

APPENDIX B: RELOCATION ASSISTANCE DOCUMENTS

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CALIFORNIA High-Speed Rail Authority

*Your Rights and Benefits as a Displacee Under
the Uniform Relocation Assistance Program
(Residential)*

July 2013

www.hsr.ca.gov

INTRODUCTION

In building any large, modern transportation project, the displacement of a small percentage of the population is often necessary. However, it is the policy of the California High-Speed Rail Authority (Authority) that displaced persons shall not suffer unnecessarily as a result of a program, like the High-Speed Rail Project (Project) that is designed to benefit the public as a whole.

Individuals, families, businesses, farms, and nonprofit organizations displaced by the Project may be eligible for relocation advisory services and payments.

This brochure provides information about available relocation services and payments. If you are required to move as the result of the Project, a Relocation Agent will contact you. The Relocation Agent will be able to answer your specific questions and provide additional information.

UNIFORM RELOCATION ASSISTANCE AND REAL PROPERTY ACQUISITION POLICIES ACT OF 1970 AS AMENDED “THE UNIFORM ACT”

The purpose of the Uniform Act is to provide for uniform and equitable treatment of persons displaced from their homes, businesses, farms, or nonprofit organizations by federal and federally assisted programs and to establish uniform and equitable land acquisition policies for federal and federally assisted programs.

Title 49, Part 24, of the Code of Federal Regulations implements the Uniform Act in accordance with the following relocation assistance objective:

To ensure that persons displaced as a direct result of federal or federally-assisted projects are treated fairly, consistently and equitably so that such persons will not suffer disproportionate injuries as a result of projects designed for the benefit of the public as a whole.

While every effort has been made to assure the accuracy of this booklet, you must understand that it does not have the force and effect of law, rule, or regulation governing the payment of benefits. In the event of any difference between a statement in this brochure and any provision of law, rule or regulation, the latter will be followed.

SOME IMPORTANT DEFINITIONS

You will be able to understand your relocation benefits better if you become familiar with the following terms:

Comparable Replacement Dwelling is a dwelling which is:

1. Decent, safe, and sanitary. (*See definition below.*)
2. Functionally equivalent to the displacement dwelling.
3. Adequate in size to accommodate the persons being relocated.
4. In an area not subject to unreasonable adverse environmental conditions.
5. In a location generally not less desirable than the location of your displacement dwelling with respect to public utilities and commercial and public facilities, and reasonably accessible to your place of employment.
6. On land that is typical in size for residential development with typical improvements.
7. Currently available on the market.
8. Within your financial means.

Decent, Safe and Sanitary (DS&S) Dwelling is a dwelling that meets applicable local housing and occupancy codes. It also shall:

1. Be structurally sound, weather tight, and in good repair.
2. Contain a safe electrical wiring system adequate for lighting and other devices.
3. Contain a heating system capable of sustaining a healthful temperature (of approximately 70 degrees) for a displaced person, except in those areas where local climatic conditions do not require such a system.
4. Be adequate in size with respect to the number of rooms and area of living space needed to accommodate the displaced persons. The number of persons occupying each habitable room used for sleeping purposes shall not exceed that permitted by local housing codes.
5. Have a separate, well-lighted and ventilated bathroom that provides privacy to the user and contains a sink, bathtub or shower stall, and a toilet, all in good working order and properly connected to appropriate sources of water and to a sewage drainage system.

***Note:** In the case of a housekeeping dwelling, there shall be a kitchen area that contains a fully usable sink, properly connected to potable hot and cold water and to a sewage drainage system, and adequate space and utility service connections for a stove and refrigerator.*

6. Contains unobstructed egress to safe, open space at ground level. If the replacement dwelling unit is on the second story or above, with access directly from or through a common corridor, the common corridor must have at least two means of egress.
7. For a displaced person with a disability, be free of any barriers which would preclude reasonable ingress, egress, or use of the dwelling by that displaced person.

Displaced Person or Displacee is any person who moves from real property or moves personal property from real property as a result of the acquisition of the real property, in whole or in part, or as the result of a written notice from the agency of its intent to acquire the real property needed for this transportation project. In the case of a partial acquisition, the Authority shall determine if a person is displaced as a direct result of the acquisition.

Persons **not lawfully present** in the United States are not eligible to receive relocation payments and assistance.

Relocation benefits will vary, depending upon the type and length of occupancy. As a residential displacee, you will be classified as either:

- An owner occupant of a residential property (includes mobile homes)
- A tenant occupant of a residential property (includes mobile homes and sleeping rooms)

Dwelling is the place of permanent or customary and usual residence of a person, according to local custom or law, including a single family house; a single family unit in a two-family, multi-family, or multi-purpose property; a unit of a condominium or cooperative housing project; a non-housekeeping unit; a mobile home; or any other residential unit.

Owner is a person who is considered to have met the requirement to own a dwelling if the person purchases or holds any of the following interests in real property:

1. Fee title, a life estate, a land contract, a 99-year lease, or a lease, including any options for extension, with at least 50 years to run from the date of acquisition; **OR**

2. An interest in a cooperative housing project that includes the right to occupy a dwelling;
OR
3. A contract to purchase any interests or estates described in (1) or (2); **OR**
4. Any other interest, including a partial interest, which in the judgment of the Authority warrants consideration as ownership.

Tenant is a person who has the temporary use and occupancy of real property owned by another.

MOVING EXPENSES

If you qualify as a displaced person, you are entitled to reimbursement of your moving costs and certain related expenses incurred in moving. The methods of moving and the various types of moving cost payments are explained below.

Displaced individuals and families may choose to be paid on the basis of actual, reasonable moving costs and related expenses, or according to a fixed moving cost schedule. However, to ensure your eligibility and prompt payment of moving expenses, you should contact your Relocation Agent before you move.

You Can Choose Either

Actual Reasonable Moving Costs

You may be paid for your actual reasonable moving costs and related expenses when a commercial mover performs the move. Reimbursement will be limited to a move of 50 miles or less. Related expenses *may* include:

- Transportation
- Packing and unpacking personal property
- Disconnecting and reconnecting household appliances
- Temporary storage of personal property
- Insurance while property is in storage or transit

OR

Fixed Moving Cost Schedule

You may be paid on the basis of a fixed moving cost schedule. Under this option, you will not be eligible for reimbursement of related expenses listed above. The fixed schedule is designed to cover these expenses.

Examples (Year 2012 Rate):

- 4 Rooms - \$1,295
- 7 Rooms - \$2,090

The Fixed Move Schedule for a furnished unit (e.g. you are a tenant of an apartment that is furnished by your landlord) is also based on the following schedule.

Example (Year 2012 Rate):

- 1 Room - \$450
- Each additional room - \$85

Under the Fixed Move Schedule, you will not receive any additional payments for temporary storage, lodging, transportation or utility hook-ups.

REPLACEMENT HOUSING PAYMENTS

The type of Replacement Housing Payment (RHP) depends on whether you are an owner or a tenant, and on the length of your occupancy in the property being acquired. If you are a qualified **owner occupant** of more than 180 days prior to the initiation of negotiations for the acquisition of your property, you may be entitled to a RHP that consists of:

**Price Differential, AND
Mortgage Differential, AND
Incidental Expenses;**

OR

Rent Differential

If you are a qualified **owner occupant** of more than 90 days but less than 180 days, **OR** you are a qualified **tenant occupant** of at least 90 days, you may be entitled to a RHP as follows:

Rent Differential

OR

Downpayment Option

Length of occupancy simply means counting the number of days that you actually occupied a dwelling before the date of initiation of negotiations by the Authority for the purchase of the property. The term "initiation of negotiations" means the date the Authority makes the first personal contact with the owner of real property, or the owner's representative, to give either of them a written offer for the property to be acquired.

***Note:** If you have been in occupancy **less than 90 days** before the initiation of negotiations and the property is subsequently acquired, or if you move onto the property after the initiation of negotiations and you are still in occupancy on the date of acquisition, you may or may not be eligible for a Replacement Housing Payment. Check with your Relocation Agent before you make any decision to vacate your property.*

FOR OWNER OCCUPANTS OF 180 DAYS OR MORE

If you qualify as a 180-day owner occupant, you may be eligible, in addition to the fair market value of your property, for a Replacement Housing Payment that consists of a Price Differential, Mortgage Differential and/or Incidental Expenses.

The **Price Differential** payment is the amount by which the cost of a replacement dwelling exceeds the acquisition cost of the displacement dwelling. This payment will assist you in purchasing a comparable decent, safe, and sanitary (DS&S) replacement dwelling. The Authority will compute the maximum payment you may be eligible to receive.

