**SCDOT**  
**RELOCATION ASSISTANCE MANUAL**  

**REVISIONS**

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SCDOT Rights of Way Relocation Manual

The “Rights of Way Relocation Manual” was developed to provide SCDOT and consultant personnel uniform practices when conducting relocation assistance for road improvement projects. In addition to the guidelines listed within these manuals, SCDOT and consultant personnel must adhere to federal rules and regulations on projects that are federally funded, in whole or in part.

The Rights of Way Relocation Manual conforms to the existing practices and contains necessary procedures to ensure compliance with Federal and State real estate law, regulation and guidelines.
RELOCATION ASSISTANCE MANUAL

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Resource Links

**Note**: Must be connected to the internet to open links.

1. South Carolina Office of Regulatory:
   www.regulatorystaff.sc.gov

2. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended:
   www.fhwa.dot.gov/real_estate/publications/act.cfm
SECTION I – GENERAL POLICY

The policy of the South Carolina Department of Transportation shall be that all persons, families, businesses and farms who are displaced from their homes or their locations as a result of the acquisition of real property for public purposes receive fair, uniform and equitable treatment and that such persons shall not suffer disproportionate injuries as a result of projects designed for the benefit of the public as a whole. It is, therefore, intended that the Department shall provide an effective relocation assistance program to the end that:

No Waiver of relocation assistance: SCDOT shall not propose or request that a displaced person waive his or her rights or entitlements to relocation assistance or benefits provided by the Uniform Act, 24.207 (f).

1. No project shall be advertised for construction until each eligible displaced person has either himself obtained, or has the right of possession to, comparable, decent, safe, and sanitary replacement housing or the Department has offered the displaced person comparable, decent, safe, and sanitary replacement housing which is within his financial means and available for immediate occupancy.

2. No eligible occupant shall be required to move from their dwelling unit without first receiving at least 90 days notice in writing that the premises will be needed for construction (See Appendixes – Relocation Assistance Forms 31, 32, 33, and 34), except in those rare cases of “urgent need” as provided for by Federal Regulations.

3. Relocation payments are fairly and equitably determined and are paid to the eligible displacees in a timely manner.

4. Relocation advisory services shall be offered to all displaced persons within the right of way and when determined necessary, to those immediately adjacent thereto. It shall be furnished promptly to all eligible persons requesting assistance.
5. Proper notices and information regarding the relocation assistance program are furnished to the public on a timely basis.
SECTION II – RELOCATION ASSISTANCE ORGANIZATION

Relocation assistance within the Department is under the general supervision of the Director, Rights of Way. Day to day responsibility will be managed by the Regional Right of Way Administrator under the supervision of the Assistant Right of Way Administrator (Field). The Relocation Manager, as the Department’s technical advisor, shall provide guidance, instructions, interpretations and monitoring to insure that the relocation assistance program is managed in a uniform and fiscally responsible manner. Approval of last resort housing, payment of claims and annual relocation reports shall be administered by the Relocation Manager in the Headquarters Office.

Each right of way project where displacements will occur shall have assigned to it one or more individuals whose primary responsibility is to provide relocation assistance. These individuals may have responsibility for more than one project where reasonable.

Each Right of Way Agent will provide the following information on a project basis:

1. Current and continuing lists of replacement dwellings available to persons without regard to race, color, religion, sex or national origin, suitable in price, size and condition for the displaced persons to the extent that they are available.

2. Current and continuing lists of comparable commercial and farm properties and locations for displaced businesses and farms to the extent that they are available.

3. Copies of the Department’s brochure explaining its relocation program.

Each Agent will maintain personal contact and shall exchange information with other agencies providing services useful to persons who will be relocated. Such agencies may include social welfare agencies, Housing and Urban Development, Small Business Administration, etc. Personal contact will also be maintained with local sources of information on private replacement properties, which will include real estate brokers, property managers, apartment owners and operators and home building contractors.
SECTION III – TERMS and CONDITIONS

A. Definitions

**Person** – The term “person” means a partnership, corporation, or association as well as individual or family.

**Family** – The term “family” means two or more individuals living together in a single family dwelling unit who:

1. Are related by blood, adoption, marriage or legal guardianship who live together as a family unit, plus all other individuals regardless of blood or legal ties who live with and are considered a part of the family unit, or

2. Are not related by blood or legal ties, but live together by mutual consent.

**Displaced Person** – Any person who moves from real property or moves his or her personal property from the real property and meets the following criteria: (This includes a person who occupies the real property prior to its acquisition, but who does not meet the length of occupancy requirements as described in Sections XIV. B. 2 and XIV. C. 2):

1. **General**

   a. As a direct result of a written notice of intent to acquire, the initiation of negotiations for, or the acquisition of, such real property in whole or in part for a project.

   b. As a direct result of rehabilitation, or demolition, for the project when the displacement is permanent.

   c. As a direct result of a written notice of intent to acquire, or the acquisition, rehabilitation or demolition of, in whole or in part, other real property on which the person conducts a business or farm operation, for a project. However, eligibility for such person under this paragraph applies only for purposes of obtaining relocation assistance advisory services under Section XI and moving expenses under XIII.A, B and C.
2. **Persons not displaced.** (The following is a non-exclusive listing of persons who do not qualify as a displaced person under these regulations.)

(a) A person who moves before the initiation of negotiations unless it is determined that the person was displaced as a result of the program or project; or

(b) A person who initially enters into occupancy of the property after the date of its acquisition for the project; or

(c) A person who is not required to relocate permanently as a direct result of a project. Such determination shall be made by the Department in accordance with Federal Highway Administration guidelines. This can be because it is a temporary easement or because the partial acquisition does not require they relocate from the remainder.

(d) A person whom the Department determines is not displaced as a direct result of a partial acquisition; or person who occupied the property for the purpose of obtaining assistance under the Uniform Act; or

(e) A person who, after receiving a notice of relocation eligibility is notified in writing that he or she will not be displaced for a project. Such notice shall not be issued unless the person has not moved and the Department agrees to reimburse the person for any expenses incurred to satisfy any binding contractual relocation obligations entered into after the effective date of the notice of relocation eligibility; or

(f) A person who retains the right of use and occupancy of the real property for life; or

(g) A person who is required only to temporarily vacate the premises. The temporarily occupied housing must be DSS and the tenant must be reimbursed for all reasonable out-of-pocket expenses incurred with the temporary relocation; or

(h) A person who has occupied the property for the purpose of obtaining assistance under the Relocation Assistance Program; or

(i) A person who is determined to be in unlawful occupancy prior to or after the initiation of negotiations or a person who has been evicted for cause under applicable law; or, as provided for in Section 24.206, 49 CFR Part 24; however, advisory assistance may be provided to unlawful occupants at the option of the Department in order to facilitate the project.

(j) An owner-occupant who moves as a result of a voluntary acquisition or as a result of the rehabilitation or demolition of the real property. (However,
the displacement of a tenant as a direct result of any acquisition, rehabilitation or demolition for a project is subject to these procedures); or

(k) An owner-occupant, who voluntarily sells his or her property after being informed in writing that if a mutually satisfactory agreement of sale cannot be reached, the Department will not acquire the property. In such cases, however, any resulting displacement of a tenant is subject to these regulations.

(l) A person who is not lawfully present in the United States and who has been determined to be ineligible for relocation assistance in accordance with 49 CFR Part 24 Section 24.208.

(m) Tenants required to move as a result of subsequent displacement resulting from the procurement of replacement housing or a replacement business site by an eligible displacee using relocation assistance funds from a federally funded project.

3. **This subpart applies only if the following conditions are present:**

   (a) No specific site or property needs to be acquired.

   (b) The property to be acquired must not be a part of an intended, planned, or designated project area where all or substantially all of the property within the area is eventually to be acquired.

   (c) The Department will not acquire the property in the event negotiations fail to result in an amicable agreement, and the owner is so informed. Acquisitions meeting the foregoing criteria are classified as voluntary transactions. The essence of a voluntary transaction is the condition surrounding the transaction, not the type of transaction itself. A voluntary transaction may involve a donation, an exchange, or a market sale, if the transaction is without compulsion on the Departments part.

In those situations where the Department wishes to purchase more than one site within a geographic area on a “voluntary transaction” basis, it is intended that all owners be treated similarly with respect to eligibility for benefits under the Uniform Act and these regulations.

**Initiation of Negotiations for the Parcel** - The term “initiation of negotiations for the parcel” means the date the Department delivers to the owner of the real property, or his representative, a written offer of just compensation for the property to be acquired. However, if a notice of intent to acquire the real property is issued, and a person moves after that notice, but before delivery of the initial written offer, the “initiation of negotiations” means the actual move of the person from the property.
Displacee - This shall mean any person who meets the definition of the displaced person.

Dwelling - The term “dwelling” means the place of permanent or customary and usual abode. It includes a single family house, a single family unit in a multi-family building; a unit of a condominium or cooperative housing project, a non-housekeeping unit or any other residential unit, including a mobile home. The term “place of permanent or customary and usual abode is interpreted to mean “domicile”. “Domicile is the place where a person has his true, fixed, permanent home and principal establishment, into which place he has, whenever he is absent, the intention of returning.” A person may have but one “domicile” at any given moment and where a person has two or more houses or residences, the issue of which one is “domicile” is a question of fact. If difficulty is encountered when applying this definition to the individual cases, the Relocation Manager should be consulted for guidance.

Dwelling Site - The term dwelling site means a land area that is typical in size, for similar dwellings located in the same neighborhood or rural area.

Comparable Replacement Dwelling - The term comparable replacement dwelling means a dwelling which is:

1. Decent, safe and sanitary as described in paragraph 15 of this section.

2. Functionally equivalent to the displacement dwelling. The term “functionally equivalent” means that it performs the same function, and provides the same utility while a comparable replacement dwelling need not possess every feature of the displacement dwelling, the principal features must be present. Generally, functional equivalency is an objective standard, reflecting the range of purposes for which the various physical features of a dwelling may be used. However, in determining whether a replacement dwelling is functionally equivalent to the displacement dwelling, reasonable trade-offs for specific features may be considered when the replacement unit is “equal to or better than” the displacement dwelling (see Relocation Manager for guidance).

3. Adequate in size to accommodate the occupants.

4. In a location generally not less desirable than the location of the displaced person’s dwelling with respect to public utilities and commercial and public facilities, and is reasonably accessible to the person’s place of employment.

5. On a site that is typical in size for residential development with normal site improvements, including customary landscaping. The site need not include special improvements such as outbuildings, swimming pools, and greenhouses. (See 49CFR Part 24 Section 24.403(a) (2).

6. Currently available to the displaced person on the private market. However, a comparable replacement dwelling for a person receiving government housing...
assistance before displacement may reflect similar government housing assistance.

7. Within the financial means of the displaced person.

(a) A replacement dwelling purchased by a homeowner in occupancy for at least 90 days prior to initiation of negotiations (90-day-home-owner) is considered to be within the homeowner’s financial means if the homeowner is paid the full purchase differential, all increased mortgage interest cost, all incidental expenses, plus any additional amount paid under Replacement Housing of Last Resort.

(b) A replacement dwelling rented by an eligible displaced person is considered to be within his or her financial means if, after receiving rental assistance under this rule, the person’s monthly rent and estimated average monthly utility costs for the replacement dwelling do not exceed the person’s base monthly rental for the displacement dwelling as described in Section XIV.C.

(c) For a displaced person who is not eligible to receive a replacement housing payment because of the person’s failure to meet length-of-occupancy requirements, comparable replacement rental housing is considered to be within the person’s financial means if the Department pays that portion of the monthly housing costs of a replacement dwelling which exceeds thirty percent (30%) of such person’s gross monthly household income or, if receiving a welfare assistance payment from a program that designates amounts for shelter and utilities, the total of the amounts designated for shelter and utilities. Such rental assistance must be paid under Section XVIII, Housing of Last Resort.

**Contributes Materially** - The term “contributes materially” means that during the 2 taxable years prior to the taxable year in which displacement occurs, or during such other period as the Department determines to be more equitable, a business or farm operation:

1) Had average annual gross receipts of at least $5,000 or;

2) Had average annual net earnings of at least $1,000 or;

3) Contributed at least 33 1/3 percent of the owner’s or operators' average annual gross income from all sources.

4) If the application of the above criteria creates an inequity or hardship in any given case, other criteria as determined appropriate may be used.

**Business** - The term “business” means any lawful activity, excepting farm operation, conducted primarily:
1) For the purchase, sale, lease and/or rental of personal and/or real property, and/or for the manufacture, processing, and/or marketing of products, commodities and/or any other personal property.

2) For the sale of services to the public.

3) By a nonprofit organization that has established its non-profit status under applicable Federal or State law.

4) For outdoor advertising display purposes, when the display must be moved as a result of the project.

**Nonprofit Organization** - The term “nonprofit organization” means an organization that is incorporated under the applicable laws of the State as a nonprofit organization, and exempt from paying Federal income taxes under Section 501 of the Internal Revenue Code (26 U.S.C. 501).

**Farm Operation** - The term “farm operation” means any activity conducted solely or primarily for the production of one or more agricultural products or commodities, including timber, for sale or home use and customarily producing such products or commodities in sufficient quantity to be capable of contributing materially to the operator’s support.

**Mortgage** - The term “mortgage” means such classes of liens as are commonly given to secure advances on, or the unpaid purchase price of, real property under the laws of the State in which the real property is located, together with the credit instruments, if any, secured thereby.

**Owner Of A Dwelling** - A displaced person is considered to have met the requirement to own a displacement dwelling if the person holds any of the following interests in real property acquired for a project:

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

2) An interest in a cooperative housing project which includes the right to occupy a dwelling; or

3) A contract to purchase any of the interests or estates described in subparagraphs (a) and (b) of this paragraph; or

4) Any other interest, including a partial interest, which in the judgment of the Departments warrants consideration as ownership.
**Tenant** - means a person who has the temporary use and occupancy of real property owned by another.

**Decent, safe, and sanitary dwelling** – The term “decent, safe, and sanitary dwelling” (DSS) means a dwelling which meets applicable housing and occupancy codes. However, if any of the following standards are not met by an application code, such following standards shall apply, unless waived for good cause by the FHWA. The dwelling shall:

1) Be structurally sound, weather-tight, and in good repair.

2) Contain a safe electrical wiring system adequate for lighting and other electrical devices.

3) Contain a heating system capable of sustaining a healthful temperature (of approximately 70 degrees) for a displaced person, except in those areas where local climatic conditions do not require such a system.

4) Be adequate in size with respect to the number of rooms and area of living space needed to accommodate the displaced person. There shall be 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. In the case of a housekeeping dwelling, there shall be a kitchen area that contains a fully usable sink, properly connected to potable hot and cold water and to a sewage drainage system, and adequate space and utility service connections for a stove and refrigerator.

5) Contains unobstructed egress to safe, open space at ground level. If the replacement dwelling unit is on the second story or above, with access directly from or through a common corridor, the common corridor must have at least two means of egress.

6) For a handicapped displacee, be free of any barriers which would preclude reasonable ingress, egress, or use of the dwelling by such displaced person.

**Small Business** - A small business having not more than 500 employees working at the site being acquired or displaced by a program or project which site is the location of economic activity. Sites operated solely by outdoor advertising signs, displays, or devices do not qualify as a business for purposes of re-establishment expenses. (Reference 49CFR Part 24 Section 24.2 (a) (24))

**Unlawful Occupancy** - A person who occupies without property right, title or payment of rent or a person legally evicted, with no legal rights to occupy a property under State law. An Agency, at its discretion, may consider such person to be in lawful occupancy.
**Utility Costs** - The term “utility costs” means expenses for electricity, gas, or other heating and cooking fuels, water and sewer.

**Citizen** - The term “citizen”, for purposes of this manual, includes both citizens of the United States and non-citizen nationals.

**Alien** - Not lawfully present in the United States as defined in 8 CFR 103.12 and includes:

1. An alien present in the United States who has not been admitted or paroled into the United States pursuant to the Immigration and Nationality Act (8 U.S.C. 1101 et seq.) and whose stay in the United States has not been authorized by the United States Attorney General; and

2. An alien who is present in the United States after the expiration of the period of stay authorized by the United States Attorney General or who otherwise violates the terms and conditions of admission, parole or authorization to stay in the United States.

**Household Income** - The term household income means total gross income received for a 12 month period from all sources (earned and unearned) including, but not limited to wages, salary, child support, alimony, unemployment benefits, workers compensation, social security, or the net income of a business. It does not include income received or earned by dependant children and full time college students under 18 years of age. (See Appendix B)

**Mobile Home** - The term mobile home includes manufactured homes and recreational vehicles used as residences. (See 49 CFR Part 24, Appendix C, Section 24.2 (A)(17).

**On-Premise Sign** - Means any sign which is designed to advertise or inform of the principal activity taking place, or the product being sold on the property where the sign is located. (South Carolina code Annotated Regulation Section 63-342 Q)

**Outdoor Advertising Sign or Sign** - means any sign structure or combination of sign structure and message in the form of outdoor sign, display device, figure, painting, drawing, message, plaque, poster, billboard, advertising structure, advertisement logo, symbol or other form which is designed, intended or used to advertise or inform, any part of the message or informative contents of which is visible from the main traveled way. The term does not include official traffic control signs, official markers, nor specific information panels erected, caused to be erected, or approved by the Department. (South Carolina Code Annotated Regulation Section 63-342 V)

**Primary Residence** is a person’s domicile which is the place of a person’s fixed, permanent home and principal establishment and to which place the person, when absent, has full intention of returning.
**Salvage Value** - means the probable sales price of an item offered for sale to knowledgeable buyers with the requirement that it be removed from the property at a buyer’s expense (i.e. not eligible for relocation assistance). This includes items for re-use as well as items with components that can be reused or recycled when there is no reasonable prospect for sale except on this basis.

**Seasonal Residence** - A seasonal residence is a residence which is occupied periodically by the occupants and is not the primary legal residence of the owner. Typical examples might include vacation cottages, lake cabins, or any other dwelling unit occupied on a temporary and/or part-time basis by persons who have permanent and legal residences elsewhere.

**Uneconomic Remnant** - means a parcel of real property in which the owner is left with an interest after the partial acquisition of the owner’s property, and which the Agency has determined has little or no value or utility to the owner.


### B. Withholding of Relocation Payments

The Department may deduct the amount of any advance relocation payment from the relocation payment(s) to which a displaced person is otherwise entitled. Similarly, deductions may be made from relocation payments for any rent that the displaced person owes the Department, provided that such deduction will not prevent the displaced person from obtaining comparable DSS replacement housing. No part of a relocation payment to a displaced person will be withheld to satisfy an obligation to any other creditor, unless directed to do so by a court of law.

### C. Delivery of Payment Check

Where possible, all payment checks will be mailed to the displacee. In emergency or hardship cases the check may be delivered in person to the displacee by any Department employee, including the person who computed the payment, provided that the payment was approved by a superior of that employee. (See Section XIII.A.4 and XIV.A.3)

### D. Surveillance

The Department shall monitor relocation assistance activities conducted by any other State agencies, individual, firm, association or corporation to the extent necessary to ascertain compliance with the provisions of this manual.
E. **Eviction for Cause**

Eviction for cause must conform to applicable state and local law. Any person who occupies the real property and is not in unlawful occupancy on the date of the initiation of negotiations, is presumed to be entitled to relocation payments and other assistance set forth in this rule unless it is determined that:

1. The person received an eviction notice prior to the initiation of negotiations and as a result of that notice, is later evicted; or

2. The person is evicted after the initiation of negotiations for serious or repeated violation of material terms of the lease or occupancy agreement.

F. **Applicability**

1. The provisions of this manual are applicable to any person who is displaced by any project on which State or Federal highway funds are or will be utilized.

2. Property acquired as required by contribution. All right of way acquired by any State Department, county, town or any other local governmental agency and to be furnished as a required contribution incidental to a State assisted highway project shall not be accepted unless all payments have been made and all the assistances and assurances have been provided as required by this manual.
SECTION IV – PUBLIC HEARING PROCEDURES

A. Public Information

GENERAL REQUIREMENTS – In order to assure that the public has adequate knowledge of the relocation program, the Department shall prepare a relocation brochure and give full and adequate public notice of the relocation assistance program. In areas where a language other than English is predominant, public information must be published in the predominant language as well as in English unless:

1. The Director, Rights of Way determines that publication in the language other than English is unnecessary, and

2. An alternative program is established for the displaced person unable to communicate in English.

BROCHURE – Distribution of the brochure shall be made without cost at all public hearings displacees and other appropriate individuals and organizations. The brochure will state where copies of the State regulations implementing the relocation assistance program can be obtained.

B. Public Hearing Presentation

1. Relocation information shall include, but not necessarily be limited to the following:

   a. The eligibility requirements and payment procedures for moving costs, housing and rent supplement payments, increased interest payments, closing cost payments and appeal procedures.

   b. A discussion of the services available under the Department’s Relocation Assistance Advisory Program, and the address and telephone number of the local Regional office;

      (1) The estimated number of individual and families to be relocated. This may be omitted if the estimate is in the Design Statement;

   c. A discussion of the ability to provide replacement housing for those displaced from their homes.
d. An estimate of the time necessary for relocation of those to be displaced. This may be omitted if the Design Statement includes an estimate of when Right of Way activities may start and when the project will be let for construction bids.

e. If a particular item is not applicable to the project, it will not be necessary to discuss the item beyond the mere mention that the law makes provisions for such items.

2. As the brochure covers most items in sufficient detail, it will be satisfactory to highlight what the brochure contains without going into detail. This short narrative presentation should be used when the number of displacements is expected to be small. A more detailed presentation will be used on larger projects. The decision on which type of format to use will be made by the Regional Right of Way Administrator.

3. Most public hearings now involve an informal open town-hall style format with individuals being able to observe proposed plans on an individual basis. Several areas are normally established to accommodate the various numbers of people who may attend. Right of Way personnel are always in attendance to discuss the acquisition and relocation procedures. Right of Way brochures are always available and explained on an individual basis.
SECTION V – DUPLICATION OF PAYMENT

No person will receive any payment for Relocation benefits under these regulations if that person receives a payment under Federal, state, or local law which is determined to have the same purpose and effect as such payment under these regulations. The Department is not required to conduct an exhaustive search for such other payments, only to avoid creating a duplication based on the Department’s knowledge at the time the payment is computed.
SECTION VI - RECORDS

A. General

The Department will maintain adequate records of the displacement activities to demonstrate compliance with all applicable rules and regulations. These records will be retained for at least three years after each displaced person receives his final relocation payment or three (3) years after final voucher (49CFR 18.42 (b)(c)), whichever is later.

All claims must be signed by the agent and initialed by the Team Leader or the Regional Right of Way Administrator.

B. Claims

1. Claim Preparation

All applications for relocation payments will be made to the Department on standardized claim forms with required information and documentation. Claim forms will normally be prepared when the replacement property has been selected and the amount of payment can be determined. Claim forms ordinarily will be typed and assistance will be given to claimants in preparing and documenting claim forms.

2. Claim Submission

Claims normally are submitted after all conditions for payment have been met. However, executed forms may be submitted in anticipation of full qualification. This may be necessary where a replacement escrow has been opened and relocation assistance funds are required.

It is the responsibility of the assigned agent to insure that processing is promptly commenced when all necessary requirements are met.

The time period for filing claims may be waived for good cause by the Relocation Manager or the Director of Rights of Way.

3. Claim Processing

All claims for a relocation payment shall be filed within 18 months after:
(a) For tenants, the date of displacement;

(b) For owners, the date of displacement or the date of the final payment for the acquisition of the real property, whichever is later.

