



Valley Water

# Relocation Assistance Program



# CONTENTS

Introduction	1
Definitions	2
 Section I	
Information for Persons Displaced From a Residence	4
Moving Costs—Individuals and Families	5
Actual Cost—Professional Mover or Self Move	6
Fixed Moving Cost Schedule	7
Replacement Housing Payments	8
Comparable Replacement Housing	9
Decent, Safe, and Sanitary Housing	10
Occupancy Requirements	12
Types of Replacement Housing Payments	12
Purchase Supplement	13
Rental Assistance	17
Down Payment	20
Housing of Last Resort	24
Fair Housing	27
 Section II	
Information on Relocation Services	28
Relocation Assistance Services	29
Appeal Rights	35
 Section III	
Information for Businesses, Farms, and Nonprofit Organizations	36
Moving Costs	37
Actual Cost Move or Estimated Cost Move	39
Personal Property Losses	40
Searching Expenses	41
Reestablishment Expenses	42
Fixed Payment (In Lieu)	43

# UNIFORM RELOCATION ASSISTANCE AND REAL PROPERTY ACQUISITION POLICY ACT OF 1970, AS AMENDED

## DECLARATION OF POLICY

"The purpose of this title is to establish a uniform policy for fair and equitable treatment of persons displaced as a result of federal and federally-assisted programs in order that such persons shall not suffer disproportionate injuries as a result of programs designed for the benefit of the public as a whole."



# INTRODUCTION

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

As a means of providing uniform and equitable treatment for those persons displaced, your government passed the "Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970", the "Uniform Relocation Act Amendments of 1987", and "Moving Ahead for Progress in the 21st Century." These laws are the foundation for the information discussed in this brochure.

This brochure provides general information regarding relocation assistance advisory services and relocation payments. Section I contains information important to persons displaced from residences. Section II provides information about relocation assistance advisory services. Section III contains information for displaced businesses, farms, and nonprofit organizations. These policies and provisions are now contained in Title 49, Part 24 of the Code of Federal Regulations. The rule provides the regulations for all federal and federally-aided programs and projects, including those of Valley Water.

If you are required to move as a result of a Valley Water project, a relocation counselor will contact you. The counselor will answer your specific questions and provide additional information you may need.

If for any reason you have difficulty reading or understanding this brochure, you will be provided appropriate assistance. You should notify Valley Water of any special requirements for assistance.

Pursuant to Public Law 105-117, aliens not lawfully present in the United States are not eligible for relocation assistance, unless such ineligibility would result in exceptional hardship to a qualifying spouse, parent, or child. All persons seeking relocation assistance will be required to certify that they are a United States citizen or national, or an alien lawfully present in the United States.

# SOME IMPORTANT DEFINITIONS

## Displaced Person

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

## 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 this Act, an outdoor advertising display or displays, when the display(s) must be moved as a result of the project.

## **Farm**

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

## **Nonprofit Organization**

A public or private entity that has established its nonprofit status under applicable federal or state law.

## **Owner of Personal Property Only**

A person who is required to move personal property from real property but is not required to move from a dwelling, business, farm or nonprofit organization.

# SECTION 1

Information for Persons  
Displaced From a Residence



# Moving Cost Reimbursement: Individuals and Families



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

Displaced individuals and families may choose to be paid on the basis of actual, reasonable moving costs and related expenses, or according to a fixed moving cost schedule. However, to assure your eligibility and prompt payment of moving expenses, contact the relocation counselor from Valley Water before you move.



## Actual Reasonable Moving Costs

OR

## Fixed Moving Cost Schedule

Including:  
Packing and Unpacking  
Temporary Storage  
Transportation  
Moving Insurance  
Other Related Costs

Schedule:  
Based on  
Number of rooms

OR

A combination of these two move options

## Actual Reasonable Moving Costs

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

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

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

## Fixed Moving Cost Schedule

Or 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 containing the usual quantity of personal property as determined by Valley Water in your dwelling. Your relocation counselor will be able to tell you the exact amount you will be eligible to receive if you select this option. The schedule is designed to include all of the expenses incurred in moving, including those services that must be purchased from others.

