



THE STATE OF TEXAS

LANDOWNER'S BILL OF RIGHTS

This Landowner's Bill of Rights applies to any attempt to condemn your property. The contents of this Bill of Rights are set out by the Texas Legislature in Texas Government Code section 402.031 and chapter 21 of the Texas Property Code. Any entity exercising eminent domain authority must provide a copy of this Bill of Rights to you.

1. You are entitled to receive adequate compensation if your property is condemned.
2. Your property can only be condemned for a public use.
3. Your property can only be condemned by a governmental entity or private entity authorized by law to do so.
4. The entity that wants to acquire your property must notify you that it intends to condemn your property.
5. The entity proposing to acquire your property must provide you with a written appraisal from a certified appraiser detailing the adequate compensation you are owed for your property.
6. If you believe that a registered easement or right-of-way agent acting on behalf of the entity that wants to acquire your property has engaged in misconduct, you may file a written complaint with the Texas Real Estate Commission (TREC) under section 1101.205 of the Texas Occupations Code. The complaint should be signed and may include any supporting evidence.
7. The condemning entity must make a bona fide offer to buy the property before it files a lawsuit to condemn the property—meaning the condemning entity must make a good faith offer that conforms with chapter 21 of the Texas Property Code.
8. You may hire an appraiser or other professional to determine the value of your property or to assist you in any condemnation proceeding.
9. You may hire an attorney to negotiate with the condemning entity and to represent you in any legal proceedings involving the condemnation.
10. Before your property is condemned, you are entitled to a hearing before a court-appointed panel of three special commissioners. The special commissioners must determine the amount of compensation the condemning entity owes for condemning your property. The commissioners must also determine what compensation, if any, you are entitled to receive for any reduction in value of your remaining property.
11. If you are unsatisfied with the compensation awarded by the special commissioners, or if you question whether the condemnation of your property was proper, you have the right to a trial by a judge or jury. You may also appeal the trial court's judgment if you are unsatisfied with the result.



CONDEMNATION PROCEDURE

Eminent domain is the legal authority certain governmental and private entities have to condemn private property for public use in exchange for adequate compensation. Only entities authorized by law to do so may condemn private property. Private property can include land and certain improvements that are on that property.

WHO CAN I HIRE TO HELP ME?

You can hire an appraiser or real estate professional to help you determine the value of your property as well as an attorney to negotiate with a condemning entity or to represent you during condemnation proceedings.

WHAT QUALIFIES AS A PUBLIC PURPOSE OR USE?

Your property may be condemned only for a purpose or use that serves the general public. This could include building or expanding roadways, public utilities, parks, universities, and other infrastructure serving the public. Texas law does not allow condemning authorities to exercise eminent domain for tax revenue or economic development.

WHAT IS ADEQUATE COMPENSATION?

Adequate compensation typically means the market value of the property being condemned. It could also include certain damages if your remaining property's market value is diminished by the condemnation or the public purpose for which it is being condemned.

OTHER THAN ADEQUATE COMPENSATION, WHAT OTHER COMPENSATION COULD I BE OWED?

If you are displaced from your residence or place of business, you may be entitled to reimbursement for reasonable expenses incurred while moving to a new site. However, reimbursement costs may not be available if those expenses are recoverable under another law. Also, reimbursement costs are capped at the market value of the property.

WHAT DOES A CONDEMNOR HAVE TO DO BEFORE CONDEMNING MY PROPERTY?

- ◆ Provide you a copy of this Landowner's Bill of Rights before, or at the same time as, the entity first represents that it possesses eminent domain authority. It is also required to send this Landowner's Bill of Rights to the last known

address of the person listed as the property owner on the most recent tax roll at least seven days before making its final offer to acquire the property.

- If the condemnor seeks to condemn a right-of-way easement for a pipeline or electric transmission line and is a private entity, the condemnor must also provide you a copy of the Landowner's Bill of Rights addendum.
- The addendum describes the standard terms required in an instrument conveying property rights (such as a deed transferring title or an easement spelling out the easement rights) and what terms you can negotiate.
- ◆ Make a bona fide offer to purchase the property. This process is described more fully in chapter 21 of the Texas Property Code. A "bona fide offer" involves both an initial written offer as well as a final written offer.
 - The initial written offer must include:
 - » a copy of the Landowner's Bill of Rights and addendum (if applicable);
 - » either a large-font, bold-print statement saying whether the offered compensation includes damages to the remainder of your remaining property or a formal appraisal of the property that identifies any damages to the remaining property (if any);
 - » the conveyance instrument (such as an easement or deed); and
 - » the name and telephone number of an employee, affiliate, or legal representative of the condemning entity.
 - The final written offer must be made at least 30 days after the initial written offer and must include, if not previously provided:
 - » compensation equal to or more than the amount listed in a written, certified appraisal that is provided to you;
 - » copies of the conveyance instrument; and
 - » the Landowner's Bill of Rights.
- ◆ Disclose any appraisal reports. When making its initial offer, the condemning entity must share its appraisal reports that relate to the property from the past 10 years. You have the right to discuss the offer with others and to either accept or reject the offer made by the condemning entity.

WHAT IF I DO NOT ACCEPT AN OFFER BY THE CONDEMNING AUTHORITY?

The condemnor must give you at least 14 days to consider the final offer before filing a lawsuit to condemn your property, which begins the legal condemnation process.

HOW DOES THE LEGAL CONDEMNATION PROCESS START?

The condemnor can start the legal condemnation process by filing a lawsuit to acquire your property in the appropriate court of the county where the property is located. When filing the petition, the condemnor must send you a copy of the petition

by certified mail, return receipt requested, and first class mail. It must also send a copy to your attorney if you are represented by counsel.

WHAT DOES THE CONDEMNOR HAVE TO INCLUDE IN THE LAWSUIT FILED WITH THE COURT?

The lawsuit must describe the property being condemned and state the following: the public use; your name; that you and the condemning entity were unable to agree on the value of the property; that the condemning entity gave you the Landowner's Bill of Rights; and that the condemning entity made a bona fide offer to voluntarily purchase the property from you.

SPECIAL COMMISSIONERS' HEARING AND AWARD

No later than 30 days after the condemning entity files a condemnation lawsuit in court, the judge will appoint three local landowners to serve as special commissioners and two alternates. The judge will promptly give the condemnor a signed order appointing the special commissioners and the condemnor must give you, your lawyer, and other parties a copy of the order by certified mail, return receipt requested. The special commissioners will then schedule a condemnation hearing at the earliest practical time and place and to give you written notice of the hearing.



WHAT DO THE SPECIAL COMMISSIONERS DO?

The special commissioners' job is to decide what amount of money is adequate to compensate you for your property. The special commissioners will hold a hearing where you and other interested parties may introduce evidence. Then the special commissioners will determine the amount of money that is adequate compensation and file their written decision, known as an "Award," in the court with notice to all parties. Once the Award is filed, the condemning entity may take possession and start using the property being condemned, even if one or more parties object to the Award of the special commissioners.

ARE THERE LIMITATIONS ON WHAT THE SPECIAL COMMISSIONERS CAN DO?

Yes. The special commissioners are tasked only with determining

monetary compensation for the value of the property condemned and the value of any damages to the remaining property. They do not decide whether the condemnation is necessary or if the public use is proper. Further, the special commissioners do not have the power to alter the terms of an easement, reduce the size of the land acquired, or say what access will be allowed to the property during or after the condemnation. The special commissioners also cannot determine who should receive what portion of the compensation they award. Essentially, the special commissioners are empowered only to say how much money the condemnor should pay for the land or rights being acquired.