Decent, Safe and Sanitary inspections of dwellings (See Appendix A – Relocation Assistance Forms - Form 4), will normally be made within 5 days following the first knowledge of the relocation or receipt of request for advanced inspection. This form shall accompany all claims for housing payments. All payable claims shall normally be processed by the Relocation Section within 5 working days of receipt or completion of all qualifying conditions. Claim forms received from claimants which must be sent back for correction shall be within the same time period.

4. Signatures and Executions

Where the claim shows more than one eligible claimant to be paid, all of the claimants need to sign to make it a valid claim.

No one, except as provided by law (i.e., attorney-in-fact), may sign a claim form in the place of the displaced person.

Where benefits are split, as in the case of separation, divorce, or joint occupants going to separate replacement dwellings, individual claim forms may be used with a reference in the margin to the other claim.

5. Verification and Documentation Guidelines

Verification of qualifying activities such as moving, occupancy of replacement housing, etc., may be accomplished by personal inspection and documentation in the tract file.

Expenditures must be documented by inclusion in the file of the original or copy of bills, statements, cancelled checks, etc.

Documentation requirements for specific situations such as income for in lieu payments, incidental expenses, searching costs, etc., are described elsewhere in this manual.

6. Notice of Denial of Claim

If all or part of a payment claimed is denied or the Department refuses to consider the claim on its merits because of untimely filing or other grounds, the claimant will be promptly notified in writing of the determination, the basis for the determination and the procedures for appealing that determination.
C. **Case Records**

Case records on each displacee shall contain the following information:

1. State and Federal project and parcel identification.

2. Names of displaced persons and their complete original and new addresses and telephone numbers (if available).

3. Certification of legal residency in the United States (Form 1).

4. Personal contacts made with each relocated person or family including: Date of notification of availability of relocation payment and services.
   a. Dates and substance of subsequent follow-up contacts.
   b. Date on which the relocated person was required to move from the property acquired for the project.
   c. Date on which actual relocation occurred.
   d. Type of tenure before and after relocation.

5. For displacement from dwelling:
   a. Number of male and female adults in family; number of children by age and sex.
   b. Type of property (single detached, multi-family, etc.).
   c. Value or monthly rent.
   d. Number of rooms occupied.
   e. Verification of date of occupancy and residency.

6. For relocated businesses:
   a. Type of business.
   b. Whether continued or terminated.
   c. If applicable, a certified inventory of items to be actually moved and an inventory of the items actually moved.
   d. For relocated farms, whether continued or terminated.
e. If applicable, a certified inventory of items to be actually moved and an
inventory of the items actually moved.

All of the information outlined above shall be shown in the tract file; through the
use of the appropriate forms and supporting documents.

D. Moving Expense Records
Records shall contain the following information regarding moving expense payments:

1. The date the removal of personal property was accomplished.

2. The location from which and to which the personal property was moved.

3. If the personal property was stored temporarily, the location where the property
was stored, the duration of such storage, and justification for the storage and the
storage charges.

4. Itemized statement of the cost incurred supported by receipted bills or other
evidence of expense: (if applicable, the two acceptable bids or estimates based on
the certified inventory list).

5. Amount of reimbursement claimed, amount allowed and an explanation of any
difference.

6. Data supporting any determination that a business cannot be relocated without a
substantial loss of its existing patronage and that it is not part of a commercial
enterprise having at least three other establishments not being acquired.

7. When an in-lieu-of payment is made to a business or farm operation, data
showing how the payment was computed.

8. When moving expense payments are made in accordance with a schedule, the
data called for in Items 3 and 4 above need not be maintained. Instead, records
showing the basis on which payment was made shall be included.

9. For all moves, the file will contain pre- and post- inventories of the items that are
to be moved and relocated. These inventories should be certified to accuracy by
the displacee.

E. Replacement Housing Payment Records
The Relocation Section shall also maintain records for each displacee containing the
following information regarding replacement housing payments:

1. The date of the displacees’ claim for payments.
2. The date on which each payment was made or the application rejected.

3. Supporting data explaining how the amount of the supplemental payment to which the applicant is entitled was calculated.

4. A copy of the closing statement to support the purchase or down payment, and incidental expenses/closing cost when replacement housing is purchased; or rent receipts or rental documentation (e.g. canceled checks) when replacement housing is rented.

5. A copy of the Truth in Lending Statement or other data including computations to support the increased interest payment.

6. The individual responsible for determining the amount of replacement housing or rent supplement payment shall place in the file a signed and dated statement setting forth: (See Appendix A – Relocation Assistance Forms - Forms 8 and 8A, and 5).

   The amount of replacement housing or rent supplement payment,

   a. His understanding that the determined amount is to be used in connection with a Federal-Aid highway project, and

   b. That he has no direct or indirect present or contemplated personal interest in this transaction nor will he derive any benefit from the replacement housing payment.

7. The date on which the Relocation Coordinator or Relocation Manager approves the computed amount for last resort housing or approval by the Region for other replacement housing payments.

8. The individual responsible for determining the actual replacement housing payment at the time of relocation shall place in the file a signed and dated statement setting forth:

   a. The calculated amount of the replacement housing payment to be paid.

   b. His understanding that the determined amount is to be used in connection with a Federal-Aid highway project.

   c. That he has no direct or indirect present or contemplated personal interest in this transaction nor will derive any benefit from the replacement housing payment.
9. The Decent, Safe and Sanitary Inspection Form for the replacement housing unit (See Appendix A – Relocation Assistance Forms - Form 4).
SECTION VII - REPORTS

A. Annual Federal Highway Administration (FHWA) Report:
   The Department will submit an annual report of relocation activities under these regulations to the Federal Highway Administration. The report will be submitted within 30 days following the end of each Federal fiscal year and will be compiled on the appropriate form provided by the FHWA. The report will cover the state’s fiscal year, July 1 thru June 30.

B. Quarterly and Annual Title VI Reports:
   The Relocation Manager and the Relocation Coordinator are the designated Title VI representatives for the Rights of Way Section. Information regarding contract awards for appraisals and consultants as well as displacements is accumulated by race, color, national origin, etc. This information is provided to the Department’s Title VI Coordinator.
SECTION VIII – CONCEPTUAL STAGE STUDY – CORRIDOR STAGE

The conceptual stage study is made for alternate route locations at the conceptual stage of the route planning. A project will be considered to be in the conceptual stage until such time as the final location is approved. The conceptual stage study is submitted by the Regional Right of Way Administrator upon request by the Pre-Construction Division. The relocation information should be summarized in sufficient detail to adequately explain the relocation situation including anticipated problems and proposed solutions. Secondary sources of information such as census, economic reports and contact with community leaders, supplemented by visual inspections (and, as appropriate contact with local officials) may be used to obtain the data for this analysis.

This study shall develop and report the following information:

1. The estimated number of individuals, families, businesses, farms and nonprofit organizations that are to be relocated by each of the alternatives under consideration.

2. The probable availability of decent, safe and sanitary replacement housing within the financial means of the individuals and families affected by each of the alternatives under consideration.

3. An estimate of the availability of replacement business sites. When adequate supply of replacement business sites is not expected to be available, the impacts of displacing the businesses should be considered and addressed.

4. The basis upon which the above findings were made or a statement relative to the relocation problems involved in each location along with possible solutions.
SECTION IX – CONCEPTUAL STAGE STUDY (IMPACT STUDY) – DESIGN STAGE

The conceptual stage study at the design stage is primarily the information in the conceptual stage study used at the corridor stage with the addition of more precise data relating to specific design alternates for the adopted route location. This study compares the design alternates for the specific routes selected.

The Pre-Construction Division will request the Right of Way Section to provide the following information:

1. An estimate of the number of households to be displaced, including the family characteristics (e.g., minority, ethnic, handicapped, elderly, large family, income level, and owner/tenant status). However, where there are very few displacees, information on race, ethnicity and income levels should not be included to protect the privacy of those affected.

2. A discussion comparing available decent, safe, and sanitary housing in the area with the housing needs of the displacees. The comparison should include (1) price ranges, (2) sizes (number of bedrooms), and (3) occupancy status (owner/tenant) and type of housing single-family, multi-family, mobile home etc..

3. A discussion of any affected neighborhoods, public facilities, nonprofit organizations, and families having special composition (e.g., ethnic, minority, elderly, handicapped, or other factors) which may require special relocation considerations and the measures proposed to resolve these relocation concerns.

4. A discussion of the measures to be taken where the existing housing inventory is insufficient, does not meet relocation standards, or is not within the financial capability of the displacees. A commitment to last resort housing should be included when sufficient comparable replacement housing is not anticipated.

5. An estimate of the numbers, descriptions, types of occupancy (owner/tenant), and sizes (number of employees) of businesses and farms to be displaced. Additionally, the discussion should identify (1) sites available in the area to which the affected businesses may relocate, (2)
likelihood of such relocation, and (3) potential impacts on individual businesses and farms caused by displacement or proximity of the proposed highway if not displaced. When an adequate supply of business sites is not expected to be available, the impacts of displacing the businesses should be considered and addressed. Planning for displaced businesses which are reasonably expected to involve complex or lengthy moving processes or small businesses with limited financial resources and/or few alternative relocation sites should include an analysis of business moving problems. Businesses should be classified by type (e.g. commercial, retail, service, non-profit, cell towers). A discussion of the results of contacts, if any, with local governments, organizations, groups, and individuals regarding residential and business relocation impacts, including any measures or coordination needed to reduce general and/or specific impacts. These contacts are encouraged for projects with large numbers of relocates or complex relocation requirements. Specific financial and incentive programs or opportunities (beyond those provided by the Uniform Act) to residential and business relocates to minimize impacts may be identified, if available through other agencies or organizations.

6. A discussion of any anticipated problems involving the relocation of mobile homes, outdoor advertising signs, well and septic tank issues, availability of public utilities and other problems that may be encountered as a result of local and state regulations. Early coordination with project engineers may result in conflicts being minimized or avoided.

7. A statement that: (a) the acquisition and relocation program will be conducted in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and (b) relocation resources are available to all residential and business relocates without discrimination.
SECTION X – RELOCATION PLAN

This document will be prepared only if the reports specified in Sections VIII and IX have not been completed because no request was received from the Pre-Construction Division.

The plan, if developed, will include an analysis of the relocation problems involved and a scheme for their resolution. The plan should consist of the following:

1. An inventory of individual needs: This inventory must reflect the characteristics and needs of individuals and families to be displaced, obtained by personal contacts and interviews based on the standard of comparable replacement housing.

2. An inventory of available housing, businesses, farms and nonprofit organization sites: A reliable estimate of currently available replacement housing, businesses, farms and nonprofit organization sites must be developed. The estimate shall set forth the type of buildings, number of rooms, adequacy of such property as related to the needs of the individual, family, business, farm or nonprofit organization to be relocated, type of neighborhood, proximity to public transportation and commercial shopping areas, and distance to any pertinent social institutions, such as churches, community facilities, etc.

   The estimate must be supported by a listing of currently available housing that is for sale or rent to those being displaced. Such listings can be obtained from real estate firms, newspapers, apartment directories, multiple listing services, board of realtors, mortgage lenders, Department of Housing & Urban Development, Veterans Administration, and from individuals with property for sale or rent.

   Sufficient listings must be obtained and the estimate should be developed to the extent necessary to illustrate that the relocation plan can be expeditiously and fully implemented. The use of maps, plats, charts, etc. would be useful at this stage. Every potential data source should be investigated, and where appropriate may be part of the plans.

3. An analysis of inventories: An analysis and correlation of the inventory of individual needs, and the inventory of available housing and business,
farm and nonprofit organization sites discussed in Item B above must be prepared so as to develop a relocation plan which will:

a. Outline the various relocation problems and identify and recommend for priority acquisition potential problem tracts to the Director, Rights of Way.

b. Provide an analysis of current and future Federal, State and community programs currently in operation in the project area, and nearby areas affecting the supply and demand for housing including detailed information on concurrent displacement and relocation by other governmental agencies or private concerns.

c. Provide an analysis of the problems involved and the methods of operation to solve such problems and relocate the occupants in order to provide maximum assistance.

d. Estimate the amount of lead time required and demonstrate its adequacy to carry out a timely, orderly and humane relocation program.

e. A discussion of a “relocation site office” determination made for each project.

Upon completion of the above research and analysis, conclusions are made regarding availability of resources and adequacies of the relocation program to be administered for the project. All conclusions reached are to be based upon the facts and the supportable projections developed during research and analysis which becomes the support for “project assurances”.

A. Local Relocation Assistance Office

Establishment – The local relocation office (site office) will be established when the Department determines that the volume of work or the needs of displaced persons are such as to justify the establishment of such an office. A site office shall be in a location, which is reasonably convenient to the displacees, and shall be opened during hours convenient to the persons to be relocated. If the local office is opened on a part time basis, a sign should be placed on the door of the office during the periods it is not in operation advising relocates of the hours that it is open to the public. The Department does utilize a 1-800 telephone system with all of the regional right of way offices as well as headquarters; many displaced persons and property owners utilize this service.
SECTION XI - RELOCATION ASSISTANCE ADVISORY SERVICES

A. General

Whenever the acquisition of real property for a publicly financed project undertaken by the Department will result in the displacement of any person, the Department will provide a Relocation Assistance Advisory Program for the displaced persons.

This program should allow displaced persons to receive uniform and consistent services and payments regardless of race, color, religion, sex or nation origin. If a translator is required the Agent must contact the Relocation Manager or the Relocation Coordinator for further instructions. The services required are intended, as a minimum, to assist persons in relocating to decent, safe and sanitary housing that meets their needs. The services shall be provided by personal contact, except, if such personal contact cannot be made, the Department shall document the file to show that reasonable efforts were made to achieve the personal contact.

1. To whom provided: Relocation assistance advisory services shall be offered to

   a. Any “displaced person” as defined in Chapter 3.

   b. Any person occupying property immediately adjacent to the real property acquired when the Department determines that such person or persons are caused substantial economic injury because of the acquisition; however, relocation payments are not authorized.

   c. Any person who, because of the acquisition of real property used for his business or farm operation, moves from other real property used for a dwelling, or moves his personal property from such other real property.

   d. Any person who occupies property acquired by the Department, when such occupancy began subsequent to the acquisition of the property, and the occupancy is permitted by a short-term rental agreement or an agreement subject to termination when the property is needed for our project, shall be eligible for advisory services, as determined by the Department. The lease and subsequent vacating notice, if required, will inform the tenant of this benefit.

2. Advisory service requirements: The Department’s Relocation Advisory Services Program will include such major facilities or services as may be necessary or appropriate to:
a. Personally interview each person to be displaced, determine the person’s relocation needs and preference (See Appendix A – Relocation Assistance Forms - Forms 2 and 2A) and explain the relocation payments and other assistance for which the person may be eligible, the related eligibility requirements, and the procedures for obtaining such assistance.

b. Provide current and continuing information on the availability, purchase prices, and rental costs of comparable replacement dwellings, and explain that the person cannot be required to move unless at least one comparable replacement dwelling is available.

(1) Inform the displaced person in writing of the specific comparable replacement dwelling and the price or rent used as the basis for establishing the upper limit of the replacement housing payment and the basis for the determination so that the displaced person is made aware of the amount of the replacement housing payment to which he or she may be entitled.

(2) The procedure for adjusting the asking price of comparable replacement dwellings requires that advisory assistance be provided to the displaced person concerning negotiations so that he or she may enter the market as a knowledgeable buyer. (See Section XIV B.3)

(3) Where feasible, housing shall be inspected prior to being made available to assure that it meets applicable standards. If such an inspection is not made, the person to be displaced shall be notified that a replacement housing payment may not be made unless the replacement dwelling is subsequently inspected and determined to be decent, safe, and sanitary.

(4) 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 that a person be provided a larger payment than is necessary to enable the person to relocate to a comparable replacement dwelling.

(5) All displaced persons, especially the elderly and handicapped, shall be offered transportation to inspect housing to which they are referred by the Department.

a. Provide current and continuing information on the availability, purchase prices, and rental costs of
comparable and suitable commercial and farm properties and locations. Assist any person displaced from a business or farm operation to obtain and become established in a suitable replacement relocation.

b. Minimize hardships to persons in adjusting to relocation by providing counseling, advice as to other sources of assistance that may be available, and such other help as may be appropriate.

c. Supply persons to be displaced with appropriate information concerning Federal and State housing programs, disaster loan and other programs administered by the Small Business Administration, and other Federal and State programs offering assistance to persons to be displaced.

d. Provide referrals to appropriate agencies for displacees requiring social services, food stamps etc.

e. Furnish each expected displacee with a Relocation Assistance Brochure.

B. Policy

1. The Relocation Agent will discuss and explain the services available, relocation payments and eligibility requirements and assist in completing any applications or other required forms.

2. Provide current information on a continuous basis regarding the availability, prices and rentals of comparable decent, safe and sanitary housing.

C. Procedures

1. Relocation Agents will read the “Offer Letter” and furnish a brochure to the displacee.

2. The agent will then, in detail, explain the eligibility requirements and methods of computation for each payment described in the “offer letter”.

3. The agent will offer his assistance in locating and/or obtaining replacement housing.
4. The agent will advise the displacee to select a realtor of their choice and, in addition, inform the displacee of the comparables used to compute the offered amount.

5. The agent will obtain the name of the realtor for coordination of the purchase of the replacement house.

6. If the displacee does not select a realtor, the Agent will provide a housing list, HUD list, VA list and in addition, sources and lists of rental property to the displacee. After the displacee has selected the replacement house of his choice, the agent will make the necessary arrangements with the owner of the property or his designated realtor representative to show the house to the displacee.

7. The Agent should identify other problems that can affect the displacee’s relocation.

8. The Agent should determine which of the problems warrant extraordinary advisory services.

9. If necessary, the Agent should locate other agencies or organizations that can provide the needed assistance to the displacee.

10. The Agent should refer the displacee to this Department or organization for advisory services.

11. The Agent should refer monitor and evaluate the assistance received by the displacee from the referral Department.

12. The Agent will provide other assistance as needed which will include, but not necessarily be limited to, the following:

   a. Transportation;

   b. Home ownership counseling;

   c. Mortgage finance counseling;

   The amount and extent of the advisory services shall be administered on a reasonable basis commensurate with the displacee’s needs or may be referred to other agencies who might be better equipped to provide the required counseling.

D. Coordination of Relocation Activities

The Department shall contact other Federal, State and local governmental agencies to determine the extent of their present and future actions, which will affect the relocation program and the availability of housing resources. Where other agencies are involved in relocation activities, positive action shall be taken by the Department to assure maximum coordination.
Such agencies may include, but not be limited to, social welfare agencies, urban renewal agencies, redevelopment authorities, public housing authorities, Department of Housing and Urban Development, Veterans Administration, and Small Business Administration.

Contact shall be maintained with local sources of information on private replacement properties, including real estate brokers, real estate boards, property managers, apartment owners and operators, and home building contractors.

Contact shall be maintained with the Department of Housing and Urban Development and Veterans Administration relative to property held by them which may be available for sale.

It is expected in the application of these programs to specific projects that the Department will coordinate its actions with local agencies responsible for administering other Federal programs.

The Department can consider contracting with a single agency or right of way consultant to assume full responsibility for providing relocation services and assistance in a given community or area. Approval of claims and relocation Appeals will normally be the responsibility of the Department.
SECTION XII – WRITTEN NOTICES

Written notices will be furnished to each displaced person to insure that he is fully informed of the benefits and services available to him. If not personally served, the written notice will be sent by certified mail, return receipt requested. Each notice shall be written in plain, understandable language. Persons who are unable to read and understand the notice must be provided with appropriate translation and counseling. Contact the Relocation Manager, if translation services will be necessary. Each notice shall indicate the name and telephone number of a person who may be contacted for answers to questions or other needed assistance.

A. Notice of Intent to Acquire

This notice will be furnished to owners and tenants (See Forms 17 and 40, Appendix A – Relocation Assistance Forms), along with the brochure, in those “special cases” if the Department elects to establish eligibility for relocation benefits prior to the initiation of negotiations for the parcel. When a notice of intent to acquire is issued, it will be considered, for the purposes of relocation benefits eligibility only, to have the same effect as the initiation of negotiations for the parcel. Prior approval by the Relocation Manager or Director, Rights of Way shall be obtained before the notice is issued.

If this notice is furnished to an owner, it will also be furnished to his tenants. If it is furnished to a tenant, the owner must be simultaneously notified of such action.

The notice of intent to acquire should not be utilized unless the initiation of negotiations for the parcel is imminent. When such notice is issued, every effort should be made to commence negotiations as soon as practical to prevent possible subsequent occupancy and/or minimize rental problems for the owner. Notices generally will not be issued unless the property owner agrees to keep the property vacant.

B. General Information Notice

As soon as feasible, a person scheduled to be displaced should be notified of the possibility of his or her displacement. He or she should also be furnished with a general written description of the Department’s relocation program which does at least the following:

1. Informs the person that he or she may be displaced for the project and generally describes the relocation payment(s) for which the person may be eligible, the basic conditions of eligibility, and the procedures for obtaining the payment(s).
2. Indicates that any person displaced will be given reasonable relocation advisory services including housing referrals, help in filing payment claim(s), and other necessary assistance to help the person successfully relocate.

3. Informs any person to be displaced from a dwelling that he or she cannot be required to move permanently unless at least one comparable replacement dwelling has been made available to the displaced person. No person will be required to move without at least 90 days advance written notice.

4. Describes the person’s right to appeal the Department’s determination as to eligibility for or the amount of any relocation payment for which the person is eligible.

The General Information Notice, in the form of the brochure, “Highways and You”, will be presented to such persons once they have been identified via the real estate appraisal process, provided negotiations are not imminent. The General Information Notice will be presented in a personal contact by a representative of the Department or via certified mail with an accompanying letter of explanation.

C. Notice of Relocation Eligibility

A notice of relocation eligibility shall be given to all occupants at the initiation of negotiations. This notice may take the form of a Relocation Assistance offer letter or a notice of displacement. No displacee will be given a notice to vacate until he/she has received a written notice of relocation eligibility. The notice of relocation eligibility will be presented in a personal contact by a representative of the Department or via certified mail with an accompanying letter of explanation. Persons receiving the notice of relocation eligibility by certified mail will be contacted within a reasonable period of time thereafter for an explanation of the acquisition and relocation process.

D. Notice of Displacement

1. Owners - At the initiation of negotiations for the parcel, the owner shall be furnished with a written explanation of the eligibility requirements for moving expenses and replacement housing payments, if they are residential occupants. The displacee shall be provided an explanation of the relocation services available and where they may be obtained. The displacee will also be furnished with a copy of the brochure.

2. Tenants - Within a reasonable period of time after the initiation of negotiations for the purchase of the parcel, the tenant shall be furnished, either by personal contact or certified mail, a written statement which includes the date of the initiation of negotiations for the parcel and an explanation of the eligibility requirements to receive moving payments and replacement housing payment, if they are residential occupants. In addition, the displacee shall be provided an explanation
of the relocation services available and where they may be obtained. Each displacee will be provided with a copy of the Brochure.

E. Notice of Relocation Amounts

In lieu of the earlier-described notices of displacement or general information notice, this notice can be issued at the initiation of negotiations. Its purpose is to provide a positive understanding to the displaced persons. This notice will include the amount of the relocation payment to which he is entitled and any pertinent eligibility requirements which must be met before the relocation payment can be paid.