In order to receive the full amount of the calculated Price Differential, you must purchase a decent, safe and sanitary dwelling and spend at least the amount calculated by the Authority to be the cost of a comparable replacement property. (spend to get requirement)

The **Mortgage Differential** payment will reimburse you for any increased mortgage interest costs you might incur because the interest rate on your new mortgage exceeds the interest rate on the property acquired by the Authority. The payment computation is complex as it is based on prevailing rates, your existing loan and your new loan. Also, a part of this payment may be prorated, for example, as reimbursement for a portion of your loan origination fees and mortgage points.

To be eligible to receive this payment, the acquired property must have been encumbered by a bona fide mortgage that was a valid lien for at least 180 days prior to the initiation of negotiations.

You may also be reimbursed for any actual and necessary **Incidental Expenses** that you incur in relation to the purchase of your replacement property. These expenses may be those costs for title search, recording fees, credit report, appraisal report, and certain other closing costs associated with the purchase of property. You will not be reimbursed for any recurring costs such as prepaid real estate taxes and property insurance.

If the total amount of your **Replacement Housing Payment** (Price Differential, Mortgage Differential and Incidental Expenses) exceeds \$22,500, the payment must be deposited directly into an escrow account or paid directly to the mortgage company.

Examples of Price Differential Payment Computation:

Assume that the Authority purchases your property for \$98,000. After a thorough study of available, decent, safe and sanitary dwellings on the open market, the Authority determines that a comparable replacement property will cost you \$100,000. If your purchase price is \$100,000, you will receive \$2,000 (see *Example A*).

If your actual purchase price is more than \$100,000, you pay the difference (see *Example B*). If your purchase price is less than \$100,000, the differential payment will be based on actual costs (see *Example C*).

How much of a differential payment you receive depends on how much you actually spend on a replacement dwelling as shown in these examples:

The Authority's Computation

Cost of Comparable Replacement Property	\$100,000
Acquisition Price of Your Property	<u>-\$ 98,000</u>
Maximum Price Differential	\$ 2,000

Example A

Purchase Price of Replacement Property	\$100,000
Cost of Comparable Replacement Property	\$100,000
Acquisition Price of Your Property	<u>-\$ 98,000</u>
Maximum Price Differential	\$ 2,000

Example B

Purchase Price of Replacement Property	\$105,000
Cost of Comparable Replacement Property	\$100,000
Acquisition Price of Your Property	<u>-\$ 98,000</u>
Maximum Price Differential	\$ 2,000
You Must Pay the Additional	\$ 5,000

Example C

Cost of Comparable Replacement Property	\$100,000
Purchase Price of Replacement Property	\$ 99,000
Acquisition Price of Your Property	<u>-\$ 98,000</u>
Price Differential	\$ 1,000

In Example C you will only receive \$1,000, not the full amount of the Authority's "Comparable Replacement Property," because of the "Spend to Get" requirements.

If you are a “180-day owner occupant” in order to receive the full amount of the Replacement Housing Payment (Price Differential, Mortgage Differential and Incidental Expenses), you must:

A) Purchase and occupy a DS&S replacement dwelling within one year after the later of:

1. The date you first receive a notification of an available replacement house, **OR**
2. The date that the Authority has paid the acquisition cost of your current dwelling (usually the closing of escrow on State’s acquisition),

AND

B) Spend at least the amount of the Authority’s “Comparable Replacement Property” for a replacement property,

AND

C) File a claim for relocation payments within 18 months of the later:

1. The date you vacate the property acquired by the Authority, **OR**
2. The date that the Authority has paid the acquisition cost of your current dwelling (usually the close of escrow on State’s acquisition)

You will not be eligible to receive any relocation payments until the Authority has actually made the first written offer to purchase the property. Also, you will receive at least 90 days’ written notice before you must move.

FOR OWNER OCCUPANTS AND TENANTS OF 90 DAYS OR MORE

If you qualify as a 90-day occupant (either as an owner or tenant), you may be eligible for a Replacement Housing Payment in the form of a Rent Differential.

The **Rent Differential** payment is designed to assist you in renting a comparable decent, safe and sanitary replacement dwelling. The payment is based on the difference between the base monthly rent for the property acquired by the Authority (including average monthly cost for utilities) and the lesser of:

- a. The monthly rent and estimated average monthly cost of utilities for a comparable replacement dwelling as determined by the Authority, **OR**
- b. The monthly rent and estimated average monthly cost of utilities for the decent, safe and sanitary dwelling that you actually rent as a replacement dwelling.

Utility costs are those expenses you incur for heat, lights, water and sewer regardless of the source (e.g. electricity, propane, and septic system). They do not include garbage, cable, telephone, or security. The utilities at your property are the average costs over the last 12 months. The cost of utilities at the comparable replacement property is based on the estimated costs for the last 12 months for the type of dwelling and area used in the calculation.

This difference between (a) and (b) is multiplied by 42 months and may be paid to you in a lump sum payment or in periodic installments in accordance with policy and regulations.

In order to receive the full amount of the calculated Rent Differential, you must rent a decent, safe and sanitary dwelling and spend at least the amount calculated by the Authority to be the rental rate of a comparable replacement property.

This payment may, with certain limitations, be converted to a **Downpayment Option** to assist you in purchasing a replacement property.

Example of Rent Differential Payment Computation:

After a thorough study of comparable, decent, safe and sanitary dwellings that are available for rent, the Authority determines that a comparable replacement property will rent for \$325.00 per month.

The Authority's Computation (rates are per month)

Rental Rate for Comparable Replacement Property	\$ 325
PLUS average estimated utilities costs	<u>+100</u>
TOTAL Cost to Rent Comparable Replacement Property	= \$ 425

Rental Rate for Your Current Property	\$ 300
PLUS average utilities costs	<u>+ 90</u>
TOTAL Cost to Rent Current Property	= \$ 390

Comparable Replacement Property including utilities	\$ 425
Cost you currently pay to rent your property including utilities	- <u>390</u>
Difference	= \$ 35

Multiplied by 42 months = \$1,470 Rent Differential

Example A:

Rental Rate you pay for a Replacement Property including estimated average utilities costs	\$ 525
Comparable Replacement Property including utilities	\$ 425
Cost you currently pay to rent your property including utilities	\$ 390

Because \$425 is less than \$525, the Rent Differential is based on the difference between \$390 and \$425.

Rent Differential (\$35 x 42 months = \$1,470)

In this case you spent "at least" the amount of the Comparable Replacement Property on the replacement property and will receive the full amount.

Example B:

Rental Rate you pay for a Replacement Property including estimated average utilities costs	\$ 400
Comparable Replacement Property including utilities	\$ 425
Cost you currently pay to rent your property including utilities	\$ 390

Because \$400 is less than \$425, the Rent Differential is based on the difference between \$400 and \$390.

Rent Differential (\$10 x 42 months = \$420)

In this case you spent "less than" the amount of the Comparable Replacement Property on the replacement property and will not receive the full amount.

If you are a "90- day owner occupant" in order to receive the full amount of your replacement housing payment (Rent Differential), you must:

A) Rent and occupy a DS&S replacement dwelling within one year after the later of:

1. The date you first receive a notification of an available replacement dwelling, **OR**
2. The day you vacate the property acquired by the Authority, **AND**

B) Spend at least the amount of the Authority's calculation of "Comparable Replacement Property" to rent a replacement property,

AND

C) File a claim for relocation payments within 18 months of the later of:

1. The date you vacate the property acquired by the Authority, **OR**
2. The date that the Authority has paid the acquisition cost of your current dwelling (usually the close of escrow on State's acquisition)

You will not be eligible to receive any relocation payments until the Authority has actually made the first written offer to purchase the property. Also, you will receive at least 90 days' written notice before you must move.

***Note 1:** The time periods for a 90-day owner occupant are different from those for a 180-day owner occupant.*

***Note 2:** If the Rent Differential is converted to a Downpayment Option, there is no "spend-to-get" requirement.*

DOWNPAYMENT OPTION

The Rent Differential payment may, with certain limitations, be converted to a **Downpayment Option** to assist you in purchasing a replacement property. The downpayment option is a direct conversion of the Rent Differential payment.

If the Authority's calculated Rent Differential is between \$0 and \$5,250, your downpayment option will be \$5,250, which can be used toward the purchase of a replacement decent, safe and sanitary dwelling.

If the Rent Differential is over \$5,250, you may be able to convert the entire amount of the Rent Differential to a downpayment option.

The downpayment option must be used for the acquisition of the replacement dwelling, plus any eligible incidental expenses (see "180-day Owner Occupants Incidental Expenses") related to the purchase of the property. You must work closely with your Relocation Agent to ensure you can utilize the full amount of your downpayment option toward the purchase.

If any portion of the Rent Differential was used prior to the decision to convert to a downpayment option, those advance payments will be deducted from the entire benefit.