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



# Replacement Housing Payments



Can be better understood if you become familiar with the definition of the following terms:

- Comparable
- Decent
- Safe
- Sanitary

These terms are explained on the following pages.



# Comparable Replacement Guidelines

A comparable replacement dwelling must be decent, safe, and sanitary, and functionally similar to your present dwelling. While not necessarily identical to your present dwelling, a comparable replacement dwelling should be capable of contributing to a comparable style of living and should contain amenities similar to those found in the dwelling from which you are being displaced. In addition, a comparable replacement dwelling should be:

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

A replacement unit rented by an eligible tenant is considered to be within his or her financial means if, after receiving rental assistance under this part, the person's monthly rent and estimated average monthly utility costs for the replacement unit do not exceed the person's base monthly rental for the displacement unit, or if the portion of the payment for the replacement unit does not exceed 30% of the tenant's gross household monthly income.

If you are a homeowner and you have received a purchase supplement (see page 15), and any additional amount that might be required under Housing of Last Resort (see pages 26 and 27), the replacement dwelling is considered to be within your financial means.

# Decent, Safe, and Sanitary\*

Replacement housing must be decent, safe, and sanitary...which means it meets all of the minimum requirements established by federal regulations and conforms to applicable housing and occupancy codes. The dwelling shall:

- Be structurally sound, weathertight, and in good repair.
- Contain a safe electrical wiring system adequate for lighting and other devices;
- Contain a heating system capable of sustaining a healthful temperature (of approximately 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).
- Contain a well-lighted and ventilated bathroom providing privacy to the user and containing a sink, bathtub or shower stall, and a toilet, all in good working order and properly connected to appropriate sources of water and sewage drainage system.
- Contain a kitchen area with a fully-usable sink, properly connected to potable hot and cold water and to a sewage drainage system, with adequate space and utility connections for a stove and refrigerator.
- Have unobstructed egress to safe, open space at ground level.
- Be free of any barriers which prevent reasonable ingress, egress, or use of the dwelling in the case of a handicapped displaced person.

\* Decent, safe, and sanitary is frequently abbreviated as DS&S and will be so referenced for the remainder of this brochure.

# Replacement Housing Payments Are Separated Into Three Basic Types:

- Purchase Supplement
- Rental Assistance
- Down Payment

The type of payment depends on whether you are an owner or a tenant, and how long you have lived in the property being acquired prior to negotiations.

Purchase Supplement	For owner occupants of 180 days +	See pg. 14
Rental Assistance	For owner occupants and tenants of 90 days +	See pg. 18
Down Payment	For owner occupants of 90 to 179 days and tenants of 90 days +	See pg. 22

Refer to next page for further details on length of occupancy requirements.

# The Two Basic Occupancy Time Periods and What You Are Entitled To

There are two basic length-of-occupancy requirements which determine the type of replacement housing payment you are entitled to. Length-of-occupancy simply means counting the number of days that you occupied the dwelling before the date of initiation of negotiations by Valley Water for the purchase of the property. The term "initiation of negotiations" means the date the acquiring agency makes the first personal contact with the owner of real property, or his/her representative, to provide a written offer for the property to be acquired.

If you are a tenant who has been in occupancy for 90 days or more prior to the initiation of negotiations, you may be eligible for a rental assistance payment or you may convert your rental assistance payment to a down payment to help you purchase a house. If you are an owner who has been in occupancy for less than 90 days prior to the initiation of negotiations, you may also be eligible for a rental assistance payment or a down payment; however, the down payment cannot exceed the amount of the payment you would have received if you had been a 90 day owner.