F. 90-Day and 30-Day Notices to Vacate

The construction or development of a highway will be so scheduled to the greatest extent practicable that no person lawfully occupying real property shall be required to move from a dwelling or to move from his business or farm without at least 90 days written notice of the intended vacation date. Exceptions to this provision will be made only in the case of very unusual conditions. Written justification will be placed in the file.

The 90-Day Notice (Appendix A – Relocation Assistance Forms) will be issued immediately after or at the initiation of negotiations for the parcel and will include a statement that the displacee will not be required to move from his dwelling, or to move his business or farm, prior to 90 days from the date of the notice. This notice shall inform the displacee that he will be given a 30-day written notice specifying the date in which the property must be vacated. A 90-Day Notice may be incorporated in the Relocation Offer letter as well. This letter will be issued by the agent.

If the 90-day Notice is issued before a comparable replacement dwelling is made available, the notice must state clearly that the occupant will not have to move earlier than 90 days after such a dwelling is made available. It is the policy of the Department to issue the 90-day notice concurrently with the Relocation Offer letter. In the Relocation Offer letter the Department informs the displacee of the availability of a comparable replacement property.

The 30-Day Notice (Forms 26, 27, 28 or 29, Appendix A – Relocation Assistance Forms) will not be given until such time as the Department has control of the property. (Control is defined as either payment for the required property or the date of availability of compensation for the property by virtue of depositing the funds in court for the benefit of the owner). This letter will be issued by Headquarters Office.

This notice is not required if the displacee moves on his own volition prior to the time the notice was given.

G. Notice of Right of Appeal

All eligible displacees shall be furnished with a written notice of their right to appeal and the procedures for making such an appeal. Such notification will be provided by the brochure.
and will be explained again later at the time the displacee is notified of the replacement housing or moving expense entitlements. Form 16 (Appendix A – Relocation Assistance Forms) is to be provided to the displacee for use in formally advising the Department of his/her appeal regarding relocation benefit entitlements.
SECTION XIII - MOVING EXPENSE PAYMENTS

A. General

1. **General Provisions** - This section contains general rules that apply to all moves. These should be understood and used in conjunction with the instructions contained in the following sections relating to specific types of claimants.

2. **Eligibility** - Any “displaced person,” as defined in Section III, is eligible to receive payment for eligible moving expenses as determined by the Department in accordance with the criteria in this section for:

   a. Moving of personal property located within the acquired right of way.

   b. The appropriate moving payment below when the acquisition of real property used for a business or farm operation causes a person to vacate his dwelling or other real property not acquired, or to move his personal property from other real property not acquired.

   c. The appropriate moving payment under Item B (Residential Moves) for his dwelling unit and under Item C (Business Moving Expenses) for the other units in an owner-occupied multi-family dwelling,

   d. One move, except where it is shown to be in the public interest.

   e. Inventory, in the case of fluctuating inventory or significant time lapse between initial preparation of property inventory, but prior to actual move an updated Property Inventory should be prepared.

3. **Claim for Payment** - A displacee must file a written claim with the Department (see Appendix A – Relocation Assistance Forms, Form 6) in order to receive payment for moving expenses. All claims for a relocation payment shall be filed with the Department within 18 months after:

   a. For tenants, the date of displacement;

   b. For owners, the date of displacement or the date of the final payment for the acquisition of the real property, whichever is later. This time period shall be waived by the Department for good cause.
4. **Advance Payments**

   a. Moving expense claims cannot be paid until after the move except in cases of undue hardship. Payment of moving expenses in advance of moving may be made with prior authorization of the Team Leader for Residential moves, and the Relocation Manager for business moves if:

      (1) The property has been acquired by the State, or

      (2) The displaced person moved as a result of a written order to vacate issued by the Department.

   b. If the displacee needs a moving expense payment prior to the time that they are fully eligible for such payment, the following procedures will be implemented:

      (1) The displacee will notify the agent of the particular hardship in writing.

      (2) The agent transmits the following:

          (a) Transmittal memo.

          (b) Complete and correct claim.

   c. Advanced payment should only be made after:

      (1) An effort has been made to arrange payment of moving expenses directly to the mover by the Department, where moving expenses will be large, or to make partial payments as the move progresses.

5. **Partial Payments**

   The Department may make partial payments of moving expenses where such claims are based on the actual cost of moving, provided the amount of such partial payment does not exceed the actual cost incurred up to the time such payment is claimed.

   a. Claims must be supported by receipted bills or other documentation of expenses actually incurred up to the date of the claim.

   b. In complicated moves a reasonable amount will be withheld from payment to cover possible ineligible charges. The displacee will be informed of the amount to be withheld.
c. Schedules which involve partial payments shall be accompanied by a memorandum stating it is a partial payment and summarizing the following information:

(1) Estimated total cost of move.

(2) Amount of the claim.

(3) Amounts of previous claims paid to date.

(4) Estimated remaining costs.

6. Payment Direct to Commercial Mover

By written prearrangement between the Department, the displaced person, and the commercial mover, a displaced person may present unpaid moving bills to the Department and the Department may pay the commercial mover directly.

a. Payment of moving expenses may be made directly to commercial movers or contractors by one of two methods:

(1) Written Agreement signed by the claimant, the Department and the mover which specifies that:

(a) Upon completion of the move and presentation of itemized bills and a properly executed claim for payment, the Department will pay the mover for all eligible costs incurred.

(b) In the event charges are incurred during the move which are not considered eligible moving cost, the amounts charged will be deleted by the Department and it shall be the obligation of the claimant to make payment of such cost directly to the mover.

(2) Assignment of the amount claimed, by letter of assignment, to the mover. Before such an assignment is accepted by the Department, all documentation in support of the costs of the mover shall be examined, ineligible costs deleted, and the assignment executed and accepted only for the proper amount.

(a) When scheduling payment directly to the commercial mover or contractor, a copy of the written prearrangement or assignment shall be attached to the claim form (Form 11 – Payment Authorization).

7. Limitations

(a) One Move Per Person
No moving expense payment will be made for more than one move of a claimant except where found by the Department to be in the public interest and prior approval has been granted.

(b) 50-Mile Move Limit

The allowable expense for transportation shall not exceed the cost of moving 50 road miles measured from the point from which the move was made to the point of relocation via the most commonly used routes between such points.

In the case of a business or farm operation, where the Department determines that relocation cannot be accomplished within the 50-mile area, the additional mileage may be allowed with the prior approval of the Director, Rights of Way or Relocation Manager. Payment shall be limited to the nearest available adequate site.

Where a move is accomplished by a commercial mover, bills presented for payment must have the cost of the distance beyond 50 miles separately itemized. The amount shall be deleted from payment of the claim.

Where a move is accomplished under a self-move agreement, estimates or bids submitted shall be examined for amounts resulting from the extra distance.

The 50-mile distance limitation does not apply to moves based on Scheduled Moving Expenses.

8. **Owner-Retained Dwellings**

When an owner retains his dwelling, the cost of moving it onto remainder or replacement land is not eligible as a part of the cost of moving personal property. If the owner chooses to use his dwelling as a means of moving the personal property, payment shall be based on the moving expense schedules found in the Residential Move Section.

9. **Additional Eligible Expenses**

When the displacee elects to move on an actual cost basis, the following expenses are eligible for payment:
a. **Storage**

When the Department determines that it is necessary for a relocated person to store his personal property for a reasonable time, not to exceed twelve months, the cost of such storage shall be paid as part of the moving expense. The time limit may be extended on the approval of the Director, Rights of Way or Relocation Manager.

Costs of temporary storage shall be paid only when the claimant has shown the necessity for the storage and has obtained approval of the Department in advance of incurring such costs.

Storage claims shall be supported by paid, receipted bills or the cost separately itemized in the bills from moving companies.

**NO** storage payment shall be made:

1. **For storage of personal property on the property being acquired or on other property owned by relocate.**

2. **Where the claimant elects payment under any of the Moving Expense Schedules in the Residential Move Section.**

3. **Where the business owner or farm operator elects to receive the In-Lieu-Of payment option.**

   Important – Storage will normally be authorized only where circumstances beyond the control of the displaced person are involved, such as inability to occupy his replacement location at the time the Department requires that he vacate the acquired premises.

b. **Moving to Replacement Site:** The expenses of moving personal property is limited to a 50-mile radius, either interstate or intrastate, except when the Department determines that relocation cannot be accomplished within the 50-mile area. Such exceptions are allowed to the nearest adequate and available site.

c. **Packing, crating, unpacking and uncrating** of the personal property.

d. **Advertising for Bids:** Advertising for packing, crating and transportation when the Department determines that such advertising is necessary, is eligible for reimbursement as a moving expense. This should be limited, however, to complicated or unusual moves where advertising is the only method of securing bids.
e. **Cost of Bids:** The Department’s expense in obtaining moving bids for estimates is normally not to exceed two bids per move. In instances where the two bids received are incompatible, the Department may obtain additional bids.

f. **Insurance:** Insurance premiums covering the reasonable replacement value of personal property against loss and damage while in storage or transit. Claims including insurance premiums must be supported by paid receipts showing the amount paid for such insurance and the amount of insurance coverage involved. The receipt must be prepared in a manner that will relate it to the subject move.

g. **Removal and Reinstallation:** The expenses of removal, reinstallation and re-establishment of machinery, equipment, appliances and other items which are not acquired, including reconnection of utilities to such items, which do not constitute an improvement to the replacement realty, are reimbursable. Such costs are not applicable to items classified by the Appraiser as real property and retained by the owners through the “owner retention” process. Under this method, when costs of this type are not included in the commercial move or bill, the relocatee must attach paid receipts to his moving cost claim showing the separate costs related to each item involved. (If such costs are included in the mover’s billing, other than routine connections, they must be itemized on the receipt in a manner that they can be defined and checked.)

For non-residential moves this includes connection to utilities available within the building. It also includes modifications to the personal property necessary to adapt it to the replacement structure, the replacement site, or the utilities at the replacement site, and modifications necessary to adapt the utilities at the replacement site to the personal property.

h. **Personal Property Abandoned**
Any person, family, farm operation, or business who is displaced and who would be entitled to a payment for moving of his personal property, but does not do so, shall not be reimbursed for such abandoned or discarded property left on the premises. The displacee, if requested, shall transfer ownership to the Department of any personal property that has not been moved, sold, or traded in.

i. **Telephone Equipment**
The Department will pay actual and reasonable costs of moving telephone equipment. The Department cannot pay for betterments to telephone systems made in conjunction with moves. The Department
should consult local marketing departments of the telephone company for advice and assistance if necessary.

The following general rules apply:

a. Expense of moving telephone equipment will be honored only if the claim is based on “actual cost.” No payment will be allowed where the residential moving expense schedule method is used.

b. Where the “actual cost” method is used for residential or nonresidential properties having one telephone number, and one or two extensions, a paid receipt from the telephone company may be used to document the cost.

c. For larger installations, such as master phones, dial installations, etc., the Department shall obtain from the telephone company or other telephone installer, in writing, a statement of the present cost of duplicating the existing system. After the move is completed, a paid receipt from the telephone company will be obtained to support the claim.

   (a) If claimant installed a more expensive system in the new location than existed in the old location, the Department will pay no more than the “duplication” cost. The paid receipt required is simply proof that a new telephone system was installed.

   (b) If the claimant installed a less expensive system in the new location than existed in the old location, the Department will pay the lower cost. The receipt will constitute evidence of actual cost.

j. **Burglar and Fire Alarm Systems and Other Leased Equipment:** Moving cost payments for leased burglar and fire alarm systems should follow the same principles as for telephone. However, care must be taken to avoid a duplicate payment if such systems have been considered an integral part of the realty.

k. Any license, permit, or certification required of the displaced person at the replacement location. However, the payment may be based on the remaining useful life of the existing license, permit or certification.

l. For **nonresidential moves**, the professional services necessary for planning the move of the personal property, moving the personal property, and installing the relocated personal property at the
replacement location. Prior approval by the Relocation Manager must be obtained by the displacee before these costs are incurred.

m. Re-lettering signs and replacing stationery on hand at the time of displacement that is made obsolete as a result of the move.

10. Transfer of Ownership

The displacee shall be requested to furnish a bill of sale or similar document that transfers ownership of any personal property not moved, sold, or traded in.

11. Controls

All books and records kept by a claimant as to actual moving expense incurred shall be subject to review and audit by a Department representative during reasonable business hours.


The following expenses, shall be provided if the Department determines that they are actual, reasonable and necessary:

a. Connection to available nearby utilities from the right-of-way to improvements at the replacement site.

b. Professional services performed prior to the purchase or lease of a replacement site to determine its suitability for the displaced person’s business operation including but not limited to, soil testing, feasibility and marketing studies (excluding any fees or commissions directly related to the purchase or lease of such site). At the discretion of the Department a reasonable pre-approved hourly rate may be established.

c. Impact fees or one time assessments for anticipated heavy utility usage, as determined necessary by the Agency. Prior written approval by the Relocation Manager or Director, Right of Way is required.

13. Other

Other moving-related expenses, not listed as ineligible under Section XIII A-14, as are determined to be reasonable and necessary.
14. **Exclusions**

The following expenses are considered ineligible for participation as “actual moving expenses”:

a. Additional living expenses for residential displacements or additional operating expenses for nonresidential displacements incurred because of the new location.

b. Cost of moving structures, improvements or other real property in which the displaced person reserved ownership.

c. Improvements to the replacement site or modification of the personal property to adapt to the replacement site, except as noted in Section XIII A.9.h.

d. Interest on loans to cover moving expenses.

e. Loss of goodwill

f. Loss of business and/or profits.

g. Loss of trained employees.

h. Personal injury.

i. Any legal fee or other cost for preparing a claim for relocation payment or for representing the claimant before the Department.

j. Payment for search cost in connection with locating a residential replacement dwelling.

k. Costs for storage of personal property on real property owned or leased by the displaced person.

l. Refundable security and utility deposits.

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**B. Residential Moves**

1. **General Provisions**

A displaced individual or family eligible under XIII A.2 above is entitled to receive a payment for moving his personal property, himself and his family. The displacee has the option of payment on the basis of actual reasonable
moving expenses, or a moving expense schedule. Such payments shall include the cost of dismantling, disconnecting, packing, loading, insuring, transporting, unloading and reinstalling personal property such as furniture, clothing and household goods.

Moving expenses do not include any additions, improvements, alterations or other physical changes in or to any structure in connection with moving personal property.

For all residential moves, the moving company must have a Class E Certificate. Please see the appendix for instructions to view the approved list at www.regulatorystaff.sc.gov. The class E certificate requirement is for residential moves only.

2. Special Instructions

There are procedures available to the Department in effecting residential moves but and/or progress payments and payments directly to the mover by written prearrangement and assignment.

If desired, these special procedures can be used in connection with residential moves. These are fully covered in the General Moving Expense Section preceding this section.

a. Multiple Occupancy

(1) Two or more families occupying the same dwelling unit, who relocate in separate dwelling units, may elect to be reimbursed either on an actual cost basis or on a scheduled move. A scheduled move payment will be based on the number of rooms actually occupied by each family. Community rooms utilized by each family will also be counted provided they contain sufficient personality to count as a room.

(2) Two or more individuals, not a family, who occupy the same dwelling unit, are considered to be a single family.

b. Limits on Moving Payments

(1) ONE MOVE PER PERSON – Without prior approval of Relocation Manager or Director, Rights of Way.

(2) 50 MILE MOVE LIMIT – Without prior approval of Relocation Manager or Director, Rights of Way.
(3) If an owner retains his dwelling for relocation and chooses to leave his personal property therein, payment for the cost of moving the personal property shall be based on the Moving Cost Schedule.

(4) Payment for storage of personal property moved from a residence shall be in accordance with the instructions for storage contained in the General Moving Expense Section.

3. Types of Payments

All claimants have the option of payment on the basis of either:

a. Moving Expense Schedules.

b. Actual reasonable cost of move by a commercial mover.

4. Moving Expense Schedules

a. General

Any person displaced from a dwelling or a seasonal residence is entitled to receive an expense and dislocation allowance as an alternative to a payment for actual moving and related expenses.

b. Schedule (See Appendix H).

Schedule is published periodically by the Federal Highway Administration for use by displacing agencies.

c. Miscellaneous

(1) The expense and dislocation allowance to a person whose residential move is performed by the Department at no cost to the person shall be limited to $100.00

(2) An occupant will be paid on an actual cost basis only for moving his or her mobile home from the displacement site. In addition, a reasonable payment to the occupant for packing and securing personal property for the move may be paid at the Department’s discretion.

(3) An occupant who moves from a mobile home may be paid for the removal of personal property from the mobile home in accordance with the moving and dislocation allowance payment schedule.
(4) The expense and dislocation allowance to a person with minimal personal possessions who is in occupancy of a dormitory style room shared by two or more unrelated persons shall be limited to $100.

(5) When using the schedule, a “counted room” means that space in a dwelling unit containing the usual quantity of household furniture, equipment and personal property.

It shall include such space as a living room, dining room, bedrooms, kitchen, recreation room, library, study, laundry room, basement, garage, workshop and patio, and “outbuildings” if such places do, in fact, contain sufficient personality as to constitute a room.

(6) Rooms or storage areas containing substantial amounts of personal property, equivalent to one or more rooms may be counted as additional rooms. Bathrooms will generally be excluded from the room count.

Determination of equivalency requires judgment. An oversized room may contain sufficient furniture for two rooms and can be considered as two rooms. An alcove dining area may be considered as a separate room if it contains a normal amount of dining room furniture.

(7) A record shall be made of the rooms or room equivalents counted for payment of moving expense claims based on schedules.

(8) No temporary storage, lodging or transportation expense shall be paid to claimants electing the schedule, unless approved by the Relocation Manager or Director, Rights of Way. Generally, exceptions are made when moving mobile homes.

(9) The owner-occupant of a multi-family dwelling unit or of a mixed-use property may elect to receive payment for his own dwelling unit under the schedule and still be eligible to receive payment for moving personal property from the other units as a business move. (See Section XIII Item C).

(10) Where rental units are partially furnished, tenants may elect to receive payment based on the schedule for the personal property they own, to the nearest full room. The cost of moving personal property owned by the landlord in such units can be paid only as a business move.
d. Requirements for Scheduled Payments

Scheduled payment of moving expenses requires only a “Moving Expense Claim” (Appendix A – Relocation Assistance Forms - Form 6) properly completed and signed by the claimant.

5. Actual Reasonable Cost of Move by a Commercial Mover

a. A displaced individual or family may be paid the actual, reasonable cost of a move accomplished by a commercial mover. Such expense will be supported by receipted bills. The reasonableness of the cost shall be determined by what commercial movers in the area actually charge. The displacee or Right of Way Agent should obtain two lump sum moving cost bids from commercial movers who are qualified and equipped to accomplish the move. The Department has no obligation to accept unreasonable requests (those with bad business practices or those not acceptable).

The bids should be based on identical services and should be based on “straight time” rates, unless “overtime” rates have been approved in advance of the move.

b. The displacee can employ any moving firm desired to conduct the move; however, the moving cost payment will be for the actual cost of the move, not to exceed the low bid.

c. If the Department has reason to believe that the lower of the two bids is not reasonable, a third bid should be obtained. Only in rare instances will it be permissible to go with the higher bid. In those cases, the file will be documented as to the reasons.

d. Displacees in this category are also entitled to reimbursement for their applicable incidental moving expenses as discussed in Section XIII A.9. Items a - m. They should not be reimbursed for their own labor or for any costs which were not actual “out-of-pocket” expenses.

C. Business Moving Expenses

a. The owner of an eligible displaced business is entitled to receive payment for either:

   (1) Moving and related expenses which include:

      (a) Moving costs (e.g. actual, self-move, alternate payments) As provided later in this section; and

      (b) Losses of tangible personal property, as provided later in this section; and

      (c) Search costs, as provided later in this section; and

      (d) Reestablishment expenses at the new site, as provided later in this section.

   OR

   (2) In lieu of the above payments the displacee may be eligible for a payment based upon average annual net earnings of the business as provided in the Section entitled “In-Lieu-of Payment”.

b. Notification and Inspection. The following requirements will apply to payments under this section:

   (1) The displaced person must provide the Department with reasonable advance notice of the approximate move date or date of disposition of personal property and a list or inventory of the items to be moved; however, this requirement may be waived by the agency.

   (2) The displaced person must permit reasonable and timely inspections of the personal property as it is moved to the new location.

   (3) The Department will inform the displaced person of these requirements in the “Notice of Relocation Amount.”

2. Moving Costs – Types of Payments

   The business owner may select one of the following options:

   1) Actual, reasonable cost of move performed by a commercial Mover.

   2) Self-move
3) Combination self-move/actual cost move

4) Alternate payments

3. Actual Reasonable Moving Expenses – Commercial Mover

Payment is based on actual reasonable costs of a move performed by a commercial mover or contractor. Costs that are reimbursable include such items as dismantling, disconnecting, packing, loading, insuring, transporting, unloading and reinstalling of personal property of the business, and re-lettering signs and replacing stationery on hand at the time of displacement and made obsolete as a result of the move.

The owner of a relocated business is required to submit a certified inventory of the items to be moved in order for his claim for payment of moving costs to be processed and approved. Typically, this inventory will be prepared by the owner of the business and signed and dated by him, certifying it as being true and correct as of the date of preparation. However, in the event that the owner fails to provide such inventory, the agent shall himself prepare an accurate and timely inventory and have the owner certify its correctness. If the inventory changes substantially by the time of the actual move, an updated certified inventory must be prepared and updated moving cost estimates should be obtained.

Reimbursable costs do not include any additions, improvements, alterations or other physical changes on or to any structure in connection with moving personal property; however, it does include modifications to the personal property, including those mandated by Federal, State or local law, code or ordinance, necessary to adapt it to the replacement structure, the replacement site, or the utilities at the replacement site, and modifications necessary to adapt the utilities at the replacement site to the personal property.

The following are requirements for payment:

a. The Department shall secure at least two firm bids or estimates from responsible licensed commercial movers or contractors prior to the move for moving cost exceeding $2,500.00. For moving cost under $2,500.00, only one bid is required unless it appears unreasonable. Payment for the move will be based on the lowest reasonable bid or estimate. Waiver of a second bid for reasonable cause must be obtained from the Team Leader.

b. Payment shall be made by the Department upon presentation of the paid, receipted and itemized bills after the claimant has moved from the premises. Written prearrangements or assignments to pay the
mover directly may be used. When the move is completed, the
displacee will submit to the Department a receipt for moving costs of
the licensed mover or performer of services, which as minimum sets
forth:

(1) Name and address of displacee:
(2) Name and address of mover or performer of services;
(3) Identification of personal property moved or description of
services provided;
(4) Date or dates of move or services; and
(5) Address from which and to which personal property was
moved or where services were rendered.

c. Such expenses will be supported by receipted bills and a certified
inventory of the items actually moved. If the items listed on this “as
moved” inventory deviate appreciably from the original certified
inventory, the amount of the estimate will be appropriately adjusted
for payment. The agent assigned to the tract will advise the displacee
and/or the mover what is eligible for moving costs.

d. Where the final bill exceeds the estimate by ten percent (10%) or
more, a written explanation shall be secured from the mover and
attached to the bill when payment is scheduled.