LAST RESORT HOUSING

On most projects, an adequate supply of housing will be available for sale and for rent, and the benefits provided will be sufficient to enable you to relocate to comparable housing. However, there may be projects in certain locations where the supply of available housing is insufficient to provide the necessary housing for those persons being displaced. In such cases, the Authority will utilize a method called Last Resort Housing. Last Resort Housing allows the Authority to construct, rehabilitate or modify housing in order to meet the needs of the people displaced from a project. The Authority can also pay above the statutory limits of \$5,250 and \$22,500 in order to make available housing affordable.

RELOCATION ADVISORY ASSISTANCE

Any individual, family, business or farm displaced by the Authority shall be offered relocation advisory assistance for the purpose of locating a replacement property. Relocation services are provided by qualified personnel employed by, or under contract with, the Authority. It is their goal and desire to be of service to you and to assist in any way possible to help you relocate successfully. A Relocation Agent from the Authority will contact you personally. Relocation services and payments will be explained to you in accordance with your eligibility. During the Agent's initial interview with you, your housing needs and desires will be determined as well as your need for assistance. You cannot be required to move unless at least one comparable replacement dwelling is made available to you. You can expect to receive the following services, advice and assistance from your Relocation Agent who will:

- Explain the relocation benefits and eligibility requirements.
- Provide the amount of the replacement housing payments in writing.
- Assure the availability of a comparable replacement property before you move.
- Inspect possible replacement residential units for DS&S compliance.
- Provide information on counseling you can obtain to help minimize hardships in adjusting to your new location.
- Assist you in completing loan documents, rental applications or Relocation Claims Forms.

AND provide information on:

- Security deposits
- Interest rates and terms
- Typical downpayments
- VA and FHA loan requirements
- Real property taxes
- Consumer education literature on housing

If you desire, your Relocation Agent will give you current listings of other available replacement housing. Transportation will be provided to inspect available housing, especially if you are elderly or handicapped. Though you may use the services of a real estate broker, the Authority cannot provide a referral.

Your Relocation Agent is familiar with the services provided by others in your community and will provide information on other federal, state, and local housing programs offering assistance to displaced persons. If you have special needs, your Relocation Agent will make every effort to secure the services of those agencies with trained personnel who have the expertise to help you.

If the high-speed rail project will require a considerable number of people to be relocated, the Authority may establish a temporary Relocation Field Office on or near the project. Project relocation offices will be open during convenient hours and evening hours if necessary.

In addition to these services, the Authority is required to coordinate its relocation activities with other agencies causing displacements to ensure that all persons displaced receive fair and consistent relocation benefits.

Remember: YOUR RELOCATION AGENT is there to offer advice and assistance. Do not hesitate to ask questions. And be sure you fully understand all of your rights and available benefits.

YOUR RIGHTS AS A DISPLACEE

All eligible displacees have a freedom of choice in the selection of replacement housing, and the Authority will not require any displaced person to accept a replacement dwelling provided by the Authority. If you decide not to accept the replacement housing offered by the Authority, you may secure a replacement dwelling of your choice, providing it meets DS&S housing standards. The Authority will not pay more than your calculated benefits on any replacement property.

The most important thing to remember is that the replacement dwelling you select must meet the basic “decent, safe, and sanitary” standards. **DO NOT** execute a purchase agreement or a rental agreement

until a representative from the Authority has inspected and certified in writing that the dwelling you propose to occupy meets the basic standards. **DO NOT** jeopardize your right to receive a replacement housing payment by moving into a substandard dwelling.

It is important to remember that your relocation benefits will not have an adverse effect on your:

- Social Security Eligibility
- Welfare Eligibility
- Income Taxes

In addition, Title VIII of the Civil Rights Act of 1968 and later acts and amendments make discriminatory practices in the purchase and rental of most residential units illegal if based on race, color, religion, sex, or national origin.

Whenever possible, minority persons shall be given reasonable opportunities to relocate to a decent, safe, and sanitary replacement dwelling, not located in an area of minority concentration, and that is within their financial means. This policy, however, does not require the Authority to provide a person a larger payment than is necessary to enable that person to relocate to a comparable replacement dwelling.

The Authority's Non-Discrimination Policy ensures that all services and/or benefits will be administered to the general public without regard to race, color, national origin, or sex in compliance with Title VI of the 1964 Civil Rights Act (42 USC, sec. 2000d, et seq.). And you always have the right to appeal any decision by the Authority regarding your relocation benefits and eligibility.

Your right of appeal is guaranteed in the Uniform Act which states that any person may file an appeal with the head of the responsible agency if that person believes that the agency has failed to determine properly the person's eligibility or the amount of a payment authorized by the Act.

If you indicate your dissatisfaction, either verbally or in writing, the Authority will assist you in filing an appeal and will explain the procedures to be followed. You will be given a prompt and full opportunity to be heard. You have the right to be represented by legal counsel or other representative in connection with the appeal (but solely at your own expense). The Authority will consider all pertinent justifications and materials submitted by you and other available information needed to ensure a fair review. The Authority will provide you with a written determination resulting from the appeal with an explanation of the basis for the decision. If you are still dissatisfied with the relief granted, the Authority will advise you that you may seek judicial review.

Reference: Uniform Relocation Assistance and Real Property Acquisition

Policies Act of 1970, as amended (42 U.S.C. sec. 4601 et seq.) (Uniform Act);

and Implementing Regulations (49 C.F.R. Part 24)



CALIFORNIA High-Speed Rail Authority

*Your Rights and Benefits as a Displacee
Under the Uniform Relocation Assistance
Program (**Mobile Home**)*

July 2013

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INTRODUCTION

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3. Adequate in size to accommodate the persons being relocated.
4. In an area not subject to unreasonable adverse environmental conditions.
5. In a location generally not less desirable than the location of your displacement dwelling with respect to public utilities and commercial and public facilities, and reasonably accessible to your place of employment.
6. On land that is typical in size for residential development with typical improvements.
7. Currently available on the market.
8. Within your financial means.

Decent, Safe and Sanitary (DS&S) Dwelling is a dwelling that meets applicable local housing and occupancy codes. It also shall:

1. Be structurally sound, weather tight, and in good repair.
2. Contain a safe electrical wiring system adequate for lighting and other devices.
3. Contain a heating system capable of sustaining a healthful temperature (of approximately 70 degrees) for a displaced person, except in those areas where local climatic conditions do not require such a system.
4. Be adequate in size with respect to the number of rooms and area of living space needed to accommodate the displaced persons. The number of persons occupying each habitable room used for sleeping purposes shall not exceed that permitted by local housing codes.
5. Have a separate, well-lighted and ventilated bathroom that provides privacy to the user and contains a sink, bathtub or shower stall, and a toilet, all in good working order and properly connected to appropriate sources of water and to a sewage drainage system.

***Note:** In the case of a housekeeping dwelling, there shall be a kitchen area that contains a fully usable sink, properly connected to potable hot and cold water and to a sewage drainage system, and adequate space and utility service connections for a stove and refrigerator.*

6. Contains unobstructed egress to safe, open space at ground level. If the replacement dwelling unit is on the second story or above, with access directly from or through a common corridor, the common corridor must have at least two means of egress.
7. For a displaced person with a disability, be free of any barriers which would preclude reasonable ingress, egress, or use of the dwelling by that displaced person.

Displaced Person or Displacee is any person who moves from real property or moves personal property from real property as a result of the acquisition of the real property, in whole or in part, or as the result of a written notice from the agency of its intent to acquire the real property needed for this transportation project. In the case of a partial acquisition, the Authority shall determine if a person is displaced as a direct result of the acquisition.

Residents **not lawfully present** in the United States are not eligible to receive relocation payments and assistance.

Relocation benefits will vary, depending upon the type and length of occupancy. As a residential displacee, you will be classified as either:

- An owner occupant of a residential property (includes mobile homes)
- A tenant occupant of a residential property (includes mobile homes and sleeping rooms)

Dwelling is the place of permanent or customary and usual residence of a person, according to local custom or law, including a single family house; a single family unit in a two-family, multi-family, or multi-purpose property; a unit of a condominium or cooperative housing project; a non-housekeeping unit; a mobile home; or any other residential unit.

Mobile Home generally refers to single, double or triple wide mobile home units. It does not include manufactured homes that are permanently affixed to the realty, as these are treated as single family dwellings. However, it may include certain trailers or recreational vehicles that are a primary residence depending on how they are permanently affixed to the real property.

Owner is a person who is considered to have met the requirement to own a dwelling if the person purchases or holds any of the following interests in real property:

1. Fee title, a life estate, a land contract, a 99-year lease, or a lease, including any options for extension, with at least 50 years to run from the date of acquisition; **OR**
2. An interest in a cooperative housing project that includes the right to occupy a dwelling; **OR**
3. A contract to purchase any interests or estates described in (1) or (2); **OR**
4. Any other interest, including a partial interest, which in the judgment of the Authority warrants consideration as ownership.