WHO CAN BE A SPECIAL COMMISSIONER?

Special commissioners must be landowners and residents in the county where the condemnation proceeding is filed, and they must take an oath to assess the amount of adequate compensation fairly, impartially, and according to the law.

WHAT IF I WANT TO OBJECT TO A SPECIAL COMMISSIONER?

The judge must provide to the parties the names and contact information of the special commissioners and alternates. Each party will have up to 10 days after the date of the order appointing the special commissioners or 20 days after the date the petition was filed, whichever is later, to strike one of the three special commissioners. If a commissioner is struck, an alternate will serve as a replacement. Another party may strike a special commissioner from the resulting panel within three days after the date the initial strike was filed or the date of the initial strike deadline, whichever is later.

WHAT WILL HAPPEN AT THE SPECIAL COMMISSIONERS' HEARING?

The special commissioners will consider any evidence (such as appraisal reports and witness testimony) on the value of your condemned property, the damages or value added to remaining property that is not being condemned, and the condemning entity's proposed use of the property.

WHAT ARE MY RIGHTS AT THE SPECIAL COMMISSIONERS' HEARING?

You have the right to appear or not appear at the hearing. If you do appear, you can question witnesses or offer your own evidence on the value of the property. The condemning entity must give you all existing appraisal reports regarding your property used to determine an opinion of value at least three days before the hearing. If you intend to use appraisal reports to support your claim about adequate compensation, you must provide them to the condemning entity 10 days after you receive them or three business days before the hearing, whichever is earlier.

DO I HAVE TO PAY FOR THE SPECIAL COMMISSIONERS' HEARING?

If the special commissioners' award is less than or equal to the amount the condemning entity offered to pay before the proceedings began, then you may be financially responsible for the cost of the condemnation proceedings. But, if the award is more than the condemning entity offered to pay before the proceedings began, then the condemning entity will be responsible for the costs.

WHAT DOES THE CONDEMNOR NEED TO DO TO TAKE POSSESSION OF THE PROPERTY?

Once the condemning entity either pays the amount of the award to you or deposits it into the court's registry, the entity may take possession of the property and put the property to public use. Non-governmental condemning authorities may also be required to post bonds in addition to the award amount. You have the right to withdraw funds that are deposited into the registry of the court, but when you withdraw the money, you can no longer challenge whether the eminent domain action is valid—only whether the amount of compensation is adequate.

OBJECTING TO THE SPECIAL COMMISSIONERS' AWARD

If you, the condemning entity, or any other party is unsatisfied with the amount of the award, that party can formally object. The objection must be filed in writing with the court and is due by the first Monday following the 20th day after the clerk gives notice that the commissioners have filed their award with the court. If no party timely objects to the special commissioners' award, the court will adopt the award amount as the final compensation due and issue a final judgment in absence of objection.

WHAT HAPPENS AFTER I OBJECT TO THE SPECIAL COMMISSIONERS' AWARD?

If a party timely objects, the court will hear the case just like other civil lawsuits. Any party who objects to the award has the

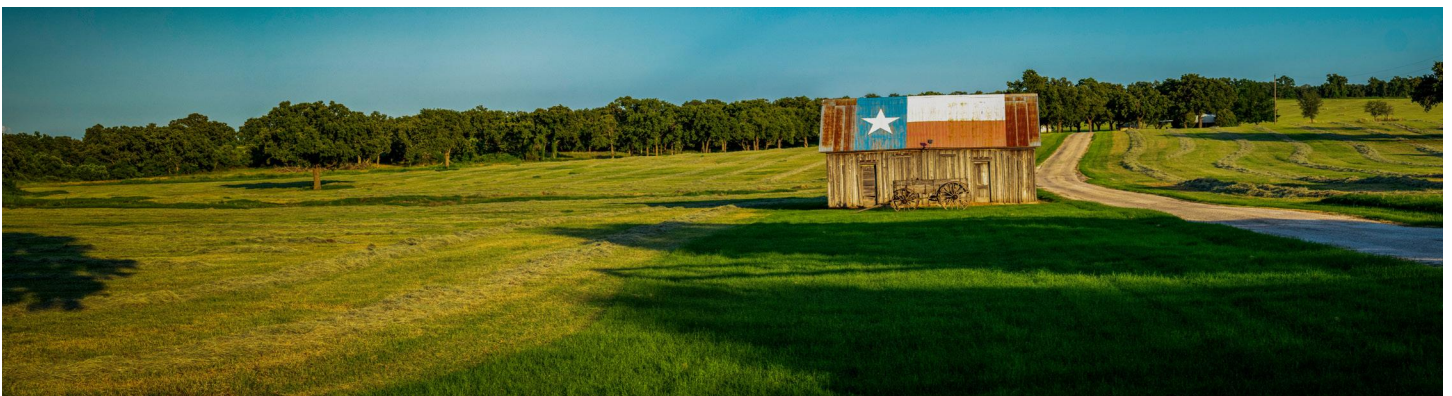
right to a trial and can elect whether to have the case decided by a judge or jury.

WHO PAYS FOR TRIAL?

If the verdict amount at trial is greater than the amount of the special commissioners' award, the condemnor may be ordered to pay costs. If the verdict at trial is equal to or less than the amount the condemnor originally offered, you may be ordered to pay costs.

IS THE TRIAL VERDICT THE FINAL DECISION?

Not necessarily. After trial any party may appeal the judgment entered by the court.



DISMISSAL OF THE CONDEMNATION ACTION

A condemnation action may be dismissed by either the condemning authority itself or on a motion by the landowner.

WHAT HAPPENS IF THE CONDEMNING AUTHORITY NO LONGER WANTS TO CONDEMN MY PROPERTY?

If a condemning entity decides it no longer needs your condemned property, it can file a motion to dismiss the condemnation proceeding. If the court grants the motion to dismiss, the case is over, and you can recover reasonable and necessary fees for attorneys, appraisers, photographers, and for other expenses up to that date.

WHAT IF I DO NOT THINK THE CONDEMNING ENTITY HAS THE RIGHT TO CONDEMN MY PROPERTY?

You can challenge the right to condemn your property by filing a motion to dismiss the condemnation proceeding. For example, a landowner could challenge the condemning entity's claim that it seeks to condemn the property for a public use. If

the court grants the landowner's motion, the court may award the landowner reasonable and necessary fees and expenses incurred to that date.

CAN I GET MY PROPERTY BACK IF IT IS CONDEMNED BUT NEVER PUT TO A PUBLIC USE?

You may have the right to repurchase your property if your property is acquired through eminent domain and:

- ◆ the public use for which the property was acquired is canceled before that property is put to that use,
- ◆ no actual progress is made toward the public use within 10 years, or
- ◆ the property becomes unnecessary for public use within 10 years.

The repurchase price is the price you were paid at the time of the condemnation.

ADDITIONAL RESOURCES AND ADDENDA

For more information about the procedures, timelines, and requirements outlined in this document, see chapter 21 of the Texas Property Code. An addenda discussing the terms required for an instrument of conveyance under Property Code section 21.0114(c), and the conveyance terms that a property owner may negotiate under Property Code section 21.0114(d), is attached to this statement.

The information in this statement is intended to be a summary of the applicable portions of Texas state law as required by HB 1495, enacted by the 80th Texas Legislature, Regular Session, and HB 2730, enacted by the 87th Texas Legislature, Regular Session. This statement is not legal advice and is not a substitute for legal counsel.

