

DRAFT

Relocation Impact Statement and Last Resort Housing Plan

EHC Lifebuilders, Inc. – Markham Terrace Restructuring Project

Prepared for

The City of San Jose Housing Department

Submitted by

Associated Right of Way Services, Inc.

October 2008

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Introduction

The City of San Jose Housing Department (“City”) is working with EHC Lifebuilders, Inc. (“EHC”) to help facilitate the sale of several EHC properties in order to assist EHC with their efforts to financially restructure their organization. The City has authorized EHC to sell the property, located within the Markham Terrace Restructuring Project Area (“Project Area”), with the requirement that EHC provides relocation assistance to each eligible affected household and business in accordance with the guidelines and regulations established by the California Relocation Assistance Law, California Government Code Section 7260 et seq. and the California Relocation Assistance and Real Property Acquisition Guidelines, Title 25, California Code of Regulations, Chapter 6, Section 6000 et seq. (“the governing regulations”). The intended use of the property after its sale is a multi-family rental project with units containing a varied number of bedrooms

The property is located at 2112 Monterey Highway in San Jose; and is commonly known as Markham Terrace. The property was acquired by EHC using Community Development Block Grant funds and other Federal funds. The property, formerly known as The Monterey Glen Inn, was built in the 1950’s and served as a hotel until it was purchased and rehabilitated by EHC in the mid 1990’s. The property consists of 96 permanent single room occupancy (“SRO”) housing units and one business occupant. Markham Terrace is a Moderate Rehabilitation Project -Based Section 8 housing development that provides permanent, supportive housing for persons who have been homeless. In addition to providing housing, Markham Terrace offers services such as case management, group and individual counseling, information and referrals, recreational activities and meal programs. The business occupant leases their space from EHC under a standard commercial lease.

Markham Terrace was acquired and rehabilitated with the assistance of Federal funding. However, since the Project-Based Section 8 housing subsidy will be terminated due to the sale of the property and relocation assistance for the eligible affected residential occupants will be funded using State and Local funds, relocation assistance for the affected residential occupants under Federal guidelines will not apply. Therefore, the eligible occupants in the Project Area will be provided relocation assistance in accordance with State governing regulations. Relocation assistance for the one eligible affected business occupant will also be solely funded using State and Local funds; and therefore, the eligible business occupant will be provided relocation assistance in accordance with State governing regulations. As a result of EHC’s organizational restructuring and possible sale of the property, all eligible residential and business occupants will be affected by the project and will have to be permanently displaced.

Associated Right of Way Services, Inc. (“AR/WS”) has prepared and will administer this Draft Relocation Impact Statement and Last Resort Housing Plan (“Draft Statement”), under the direction of the City. This Draft Statement provides the results of a household and business needs assessment, a housing and commercial property resource study, and details of the City’s proposed relocation program. This Draft Statement also sets forth policies and procedures necessary to

conform with statutes and regulations established by the California Relocation Assistance Law, California Government Code Section 7260 et seq. and the California Relocation Assistance and Real Property Acquisition Guidelines, Title 25, California Code of Regulations, Chapter 6, Section 6000 et seq. (“the governing regulations”). No displacement activities will take place prior to the required reviews and approval of this Draft Statement.

Of the 96 residential units in the Project Area, 90 units are occupied. Each of the 90 residential units is occupied by one individual. Therefore, a total of 90 residential occupants and one business occupant will need to permanently relocate to replacement housing and to a suitable commercial site in the greater San Jose area. This Draft Statement addresses the specific replacement housing needs of the 93 residential occupants and the replacement site needs of the business occupant. The residential housing and commercial property research conducted for this Draft Statement has demonstrated that there are an adequate number of available residential and commercial rental units in the San Jose area to accommodate the needs of the residential and business occupants that will need to permanently relocate. The City will need to provide advisory and monetary assistance to allow the 90 residential occupants and one commercial occupant to secure and move to comparable replacement residential dwellings and to a commercial replacement site.

Project Scheduling This Draft Statement will be circulated for a 30-day public review and comment period in October and November of 2008. The comments received during this period will be incorporated into a Final Relocation Impact Statement and Last Resort Housing Plan (“Final Statement”) and will be presented to the San Jose City Council for consideration in November of 2008. If the Final Statement is approved by Council, then the City and EHC will provide the residential and commercial occupants with relocation assistance in accordance with the governing regulations. At this time, the anticipated vacancy date of the Project Area property is unknown. However, each eligible affected residential and business occupant in the Project Area will be provided with a minimum of 90-days advance written notice of when the Project Area must be vacated.

Project Assurances The City is committed to providing relocation assistance to each displaced person and business who is in legal occupancy for 90-days prior to EHC’s initiation of negotiations with the City for the pending sale of the properties in the Project Area. Based on occupancy information provided by the EHC, it appears the 86 of the residential occupants occupying a unit in the Project Area and the one business meet the occupancy requirements. However, based on the residential occupant information provided by EHC, the remaining four occupants are determined to be occupants of Last Resort and will be eligible to receive relocation assistance under the governing regulations Last Resort Housing provision. In addition, it is the City’s intent that:

- This Draft Statement is made available to the public, including the displaced persons and any other interested parties for review and comment.

- The displaced persons, members of the public, and the Project Area Committee will have an opportunity to comment on this Draft Statement during a 30-day review and comment period. All written comments and responses will be included in the Final Statement.
- All persons displaced as a result of this project shall receive fair and equitable treatment.
- No displaced person will suffer disproportionate damages as a result of a project proposed for the public's benefit.
- No eligible displaced person will be required to move unless adequate replacement housing is available to the displaced person, regardless of race, color, religion, sex, or national origin.
- No displaced person will be required to relocate unless comparable, affordable replacement housing is available within the City of San Jose.
- Each displaced person will be assisted by a Relocation Advisor who will assist the occupant through each step of the relocation process.
- No eligible displaced person will receive a 90-Day Notice to Vacate or be required to relocate without first receiving a Notice of Eligibility for Relocation Assistance, a Conditional Entitlement Letter, a Relocation Brochure, and referrals to available, comparable replacement sites.
- A Relocation Advisor will provide each displaced person with a Relocation Brochure which will explain all relocation assistance available and a Conditional Entitlement Letter which explains the specific assistance and options available. A calculation of any monetary assistance will be included in each Conditional Entitlement Letter.
- Relocation assistance payments will be made in a timely manner. Payments for replacement housing will be based on the City's Housing Valuation Study and "spend-to-get" requirements.
- Eligible benefits and payments as required by governing regulations will be provided to all displaced persons.
- The City's relocation assistance program is adequate to provide orderly and timely relocation of all displaced persons.
- The City will secure funds to pay all required moving costs, replacement housing payments, and other relocation benefits, including Last Resort Housing payments. All relocation benefits will be offered by the City and administered through AR/WS.

Assessment of Needs

Although an interview of each residential occupant is generally conducted in order to determine the project impact and the feasibility of permanently relocating the residential occupants into the surrounding community, the information provided to the Relocation Advisor by EHC was determined to be sufficient for this Draft Statement. Individual occupant information provided to the Relocation

Advisor by EHC included, but was not limited to; unit size, move-in date, lease term, age and ethnicity population, physical and mental disability and needs requirements, rent and Section 8 subsidy amounts, annual and monthly income, adjusted income, median income level, and last date of income certifications. Upon distribution of this Draft Statement to the residential occupants, a Relocation Advisor will be available upon request to meet with the occupant. Any questions, concerns, or identified special needs will be addressed in the Final Statement. The Relocation Advisor conducted a personal interview with the business occupant to determine their specific relocation needs. Replacement residential housing and commercial site information and availability for the effected residential and business occupants was gathered through research of area newspapers, residential and commercial property management companies, property owners, commercial brokers, and on-line rent/lease research sites.

Occupant Characteristics There are a total of 90 occupants living in the 90 occupied units. Although each household’s characteristics are unique, some general occupant and household characteristics can be helpful in understanding the housing needs of the occupants. Therefore, some general characteristics are listed below:

Total Number of Project Area Units:	96
Number of Occupied Units	90
Total Number of Occupants Living in Units	90
Number of Occupants Over 55 Years of Age	47
Number of Occupants between 18 and 54 Years of Age	43
Number of Occupants Younger Than 18 Years of Age	0
Number of Occupants with Special Physical or Mental Needs	29
Number of Households Who Will Need to Permanently Relocate Off Site	90

Type of Occupied Housing Units:	
All Units are Single Room Occupancy (“SRO”)	90

- **Locational Needs.** The majority of the occupant’s utilize public facilities; public infrastructure; and public transportation. The occupants are currently located in close proximity to these public amenities and would benefit from relocating to a replaced dwelling that will offer the same conveniences. Some of the occupant’s have at least one vehicle but the majority of the occupant’s utilize public transportation. A Relocation Advisor will work with the households to identify available, comparable replacement housing that is equally accessible to public facilities and public transportation.
- **Household Income.** Since Markham Terrace is currently a Section 8 based affordable housing project, income information for each occupant was obtained by EHC prior to each occupant being approved to occupy a dwelling. The income information is updated by EHC annually. The latest income verification performed by EHC was in July of 2008. EHC has provided this information for the preparation of this Draft Statement. Therefore, an interview with each occupant to obtain their income information was not necessary. Additional occupant income

information may be required to determine income levels in comparison to the Area Median Income in the City of San Jose. Household incomes were not certified by the Relocation Advisors for preparation of this Draft Statement; therefore, projections were made for these occupants. Certified household income information will be used in calculating actual replacement housing payments for all occupants, if provided.