Tenant is a person who has the temporary use and occupancy of real property owned by another.

MOBILE HOMES

If the mobile home **is not** acquired by the Authority, the owner (regardless of who occupies it) of a mobile home is eligible for a payment to move the mobile home to a replacement piece of land based on an actual cost basis. This includes the cost to disassemble, move and reassemble any porches, decks, skirting and/or awnings.

Additional costs may be eligible for reimbursement if the Authority determines they are “actual, reasonable and necessary.” Some of these costs might include:

- Anchoring the unit to the new pad
- Additional axles or brakes on the mobile home that are required for transportation
- Temporary protection of an extra wide mobile home unit that must be split during the move
- Utility hook-ups to the unit (e.g. water, sewer, septic, electricity, gas), if utilities are already available to the mobile home location (e.g. pad)
- Necessary repairs to meet local and state codes
- Modifications necessary to meet “decent, safe and sanitary” requirements
- With limitations, a non-returnable entrance fee to the mobile home park

The movement of the mobile home must be performed by a qualified mover and the payment will be based on the lower of two bids obtained by the owner of the mobile home and approved by the Authority. The Authority cannot pay for the move of the mobile home beyond 50 miles unless there are no suitable replacement pieces of land or mobile home parks within the 50-mile radius. Approval for a move beyond 50 miles must be obtained in advance of the move.

MOVING EXPENSES

In addition to moving the mobile home, the occupants (regardless of who owns it) may be eligible for a payment to move their personal property, if they qualify as “displaced persons.”

The methods of moving and the various types of moving cost payments are explained below. Displaced individuals and families may choose to be paid on the basis of actual, reasonable moving costs and related expenses, or according to a fixed moving cost schedule. However, to ensure your eligibility and prompt payment of moving expenses, you should contact your Relocation Agent before you move.

You Can Choose Either

Actual Reasonable Moving Costs. You may be paid for your actual reasonable moving costs and related expenses when a commercial mover performs the move.

Reimbursement will be limited to a move of 50 miles or less. Related expenses **may** include:

- Transportation
- Packing and unpacking personal property
- Disconnecting and reconnecting household appliances
- Temporary storage of personal property
- Insurance while property is in storage or transit

OR

Fixed Moving Cost Schedule

You may be paid on the basis of a fixed moving cost schedule. Under this option, you will not be eligible for reimbursement of related expenses listed above. The fixed schedule is designed to cover these expenses.

Examples (Year 2012 Rate):

- 4 Rooms - \$1,295
- 7 Rooms - \$2,090

If the furniture is moved with the mobile home, the amount of the fixed payment is based on the following schedule:

Example (Year 2012 Rate):

- 1 Room - \$450
- Each additional room - \$85

Normally no additional payments for temporary storage, lodging, transportation or utility hook-ups of household appliances can be paid with the fixed move schedule. However, the mobile home occupants who choose to move back into the same mobile home at the new location may receive an allowance for food and lodging during the move and set-up time. Also, utility hook-ups to the mobile home unit may be eligible for reimbursement.

Note: *Even if the mobile home is acquired by the Authority, the occupants of the mobile home (regardless of who owns it) are still eligible for a payment to move their personal property.*

REPLACEMENT HOUSING PAYMENTS

The occupant of a mobile home unit may be eligible for a replacement housing payment. The type of Replacement Housing Payment (RHP) depends on whether you are an owner or a tenant *of the mobile home*, and the length of occupancy in the mobile home unit that is on property being acquired for the Project.

If you are a qualified **owner occupant** of both the land and the mobile home for more than 180 days prior to the initiation of negotiations for the acquisition of your property, and the mobile home unit is acquired by the Authority, you may be entitled to a RHP that consists of:

**Price Differential, AND
Mortgage Differential, AND
Incidental Expenses;**

OR

Rent Differential

You do not have to purchase and occupy another mobile home unit in order to receive your RHP - however, the new residential unit must meet the “decent, safe and sanitary” requirements.

If the mobile home is not acquired by the Authority, you may still be eligible for a RHP to assist you with purchasing a replacement piece of land where you can move your mobile home.

It is important to know that if you **do not own both** the mobile home and the property, your RHP can be limited. You must work closely with your Relocation Agent to fully understand your eligibility.

If you are a qualified **owner occupant** of the mobile home for more than 90 days but less than 180 days, OR you are a qualified **tenant occupant** of the mobile home for at least 90 days, you may be entitled to a RHP as follows:

Rent Differential

OR

Downpayment Option

As the occupant of a mobile home, regardless of the length of time or your status as an owner or tenant, your payment will vary depending upon the following:

- Whether the mobile home unit was acquired by the Authority
- Whether you are the owner of the mobile home
- Whether you will occupy the mobile home at the new location if it is moved
- Whether you choose to occupy another type of unit such as a single family residence.

Length of occupancy simply means counting the number of days that you actually occupied the mobile home unit on the land that is being acquired by the Authority prior to the date of initiation of negotiations by the Authority for the purchase of the property. The term “initiation of negotiations” means the date the Authority makes the first personal contact with the owner of the real property, or the owner’s representative, to give either of them a written offer for the property to be acquired.

Note: *If you have been in occupancy less than 90 days before the initiation of negotiations and the property is subsequently acquired, or if you move onto the property after the initiation of negotiations and you are still in occupancy on the date of acquisition, you may or may not be eligible for a Replacement Housing Payment. Check with your Relocation Agent before you make any decision to vacate your property.*

FOR OWNER OCCUPANTS OF 180 DAYS OR MORE

If you qualify as a 180-day owner occupant, you may be eligible, in addition to the fair market value of your property, for a Replacement Housing Payment that consists of a Price Differential, Mortgage Differential and/or Incidental Expenses.

The **Price Differential** payment is the amount by which the cost of a replacement dwelling exceeds the acquisition cost of the displacement dwelling. This payment will assist you in purchasing a comparable decent, safe, and sanitary (DS&S) replacement dwelling. The Authority will compute the maximum payment you may be eligible to receive.

In order to receive the full amount of the calculated Price Differential, you must purchase a decent, safe and sanitary dwelling and spend at least the amount calculated by the Authority to be the cost of a comparable replacement property.

The **Mortgage Differential** payment will reimburse you for any increased mortgage interest costs you might incur because the interest rate on your new mortgage exceeds the interest rate on the property acquired by the Authority. The payment computation is complex as it is based on prevailing rates, your existing loan and your new loan. Also, a part of this payment may be prorated, for example, as reimbursement for a portion of your loan origination fees and mortgage points.

To be eligible to receive this payment, the acquired property must have been encumbered by a bona fide mortgage that was a valid lien for at least 180 days prior to the initiation of negotiations.

You may also be reimbursed for any actual and necessary **Incidental Expenses** that you incur in relation to the purchase of your replacement property. These expenses may be those costs for title search, recording fees, credit report, appraisal report, and certain other closing costs associated with the purchase of property. You will not be reimbursed for any recurring costs such as prepaid real estate taxes and property insurance.

If the total amount of your **Replacement Housing Payment** (Price Differential, Mortgage Differential and Incidental Expenses) exceeds \$22,500, the payment must be deposited directly into an escrow account or paid directly to the mortgage company.

EXAMPLES OF PRICE DIFFERENTIAL PAYMENT COMPUTATION

SCENARIO 1: If you *owned and occupied the mobile home for at least 180 days*, and it's on *your own property*, and the Authority *acquires your mobile home*, then you are entitled to receive a **Price Differential** based on a comparable residential property.

Assume that the Authority purchases your property and mobile home for \$98,000. After a thorough study of available, decent, safe and sanitary dwellings on the open market, the Authority determines that a comparable replacement property, a mobile home on a similar size lot, will cost you \$100,000. If your purchase price of the replacement property is \$100,000, you will receive \$2,000 (see *Example A*).

If your actual purchase price is more than \$100,000, you pay the difference (see *Example B*). If your actual purchase price is less than \$100,000, the differential payment will be based on actual costs (see *Example C*).

Remember: You do not have to purchase another mobile home as your replacement property.

How much of a differential payment you receive depends on how much you actually spend on a replacement dwelling as shown in these examples:

The Authority's Computation

Cost of Comparable Replacement Mobile Home:	\$100,000
Acquisition Price of Your Mobile Home:	<u>-\$ 98,000</u>
Maximum Price Differential	\$ 2,000

Example A

Purchase Price of Replacement Mobile Home:	\$100,000
Cost of Comparable Replacement Mobile Home:	\$100,000
Acquisition Price of Your Mobile Home:	<u>-\$ 98,000</u>
Maximum Price Differential	\$ 2,000

Example B

Purchase Price of Replacement Mobile Home:	\$105,000
Cost of Comparable Replacement Mobile Home:	\$100,000
Acquisition Price of Your Mobile Home:	<u>- \$ 98,000</u>
Maximum Price Differential	\$ 2,000
You Must Pay the Additional	\$ 5,000

Example C

Cost of Comparable Replacement Mobile Home:	\$100,000
Purchase Price of Replacement Mobile Home:	<u>- \$ 99,000</u>
Acquisition Price of Your Mobile Home:	\$ 98,000
Price Differential	\$ 1,000

In Example C you will only receive \$1,000, not the full amount of the Authority's "Comparable Replacement Property," because of the "Spend to Get" requirements.