4. **Self-Move**

a. **Bid Method**

A business may be authorized to perform the moving of its
personal property itself, under the following conditions:

(1) The amount to be paid is to be negotiated between the
Department and the business, not to exceed the lower of at least
two firm bids or estimates obtained by the Department from
qualified movers based on the certified inventory. A 15%
deduction should be taken from of the lowest bid or estimate
for a negotiated self move. Care should be exercised to insure
that provisions have been made in the bids or estimates for all
allowable costs including insurance, permits, equipment rental,
etc. However, it should be impressed upon the displacee that
the bids or estimates contain only those expenses which can be fully supported and justified. All bids shall be based on the prepared certified inventory of the items to be actually moved. Moves shall be completed in substantially the same manner as if performed by a contractor/mover. The Department may make payment based upon a single bid or estimate for moves which are low cost or uncomplicated. Low cost moves are those estimated at $10,000.00 or less. Uncomplicated moves are characterized by being easy to analyze and understand; they are not intricate nor involved. Questions as to whether or not a move is uncomplicated should be referred to the Relocation Manager for decision.

Self-moves apply to situations where the displacee performs the move with his own personnel and equipment, with the amount of compensation negotiated between the Department and the displacee in advance of the actual move. If the displacee decides to employ additional help, rent equipment or have a portion of the move performed under contract by a third party, only in order to more effectively relocate his business, and the additional cost is simply added to the amount originally negotiated, then such additional costs will not be reimbursed.

(2) On complicated moves, the move authorization shall be a written agreement or contract signed by the claimant in advance of the move.

The terms of a self-move agreement may include:

a) A scope of work to be accomplished with completion schedule.

b) A provision that no claim for payment shall be honored by the Department until the move has been completed (unless the agreement provides for partial payments).

c) Any other provisions necessary to protect the interests of the parties to the agreement and any other special provisions occasioned by the nature of the move, type of business or farm operation involved or circumstances peculiar to the case.

d) A provision that claim for payment shall be submitted within 18 months of the date of moving from the premises.
Self-move agreements shall be signed by the agent and initialed by the Regional Right of Way Administrator and the claimant.

b. Actual Cost Method

If bids or estimates cannot be obtained or the claimant is better qualified to perform the move, the claimant may be paid his actual, reasonable moving costs supported by receipted bills or other evidence of expenses incurred. Consult with the Relocation Manager prior to performing work under this method.

The allowable expenses of a self-move under this provision may include:

(1) Amounts paid for truck and/or equipment rental but not to exceed the cost paid by a commercial mover.

(2) If vehicles or equipment owned by a business being moved are used, a reasonable amount to cover gas and oil, and the cost of insurance and depreciation directly allocable to hours and/or days the equipment is used for the move.

Wages paid for the labor of persons who physically participate in the move. Labor costs are to be computed on the basis of actual hours worked at the hourly rate paid, but the hourly rate may not exceed that paid by commercial movers or contractors in the locality for each profession or craft involved.

On complicated moves, an agreement spelling out the above factors plus any other pertinent data should be completed and signed between the Department and the displacee before the move is commenced.

It is required by law that all moving expenses be actual, reasonable, and necessary. To assure this, the Department will provide surveillance commensurate with the expected expenditures involved. Emphasis will be directed toward those moves that are of a complicated nature and/or a substantial expenditure.

c. Moving Expense Finding

The assigned Right of Way Agent may make a moving cost finding not to exceed $10,000. The amount of the finding may be paid when
the move is completed, unless a partial advance is approved by the Team Leader. Supporting evidence of actual expenses incurred is not necessary; the itemized moving cost finding is sufficient. The Team Leader will approve the amount before the payment is offered. Documentation supporting the moving cost finding shall be prepared by the agent and reviewed by the Team Leader prior to his approval of the amount. Form 7A (Appendix A – Relocation Assistance Forms) shall be used in preparation of the estimate.

It is the Department policy that the estimate normally not exceed $10,000. However, if the move is determined to be uncomplicated, the Relocation Manager may approve the use of this format for moving expense findings in excess of $10,000. Therefore, all pertinent circumstances, including but not limited to the following, should be considered:

(1) Contact with certified moving firms in the project area to establish the hourly rate for movers, cost of moving vans, vans with hydraulic lifts (if necessary), cranes, and any other necessary equipment.

(2) A thorough study of the present and proposed location for moving the personal property, including the distance in miles between the two points.

(3) If the displacee elects to make a self-move, consideration should be given to the expected cost (See Section XIII C.4.1(1).

(4) Computations relative to the estimated requirements of completing the move such as: the number of man hours necessary, the types of personnel needed with an appropriate wage rate for same, and the expenses concerning various types of equipment that may be involved.

5. **Combination Self-Move/Actual Cost Move**

Combination self-move/actual cost moves are allowable. Self-move procedures, described above, shall be followed for that portion of the move; actual cost move procedures shall be followed for the portion of the move performed by a commercial mover or contractor.

6. **Alternate Payments**

In addition to the above-mentioned options, the owner may be paid moving costs under the following alternate type payments:
a. Losses of tangible personal property, as explained in paragraph 7.

b. Low value/high bulk. When the personal property to be moved is of low value and high bulk, and the cost of moving the property would be disproportionate to its value in the judgment of the Department, the allowable moving cost payment shall not exceed the lesser of: The amount which would be received if the property were sold at the site or the replacement cost of a comparable quantity delivered to the new business relocation. Examples of personal property covered by this provision include, but are not limited to, stockpiled sand, gravel, minerals, metals and other similar items of personal property as determined by the Department.

c. Purchase of substitute personal property, as explained in paragraph 8.

7. Losses of Tangible Personal Property

a. Actual direct losses of tangible personal property are allowed when a person who is displaced from his place of business is entitled to relocate such property in whole or in part, but elects not to do so. To be eligible for this benefit the owner of the personal property must:

(1) Be eligible to receive payment for his actual and reasonable moving expenses.

(2) Enter into a written agreement with the Department stating his election of this method of payment, and agreeing that personal property specifically described or tabulated therein is not to be moved.

(3) Make reasonable effort to sell the described personal property, unless it is determined that such effort is not necessary.

8. Purchase of Substitute Personal Property

(1) If the business is to be relocated and an item of personal property which is used in connection with the business is not moved, but promptly replaced with a comparable item at the new location, the reimbursement shall be the lesser of:

(a) The replacement cost, including installation, minus the proceeds from the sale or trade in of the replaced item. “Trade-in value” may be substituted for the proceeds of the sale where applicable, or
(b) The estimated cost of moving the items, including installation, to the replacement site, but not to exceed 50 miles, with no allowance for storage. At the Department’s discretion, the estimated cost for a low cost move may be based on one bid or estimate.

As used in the above paragraph, a “comparable item” means a replacement, either new or used, which performs the same function as the item to be replaced. “Replacement cost” means the cost to acquire and install a replacement item, either new or used, which performs the same function as the item to be replaced. The trade-in value of old equipment may be used instead of the proceeds of the sale. The amounts received in trade, the proceeds of the sale, the replacement cost of the item, and the estimated cost of moving must be documented.

(2) If the business is being discontinued or the item is not to be replaced in the relocated business, the payment will be the lesser of:

(a) The difference between the fair market value of the personal property for continued use at its location prior to displacement, less the proceeds of the sale. (When payment for property loss is claimed for goods held for sale, the fair market value shall be based on the cost of the goods to the business, not the potential selling price.); or

(b) The estimated cost of moving the item to the replacement site but not to exceed 50 miles, with no allowance for storage. If the piece of equipment is operational at the acquired site, the estimated cost to reconnect the equipment shall be based on the cost to install the equipment as it currently exists, and shall not include the cost of code required betterments or upgrades that may apply at the replacement site.

An appraisal of the item may be required to determine depreciated value in place. The appraisal may be an estimate, in writing, by a knowledgeable employee or, if the nature and/or value of the equipment requires it, an appraisal should be secured from knowledgeable outside sources. Proceeds of the sale and the estimated cost of moving must be documented.

(3) If a bona fide sale is not effected, as discussed above, because no offer is received for the property, and the property is abandoned, payment for the actual direct loss of that item may not be more than the fair market value of the item for continued use at its location prior to displacement or the estimated cost of moving the item 50 miles,
whichever is less, plus the costs of the attempted sale, irrespective of the cost to the Department of removing the item.

(4) When personal property is abandoned with no effort being made by the business to dispose of such property by sale or by removal at no cost by a junk dealer, the owner will not be entitled to moving expenses, or losses, for the items involved. In this situation the Department should obtain a written statement from the owner that he is abandoning the property. The statement should list the abandoned items. If no such statement can be obtained, the owner shall be advised in writing that unless the items are removed, the Department will presume them to be abandoned and will dispose of them as it sees fit.

Abandoned items may be left on the premises for removal by the Department or by the purchaser when buildings are sold for removal.

The cost of removal of personal property shall not be considered as an offsetting charge against other payments to the displaced person.

(5) Payments may be made only after a bona fide effort has been made by the owner to sell the item involved. The sales prices, if any, and the actual, reasonable costs of advertising and conducting the sale shall be supported by copies of bills of sale or similar documents and by copies of any advertisements, offers to sell, auction records and other items supporting the bona fide nature of the sale. The reasonable cost incurred in attempting to sell an item not relocated will be reimbursed to the displacee.

(6) This subsection does not apply to machinery and equipment which is classified as realty, but was retained by the owner. Also, the cost of moving structures, improvements or other real property in which the displaced person reserved ownership is excluded.

This subsection does not apply where a displaced owner wishes to retain and move material which is of low value and high bulk. Such material is covered under Alternate Payments, Subsection 6 above.

9. Search Costs

The owner of a business may be paid for his actual, reasonable expenses in searching and negotiating for the purchase or lease of a replacement business site, not to exceed $2,500. Expenses may include the cost of transportation, meals, lodging away from home and the reasonable value of time actually spent in search including fees of real estate agents and brokers if actually required and paid by the business (excluding fees or commissions related to
the purchase of the site). Time spent in obtaining permits or attending zoning hearings is reimbursable as search costs.

Expenses must be itemized on a statement attached to the claim form. The claim form must also incorporate the attachment by reference.

Mileage claimed may be reimbursed at recognized State mileage rates or at actual costs incurred as verified by paid receipts.

Time spent in searching may be claimed at a reasonable hourly rate experienced by the claimant.

Claims for meals and minor incidentals such as parking fees and telephone expenses may be accepted but should be supported by paid receipts. If there is a problem providing receipts, please consult the Relocation Manager.

Broker and agent fees as well as lodging, where allowed, will require receipted bills. Note that searching expenses incurred in searching beyond the 50 miles radius may be allowed only if the nature of the business to be relocated reasonably justifies such a move. Caution should be exercised to prevent payment for pseudo-searches which may have involved time spent on vacation or other such purposes.

Search expenses may be included with claims for payment of all other actual expenses, but must be itemized and recapitulated on a separate statement as specified above.

10. **Guidelines for Business Moves**

It is recommended that a pre-move discussion and agreement take place between the relocation agent and the business displacee prior to securing moving estimates. Items to be emphasized and, if possible, agreed upon:

a. Contemplated time of move and destination (new location) of move.

b. Decision by displacee as to self-move, actual cost move by a commercial mover, or a combination of the two. The displacee should be made aware of his options and the necessity to follow through as agreed.

c. Businesses having floating inventories which fluctuate widely from time to time should be encourage to move on an actual cost basis using commercial movers. The Right of Way Agent should closely check these moves, particularly just prior to the move, during the moving, and after the move.

d. Reaching an understanding as to whether there is need for multi-phased move over a period of time or a move all at once.
e. Items not to be moved may not necessarily be real property. They may be items covered under the Direct Loss provisions. If possible, during the pre-move conference, these items should be identified and arrangements made for valuation in place and separate moving estimates for these items. Discussions should include explanation of options for replacement costs, if applicable, and requirements for disposal of items not to be moved and/or reinstalled.

f. Packing, crating, unpacking (if necessary) and moving specifications desired and needed by the displacees.

g. The necessity to have all movers bid on the same basis and to furnish an itemized inventory of items to be moved. Movers’ estimates/bids should include complete specifications, conditions and inventory.

h. Arrangement for displacee to notify the Department just prior to moving so that the Right of Way Agent can verify the items to be moved. (The degree of verification would depend on the circumstances.)

i. Explain the need for a properly documented and inventoried bill from the selected mover on actual cost moves.

j. Determine whether storage will be needed and the reasons therefore.

k. If the two moving bids vary widely, a third bid should be considered. Wide variations may indicate lack of uniformity in specifications used for the estimate. Widely divergent estimates may be reconciled by meeting with the estimators.

Review qualifications and experience of various moving companies, particularly in large complex business moves. If there appear to be no well-qualified experienced movers, consideration should be given to hiring well-qualified industrial engineering firms to prepare moving cost estimates.

l. The Right of Way Agent should check realty items in the appraisal to insure that no inventoried items to be moved were paid for in the property valuation as realty items.

m. The Right of Way Agent should check the existence of moving inventory items on site just prior to the move and so document the parcel file.

n. The Right of Way Agent should check moving inventory items on new site just after the move to make sure all inventoried items were actually moved, set in place, connected, etc., as provided in the estimate and so certify by signed memo.
o. Business moves requiring significant disconnect and reconnect costs should be supported by complete certified or original bills including specialists, installers or tradesmen’s charges who actually performed the services. The Right of Way Agent should check to see that all work billed for has been accomplished.

p. Each estimator for a moving company should always be accompanied by the relocation agent and owner when making his estimate and he (estimator) should be furnished an inventory list. Specifications and inventory for the move should be agreed on at this time and all moving companies shall bid on the same basis.

D. Re-establishment Expenses

In addition to the moving payments described earlier, a small business, as defined in Section III Page 7, farm or nonprofit organization may be eligible to receive a payment, not to exceed $50,000, for expenses actually incurred in relocating and reestablishing such business, farm or nonprofit organization at a replacement site.

1. ELIGIBLE EXPENSES. Reestablishment expenses must be actual, reasonable, and necessary, as determined by the Department. They may include, but are not limited to, the following:

   a. Repairs or improvements to the replacement real property as required by Federal, State or local law, code or ordinance.

   b. Modifications to the replacement property to accommodate the business operation or make replacement structures suitable for conducting the business.

   c. Construction and installation costs for exterior signing to advertise the business.

   d. Redecoration or replacement of soiled or worn surfaces at the replacement site, such as paint, paneling, or carpeting.

   e. Advertisement of replacement location.

   f. Estimated increased costs of operation during the first 2 years at the replacement site for such items as:

      (1) Lease or rental charges,
      (2) Personal or real property taxes,
      (3) Insurance premiums, and
      (4) Utility charges, excluding impact fees.
g. Other items that are considered essential to the reestablishment of the business.

2. **INELIGIBLE EXPENSES.** The following is a nonexclusive listing of reestablishment expenditures not considered to be reasonable, necessary, or otherwise eligible.

   a. Purchase of capital assets, such as land, buildings, office furniture, filing cabinets, machinery, or trade fixtures.

   b. Purchase of manufacturing materials, production supplies, product inventory, or other items used in the normal course of the business operation.

   c. Interior or exterior refurbishments at the replacement site which are for aesthetic purposes, except as provided in Section XIII D.1.e.

   d. Interest on money borrowed to make the move or purchase the replacement property.

   e. Payment to a part-time business in the home which does not contribute materially to the household income.

   f. Cost of constructing a new building.

**E. IN-LIEU-OF PAYMENTS**

The owner who relocates or discontinues a business may be eligible for a payment in-lieu-of all moving costs and related expenses as outlined in Business Moving Expenses. The payment is equal to the average annual net earnings of the business, except that the payment shall not be less than $1,000 nor more than $40,000, if we determine that:

1. The business owns or rents personal property which must be moved in connection with such displacement and for which an expense would be incurred in such move; and the business vacates or relocates from its displacement site.

2. The business cannot be relocated without a substantial loss of its existing patronage (clientele or net earnings). A business is assumed to meet this test unless the Department demonstrates that it will not suffer a substantial loss of its existing patronage and;

3. The business is not part of a commercial enterprise having more than three other entities which are not being acquired by the State or the United States which is engaged in the same or similar business.
In order to make such a determination, it is necessary to establish that there is common control, management and ownership of the similar businesses, i.e. that they can be said to be owned, managed and controlled as a single operating unit. Examples would be: the branch offices of national banks, insurance companies or chain supermarket outlets.

The “chain operation” rule does not apply when the individual dealer or franchise holder renting or selling a national product is displaced by a highway project. The focus in determining whether the “chain operation” rule applies should be on the proprietary interest of the individual business operator.

For purposes of this rule, a remaining business facility that did not contribute materially to the income of the displaced person during the two taxable years prior to displacement shall not be considered “another establishment”.

4. The business is not operated at a displacement dwelling solely for the purpose of renting such dwelling to others.

5. The business is not operated at the displacement site solely for the purpose of renting the site to others.

6. The business contributed materially to the income of the owner during the two taxable years prior to displacement. A part-time individual or family occupation in the home which does not contribute materially to the income of the displaced owner is not eligible for this payment. See Section III Page 5.

7. In determining whether two or more displaced legal entities constitute a single business which is entitled to only one fixed payment, all pertinent factors shall be considered, including the extent to which:

   a. The same premises and equipment are shared;

   b. Substantially identical or interrelated business functions are carried out and business and financial affairs are commingled;

   c. The entities are held out to the public, and to those customarily dealing with them, as one business;

   d. The same person or closely related persons own, control, or manage the affairs of the entities.

8. Benefit Calculation and Limitations
Payment is based upon the average annual net earnings of the two taxable years immediately preceding the taxable year in which the business operation relocates.

The term “average annual net earnings” means one-half of any net earnings of the business before Federal, State and local income taxes, during the two taxable years immediately preceding the taxable year in which the business relocated.

If the two taxable years immediately preceding displacement are not representative, a two-year period that would be more representative may be used. It should be determined that the proposed construction has been the cause of the outflow of residents thereby resulting in a decline in net income for the business prior to utilizing this alternate procedure or unusual expense items, depreciation, etc. may be reflected in one year’s return, thus, the return would not represent the “average” in such cases.

“Average annual net earnings” includes any compensation paid by the business to the owner, his spouse, or his dependents during the two year period.

In the case of a corporate owner of a business, earnings shall include any compensation paid to the spouse or dependents of the principal stockholders of the corporation. A principal stockholder is one who owns 15% or more of the corporation.

For the purpose of determining majority ownership, stock held by a husband, his wife and their dependent children shall be treated as one unit.

If the business was not in operation for the full two taxable years prior to displacement, net earnings shall be based on the actual period of operation at the displacement, site during the two taxable years prior to displacement, projected to an annual rate.

For averaging purposes, zero will be used when one or both of the years has a negative income.

9. Documentation from Claimant

The displaced person shall furnish proof of net earnings through income tax returns, certified financial statements, or other reasonable evidence to satisfactorily support the business income. The Right of Way Agent assigned to the case should obtain copies of the U. S. Income Tax Return from displacee’s tax preparer for the appropriate years. The tax preparer should furnish the following certification:

“I hereby certify that the attached copies of U. S. Income Tax Returns are from copies of those documents on file in our office. I further certify that these returns were prepared by this office and that the originals were given to (name of business representative) or signing, dating and mailing to the Internal Revenue Service.”
When electronically filed tax returns are submitted by the displacee, signatures are required on the tax return or a signed statement from tax preparer verifying that the information is correct.

If the displacee prepares his own tax returns, obtain copies of the U. S. Income Tax Return directly from him. He should provide the following certification:

“I hereby certify that the attached copies of U. S. Income Tax Returns are from copies of those documents that I maintain in my file. I further certify that these returns were prepared by me and the originals were mailed to the Internal Revenue Service.”

Where the average annual net earnings of a business operation is known or is estimated to be $1,000 or less, it will not be necessary to obtain copies of income tax returns. The claimants may submit their own statement to that fact.

10. Payment Procedure and Processing Request

Where there is personal property to be removed from the acquired premises, removal shall be completed before the payment is made, unless an advance partial payment has been authorized by the Relocation Manager.

Payments based on average annual net earnings are in lieu of all other types of moving expenses. If such payment is to be made, no payment for actual moving costs, search costs, direct loss of tangible personal property, or reestablishment expenses may be made.

When a completed Relocation Assistance Payment Claim is filed by the operator, the claim will be forwarded to the Team Leader for approval and payment in accordance with standard Department Payment Procedures.

F. Farm Moving Expense

The owner of a displaced farm operation is entitled to receive payments for either:

1. Moving and related expense, as described under Business Moving Expenses, which include:

a. Actual Reasonable Moving Expenses,

b. Actual Direct Losses of Tangible Personal Property,

c. Actual Reasonable Expenses in Searching for a Replacement Farm.
d. **Reasonable and Necessary Reestablishment Expenses.**

The principles which govern moving expense payments to businesses also govern those made to farms except for the specific differences listed below in qualifying for an in-lieu-of payment.

**OR**

2. In lieu of the above payments, the farm operator may choose a payment equal to the average annual net earnings of the farm operation except that such payment shall not be less than $1,000 nor more than $40,000.

In the case of partial taking, the operator will be considered to be eligible if:

a. The taking caused the operator to be displaced from the farm operation on the remaining land, or

b. The taking caused a substantial change in the principal operation or the nature of the existing farm operation.

**G. Nonprofit Organization Moving Expenses**

A displaced nonprofit organization is entitled to receive payments for either:

1. Moving and related expenses, as described under Business Moving Expenses, which include:

a. **Actual Reasonable Moving Expenses,**

b. **Actual Direct Losses of Tangible Personal Property,**

c. **Actual Reasonable Expenses in Searching for a Replacement Site.**

d. **Reasonable and Necessary Reestablishment Expenses.**

The principles which govern moving payments to businesses also govern those made to nonprofit organizations. Details are found in the Business Moving Expenses Section.

**OR**

2. In lieu of the above moving payments a nonprofit organization may receive a payment of $1,000 to $40,000 if the Department determines that it cannot be relocated without a substantial loss of existing patronage (membership or clientele). A nonprofit organization is assumed to meet this test, unless demonstrated otherwise by the Department.
Any payment in excess of $1,000 must be supported with financial statements for the two 12-month periods prior to the acquisition. The amount to be used for the payment is the average of two years annual gross revenues less administrative expenses.

Gross revenues may include membership fees, class fees, cash donations, tithes, receipts from sales or other forms of fund collection that enable the nonprofit organization to operate. Administrative expenses are those for administrative support such as rent, utilities, salaries, advertising and other like items as well as fund raising expenses. Operating expenses for carrying out the purposes of the nonprofit organization are not included in administrative expenses. The monetary receipts and expense amounts may be verified with certified financial statements or financial documents required by public agencies.

H. Advertising Signs

The owner of a displaced advertising sign may be paid the actual, reasonable cost of a move accomplished by a commercial mover. These expenses will be supported by receipted bills.

If the owner elects to move the advertising sign himself, the Department will obtain bids or estimates as necessary. The owner of the sign may elect a negotiated self-move up to the low bid or estimate. If these bids or estimates cannot be obtained, the owner may be paid his actual, reasonable moving costs which will be supported by receipted bills or other evidences of expenses incurred. An agreement will be reached prior to the move between the owner and the Department to specify the amounts for the truck and/or equipment hired, mileage rates for company-owned equipment, and wages for the labor of the persons who physically participated in the move.

The amount of a payment for direct loss of an advertising sign which is personal property shall be the lesser of:

1. The depreciated reproduction cost of the sign, as determined by the Department, less the proceeds from its sale; or

2. The estimated cost of moving the sign, but with no allowance for storage.

Ineligible cost are amounts for the clearing of vegetation within the line of sight for visibility of the motoring public; however, the cost of clearing vegetation for the erection of the sign is eligible.

Other ineligible cost include repapering the sign as well as improvements to the sign.