- Current Rent. All of the units in Markham Terrace have been designated as Project Based Section 8 units and have subsidy vouchers attached to them. Therefore, each occupant only pays 30% of their gross adjusted income. All of the occupants are qualified to receive “walking vouchers” and will be able to utilize Section 8 subsidy at their replacement dwelling.
- Overcrowded Conditions. None of the effected households are currently living in overcrowded conditions based upon the City’s housing occupancy standards for relocation programs. Therefore, relocation assistance will be provided to each household to assist them with securing replacement housing that is comparable to their current dwelling.
- Language. It was reported that all but five occupants speak English as their primary language. Therefore, the City will make every attempt to communicate with those households and to provide the necessary additional advisory assistance to secure a replacement site.

Special Circumstances In some cases special circumstances may need to be considered in the moving or relocation process that would result in additional Advisory Assistance. These circumstances may include, but are not limited to, occupants with physical, mental, or emotional limitations. Based on the information provided by EHC, 29 of the occupants reported a special circumstance that will need to be addressed. These circumstances include hearing impairment and the need to either occupy a downstairs unit or a unit with elevator access. Of these 29 occupants, 6 reported the need to occupy an ADA Accessible dwelling. Therefore, the City will make every effort to help locate and secure replacement housing that will adequately accommodate the needs of these occupants. If the Project moves forward, interviews with all occupants will be conducted to determine if there are any additional special needs that will need to be addressed during the relocation process.

Available Housing A survey was conducted in September and October 2008 to identify available replacement housing units in the project area. The survey indicated that in the San Jose area, there is currently an insufficient supply of single room occupancy and efficiency units available for rent on the market to accommodate the number of occupants that may be affected by the Project. Therefore, the survey was expanded to also include studio and one-bedroom apartments. The expanded survey showed a sufficient supply of available single room occupancy units, efficiency units, and both studio and one-bedroom apartments. Based on this survey, the City and EHC are committed to provide a greater level of relocation assistance to the effected occupants to assist them with securing replacement housing that is equal to or better than their current dwelling.

In summary, the survey indicates there is a sufficient supply of replacement dwellings available to accommodate the 90 households being displaced. Therefore, it is anticipated that during the displacement period, single room occupancy units, efficiency units, and both studio and one-bedroom apartments may be used as available and comparable replacement housing units. Although Section 8 vouchers will be available for all project occupants, not all may be able to secure replacement housing that will accept their Section 8 voucher. This may require some project occupants to relocate to replacement housing that may be significantly higher than their current rent rates. Therefore, Last Resort Housing provisions may apply.

The following listed housing units are an example of comparable units that are available. No determination has yet been made as to their direct comparability to the subject properties.

San Jose Rentals

Single Room Occupancy and Efficiency Units, Studio and One-Bedroom Apartments September and October 2008

Address	Bedroom/ Bath	Price	Comments
Avenida Espana Gardens 181 Rawls Place	1/1	\$516	One bedroom units, 1 year lease required Vouchers accepted *50%
Cypress Gardens 3555 Judro Way	1/1	30% of gross income	One bedroom units, Vouchers not accepted *30%
DeRose Gardens 1401 De Rose Way	1/1	\$650	One bedroom units, 1 Year lease required, Vouchers accepted. *50%
Lenzen Gardens 893 Lenzen Ave.	1/1	30% of gross income	One bedroom units Vouchers not accepted. *50%
Marrone Gardens 1107 Luchessi Drive	1/1	\$650	One bedroom units, Vouchers accepted. 50%
Villa Hermosa 1640 Hermocilla Way	1/1	\$600	One bedroom units, 1 year lease required, Vouchers accepted. *40%
Giovanni Center Senior Apartments	Studio/1	\$700	*50%
Miranda Villa 2094 Forest Ave.	Studio / 1	\$795	
279 E. Fernando	1/1 shared	\$595	Private Apartment room, shared bathroom and all utilities included, free parking.
1688 E. San Antonio St.	1/1	\$750	Small cottage, 5 minutes

Address	Bedroom/ Bath	Price	Comments
			to SJSU, airport and downtown.
Mira Loma Way	1/1	\$800	Detached Studio
San Jose East	1/1	\$800	Residential neighborhood,
6080 Monterey Hwy.	1/1	\$815	
Page at Douglas	1/1	\$875	Upstairs unit
52 Cleveland Ave.	1/1	\$895	Small upstairs unit
1090 Myrtle St.	1/1	\$895	One mile from Santana Row
125 Topeka Ave.	1/1	\$895	
1133 Newhall St.	1/1	\$925	Minutes to downtown, 1 year lease.
367 S. 4th St.	1/1	\$950	Across the street from San Jose State,
George St.	1/1	\$950	Duplex, upstairs unit
William St.	1/1	\$950	Close to Campus
490 E. Hedding St.	1/1	\$970	
358 N. 7th St.	1/1	\$975	Residential area downstairs unit.
977 Leigh Ave.	1/1	\$975	Up stairs unit
1058 N. 4th St., Unit 1	1/1	\$995	Junior Studio apartment
10 Street	Cottage / 1	\$1,000	Studio Cottage
South Cragmont Ave.	1 / 1	\$1,000	Cottage Suite
524 S. 9th St.	Studio / 1	\$700	Dorm Type
N. 3rd St.	Studio	\$750	One person only, walk to SJSU
Halleck St.	Studio / 1	\$850	
1085 S. 6th St.	Studio / 1	\$850	Minutes from downtown San Jose and University
1337 Sunny Court	Studio / 1	875	
741 W. Latimer Ave.	Studio / 1	\$890	
74 S. 8th St.	Studio / 1	\$895	
617 S. 9th Street	Studio / 1	\$895	Minutes to downtown
3026 Magliocco Drive	Studio / 1	\$895	
Orchard Glen Apts. 3975 Seven Trees Blvd.	Studio / 1	\$899	

Address	Bedroom/ Bath	Price	Comments
155 W. Santa Clara St.	Studio / 1	\$900	
3180 Loma Verde Dr.	Studio / 1	\$900	Near Santana Row
Glen Donegal	Studio / 1	\$900	No Section 8. Converted Studio off main house
55 South 6th St.	Studio / 1	\$910	Super Clean and very well maintained.
Rainbow Dr.	Studio / 1	\$950	Air conditioning, full kitchen & bath, walk-in closet
253 N. 3rd St.	Studio / 1	\$975	Large studio
345 E. Williams St.	Studio / 1	\$980	
Stokes St.	Studio / 1	\$1,000	Large floor plan conditioning.
Villa Garcia 7213 Clarendon Street	1/1	\$400 / \$438	Vouchers not accepted. *50%
Poco Way Apts. 1900 Poco Way	1/1	\$625	1 year lease required. *50%
Pinmore Gardens 1706 Branham Lane	1/1	\$800	1 year lease required. *50%
817 Hillsdale Ave.	1/1	\$900	4 plex
44 So. 7th St., Apt. #2	1/1	\$950	
220 Pamela Ave.	1/1	\$975	
3080 David Ave.	1/1	\$1,000	One-bedroom unit
725 S. 8th St.	1/1	\$1,000	One-bedroom unit
368 S. Buena Vista Ave., #2	1/1	\$1,000	
403 Wooster Ave., #3	1/1	\$1,100	4 Plex
Villa San Pedro 282 Danze Drive	1/1	See below	Vouchers not accepted. *50%
235 N. 7th St., #2	1/1	\$1,100	
369 N. 7th St., #4	1/1	\$1,100	
3061 David Ave., #2	1/1	\$1,100	
3206 Impala Dr., #7	1/1	\$1,100	
716 N. First St. #5	1/1	\$1,100	
825 S. 8th., #7	1/1	\$1,100	
2855 The Villages Parkway	1/1	\$1,100	
Belagio Villas 76 Rancho Drive	1/1	\$1,150	Condo. End Unit. Share Rental

Address	Bedroom/ Bath	Price	Comments
143 W. Reed St.	1/1	\$1,050	
3776 Moorpark Ave. #2	1/1	\$1,150	
754 North 16th St.	1/1	\$1,150	
159 So. Morrison Ave., #3	1/1	\$1,158	
1800 Evans Lane, #2203	1/1	\$1,158	
1800 Evans Lane, #2221	1/1	\$1,158	
1800 Evans Lane	1/1	\$1,160	
1380 Blossom Hill Rd., # 111	1/1	\$1,160	
1200 Ranchero Way #82	1/1	\$1,160	
1191 Coleman Road, #142	1/1	\$1,160	
1191 Coleman Road, #238	1/1	\$1,160	
1191 Coleman Road, Unit B	1/1	\$1,162	
2760 McKee Rd. #210	1/1	\$1,162	
2760 McKee Rd. #220	1/1	\$1,162	
2760 McKee Rd. #305	1/1	\$1,162	
2760 McKee Rd. #307	1/1	\$1,162	
2760 McKee Rd. #322	1/1	\$1,162	
332 N. 8th St. #1	1/1	\$1,175	
332 N. 8th St. #2B	1/1	\$1,175	
3029 Senter Rd., Unit A	1/1	\$1,175	Duplex
260 N. Capitol #214	1/1	\$1,195	
2125 Rexford Way #8	1/1	\$1,195	
2125 Rexford Way, #1	1/1	\$1,195	
159 S. Morrison Ave., #5	1/1	\$1,200	
702 Vine St., #6	1/1	\$1,200	
1524 Almaden Expressway #1	1/1	\$1,245	
3990 Hamilton Ave. B14	1/1	\$1,250	
535 S. Market St.	1/1	\$1,395	

Temporary Housing There is no anticipated need for temporary housing. Should such a need arise, the City would respond appropriately and in conformance with all applicable laws and requirements.