If you were in occupancy at the time of the initiation of negotiations, but less than 90 days prior to that date, you will be considered a displaced person entitled to relocation assistance advisory services and moving payments.

If your household is low income as classified by the U.S. Department of Housing and Urban Development's Annual Survey of Income Limits for the Public Housing and Section 8 Programs 4, then you may also be entitled to a rental assistance payment if comparable replacement rental housing is not available at a monthly rental rate of 30% or less of your gross monthly household income. If you are required to pay rent and utilities in excess of 30% for a comparable replacement dwelling unit, you may be eligible for a rental assistance payment under Housing of Last Resort because comparable replacement housing is not available within your financial means. If you do not meet the length-of-occupancy requirements, you should meet with your relocation counselor for an explanation of the relocation benefits that you may be eligible to receive.

# Purchase Supplement

## For Owner Occupants of 90 Days or More



If you are an owner and have occupied your home for 90 days or more immediately prior to the initiation of negotiations for the acquisition of your property, you may be eligible—**in addition to the fair market value of your property**—for a supplemental payment for all costs necessary to purchase a comparable decent, safe, and sanitary replacement dwelling. Valley Water will compute the maximum payment you are eligible to receive. You must purchase and occupy a DS&S replacement dwelling within 1 year.

# The Purchase Supplement Includes:

## Price Differential

The price differential payment is the amount by which the cost of a replacement dwelling exceeds the acquisition cost of the displacement dwelling. The price differential payment and the following payment are in addition to the acquisition price paid for your property.

## Increased Mortgage Interest Costs

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

## Incidental Expenses

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

# Example of A Price Differential Payment Computation

Assume that Valley Water purchases your property for \$600,000. After a thorough study of the available comparable residential properties on the open market, Valley Water determines that a comparable replacement property will cost \$625,500. If you purchase a DS&S replacement property for \$625,500, you will be eligible for a price differential payment of \$25,500; see Example A.

If you purchase a DS&S replacement property costing more than \$625,500, you pay the difference as shown in Example B. If your purchase price is less than \$625,500 the price differential payment will be based on your actual cost; see Example C. The price differential payment you will receive depends on how much you actually spend on a replacement dwelling as shown in the following examples:

## Valley Water's Computation

Cost of Comparable Replacement	\$625,500
Acquisition Price of Your Property	-600,000
Maximum Price Differential Payment	\$25,500

## Example A

Actual Cost of Replacement Property (Same Purchase Price as Comparable)	\$625,500
Acquisition Price of Your Property	
Price Differential Payment	<u>-600,000</u>
	\$25,500

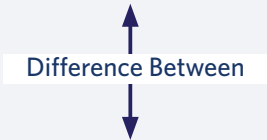
## Example B

Actual Cost of Replacement Property	\$650,000
Acquisition Price of Your Property-	600,000
Difference	\$50,000
Maximum Price Differential Payment	<u>-25,500</u>
You Are Responsible For This Amount	\$24,500

## Example C

Actual Cost of Replacement Property	\$615,000
Acquisition Price of Your Property	<u>-600,000</u>
Your Price Differential Payment is (Payment based on your actual cost)	\$15,000

# Example...



Comparable  
Price Differential Payment may be any amount up to \$25,500



# Rental Assistance

## For Owner Occupants of Less Than 90 Days and Tenants of 90 Days or More

Owner occupants of less than 90 days and tenants of 90 days or more may be eligible for a rental assistance payment up to a maximum of \$7,200. This \$7,200 maximum amount may only be exceeded if the owner occupants and tenants are eligible to receive last resort housing assistance pursuant to 49 CFR 24.404. To be eligible for a rental assistance payment, tenants must have been in occupancy at least 90 days immediately preceding the initiation of negotiations for the acquisition of the property. Owner occupants can claim this assistance if they are in occupancy less than 90 days immediately preceding the initiation of negotiations.