THE STATE OF TEXAS LANDOWNER'S BILL OF RIGHTS

ADDENDUM A:

Required Terms for an Instrument Conveying a Pipeline Right-of-Way Easement or an Easement Related to Pipeline Appurtenances¹

- (1) The maximum number of pipelines that may be installed in the right-of-way acquired through this instrument is ____.
- (2) The types of pipeline appurtenances that are authorized to be installed under this instrument for pipeline-related appurtenances, such as pipes, valves, compressors, pumps, meters, pigging stations, dehydration facilities, electric facilities, communication facilities, and any other appurtenances that may be necessary or desirable in connection with a pipeline, are described as follows: ____.
- (3) The maximum diameter, excluding any protective coating or wrapping, of each pipeline to be initially installed under this instrument for a pipeline right-of-way is ____.
- (4) For each pipeline to be installed under this instrument, the type or category of substances permitted to be transported through each pipeline is ____.
- (5) Any aboveground equipment or facility that Grantee² intends to install, maintain, or operate under this instrument on the surface of the pipeline easement is described as follows: ____.
- (6) A description or illustration of the location of the easement, including a metes and bounds or centerline description, plat, or aerial or other map-based depiction of the location of the easement on the property, is attached as Exhibit ____.
- (7) The maximum width of the easement under this instrument is ____.
- (8) For each pipeline to be installed under this instrument, the minimum depth at which the pipeline will initially be installed is ____.
- (9) The entity installing pipeline(s) under this instrument: (check one)
- intends to double-ditch areas of the pipeline easement that are not installed by boring or horizontal directional drilling.
 - does not intend to double-ditch areas of the pipeline easement that are not installed by boring or horizontal directional drilling.
- (10) Grantee shall provide written notice to Grantor³, at the last known address of the person in whose name the property is listed on the most recent tax roll of any taxing unit authorized to levy property taxes against the property, if and when Grantee assigns any interest conveyed under this instrument to another entity, provided that this provision does not require notice by Grantee for assignment to an affiliate or to a successor through merger, consolidation, or other sale or transfer of all or substantially all of its assets and businesses.
- (11) The easement rights conveyed by this instrument are: (check one)
- exclusive.
 - nonexclusive.

¹ The easement terms listed in this addendum may be amended, altered, or omitted by the agreement of the condemning authority and the landowner, pursuant to Sections 21.0114(d), (e), and (f) of the Texas Property Code.

² "Grantee" is the private entity, as defined by Section 21.0114(a) of the Texas Property Code, that is acquiring the pipeline easement.

³ "Grantor" is the property owner from whom the Grantee is acquiring the pipeline easement.

(12) Grantee may not grant to a third party access to the easement area for a purpose that is not related to one of the following: the construction, safety, repair, maintenance, inspection, replacement, operation, or removal of each pipeline to be installed under this instrument or of pipeline appurtenances to be installed under this instrument.

(13) Grantor: (check one)

- may recover from Grantee actual monetary damages, if any, arising from the construction and installation of each pipeline to be installed under this instrument.
- acknowledges that the consideration paid for the easement acquired under this instrument includes monetary damages, if any, arising from the construction and installation of each pipeline to be installed under this instrument.

(14) After initial construction and installation of each pipeline installed under this instrument, Grantor: (check one)

- may recover from Grantee actual monetary damages, if any, arising from the repair, maintenance, inspection, replacement, operation, or removal of each pipeline to be installed under this instrument.
- acknowledges that the consideration paid for the easement acquired under this instrument includes monetary damages, if any, arising from the repair, maintenance, inspection, replacement, operation, or removal of each pipeline to be installed under this instrument.

(15) Grantor: (check one)

- and Grantee agree, with regard to Grantee's removal, cutting, use, repair, and replacement of gates and fences that cross the easement or that will be used by Grantee under this instrument, that Grantee will access and secure the easement acquired under this instrument as follows: _____.
- may recover from Grantee payment for monetary damages, if any, caused by Grantee to gates and fences, if any, to the extent that the gates or fences are not restored or paid for as part of the consideration paid for the instrument.
- acknowledges that the consideration paid for the easement acquired under this instrument includes monetary damages, if any, caused by Grantee to gates and fences.

(16) With regard to restoring the pipeline easement area acquired under this instrument and Grantor's remaining property used by Grantee to as near to original condition as is reasonably practicable and maintaining the easement in a manner consistent with the purposes for which the easement is to be used under this instrument: (check one)

- Grantee will be responsible for the restoration.
- Grantee will reimburse Grantor for monetary damages that arise from damage to the pipeline easement area or the Grantor's remaining property, if any, caused by the Grantee and not restored or paid for as part of the consideration for the instrument.
- acknowledges that the consideration paid for the easement acquired under this instrument includes monetary damages, if any, caused by Grantee to the pipeline easement area or the Grantor's remaining property.

(17) Grantee's rights of ingress, egress, entry, and access on, to, over, and across Grantor's property under this instrument are described as follows: _____.

(18) Grantee may not make use of the property rights acquired by this instrument, other than as provided by this instrument, without the express written consent of Grantor.

(19) The terms of this instrument bind the heirs, successors, and assigns of Grantor and Grantee.

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ADDENDUM B:

Required Terms for an Instrument Conveying an Electric Transmission Line Right-of-Way Easement⁴

(1) The uses of the surface of the property to be encumbered by the electric transmission line right-of-way easement acquired by Grantee⁵ under this instrument are generally described as follows: _____.

(2) A description or illustration of the location of the electric transmission line right-of-way easement, including a metes and bounds or centerline description, plat, or aerial or other map-based depiction of the location of the easement on the property, is attached as Exhibit _____.

(3) The maximum width of the electric transmission line right-of-way easement acquired by this instrument is _____.

(4) Grantee will access the electric transmission line right-of-way easement acquired under this instrument in the following manner: _____.

(5) Grantee may not grant to a third party access to the electric transmission line right-of-way easement area for a purpose that is not related to the construction, safety, repair, maintenance, inspection, replacement, operation, or removal of the electric and appurtenant facilities installed under this instrument.

(6) Grantor⁶: (check one)

- may recover from Grantee actual monetary damages, if any, arising from the construction, operation, repair, maintenance, inspection, replacement, and future removal of lines and support facilities after initial construction in the easement, if any.
- acknowledges that the consideration paid for the easement acquired under this instrument includes monetary damages, if any, arising from the construction, operation, repair, maintenance, inspection, replacement, and future removal of lines and support facilities after initial construction in the easement.

(7) Grantor: (check one)

- and Grantee agree, with regard to Grantee's removal, cutting, use, repair, and replacement of gates and fences that cross the easement or that will be used by Grantee under this instrument, that Grantee will access and secure the easement acquired under this instrument as follows: _____
- may recover from Grantee payment for monetary damages, if any, caused by Grantee to gates and fences, if any, to the extent that the gates or fences are not restored or paid for as part of the consideration paid for the instrument.
- acknowledges that the consideration paid for the easement acquired under this instrument includes monetary damages, if any, caused by Grantee to gates and fences.

⁴ The easement terms listed in this addendum may be amended, altered, or omitted by the agreement of the condemning authority and the landowner, pursuant to Sections 21.0114(d), (e), and (f) of the Texas Property Code.

⁵ "Grantee" is the private entity, as defined by Section 21.0114(a) of the Texas Property Code, that is acquiring the electric transmission line right-of-way easement.

⁶ "Grantor" is the property owner from whom the Grantee is acquiring the electric transmission line right-of-way easement.