Concurrent Residential Displacement Although there may be other current or proposed displacing activities within the City’s jurisdiction, by the Housing Department or other City Agency’s or Departments, it has been determined that they would not impact the ability to relocate the displaced Project Occupants.

Commercial Replacement Sites

There is one commercial space in the Project area. This space is currently leased by restaurant that serves the local community. This business was interviewed to determine its relocation needs and the type of replacement site that would be needed to accommodate their business. The business occupant will be eligible to receive relocation assistance. Therefore, a survey of commercial properties was conducted to determine site availability. It is expected that the business occupant will provide their Relocation Advisor with specific replacement site criteria during the relocation process that will allow for a more targeted search for available sites.

Available Commercial Properties for Lease

Address	Square Footage	Type	Lease Rate
2053 Camden Avenue, Suite C7	2,794	Retail	\$3.25-\$4.00 + \$0.67 NNN
1465 Monterey Road	5,200 Max Divisible to 2,500	Retail	\$1.50/sf/mo.
95 S Market Street	3,868	Restaurant	\$2,10/sf/mo.
2951 Monterey Road	2,554	Retail	\$4.00/sf/mo.
1185 South Bascom Avenue	3,328	Retail/Restaurant	\$2.50/sf/mo. + \$0.23 NNN
4055 Evergreen Village Center	4,074	Restaurant	\$2.75/sf/mo.

Available Commercial Properties for Sale

Address	Square Footage	Type	Sales Price
760 South First Street	3,233	Retail	\$925,000.00
428-436 East Santa Clara Street	3,850	Retail	\$1,150,000.00
3143 Alum Rock Avenue	1,250	Retail/Restaurant	\$1,300,000.00
1000 South De Anza Blvd.	2,658	Restaurant	\$3,227,500.00

Project Cost Estimate The following estimates are for budgeting purposes only. These figures should not be interpreted as firm, “not to exceed”, or actual entitlement costs. These figures are based on the data obtained through occupant interviews, current project scope, replacement site availability, market rent research, and the judgment and experience of the writer. They do not include payments to consultants or to contractors.

	Low Estimate	Most Probable Estimate	High Estimate
Cost to Permanently Relocate 90 Residential Occupants and One Business Occupant:	\$950,000	\$1,400,000	\$2,100,000

Relocation Assistance Program

This portion of the Statement summarizes the City’s Relocation Assistance Program as it pertains to the occupants displaced from the Project Area. This summary of benefits has been provided for general information purposes only and it is not meant to be interpreted as law.

Definition of Terms This Draft Statement uses various acronyms and terminology that may be unfamiliar to some readers. Therefore, the definitions of various terms and conditions have been presented in this section in order to provide the reader with a greater understanding of the Relocation Assistance Program available to the displaced persons.

Comparable Replacement Dwelling A definition of a comparable replacement dwelling is a dwelling that is of similar size and type to the acquired dwelling. A more specific definition would include:

- Decent, safe, and sanitary as described below.
- Functionally equivalent to the displacement dwelling. The term “functionally equivalent” means that it performs the same function, provides the same utility, and is capable of contributing to a comparable style of living.
- In an area not subject to unreasonable adverse environmental conditions from either natural or manmade sources.
- Available to all persons regardless of race, color, religion, sex, marital status, or national origin.
- Within the financial means of the displaced person (housing costs do not exceed 30% of the household’s average monthly income), either by their own means or through assistance from the City.

Decent, Safe, & Sanitary (DS&S) In order to meet decent, safe and sanitary requirements, a replacement site must meet the following criteria:

- Be structurally sound, clean, weather tight, in good repair, and adequately maintained.
- Contain a safe electrical wiring system adequate for lighting and other devises.
- Contain a safe heating system capable of sustaining a healthful temperature.
-

- Be adequate in size with respect to the number of rooms and area of living space to accommodate the displaced persons. This shall be interpreted to mean that no more than two persons shall occupy a bedroom.
- 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.
- Contain unobstructed egress to safe, open space at ground level. If the 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.
- Be free of any barriers which prevent reasonable ingress, egress, or use of the dwelling by such displaced person.

Displaced Person Households required to move from the Project Area. These households will be eligible to receive Relocation Advisory Assistance, Moving Cost Assistance, and Replacement Housing Payments.

Summary of Residential Occupant Benefits

The City has adopted the following Relocation Assistance Program in order to provide eligible occupants with the benefits to which they are entitled under governing regulations.

- A. Relocation Advisory Assistance** A Relocation Advisor will be assigned to each household and will be the principal contact in all relocation matters. The Relocation Advisor shall provide ongoing advisory assistance by assisting the occupant in locating and securing a comparable replacement dwelling. In addition, the Relocation Advisor shall ensure that each household receives the following:
1. Each household will receive written documentation informing them of their rights and the availability of relocation assistance.
 2. Each household shall be interviewed by their Relocation Advisor in order to ascertain replacement needs. The Relocation Advisor shall request documentation concerning length of occupancy, occupant income, public assistance, and other pertinent information.
 3. A Housing Valuation Study will be prepared on the availability of replacement housing in the area. Consideration will be given to the condition of the dwellings and whether or not they compare favorably to the households dwelling. A determination will then be made as to the reasonable cost for each type of comparable replacement dwelling needed. Each household will then receive a Conditional Entitlement Letter that will explain the specific relocation benefits to which they are entitled.

4. The development of this project shall be so scheduled that no displaced person lawfully occupying their dwelling shall be required to move from their dwelling without a written 90 days' notice from the City of the date by which such a move is required. The 90-Day Notice to Vacate will also include a list of referrals to available replacement sites in the area. The Relocation Advisor shall also inform each household of the vacate policies that will be pursued in order to carry out the project.
5. Each household shall receive current and continuing information on the availability of comparable replacement sites in the area.
6. Each household shall be assigned a Relocation Advisor who shall act as a liaison with prospective landlords, realtors, commercial brokers and the City. The Relocation Advisor shall provide documentation to prospective landlords concerning Replacement Housing Payments. In addition, the Relocation Advisor shall help each household complete relocation claims that will be submitted to the City. The Relocation Advisor shall also coordinate delivery of relocation payments to the households or to their assignee.
7. Should a household have a grievance against the City in regards to relocation policies and procedures, the Relocation Advisor will provide the household with information concerning the City's grievance procedures.
8. The Relocation Advisor shall inspect the replacement site for each household to ensure that the unit meets decent, safe, and sanitary standards.
9. The Relocation Advisor shall provide any services required to ensure that the relocation process does not result in different or separate treatment of occupants on account of race, color, religion, national origin, sex, marital status, or other arbitrary circumstances.
10. The Relocation Advisor shall provide referrals to other local assistance programs to the households in order to minimize their hardships. When needed, referrals to housing, finance, employment, training, health and welfare, and other assistance programs will be provided.

B. Moving Cost Assistance Each household is entitled to receive a moving payment from the City to move their personal property to their replacement home. Each household may elect one of the two options for cost reimbursement as outlined below:

Fixed Moving Expense and Dislocation Allowance. A household may choose to move their own personal property to the replacement site and to submit a claim based on the following Moving Expense and Dislocation Allowance Schedule published by the Code of Federal Regulations.

Occupant owns Furniture - Number of Rooms of Furniture									Occupant does not own furniture	
1 Room	2 Rooms	3 Rooms	4 Rooms	5 Rooms	6 Rooms	7 Rooms	8 Rooms	Additional room	1 room no furn.	Addt' room/ no furn.
\$625	\$800	\$1,000	\$1,175	\$1,425	\$1,650	\$1,900	\$2,150	\$225	\$400	\$65

Actual Reasonable Moving Costs and Related Expenses. The City will pay actual moving expenses based on the lower of at least two acceptable moving bids from qualified professional moving carriers. The City will pay all reasonable costs to pack, move, and unpack all personal property up to 50 miles from the displacement site. The City can make a direct payment to the professional moving carrier under this option. The City will allow reimbursement to the household for any one-time utility reconnection fees, such as phone, gas, electric, and cable.

- C. Replacement Housing Payments** A Rent Differential Payment up to \$5,250 is available to assist tenants in either renting or purchasing a replacement dwelling. To be eligible, a tenant must have been living in the acquired dwelling for at least 90 days prior to the initiation of negotiations between the City and EHC, and he/she must occupy a decent, safe, and sanitary replacement dwelling within 18 months after moving if a replacement property is rented or one year after moving if a replacement property is purchased.