Owners of outdoor advertising signs are not eligible for reestablishment expenses.
SECTION XIV – REPLACEMENT HOUSING

A. General


a. Individuals and families displaced from dwellings, including condominiums, cooperative apartments and mobile homes acquired for highway purposes are eligible for replacement housing payments as outlined in this Section.

b. Displaced individuals or families are not required to relocate to the same occupancy status (owner or tenant), but have other options depending on their tenancy status and occupancy duration.

c. Only one replacement housing or rental payment shall be made for each dwelling unit except in the case of multi-family occupancy of one dwelling unit as specified in Subsection A.12 of this Section, and in the case of subsequent occupants.

d. When existing comparable housing is available on the open market and has been used in computing the replacement housing payment, only one closing cost claim is allowed in the event the displacee elects to build replacement housing. If a displacee elects to build a house, when existing houses are available, they must assume any additional costs (increased mortgage cost, temporary housing, etc.). Any exceptions must be fully justified and approved by either the Director, Rights of Way or the Relocation Manager.

2. Occupancy Provisions

a. In addition to other requirements the displacee is eligible for the appropriate payments when he relocates to a decent, safe and sanitary dwelling within a one-year period beginning on the following dates:

(1) For a tenant, the date he moves from the displacement dwelling, or

(2) For an owner-occupant, the later of:
(a) The date he receives final payment for the displacement dwelling or, in the case of condemnation, the date the required amount is deposited with the court, or

(b) The date the Department’s obligation under Section XIV A.22 is met. The Department may extend this period of time for good cause.

b. A displacee may have either entered into a contract for the construction or rehabilitation of a replacement dwelling or entered into a legally binding contract for purchase of a replacement dwelling, and for reasons beyond his reasonable control, cannot secure title and/or occupy the dwelling within the required period. In these situations, it shall be considered that the displacee purchased and occupied the dwelling as of the date he contracted to purchase the replacement property. However, he must have entered into the contract before the normal one-year replacement period expired.

A statement signed by the displaced person summarizing the “reasons beyond his reasonable control” shall be secured and retained in the case file.

The replacement housing payment under the above situations shall be deferred until the person has actually occupied the replacement dwelling.

If a displaced person demonstrates need in order to avoid or reduce hardship, the Department may advance the relocation payment or portions thereof, provided there are sufficient safeguards to ensure that the objective of the payment is accomplished.


If the displacee needs a relocation assistance payment immediately after meeting all the requirements to receive the payments, the following procedures will be implemented:

a. The displacee will notify the agent of the particular hardship.

b. The agent will transmit the necessary documentation and forms for approval.

(1) Transmittal memo, stating facts of hardship

(2) Complete and correct claim
(3) Accepted purchase contract or lease

(4) Decent, safe and sanitary inspection report.

4. Decent, Safe and Sanitary Inspection by the State.

The claimant should be advised of the importance of requesting a Decent, Safe and Sanitary Inspection prior to the time he commits himself either to purchase or rent of replacement dwelling. To permit an unwitting claimant to purchase a non-qualifying replacement dwelling may result in his loss of replacement housing benefits.

Before any replacement housing payments can be made it must be determined that the replacement dwelling meets the standards for decent, safe and sanitary housing (See Section III and Form 4, Appendix A – Relocation Assistance Forms). The Department may utilize the services of any public agency or licensed companies ordinarily engaged in housing inspection to make the inspection.

If it is not possible under the circumstances for the Department to make the necessary inspection or to secure the needed inspection through a competent third party, a certification from the displacee that he has occupied decent, safe and sanitary housing will be sufficient to establish the displacees’ eligibility for payment.

The displaced person should understand that the determination that a dwelling meets these standards is made solely for the purpose of determining eligibility for payments under the relocation program and is not intended for any other purpose.

5. Statement of Eligibility to Lending Department - Assignment

a. General

Where a displacee otherwise qualifies for the replacement housing payments except that he has not yet purchased or occupied a suitable replacement dwelling, the Department, after inspecting the proposed dwelling and finding that it meets the standards set forth for decent, safe and sanitary dwellings, shall upon the purchaser’s request, state to any interested party, financial institution or lending agency, that the displacee will be eligible for the payment of the specific sum provided he purchases and occupies the inspected dwelling within the time limits specified.
b. Procedures

The following procedures will be used when the displacee elects to Assign: his relocation assistance payment:

(1) The displacee must request the use of the assignment.

(2) The assignment will be completed when:

(a) The decent, safe and sanitary inspection on the replacement property has been completed.

(b) The displacee has an accepted purchase agreement or lease.

(c) The displacee has claimed the relocation payment.

(3) The agent will have the assignment forms signed and dated by the displacee.

(4) The assignment package will be routed for approval and payment processing and will contain:

(a) Completed assignment.

(b) Complete and correct claim.

(c) Decent, safe and sanitary inspection report.

(d) Accepted purchase contract or lease.

6. Application for Replacement Housing Payments

Application for replacement housing payments shall be made in writing on a form provided by the Department (See Form 5, Appendix A – Relocation Assistance Forms). All claims for a relocation payment shall be filed within 18 months after:

(a) For tenants, the date of displacement:

(b) For owners, the date of displacement or the date of the final payment for the acquisition of the real property, whichever is later.

This time period may be waived by the Department for good cause.
The payments may be made directly to the relocated individual or family, or upon written instruction from the relocated individual or family, directly to the lessor for rent or the seller for use towards the purchase of a decent, safe and sanitary dwelling. In cases where an applicant otherwise qualifies for replacement housing payments, and upon his specific request in the application, the Department may make such payments into escrow prior to the displacees’ moving.

7. Advance Replacement Housing Payments in Condemnation Cases

No property owner should be deprived of the earliest possible payment of the replacement housing amounts to which he is rightfully due. An advance replacement housing payment can be computed and paid to a property owner if the determination of the State’s acquisition price will be delayed pending the outcome of condemnation proceedings. Since the amount of the replacement housing payment cannot be determined due to the pending condemnation proceedings, a provisional replacement housing payment may be calculated by deeming the Department’s maximum offer for the property as the acquisition price. Under these circumstances advance payments may be made under the following conditions:

a. The owner-occupant shall sign an agreement, which shall accompany his claim for payment, that states:

   (1) He understands the advance payment he is receiving is not necessarily the same as what he may be entitled to when the acquisition price of his dwelling is determined, and that

   (2) He concurs with the Department reducing the final payment in a condemnation action, whether settled out of court or by trial of the matter so that the amount received is not greater than the amount entitled to as determined by the replacement housing payment final determination.

b. Pending final determination of the acquisition price of the owner’s dwelling unit, the amount of the advance payment shall be determined as follows:

   (1) For a replacement housing payment, as described under Purchase Differential Payment Section XIV.B, except that the Department’s maximum offer for purchase of the property shall be substituted for the amount for which the Department acquired his dwelling.

   (2) For an interest differential payment, as described in Section XVI.

   (3) For an incidental expense payment, as described in Section XV.
c. Restitution to the Department will be credited against the acquisition price in a negotiated settlement or credited by stipulation in payment of a judgment in condemnation.

d. In no event shall the eligible owner-occupant be required to refund more than the amount of the replacement housing supplement advanced.

e. If the displaced owner-occupant does not agree to make restitution as required above, the replacement housing payment shall be deferred until the case is finally adjudicated and computed on the basis of the final determination, using the final judgment as the acquisition price.

f. In the event the replacement housing payment finally determined is larger than the amount advanced under the provisions of this subsection, the Department shall pay the difference between such amount and the amount paid in advance.

8. Ownership of Replacement Dwelling or Land Prior to Displacement

Any person who has obtained legal ownership of a replacement dwelling, or land upon which replacement housing is constructed, either before or after displacement, and occupies the replacement dwelling after being displaced, but within the required one-year time limit, is eligible for replacement housing payment, if the replacement dwelling meets the requirements of DSS housing. The current fair market value of the land or dwelling, not the historical cost, will be used for the purposes of determining the cost of the replacement property. The Appraisal Section's minimal valuation method may be used to arrive at the fair market value or an appraisal prepared by a licensed real estate appraiser.

9. Partial Taking

a. If the acquired dwelling is located on a tract typical in size for residential use in the area, the maximum replacement housing payment is the probable selling price of a comparable replacement dwelling on a tract typical in size for the area less the acquisition price of the acquired dwelling on the tract on which it is located.

b. If the acquired dwelling is located on a tract larger in size than typical for residential use in the area, the maximum replacement housing payment is the probable selling price of a comparable replacement dwelling on a tract typical in size for residential use in the area, less the acquisition price of the acquired dwelling plus the acquisition price of that portion of the acquired land which represents a tract typical in size for residential use in the area.
c. If the acquisition of a portion of a typical residential property causes the displacement of the owner from the dwelling and the remainder is a buildable residential lot, an offer may be made to purchase the entire property. Even if the owner refuses to sell the remainder, the fair market value of the remainder may be added to the acquisition cost of the displacement dwelling for purposes of computing the replacement housing payment.

10. Dwelling on Land with Higher and Better Use

Where the acquired dwelling is located on a tract where the fair market value is established on a highest and best use other than residential, the maximum amount payable is the probable selling price of a comparable replacement dwelling on a tract typical in size for residential use in the area, less the acquisition price of the acquired dwelling plus the acquisition price of that portion of the acquired land which represents a tract typical in size for residential use in the area.

11. Joint Residential and Business Use

When displaced individuals or families occupy living quarters as their primary legal residence on the same premises as a displaced business, farm or nonprofit organization, such individuals or families are separate displaced persons for the purposes of determining entitlement for replacement housing payments.

The value of the owner's residential unit is to be used as the basis for replacement housing payment determination, not the entire fair market value of the subject property. The replacement housing payment determination is that difference, if any, between the value of the owner's living unit and the value of the living unit on the most comparable available property. If the comparable is a triplex, the replacement housing payment is based on the value of only one of the three units; if a duplex, the payment is based on the one of the two units; if a single family dwelling, the payment is based on the entire value of the dwelling. The other living units of a multi-family dwelling cannot be included in the value of a comparable because these are considered as income producing and not part of the owner's personal living area.

12. Multiple Occupancy of Same Dwelling Unit

a. Families

If two or more eligible families occupy the same single family dwelling unit, and a comparable replacement is available, the occupants are entitled to only one replacement housing or rent supplement payment. If a comparable replacement dwelling is not available, a replacement housing or rent supplement payment for each family will be based on housing which is comparable to the quarters privately occupied by each family plus community rooms.
which have been shared with other occupants. The acquisition price to be used as the basis for replacement housing payment computations is that amount each owner received from the total payment for the property to be acquired.

b. Individuals

If two or more eligible individuals occupy the same single family dwelling unit, they are to be considered as one "family" for replacement housing payment or rent supplement purposes. When all individuals do not relocate to decent, safe and sanitary housing, the Department shall determine which individuals have relocated to decent, safe and sanitary housing and pay them a prorated share of the appropriate payment that they would have received if all individuals had relocated together in the same ownership or rental status as they had at the time of initiation of negotiations.

Note: The replacement housing payment to two or more eligible individuals with no identifiable head of the household MUST be initially computed and paid based upon the type of payment they would receive if they had relocated to the same occupancy.

13. Owner-Retained Dwellings

The owner-occupant of a dwelling may wish to retain the building and relocate it on to the remainder land or elsewhere. The proper method for calculating the amount of the purchase differential for owner-retained dwellings is described later in Section XIV B.6.e.

14. Ownership

Ownership is the title. Eligibility requiring ownership may also be extended to cases of constructive ownership such as where the practical incidences of ownership are in the claimant, but legal title is in another. An example is the case of purchase contracts, where title is held for security, paid for and used by the claimant, but title is vested in a relative to secure more favorable financing. Another example is where an elderly person retains all the rights of ownership but conveys title to a child to avoid probate.

15. Occupancy

To qualify for replacement housing benefits, the acquired dwelling must be the primary residence. A displaced tenant or owner "occupies" a replacement dwelling within the meaning of this Section only if the dwelling is his permanent place of residence, and he satisfied the eligibility requirements set forth in Sections XIV B, C, and D. Occupancy of a secondary residence, such as a
vacation home, does not establish such eligibilities, except for actual moving expenses.

Constructive Occupancy -- If the cause of the claimant's absence is temporary or beyond his control, he shall be considered an occupant. For example, where the dwelling is maintained as the principal residence and the occupant is (1) temporarily employed in another location; (2) in the hospital; (3) on vacation; or (4) on temporary military duty; away from the property because of a disaster, an emergency, or an imminent threat to the public health or welfare, as determined by the President, the Federal agency funding the project, or the Department; he can be considered to be in constructive occupancy. All determinations of constructive occupancy should be referred to the Relocation Manager for decision.

16. Transients, Students and Vacation Homes

Relocation assistance housing payments may be paid only to those who are displaced from their permanent places of residence. Occupancies of a temporary or transient nature, such as short-term guests in motels, hotels and transient-trailer parks will not qualify for any replacement housing payment even though they may have been on the acquired premises at the date of the written offer. However, it is not intended to deny appropriate payments to bona fide, permanent residents in such establishments, especially those who cater to permanent guests.

Where students are displaced, relocation assistance payments will be paid the same as for any other displaced person.

Owners of vacation homes may be paid their actual reasonable moving expenses or the amount based on the residential schedule.

17. Prorated Payments for Divorced or Separated Occupants

The following considerations apply to eligible families at the time of the first written offer that is subsequently separated or divorced and intend to establish separate eligibility. Whether the separation is a voluntary informal act, the result of litigation or the result of Dissolution of Marriage is not important. Separation is the only fact to be considered.

To calculate their respective relocation benefits, it is first necessary to view the occupancy status of the family as of the initiation of negotiations, not at the time of displacement or after relocation.

If the divorce or separation took place prior to the first written offer and one of the spouses vacated the property at that time, the vacating spouse would not be
an eligible displaced person and all relocation benefits would accrue to the remaining spouse in occupancy.

If both husband and wife are in possession at the time of the first written offer and satisfy prior occupancy requirements, they qualify together as a displaced family. Maximum entitlement is the amount the family would have received had the "family" relocated together. The family's entitlement may be divided between husband and wife in any proportion they agree upon. Each may claim payment, as a sole claimant, for his or her share of the family's entitlement. This procedure requires an agreement signed by both parties which establishes the method of division and the agreed percentage which each party claims. The agreed upon division may not thereafter be changed without the written consent of both parties.

Example:

A long-term owner-occupant family agrees to a proportion of sixty percent (60%) to the wife and forty percent (40%) to the husband. If the wife rents and occupies a decent, safe and sanitary replacement dwelling she may receive:

-60% of the moving costs, and
-60% of the rental differential payment the family would have received if they had relocated together as tenants.

If the husband purchases and occupies a decent, safe and sanitary replacement dwelling he may receive:

-40% of the moving costs; and
-40% of the purchase differential, interest differential and incidental costs the family would have received had they relocated together as owners.

Claimants may agree upon a division of the moving cost payment which differs from the other replacement housing benefit. For instance, the wife can receive ninety percent (90%) of the moving expenses and sixty percent (60%) of the replacement housing payments.

All of the replacement housing payments must be based on the same percentage division. In other words, the claimants cannot agree that one party is to receive ten percent (10%) of the incidental cost and seventy percent (70%) of the interest differential payment.

Payments of moving expenses can be based on actual costs or a scheduled room-count method. The two methods may be mixed.
The parties may move at different times. Each party is entitled to the current replacement amount for the point in time in which each specific relocation takes place.

If the parties cannot reach an agreement, their entitlement will be viewed as if the family had relocated together. Payment will be based on the relocation criteria of the first party to relocate, establish eligibility, and file claim for payment. The claim forms shall be signed by both parties and the checks will be made payable to both individuals.

Example:

A long-term owner-occupant family is eligible for moving expenses and may be eligible for either a replacement rental payment or a replacement housing payment. If the first party to relocate moves to a rental replacement property, and files a claim for payment, the family's maximum entitlement will be based on this specific move. No other claim will be honored by the Department except where the initial claim was less than the maximum entitlement and the parties thereafter reach agreement and file amended claims within the normal filing period.

The following demonstrates the method of pro-ration for each of the three basic relocation possibilities of divorced or separated couples: (1) both rent, (2) both buy, or (3) one rents and the other buys.

a. Ninety-Day Tenants and Short-Term Owners

   (1) Moving Expenses -- Determine the amount that the "family" would have received if they had relocated together (actual cost or scheduled method); prorate to each party by applying the agreed percentage division.

   (2) If Both Rent -- Determine the amount the "family" would have received as a rental replacement housing entitlement if they had relocated together (not to exceed $5,250); prorate the amount to each party by applying the agreed percentage division payment to each. The aggregate rent paid by the parties is the amount of the replacement rent used to calculate the rental differential.

   (3) If Both Purchase:

      (a) Determine the total amount they would have received (exclusive of incidental costs) if they had relocated as a "family".
(b) Prorate the amount for each party, applying the agreed percentage division to the eligible amount.

(c) Add the prorated share of the eligible incidental cost for each replacement property.

(d) Total payment to each party cannot exceed the lesser of (1) the prorated share of the family maximum entitlement, or (2) the prorated share of the maximum $7,200 payment.

(4) If One Rents and the Other Purchases -- Each may be paid the prorated share of the total amount that would have been paid if they had relocated together in the same tenancy status, i.e., rental criteria is applicable in determining the replacement housing amount. The one who purchases may receive his prorated share of the rental amount if it is all applied to the down payment in purchasing.

b. Long-Term Owners

(1) Moving Expenses -- Determine the amount the "family" would have received if they had relocated together (actual cost or scheduled method); prorate the amount to each party by applying the agreed percentage division.

(2) If Both Rent -- See procedure under 17a(2) of this Section.

(3) If Both Purchase -- Each party would be entitled to the following:

(a) Purchase Differential Payment -- Computation is based on the difference between the prorated share of the amount paid for the State-acquired property (fair market value) and the prorated share of the Department's calculated replacement cost. Actual payment is based on the amount spent in excess of the prorated share of the Fair Market Value payment.

(b) Incidental Cost Payment -- Determine the eligible incidental costs applicable to husband's replacement property in the applied percentage division. Repeat the process for the wife's entitlement based on her replacement property.
(c) Interest Differential Payment -- Normal calculations based on a comparison of old loan data and the husband's replacement loan. Apply the same percentage division. Repeat the process for the wife's entitlement based on her replacement property.

(d) If One Rents and the Other Purchases -- Apply the rental criteria to the one that rents and purchase criteria to the one that purchases, same as above.

18. Payments to Estates

An estate as such is not a displaced person and hence cannot be paid any replacement housing or rental housing payments.

However, such payments can be made to the estate of a displaced person who qualified for payment during his lifetime. Relocation Assistance payments may be made to the estate of an eligible displaced person under the following circumstances:

a. The actual cost of removing personal property may be made to an estate if the decedent was in occupancy or the estate had control of the acquired property at the date of the first written offer and the personal property was removed from the premises thereafter.

b. Replacement housing and rental replacement housing payments may be paid to an estate only when an eligible person qualified for such a payment by purchasing or renting and occupying proper replacement housing but died before he could file a claim, or a claim could be paid. On installment payments of rental differential payments, only the amount attributable to the displaced person's period of occupancy shall be paid. Estates of eligible individuals who were still in occupancy of the acquired dwelling at the time of their death cannot claim payments for replacement housing.

c. If one of the married couple dies, the remaining spouse may be paid the same moving expense and replacement housing payments the couple would have received had death not occurred.

d. The full payment shall be disbursed in any case in which a member of a displaced family dies and the other family member(s) continue to occupy the replacement dwelling selected in accordance with these regulations.

e. Any portion of a replacement housing payment necessary to satisfy the legal obligation of an estate in connection with the selection of a replacement dwelling by or on behalf of a deceased person shall be
disbursed to the estate. New construction by a single individual may require that a written agreement be entered providing for the sale of the home under construction if relocation funds are advanced prior to occupancy and the displaced person dies during construction. Contact the Relocation Manager for guidance.

19. Replacement Housing Payments - Long-Term Owners

The replacement housing purchase option is a system of payments to help displaced long-term owners purchase and relocate to decent, safe and sanitary housing which is comparable to or better than the dwelling acquired.

Under the Replacement Housing Purchase Option, eligible claimants may be entitled to receive payments for any or all of the following:

a. A Purchase Differential -- A payment which is the difference in the purchase price between the State-acquired dwelling and the most probable selling price of the most comparable replacement dwelling, or the cost of the replacement dwelling actually purchased, whichever is less.

b. An Interest Differential -- A payment which compensates for increased interest and other financing costs.

c. Incidental Costs -- A payment to reimburse the owner for expenses incident to the purchase of replacement housing.

The aggregate of the three payments may not exceed $31,000, nor may any one of the three parts exceed that amount.

A thorough understanding of these benefits is required. (See Sections on Purchase Differential Payment - XIV B, Incidental Costs - XV, and Interest Differential - XVI).

Rental Differential: A long-term owner may elect to receive a rental differential instead of the Replacement Housing Purchase Plan (see Section XIV C).

20. Replacement Housing Payments - Short-Term Owners and Tenants

Replacement Housing Down Payment Option is a system of payments to help short-term owners and tenants purchase and relocate to decent, safe and sanitary housing.

Under the Replacement Housing Down Payment Option, eligible claimants may be entitled to receive:
a. Down Payment (see Section XIV D); and  

b. Incidental Costs (see Section XV).

The State's contribution under this option cannot exceed $7,200.

Rental Differential: Short-term owners and tenants may elect to receive a rental differential instead of the Down Payment Option (see Sections XIV C and D).

21. Changes in Replacement Housing Offers

The Department recognizes its obligation to provide a total payment to the displaced person which will be sufficient to allow him to replace himself in a decent, safe and sanitary comparable dwelling. Recognizing this responsibility, the total consideration, consisting of (1) the original fair market value and (2) the original replacement housing differential may not be decreased. The only allowable decrease is because of an error.

If the displacee requests assistance in finding replacement housing, he must be offered housing which is comparable, open housing, and available for purchase within the offered amount. When such housing is no longer available, the State will determine a new replacement housing payment, based on available housing which is equal to or better than the dwelling acquired and meets the other comparability criteria. However, in no event will the new replacement housing payment be less than the original computed amount.

a. Erroneous Offers -- When it is detected that an erroneous relocation entitlement has been represented to a displaced person, the following procedure should be adopted:

(1) The error should immediately be made known to the displaced person.

(2) The displaced person should be informed that he will receive the corrected relocation assistance payment and that he does have the right to appeal if he feels that he is entitled to a greater payment.

(3) If it is determined that the displacee has reasonably relied on representations made by the Department to his substantial detriment, then we will recommend that the claim be paid upon the basis of contractual estoppel. The Legal Division shall be consulted for guidance.
b. Report Revisions -- Replacement housing amounts must be recalculated when a review indicates that they no longer reflect the market for, or availability of, replacement housing. If a report is found to be current, the files must be documented with the basis for such a conclusion. Documentation should consist of a recapitulation of the research involved.

Replacement Housing amounts shall be reviewed and may be increased or decreased (subject to the conditions in c. - Reductions - following this paragraph) when any of the following occur:

(1) Where there is a revised fair market value approval.

(2) Where there is a settlement in excess of the fair market value appraisal; whether administrative, by stipulated judgment or court verdict.

(3) Where information indicates the occupancy status changed prior to the first written offer or is different from that upon which the report was based.

(4) Where the comparable replacement housing market changes.

(5) Where an appeal is made to the Department for the amount of the replacement valuation and changes are warranted.

c. Reductions -- A displaced person, once he has been informed of the cost of purchasing a comparable replacement dwelling, is entitled to rely on that figure when selecting a replacement dwelling. If comparable replacements subsequently become available in the market for lower prices, the prices may not be substituted for those of the original comparables when computing the amount of the housing differential. Stated another way, the amount of the housing differential may not be reduced because of a change in the replacement market. It may be increased, however, by an increase in the cost of comparable replacements.