(8) Grantee shall restore the easement area and Grantor's remaining property to their original contours and grades, to the extent reasonably practicable, unless Grantee's safety or operational needs and the electric facilities located on the easement would be impaired. With regard to restoring the electric transmission line right-of-way easement area acquired under this instrument and Grantor's remaining property used by Grantee to as near to original condition as is reasonably practicable following future damages, if any, directly attributed to Grantee's use of the easement: (check one)

- Grantee will be responsible for the restoration, unless the safety or operational needs of Grantee and the electric facilities would be impaired.
- Grantor acknowledges that the consideration paid for the easement acquired under this instrument includes future damages, if any, caused by Grantee to the easement area or the Grantor's remaining property.

(9) The easement rights acquired under this instrument are: (check one)

- exclusive.
- nonexclusive.
- otherwise limited under the terms of the instrument as follows: _____.

(10) Grantee may not assign Grantee's interest in the property rights acquired under this instrument to an assignee that will not operate as a utility subject to the jurisdiction of the Public Utility Commission of Texas or the Federal Energy Regulatory Commission without written notice to Grantor at the last known address of the person in whose name the property is listed on the most recent tax roll of any taxing unit authorized to levy property taxes against the property.

(11) Grantee may not make use of the property rights acquired by this instrument, other than as provided by this instrument, without the express written consent of Grantor.

(12) The terms of this instrument bind the heirs, successors, and assigns of Grantor and Grantee.

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ADDENDUM C:

Optional Terms for an Instrument Conveying a Pipeline Right-of-Way Easement, an Easement Related to Pipeline Appurtenances, or an Electric Transmission Line Right-of-Way Easement⁷

(1) With regard to the specific vegetation described as follows: _____, Grantor⁸: (check one):

- may recover from Grantee⁹ payment for monetary damages, if any, caused by Grantee to the vegetation.
- Grantor acknowledges that the consideration paid for the easement acquired under this instrument includes monetary damages, if any, caused by Grantee to the vegetation.

(2) With regard to income loss from disruption of existing agricultural production or existing leases based on verifiable loss or lease payments caused by Grantee's use of the easement acquired under this instrument, Grantor: (check one)

- may recover from Grantee payment for monetary damages, if any, caused by Grantee to Grantor's income.
- Grantor acknowledges that the consideration paid for the easement acquired under this instrument includes monetary damages, if any, caused by Grantee to Grantor's income.

(3) Grantee shall maintain commercial liability insurance or self-insurance at all times, including during Grantee's construction and operations on the easement, while Grantee uses the easement acquired under this instrument. The insurance must insure Grantor against liability for personal injuries and property damage sustained by any person to the extent caused by the negligence of Grantee or Grantee's agents or contractors and to the extent allowed by law. If Grantee maintains commercial liability insurance, it must be issued by an insurer authorized to issue liability insurance in the State of Texas.

(4) If Grantee is subject to the electric transmission cost-of-service rate jurisdiction of the Public Utility Commission of Texas or has a net worth of at least \$25 million, Grantee shall maintain commercial liability insurance or self-insurance at levels approved by the Public Utility Commission of Texas in the entity's most recent transmission cost-of-service base rate proceeding.

⁷ Pursuant to Section 21.0114(d) of the Texas Property Code, in addition to the terms set forth in Addenda A and B, a property owner may negotiate for the inclusion of the terms in this Addendum in any instrument conveying an easement to a private entity, as defined by Section 21.0114(a) of the Texas Property Code. The easement terms listed in this addendum may be amended, altered, or omitted by the agreement of the condemning authority and the landowner, pursuant to Sections 21.0114(d), (e), and (f) of the Texas Property Code.

⁸ "Grantor" is the property owner from whom the Grantee is acquiring the pipeline or electric transmission line right-of-way easement.

⁹ "Grantee" is the private entity, as defined by Section 21.0114(a) of the Texas Property Code, that is acquiring the easement.



U.S. Department of Transportation
Federal Highway Administration



RELOCATION

YOUR RIGHTS AND BENEFITS AS A
DISPLACED PERSON UNDER THE FEDERAL
RELOCATION ASSISTANCE PROGRAM



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Office of Real Estate Services

October 2014

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INTRODUCTION

Government programs designed to benefit the public as a whole often result in acquisition of private property, and sometimes in the displacement of people from their residences, businesses, nonprofit organizations, or farms.

To provide uniform and equitable treatment for persons displaced, Congress passed the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, and amended it in 1987. This law, called the Uniform Act, is the foundation for the information discussed in this brochure.

Acquisition and relocation policies and provisions for all Federal and federally assisted programs and projects are contained in the government-wide rule published in the Federal Register on January 4, 2005. The rules are reprinted each year in the Code of Federal Regulations (CFR), Title 49, Part 24. All Federal, State, local government agencies, and others receiving Federal financial assistance for public programs and projects that require the acquisition of real property must comply with the policies and provisions set forth in the Uniform Act and the regulation.

The acquisition itself does not need to be federally funded for the rules to apply. If Federal funds are used in any phase of the program or project, the rules of the Uniform Act apply.

Section 1 of this brochure provides information about relocation assistance advisory service. Section 2 contains information important to you if you are being displaced from a residence. Section 3 contains information for displaced businesses, farms, and nonprofit organizations.

If you are required to move as a result of a Federal or federally assisted program or project, a relocation counselor will contact you. The counselor will answer your specific questions and provide additional information you may need. If you have a disability that prevents you from reading or understanding this brochure, you will be provided appropriate assistance. You should notify the sponsoring Agency if you have special requirements for assistance.

This brochure explains your rights as an owner or tenant of real property to be acquired for a federally funded program or project. The requirements for acquisition of property are explained in a brochure entitled Acquisition, Acquiring Real Property for Federal and Federal-aid Programs and Projects. Acquisition and relocation information can be found on the Federal Highway Administration Office of Real Estate Services website www.fhwa.dot.gov/realestate

IMPORTANT TERMS USED IN THIS BROCHURE

Agency

Relocation assistance advisory services and payments are administered at the local level by an Agency responsible for the acquisition of real property and/or the displacement of people from property to be used for a federally funded program or project. The Agency may be a Federal agency, a State agency, a local agency, such as a county or a city, or a person carrying out a program or project with Federal financial assistance. The Agency may contract with a qualified individual or firm to administer the relocation program. However, the Agency remains responsible for the program.

Alien Not Lawfully Present

The law provides that if a displaced person is an alien not lawfully present in the United States such person is not eligible for relocation payments or assistance under the Uniform Relocation Assistance and Real Property Acquisition Policies Act, unless ineligibility would result in exceptional and extremely unusual hardship to the alien's spouse, parent or child, and such spouse, parent or child is a citizen or an alien lawfully admitted for permanent residence.

Business

Any lawful activity, with the exception of a farm operation, conducted primarily for the purchase, sale, lease, and rental of personal or real property; or for the manufacture, processing, and/or marketing of products, commodities, or any other personal property; or for the sale of services to the public; or solely for the purpose of the Uniform Act, an outdoor advertising display or displays, when the display(s) must be moved as a result of the project.

Displaced Person

Any person (individual, family, partnership, association or corporation) who moves from real property, or moves personal property from real property as a direct result of (1) the acquisition of the real property, in whole or in part, (2) a written notice from the Agency of its intent to acquire, (3) the initiation of negotiations for the purchase of the real property by the Agency, or (4) a written notice requiring a person to vacate real property for the purpose of rehabilitation or demolition of improvements, provided the displacement is permanent and the property is needed for a Federal or federally assisted program or project.