The assistance needed for one month is determined by subtracting the "base monthly rent" for the present home from the cost of rent and utilities for the new home (or a comparable replacement home, if that cost is lower). That monthly need, if any, is multiplied by 42 to determine the total amount of the Rent Differential Payment. This amount will be paid directly to the tenant or to the tenant's designee. The City will provide the assistance in a lump sum, monthly installments, or other periodic payments. Generally, the base monthly rent for the present home is the lesser of: (1) the monthly rent and average monthly cost for utilities, or (2) thirty (30%) percent of the adjusted gross monthly household income.

The City will conduct a Housing Valuation Study for each type of housing unit to determine the cost of a comparable replacement dwelling. Each household will receive a Conditional Entitlement Letter that describes all relocation benefits and the maximum Rent Differential Payment to which the household is entitled. The Letter will also explain the "spend to get" requirement. The "spend to get" requirement means that benefit payments will be made by the City only when the tenant demonstrates that entitlement amounts have been or will be spent. Rent Differential Payments must be used for reasonable and necessary expenses related to replacement housing.

A Rent Differential Payment when used to purchase a replacement dwelling must be applied to the down payment and/or non-recurring closing costs for a decent, safe, and sanitary replacement dwelling. The City will deposit down payments directly into the escrow account to purchase the replacement property.

The Last Resort Housing Program

Housing of Last Resort is a program that allows for the implementation of certain regulations to ensure that comparable replacement housing is within the financial means of the displaced person. Last Resort Housing is a procedure wherein the City, based upon additional documentation, may exceed the \$5,250 monetary limit to enable a displaced person to rent a comparable replacement dwelling. Several methods to provide Last Resort Housing to qualified displaced persons are available to the City:

1. Provide supplemental funds in excess of the standard limit to allow occupants to replace their current home with an affordable dwelling. All payments are based on the most comparable replacement property as approved in the City's Housing Valuation Studies. As with all other replacement housing payments, occupants must meet spend to get requirements in order to claim payments.
2. Build new replacement housing or rehabilitate existing units or provide funds for private parties to rehabilitate existing units for occupancy by displaced households.

Recommended Action The most flexible of the Last Resort Housing options is for the City to pay Rent Differential Payments in excess of \$5,250 for qualified displaced persons, as necessary. Since there are adequate replacement dwellings available, building replacement housing units and managing the property is not recommended at this time. It is also highly unlikely that construction of new replacement units could be completed to meet the project's schedule.

A survey of the local housing market indicates that there will be an adequate supply of replacement dwellings available during the expected displacement period. Some of these units, however, would not be affordable to some of the households if the standard relocation payments were made. The recommended course of action is for the City to provide supplemental replacement housing funds to bring the units within the financial means of the displaced person.

Summary of Business Relocation Benefits

This portion of the Statement summarizes the City's Relocation Assistance Program for business occupants. This summary of benefits has been provided for general information purposes only and it is not meant to be interpreted as law.

The City has adopted the following Relocation Assistance Program in order to provide the business occupants with the benefits to which they are entitled under State of California Relocation Guidelines. Full Relocation Assistance benefits shall be available to business occupants who legally operate a business on within the project area and who are required to relocate as a result of the project.

A. Relocation Advisory Assistance

A Relocation Advisor will be assigned to each eligible project occupant. The Relocation Advisor shall provide ongoing advisory assistance to the occupant by assisting the occupant in identifying suitable replacement sites. In addition, the Relocation Advisor shall ensure that each eligible business receives the following:

- Each eligible occupant will receive written documentation informing them of their rights and the availability of relocation assistance and benefits.
- Each eligible occupant shall be interviewed by their Relocation Advisor in order to ascertain replacement needs. The Relocation Advisor shall request documentation concerning business ownership, current site use and existing lease agreements.
- The development of the Projects shall be so scheduled that no person or entity lawfully occupying the acquired site shall be required to move from their site without a written 90 days' notice from the City of the date by which such a move is required.
- Each eligible occupant shall receive current and continuing information on the availability of suitable replacement sites in the area.
- Each eligible occupant shall be assigned a Relocation Advisor who shall act as a liaison with prospective lessors, commercial brokers and the City. In addition, the Relocation Advisor shall help each occupant complete relocation claims that will be submitted to the City. The Relocation Advisor shall also deliver payments to the occupants or to their assignee.
- Should an occupant have a grievance against the City in regards to relocation policies and procedures, the Relocation Advisor will provide the occupant with information concerning the City's grievance procedures.
- The Relocation Advisor shall provide any services required to insure that the relocation process does not result in different or separate treatment of occupants on account of race, color, religion, national origin, sex, marital status or other arbitrary circumstances.

B. Moving Cost Payment

Relocation payments to businesses consist entirely of the cost to move and the reinstallation of personal property used in the operation of the business and costs related to the moving of the business. A business may elect one of two types of relocation moving benefits outlined below.

Option 1: Reimbursement for Actual Moving Costs

Moving Expenses. A business may claim payment based on moving bids as submitted by no less than two professional moving companies. The business may elect to have the mover with the lower bid move them, or the business may move itself and be reimbursed by the City the amount of the lower of the two bids. The submitted bids will include the cost of dismantling, disconnecting, packing and crating all personal property, moving it to the replacement site, and unpacking, uncrating, reassembling and reconnecting the personal property at the replacement site. The City will reimburse the business for reasonable costs involved in recalibration and reinstallation of the businesses' machinery and equipment so that such equipment is in the same functioning order as it was prior to the move. The moving bids shall also include transportation not to exceed 50 miles from the displacement site. The City will reimburse the business for connection charges to start utility services at the replacement site.

Storage Costs. If a business wishes to store the business' personal property rather than move immediately into a replacement site, the City will pay up to twelve months of storage. Reimbursement will require documentation to support claims in the form of receipts, canceled checks or other written evidence. Claims in excess of \$1,000 must be supported by reasonable competitive bids obtained by the business prior to incurring such costs.

Stationery Replacement. The City will also reimburse a business for all actual and reasonable costs related to replacing stationery that is made obsolete as a result of the move and re-lettering trucks or other commercial vehicles if necessary.

Personal Property. There are two options for compensation for personal property that will not be relocated to the replacement site.

Payment for Loss of Tangible Personal Property. This payment is allowed when a business is entitled to relocate personal property in whole or in part, but elects not to do so. This payment is based on the lesser of (1) the depreciated appraised value of the item in place minus any net proceeds from the sale of the item, or (2) cost of moving the personal property.

OR

Payment for Substitute Personal Property. When an item of personal property which is used in connection with the business is not moved but is replaced with a comparable item, reimbursement will be in an amount not to exceed the lesser of (1) the cost to replace the item minus any net proceeds received from the sale of the replaced item, or (2) the estimated cost of moving the item.

Searching Cost Expenses. A displaced business may claim actual, reasonable expenses related to the search for a replacement site for the business. Reimbursement for searching expenses may not exceed \$1,000.

Reestablishment Expenses. A business may receive a payment for expenses incurred in reestablishing the business. Reimbursement for Reestablishment Expenses may not exceed \$10,000. Claimed expenses may include, but are not limited to, repairs or improvements to the replacement site that are required by municipal code or ordinances, or that are required to render the site suitable for conducting business. Claims may also include costs related to the replacement of business signs, advertisement of the replacement location, one time costs for permits or licenses required for operation at the new location, and increased operating costs at the replacement site for the first two years.

Option 2: Fixed Moving Payment.

If a business chooses not to receive reimbursement under the Actual and Reasonable Moving Payment, it may instead choose to receive a fixed Moving Payment. The Fixed Moving Payment is made to a business owner based on the business' documented average net income for that site for the two years prior to displacement. The payment shall not be less than \$1,000 or more than \$20,000. If a business chooses to be paid under this option, the business must meet the following requirements:

- The business must own or rent personal property which must be moved.
- The business cannot be relocated without a substantial loss of its existing patronage (clientele or net earnings).
- The business must not be part of a commercial enterprise having more than three other entities which are not affected by the project and which are under the same ownership and engaged in the same or similar business activities.
- The business must not be operated at the acquired site solely for the purpose of renting the site to others.
- The business must have contributed materially to the income of the displaced business owner during the two taxable years prior to displacement. A business must demonstrate that it contributed materially in the following manner:
 - a) Had average annual gross receipts of at least \$5,000 in value during the two taxable years prior to displacement; or
 - b) Had average annual net earnings of at least \$1,000 in value during the two taxable years prior to displacement; or
 - c) Contributed at least 33 1/3% to the average gross annual income of the business owner during the two taxable years prior to displacement including income from all sources.

If a Fixed Moving Payment is chosen, no payment may be made under the Actual and Reasonable Moving Payment option. The business will also be responsible for the arrangements and tasks of the self move from the existing site.

Loss of Business Goodwill

Affected businesses may be entitled to receive compensation for Loss of Business Goodwill that is directly caused by the City's Relocation activities. The City's Acquisition Agent or Relocation Advisor will provide each business with additional information regarding Loss of Business Goodwill.

Appeal and Grievance Process

If a displaced person believes that a claim has been unfairly administered, the claimant may request review by the Director of the Housing Department of the City, or his/her designee. Review may also be brought before the Relocation Appeals Board if the claimant wishes to forego review by the Director or is unsatisfied with the Director's determination. The Relocation Appeals Board, after holding a hearing, will make a final determination. If still unsatisfied, the claimant may then seek judicial review. Any appeal must be filed within 18 months following the date of displacement.