SCENARIO 2: If you **owned and occupied the mobile home for at least 180 days**, and it's on **your own property**, and the Authority DOES NOT **acquire your mobile home**, then you are entitled to receive a **Price Differential** based on a comparable residential property on which you can relocate your mobile home.

Assume that the Authority purchases your land for \$48,000. After a thorough study of available locations for purchase that can accommodate the mobile home unit that you retained (which will be moved by a qualified mover), the Authority determines that a comparable replacement piece of land will cost you \$51,000. If your actual purchase price is \$51,000, you will receive \$3,000 (see *Example A*).

If your actual purchase price is more than \$51,000, you pay the difference (see *Example B*). If your actual purchase price is less than \$51,000, the differential payment will be based on actual costs (see *Example C*)

Remember: You do not have to buy a replacement piece of land for your mobile home. You can sell your mobile home to a private party, and purchase a single family residence. However, your RHP will be based on the replacement value of the land.

How much of a differential payment you receive depends on how much you actually spend on a replacement dwelling as shown in these examples:

The Authority's Computation

Comparable Replacement Land:	\$ 51,000
Acquisition Price of Your Land:	<u>- \$ 48,000</u>
Maximum Price Differential:	\$ 3,000

Example A

Purchase Price of Replacement Land:	\$ 51,000
Comparable Replacement Land:	\$ 51,000
Acquisition Price of Your Land:	<u>- \$ 48,000</u>
Maximum Price Differential	\$ 3,000

Example B

Purchase Price of Replacement Land:	\$ 55,000
Comparable Replacement Land:	\$ 51,000
Acquisition Price of Your Land:	<u>- \$ 48,000</u>
Maximum Price Differential:	\$ 3,000
You Must Pay the Additional:	\$ 4,000

Example C

Comparable Replacement Property:	\$ 51,000
Purchase Price of Replacement:	\$ 49,500
Acquisition Price of Your Property:	<u>- \$ 48,000</u>
Price Differential	\$ 1,500

In Example C you will only receive \$1,500 - not the full amount of the Authority's "Comparable Replacement Property" because of the "Spend to Get" requirements.

SCENARIO 3: If you *owned and occupied the mobile home for at least 180 days*, and it's on land that you rent (e.g. a mobile home park), and the Authority DOES NOT *acquire your mobile home*, you may be entitled to a **Rent Differential based on a comparable piece of land.**

However, if the Authority acquires your mobile home because it cannot be moved, it is not considered "decent, safe and sanitary," there are no comparable replacement locations, or available mobile home parks will not accept it because of its size or condition, you may be entitled to a **Price Differential** for the mobile home plus a **Rent Differential** for the land you rent in the Mobile Home Park.

Assume that for \$38,000, the Authority purchases your mobile home that is located in a Mobile Home Park where you pay \$400 per month for rent (which includes heat, lights, water, garbage, and sewer). The Authority conducts a thorough study of available pieces of land for rent that can accommodate a mobile home unit **and** determines the purchase price of a comparable mobile home unit. An example of your entitlement might be:

The Authority's Computation

Comparable replacement land for rent:	\$ 500
Rent you currently pay at the mobile home park:	\$ 400
Monthly difference:	\$ 100
Multiplied times 42 months = Maximum Rent Differential:	\$ 4,200

IF you spend at least \$500 per month at the new location.

PLUS:

Comparable Replacement Mobile Home for purchase	\$ 42,000
Acquisition Price of Mobile Home you occupy	\$ 38,000
Maximum Price Differential:	\$ 4,000

IF you pay at least \$42,000 for a new mobile home to be set up at the new mobile home park

If you are a "180 day owner occupant," in order to receive the full amount of the Replacement Housing Payment (Price Differential, Mortgage Differential and Incidental Expenses), you must:

A) Purchase and occupy a DS&S replacement dwelling within one year after the later of:

1. The date you first receive a notification of an available replacement residential property (e.g., mobile home on an existing location, land available for your mobile home, or another type of residential unit), **OR**
2. The date that the Authority has paid the acquisition cost of your mobile home and/or land (usually the closing of escrow on the Authority's acquisition),

AND

B) Spend at least the amount of the Authority's "Comparable Replacement Property" for a replacement property,

AND

C) File a claim for relocation payments within 18 months of the later:

1. The date you vacate the property acquired by the Authority, **OR**
2. The date that the Authority has paid the acquisition cost of your current dwelling (usually the close of escrow on the Authority's acquisition).

You will not be eligible to receive any relocation payments until the Authority has actually made the first written offer to purchase the property. Also, you will receive at least 90 days' written notice before you must move.

FOR OWNER OCCUPANTS AND TENANTS OF 90 DAYS OR MORE

If you qualify as a 90-day occupant (either as an owner or tenant), you may be eligible for a Replacement Housing Payment in the form of a Rent Differential. Remember, it is your status in the mobile home unit that determines your "occupancy."

The **Rent Differential** payment is designed to assist you in renting a comparable decent, safe and sanitary replacement dwelling. The payment is based on the difference between the base monthly rent for the property acquired by the Authority (including average monthly cost for utilities) and the lesser of:

- a. The monthly rent and estimated average monthly cost of utilities for a comparable replacement dwelling as determined by the Authority, **OR**
- b. The monthly rent and estimated average monthly cost of utilities for the decent, safe and sanitary dwelling that you actually rent as a replacement dwelling.

Utility costs are those expenses you incur for heat, lights, water and sewer regardless of the source (e.g., electricity, propane, and septic system). It does not include garbage, cable, telephone, or security. The cost of utilities at your property is based on the average costs over the last 12 months. The cost of utilities at the comparable replacement property is based on the estimated costs for the last 12 months for the type of dwelling and area used in the calculation.

This difference between (a) and (b) is multiplied by 42 months and may be paid to you in a lump sum payment or in periodic installments in accordance with policy and regulations.

In order to receive the full amount of the calculated Rent Differential, you must spend at least the amount calculated by the Authority on a replacement property. (spend to get)

This payment may, with certain limitations, be converted to a **Downpayment Option** to assist you in purchasing a replacement property. (See page 12 for a full explanation).

Examples of Replacement Housing Payments for 90 day occupants:

Situation 1: You *owned and occupied* the mobile home unit and the land for at least 90 days but not more than 180 days. You are entitled to a **Rent Differential** based on the difference between the economic rent of your home (the unit and the land) and that of a comparable home (the unit and the land) that is available for rent.

If you move the mobile home, you are entitled to a **Rent Differential** based on the difference between the economic rent of the mobile home site and that of a comparable mobile home site that is available for rent.

Situation 2: You *rented and occupied* for at least 90 days the mobile home unit that was located on land you owned. You are entitled to a **Rent Differential** based on the difference between the actual rent of your mobile home plus the economic rent of the mobile home site, and that of a comparable mobile home (the unit and site) that is available for rent.

Situation 3: You *rented and occupied the* mobile home and the land for at least 90 days. You are entitled to a **Rent Differential** based on the difference between the actual rent of the mobile home unit (including utilities) and the land, and that of a comparable home (the unit and the land) that is available for rent.

Situation 4: You *owned and occupied* the mobile home for at least 90 days, on land that you rented. You are entitled to a **Rent Differential** based on the difference between the economic rent of the mobile home PLUS the actual rent of the mobile home site, and the cost of a comparable mobile home (the unit and site) that is available for rent.

If you move the mobile home, you are entitled to a **Rent Differential** based on the difference between the actual or economic rent of the mobile home site and that of a comparable mobile home site that is available for rent.

If you are a “90 day owner occupant,” in order to receive the full amount of your Replacement Housing Payment (*Rent Differential*), you must:

A) Rent and occupy a DS&S replacement dwelling within one year after the later of:

1. The date you first receive a notification of an available replacement dwelling, **OR**
2. The date you vacate the property acquired by the Authority, **AND**

B) Spend at least the amount of the Authority’s “Comparable Replacement Property” to rent a replacement property,

AND

C) File a claim for relocation payments within 18 months of the later of:

1. The date you vacate the property acquired by the Authority, **OR**
2. The date that the Authority has paid the acquisition cost of your current dwelling (usually the close of escrow on the Authority’s acquisition).