Farm

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

A public or private entity that has established its nonprofit status under applicable Federal or State law.



Program or Project

An activity or series of activities undertaken by a Federal agency, or an activity undertaken by a State or local agency with Federal financial assistance in any phase of the activity.

Small Business

A business having not more than 500 employees working at a site which is the location of economic activity and which will be acquired for a program or project, or is displaced by a program or project. A site occupied solely by an outdoor advertising sign(s) does not qualify for purposes of the reestablishment expense benefit.

SECTION 1 – RELOCATION ADVISORY SERVICES

A relocation counselor will contact you and offer relocation assistance service.

Any individual, family, business or farm displaced by a Federal or federally assisted program shall be offered relocation assistance services for the purpose of locating a suitable replacement property. Relocation services are provided by qualified personnel employed by the Agency. It is their goal and desire to be of service to you, and assist in any way possible to help you successfully relocate.

Remember, your relocation counselor is there to **help** and **advise** you, so please be sure to make full use of the counselor's services. Do not hesitate to ask questions and be sure you fully understand all your rights and benefits.

An individual with a disability will be provided the assistance needed to locate and move to a replacement dwelling or site. The individual should notify the Agency of any special requirements for assistance.

RESIDENTIAL ASSISTANCE

A relocation counselor from the Agency will contact and interview you to find out your needs. Relocation services and payments will be explained in accordance with your eligibility. During the initial interview your housing needs and desires will be determined as well as your need for assistance.

The counselor will offer assistance and provide a current listing of comparable properties. You will be provided a written determination of the amount of replacement housing

payment for which you qualify. The counselor can supply information on other Federal and State programs in your area.

Transportation will be offered to inspect housing referrals. The Agency will provide counseling or help you get assistance from other sources as a means of minimizing hardships in adjusting to your new location.

You cannot be required to move unless at least one comparable decent, safe, and sanitary (DSS) replacement dwelling is made available to you.

Please let your counselor know if you locate a replacement dwelling so that it can be inspected to assure that it meets DSS standards.

BUSINESS, FARM, AND NONPROFIT ORGANIZATION ASSISTANCE

A relocation counselor from the Agency will contact and interview you to find out your needs and replacement site requirements and estimate the time needed to accomplish the move. Relocation services and payments will be explained in accordance with your eligibility. It is important to explain to the counselor any anticipated problems. During the initial interview the relocation counselor will ask many questions to determine your financial ability to accomplish the move, including lease terms and other obligations.

The counselor will help determine the need for outside specialists to plan, move, and reinstall personal property. The counselor will identify and resolve any issues regarding

what is real estate and what is personal property to be relocated. The counselor will explore and provide advice as to possible sources of funding and assistance from other local, State, and Federal agencies. In addition, as needed, the relocation counselor will maintain listings of commercial properties and farms.

The goal is to achieve a successful relocation back into the community.

Social Services Provided By Other Agencies

Your relocation counselor will be familiar with the services provided by other public and private agencies in your community. If you have special problems, the counselor will make every effort to secure the services of those agencies with trained personnel who have the expertise to help you. Make your needs known in order that you may receive the help you need.



MOVING COSTS

If you qualify as a displaced person, you are entitled to reimbursement of your moving costs and certain related moving expenses. Displaced individuals and families may choose to be paid either on the basis of actual, reasonable moving costs and related expenses, **or** according to a fixed moving cost schedule. To assure your eligibility and prompt payment of moving expenses, you should contact the relocation counselor from the Agency before you move.

Actual, Reasonable Moving Costs

You may be paid for your actual, reasonable moving costs by a professional mover plus related expenses, **or** you may move yourself. Reimbursement will be limited to a 50-mile distance in most cases. Related expenses involved in the move may include:

- Packing and unpacking personal property.
- Disconnecting and reconnecting household appliances.
- Temporary storage of personal property.
- Insurance while property is in storage or transit.
- Transfer of telephone service and other similar utility reconnections.
- Other expenses considered eligible by the Agency.

All expenses must be considered necessary and reasonable by the Agency and supported by paid receipts or other evidence of expenses incurred.

Fixed Moving Cost Schedule

You may choose to be paid on the basis of a fixed moving cost schedule established for your State of residence. The amount of the payment is based on the number of rooms in your dwelling. Your relocation counselor will be able to tell you the exact amount you will be eligible to receive if you select this option. The schedule is designed to include all of the expenses incurred in moving, including those services that must be purchased from others.

If you are the owner of a displaced mobile home, you may be entitled to a payment for the cost of moving the mobile home to a replacement site on an actual cost basis. Displaced mobile home occupants (owners or tenants) may also be eligible for a payment for moving personal property from the mobile home such as furniture, appliances and clothing on an actual cost basis, or on the basis of a moving cost schedule. For a complete explanation of all moving cost options involving a mobile home, please discuss the matter with your relocation counselor.

REPLACEMENT HOUSING

There are three types of replacement housing payments: purchase supplement, rental assistance, and downpayment. To understand replacement housing payments you first need to become familiar with the terms **Comparable; Financial Means; Decent, Safe, and Sanitary (DSS); and Last Resort Housing.**

Comparable

A comparable replacement dwelling must be DSS and functionally equivalent to your present dwelling. While not necessarily identical to your present dwelling, a comparable replacement dwelling should provide for the same utility and function as the dwelling from which you are being displaced. In addition, a comparable replacement dwelling should be:

- Adequate in size to accommodate the occupants (e.g., you and your family).
- Located in an area that is not subject to unreasonable adverse environmental conditions.
- Located in an area that is not less desirable than your present location with respect to public utilities and commercial and public facilities.
- Reasonably accessible to your place of employment.
- Located on a site that is typical in size for residential development with normal site improvements.
- Currently available on the private market.
- Within your financial means.

Financial Means

For a homeowner, if a purchase supplement is needed and provided, in addition to the acquisition price for your dwelling, then the replacement dwelling is considered to be within your financial means.

For a tenant, the monthly rent and estimated average monthly utility (electricity, gas, other heating and cooking fuels, water and sewer) cost for a comparable replacement dwelling is considered to be within financial means if, after receiving rental assistance, this amount does not exceed the base monthly rent (including average monthly utility cost) for the dwelling from which the tenant is displaced.

The Agency may need to calculate the base monthly rent using 30% of the displaced tenant's total monthly gross household income, if that income qualifies as low income in accordance with established low income amounts determined by the U.S. Department of Housing and Urban Development (HUD).

The Agency will also evaluate the amounts designated for shelter and utilities for a tenant that receives government assistance.

The rental assistance payment will be computed using the lesser of the three (rent and average monthly utility cost; 30% of the total monthly gross household income for a qualified low income tenant; or the total amount designated for shelter and utilities for a tenant receiving government assistance). To ensure the maximum benefit, it is important to provide the Agency appropriate evidence of total monthly household income when asked. There are some amounts that are not included as monthly household income, including income earned by dependents. The Agency will explain this procedure in greater detail.

Decent, Safe, and Sanitary

The DSS standard means the replacement dwelling meets the minimum requirements established by Federal regulations and conforms to applicable local housing and occupancy codes. The dwelling shall:

- Be structurally sound, weather tight, and in good repair.
- Contain a safe electrical wiring system adequate for lighting and other devices.
- Contain a heating system capable of sustaining a healthful temperature (approximately 70 degrees Fahrenheit) except in those areas where local climatic conditions do not require such a system.
- Be adequate in size with respect to the number of rooms and area of living space to accommodate the displaced person.
- Contain a well-lighted and ventilated bathroom providing privacy to the user and containing a sink, bathtub or shower stall, and a toilet, all in good working order and properly connected to appropriate sources of water and sewage drainage system.
- Contain a kitchen area with a fully usable sink, properly connected to potable hot and cold water and to a sewage drainage system, with adequate space and utility connections for a stove and refrigerator.
- Have unobstructed egress to safe, open space at ground level.