This payment was designed to enable you to rent a comparable decent, safe, and sanitary replacement dwelling for a 42-month period. If you choose to rent a replacement dwelling and the cost of rent and utilities are higher than you have been paying, you may be eligible for a rental assistance payment.

Valley Water will determine the maximum payment you may be eligible to receive in accordance with established procedures. The rental assistance payment may be paid in installments or a lump sum, on a case by case basis. You must rent and occupy a DS&S replacement dwelling within 1 year to be eligible.

# Example...

Displacement Property

Present Rent \$2,500, Plus \$150 per month for utilities (\$2,650)

Difference Between

DS&S Replacement Property

Replacement Rent \$3,000, Plus \$175 per month for utilities (\$3,175)

Comparable

Total Rental Assistance payment for 42 months is \$22,050 (42 x \$525)

# For Instance

As an example of how a rental assistance computation is prepared by Valley Water, let's assume that you have been paying \$2,500 per month rent for the dwelling unit occupied by you and purchased by Valley Water. You also pay \$150 per month for utilities (heat, light, water, and sewer). After a study of the rental market, Valley Water determines that a replacement rental unit, which is DS&S and comparable to your unit, is available for \$3,000 per month. It is estimated that average monthly utility costs for the replacement unit will be \$175 per month. The maximum rental assistance payment you can receive is \$120 per month for a 42-month period, or a total of \$22,050. The rental assistance payment computation always includes the cost of the four basic utilities (heat, light, water, and sewer), as well as the cost of the rent. If the rent includes utilities, a separate computation will not be necessary.

## Option A

If you select a replacement dwelling unit that rents for \$3,100 per month plus utilities, despite the availability of comparable DS&S replacement rental units that rent for \$3,000 per month plus utilities, you will still receive only the maximum amount computed by Valley Water, or \$22,050. In other words, you must pay the additional \$100 per month yourself.

## Option B

If you select a replacement dwelling unit that rents for more than your present unit, but less than the amount determined by Valley Water as necessary to rent a comparable unit, your payment will be based on actual cost. For example, assume you select a replacement dwelling unit that rents for \$2,980 per month plus \$175 for utilities. On the basis of actual cost, you will be eligible for a payment of \$505 per month for 42 months, or \$21,210.

## Owners

Displaced owners who are interested in renting a replacement property should contact Valley Water for a complete explanation of this option since the computation is more complex.

# Down Payment Owner Occupants of Less than 90 Days and Tenants of 90 Days or More



Owner-occupants of 1 to 90 days and tenants of 90 days or more may be eligible for a down payment and incidental expenses. Valley Water will determine the maximum down payment you may be eligible to receive based on its computation for a rental assistance payment discussed on page 21. However, the payment for a displaced owner-occupant cannot exceed the amount of the payment that would be received by a 180-day owner for the same property as explained on page 15. The relocation counselor will be able to explain how Valley Water determines the maximum down payment assistance payment.

Incidental expenses include the reasonable costs of a title search, recording fees, and certain other closing costs but do not include prepaid expenses such as real estate taxes and property insurance. You may also be eligible for the reimbursement of loan origination or assumption fees, if such fees are normal to real estate transactions in your area and they do not represent prepaid interest.

You must purchase and occupy a DS&S replacement dwelling within 1 year after vacating the displacement dwelling to be eligible.

# Explanation of Down Payment and Examples

If you are an owner-occupant of 1 to 90 days or a tenant of 90 days or more, you may be eligible for a down payment on the purchase of a home. The amount of a down payment you will receive is limited to the amount of the computed rental assistance payment for a tenant or an eligible homeowner. This explains the difference in Valley Water payments depicted in the examples on page 24. Refer to page 21 for a detailed explanation of a rental assistance computation.

On the opposite page, in Example 1, the total amount needed to purchase the property exceeded Valley Water payment of \$48,000, making it necessary for the displaced person to make up the difference of \$1,150. In Example 2, the displaced person must pay \$950 in addition to Valley Water payment, but in Example 3, Valley Water payment was sufficient to cover the total amount needed.

