

What should I expect?

Within the next few months, an appraiser will visit the property to appraise its value. Either the property owner or the appraiser will contact you for a time that is convenient for you, before they enter the home. After the property owner has signed a contract to sell, MSD will set up a meeting with you to review your rights and expectations. You must move before the sale of the property. You are entitled to a minimum of 90-days to relocate. During this process, you must continue to honor your contract with your landlord.

MSD will not meet with you until your landlord has signed a contract to sell. If you are in Section 8 or receive HUD rental assistance, you must contact your case worker to inform them that you need to relocate. MSD will work with HUD to ensure a smooth transition.

Is relocation assistance available for tenants?

Yes, per the Uniform Relocation Act, tenants may be eligible for moving expenses and/or displacement compensation if they meet the minimum eligibility requirements.

What are the minimum eligibility requirements?

- The property you are currently renting must be your primary residence and be included in the acquisition project.
- You must have occupied the dwelling for at least 90 days prior to the initiated negotiations with the property owner.
- You must rent or purchase a decent, safe and sanitary replacement dwelling subject to inspection by MSD.
- You must provide identification or proof of U.S. citizenship (or lawfully present alien of the U.S.) in the form of a driver's license, valid state-issued ID, passport, birth certificate or social security number.

What types of compensation are available?*

Two types of compensation may be available to eligible renters:

- Reasonable out-of-pocket moving expenses
- Displacement compensation for a reasonable increase in rent and utility expense

Moving expenses:

- To obtain moving expenses, you must provide at least two estimates from reputable movers on the moving companies' letterhead.
- A check for the lower of the two estimates will be made payable to you. You may use that money for moving expenses or as a deposit on a new residence.

Displacement compensation:

For those who qualify, this is a calculated compensation (see example) not to exceed \$5,250.

- You must submit a statement of income, such as a pay stub, 2015 W-2 or Social Security Benefits.
- You must submit a signed copy of your current lease, new lease and current utility bills—water, sewer, gas or electric. Cell phone and cable bills are not considered utilities.

Are relocation services provided?

MSD **does not** provide relocation assistance. Below is a list of non-profit agencies that you may contact for relocation assistance.

- | | |
|---------------------------|--------------|
| • Housing Partnership | 502.814.2710 |
| • The Fuller House | 502.272.1377 |
| • Habitat for Humanity | 502.583.0332 |
| • California Single Homes | 502.814.2710 |

*Moving expenses and displacement compensation are administered based on the Uniform Relocation Act (URL) regulations.

How is displacement compensation for rent increase calculated?

1. Take monthly rent and average monthly utility costs for a comparable or replacement dwelling.
2. Subtract the base monthly rent and average monthly utility costs from your current dwelling.
3. Multiply the resulting number by 42.*
4. Your compensation will be either that amount or \$5,250, whichever is less.

See the examples below.

EXAMPLE 1 DISPLACEMENT COMPENSATION CALCULATION

Name: Mr./Ms. Tenant
Property Address: Street Address
City, State Zip: Louisville, KY 402XX
LRSN #: 64510 (property ID)

Monthly gross income
***30%:** $\$3,200 \times 0.30 = \$ 960.00$

Displacement Dwelling (Flooded Home) Per month

Monthly rent	\$ 750.00
Average monthly utility costs (LG&E/Louisville Water/MSD)	\$ 200.00
Total average monthly expenses	\$ 950.00

Step 2 – Replacement Dwelling (New Home)

Monthly rent	\$ 850.00
Average monthly utility costs (LG&E/Louisville Water/MSD)	\$ 200.00
Total average monthly expenses	\$ 1,050.00

Step 3 – Compensation

Average monthly expenses (New Home) \$ 1,050.00

Subtract:
 Lesser of base monthly expenses — \$ 950.00
 or 30% of gross monthly household income

Sub total \$ 100.00

Multiply sub total by 42 = Total compensation

Total Compensation \$ 4,200.00

How long does it typically take to receive relocation assistance?

If you qualify for relocation assistance, please expect at least 15 business days between receiving all necessary paperwork and issuing of moving expense and or displacement compensation checks.

Checks will be mailed to the **most current address** MSD has on file. Make alternate arrangements with the Project Administrator if you are moving or have an alternate or preferred mailing address.

EXAMPLE 2 DISPLACEMENT COMPENSATION CALCULATION

Name: Mr./Ms. Tenant
Property Address: Street Address
City, State Zip: Louisville, KY 402XX
LRSN #: 64510 (property ID)

Monthly gross income
***30%:** $\$3,000 \times 0.30 = \$ 900.00$

Displacement Dwelling (Flooded Home) Per month

Monthly rent	\$ 750.00
Average monthly utility costs (LG&E/Louisville Water/MSD)	\$ 200.00
Total average monthly expenses	\$ 950.00

Step 2 – Replacement Dwelling (New Home)

Monthly rent	\$ 850.00
Average monthly utility costs (LG&E/Louisville Water/MSD)	\$ 200.00
Total average monthly expenses	\$ 1,050.00

Step 3 – Compensation

Average monthly expenses (New Home) \$ 1,050.00

Subtract:
 Lesser of base monthly expenses — \$ 900.00
 or 30% of gross monthly household income

Sub total \$ 150.00

Multiply sub total by 42 = Total compensation

Total Compensation \$ ~~6,300.00~~

NOTE: Maximum Compensation \$5,250.00

Tenant will receive the maximum compensation allowed per terms of the grant.

* Multiplier of 42 represents 3.5 years, per Uniform Relocation Act requirement.