Eviction Policy

Should EHC or the City evict an occupant for failure to meet any obligations or for violating the terms and conditions of their lease or rent agreement prior to the sale of the property, then under the applicable relocation law, the evicted tenant(s) will not be considered a "displaced person" and, therefore, will not be eligible for relocation benefits. Eviction will not affect a tenant's eligibility for relocation benefits if a tenant is evicted as a last resort to remove the tenant from the Project Area.

Claim Processing and Distribution of Payments

All claims are to be filed through a Relocation Advisor. The Relocation Advisor will assist the displaced person in completing their claim forms, will notify each displaced person of the documentation needed in order to file the claim, and will inspect all replacement properties as needed. Each claim will be submitted along with documentation to the City for review and processing. Checks will be available for approved claims within three weeks of the date all documentation is submitted to the Relocation Advisor. Checks will be delivered to the project occupant or to the project occupant's designee. The City shall provide advance payments when necessary to secure replacement housing in a time frame that may be dictated by new landlords and whenever a later payment would result in financial hardship.

Relocation Advisor Contact Information

The Relocation Advisor may be contacted at the following location and during the following times:

Address: Associated Right of Way Services, Inc.
2300 Contra Costa Boulevard, Suite 525
Pleasant Hill, CA 94523

Phone: (800) 558-5151 *toll free*
(925) 691-8500 *direct*
(925) 691-6505 *fax*

Office Hours: Monday – Friday, 8:30 am – 5:00 pm

Citizen Participation/Statement Review

A Draft Statement will be made available to each displaced person and to the public for the mandatory 30-day review period. Public comments to this Draft Statement will be included in an Addendum of the Final Statement for submission for approval before the City of San Jose City Council.

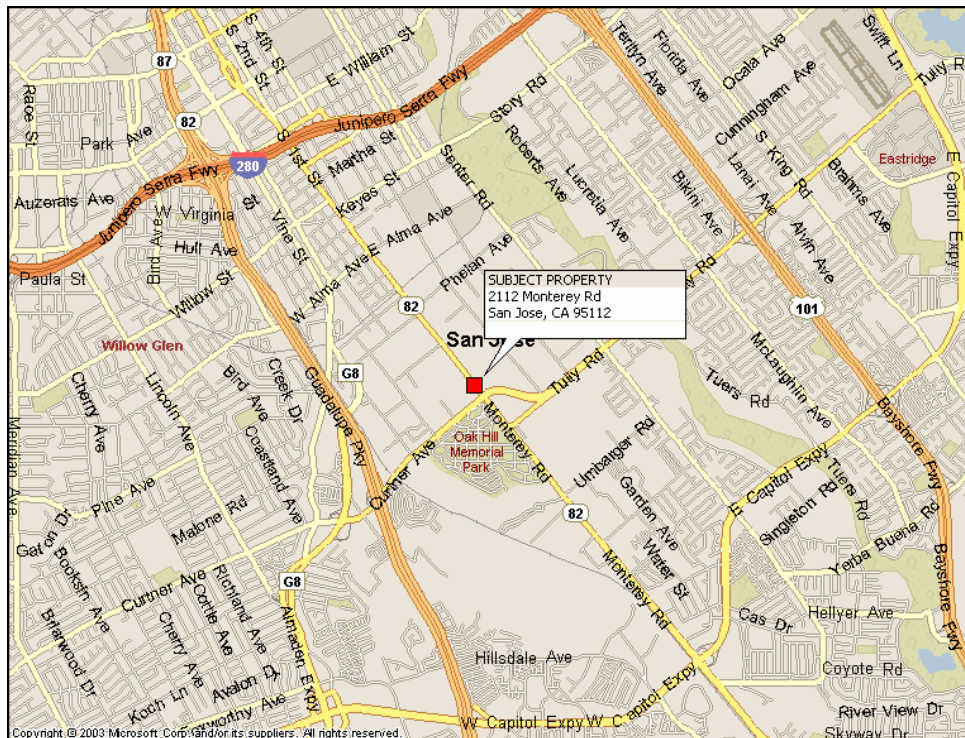
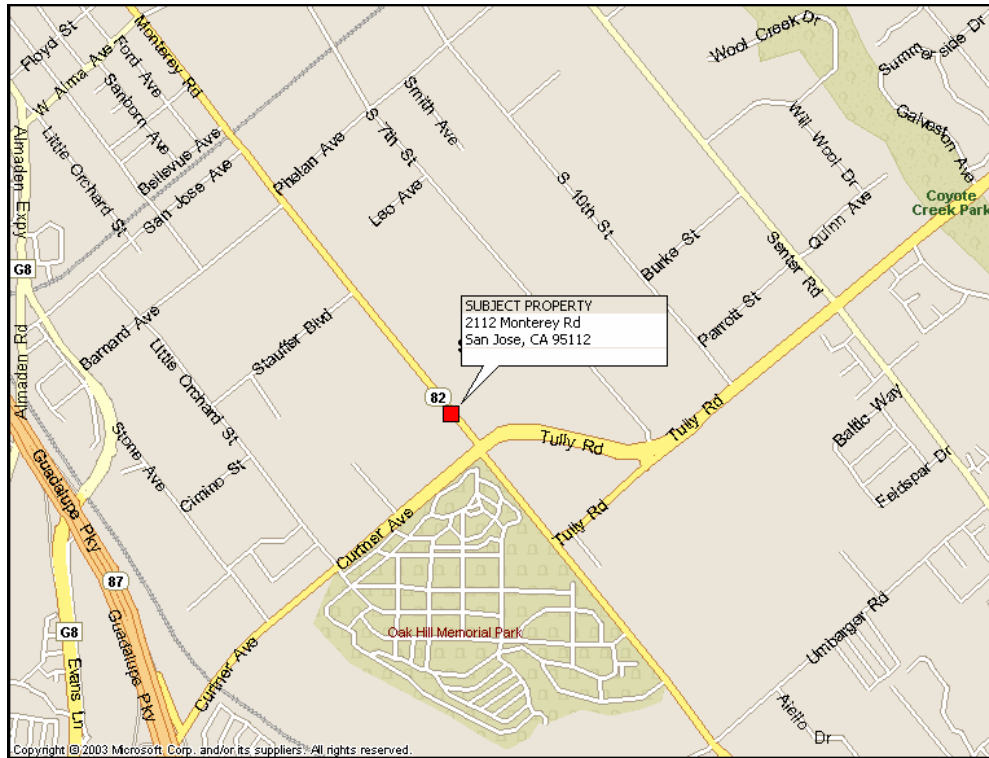
Governing Regulations

The relocation assistance payments are being funded in part by local City funds. Therefore, the City will administer the Relocation Assistance Program in compliance with the statutes and regulations established by California Relocation Assistance Law, California Government Code Section 7260 et seq. and the California Relocation Assistance and Real Property Acquisition Guidelines, Title 25, California Code of Regulations, Chapter 6, Section 6000 et seq.

Appendix

- Maps of Project Area
- Relocation Brochure – Assistance Available to Residential Displaced Persons
- Relocation Brochure – Assistance Available to Business, Farm Operation and Non-Profit Displaced Occupants

Maps of Project Area



Relocation Brochure

Assistance Available To Residential Displaced Persons

PROVIDED TO YOU AS A COURTESY BY



Summarizing the Government Code of the State of California §7260, *et seq.* and the
California Code of Regulations, Title 25, Chapter 6, Subchapter 1

Relocation Assistance for Residential Displaced Persons

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Relocation Assistance Available to Residential Displaced Persons

Introduction

Government programs designed to benefit the public as a whole often result in the acquisition of private property, and sometimes in the displacement of people from their residences, businesses, non-profit organizations, or farms. When Congress passed the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, and amended it in 1987 it recognized the need to balance the right of a public City to acquire property with the rights of the occupants of the property being affected. The State of California adopted similar laws and regulations that provide for the rights of persons affected by public and publicly assisted projects. The Government Code of the State of California §7260, *et seq.* and the California Code of Regulations, Title 25, Chapter 6, Subchapter 1 outline a public agencies rights and responsibilities to acquire property and to provide Relocation Assistance. This brochure is an attempt to provide you with a summary of those laws and regulations. Certainly, the information provided in this brief brochure cannot provide you with answers to all of the specific questions and situations that might arise in regards to your relocation. Please work with your Relocation Advisor in order to understand how the Relocation Assistance Program relates to your specific relocation.

Please review this brochure carefully and present any questions to your Relocation Advisor. Section 1 of this brochure provides information about Relocation Advisory Assistance. Section 2 contains information for payments that are available to displaced residential occupants. Section 3 provides additional information that is important to understand regarding the Relocation Assistance Program. Section 4 provides a summary.

If you are required to move as a result of a publicly assisted program or project, a Relocation Advisor will contact you and will provide you with assistance. Your Relocation Advisor will answer your specific questions and will provide additional information that you may need to help you to understand the Relocation Assistance Program. If you have any questions regarding this brochure, please contact your Relocation Advisor.