The computation of a down payment for an owner-occupant of 1 to 90 days is limited to the amount an owner would have received if the payment were computed on the basis of a purchase supplement for a 90-day owner. See pages 15 and 16 for an explanation of the purchase supplement and sample computations if you are a short-term owner of 1 to 90 days. Displaced owner occupants of 90 days or more are not eligible for down payment assistance.



# Example:

## Down Payment Computation

	Example 1	Example 2	Example 3
Required Down payment	\$50,000	\$50,000	\$49,500
Closing & Incidental Costs	+ 4,950	+ 4,950	+ 4,750
Total Amount Needed	\$54,950	\$54,950	\$54,250
Computed Rental Assistance Payment	<u>-53,800</u>	<u>-54,000</u>	<u>-54,250</u>
Displaced Person Pays	\$1,150	\$950	\$0



# Housing of Last Resort

Replacement Housing Payments are limited to \$31,000 and Rent Supplement or Down Payment Payments are limited to \$7,200. On some projects, an adequate supply of housing will be available for sale and for rent, and the benefits provided will be sufficient to enable you to relocate to comparable housing. However, when the supply of available housing is insufficient to provide the necessary housing for those persons being displaced, Valley Water will solve the problem by the administrative process called Housing of Last Resort.

If comparable housing is not available, or it is not available within the maximum \$7,200 or \$31,000 payment limits, it must be provided before you are required to move.

Valley Water may provide the necessary housing in a number of ways, on a case by case basis, such as:

1. Purchasing an existing comparable residential property and making it available to the displaced person in exchange for the displacement property.
2. The relocation and rehabilitation (if necessary) of a dwelling purchased from the project area by Valley Water and making it available to the displaced person in exchange for the displacement property.
3. The purchase, rehabilitation, and/or construction of additions to an existing dwelling to make it comparable to a particular displacement property.
4. The purchase of land and the construction of a new replacement dwelling comparable to a particular displacement property when comparable are not otherwise available.
5. The purchase of an existing dwelling, removal of barriers, and or rehabilitation of the structure to accommodate a handicapped displaced person when suitable comparable replacement dwellings are not available.
6. A replacement housing payment in excess of the maximum \$7,200 or \$31,000 payment limits.

7. A direct loan which will enable the displaced person to construct or contract for the construction of a decent, safe, and sanitary replacement dwelling.

All eligible displaced persons have a freedom of choice in the selection of replacement housing, and Valley Water will not require any displaced person, without his/her written consent, to accept a replacement dwelling provided by Valley Water. If a displaced person decides not to accept the replacement housing offered by Valley Water, the displaced person may secure a replacement dwelling of his/her choice, providing it meets DS&S housing standards.

If you are eligible for replacement housing under the Housing of Last Resort program, you will be so informed by the relocation counselor, who will thoroughly explain the program.



# To All Persons Displaced From A Residence



The most important thing to remember is that the replacement dwelling you select must meet the basic “decent, safe, and sanitary” standards. Do not execute a sales contract or a lease agreement until a Real Estate Agent from Valley Water has inspected and certified in writing that the dwelling you propose to purchase or rent does meet the basic standards. Please do not jeopardize your right to receive a replacement housing payment by moving into a substandard dwelling.

# Fair Housing



## The Fair Housing Law

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

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

[illegible]

# SECTION 2

Information on Relocation Services



# Relocation Assistance Services



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

Remember—they are there to help and advise you; be sure to make full use of their services. Do not hesitate to ask questions, and be sure you understand fully all of your rights and benefits.

Any individual who has a disability will be provided assistance needed to locate and move to a replacement dwelling or site. The individual should notify Valley Water of any special requirements for assistance.



