



HUD, NSP and the Demolition Process - Basic

About this Tool

Description:

This document is intended to provide guidance to organizations and localities that intend to use demolition as part of their Neighborhood Stabilization Program strategy. These procedures detail a specific framework that can be considered in the administration of individual programs.

How to Adapt this Document:

These procedures are samples and to be used as a guide or template. Please keep in mind that every procedure listed in this sample document may not be applicable to your specific program.

Source of Document:

Substantial portions of this document came from the Center for Community Progress.

Disclaimer:

This document is not an official HUD document. It is shown only as an example for informational purposes, which should only be adapted as described above. Any binding agreement should be reviewed by attorneys for the parties to the agreement and must conform to state and local laws.

This resource is part of the NSP Toolkits. Additional toolkit resources may be found at www.hud.gov/nspta

PREPARATION FOR DEMOLITION:

Identify parcels as demolition candidates:

- Conduct site visits/inspections to verify current condition/status information
- Only ‘blighted structures’ are eligible for demolition funding
 - If meets ‘blighted’ requirement, as defined in grantee’s NSP Action Plan – must prepare Blight Certification letter
- Check to ensure property is located in eligible NSP target areas for the grantee.
- Prepare for data management - photos, spreadsheets, ownership documents, etc.
 - Maintain files – physical and electronic copies of all documentation

Contracts administration:

- Create process to pre-qualify contractors, then bid and award contracts:
 - Demolition Facilitator – to handle initial clearances/approvals
 - Best practice if numerous parcels to prepare for demolition
 - To assist municipality with obtaining clearances, monitoring compliance
 - Several demolition contractors – to demolish structures
 - Pre-approved through Request for Qualifications
 - Each contractor submits pricing for demolition and abatement (see the RFQ for contractors under the demolition toolbox)
- Assign parcels in groups to pre-approved contractors, and monitor progress
 - Cleared parcels assigned (process described in Part One below)
 - Inspect and approve each step of demolition; approve change orders

PART ONE - INITIAL CLEARANCES and APPROVALS REQUIRED TO DEMOLISH:

Title Review and Clearances: (completed by a contracted title company)

- Verify clear title/ownership of ‘blighted’ parcels in Municipality
 - Municipality must have ‘insurable’ title/ownership of property to use funding
- Some parcels will require Quiet Title actions prior to demolition
 - Foreclosed parcels may have notice and/or service issues to resolve

Environmental Review (ER, per the National Environmental Policy Act (NEPA)) and Clearances:

- Tier 1 - Initial Publication of Notices – per NEPA requirements
 - Statutory Checklist and Environmental Assessment for project

For HUD to ‘release’ the funding (Notice of Release of Funds (RROF) and Finding of No Significant Impact (FONSI))

- Tier 2 - Site-specific inspections and assessments, to prepare two HUD checklists:
 - Statutory Checklist – for all parcels, site specific
 - Environmental Assessment (EA) checklist – for specific parcels only
- Obtain SHPO/Section 106 review and clearances
 - Compare addresses to historical districts – approved and eligible

- Requirements for Scenic Rivers, Great Lakes, airports, wetlands, etc.
- Posting notices on structures

Environmental testing for possible contaminants: (completed by licensed environmental company)

- Determination if ‘safe to enter’ for testing and abatement of hazards
 - If not safe to enter, property will need to be an ‘ordered demolition’
 - Required document for any ‘ordered demolition’
- Identify hazards and abatement that will be required prior to demolition
- Will also conduct air monitoring during actual demolitions - asbestos

UTILITY DISCONNECTIONS: (completed by demolition facilitator)

Water disconnects – usually handled by municipality:

- Submit request for disconnection and title documents
- Pay fee per water line disconnected
- Receive ‘wrecking clearance’ for demolition

Gas disconnects:

- Submit request for shut off, any required documents
- Pay fee per parcel
- Receive ‘wrecking clearance’ for demolition

Electrical disconnects:

- Submit request for shut off, any required documents
- Usually no fee per parcel
- Receive ‘wrecking clearance’ for demolition

Assignment of parcels to Demolition Contractors:

- Assign sets of 10 – 20 structures to each demolition contractor
 - Assignments based on original bid prices for demo and for needed abatement
 - Best value based on total cost for work needed, per environmental testing
- Demo Facilitator to have demolition application and all clearances ready to submit
- Grantee to obligate the funds on DRGR once its awards a demolition contract for a specific property

PART TWO - ACTUAL DEMOLITION:

Apply for demolition permit/approval: (completed by pre-qualified demo contractors)

- Each demo contractor will submit permit application/documents to permitting office
 - Permit fees paid by demo contractor, included in bid pricing of contract
- File National Emissions Standards for Hazardous Air Pollutants (NESHAP) forms with your state DEQ, follow process for environmental hazards
 - If safe to enter, demo contractor will conduct abatement of asbestos/lead/etc.
 - If unsafe, structure will be classified as 'ordered demolition', sent to a Type II landfill

Demolition: (completed by pre-qualified demo contractors)

- Structures taken down and removed
 - Demolition and removal of basement, if any
 - Basement hole is backfilled with clean dirt
 - Removal of fencing and curb cuts, if applicable
- Municipality and Environmental company approval required for change orders
 - If abatement amounts/costs are different than estimated
- Finish vacant lot
 - Level lot
 - Replace any broken sidewalks and install new curbs
 - Installation of grass seed – specified mix and timing of hydro-seeding
- Demo contractor to provide required documentation and 'after' photos for payment

Monitoring and Testing: (completed by a licensed environmental company)

- Air monitoring conducted during demolition, for asbestos, etc. on all parcels
 - Concrete testing of basements for all 'ordered demolition' parcels, after structure is down
 - Unannounced, spot testing of fill dirt, compaction and leveling by contractors
- Permitting authority to approve final work and invoices of demolition contractors