Associated Right of Way Services, Inc.
2300 Contra Costa Boulevard, Suite 525
Pleasant Hill, California 94523
(800) 558-5151 *toll-free*
(925) 691-8500 *direct*
(925) 691-6505 *fax*

Important Terms Used in This Brochure

Agency

Relocation Advisory Assistance and Relocation Payments are administered by a public Agency responsible for the acquisition of real property and/or the displacement of persons from property to be used for a publicly funded program or project. The public Agency may be a State Agency, a local Agency, such as a county or a city, or a person carrying out a program or project with public financial assistance. A public Agency may contract with a qualified individual or firm like Associated Right of Way Services, Inc. to administer the Relocation Assistance Program. However, the public Agency remains responsible for the program.

Displaced Person

Any person who moves from real property, or who moves personal property from real property as a direct result of:

(1) a written notice of intent to acquire by a public Agency or as a result of the acquisition of real property in whole or in part, by a public Agency or by any person having an agreement with or acting on behalf of a public Agency, or as the result of a written order from a public Agency to vacate the property for public use; or

(2) rehabilitation, demolition or other displacing activity undertaken by a public Agency or by any person having an agreement with or acting on behalf of a public Agency of real property on which the person is in lawful occupancy or conducts a business, and the displacement, lasts longer than 90 days. This definition includes those persons displaced as a result of a public action where they are displaced as a result of an owner participation agreement or an acquisition carried out by a private person for or in connection with a public use where the public Agency is otherwise empowered to acquire the property to carry out the public use.

Program or Project

An activity or series of activities undertaken by a public Agency, or an activity undertaken by a public Agency with public financial assistance in any phase of the activity.

Unlawful Occupancy

A residential occupant is considered to be in unlawful occupancy if the residential occupant has been ordered to move by a court of competent jurisdiction or if the occupant's tenancy has been lawfully terminated by the owner for cause, the tenant has vacated the premises, and the termination was not undertaken for the purpose of evading relocation assistance obligations.

Comparable Replacement Housing

- Decent, safe, and sanitary.
- Functionally equivalent to your present home.
- Actually available for you to buy or rent.
- Affordable.
- Reasonably accessible to your place of employment.
- Generally as well located with respect to public and commercial facilities, such as schools and shopping, as your present home.
- Not subject to unreasonable adverse environmental conditions.
- Available to all persons regardless of race, color, religion, sex, or national origin.

Decent, Safe, and Sanitary (DS&S)

Certain standards to evaluate the quality of housing where you will move have been established, and any referrals for housing given to you must meet these standards. These standards are referred to as Decent, Safe, and Sanitary, which means it meets all of the minimum requirements established by federal and State regulations and conforms to applicable 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 healthful temperature (at least 70 degrees) 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(s).
- 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.
- Contain unobstructed egress to safe, open space at ground level.
- Be free of any barriers which prevent reasonable ingress, egress, or use of the dwelling by such displaced person.

Any housing which you may find yourself must also meet the above criteria. Please request that the Relocation Advisor make an inspection prior to moving. It is necessary that you move to DS&S housing in order to obtain Replacement Housing Payments.

Section 1 – Relocation Advisory Assistance

A Relocation Advisor will work with each eligible displaced person in order to guide them through the relocation process and to help them to locate decent, safe, and sanitary comparable replacement housing. Relocation services are provided by Associated Right of Way Services, Inc. It is our goal and desire to be of service to you, and to assist you in any way possible to help you successfully relocate. Your Relocation Advisor is available to help and to advise you, so please make full use of the services offered. Do not hesitate to ask questions to ensure that you fully understand all your rights and benefits.

An individual with a disability will be provided the assistance needed to understand their rights under this program and assistance to locate and to move to comparable replacement housing. Please notify your Relocation Advisor if you need any additional assistance to understand your rights or to secure a replacement site.

When your Relocation Advisor initially contacts you, they will interview you in order to explain the Relocation Program and to understand your individual circumstances. Your Relocation Advisor will also ask you to describe the type of replacement dwelling you are interested in finding. Your Relocation Advisor will explain the assistance and payments that you may claim in accordance with your eligibility. It is important that you explain any anticipated relocation problems to your Relocation Advisor. During the initial interview the Relocation Advisor will ask many questions to determine your specific relocation needs. After the initial interview, your Relocation Advisor will deliver written information regarding your rights as a displaced person and will forward information on available comparable replacement housing as that information becomes available.

Your Relocation Advisor will continue to work with you to help you to plan your relocation to comparable replacement housing. Your Relocation Advisor will help you to understand which costs are compensable under the Relocation Assistance Program and which costs are not. Your Relocation Advisor will also help to determine the need for outside specialists to plan for the move of your personal property.

The goal is to achieve a successful relocation to comparable replacement housing that is decent, safe, and sanitary. Therefore, it is important that you work closely with your Relocation Advisor to evaluate and prepare for the move.

Your Relocation Advisor is also available to provide information to possible sources of funding and assistance from other local, State, and Federal agencies. If you have special problems, the Relocation Advisor 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 to receive the help you need.

Section 2 – Available Relocation Payments

Moving Expenses

If you qualify as a displaced person, you are entitled to reimbursement of moving costs and certain related expenses incurred in moving. Displaced persons may choose to be paid on the basis of: 1) Actual Reasonable Moving Costs and Related Expenses, 2) Fixed Moving Cost Schedule, OR a combination of both, based on individual circumstances.

Actual Reasonable Moving Costs and Related Expenses

If you choose a payment for Actual Reasonable Moving and Related Expenses, you may include in your claim the reasonable costs for:

- a. Transportation of persons and property not to exceed a distance of 50 miles from the site from which displaced, except where relocation beyond such distance of 50 miles is justified.
- b. Packing, crating, unpacking and uncrating personal property.
- c. The cost of disconnecting, dismantling, removing, reassembling, reconnecting and reinstalling personal property including connection charges imposed by public utilities for starting utility service (e.g., telephone and cable TV).
- d. Such storage of personal property, for a period generally not to exceed 12 months, as determined by the City to be necessary in connection with relocation.
- e. Insurance for the replacement value of personal property during the move and necessary storage.
- f. The replacement value of property lost, stolen, or damaged in the move (but not through your neglect) if insurance is not reasonably available.

Your Relocation Advisor will explain all eligible moving costs, as well as those which are not eligible. You must be able to account for any costs that you incur, so please keep all your receipts. Select your mover with care. Your Relocation Advisor can help you select a reliable and reputable mover.

A claim for moving expenses should be submitted to the City as soon as possible after the move, but in no case later than 18 months from the date of the move. Your Relocation Advisor will provide you with these forms and help you fill out your claim.

You may elect to pay your moving costs yourself and be repaid by the City or, if you prefer, you may have the City pay the mover directly. In either case, let your Relocation Advisor know before you move.

Fixed Moving Cost Schedule

You may choose to be paid on the basis of a fixed moving cost schedule. The amount of the payment is based on the number of rooms in your dwelling. Your Relocation Advisor 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 such as temporary storage, transportation of personal property, and utility hook ups.

Occupant owns Furniture - Number of Rooms of Furniture									Occupant does not own furniture	
1 Room	2 Rooms	3 Rooms	4 Rooms	5 Rooms	6 Rooms	7 Rooms	8 Rooms	Additional room	1 room no furn.	Add' room/ no furn.
\$625	\$800	\$1,000	\$1,175	\$1,425	\$1,650	\$1,900	\$2,150	\$225	\$400	\$65

For a complete explanation of all moving cost options, please discuss the matter with your Relocation Advisor.

Replacement Housing Payments for Tenants

Having occupied the property (either as a tenant or an owner) for 90 or more consecutive days immediately preceding the initiation of negotiations between the City and property owner, you may be eligible for a Replacement Housing Payment in the form of a Rent Differential Payment. You may be eligible to receive a Rent Differential for a 42-month period up to \$5,250* to assist you in renting or buying decent, safe, and sanitary housing. This payment is based on any increased rent you might have to pay to obtain comparable replacement housing. The assistance is computed in the following manner:

The assistance needed for one month is determined by subtracting the "base monthly rent" for your present home from the cost of rent and utilities for your new home (or a comparable replacement home, if that cost is lower). That monthly need, if any, is multiplied by 42, to determine the total amount that you will receive. This amount will be paid directly to you. The City must provide the assistance in a lump sum, monthly installments or other periodic payments. Generally, the base monthly rent for your present home is the lesser of: (1) the monthly rent and average monthly cost for utilities, or (2) thirty (30%) percent of your adjusted gross monthly household income.

Examples: Let's say that the monthly rent and average cost for utilities for your present home are \$250; the monthly rent and estimated average utility costs for a comparable replacement home are \$350; and your monthly gross income is \$700. In this case your "base monthly rent" would be \$210 because 30% of your adjusted gross monthly household income is less than the monthly cost of rent and utilities at your present home (\$250).

- If you rent a replacement home for \$360 per month, including estimated average monthly utility charges, you will receive \$5,880. That amount is 42 times \$140 (the difference between the "base monthly rent" for your present home (\$210) and the cost for a comparable replacement home (\$350)).
- If you rent a replacement home for \$310, including estimated average monthly utility charges, you will receive \$4,200. That amount is 42 times \$100 (the difference between the "base monthly rent" for your present home (\$210) and the actual cost of your new home (\$310)).

To be eligible for this Replacement Housing Payment:

- You must have lived in the unit 90 consecutive days immediately before the City commenced negotiations with the owner for the purchase/sale of the property;
- You must rent and occupy a decent, safe, and sanitary replacement dwelling within 18 months from the date you vacate the displacement property or you must purchase and occupy a decent, safe, and sanitary replacement dwelling within one year from the date you vacate the displacement property.
- You are residing in a decent, safe, and sanitary private dwelling when the payment is made.
- Your claim for payment is submitted within 18 months of the date you move.