# A Relocation Counselor Will Contact You

## Residential Assistance

A relocation counselor from Valley Water will contact you personally. Relocation services and payments will be explained to you in accordance with your eligibility. During the initial interview, your housing needs and desires will be determined as well as your need for assistance. You cannot be required to move unless at least one comparable replacement dwelling is made available to you. When possible, comparable housing will be inspected prior to being made available to you in order to assure that it meets decent, safe, and sanitary standards.

In addition, if you desire, the relocation counselor will give you current listings of other available replacement housing. Transportation will be provided to inspect available housing, especially if you are elderly or handicapped. Valley Water will also provide counseling or help you get assistance from other available sources as a means of minimizing hardships in adjusting to your new location.

You will also be provided with information concerning other federal, state, and local housing programs offering assistance to displaced persons.

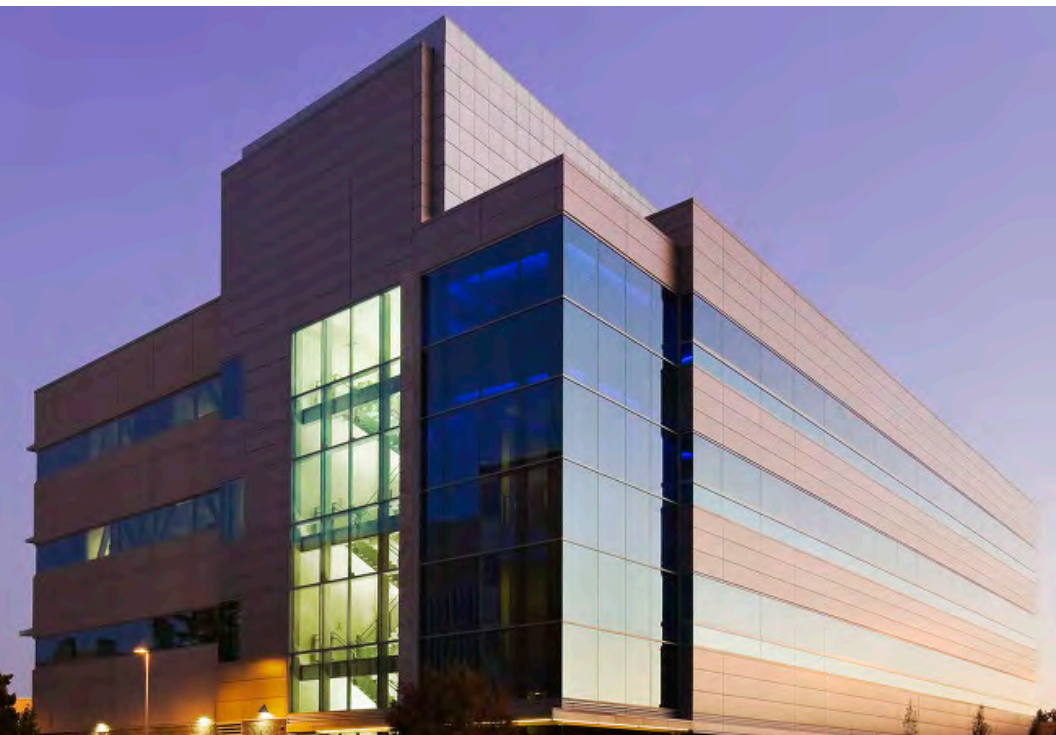
## Business and Farm Assistance

The relocation counselor will maintain listings of commercial properties and farms whenever businesses and farms are displaced. Steps will be taken to minimize economic harm to displaced businesses and to increase the likelihood of their being able to relocate back into the affected community. The counselor will also explore and provide advice as to possible sources of funding and assistance from other local, state, and federal agencies.

## Personal Property Only

The relocation counselor will provide you with information on available sites to store personal property and will advise you of the assistance available to help you move your personal property.