The amount of the purchase differential a displacee will actually receive may be decreased from the originally calculated payment because of an increase in the price paid (or offered) for the acquired premises or because the displaced person purchased a replacement for less than the originally calculated amount. This concept also applies in the same manner to rental differentials.
A down payment determination may not be reduced due to changes in the replacement housing market.

22. Availability of Comparable Prior to Displacement

The Department must assure that each displaced person has sufficient time to negotiate and enter into a purchase or rental agreement for a comparable replacement dwelling and that each displacee receives his acquisition and relocation payments in sufficient time to complete the purchase or rental of replacement property.

The relocation assistance offer letter, Form 18-O or 18-T (Appendix A – Relocation Assistance Forms), issued to each displacee will contain the address of the comparable replacement dwelling and the date upon which it was available. The Relocation Agent will verbally inform the displacee of all the comparables used in determination of the payment.

If the Department finds it necessary to take eviction action, the records will be documented to verify the fact that the comparable replacement dwelling or one equally comparable as to price as well as all other factors is available.

To assure that the acquisition and relocation payments are available to the displacee in time to complete the replacement housing transaction, the Department will process all claims for payment in a prompt manner.

The FHWA may grant a waiver of the above policy in any case where it is demonstrated that a person must move because of:

a. A major disaster as defined in Section 102(c) of the Disaster Relief Act of 1974 (42 U.S.C. 5121); or

b. A presidentially-declared national emergency; or

c. Another emergency which requires immediate vacation of the real property, such as when continued occupancy of the displacement dwelling constitutes a substantial danger to the health or safety of the occupants or the public.

Whenever a person is required to relocate for a temporary period because of an emergency as described above, the Department shall:

(1) Take whatever steps are necessary to assure that the affected person is temporarily relocated to a decent, safe, and sanitary dwelling;
(2) Pay actual reasonable out-of-pocket moving expenses and any reasonable increases in monthly housing costs incurred in connection with the temporary relocation;

(3) As soon as feasible, make at least one comparable replacement dwelling available to the displaced person. (For purposes of filing a claim and meeting the eligibility requirements for a relocation payment, the date of displacement is the date the person moves from the temporarily occupied dwelling.)

23. Comparable Selection Criteria

a. Comparables can be selected by any qualified employee of the Department except the appraiser or review appraiser who appraised or reviewed the appraisals of the acquired dwelling.

b. The exterior of potential replacement dwellings and the neighborhood in which they are located must always be inspected by the person responsible for selecting comparable replacement housing. An interior inspection is not required on the non-designated comparables when reliable information is available regarding the interior. An interior inspection should be made, if possible, of the designated comparable.

Experience has proven that it is unreasonable to expect homeowners and/or real estate agents to expend the time and effort necessary to open dwellings that are for sale for the sole purpose of enabling an acquiring Department to decide whether or not they can be approved for referral purposes. In nearly every instance enough information can be obtained concerning the description and condition of the interior to enable the Department to determine whether or not the dwelling meets decent, safe, and sanitary standards. In case of doubt and/or in marginal cases an interior inspection should be made, if possible.

c. A replacement housing payment may be based on a comparable property that has minor decent, safe, and sanitary deficiencies, provided the owner agrees to correct the deficiencies at no increased cost to the displacee. If the owner increases the price, the payment computation should then reflect the cost to correct the item. The details should be noted on Form 8 (Appendix A – Relocation Assistance Forms).

d. The requirement that a comparable replacement dwelling be "functionally similar" to the displacement dwelling means that it
must perform the same function and, provide the same utility as the displacement dwelling. The comparable dwelling need not possess every feature of the displacement dwelling, the principal features must be present.

Generally, functional similarity is an objective standard, reflecting the range of purposes for which the various features of a dwelling may physically be used. However, in determining whether a replacement dwelling is functionally similar to the displacement dwelling, it is permissible to consider reasonable trade-offs in specific features when the replacement unit is "equal to or better than" the displacement dwelling.

For example, if the displacement dwelling contains a pantry and a similar dwelling is not available, a replacement dwelling with ample kitchen cupboards may be acceptable. Insulated and heated space in a garage might prove an adequate substitute for basement workshop space. A dining area may substitute for a separate dining room.

Under some circumstances, attic space could substitute for basement space for storage purposes, and vice versa.

Only in unusual circumstances may a comparable replacement dwelling contain fewer rooms or consequentially less living space than the displacement dwelling. Such may be the case when a decent, safe and sanitary replacement dwelling (which by definition is "adequate to accommodate" the displaced person) may be found to be "functionally similar" to a larger but rundown substandard displacement dwelling.

e. To the extent feasible, comparable replacement dwellings shall be selected from the neighborhood in which the displacement dwelling was located or, if that is not possible, in nearby or similar neighborhoods where housing costs are generally the same or higher.

f. A comparable replacement dwelling for a person who is not receiving assistance under any government housing program before displacement must be currently available on the private market without any subsidy under a government housing program.

A public housing unit may qualify as a comparable replacement dwelling only for a person displaced from a public housing unit; a privately-owned dwelling with a housing program subsidy tied to the unit may qualify as a comparable replacement dwelling only for a person displaced from a similarly subsidized unit or public housing; a housing program subsidy to a person (not tied to the building), such
as a HUD Section 8 Existing Housing Program Certificate or a Housing Voucher, may be reflected in an offer of a comparable replacement dwelling to a person receiving a similar subsidy or occupying a privately-owned subsidized unit or public housing unit before displacement. Comparable housing for occupants of subsidized housing will be determined by the family composition at the time of displacement and the current housing program criteria, not the size of the unit currently occupied.

However, nothing in these regulations prohibits the offering, or precludes a person from accepting, assistance under a government housing program, even if the person did not receive similar assistance before displacement. However, the Department is obligated to inform the person of his or her options under these regulations. (If a person accepts assistance under a government housing program, the rental assistance payment under Section XIV C. would be computed on the basis of the person's actual out-of-pocket cost for the replacement housing.)

24. Conversion of Payment

A displaced person who initially rents a replacement dwelling and receives a rental assistance payment under Section XIV C. is eligible to receive a payment under Sections XIV B or D if he or she meets the eligibility criteria for such payments, including purchase and occupancy within the prescribed one-year period. Any portion of the rental assistance payment that has been disbursed shall be deducted from the payment computed under Sections XIV B or D.

B. Purchase Differential Payment

1. General

The total replacement housing payment for an eligible 90-day homeowner-occupant is an amount, not to exceed $31,000, which is the combined sum of:

a. The amount by which the cost of a replacement dwelling exceeds the acquisition cost of the displacement dwelling, as determined in accordance with Section XIV B.3 and

b. The amount necessary to compensate the displaced person for any increased interest costs and other debt service costs to be incurred in connection with the mortgage(s) on the replacement dwelling, as determined in accordance with Section XVI and
c. The amount of the reasonable expenses that are incidental to the purchase of the replacement dwelling, as determined in accordance with Section XV.

2. Eligibility

A displaced person is eligible for the replacement housing payment for a 90-day homeowner-occupant if the person:

a. Has actually owned and occupied the displacement dwelling for not less than 180 days immediately prior to the initiation of negotiations; and

b. Purchases and occupies a decent, safe, and sanitary replacement dwelling within 1 year after the later of:

   (1) The date the person receives final payment for the displacement dwelling or, in the case of condemnation, the date the required amount is deposited in court for the benefit of the owner, or

   (2) The date the Department's obligation under Section XIV A.22 is met. The Department may extend this period of time for good cause.

3. Required Computations

Three distinct computations are involved in determining the purchase differential payment:

a. Calculation of the Adjusted Selling Price of a Comparable Replacement Dwelling

   The most probable selling price of the most comparable dwelling must be determined in accordance with instruction for determining replacement housing costs.

   (1) The Department will determine the probable selling price of a comparable dwelling by selecting at least three comparable dwellings representative of the dwelling unit to be acquired which are available on the private market and meet the criteria of a DSS "comparable replacement dwelling". Less than three comparables may be used for this determination
when additional comparable dwellings are not available and the Department documents the file to this effect.

(2) If the site of the comparable replacement dwelling lacks a major exterior attribute of the displacement dwelling site (e.g. the site is significantly smaller or does not contain a swimming pool), the value of such attribute shall be subtracted from the acquisition cost of the displacement dwelling for purposes of computing the payment. If the replacement property actually purchased lacks certain attributes found in both the displacement and comparable property, it would be permissible to add the actual cost of the major exterior attribute to the purchase price of the replacement property in order to establish the total cost of the replacement.

(3) If the acquisition of a portion of a typical residential property causes the displacement of the owner from the dwelling and the remainder is a buildable residential lot, the Department may offer to purchase the entire property. If the owner refuses to sell the remainder, the fair market value of the remainder may be added to the acquisition cost of the displacement dwelling for purposes of computing the replacement housing payment. Reference 49 CFR Part 24, Section 24.403 (a) (3).

b. Calculation of Entitlement

The maximum amount of purchase differential is calculated by subtracting the actual price the Department pays the claimant for his dwelling from the adjusted selling price of a suitable replacement dwelling (See Form 8, Appendix A – Relocation Assistance Forms).

Example:

If the selling price of the most comparable replacement dwelling is determined by the "three comparable method" to be $33,000 and the Department pays the claimant $28,000 for his dwelling, the calculation of claimant's maximum purchase differential entitlement is as follows:

$33,000.00 selling price
$28,000.00 paid claimant for his dwelling
$ 5,000.00 maximum purchase differential
In order to receive the full $5,000 entitlement, he must purchase a DSS replacement dwelling for $33,000 or more.

The information and computations for 3a and 3b above shall be a part of the individual purchase relocation study prepared by the Right of Way Agent. All relocation studies used to determine purchase differential payments must be approved by the Team Leader, unless the study results in Housing of Last Resort being utilized.

c. Calculation of Payment

If the amount which the claimant pays for his replacement dwelling equals or exceeds the Department's estimate of selling price, the calculated payment will be the same as the Calculated Entitlement.

If the Claimant's actual cost of the replacement dwelling is less than the amount determined by the Department as necessary to purchase a comparable dwelling (used in Calculation of Payment), calculation of purchase differential payment is made by subtracting the price the Department pays the claimant for his dwelling from the actual price paid by the claimant for his replacement dwelling.

Example:

Using the previous example, if the claimant purchases a replacement dwelling for $31,500, the calculated payment is $3,500.

\[
\begin{align*}
31,500.00 & \text{ actual replacement cost} \\
- 28,000.00 & \text{ paid claimant for his dwelling} \\
\hline
3,500.00 & \text{ purchase differential payment}
\end{align*}
\]

4. Amount of Payment to Occupant with a Partial Ownership

a. When a single family dwelling is owned by several persons, and occupied by only some of the owners, replacement housing payment will be the lesser of:

(1) The difference between the owner-occupant's share of the acquisition cost of the acquired dwelling and the actual cost of the replacement dwelling, or

(2) The difference between the total acquisition cost of the acquired dwelling and the amount determined by the Department as necessary to purchase a comparable dwelling.
b. If the displaced owner-occupants do not purchase and occupy a decent, safe and sanitary dwelling, they will be entitled to receive a rent supplement payment if they rent and occupy a decent, safe and sanitary dwelling in accordance with the provisions of Subsection C of this Section.

5. Insurance proceeds

To the extent necessary to avoid duplicate compensation, the amount of any insurance proceeds received by a person in connection with a loss to the displacement dwelling due to a catastrophic occurrence (e.g. fire, flood, etc.) shall be included in the acquisition cost of the displacement dwelling when computing the price differential.

6. Controls on Purchase Price Paid

The actual price paid for a replacement dwelling must be known to calculate the payment. The following guidelines will be used to determine the purchase price:

a. Purchase of replacement dwelling. A displaced person is considered to have met the requirement to purchase a replacement dwelling, if the person:

(1) Purchases a dwelling; or

(2) Purchases and rehabilitates a substandard dwelling; or

(3) Relocates a dwelling which he owns or purchases; or

(4) Constructs a dwelling on a site he owns or purchases; or

(5) Contracts for the purchase or construction of a dwelling on a site provided by a builder or on a site the person owns or purchases.

(6) Currently owns a previously purchased dwelling and site, valuation of which shall be on the basis of current fair market value.

b. The purchase price paid will normally be the amount established in an escrow or written contract as the selling price.

The Department will not pay any claims for work to be completed on the replacement dwelling after the close of escrow, except as indicated below or with prior written approval by the Department.
c. Rehabilitating Non-Decent, Safe and Sanitary Dwelling

Where the claimant has purchased a non-decent, safe and sanitary dwelling, he may, with prior Department approval, either self-rehabilitate or hire a contractor to rehabilitate or enlarge the dwelling to meet decent, safe and sanitary standards. The Department will include in computing the cost of the replacement dwelling, only that work necessary to meet decent, safe and sanitary standards. See Payment Procedure below, for method of arriving at costs of rehabilitation.

d. Construction of Replacement Dwelling

Where the claimant has purchased vacant land, he may self-construct or hire a contractor to construct his replacement dwelling. See Section XIV B.6.e.(3) for value of land.

e. Owner Retention of Displacement Dwelling

If the owner retains ownership of his dwelling, moves it from the displacement site, and reoccupies it on a replacement site, the purchase price of the replacement dwelling shall be considered to be the sum of:

1. The moving expenses and the cost of restoration to a condition comparable to that prior to the move, including the retention value of the retained dwelling; and

2. The costs incurred to make the unit a decent, safe, and sanitary replacement dwelling; and

3. The cost of the replacement site

   a. The actual cost of a just purchased residential building lot.

   b. The current fair market value for residential use of a replacement site purchased earlier, unless the displacee rented the displacement site and there is a reasonable opportunity for the displacee to rent a suitable replacement site.

   c. If the displacee relocates the dwelling on the remainder of the displacement lot - the portion of the lot not included in a partial acquisition - the "after
value" of the remainder as shown in the appraisal will be considered to be the cost of the replacement site.

(d) If the displacee relocates the dwelling on a parcel of land larger in size than a typical residential lot, the instructions in Section XIV A.9.b. apply. In this case, only the prorated portion of the total purchase price chargeable to a typical residential lot will be allowed as the cost of the replacement site.

(e) If the displacee relocates the dwelling to a typical residential lot that he has owned for some time, the fair market value of that lot will be used as the cost of the replacement site.

7. Payment Procedure

a. Payment into Escrow:

Whenever a claimant requests payment into escrow for the purchase of a replacement property, the following procedures will be followed:

(1) The proposed replacement property shall be inspected to assure that it meets decent, safe and sanitary requirements (See Form 4, Appendix A – Relocation Assistance Forms).

(2) Payments may only be deposited into escrow with a licensed escrow agent, bank, building and loan or savings and loan associations, trust companies, or title companies.

(3) Escrow instructions shall be adequate to assure compliance with our requirements relating to purchase and occupancy and to assure return of funds to the Department if the requirements are not met.

(4) Deposit must be to the account of the claimant.

Any relocation assistance payment may be placed in the replacement escrow for the account of the claimant. Deposit into escrow must be by valid assignment.

Copies of the signed closing statement or HUD 1 and the assignment shall be included with the claim form.
When replacement housing is being constructed or rehabilitated by the claimant, partial or progress payments may not be made from escrow funds. Escrow funds may be released in these cases only when the work is complete and the dwelling satisfies DSS standards. Exceptions for cause may be approved by the Director, Rights of Way or the Relocation Manager.

b. Payment Drawn Before Displacee Eligible:
When the displacee needs the payment immediately after meeting all the requisite requirements, the right of way agent will submit the payment package and include the following:

(1) A memo which explains the reason the displacee needs the money immediately after qualifying. This memo should also explain that the relocation assistance payment will not be released until the displacee is fully eligible for the payment.

(2) An accepted purchase contract, rent receipt or other documentation which supports the amount the displacee is paying for his replacement dwelling. This is not required for moving expense payments.

(3) A decent, safe and sanitary inspection report. This is not required for moving expense payments.

c. Payment After Closing:
When the purchase differential is claimed after the closing on the replacement property, the displaced person shall furnish a copy of the signed closing statement.

Closing statements obtained for the purpose of documenting the actual cost of a replacement property may also be used to support payment of the interest differential and incidental expenses and shall be retained in the case files.

d. Payment for Rehabilitation of a Replacement Dwelling:
Prior to commencing rehabilitation of a replacement dwelling, the claimant shall secure at least two firm bids or estimates from responsible contractors of residential improvements and submit them to the Department for approval; or the Department, at its discretion, may secure such bids or estimates. The Department will use the lowest responsible bid or estimate for computation of the
replacement cost. A qualified building cost estimator employed by the Department may be used in place of the contractors.

Where the final bill exceeds the estimate, a written explanation shall be secured from the contractor when the claim is submitted. Reasons for the excess costs shall be fully documented. The Department should be satisfied that these expenses are warranted before the payment of any additional amount. No increase in cost shall be based upon time spent by the claimant in construction where the work is done.

C. Rental Differential Payment

1. General

The rent differential is a payment designed to help displacees relocate into decent, safe and sanitary rental housing comparable to or better than the Department-acquired dwelling from which they were displaced.

2. Eligibility

A tenant or owner-occupant displaced from a dwelling is entitled to a payment not to exceed $7,200 for rental assistance, if such displaced person:

a. Has actually and lawfully occupied the displacement dwelling for at least 90 days immediately prior to the initiation of negotiations; and

b. Has rented, or purchased, and occupied a decent, safe, and sanitary replacement dwelling within 1 year after:

(1) In the case of a tenant, the date he moves from the displacement dwelling, or

(2) In the case of an owner-occupant, the later of:

   (a) The date he receives final payment for the displacement dwelling, or in the case of condemnation, the date the required amount is deposited in the court; or

   (b) The date he moves from the displacement dwelling.

The Department may extend this period of time for good cause.
3. Computations Required


The most probable rental price of the most comparable dwelling must be determined in accordance with instruction for determining replacement housing costs.

The Department shall use the "three comparable method". (See Section XIV B.3.a.) The asking (or list) rental price of the selected unit is determined to be the most probable rental price of the most comparable available rental unit because rental rates are usually not subject to negotiations.

b. Calculation of Entitlement

The payment shall be 42 times the amount obtained by subtracting the base monthly cost for rent and utilities of the displacement dwelling from the monthly rent and estimated utilities for a comparable replacement dwelling (See Form 8A, Appendix A – Relocation Assistance Forms)

The base monthly rental for the displacement dwelling is the lesser of:

(1) The average monthly cost for rent and estimated utilities at the displacement dwelling.

(a) Average monthly rent means the average of the actual rent paid by a displaced person during the last three months prior to the date of initiation of negotiations.

(b) Estimated utility cost will be by use of the Utility Allowance established by the local housing authority. If the community doesn't have a local housing authority, the right of way agent will contact the utility companies to establish the estimated utility cost. Utility cost will be the average monthly utility cost based on a twelve month period and type of utilities used.

(c) For an owner-occupant or a tenant who pays little or no rent, the average cost for rent shall be the fair market rent. The fair market rent will not be used in those situations where the displacee would be put in a
hardship position. Consideration will be given to the displacees income and/or other special circumstances. The use of market rent is to avoid providing a windfall payment to a displacee.

(2) Thirty percent (30%) of the person's average monthly gross household income, if the amount is classified as “low income” by the U.S. Department of Housing and Urban Development’s annual survey of income limits for the Public Housing and Section 8 Programs. (If the person refuses to provide appropriate evidence of income or is a dependent, the base monthly rental shall be established solely on the criteria in Section XIV C.3.b.(1). A full-time student or resident of an institution may be assumed to be a dependent unless the person demonstrates otherwise.); or

(3) The total of the amounts designated for shelter and utilities if receiving a welfare assistance payment from a program that designates the amounts for shelter and utilities.

c. Calculation of Payment

If the rent and estimated utilities which the tenant actually pays for a replacement dwelling is equal to or greater than the amount determined by the Department as necessary for rent and utilities at the comparable dwelling, the payment calculation is the same as used for Calculation of Entitlement.

If the amount which the tenant actually pays for rent and estimated utilities at the replacement dwelling is less than the amount determined by the Department as necessary for rent and utilities for the comparable dwelling (used in Calculation of Entitlement), calculation of payment will be made by using the lesser rent and utilities.

4. Payment Procedure

The payment under this section shall be disbursed in a lump sum amount, unless determined on a case-by-case basis, for good cause, that the payment should be made in installments. The file will be documented as to the reasons for the decision. However, except as limited by Section XIV A.18., the full amount vests immediately, whether or not there is any later change in the person's income or rent, or the condition or location of the person's housing.
D. Down Payments

1. General

An eligible displaced person who purchases a replacement dwelling is entitled to a payment for down payment assistance. However, a displaced person eligible to receive a replacement housing payment for a 90-day homeowner occupant under Section XIV B is not eligible for this payment.

2. Eligibility

A 90 day tenant or owner-occupant displaced from a dwelling is entitled to this payment, if such displaced person:

a. Has actually and lawfully occupied the displacement dwelling for at least 90 days immediately prior to the initiation of negotiations; and

b. Has rented, or purchased, and occupied a decent, safe, and sanitary replacement dwelling within 1 year after:

   (1) In the case of a tenant, the date he or she moves from the displacement dwelling, or

   (2) In the case of an owner-occupant, the later of:

      (a) The date he receives final payment for the displacement dwelling, or in the case of condemnation, the date the required amount is deposited in the court; or

      (b) The date he moves from the displacement dwelling.

The Department may extend this period of time for good cause.

3. Amount of Payment

The amount of the down payment assistance payment is limited to the amount that the displacee would have received as a rent differential payment described in Section XIV C plus actual reasonable closing or incidental expenses, not to exceed $7,200. If the displaced person is eligible, under Last Resort Housing, for a payment in excess of $7,200.00, the full payment ($7,200.00 plus amount of Last Resort Housing) may be applied towards a down payment and eligible closing cost. All down payment assistance funds will be used for that purpose. Close coordination with the lender and realtor
will be necessary to insure the displaced person receives the maximum benefit.

For purposes of this section, the term "required down payment" means the down payment ordinarily required to obtain conventional loan financing for the decent, safe, and sanitary dwelling actually purchased and occupied. However, if the down payment actually required of a displaced person for the purchase of the replacement dwelling exceeds the amount ordinarily required, the amount of the "required down payment" shall be the amount which is determined as necessary for the down payment (See Form 5, Appendix A – Relocation Assistance Forms).

However, the payment to a displaced homeowner shall not exceed the amount the owner would receive under Section XIV B if he or she met the 180-day occupancy requirement.

4. Owner Retention of Dwelling

The owner may retain his dwelling, and a replacement housing payment, if any, will be determined in accordance with the provisions of Section XIV B.6.e and this Section.

5. Application of Payment

The full amount of the replacement housing payment for down payment assistance must be applied to the purchase price of the replacement dwelling and related incidental expenses.

6. Combined Payments

If an owner-occupant is otherwise qualified under this Subsection but has previously received a payment under Section XIV C, the amount of such payment made under Section XIV C shall be deducted from the amount to which he is entitled under this Subsection.

7. Payment Procedures

The down payment/incidental costs benefit may be:

a. Placed in an escrow for the account of the displaced person who is in the process of purchasing a replacement dwelling (see Section XIV B.7.a); or

b. Paid either to him directly or to his mortgage lender for reduction of the loan balance where the replacement property has already been
purchased.