If you decide to purchase a home when you move, the Replacement Housing Payment can be used as a down payment on your new dwelling.

***Note:** See Last Resort Housing

Section 3 – Important Information Regarding Relocation Assistance

Filing of Claims for Payment

All claims filed with the City shall be submitted within 18 months of the later of the date on which the property is vacated. Most claims will be paid within three weeks of submission of a fully documented claim for payment.

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 of 1954, which has been redesignated as the Internal Revenue Code of 1986 (Title 26, U.S. Code) [49 CFR 24.209] or Personal Income Tax Law, Part 10 (commencing with § 17001) of Division 2 of the Revenue and Taxation Code [Gov. Code § 7269].

No relocation payment received will be considered income or resources to any recipient of public assistance and such payments shall not be deducted from the amount of aid to which the recipient would otherwise be entitled under any other provisions of law.

Appeals and Other Rights

Any aggrieved person may file a written appeal with the head of the public Agency if the person believes the public 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 public Agency will promptly review your appeal and consider all pertinent justification and information available to ensure a fair and full review. The public 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 public Agency will advise you of your right to seek judicial review of the public Agency decision.

Last Resort Housing

In some instances the basic relocation program, as established by California State law and regulations, does not provide sufficient benefits to adequately rehouse a household. Last Resort Housing is a procedure wherein the City, based upon additional documentation, may exceed the \$5,250 monetary limit to enable a displaced tenant to rent a replacement dwelling. You will be informed if this process applies to you.

Section 4 – Summary

Relocation assistance benefits vary. Benefits are determined based on factors such as individual or family needs, acquisition costs, income status, family size, unit size and type and availability of comparable replacement housing.

Your Relocation Advisor is always available to help you. Please feel free to call whenever you have any questions. You will receive written information and your benefits will be explained to you. If you do locate a new home on your own, please notify your Relocation Advisor as soon as possible before you move.

Important to Know!

- The City will advise you of your eligibility and the amounts you are eligible to receive.
- You must meet occupancy requirements to be eligible for replacement housing payments.
- For tenants, you must occupy your replacement dwelling no later than 18 months following the date you move from the residence.
- To receive payment you must submit a claim form which your Relocation Advisor will give you. Submit these forms no later than 18 months after the date you move from the residence.
- Your new dwelling must be inspected by a representative of the City before the City can make any payments other than for moving costs. Make sure that a DS&S housing inspection is made before you are obligated to buy or rent your replacement housing property.

General Information

This brochure is provided to assist you in understanding your rights and benefits. If you have questions regarding your relocation please contact your Relocation Advisor. Additional information on relocation and acquisition requirements, the law, and the regulation can be found at <http://www.leginfo.ca.gov/calaw.html> and <http://www.dir.ca.gov/dlse/CCR.htm>.

This brochure has been provided to you as a courtesy by the City and Associated Right of Way Services, Inc. It is intended to provide general information concerning the Relocation Assistance Program. Further details regarding relocation assistance and benefits are set forth in the Government Code of the State of California §7260, et seq. and the California Code of Regulations, Title 25, Chapter 6, Subchapter 1. In the event of any conflict, California Law and Regulations shall be controlling. Please contact your Relocation Advisor for additional information regarding the Relocation Assistance Program.



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Relocation Assistance

Available To

Businesses, Farm Operations, and Non-
profit Organizations

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Summarizing the Government Code of the State of California §7260, *et seq.* and the
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Introduction

Government programs designed to benefit the public as a whole often result in the acquisition of private property, and sometimes in the displacement of people from their residences, businesses, non-profit organizations, or farms. When Congress passed the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, and amended it in 1987 it recognized the need to balance the right of a public agency to acquire property with the rights of the occupants of the property being affected. The State of California adopted similar laws and regulations that provide for the rights of persons affected by public and publicly assisted projects. The Government Code of the State of California §7260, *et seq.* and the California Code of Regulations, Title 25, Chapter 6, Subchapter 1 outline a public agencies rights and responsibilities to acquire property and to provide Relocation Assistance. This brochure is an attempt to provide you with a summary of those laws and regulations. Certainly, the information provided in this brief brochure cannot provide you with answers to all of the specific questions and situations that might arise in the relocation of your business, farm operation, or non-profit organization. Please work with your Relocation Advisor in order to understand how the Relocation Assistance Program relates to your specific relocation.

Please review this brochure carefully and present any questions to your Relocation Advisor. Section 1 of this brochure provides information about Relocation Advisory Assistance. Section 2 contains information for payments that are available to displaced businesses, farms, and non-profit organizations. Section 3 provides additional information that is important to understand regarding the Relocation Assistance Program. Section 4 provides information regarding loss of business goodwill.

If you are required to move as a result of a publicly assisted program or project, a Relocation Advisor will contact you and will provide you with assistance. Your Relocation Advisor will answer your specific questions and will provide additional information that you may need to help you to understand the Relocation Assistance Program. If you have any questions regarding this brochure, please contact your Relocation Advisor.

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Important Terms Used in This Brochure

Agency

Relocation Advisory Assistance and Relocation Payments are administered by a public agency responsible for the acquisition of real property and/or the displacement of persons from property to be used for a publicly funded program or project. The public agency may be a State agency, a local agency, such as a county or a city, or a person carrying out a program or project with public financial assistance. A public agency may contract with a qualified individual or firm like Associated Right of Way Services, Inc. to administer the Relocation Assistance Program. However, the public agency remains responsible for the program.

Displaced Person

Any person who moves from real property, or who moves personal property from real property as a direct result of:

(1) a written notice of intent to acquire by a public agency or as a result of the acquisition of real property in whole or in part, by a public agency or by any person having an agreement with or acting on behalf of a public agency, or as the result of a written order from a public agency to vacate the property for public use; or

(2) rehabilitation, demolition or other displacing activity undertaken by a public agency or by any person having an agreement with or acting on behalf of a public agency of real property on which the person is in lawful occupancy or conducts a business, and the displacement, lasts longer than 90 days. This definition includes those persons displaced as a result of a public action where they are displaced as a result of an owner participation agreement or an acquisition carried out by a private person for or in connection with a public use where the public agency is otherwise empowered to acquire the property to carry out the public use.

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 Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, an outdoor advertising display or displays, when the display(s) must be moved as a result of the project. In order to qualify as an eligible business occupant, the business must not be in unlawful occupancy.

Farm Operation

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.

Non-profit Organization

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

Program or Project

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

Small Business

A business having not more than 500 employees working at a site of economic activity being acquired or displaced by a program or project. A site occupied solely by outdoor advertising signs, displays, or devices does not qualify as a small business for purposes of the reestablishment expense benefit.

Outdoor Advertising Businesses

A displaced person who conducts a lawful activity primarily for assisting in the purchase, sale, resale, manufacture, processing, or marketing of products, commodities, personal property, or services by the erection and maintenance of outdoor advertising displays is entitled to payment for the lesser of (1) the reasonable cost of moving such displays, or (2) the in-place value of the displays.

Unlawful Occupancy

A non-residential occupant is considered to be in unlawful occupancy if the non-residential occupant has been ordered to move by a court of competent jurisdiction or if the occupant's tenancy has been lawfully terminated by the owner for cause, the tenant has vacated the premises, and the termination was not undertaken for the purpose of evading relocation assistance obligations.

Section 1 – Relocation Advisory Assistance

A Relocation Advisor will work with each eligible displaced business, farm and non-profit organization in order to guide them through the Relocation process and to help them to locate a suitable replacement property. Relocation services are provided by Associated Right of Way Services, Inc. It is their goal and desire to be of service to you, and to assist you in any way possible to help you successfully relocate. Your Relocation Advisor is available to help and to advise you, so please make full use of their services. Do not hesitate to ask questions to ensure that you fully understand all your rights and benefits.

An individual with a disability will be provided the assistance needed to understand their rights under this program and assistance to locate and to move to a replacement site. Please notify your Relocation Advisor if you need any additional assistance to understand your rights or to secure a replacement site.

When your Relocation Advisor initially contacts you, they will interview you in order to explain the Relocation Program and to understand your current operation, facility and operating costs. Your Relocation Advisor will also ask you to describe the type of replacement site you are interested in finding. Your Relocation Advisor will explain the assistance and payments that you may claim in accordance with your eligibility. It is important that you explain any anticipated relocation problems to your Relocation Advisor. During the initial interview the Relocation Advisor will ask many questions to determine your specific relocation needs. After the initial interview, your Relocation Advisor will deliver written information regarding your rights as a displaced person and will forward information on available replacement sites as that information becomes available.

Your Relocation Advisor will continue to work with you to help you to plan your relocation to a replacement site. Your Relocation Advisor will help you to understand which costs are compensable under the Relocation Assistance Program and which costs are not. Your Relocation Advisor will also help to determine the need for outside specialists to plan for the move and the reinstallation of your personal property.

A representative of the public agency will work with you, an appraiser, and the owner of the real property (if you are a tenant) to help to identify and to resolve any issues regarding what is real estate and what is personal property to be relocated. You will be asked to provide a copy of your lease agreement (if applicable) to help to determine the ownership of the furniture, fixtures and equipment.