# Social Services Provided By Other Agencies



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

# In Addition to Personal Contacts



In addition to personal contacts by the relocation counselor, Valley Water may establish a relocation office on or near a project. Project relocation offices are usually open during hours convenient to those persons being displaced, including evening hours when considered necessary by Valley Water. The persons employed in the project relocation office will be happy to assist you. The office maintains a variety of information that should be helpful to you, such as:

- Listings of Available Replacement Properties
- Local Housing Ordinances
- Building Codes
- Social Services
- Security Deposits
- Interest Rates and Terms
- Typical Down payments
- VA and FHA Loan Requirements
- Real Property Taxes
- Consumer Education Literature on Housing

Visit your relocation office if one has been established—you will be more than welcome.



# Relocation Advisory Assistance

## Checklist

This checklist is a summary of the relocation advisory assistance you may reasonably expect to receive if you are displaced by a federal or federally-assisted project. In addition to the services listed, Valley Water is required to coordinate its relocation activities with other agencies causing displacements to ensure that all persons displaced receive fair and consistent relocation benefits.

The Relocation Counselor Must Personally Interview Displaced Persons to:

- Determine Their Needs and Preferences
- Explain Relocation Benefits
- Offer Assistance
- Offer Transportation if Necessary
- Assure the Availability of a Comparable Property in Advance of Displacement
- Provide Current Listing of Comparable Properties
- Provide the Amount of the Replacement Housing Payment in Writing
- Inspect Houses for DS&S Acceptability
- Supply Information on Other Federal and State Programs Offering Assistance to Displaced Persons
- Provide Counseling to Minimize Hardships

# Another Important Benefit

No Adverse Effects on:

- Social Security Eligibility
- Welfare Eligibility
- Income Taxes



No relocation payment received will be considered as income for the purpose of the Internal Revenue Code of 1954 or for the purposes of determining eligibility or the extent of eligibility of any person for assistance under the Social Security Act or any other federal law (except for any federal law providing low-income housing assistance).

# Your Right of Appeal

Any aggrieved person may file a written appeal with the Chief Executive Officer of Valley Water if the person believes Valley Water 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).

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

# SECTION 3

Information for Business, Farms and  
Nonprofit Organizations



# Moving Cost Reimbursement: Businesses, Farms and Nonprofit Organizations

Owners or tenants may be paid on the basis of actual reasonable moving costs and related expenses or, under certain circumstances, a fixed payment.

- Actual reasonable moving expenses may be paid when the move is performed by a professional mover or if you move yourself (page 41). Related expenses, such as personal property losses (page 42), expenses in finding a replacement site (page 43), and reestablishment expenses (page 44), may also be reimbursable.
- Or, you may be eligible for a fixed payment of not less than \$1,000 nor more than \$40,000 in lieu of the payments listed in A above. For a farm and business, the fixed payment is based on a two-year average of their operations annual net earnings. For a nonprofit, the fixed fee payment is based on the average of two years of annual gross revenues, less administrative expenses. To qualify for a fixed payment, certain conditions must be met. See page 45 for a detailed explanation of the fixed payment. If you represent a nonprofit organization, this payment is computed differently. Contact your relocation counselor for more detail.

# Types of Payments for Farms, Businesses and Nonprofit Organizations

## Actual Reasonable and Necessary Moving Costs

### Including:

- Disconnecting, Packing, Moving, Reconnecting and Insuring Personal Property in Transit
- Certain Pre-Approved Storage Costs
- Certain Licenses, Permits and Fees
- Certain Pre-Approved Professional Services Related to the Planning of the Move of Personal Property
- Connection to Available Nearby Utilities
- Professional Services Performed Prior to the Purchase or Lease of a Replacement Site
- Impact Fees or One Time Assessment Fees
- Re-lettering of Signs and Replacement of Stationery
- Actual Direct Loss of Tangible Personal Property
- Substitute Personal Property
- Expenses in Finding a Replacement Location
- Reestablishment Expenses