If you are a “90 day occupant,” in order to receive the full amount of your Replacement Housing Payment (*Rent Differential*), you must:

A) Rent and occupy a DS&S replacement dwelling within one year after day you vacate the property acquired by the Authority,

AND

B) Spend at least the amount of the Authority’s “Comparable Replacement Property” to rent a replacement property,

AND

C) File a claim for relocation payments within 18 months of the day you vacate the property acquired by the Authority.

You will not be eligible to receive any relocation payments until the Authority has actually made the first written offer to purchase the property. Also, you will receive at least 90 days’ written notice before you must move.

DOWNPAYMENT OPTION

The Rent Differential payment may, with certain limitations, be converted to a **Downpayment Option** to assist you in purchasing a replacement property. The Downpayment Option is a direct conversion of the Rent Differential payment.

If the Authority's calculated Rent Differential is between \$0 and \$5,250, your downpayment will be \$5,250 which can be used towards the purchase of a replacement decent, safe and sanitary dwelling.

If the Rent Differential is over \$5,250, you may be able to convert the entire amount of the Rent Differential to a Downpayment Option.

The Downpayment Option must be used for the required downpayment, which is usually a percentage of the entire purchase price, plus any eligible incidental expenses (*see page 10; 180-day Owner Occupants Incidental Expenses*) related to the purchase of the property. You must work closely with your Relocation Agent to ensure you can utilize the full amount of your Downpayment Option towards the purchase.

If any portion of the Rent Differential was used prior to the decision to convert to a downpayment, those advance payments will be deducted from the entire benefit.

LAST RESORT HOUSING

On most projects, an adequate supply of housing will be available for sale and for rent, and the benefits provided will be sufficient to enable you to relocate to comparable housing. However, there may be projects in certain locations where the supply of available housing is insufficient to provide the necessary housing for those persons being displaced. In such cases, the Authority will utilize a method called Last Resort Housing. Last Resort Housing allows the Authority to construct, rehabilitate or modify housing in order to meet the needs of the people displaced from a project. The Authority can also pay above the statutory limits of \$5,250 and \$22,500 in order to make available housing affordable.

RELOCATION ADVISORY ASSISTANCE

Any owner or occupant of a mobile home displaced by the Authority shall be offered relocation advisory assistance for the purpose of locating a replacement property. Relocation services are provided by qualified personnel employed by, or under contract with, the Authority. It is their goal and desire to be of service to you and assist in any way possible to help you successfully relocate.

A Relocation Agent from the Authority will contact you personally. Relocation services and payments will be explained to you in accordance with your eligibility. During the initial interview with you, your housing needs and desires will be determined as well as your need for assistance. You cannot be required to move unless at least one comparable replacement dwelling is made available to you. You can expect to receive the following services, advice and assistance from your Relocation Agent who will:

- Explain the relocation benefits and eligibility requirements.
- Provide the amount of the replacement housing payments in writing.
- Assure the availability of a comparable property before you move.
- Inspect possible replacement residential units for DS&S compliance.
- Provide information on counseling you can obtain to help minimize hardships in adjusting to your new location.
- Assist you in completing loan documents, rental applications or Relocation claims.

AND provide information on:

- Security deposits
- Interest rates and terms
- Typical down payments
- VA and FHA loan requirements
- Real and personal property taxes
- Qualified mobile home movers, including disassembly and reassembly
- Mobile Home Park requirements and fees
- Consumer education literature on housing

If you desire, your Relocation Agent will give you current listings of other available replacement housing. Transportation will be provided to inspect available housing, especially if you are elderly or handicapped. Though you may use the services of a real estate broker, the Authority cannot provide a referral.

Your Relocation Agent is familiar with the services provided by others in your community and will provide information on other federal, state, and local housing programs offering assistance to displaced persons. If you have special problems, your Relocation Agent will make every effort to secure the services of those agencies with trained personnel who have the expertise to help you.

If the high-speed rail project will require a considerable number of people to be relocated, the Authority may establish a temporary Relocation Field Office on or near the project. Project relocation offices will be open during convenient hours and evening hours if necessary.

In addition to these services, the Authority is required to coordinate its relocation activities with other agencies causing displacements to ensure that all persons displaced receive fair and consistent relocation benefits.

Remember: YOUR RELOCATION AGENT is there to offer advice and assistance. Do not hesitate to ask questions. And be sure you fully understand all of your rights and available benefits.

YOUR RIGHTS AS A DISPLACED

All eligible displacees have a ***freedom of choice*** in the selection of replacement housing, and the Authority will not require any displaced person to accept a replacement dwelling provided by the Authority. If you decide not to accept the replacement housing offered by the Authority, you may secure a replacement dwelling of your choice, providing it meets DS&S housing standards. The Authority will not pay more than your calculated benefits on any replacement property.

The most important thing to remember is that the replacement dwelling you select must meet the basic “decent, safe, and sanitary” standards. ***Do not execute a purchase agreement or a rental agreement*** until a representative from the Authority has inspected and certified in writing that the dwelling you propose to occupy meets the basic standards. ***DO NOT jeopardize*** your right to receive a replacement housing payment by moving into a substandard dwelling.

It is important to remember that your relocation benefits will **not have an adverse** affect on your:

- Social Security Eligibility
- Welfare Eligibility
- Income Taxes

In addition, **Title VIII of the Civil Rights Act of 1968** and later acts and amendments make discriminatory practices in the purchase and rental of most residential units illegal if based on race, color, religion, sex, or national origin.

Whenever possible, minority persons shall be given reasonable opportunities to relocate to decent, safe, and sanitary replacement dwellings, not located in an area of minority concentration, and that is within their financial means. This policy, however, does not require the Authority to provide a person a larger payment than is necessary to enable a person to relocate to a comparable replacement dwelling.

The Authority's **Non-Discrimination Policy** ensures that all services and/or benefits will be administered to the general public without regard to race, color, national origin, or sex in compliance with Title VI of the 1964 Civil Rights Act (42 USC, sec. 2000d. et seq.).

And you always have the **Right to Appeal** any decision by the Authority regarding your relocation benefits and eligibility. Your Right of Appeal is guaranteed in the Uniform Act which states that any person may file an appeal with the head of the responsible agency if that person believes that the agency has failed to properly determine the person's eligibility or the amount of a payment authorized by the Act.

If you indicate your dissatisfaction, either verbally or in writing, the Authority will assist you in filing an appeal and explain the procedures to be followed. You will be given a prompt and full opportunity to be heard. You have the right to be represented by legal counsel or other representative in connection with the appeal (but solely at your own expense). The Authority will consider all pertinent justifications and materials submitted by you and other available information needed to ensure a fair review. The Authority will provide you with a written determination resulting from the appeal with an explanation of the basis for the decision. If you are still dissatisfied with the relief granted, the Authority will advise you that you may seek judicial review.

Reference: Uniform Relocation Assistance and Real Property Acquisition

Policies Act of 1970, as amended (42 U.S.C. sec. 4601 et seq.) (Uniform Act);

and Implementing Regulations (49 C.F.R. Part 24)



CALIFORNIA High-Speed Rail Authority

*Your Rights and Benefits as a Displacee Under
the Uniform Relocation Assistance Program
(Business, Farm or Nonprofit Organization)*

July 2013

www.hsr.ca.gov

INTRODUCTION

In building any large, modern transportation project, the displacement of a small percentage of the population is often necessary. However, it is the policy of the California High-Speed Rail Authority (Authority) that displaced persons shall not suffer unnecessarily as a result of a program, like the High-Speed Rail Project (Project), that is designed to benefit the public as a whole.

Businesses, farms, and nonprofit organizations displaced by the Project may be eligible for relocation advisory services and payments.

This brochure provides information about available relocation services and payments. If you are required to move as the result of the Project, a Relocation Agent will contact you. The Relocation Agent will be able to answer your specific questions and provide additional information.

UNIFORM RELOCATION ASSISTANCE AND REAL PROPERTY ACQUISITION POLICIES ACT OF 1970 AS AMENDED, "THE UNIFORM ACT"

The purpose of the Uniform Act is to provide for uniform and equitable treatment of persons displaced from their homes, businesses, farms or nonprofit organizations, by federal and federally assisted programs and to establish uniform and equitable land acquisition policies for federal and federally assisted programs.

Title 49, Part 24, of the Code of Federal Regulations implements the Uniform Act in accordance with the following relocation assistance objective:

To ensure that persons displaced as a direct result of federal or federally-assisted projects are treated fairly, consistently and equitably so that such persons will not suffer disproportionate injuries as a result of projects designed for the benefit of the public as a whole.

While every effort has been made to assure the accuracy of this brochure, you must understand that it does not have the force and effect of law, rule, or regulation governing the payment of benefits. In the event of any difference between a statement in this brochure and any provision of law, rule or regulation, the latter will be followed.