- Be free of any barriers which prevent reasonable ingress, egress or, in the case of a handicapped displaced person, use of the dwelling.

IMPORTANT NOTICE

Please understand that the replacement dwelling inspection for decent, safe, and sanitary requirements is conducted by Agency personnel for the sole purpose of determining your eligibility for a relocation payment. Therefore, you must not interpret the Agency's approval of a dwelling to provide any assurance or guarantee that there are no deficiencies in the dwelling or in its fixtures and equipment that may be discovered at a later date. It is your responsibility to protect your best interest and investment in the purchase or rental of your replacement property and you must clearly understand that the Agency will assume no responsibility if structural, mechanical, legal, or other unforeseen problems are discovered after the inspection has been conducted.

Last Resort Housing

The term Last Resort Housing is an administrative procedure authorized by law to address those times when comparable replacement housing is not available under statutory limits specified in law. The law and regulation allow the Agency to provide a replacement housing payment in excess of the statutory maximums of \$7,200 and \$31,000. Because this provision is commonly used, the statutory maximums will not be restated throughout this brochure.

The Agency must provide comparable replacement housing, that is DSS and within your financial means, before you are required to move. The Agency may provide the necessary housing in a number of ways, such as:

- Making a replacement housing payment in excess of the maximum \$7,200 or \$31,000 statutory limits.
- Purchasing an existing comparable residential dwelling and making it available to you in exchange for your dwelling.
- Moving and rehabilitating a dwelling and making it available to you in exchange for your property.
- Purchasing, rehabilitating or reconstructing an existing dwelling to make it comparable to your property.
- Purchasing land and constructing a new replacement dwelling comparable to your dwelling when comparables are not otherwise available.
- Purchasing an existing dwelling, removing barriers or rehabilitating the structure to accommodate a handicapped displaced person when a suitable comparable replacement dwelling is not available.
- Providing a direct loan which will enable you to construct or contract for the construction of a decent, safe, and sanitary replacement dwelling.

Freedom of Choice

All eligible displaced persons have the freedom of choice in the selection of a replacement dwelling. The Agency will not require you, without your written consent, to accept a replacement dwelling provided by the Agency. If you decide not to accept the replacement housing offered by the Agency, you may secure a replacement dwelling of your choice but it must meet the DSS standard.

If you are eligible for Last Resort Housing, your relocation counselor will thoroughly explain the program to you.

Length of Occupancy – Basic Occupancy Requirements

The type of payment you are eligible for depends on whether you are an owner or a tenant, and how long you have lived in the property being acquired prior to the initiation of negotiations. “Length of occupancy” simply means counting the number of days that you occupied the dwelling before the date of initiation of negotiations by the Agency for the purchase of the property.

The term “initiation of negotiations” is usually the date the Agency makes the first personal contact with the owner of real property, or his/her representative, to provide a written offer to purchase the property being acquired.

Owners who were in occupancy 90 days or more prior to the initiation of negotiations may be eligible for a purchase supplement or a rental assistance payment.

Tenants who were in occupancy 90 days or more prior to the initiation of negotiations may be eligible for a rental assistance payment or downpayment assistance.

If you were in occupancy at the time of the initiation of negotiations, but less than 90 days prior to that date, you are considered a displaced person entitled to relocation assistance advisory services and moving payments. You may be entitled to a rental assistance payment if comparable replacement rental housing is not available within your financial means. The Agency will use the financial means test described earlier in this brochure. This involves checking to see if you qualify as low income using the HUD definition.

If so, and you are required to pay rent and utilities in excess of 30% of your average monthly gross household income for a comparable replacement dwelling unit, you may be eligible for a rental assistance payment under Last Resort Housing because comparable replacement housing is not available within your financial means. You should meet with your relocation counselor for an explanation of the relocation benefits that you may be eligible to receive.

REPLACEMENT HOUSING – PURCHASE SUPPLEMENT

For Owner Occupants of 90 Days or More

If you are an owner and occupied your home for 90 days or more immediately prior to the initiation of negotiations for your property, you may be eligible - in addition to the fair market value of your property - for a supplemental payment for costs necessary to purchase a comparable DSS replacement dwelling. The Agency will compute the maximum payment you are eligible to receive. You must purchase and occupy a DSS replacement dwelling within one year. A purchase supplement has three components: a price differential, an amount for increased mortgage interest and incidental expenses. The purchase supplement is in addition to the acquisition price paid for your property.

Price Differential

The price differential payment is the amount by which the cost of a replacement dwelling exceeds the acquisition cost of the displacement dwelling.

Increased Mortgage Interest

You may be reimbursed for increased mortgage interest costs if the interest rate on your new mortgage exceeds that of your present mortgage. To be eligible your acquired dwelling must have been encumbered by a bona fide mortgage which was a valid lien for at least **180 days prior** to the initiation of negotiations.

Incidental Expenses

You may be reimbursed for other expenses such as reasonable costs incurred for title search, recording fees, and certain other closing costs, but not for prepaid expenses such as real estate taxes and property insurance.

Example of a Price Differential Computation

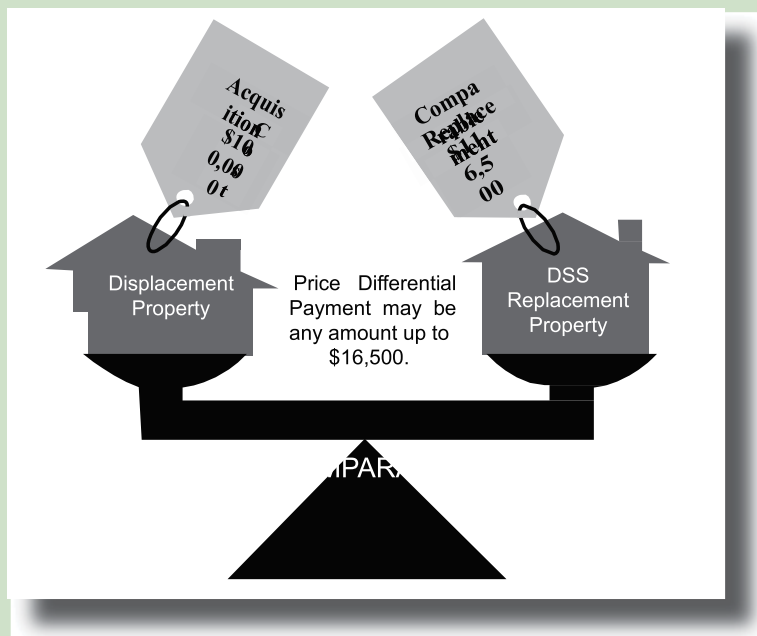
Example A: Assume the Agency purchases your property for \$100,000. After a thorough study of available comparable residential properties on the open market, the Agency determines that a comparable replacement property will cost \$116,500. If you purchase a DSS replacement property for \$116,500, you will be eligible for a price differential payment of \$16,500.

Example B: If you purchase a DSS replacement property costing more than \$116,500, you pay the difference as shown in Example B calculation shown on the next page.