OR

Fixed Payment in Lieu of Moving Costs, Etc. of \$1,000 to \$40,000

Equal to Average Annual Net Earnings

# Two Ways to Move Your Enterprise

## Actual Cost Move

You may be paid the actual reasonable and necessary costs of your move when the move is performed by a professional mover or when you elect to move yourself under this option; however, all of your moving costs must be supported by paid receipts or other evidence of expenses incurred. In addition to the transportation costs of your personal property, certain other expenses may also be reimbursable, such as packing, crating, unpacking and uncrating, and the disconnecting, dismantling, removing, reassembling, and reinstalling 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 a portion of the cost of license fees, permits, certifications, the cost of installing utilities from the right of way line to the structure(s) or improvements on the replacement site, professional real estate services needed for the purchase or lease of a replacement site, one time assessments or impact fees for anticipated heavy utility usage, may also be reimbursable. This is not intended to be an all-inclusive list of moving related expenses. Your relocation counselor will provide you with a complete explanation of reimbursable expenses.

## Estimated Cost Move

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



# Direct Losses of Tangible Personal Property

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

- The fair market value of the item “as is” for continued use, less the proceeds from its sell; or
- The estimated cost of moving the item “as is.”

Your relocation counselor will explain this procedure in detail if you are faced with this problem.

## Substitute Personal Property

Displaced businesses, farms, and nonprofit organizations may be eligible for a payment for the cost to replace and install an item that is not moved. This payment will be based on the lesser of:

- The cost of the substitute item, including installation costs at the new site, minus any net proceeds from the sale of the original item; or
- The estimated cost to disconnect, move and reconnect the original item that is being substituted.

Your relocation counselor will explain this procedure in detail if you are faced with substituting items of personal property.

# Searching Expenses for Replacement Property



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

# Reestablishment Expenses



A small business, farm, or nonprofit organization may be eligible for a payment, not to exceed \$25,000, for expenses actually incurred in relocating and reestablishing the enterprise at a replacement site.

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

1. Repairs or improvements to the replacement real property required by federal, state, or local laws, codes, or ordinances.
2. Modifications to the replacement real property to make the structure(s) suitable for the business operation.
3. Installation of exterior advertising signs.
4. Redecoration or replacement such as painting, wallpapering, paneling, and carpeting when required by the condition of the replacement site.
5. Marketing studies, feasibility surveys, and soil testing.
6. Advertising the new business location.
7. The 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, and,
  - Utility charges (excluding impact fees).
8. Other items that Valley Water considers essential for the reestablishment of the business or farm.

# Fixed Payment (In Lieu)

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

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

1. The business owns or rents personal property that must be moved due to the displacement.
2. The business cannot be relocated without a substantial loss of its existing patronage.
3. The business is not part of a commercial enterprise having more than three other businesses engaged in the same or similar activity which are under the same ownership and are not being displaced by Valley Water.
4. The business contributed materially to the income of the displaced business operator during the two taxable years prior to displacement.

Any business operation that is operated at the displacement site solely for the purpose of renting the site to others is not eligible for a fixed payment. This includes the rental of space for residential or business purposes.

Eligibility requirements for farms and nonprofit organizations are slightly different than business requirements. If you are interested in a fixed payment, please consult your relocation counselor for additional information if you are being displaced from a farm or you represent a nonprofit organization.

# The Computation of Your Fixed Payment (In Lieu)

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.\*

Example:



**AVERAGE:**  
 $\$16,500 + \$18,500 = \$35,000 \div 2 = \$17,500$

**\$17,500 = Fixed Payment**

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

You must provide Valley Water 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 Valley Water.

\* Or that two-year period deemed more representative by Valley Water.

## Notes

[illegible]

## This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.





# Valley Water

Clean Water • Healthy Environment • Flood Protection

Santa Clara Valley Water District  
5750 Almaden Expressway, San José, CA 95118-3686  
Phone: (408) 265-2600 Fax: (408) 266-0271  
[valleywater.org](http://valleywater.org)