Relocation Services

The California-High Speed Rail Authority has two programs to aid businesses, farms and nonprofit organizations which must relocate.

These are:

1. The Relocation Advisory Assistance Program, which is to aid you in locating a suitable replacement property, and
2. The Relocation Payments Program, which is to reimburse you for certain costs involved in relocating. These payments are classified as:
 - Moving and Related Expenses (costs to move personal property not acquired).
 - Reestablishment Expenses (expenses related to the replacement property).
 - In-Lieu Payment (a fixed payment in lieu of moving and related expenses, and reestablishment expenses).

Note: A payment for loss of goodwill is considered an acquisition cost. California law and the federal regulations mandate that relocation payments cannot duplicate other payments such as loss of goodwill. You will **not** be eligible to receive any relocation payments until the State has actually made the first written offer to purchase the property. You will also receive at least 90 days' written notice before you must move.

SOME IMPORTANT DEFINITIONS

You will be able to understand your relocation benefits better if you become familiar with the following terms:

Business is any lawful activity, except a farm operation (see definition on following page), that is conducted primarily for the purchase, sale, lease and/or rental of personal and/or real property, and/or for the manufacture, processing, and/or marketing of products, commodities, and/or any other personal property, or primarily for the sale of services to the public, or primarily for outdoor advertising display purposes when the display must be moved as a result of the project, or by a nonprofit organization that has established its nonprofit status under applicable federal or state law.

Displaced Person or Displacee is any person who moves from real property or moves personal property from real property as a result of the acquisition of the real property, in whole or in part, or as the result of a written notice from the agency of its intent to acquire the real property needed for this transportation project. In the case of a partial acquisition, the Authority shall determine if a person is displaced as a direct result of the acquisition.

Owners and tenants **not lawfully present** in the United States are not eligible to receive relocation payments and assistance.

Contributes Materially means that during the two taxable years before the taxable year in which displacement occurs, a business or farm operation must have had average annual gross receipts of at least \$5,000 or average annual net earnings of at least \$1,000, or their income must have contributed at least 33 1/3 percent of the owner's or operator's average annual gross income from all sources, in order to qualify as a bona-fide operation.

Farm Operation is any activity conducted solely or primarily for the production of one or more agricultural products or commodities, including timber, for sale and home use, and customarily producing such products or commodities in sufficient quantity to be capable of contributing materially to the operator's support.

Nonprofit Organization is a public or private entity that has established its nonprofit status under applicable law and is exempt from paying federal income taxes.

MOVING EXPENSES

If you qualify as a displaced business, farm or nonprofit organization, you are entitled to reimbursement of your moving costs and certain related expenses incurred in moving. To qualify you must legally occupy the property as the owner or lessee/tenant when the Authority initiates negotiations for the acquisition of the property **or** at the time the Authority acquires title or takes possession of the property. However, to assure your eligibility and prompt payment of moving expenses, you should contact your Relocation Agent before you move.

You Can Choose Either:

Actual Reasonable Moving Costs. You may be paid for your actual reasonable moving costs and related expenses when a commercial mover performs the move. Reimbursement will be limited to a move of 50 miles or less. Related expenses, with limitations, **may** include:

- Transportation
- Packing and unpacking of personal property
- Disconnecting and reconnecting personal property related to the operation
- Temporary storage of personal property

- Insurance while property is in storage or transit, or the loss and damage of personal property if insurance is not reasonably available
- Expenses in finding a replacement location
- Professional services to plan and monitor the move of the personal property to the new location
- Licenses, permits and fees required at the replacement location

OR

Self-Move Agreement. You may be paid to move your own personal property based on the lower of two acceptable bids obtained by the Authority. Under this option, you will still be eligible for reimbursement of related expenses listed above that were not included in the bids.

OR

In-Lieu Payment. You can accept a fixed payment between \$1,000 and \$20,000, based on your annual earnings **in lieu of**, that is, **in place of** the moving cost, related expenses and reestablishment cost.

Actual Reasonable Moving Costs:

You may be paid the actual reasonable and necessary costs of your move when a professional mover performs the move. All of your moving costs must be supported by paid receipts or other evidence of expenses incurred. In addition to the transportation costs of your personal property, certain other expenses may also be reimbursable, such as packing, crating, unpacking and uncrating, and the disconnecting, dismantling, removing, reassembling, and reinstalling of relocated machinery, equipment, and other personal property.

Other expenses such as professional services necessary for planning and carrying out the move, temporary storage costs, and the cost of licenses, permits and certifications may also be reimbursable. This is not intended to be an all-inclusive list of moving related expenses. Your Relocation Agent can provide you with a complete explanation of reimbursable expenses.

Self-Move Agreement:

If you agree to take full responsibility for all or part of the move of your business, farm, or nonprofit organization, the Authority may approve a payment not to exceed the lower of two acceptable bids obtained by the Authority from qualified moving firms or a qualified Authority agent. A low-cost or uncomplicated move may be based on a single bid or estimate at the Authority's discretion. The advantage of this moving option is that it relieves the displaced business, farm or nonprofit organization operator from documenting all moving expenses. The Authority may make the payment without additional documentation as long as the payment is limited to the amount of the lowest acceptable bid or estimate. Other expenses, such as professional services for planning, storage costs, and the cost of licenses, permits, and certifications may also be reimbursable if determined to be necessary. These latter expenses must be pre-approved by the Relocation Agent.

Requirements:

Before you move, you must provide the Authority with the:

- Certified inventory of all personal property to be moved
- Date you intend to vacate the property
- Address of the replacement property
- Opportunity to monitor and inspect the move from the acquired property to the replacement property.

Related Expenses:

1. Searching Expenses for Replacement Property. Displaced businesses, farms and nonprofit organizations are entitled to reimbursement for actual reasonable expenses incurred in searching for a replacement property, not to exceed \$2,500. Expenses may include transportation, meals, and lodging when away from home; the reasonable value of the time spent during the search; fees paid to the real estate agents, brokers or consultants; and other expenses determined to be reasonable and necessary by the Authority.

2. Direct Loss of Tangible Personal Property. Displaced businesses, farms, and nonprofit organizations may be eligible for a payment for the actual direct loss of tangible personal property which is incurred as a result of the move or discontinuance of the operation. This payment will be based upon the **lesser of:**

- a. The fair market value of the item for continued use at the displacement site minus the proceeds from its sale.

OR

- b. The estimated cost of moving and reinstalling the replaced item, based on the lowest acceptable bid or estimate obtained by the Authority for eligible moving and related expenses, including dismantling and reassembly, but with no allowance for storage, cost of code requirement betterments or upgrades at the replacement site.

EXAMPLE:

You determine that the “document shredder” cannot be moved to the new location because of its condition, and you will not replace it at the new location.

Fair market value of the document shredder based on its use at the current location	\$ 1,500
Proceeds: Price received from selling the document shredder	<u>- \$ 500</u>
Net Value	\$ 1,000

OR

Estimated cost to move	\$ 1,050
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Based on the lesser of the two, the amount of the payment for Loss of Tangible Personal Property = **\$ 1,000**

Note: You are also entitled to all reasonable costs incurred in attempting to sell the document shredder (e.g. advertisement).

3. Purchase of Substitute Personal Property. If an item of personal property, which is used as part of the business, farm, or nonprofit organization, is not moved but is promptly replaced with a substitute item that performs a comparable function at the replacement site, the displacee is entitled to payment of the **lesser of:**

- a. The cost of the substitute item, including installation costs at the replacement site, minus any proceeds from the sale or trade-in of the replaced item;

OR

- b. The estimated cost of moving and reinstalling the replaced item, based on the lowest acceptable bid or estimate obtained by the Authority for eligible moving and related expenses, including dismantling and reassembly, but with no allowance for storage, cost of code requirement betterments or upgrades at the replacement site.

EXAMPLE:

You determine that the copying machine cannot be moved to the new location because it is now obsolete and you will replace it.

Cost of a substitute copy machine including installation costs at the replacement site	\$ 3,000
Trade-in Allowance	<u>- \$ 2,500</u>
Net Value	\$ 500

OR

Estimated cost to move	\$ 550
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Based on the lesser of the above, the amount of the payment for Substitute Personal Property = **\$ 500**

You determine that the chairs will not be used at the new location because they no longer match the decor and you will replace them.

Cost of substitute chairs	\$ 1,000
Proceeds from selling the chairs	<u>- \$ 100</u>
Net Value	\$ 900

OR

Estimated cost to move	\$ 200
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Based on the lesser of the above, the amount of the payment for Substitute Personal Property = **\$ 200**

Note: You are also entitled to all reasonable costs incurred in attempting to sell the copy machine and/or chairs.