(1) Calculate the amount of his down payment, and include all eligible incidental expenses as shown by his closing statement.

(2) If the actual down payment on the replacement property is less than the calculated entitlement, the claimant's reimbursement will be limited to a calculation based on his actual down payment.

(3) The claimant should be informed of additional amounts to which he may be entitled. Such payment may be made directly to the mortgage lender using an assignment from the displaced person.

(4) If the actual down payment has already been made by the displaced person, using his funds on the replacement dwelling is greater than the calculated down payment, the Department may make payment directly to the displaced person.
SECTION XV – INCIDENTAL OR CLOSING EXPENSES

A. General

The incidental expense payment is the amount necessary to reimburse a displaced person for the actual costs incurred by him incidental to the purchase of a replacement dwelling.

Only those persons eligible to elect the replacement housing option or the down payment option are eligible for an incidental expense payment.

Short-term owner-occupants and tenants who purchase decent, safe and sanitary replacement housing are subject to the limitations governing down payments.

B. Types of Expense

Reimbursable incidental expenses shall be those costs necessary and reasonable which are actually incurred by the displaced person incidental to the purchase of a replacement dwelling. They will include, but are not limited to, the following, if normally paid by the buyer:

1. Legal, closing and related costs, including title search, preparing conveyance contracts, notary fees, surveys, preparing drawings or plats, and charges paid incidental to recordation.

2. Lender, FHA or VA appraisal and application fees (only if the displacement property was encumbered with a mortgage).

3. Certification of structural soundness and termite inspection.

4. Credit Report (only if the displacement property was encumbered with a mortgage).

5. Owner's title policy not to exceed the costs for a comparable dwelling or the cost of an attorney's opinion of marketable title when the seller furnishes the buyer with an updated abstract of title.


7. State Revenue stamps (not to exceed the cost for the comparable dwelling).
8. Sales Tax on Mobile Homes (not to exceed the charge for the comparable replacement).

9. "Points" and loan origination fees actually paid by the displaced person, if any, in connection with the election of the down payment option by short-term owners and tenants only.

10. The single premium collected by the Department of Housing and Urban Development (HUD) for mortgage insurance. It should be based upon not only the calculated buy-down mortgage amount of the new mortgage or the amount of the old mortgage, whichever is lesser, but should also be based upon the actual term of the new mortgage or the remaining term of the mortgage on the acquired property, whichever is lesser.

In cases where there is no mortgage on the acquired property, any payment made for mortgage insurance is not eligible for reimbursement. In addition, a displaced long-term owner is not eligible to receive this payment if the equity from the acquired property and the amount of the computed purchase differential is adequate to obtain conventional loan financing.

Tenants are eligible to receive this reimbursement. A mortgage insurance premium that is required as an expense incidental to obtaining a mortgage is eligible for reimbursement within the limits of down payment assistance.

Similar types of mortgage guarantee insurance premiums are eligible if required from the lender (e.g. MGIC) to insure against default on a conventional loan.

The Department will not obtain a refund from the property owner if the owner receives a refund of a portion of the insurance premium from HUD upon prepayment of the insured loan. It is the Department's position that the expenses and red tape involved in assuring that a credit to project funds is received at some uncertain future date would not be cost effective.

11. Surveys of savings and loan institutions indicate that some agencies do not require any inspections, while others do. Certain inspections, such as heating, air conditioning, plumbing and electrical are considered typical (i.e. over fifty (50%) percent obtain such inspections) while others may be necessary in certain instances due to the condition or age of a home. The Department will provide reimbursement in those cases where inspections are customary or the displacee documents the reasons for obtaining such inspection.

C. Limitations

Items NOT considered as reimbursable incidental expenses.
1. Incidental expenses incurred by the property owner in the conveyance of his property to the Department.

2. For long-term owner-occupants, any fee, cost, charge or expense which is determined to be a part of the debt service, or finance charge under the "Truth in Lending Acts" (Points) in the purchase of replacement housing. These are part of the interest differential payment.

3. The incidental closing costs as referred to herein relate only to the displacees’ purchase of replacement property and in no way includes or involves any closing costs related to the attempted purchase of a replacement dwelling.

4. Any items paid in advance by the seller of the real property and prorated between the seller and the buyer at the close of escrow such as real property taxes, fire insurance, home owners' association dues and assessment payments, etc.

5. Sales or use tax on mobile homes based on an amount in excess of the calculated replacement cost.

6. Independent mortgage broker fees charged by individuals who purport to represent one or more companies which provide short or long term financing. This restriction is to prevent mortgage brokers who engage in predatory lending practices from seeking extensive fees and not those seeking the typical standard fees allowed in normal mortgage lending. Waivers may be granted only by the Director, Rights of Way or the Relocation Manager.

7. Any cost incurred in securing a larger mortgage on the replacement dwelling than existed on the acquired dwelling is considered unnecessary and therefore is ineligible for payment.

D. Proof of Payment

   Proof of payment of actual expenses incurred will be documented as follows:

   1. Payments made through closing: Proper items must be separately itemized in the closing statement.

   2. Payments made outside of closing: Paid, receipted statements, or statements and cancelled checks as evidence of payment.

E. Method of Payment

   Claims for payment of incidental expenses shall be accomplished by use of Forms 12 and 14 (Appendix A – Relocation Assistance Forms).
The form shall be accompanied by supporting documentation such as a copy of the closing statement, receipted bills, etc.
SECTION XVI – INTEREST DIFFERENTIAL PAYMENTS

A. General
The Department shall determine the factors to be used in computing the amount to be paid to a displaced person under this section. The payment for increased mortgage interest cost shall be the amount which will reduce the mortgage balance on a new mortgage to an amount which could be amortized with the same monthly payment for principal and interest as that for the mortgage(s) on the displacement dwelling.

B. Eligibility
To be eligible all of the following conditions must exist.

1. The displacee must have been an owner-occupant for more than 90 days prior to the date of the first written offer or the date of the Notice of Intent to Acquire.

2. The displacee must have purchased and occupied a suitable replacement dwelling within the prescribed time limits.

3. The mortgage or contract of sale must be bona fide and have been a valid lien for not less than 180 days prior to the date of the first written offer or the date of the Notice of Intent to Acquire. All mortgages shall be used to compute the payment.

4. There must be a mortgage or contract of sale on the replacement dwelling and it must bear a higher rate of interest than the interest rate on the existing encumbrance.

5. Mortgages or similar notes used to purchase mobile homes are mortgages for the purpose of this procedure.

In addition, payments shall include other debt service costs, if not paid as incidental costs.

C. Interest Rates
The difference between the interest rates of the existing and new loans is one of the basic factors in the calculation of the payment. The actual rate of the existing loan is used. On the new
loan, the rate used is the actual rate not to exceed the rate currently charged by mortgage lending institutions in the vicinity of the replacement property. The controlling date for determining the maximum allowable interest rate that may be used is the date of the new mortgage note.

D. Payment Procedures

Payment computation - The amount of the increased interest payment will be computed on Form 15 (Appendix A – Relocation Assistance Forms) and in accordance with the following procedures:

1. The payment shall be based on the unpaid mortgage balance(s) on the displacement dwelling; however, in the event the person obtains a smaller mortgage than the mortgage balance(s) computed in the buy-down determination, the payment will be prorated and reduced accordingly (See Section XVI F). In the case of a home equity loan, the unpaid balance shall be that balance which existed 180 days prior to the initiation of negotiations or the balance on the date of acquisition, whichever is less.

2. The payment shall be based on the remaining term of the mortgage(s) on the displacement dwelling or the term of the new mortgage, whichever is shorter. If the term on the new mortgage is shorter and, therefore, used in the determination of the payment, it will be necessary to recalculate a new monthly principal and interest payment for the displacement dwelling based on the interest rate and mortgage balance(s) on the displacement dwelling and the term of the new mortgage (See Section XVI F).

3. The interest rate on the new mortgage used in determining the amount of the payment shall not exceed the prevailing fixed interest rate for conventional mortgages currently charged by mortgage lending institutions in the area in which the replacement dwelling is located.

4. Purchaser's points and loan origination or assumption fees, but not seller's points, shall be paid to the extent:
   a. They are not paid as incidental expenses;
   b. They do not exceed rates normal to real estate transactions in the area;
   c. The Department determines the costs to be necessary; and
   d. The computation of such points and fees shall be based on the unpaid mortgage balance on the displacement dwelling, less the amount determined for the reduction of such mortgage balance under this section.
5. The displaced person shall be advised of the approximate amount of this payment and the conditions that must be met to receive the payment as soon as the facts relative to the person's current mortgage(s) are known and the payment shall be made available at or near the time of closing on the replacement dwelling in order to reduce the new mortgage as intended.

E. Payment Computation Requirements

1. To accomplish the computation of the increased interest payment, it will be necessary for the displacee to provide the Department with the following documents:
   a. A copy of all notes or existing mortgages on the displacement property;
   b. A copy of all new mortgages on the replacement property; and
   c. A copy of the closing statement covering the replacement property purchased.

2. A determination of the prevailing interest rate currently being charged by mortgage lending institutions must be obtained. The prevailing interest rate currently being charged by mortgage lending institutions is established by the Relocation Manager by conducting a periodic survey of interest rates and discount points being charged by residential lenders in the project area. The file must be documented to show how such prevailing interest rate was determined.

F. Computation Steps

1. Section XVI sets forth the factors to be used in computing the payment necessary to reduce the displacees’ replacement mortgage to an amount which can be amortized at the same monthly payment for principal and interest over the same period of time as the remaining term on the displacement mortgages. If the term on the new mortgage is shorter and, therefore, used in the determination of the payment, it will be necessary to recalculate a new monthly principal and interest payment for the displacement dwelling based on the interest rate and mortgage balance(s) on the displacement dwelling and the term of the new mortgage. This payment is commonly known as the "buy-down".

2. The remaining principal balance, the interest rate, and monthly principal and interest payments for the old mortgage as well as the interest rate, points and term for the new mortgage must be known to compute the increased mortgage interest costs. If the combination of interest and points for the new
mortgage exceeds the current prevailing fixed interest rate and points for conventional mortgages and there is no justification for the excessive rate, then the current prevailing fixed interest rate and points shall be used in the computations. Justification may be the unavailability of the current prevailing rate due to the amount of the new mortgage, credit difficulties, or other similar reasons.

3. Sample Computations

Old Mortgage:
- Remaining Principal Balance: $50,000.00
- Monthly Payment (principal and interest): $458.22
- Interest rate (per cent): 7%

New Mortgage:
- Interest rate (percent): 10
- Points: 3
- Term (years): 15

The remaining term of the old mortgage is determined to be 174 months. (Determining, or computing, the actual remaining term is more reliable than using the data supplied by the mortgagee.) However, if it is shorter, use the term of the new mortgage and compute the needed monthly payment.

The amount to be financed to maintain a monthly payment of $458.22 at 10% is $42,010.49.

Remaining principal balance on old mortgage: $50,000.00
Less amount of reduced loan: $42,010.49
Plus increased mortgage interest costs: $7,989.51
Plus 3 points on $42,010.49: $1,260.31

Total buy-down necessary to maintain payments at $458.22/month is $9,249.82

If the new mortgage actually obtained is less than the computed amount for a new mortgage ($42,010.49), the buy-down is to be prorated accordingly. If the actual mortgage obtained in the example was $35,000, the buy-down payment would be $7,706.03 ($35,000 divided by $42,010.49 = .8331 $9,249.82 x .8331 = $7,706.03).

The following sample is for computations involving a shorter term at the replacement property.

Old Mortgage:
- Remaining Principal Balance: $50,000.00
Monthly Payment (principal and interest) ...................... $458.22
Interest Rate (percent) .................................................... 7%
Remaining Term (months) ............................................. 174

New Mortgage:
  Interest Rate (percent) .................................................. 10
  Term (months) .............................................................. 120
  Points ............................................................................. 3

Because the new term is less than the remaining term at the displacement dwelling, it is necessary to recalculate a new monthly principal and interest payment for the displacement dwelling based on the interest rate and mortgage balance on the old mortgage and the term of the new mortgage. The monthly payment for $50,000.00 at 7% for 120 months is $580.54.

The amount to be financed to maintain a monthly payment of $580.54 at 10% is $43,930.14.

Remaining principal balance on old mortgage ................... $50,000.00
Less amount of reduced loan ............................................. -$43,930.14
Plus increased mortgage interest costs .............................. $6,069.86
Plus 3 points on $43,930.14 ................................................. $1,317.90

Total buy-down necessary to maintain payments at $580.54/month $ 7,387.76

4. The Department is obligated to inform the displacee of the approximate amount of this payment and that he or she must obtain a mortgage of at least the same amount as the calculated buy-down mortgage amount and for at least the same term in order to receive the full amount of this payment. The displacee is also to be advised of the interest rate and points used to calculate the payment.

G. Limitations and Exclusions

1. To Whom Payments Are Made

The payment described in this Section may be made directly to the displaced individual or family upon receipt of Form 5 (Appendix A – Relocation Assistance Forms) or upon written instructions from the displaced individual or family, directly to the mortgagee of the replacement dwelling. In cases where an applicant is otherwise qualified for an interest payment, and upon his specific request, the State may make an advanced payment into escrow prior to the displacees’ moving.
2. Partial Acquisition

a. Where the dwelling is located on a tract normal for residential use in the area, the interest payment shall be reduced to the percentage ratio that the acquisition price bears to the before value; except the reduction shall not apply when the mortgage requires the entire mortgage balance to be paid because of the acquisition and it is necessary to refinance.

b. Where a dwelling is located on a tract of land larger than normal for residential use in the area, the total mortgage balance should be reduced to the percentage ratio that the value of the residential portion bears to the before value for computational purposes. This reduction shall apply regardless of whether it is required that the entire mortgage balance be paid.

3. Multi-Use Properties - The interest payment on multi-use properties shall be reduced to the percentage ratio that the residential value of the multi-use property bears to the before value.

4. Other Highest and Best Use - If a dwelling is located on a tract where the fair market value is established on a higher and better use, and if the mortgage is based on the residential value, the interest payment shall be computed as provided in the appropriate paragraphs above. If the mortgage is based on a higher use, however, the interest payment shall be reduced to the percentage ratio that the estimated residential value of the parcel has to the before value.

5. Mortgage Combinations/Variable Principal and Interest Payments and Terms. The many different combinations of details that could exist concerning amounts on each mortgage (different interest rates, etc.) and the number of mortgages involved, all of which could affect the payment computation procedure, make it impractical, if not impossible, to include all instructions to cover the various situations which could be encountered. Therefore, if a situation is encountered or the need for such computations exist, all facts are to be presented to the Relocation Manager with a request for specific increased interest payment computations and instructions.

6. Displacee Assumes Existing Mortgage on Replacement Property. If an eligible displacee assumes a mortgage which already existed on the property he purchased as a replacement, consider it as a "new" mortgage. The unpaid debt balance he assumes, and the remaining term of such mortgage, shall be used in the "new mortgage" computations.

7. Condemnation Involved. The fact that the subject property was acquired through condemnation has no effect on the increased interest payment as such payment will be claimed in the "replacement housing claim" regardless of whether such claim is filed before or after the case is finally settled. The
increased interest payment amount will not be changed or affected even though the final replacement housing payment amount may be adjusted to the amount of the final judgment.

8. Interim financing or a loan obtained for construction purposes is not considered an eligible loan and is excluded from the Interest Differential Payment.

9. Mortgages on timber, trade fixtures, growing crops and all types of personal property are excluded, with the exception of mobile homes.

10. Mortgages with terms that have materially changed within the 180-day period prior to the date of the first written offer or the date of issuance of a Notice of Intent to Acquire are not eligible.
SECTION XVII – MOBILE HOMES

A. General

This section provides additional instructions which are intended to assist the right of way agent in dealing with the special aspects of mobile home relocation that are different or at variance with normal procedures and requirements applicable to relocation involving conventional dwellings. Since basic and universally applied requirements ARE NOT REPEATED in this section, it is necessary that they be understood prior to applying the special variations found herein. If the mobile home owner should elect to relocate the mobile home themselves the agent should contact the Relocation Manager for further instructions.

The eligibility requirements of displaced mobile home occupants are basically the same as those for occupants of conventional dwellings. The computation of benefits, however, presents unique problems due to the various combinations of ownership and tenancy found in mobile home occupancy and the fact that different data is encountered in incidental expenses, down payment and loan criteria. The general difficulty in finding vacant spaces for mobile homes which are more than two or three years old also presents special problems in providing effective relocation.

It should also be noted that, generally, the relocation of an isolated single mobile home from a residential lot, farm property or privately-owned rural plot will not involve any unusual difficulties, because a replacement site will usually be available. Though the instructions contained in this section will be of assistance in such cases, they are primarily oriented to more difficult situations involving the displacement of more than a few units from an established mobile home park.

1. Acceptability of the Mobile Home - If otherwise eligible under this section, the owner of a mobile home is entitled to a replacement housing payment if his mobile home does not meet comparable mobile home park entrance requirements. The amount of such payment will be computed as the difference between acquisition cost (or the trade-in value of the mobile home that is personality and is not acquired) and the price of a mobile home acceptable to the mobile home park; or, if less, the cost to rehabilitate the existing mobile home, if practicable, to meet the entrance requirements.

2. Mobile Home Park Entrance Fees - If the displacee is required to pay an entrance fee in order to enter a mobile home park, such fees will be included in the moving expense payment provided:
a. The fee does not exceed the fee at a comparable mobile home park, if
the person is displaced from a park, and

b. The fee is not refundable to the tenant like a security deposit would
be, or

c. The Department determines the payment of the fee is necessary to
effect relocation.

3. Partial Acquisition of Mobile Home Park

Where the Department determines that a sufficient portion of a mobile home
park is taken to justify the operator of such park to move his business or go
out of business, the owners and occupants of the mobile home dwellings not
within the actual taking but who are forced to move shall be eligible to
receive the same payments as though their dwellings were within the actual
taking. This decision will be made by the Director, Rights of Way or the
Relocation Manager after a review of the pertinent information.

4. Mobile Homes as Replacement Dwellings

A mobile home may be considered a replacement dwelling provided:

a. The mobile home meets standards of decent, safe and sanitary as
provided in Section III.

b. The mobile home is placed in a fixed location:

(1) In a mobile home park which is licensed and operating under
State law; or

(2) In a mobile home subdivision wherein the displaced person
owns the lot on which the mobile home is placed; or

(3) On real property owned or leased by the displaced person in
other than a mobile home subdivision, provided such
placement is in accordance with State and local laws or
ordinances, and provided such placement was made under
permit from the State or local jurisdiction.

(4) The mobile home meets local code requirements, has a
minimum square footage of 320 heated square feet when
erected and is connected to all utilities.
5. Computation on Next Highest Type

When a comparable mobile home is not available, it will be necessary to calculate the replacement housing payment on the basis of the next highest type of dwelling that is available and meets the applicable requirements and standards, i.e., a higher type mobile home or a conventional dwelling.

"Not available" as used in this subsection includes, but is not limited to, those cases where mobile homes cannot be relocated in mobile home parks within a reasonable distance from the place of displacement because of lack of available spaces or because of the standards and rules of the mobile home parks where spaces are available.

6. General Rules for Replacement Housing or Rent Supplement Payment Computations - The general provisions for moving expenses and replacement housing payments of Section XIII and XIV are also applicable to owners and tenants of mobile homes.

a. The ownership or tenancy of the mobile home (not the land on which it is located) determines the occupant's status as an owner or a tenant. The length of ownership and occupancy of the mobile home on the mobile home site will determine the occupant's status as a 90-day owner or tenant.

b. The mobile home must be occupied on the same site (or in the same mobile home park) for the requisite 90 days to make the occupant eligible for the appropriate payment limitations - $7,200 or $31,000.

c. After the determinations of a and b above, the replacement housing payment is computed in two parts:

(1) The replacement housing or rent supplement payment is computed for the mobile home in accordance with the same procedures for any comparable dwelling unit.

(2) The replacement housing or rent supplement payment for the mobile home site will be computed in accordance with the same procedures of comparability, but the payment is limited to the maximum according to his ownership or tenancy of the land unless Housing of Last Resort is required.

The sum of the two parts computed in (1) and (2) above cannot exceed the maximum limitations of the $7,200 or $31,000, unless Housing of Last Resort was required.
d. If the displaced person chooses to exercise his option for change of ownership or tenancy, the same procedures employed for other dwelling units will be used and substituted for the appropriate part in c. (1) or c. (2) above.

B. Eligibility

Owner-occupants and tenants of mobile homes are eligible for the same purchase, rental, and interest differentials, and incidental expense payments as the owner-occupants and tenants of conventional dwellings, apartments or condominiums.

Determination of eligibility for mobile home occupants may be more involved because of:

1. The possibility of divided ownership between the mobile home and the site on which it is located.

2. The fact that the Department may acquire the site and not the mobile home.

3. The possibility of replacement of the mobile home and/or site in an ownership and tenancy not identical with the type presently held by the displacee.

The most common type of interest encountered in mobile home occupancy is where the occupant owns the mobile home and rents a site in a privately-owned mobile home park. Providing relocation benefits to this type of occupant presents no unusual problems, if there is a suitable vacant space available and the unit can be moved. In this situation, benefits can be administered in accordance with the instructions pertaining to moving benefits and rent differentials. Where the unit is not DSS or where it cannot be moved due to physical reasons or lack of a suitable vacant replacement site, the problems of applying the various benefits are more complex. Because of this complexity, anyone involved in the administration of these benefits should understand the specific mobile home replacement housing payments which apply to mobile home relocation found later in this section.

C. Preparation and Delivery of Relocation Assistance Services and Benefits to Mobile Home Occupants

The time limitation for presenting relocation information to eligible mobile home occupants on rented sites is the same as for conventional dwelling tenants.

The fact that a mobile home resident occupies a dwelling which is considered personal property and which is normally capable of being moved requires special considerations in the determination and explanation of relocation benefits.
When possible, the primary method of effecting relocation of mobile home occupants should be the moving of the displaced mobile home to a suitable replacement site. Since the extension of various benefits depends on whether or not such a move can be accomplished, it is usually not possible to make a complete determination of benefits until the time of the relocation offer or thereafter.

The following steps should be included in preparing and delivering relocation information in addition to the Relocation Brochure.

1. Where a substantial number of mobile home relocations are involved, it is desirable that an agent be assigned at the time the market value appraisal is being prepared. This will provide sufficient lead-time for the Right of Way Agent to inspect the affected park and become aware of the specific amenities available to occupants. An interview with the park manager will be helpful in obtaining background information such as the extent of social activity (clubs, etc.) and trends of occupancy (mostly retired, etc.).

2. The right of way agent should also have knowledge of the availability of suitable replacement sites. A field survey of surrounding parks located through the classified telephone directory, the local Chamber of Commerce and realtors in the area should be performed. A discussion with local zoning and building officials is necessary to understand the local code requirements.

3. The agent should also understand the special problems involved in moving mobile homes, be prepared to explain the moving benefits and process necessary for relocating the displaced person and mobile home.


5. If a move cannot be effective, the displacee may be eligible for purchase benefits, e.g. purchase differential or down payment (for the unit) as well as a rental differential (for the site).

6. The agent should prepare his file so that the Decent, Safe and Sanitary status of the unit can be established or confirmed at the time of the initial interview. Information should include model, year manufactured (from registration slip) and presence or lack of a current registration. Confirmation of occupancy date and current rental rate should also be made. A review of the appraisal is also necessary to determine if any items of realty were purchased.