Example C: If your purchase price is less than \$116,500, the price differential payment will be based on your actual cost.



Agency Computation of Maximum Price Differential Payment	Cost of Comparable Replacement Acquisition Price of Your Property Maximum Price Differential Payment	\$116,500 <u>-100,000</u> \$ 16,500
Example A	Actual Cost of Replacement Property (Same Purchase Price as Comparable) Acquisition Price of Your Property Price Differential Payment	\$116,500 <u>-100,000</u> \$ 16,500
Example B	Actual Cost of Replacement Property Acquisition Price of Your Property Difference Price Differential Payment You Are Responsible for This Amount	\$125,000 <u>-100,000</u> \$ 25,000 \$16,500 \$8,500
Example C	Actual Cost of Replacement Property Acquisition Price of Your Property Price Differential Payment Payment is Based on Actual Cost	\$114,000 <u>-100,000</u> \$ 14,000



the Federal Relocation Assistance Program

REPLACEMENT HOUSING – RENTAL ASSISTANCE

90-Day Owners Who Elect to Rent

A rental computation will be computed based on a determination of the fair market rent for the acquired dwelling compared to a comparable rental dwelling available on the market. The difference will be multiplied by 42. In no circumstances will the rental assistance payment exceed the amount the owner would have received as a price differential described previously.

Tenants of 90 Days or More

Tenants of 90 days or more may be eligible for a rental assistance payment. To be eligible for a rental assistance payment, tenants must have been in occupancy at least 90 days immediately preceding the initiation of negotiations for the acquisition of the property.

This payment is designed to enable you to rent a comparable decent, safe, and sanitary replacement dwelling for a 42-month period. If you choose to rent a replacement dwelling and the cost of rent and utilities are higher than you were paying, you may be eligible for a rental assistance payment. The Agency will determine the maximum payment you may be eligible to receive in accordance with established procedures.

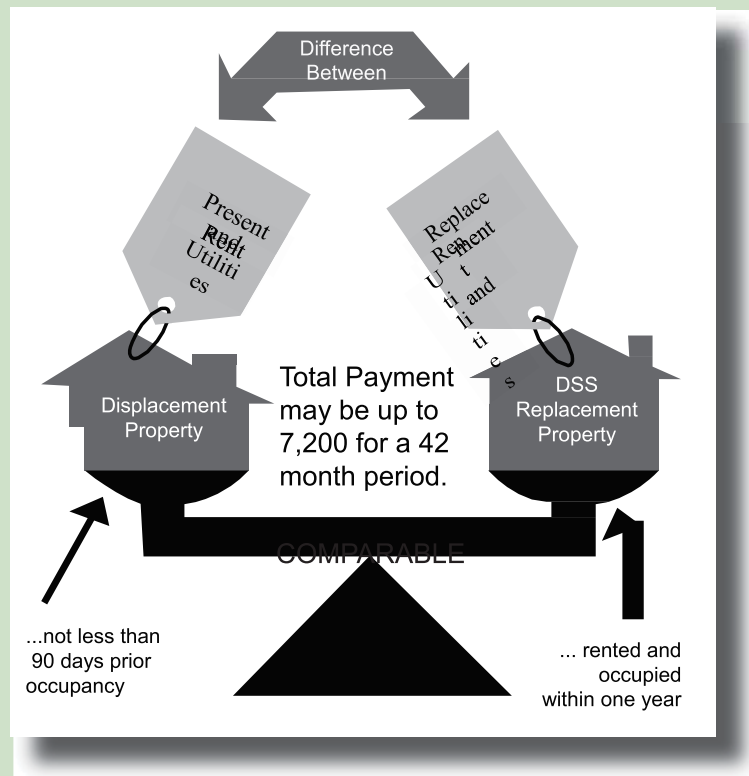
The rental assistance payment will be paid in a lump sum unless the Agency determines that the payment should be paid in installments. You must rent and occupy a DSS replacement dwelling within one year to be eligible.

Example:

Assume you have been paying \$600 per month rent for the dwelling unit occupied by you and purchased by the Agency. You also pay \$200 per month for utilities (electricity, gas, other heating and cooking fuels, water, and sewer). The rental assistance payment computation always includes the cost of basic utilities (electricity, gas, other heating and cooking fuels, water, and sewer), as well as the cost of rent. If rent includes utilities, a separate computation is not necessary.

After a study of the rental market, the Agency determines that replacement rental unit, that is DSS and comparable to your unit, is available for \$750 per month. It is estimated that average monthly utility costs for the replacement unit will be \$210 per month. The maximum rental assistance payment you can receive is \$160 per month for a 42-month period, or a total of \$6,720(see calculation on page 24).

Example A: If you select a DSS replacement dwelling unit that rents for \$800 per month plus \$250 for utilities, despite the availability of comparable DSS replacement rental units that rent for \$750 per month plus \$210 for utilities, you will receive the maximum amount computed by the Agency, or \$6,720. You will be required to pay the additional \$90 per month yourself.



the Federal Relocation Assistance Program

Example B: If you select a DSS replacement dwelling unit that rents for more than your present unit, but less than amount determined by the Agency as necessary to rent a comparable unit, your payment will be based on actual cost. For example, assume you select a replacement dwelling unit that rents for \$725 per month plus \$175 for utilities. On the basis of actual cost, you will be eligible for a payment of \$100 per month for 42 months, or \$4,200.

Agency Computation of Maximum Rental Assistance Payment	Rent You are Currently Paying	\$600
	Plus Cost for Utilities You are Paying	<u>+200</u>
		\$800
	Rent for a Comparable DSS Dwelling	\$750
	Estimated Cost for Utilities	<u>+210</u>
		\$960
	Difference (\$960-800=\$160) x 42 months	\$6720
	Maximum Rental Assistance Payment	\$6720
Example A	Actual Rent for DSS Replacement Property	\$800
	Plus Estimated Cost for Utilities	<u>+250</u>
		\$1050
	Difference (\$1050-800=\$250) x 42 months	\$10500
	Rental Assistance Payment	\$6720
Example B	Actual Rent for DSS Replacement Property	\$725
	Plus Estimated Cost for Utilities	<u>+175</u>
		\$900
	Difference (\$900-800=\$100) x 42 months	\$4200
	Rental Assistance Payment	\$4200

REPLACEMENT HOUSING – DOWNPAYMENT

Tenants of 90 Days or More

Tenants of 90 days or more may be eligible for a downpayment and incidental expenses. The Agency will determine the maximum downpayment you may be eligible to receive based on its computation for a rental assistance payment.

To be eligible for the full amount of the downpayment assistance payment, the entire payment must be used to purchase a DSS replacement dwelling. The payment may be utilized for a downpayment toward the purchase price and/or eligible incidental expenses. Incidental expenses include the reasonable costs of title search, recording fees, and certain other closing costs but do not include prepaid expenses such as real estate taxes and property insurance. You may be eligible for the reimbursement of loan origination or loan assumption fees if such fees are normal to real estate transactions in your area and do not represent prepaid interest. The combined amount of the downpayment and incidental expenses cannot exceed the amount the Agency computed as your maximum rental assistance payment.

The relocation counselor will explain how the Agency determines the maximum downpayment assistance payment.

DSS REMINDER

It is very important to remember that the replacement dwelling you select must meet the basic DSS standard. Do not execute a sales contract or a lease agreement until a representative from the Agency has inspected and certified in writing that the dwelling you propose to purchase or rent meets the DSS standard. Please do not jeopardize your right to receive a replacement housing payment by moving into a substandard dwelling.