The goal is to achieve a successful relocation back into the community. Therefore, it is important that you do everything a prudent business owner would do to maintain the business. This includes working closely with your Relocation Advisor to evaluate and prepare for the move and searching out leads to available replacement sites.

Your Relocation Advisor is also available to provide information to possible sources of funding and assistance from other local, State, and Federal agencies. If you have special problems, the Relocation Advisor 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 to receive the help you need.

Section 2 – Available Relocation Payments

An eligible business, farm operation or non-profit organization may request reimbursement 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 your Relocation Advisor with an inventory of the personal property to be moved and advance notice of the approximate date of the move. Your Relocation Advisor will need to inspect the personal property at the displacement and replacement sites, and to monitor the move in order to assess your eligibility for certain moving payments.

Actual, Reasonable, and Necessary Moving Costs

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.

- Transportation of persons and property not to exceed a distance of 50 miles from the site from which the business, farm or non-profit organization was displaced, except where relocation beyond 50 miles is justified;
- Packing, crating, unpacking and uncrating personal property;
- Storage of personal property for a period generally not to exceed 12 months, as determined by the public agency to be necessary in connection with relocation;
- Insurance of personal property while in storage or transit; and
- The reasonable replacement value of property lost, stolen or damaged (not through the fault or negligence of the displaced person, his agent or employee) in the process of moving, where insurance covering such loss theft or damage is not reasonable available.
- The cost of disconnecting, dismantling, removing, reassembling, reconnecting and reinstalling machinery, equipment or other personal property (including goods and

inventory kept for sale) not acquired by the public agency, including connection charged imposed by public utilities for starting utility service.

- The cost of modifying the machinery, equipment or other personal property to adapt it to the replacement location or to utilities available at the replacement location or modifying the power supply. These costs must be directly related to modifications of personal property.
- The cost of any license, permit or certification that is required to the extent such cost is necessary to the reestablishment of the operation at a new location.
- The reasonable cost of any professional service (including, but not limited to, architects', attorneys' or engineers' fees, or consultants' charges) necessary for the planning of the move of personal property, moving the personal property, or installation of relocated personal property at the replacement site.

All costs claimed under this section must be reasonable and necessary. The costs will only be considered if the costs could not have been avoided or substantially reduced at an alternate available site.

This is not an inclusive list of moving related expenses. Your Relocation Advisor 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 public agency may approve a payment not to exceed the lower of two acceptable bids or estimates obtained from qualified moving firms, or moving consultants. A low cost or uncomplicated move may be based on a single bid or estimate at the public 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 public agency may make the payment without additional documentation.

Direct Loss of Tangible Personal Property

Displaced businesses and farm operations 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 (1) the value of the item for continued use at the displacement site less the proceeds from its sale, or (2) the estimated reasonable cost of moving the item. Your Relocation Advisor will explain this procedure in detail if this is a consideration for you.

Substitute Personal Property

Where an item of personal property which is used in connection with any business or farm operation is not moved but is replaced with a comparable item, the business or farm operation may request reimbursement in an amount not to exceed the lesser of (1) the replacement cost, minus any net proceeds from its sale, or (2) the estimated cost of moving the original item.

Low Value High Bulk Property

If the public 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 personal 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 and farm operations are entitled to reimbursement for actual, reasonable expenses incurred in searching for a replacement property, not to exceed \$1,000. 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 public 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.

Advance Payments

An eligible displaced business, farm operation or non-profit organization may be paid for anticipated moving expenses in advance of the actual move whenever later payment would result in financial hardship. Please discuss this option with your Relocation Advisor.

Actual Reestablishment Expenses

A small business, farm, or non-profit 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. To qualify, the business, farm, or non-profit 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 accommodate the business operation or to make the replacement structures suitable for the operation.
- Construction and installation costs of exterior signs to advertise the business.
- Provision of utilities from the right of way to improvements on the replacement site.
- Redecoration or replacement of soiled or worn surfaces at the replacement site such as painting, wallpapering, paneling, or carpeting.
- Licenses, fees and permits when not paid as part of moving expenses.
- Feasibility surveys, soil testing and marketing studies.

- Advertising the replacement location.
- Professional services in connection with the purchase or lease of a replacement site.
- 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).
- Impact fees or one-time assessments for anticipated heavy usage.
- Other items that the public agency considers essential for reestablishment.

The following is a nonexclusive listing of reestablishment expenditures not considered to be reasonable and necessary, or otherwise eligible:

- Purchase of capital assets, such as office furniture, filing cabinets, machinery, or trade fixtures.
- Purchase of manufacturing materials, production supplies, production inventory, or other items used in the normal course of the business operation.
- Interior or exterior refurbishments at the replacement site which are for aesthetic purposes.
- Interest on money borrowed to make the move or purchase the replacement property.
- Payment to a part-time business in the home which does not contribute materially to the household income.

Fixed Payment for Actual Moving Expenses (“In Lieu Payment”)

Displaced businesses, farms, and non-profit 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 \$20,000.

For a business to be eligible for a fixed payment, the public 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 public agency.
- Business contributed materially to the income of the displaced business operator during the two taxable years prior to displacement.

Eligibility requirements for non-profit organizations are slightly different than business requirements. The computation for non-profit 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 Advisor for additional information.

Computation of the 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 public agency. You must provide the public 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 public agency.

Example of a Fixed Moving Payment Computation		
2006	2007	2008
Annual Net Earnings \$16,500	Annual Net Earnings \$18,500	Year Displaced
Average Annual Net Earnings $\$16,500 + \$18,500.00 = \$35,000 / 2 = \$17,500$ Fixed Payment = \$17,500		

Section 3 – Important Information Regarding Relocation Assistance

Filing of Claims for Payment

All claims filed with the public agency shall be submitted within 18 months of the later of (1) the date on which the claimant receives final payment for the property or, (2) the date on which the property is vacated. Most claims will be paid within three weeks of submission of a fully documented claim for payment.

An eligible displaced business, farm operation or non-profit organization may be paid for anticipated moving expenses in advance of the actual move whenever later payment would result in financial hardship. Please discuss this option with your Relocation Advisor.

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, Personal Income Tax Law, Part 10 (commencing with Section 17001) of Division 2 of the Revenue and Taxation Code, or the Bank and Corporation Tax Law, Part 11 (commencing with Section 23001) of Division 2 of the Revenue and Taxation Code.

No relocation payment received will be considered income or resources to any recipient of public assistance and such payments shall not be deducted from the amount of aid to which the recipient would otherwise be entitled under any other provisions of law.

Right to Appeal

Any aggrieved person may file a written appeal with the head of the public agency if the person believes the public 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 public agency will promptly review your appeal and consider all pertinent justification and information available to ensure a fair and full review. The public 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 public agency will advise you of your right to seek judicial review of the public agency decision.

Nondiscrimination

Under Title VIII of the Civil Right Act of 1968 and later acts and amendments make discriminatory practices in the purchase and rental of most residential units illegal if it is based on race, color, religion, sex, or national origin. Title VI of the Civil Rights Act of 1964 [42 U.S.C. 2000d et. seq.] sets forth the policy of the United States, within constitutional limits to ensure that all services and/or benefits will be administered without regard to race, color, national origin, or sex.

Section 4 – Loss of Business Goodwill

You may or may not be eligible to claim a loss of business goodwill. California law provides that under the circumstances detailed below, a business owner may be compensated for a loss of goodwill. Section 1263.510 of the California Civil Code of Procedure states:

(a) The owner of a business conducted on the property taken, or on the remainder if such property is part of a larger parcel, shall be compensated for loss of goodwill if the owner proves all of the following:

1. The loss is caused by the taking of the property or the injury to the remainder.
2. The loss cannot reasonably be prevented by relocation of the business or by taking steps and adopting procedures that a reasonably prudent person would take and adopt in preserving the goodwill.
3. Compensation for the loss will not be included in payments under Section 7262 of the Government Code.*

*Section 7262 of the Government Code refers to compensation to displaced persons for moving and related expenses as a part of the cost of the acquisition of real property for a public use. *Compensation for the loss of*

goodwill under Section 1263.510 of the California Civil Code of Procedure will only be made to the extent such loss is not compensated for under Section 7262.

4. Compensation for the loss will not be duplicated in the compensation otherwise awarded to the owner.

(b) Within the meaning of this article, "goodwill" consists of the benefits that accrue to a business as a result of its location, reputation for dependability, skill or quality and any other circumstances resulting in probable retention of old or acquisition of new patronage.

General Information

This brochure is provided to assist you in understanding your rights and benefits. If you have questions regarding your relocation please contact your Relocation Advisor. Additional information on relocation and acquisition requirements, the law, and the regulation can be found at <http://www.leginfo.ca.gov/calaw.html> and <http://www.dir.ca.gov/dlse/CCR.htm>.

This brochure has been provided to you as a courtesy by Associated Right of Way Services, Inc. and is intended to provide general information concerning the Relocation Assistance Program. Further details regarding relocation assistance and benefits are set forth in the Government Code of the State of California §7260, et seq. and the California Code of Regulations, Title 25, Chapter 6, Subchapter 1. In the event of any conflict, California Law and Regulations shall be controlling. Please contact your Relocation Advisor for additional information regarding the Relocation Assistance Program.



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