4. Disconnecting and Reinstallation. You will be reimbursed for your actual and reasonable costs to disconnect, dismantle, remove, reassemble and reinstall any machinery, equipment or other personal property in relation to its move to the new location. This includes connection to utilities available nearby and any modifications to the personalty that are necessary to adapt it to the utilities at the replacement site.

5. Physical changes at the new location. You may be reimbursed for certain physical changes to the replacement property if the changes are necessary to permit the reinstallation of machinery or equipment necessary for the continued operation of the business.

Note: The changes cannot increase the value of the building for general purposes, nor can they increase the mechanical capability of the buildings beyond its normal requirements.

6. The cost of installing utilities from the right of way line to the structure(s) or improvements on the replacement site.

7. The reasonable cost of marketing studies, feasibility surveys and soil testing.

8. The reasonable cost of professional real estate services needed for the purchase or lease of a replacement site.

9. The amount of one-time assessments or impact fees for anticipated heavy utility usage.

REESTABLISHMENT EXPENSES

A small business, farm or nonprofit organization may be eligible for a payment, not to exceed \$10,000, for expenses actually incurred in relocating and reestablishing the enterprise at a replacement site.

Reestablishment expenses may include, but are not limited to, the following:

1. Repairs or improvements to the replacement real property required by federal, state or local laws, codes or ordinances.
2. Modifications to the replacement real property to make any structures suitable for the business operation.
3. Construction and installation of exterior signing to advertise the business.
4. Redecoration or replacement such as painting, wallpapering, paneling or carpeting when required by the condition of the replacement site or for aesthetic purposes.
5. Advertising the new business location.
6. The estimated increased costs of operation at the replacement site during the first two years, for items such as:
 - a) Lease or rental charges
 - b) Personal or real property taxes
 - c) Insurance premiums, and
 - d) Utility charges (excluding impact fees).
7. Other items that the Authority considers essential for the reestablishment of the business or farm.

Note: A nonprofit organization must substantiate that it cannot be relocated without a substantial loss of existing patronage (membership or clientele). The payment is based on the average of two years annual gross revenues less administrative expenses.

IN-LIEU PAYMENT (FIXED)

Business - Displaced businesses may be eligible for a fixed payment in lieu of (in place of) actual moving expenses, personal property losses, searching expenses, and reestablishment expenses. The fixed payment may not be less than \$1,000 or more than \$20,000.

For a business to be eligible for a fixed payment, the Authority must determine the following:

1. The business owns or rents personal property that must be moved due to the displacement.
2. The business cannot be relocated without a substantial loss of existing patronage.
3. The business is not part of a commercial enterprise having more than three other businesses engaged in the same or similar activity and which are under the same ownership and are not being displaced by the Authority.
4. The business contributed materially to the income of the displaced business operator during the two taxable years prior to displacement. Any business operation that is engaged solely in the rental of space to others is not eligible for a fixed payment. This includes the rental of space for residential or business purposes.

Farm Operation – Displaced farm operations may be eligible for a fixed payment in lieu of (in place of) actual moving expenses, personal property losses, searching expenses, and reestablishment expenses. The fixed payment may not be less than \$1,000 or more than \$20,000. In the case of a partial acquisition of land, which was a farm operation before the acquisition, the fixed payment shall be made only if the Authority determines that:

1. The acquisition of part of the land caused the operator to be displaced from the farm operation on the remaining land; or
2. The partial acquisition caused a substantial change in the nature of the farm operation.

Eligibility requirements for nonprofit organizations are slightly different from eligibility requirements for businesses and farm operations. If you represent a nonprofit organization that is being displaced and are interested in a fixed payment, please consult your Relocation Agent for additional information.

The Computation of Your In-Lieu Payment:

The fixed payment for a displaced business or farm is based upon the average annual net earnings of the operation for the two taxable years immediately preceding the taxable year in which it is displaced. The Authority may use a different two year period if it is determined that the last two taxable years do not accurately reflect the earnings of the operation.

EXAMPLE: The Authority acquires your property and you move in 2011:

2009 Annual Net Earnings	\$10,500
2010 Annual Net Earnings	<u>\$ 12,500</u>
TOTAL	\$ 23,000
Average over two years	\$ 11,500

This two-year average would be the amount of your in-lieu payment.

Remember: This payment is in place of all other moving benefits, including reestablishment expenses. You must provide the Authority with proof of net earnings to support your claim.

Proof of net earnings can be documented by income tax returns, certified financial statements, or other reasonable evidence of net earnings acceptable to the Authority.

Note: The computation for nonprofit organizations differs in that the payment is computed on the basis of average annual gross revenues less administrative expenses for the two year period specified above.

Before You Move:

- A. Request a determination of entitlement for in-lieu payment from your Relocation Agent.
- B. Include a written statement of the reasons the business cannot be relocated without a substantial loss in net earnings.
- C. Provide certified copies of tax returns for the two tax years immediately preceding the tax year in which you move. For example, if you move anytime in the year 2012, regardless of when negotiations began or the Authority took title to the property, the taxable years would be 2010 and 2011.
- D. You will be notified of the amount you are entitled to after the application is received and approved,
- E. You cannot receive the payment until after you vacate the property, AND submit a claim for the payment within 18 months of the date of your move.

RELOCATION ADVISORY ASSISTANCE

Any business, farm or nonprofit organization displaced by the Authority shall be offered relocation advisory assistance for the purpose of locating a replacement property. Relocation services are provided by qualified personnel employed by, or under contract with, the Authority. It is their goal and desire to be of service to you and to assist in any way possible to help you relocate successfully.

A Relocation Agent from the Authority will contact you personally. Relocation services and payments will be explained to you in accordance with your eligibility. During the Agent's initial interview with you, your needs and preferences will be determined as well as your need for assistance.

You can expect to receive the following services, advice and assistance from your Relocation Agent who will:

- Determine your needs and preferences.
- Explain the relocation benefits and eligibility requirements.
- Provide information on replacement properties for your consideration.
- Provide information on counseling you can obtain to help minimize hardships in adjusting to your new location.
- Assist you in completing loan documents, rental applications or relocation claims forms.

AND will provide information on:

- Security deposits
- Interest rates and terms
- Typical downpayments
- Permits, fees and local planning
- SBA loan requirements
- Real property taxes
- Consumer education literature

If you desire, your Relocation Agent will give you current listings of other available replacement property. Transportation will be provided to inspect available property, especially if you are elderly or handicapped. Although you may use the services of a real estate broker, the Authority cannot provide a referral.

Your Relocation Agent is familiar with the services provided by others in your community and will provide information on other federal, state, and local programs offering assistance to displaced persons. If you have special needs, your Relocation Agent will make every effort to secure the services of those agencies with trained personnel who have the expertise to help you.

If the high-speed rail project will require a considerable number of people to be relocated, the Authority may establish a temporary Relocation Field Office on or near the project. Project relocation offices will be open during convenient hours and evening hours if necessary.

In addition to these services, the Authority is required to coordinate its relocation activities with other agencies causing displacements to ensure that all persons displaced receive fair and consistent relocation benefits.

Remember: YOUR RELOCATION AGENT is there to offer advice and assistance. Do not hesitate to ask questions. And be sure you fully understand all of your rights and available benefits.

YOUR RIGHTS AS A DISPLACED

It is important to remember that your relocation benefits will not have an adverse effect on your:

- Social Security Eligibility
- Welfare Eligibility
- Income Taxes

In addition, Title VIII of the Civil Rights Act of 1968 and later acts and amendments make discriminatory practices in the purchase and rental of most residential units illegal if based on race, color, religion, sex, or national origin.

The Authority's Non-Discrimination Policy ensures that all services and/or benefits will be administered to the general public without regard to race, color, national origin, or sex in compliance with Title VI of the 1964 Civil Rights Act (42 USC, sec. 2000d, et seq.).

And you always have the right to appeal any decision by the Authority regarding your relocation benefits and eligibility.

Your right to appeal is guaranteed in the Uniform Act which states that any person may file an appeal with the head of the responsible agency if that person believes that the agency has failed to determine properly the person's eligibility or the amount of a payment authorized by the Act.

If you indicate your dissatisfaction, either verbally or in writing, the Authority will assist you in filing an appeal and explain the procedures to be followed. You will be given a prompt and full opportunity to be heard. You have the right to be represented by legal counsel or other representative in connection with the appeal (but solely at your own expense).

The Authority will consider all pertinent justifications and materials submitted by you and other available information needed to ensure a fair review. The Authority will provide you with a written determination resulting from the appeal with an explanation of the basis for the decision. If you are still dissatisfied with the relief granted, the Authority will advise you that you may seek judicial review.

Reference: Uniform Relocation Assistance and Real Property Acquisition

Policies Act of 1970, as amended (42 U.S.C. sec. 4601, et seq.) (Uniform Act);

and Implementing Regulations (49 C.F.R. Part 24)