FAIR HOUSING LAWS

Title VI of the Civil Rights Act of 1964 and Title VIII of the Civil Rights Act of 1968 set forth the policy of the United States to provide, within constitutional limitations, for fair housing throughout the United States. These Acts and Executive Order 11063 make discriminatory practices in the purchase and rental of residential units illegal if based on race, color, religion, sex, or national origin.

Whenever possible, a minority person shall be given reasonable opportunity to relocate to a DSS replacement dwelling which is not located in an area of minority concentration that is within their financial means. This policy does not require an Agency to provide a displaced person with a larger payment than is necessary to enable the person to relocate to a comparable replacement dwelling.

MOVING COST REIMBURSEMENT

Owners or tenants may be paid on the basis of actual, reasonable moving costs and related expenses or, under certain circumstances, a fixed payment. Actual, reasonable moving expenses may be paid when the move is performed by a professional mover or if you move yourself. Related expenses, such as personal property losses, expenses in finding a replacement site, and reestablishment expenses may also be reimbursable.

You must provide the Agency with an inventory of the personal property to be moved and advance notice of the approximate date of the move, unless the Agency specifically tells you these notices are not necessary.

The Agency has the right to inspect the personal property at the displacement and replacement sites, and to monitor the move.

Actual Cost Move

You may be paid the actual, reasonable and necessary cost of your move when the move is performed by a professional mover or when you elect to move yourself, however, all 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 be reimbursable, such as packing, crating, unpacking and uncrating, and the disconnecting, dismantling, removing, reassembling, and reinstalling 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 an inclusive list of moving related expenses. Your relocation counselor will provide you with a complete explanation of reimbursable expenses.

Estimated Cost Move

If you agree to take full responsibility for all or part of the move of your operation, the Agency may approve a payment not to exceed the lower of two acceptable bids or estimates obtained by the Agency from qualified moving firms, moving consultants, or a qualified Agency staff employee. A low cost or uncomplicated move may be based on a single bid or estimate at the Agency's discretion. The advantage of this moving option is that it relieves you from documenting all moving expenses because the payment is limited to the amount of the lowest acceptable bid or estimate. The Agency may make the payment without additional documentation.

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 is based on the lesser of the value of the item for continued use at the displacement site less the proceeds from its sale, or the estimated cost of moving the item. Your relocation counselor will explain this procedure in detail if this is a consideration for you.

Low Value High Bulk Property

If an Agency considers a personal property item to be of low value and high bulk, and moving costs are disproportionate to its value (such as minerals, metals, rock, or topsoil), the allowable moving cost payment shall not exceed the lesser of the amount which would be received if the property were sold at the site, or, the replacement cost of a comparable quantity delivered to the new business location.

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; and other expenses determined to be reasonable and necessary by the Agency.

Fees paid to real estate agents or brokers to locate a replacement site may be reimbursed, exclusive of any commissions or fees related to the purchase of the site. Commissions and fees related to the purchase of a replacement site are not eligible relocation expenses and will not be reimbursed.

RELATED ELIGIBLE EXPENSES

In addition to the moving expenses listed above, costs for these items may be reimbursed if the Agency determines they are actual, reasonable, and necessary:

- Connection to available nearby utilities from the right-of-way to improvements at the replacement site.
- Professional services to determine a sites' suitability for the displaced person's operation.
- Impact fees or one time assessments for heavy utility usage as determined necessary by the Agency.

Please discuss this with your relocation counselor before incurring these costs to assure that they are reimbursable.

REESTABLISHMENT EXPENSES

A small business, farm, or nonprofit organization may be eligible for a payment, not to exceed \$25,000, for expenses actually incurred in relocating and reestablishing the enterprise at a replacement site. To qualify, the business, farm, or nonprofit organization must have not more than 500 employees working at the site who will be displaced by a program or project.

Reestablishment expenses may include, but are not limited to:

- Repairs or improvements to the replacement real property required by Federal, State, and local laws, codes or ordinances.

- Modifications to the replacement real property to make the structure(s) suitable for the operation.
- Construction and installation costs of exterior advertising signs.
- Redecoration or replacement such as painting, wallpapering, paneling, and carpeting when required by the condition of the replacement site.
- Advertising the replacement location.
- Estimated increased costs of operation at the replacement site during the first two years for items such as: lease or rental charges; personal or real property taxes; insurance premiums; utility charges (excluding impact fees).
- Other items that the Agency considers essential for reestablishment.



FIXED PAYMENT FOR ACTUAL MOVING EXPENSES (IN LIEU PAYMENT)

Displaced businesses, farms, and nonprofit organizations may be eligible for a fixed payment in lieu of (in place of) actual moving expenses, personal property losses, searching expense, and reestablishment expenses. The fixed payment may not be less than \$1,000 nor more than \$40,000.

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

- Business owns or rents personal property that must be moved due to the displacement.
- Business cannot be relocated without a substantial loss of its existing patronage.
- Business is not part of a commercial enterprise having more than three other businesses engaged in the same or similar activity which are under the same ownership and are not being displaced by the Agency.
- 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. Eligibility requirements for farms and nonprofit organizations are slightly different than business requirements. 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. If you are interested in a fixed payment, please consult your relocation counselor for additional information.

Computation of Your Fixed 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 was displaced, or a two-year period deemed more representative by the Agency. You must provide the Agency 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 acceptable to the Agency.

Fixed Payment Example

2012	2013	2014
Annual Net Earnings \$33,000	Annual Net Earnings \$37,000	Year Displaced
Average annual net earnings $\$33,000 + \$37,000 = \$70,000 / 2 = \$35,000$ Fixed Payment = \$35,000		

PROJECT OFFICE

The Agency may establish a relocation office near the project. Project relocation offices are usually open during hours convenient to persons being displaced, including evening hours when necessary. If the Agency opens a project office, the staff will be happy to assist you, answer questions, and will maintain various types of information.

RELOCATION PAYMENTS ARE NOT CONSIDERED TO BE INCOME

No relocation payment received will be considered as income for the purpose of the Internal Revenue Code. No relocation payment received will be considered income for the purposes of determining eligibility or the extent of eligibility of any person for assistance under the Social Security Act or any other Federal law (except for any Federal law providing low-income housing assistance).

RIGHT TO APPEAL

Any aggrieved person may file a written appeal with the head of the Agency if the person believes the Agency has failed to properly determine his or her eligibility for relocation assistance advisory services, or the amount of a relocation payment.

If you have a grievance, you will be given a prompt and full opportunity to be heard. You will also have the right to be represented by legal counsel or other representative in connection with the appeal, but solely at your own expense.

The Agency will promptly review your appeal and consider all pertinent justification and information available to ensure a fair and full review. The Agency will provide you with a written determination as well as an explanation of the decision. If you are still dissatisfied with the relief granted, the Agency will advise you of your right to seek judicial review of the Agency decision.

An alien not lawfully present in the United States shall not be eligible to receive relocation payments or any other assistance provided under 49 CFR Part 24.

This brochure is provided to assist you in understanding your rights and benefits. If you have questions regarding your relocation please contact your sponsoring Agency representative.

Additional information on Federal relocation and acquisition requirements, the law, and the regulation can be found at www.fhwa.dot.gov/realestate

NOTES

Uniform Relocation Assistance and Real Property Acquisition
Policies Act of 1970 As Amended, Including 49 Code of Federal
Regulations (CFR) Part 24 dated January 4, 2005.

Office of Real Estate Services 202-366-0142 www.fhwa.dot.gov/realestate

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