D. Presentation of Information to Non-Eligible Occupants

In partial acquisitions of large parks or where occupants of excess land will not be displaced as a result of the acquisition, the dissemination of information to non-eligible occupants is highly desirable.
Also, although mobile home sites are usually rented, occupancy in a mobile home park is a much more permanent residential arrangement than apartment occupancy. A primary reason for this is that most occupants own their mobile home, and the cost of moving often equals as much as fifty percent (50%) of the in-place value.

The overall result of these trends is a close-knit community with a large degree of social activity among occupants. This is exemplified by the fact that a "clubhouse" or "assembly room" is one of the standard amenities of a modern mobile home park.

These factors, when coupled with substantial variances in eligibility for benefits from unit to unit, often result in excessive uncertainty, rumors and confusion concerning acquisition and relocation. Unless the acquisition is of a small and relatively insignificant part of a park, all occupants should be contacted either individually or by group meeting at the time of the initial interviews.

It is also advisable that a "non-eligible" file be established containing a list of names and space numbers. This file will also be a convenient place for documentation of communications and inquiries received from these people.

E. Relocation Advisory Assistance Service

To provide effective relocation assistance to mobile home occupants, the agent must understand the special aspects of this type of housing. It is vital that the right of way agent know these things prior to contact with affected claimants. Information concerning trends in occupancy is contained in the preceding parts of this section. Reasons for the general difficulty in locating a suitable vacant space are due in part to the following factors:

1. Mobile home parks occupy an unfavorable position in community planning and zoning considerations because of the low tax base and the fact that conventional residential owner-occupants do not want them around. Consequently, these parks are more difficult to establish.

2. When occupants of mobile home space find it necessary to move, the unit is sometimes sold in place due to loss in value when moved and the relatively high cost of moving. Some parks charge a fee when the unit remains, but this is usually less than the loss involved in moving. Thus, even though occupants move, the space remains occupied with the unit, and changes in occupancy rarely result in vacant spaces.

3. In cases where a vacant space does become available, the void is often filled as a result of a continuing agreement between the park management and local mobile home dealers who have what is tantamount to an option on the vacant site for their customers.

4. Normally new parks will accept only new or near new units. Where used units are accepted, park management often requires painting, new skirting,
awnings, landscaping, etc. New parks are generally designed to accept “double-wide” units which eliminate them as a prospect for the relocation of single-wide units.

5. It will probably be necessary for the agent to coordinate the entire relocation process, including arranging for lodging until the mobile home is moved and ready for occupancy. It is critical that all necessary elements of the move be planned ahead of time and executed promptly to minimize the time the occupant is out of their home. The agent should be on site most of the time while work is being accomplished by contractors.

Because of these considerations it is often difficult to find vacancies for displaced mobile home units. Since vacancies which arise are rapidly filled, successful advisory service requires a continuing liaison with the mobile home rental market.

In fulfilling the Department's obligation to provide suitable replacement sites, compliance with regulations defining comparable replacement dwellings is required; however, it should be stressed that the replacement need not be identical to be a reasonable one.

Where limited vacancies are encountered, claimants should be encouraged to take advantage of them even though three locations are not available from which to choose.

F. Mobile Home Moving Costs

The payment of moving costs to displaced mobile home occupants and owners is covered by the section on Moving Expenses (See Section XIII). A homeowner-occupant displaced from a mobile home or mobile home site is entitled to a payment for the cost of moving his or her mobile home on an actual cost basis in accordance with Sections XIII A.9 and B.5. A non-occupant owner of a rented mobile home is eligible for actual cost reimbursement under Sections XIII A.9 and C. However, if the mobile home is not acquired, but the homeowner-occupant obtains a replacement housing payment under one of the circumstances described in Section XVII H.1, the owner is not eligible for payment for moving the mobile home but may be eligible for a payment for moving personal property from the mobile home. Generally, the most difficult aspect of moving a mobile home is finding a suitable vacant site as discussed under the topic of Relocation Advisory Assistance above.

1. Move from a Mobile Home

Where the mobile home occupant moves into another mobile home or into a conventional dwelling, regular application of moving schedules or actual costs of a commercial carrier may be used. This will cover costs incurred by the claimant in relocating his furnishings and/or miscellaneous personal property to the new place of residence.
2. Actual Cost Mobile Home Moves

Because special equipment, skills and knowledge are required in moving a mobile home, these moves are usually done by mobile home moving specialists on an actual cost basis. As in other actual cost moves, two bids should be obtained and carefully reviewed before authorization is granted to move. Special attention should be given to the following items to see that they are considered.

a. The disconnection and reconnection of utilities and appliances.

b. The need to provide a flag car or additional axles and/or brakes, if required, in compliance with State requirements.

c. The alternative of shipping the unit on a "low-boy" trailer.

d. The need to rent suitable wheels and/or tires.

e. Specifications for temporary protection such as plywood or plastic covers for separated doubles.

f. The need to reseal roofing (older units usually develop cracks in the roof when moved). All appropriate roofs should be “cool sealed” after a move.

g. The need to remove, clean and reinstall or replace carpeting or other flooring material when double-wide units are moved.

h. Set up on replacement pad, including leveling.

i. The reasonable cost of disassembling, moving, and reassembling any attached appurtenances (such as porches, decks, skirt ing, and awnings) which were not acquired, anchoring of the unit, and utility "hook-up" charges.

j. Non-refundable entrance fees are reimbursable as part of actual cost moving expenses unless the Department determines that comparable mobile home parks are available which do not require entrance fees.

k. An inspection, using a camera to record the inspection, should be made to determine the condition of the mobile home, whether air conditioning and furnaces operate, plumbing conditions, etc. If problems exist prior to the move, which effect either DSS standards or the ability of the mobile home to be moved, it may be necessary to
secure bids to make said repairs or make alternate decisions, and/or consult supervisory personnel for guidance.

3. Special Moving Costs

In addition, moving costs may include those items reasonably required to place a mobile home in a suitable replacement site. These items usually include painting or waxing, the purchase and installation of such items as skirting, awnings, landscaping and minor modifications to hide tongues and air conditioners. It is also necessary that the need for these items be verified through a determination that they are based on requirements that are universally and consistently applied in the replacement park.

If a mobile home requires repairs and/or modifications so that it can be moved and/or made decent, safe, and sanitary, and it is determined that it would be economically feasible to incur the additional expense, the reasonable cost of such repairs and/or modifications is reimbursable.

The standard moving payment limitation of 50 miles also applies in the case of mobile home moves, but authorization to pay for voluntary moves in excess of this distance may be obtained through the Relocation Manager where suitable replacement sites are not available within 50 miles, and where the amount paid for moving would be less than the housing differential to an eligible occupant.

4. PERSON MOVES MOBILE HOME. If the owner is reimbursed for the cost of moving the mobile home, he or she is not eligible to receive a replacement housing payment to assist in purchasing or renting a replacement mobile home. The person may, however, be eligible for assistance in purchasing or renting a replacement site.

G. Mobile Home Decent, Safe and Sanitary Inspections

Decent, Safe and Sanitary requirements for mobile homes are basically the same as those required for conventional dwellings.

The mobile home must be placed in a fixed location which is either (1) a properly-licensed mobile home park, (2) an owner-occupied lot in a mobile home subdivision or (3) on other real property where placement is in accord with local laws or ordinances and pursuant to a permit.

Used mobile homes which are purchased as replacement dwellings by claimants should be inspected prior to purchase agreement because used units often lack necessary qualifying features. If size requirements are met, new mobile home DSS inspections can be made at the time of claimant occupancy. Federal regulations for our program prohibit the use of mobile homes less than 320 square feet of heated space. However, it should be stressed that every effort should be made to preclude the claimant's purchase of a mobile home which would prove to be a non-DSS dwelling.

January, 2016    XVI-9
H. Mobile Home Purchase Differentials

1. Department Acquisition of Mobile Homes

Mobile home purchase differentials are only paid when a unit owned and occupied by an eligible claimant qualifies under these procedures. The procedures authorize such a payment if the Department acquires the mobile home as real property or if the mobile home is not acquired but the owner is displaced because of a determination that the mobile home:

a. Is not and cannot economically be made decent, safe, and sanitary; or

b. Cannot be moved without substantial damage or unreasonable cost; or

c. Cannot be moved because there is no available comparable replacement site; or

d. Cannot be moved because it does not meet mobile home park entrance requirements.

When the mobile home is not actually acquired, the acquisition cost of the displacement dwelling used for the purpose of computing the price differential amount, described in Section XIV B, shall include the salvage value or trade-in value of the mobile home, whichever is higher.

If the Department determines that it would be practical to relocate the mobile home, but the owner-occupant elects not to do so, the owner is not entitled to a replacement housing payment for purchase of a mobile home. However, the owner is eligible for moving cost described in 49 CFR Part 24, Section 24.301 and any replacement housing payment for the purchase or rental of a comparable replacement site.

2. Suitable Replacement Sites

The requirements for comparable replacement dwelling must be satisfied in qualifying a park vacancy as a suitable replacement site. The question whether or not an available vacancy is a suitable replacement site is to be determined by the Department using reasonable objective standards. This is necessary because an eligible claimant, by capriciously refusing to accept a vacant site, could secure for himself several thousand dollars in differential benefits to which he is not really entitled. In any event, the claimant should be given as many choices of replacement sites as are available at the time of relocation.
3. **Payment Calculation**

At the time it is determined that a mobile home is not DSS and/or cannot be moved, the trade-in or salvage value of the unit shall be obtained and the replacement housing cost shall be calculated. The purchase differential will be the difference between the amount of the trade-in or salvage value and the calculated replacement housing cost.

4. **Limitations**

Follow limitations as provided in conventional dwellings, the claimant's qualification for the purchase differential payment is limited by the amount spent in buying the replacement unit up to the calculated amount. The cost of all accessories such as awnings, carports, and skirting, landscaping and installation charges may be included in qualifying for the payment. Reimbursable incidental expenses which are incurred in the purchase should not be included in this calculation. Before the purchase differential claim can be paid, the occupied replacement unit and site must comply with the requirement set forth in this section under Decent, Safe and Sanitary Inspections.

5. **Site Differentials**

Purchase differentials for mobile home sites are paid only when a mobile home occupant is relocated from a site purchased from him to a replacement site purchased by him. The amount is a differential between the amount paid by the Department for the site and the amount the Department determines is necessary to purchase a comparable replacement site. Occupancy and expenditure requirements must be met before payment of the purchase differential is made unless provided as an advance payment to minimize a hardship.

6. **Use of Assignments and Escrows**

To assist a claimant in purchasing a replacement mobile home it is sometimes necessary to place (or hold) the funds due the claimant in escrow. This procedure usually requires an assignment and a letter confirming the availability of funds and instructions for their use being issued to the mobile home dealer (seller) in order to secure the purchase order.

I. **Mobile Home Down Payments**

Mobile home down payments are processed according to the same general principles that apply to conventional dwellings, subject to the following.

It is only necessary that the Department acquire the rental site to fulfill the acquisition qualification for relocation benefits. It is not necessary that the mobile home be acquired by the
Department. The 90-day occupant may be considered to be displaced for any of the circumstances described Section XVII H.1.

J. Mobile Home Incidental Expenses

The principles providing for payment of incidental expenses incurred in the purchase of mobile homes are the same as those for conventional dwellings (see Incidental Expense Payments, Section XV). Variations result, however, from the fact that expenses are encountered in the purchase of mobile homes that do not arise with other property acquisitions.

Examples of typical eligible incidental expenses with appropriate remarks follow.

1. Sales Tax - Payment will be based on the applicable tax rate for the calculated replacement cost or the actual tax paid, whichever is less. The Sales Tax on additional improvements (i.e. skirting, awnings, etc.) is eligible for total reimbursement provided the items are required for park occupancy.

2. Transfer Fee - Amount charged by Department of Motor Vehicles for transfer of title.

3. Permit Fees - Amount charged for building permits, transportation permits (if not paid as part of moving expense), etc.

K. Mobile Home Rental Differential Payments

1. Both Rental and Purchase Differentials May Be Paid to One Claimant

A displaced person may be paid a rental differential payment for the rental of a replacement mobile home or site together with any other payments to which he may be entitled, such as mobile home moving cost or down payment or purchase differentials on either the mobile home or site.

2. Acquisition Requirement

It is not necessary for the Department to acquire the mobile home from which the tenant is displaced before he may qualify for this payment. Acquisition of the mobile home site satisfies the acquisition requirement. The 90-day occupant may be considered to be displaced for any of the circumstances described in Section XVII H.1.

3. Calculation of Benefit

The amount of payment is calculated as the difference between actual rent for the acquired site or unit and that determined by the Department as necessary to rent an appropriate replacement site or unit for a period of 42 months (See Form 8A, Appendix A – Relocation Assistance Forms). The
amount is limited by the rental expenditure as in the case of conventional dwellings; DSS and occupancy requirements must also be met.

L. Mobile Home Interest Differential Payments

The Section on mortgage interest differential payments (XVI) authorizes the payment of increased interest expenses incurred by eligible owner-occupants in replacement mobile home and site purchases. Because mobile homes are generally considered as personality, shorter terms and higher interest rates are used. The annual interest rates used in calculating mobile home interest differential payments may be obtained from local savings and loan associations which provide mobile home financing.

The following instructions cover the three basic situations involving mobile home interest differential payments.

1. Conventional Dwelling to Mobile Home

Where a displaced person elects to relocate from a conventional dwelling, with financing secured by a mortgage, to a mobile home, the maximum interest rate allowable in calculating the interest differential is that which is allowed for a conventional dwelling.

2. Mobile Home to Mobile Home

Where the Department uses a trade-in or salvage value on a mobile home and the owner-occupant has financing secured by a lien, the interest differential payment will be calculated on the difference between the existing loan interest rate and the current maximum for mobile homes or the actual rate, whichever is less.

3. Mobile Home to Conventional Dwelling

Calculation of the interest differential payment, where the Department purchases an owner-occupied mobile home, is the same as in the preceding case where a mobile home is selected as a replacement dwelling. It is recognized that interest rates on the conventional dwellings are naturally lower (due to greater security), and that the calculation will generally result in no interest differential payment.

M. Persons with Both an Ownership and Tenant Interest

A displaced mobile home occupant may own the displacement mobile home and rented the site or may have rented the displacement mobile home and owned the site. Also a person may elect to purchase a replacement mobile home and rent a replacement site, or rent a replacement mobile home and purchase a replacement site. In such cases, the total replacement housing payment shall consist of a payment for a dwelling and a payment for a site, each computed under the applicable section. However, the total replacement housing payment to a person shall not exceed the
maximum payment (either $31,000 or $7,200) permitted under the section that governs the computation of the dwelling.

N. Replacement Housing Payments for 90-Day Mobile Home Owner-Occupants

1. A displaced owner-occupant of a mobile home is entitled to a replacement housing payment, not to exceed $31,000, under Section XIV B if:

   a. The person owned the displacement mobile home and occupied it on the displacement site for at least 90 days immediately prior to the initiation of negotiations;

   b. The person meets the other basic eligibility requirements in Section XIV B; and

   c. The Department acquires the mobile home and/or mobile home site, or the mobile home is not acquired by the Department but the owner is displaced from the mobile home because it is determined that the mobile home:

      (1) Is not and cannot economically be made decent, safe, and sanitary; or

      (2) Cannot be relocated without substantial damage or unreasonable cost; or

      (3) Cannot be relocated because there is no available comparable replacement site; or

      (4) Cannot be relocated because it does not meet mobile home park entrance requirements.

2. If the mobile home is not acquired and the Department determines that it is not practical to relocate it, the acquisition cost of the displacement dwelling used when computing the price differential amount, described in Section XIV B, shall include the salvage value or trade-in value of the mobile home, whichever is higher.

O. Replacement Housing Payment for 90-Day Mobile Home Occupants

A displaced tenant or short-term owner-occupant of a mobile home is eligible for a replacement housing payment, not to exceed $7,200, under Section XIV C if:
1. The person actually occupied the displacement mobile home on the displacement site for at least 90 days immediately prior to the initiation of negotiations;

2. The person meets the other basic eligibility requirements in Section XIV C; and

3. The Department acquires the mobile home and/or mobile home site, or the mobile home is not acquired by the Department but the owner or tenant is displaced from the mobile home because of one of the circumstances described in Section XVII N.1.C.
SECTION XVIII – HOUSING OF LAST RESORT

A. Purpose

The Last Resort Housing Program allows utilization of project funds to construct or otherwise provide housing. No eligible person will be required to move from the right of way acquired until comparable decent, safe and sanitary housing is available for immediate occupancy. These procedures will be implemented when normal Relocation Assistance Payment limits are inadequate to affect a solution to the housing needs of eligible displacees.

The number of different housing situations which will be encountered dictates a need for program flexibility. Innovative approaches to realistic solutions for implementing Last Resort Housing are encouraged.

B. General

1. The provisions of this Section are not intended to deprive any displaced person of his right to receive relocation assistance payments for which he may be eligible nor of his freedom of choice in the selection of replacement housing. The Department may not require a displaced person, without his written consent, to accept a dwelling provided by the Department under these provisions in lieu of his acquisition payment, if any, or the real property from which he is displaced or the replacement housing payments for which he may be eligible. However, the Department's obligation of providing comparable replacement housing is discharged when such housing is made available to the displaced person in compliance with the Uniform Relocation Act. If the displacee does not accept the comparable replacement housing provided by the Department, but obtains and occupies other decent, safe and sanitary housing, the replacement housing payment shall be the amount necessary to provide comparable replacement housing or the amount actually incurred by the displacee for decent, safe and sanitary housing, whichever is the lesser.

2. Any person displaced because of the acquisition of real property for a last resort housing project under the Department's power of eminent domain (including amicable agreements under the threat of such power) is entitled to all benefits for which he is eligible under the relocation assistance provisions, except this provision is not applicable to an owner-occupant who voluntarily acts to sell his property to the Department.
3. Ownership or tenancy status. It is the responsibility of the Department under this Section to provide a replacement dwelling which places the displacee in the same ownership or tenancy status as he enjoyed prior to displacement, provided the displacee meets the appropriate occupancy criteria, i.e., owner or for tenant for 90 days or more.

At the request of the displacee, the Department may provide a dwelling which changes the ownership or tenancy status of the displacee if such a dwelling is available and can be provided more economically. However, if the computed replacement housing payment for an owner-occupant is less than $7,200, a rental supplement not to exceed $7,200 may be paid.

The Department is not required to provide persons owning only a fractional interest in the displacement dwelling a greater level of assistance to purchase a replacement home than the Department would provide to such persons if they owned fee simple title.

C. Applicability

1. Utilization of last resort housing may be provided when:
   a. comparable replacement housing is not available for the displaced person, or

   b. comparable replacement housing is available for the displaced person but:
      (1) the computed replacement housing payment exceeds the $31,000 limitation of Section XIV B, or
      (2) the computed rent supplement exceeds the $7,200 limitation of Section XIV C.

   c. displaced owner-occupant is unable to secure financing.

2. Replacement Housing Costs in Excess of $31,000 for a 90-day Owner. The 90-day owner is eligible for increased interest costs, closing costs, and a replacement housing payment. When the sum of these items is estimated to exceed the $31,000 maximum, the last resort housing provisions are applicable.

3. Rent Supplement in Excess of $7,200 for a 90-day Owner or Tenant. A 90-day owner or tenant, in accordance with Section XIV, is eligible for a rent
supplement. When this payment is expected to exceed the $7,200 maximum, the last resort housing provisions are applicable.

4. Down Payments for 90-Day Tenants Who Wish To Purchase. If suitable dwellings are available for purchase, the tenant may be paid a down payment for financing a conventional loan for a decent, safe and sanitary dwelling provided this payment does not exceed the amount that would be required to place the tenant in comparable rental housing.

5. Last Resort Housing will be provided for displacees who have less than a 90-day occupancy at the acquired dwelling and in those cases where replacement rental housing is not available at rental rates within the person’s financial means (see Section III, A,G, (3)). Such assistance shall cover a period of 42 months.

6. Direct payment. Payments under this Section may be paid directly to the displacee, except in those instances where the Department, in its judgment, considers a direct payment to be inadvisable. Whenever a direct payment is inadvisable, the file will be documented with the reasons.

D. Methods of Providing Comparable Housing

When comparable replacement housing is not available and cannot otherwise be made available, the Department may provide such housing by methods which include, but are not limited to, the following:

1. A replacement housing payment in excess of the limits set forth in Section XIV B, C or D.

2. The purchase of land and/or dwellings and subsequent sale, lease, or exchange with the displaced person. Title III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, will apply when such acquisitions are made under the Department's power of eminent domain or the threat of eminent domain;

3. Rehabilitation of and/or additions to an existing dwelling;

4. The relocation and, if necessary, the refurbishing or rehabilitation of dwellings purchased by the Department for right of way purposes;

5. The construction of new dwellings; or

6. The removal of barriers to the handicapped.

7. Under special circumstances, consistent with the definition of a comparable replacement dwelling, modified methods of providing replacement housing of last resort permit consideration of replacement housing based on space

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and physical characteristics different from those in the displacement dwelling, including upgraded but smaller replacement housing that is decent, safe and sanitary and adequate to accommodate individuals or families displaced from marginal or substandard housing with probable functional obsolescence. In no event, however, shall a displaced person be required to move into a dwelling that is not functionally equivalent in accordance with Section III A.7.b.

This variation should never result in a lowering of housing standards nor should it ever result in a lower quality of living style for the displaced person. The physical characteristics of the comparable replacement dwelling may be dissimilar to those of the displacement dwelling but they may never be inferior.

One example might be the use of a new mobile home to replace a very substandard conventional dwelling in an area where comparable conventional dwellings are not available.

Another example could be the use of a superior but smaller, decent, safe and sanitary dwelling to replace a large, old substandard dwelling, only a portion of which is being used as living quarters by the occupants, when no other large comparable dwellings are available in the area.

E. Last Resort Housing Plan

1. General

Whenever this Section must be used to provide housing or payments in excess of the maximum limits, a Preliminary Housing Study and a Last Resort Housing Plan must be completed by the Regional Right of Way Administrator and approved by the Director, Rights of Way or Relocation Manager.

When simple displacements are involved, the study and plan may be combined and can be simple in content and nature. The document will advise the Director, Rights of Way and the Relocation Manager of the necessity for such action and will furnish a proposal for providing replacement housing.

If it appears that there will be a lack of available replacement housing, two separate documents may need to be submitted separately. Any decision to provide last resort housing assistance must be adequately justified either:

a. On a case-by-case basis, for good cause, appropriate consideration should be given to:
(1) The availability of comparable replacement housing in the program or project area; and

(2) The resources available to provide comparable replacement housing; and

(3) The individual circumstances of the displaced person; or

b. By a determination that:

(1) There is little, if any, comparable replacement housing available to displaced persons within the entire program or project area; and, therefore, last resort housing assistance is necessary for the area as a whole; and

(2) A program or project cannot be advanced to completion in a timely manner without last resort housing assistance; and

(3) The method selected for providing last resort housing assistance is cost effective considering all elements which contribute to total program or project costs; e.g., the potential increase in overall project cost does not justify waiting until less expensive comparable replacement housing becomes available.

2. Preliminary Housing Study

This document should discuss in necessary detail the following:

a. The characteristics, relocation needs, desires and intentions of those being displaced.

b. An inventory of currently available comparable replacement housing for sale or rent.

3. Development of Housing Plan

This document should develop a plan or method of providing comparable housing. In developing the plan, innovative approaches and methods will be utilized in providing housing. The plan should discuss, as needed, and in necessary detail, the following:

a. How, when and where housing will be provided.

b. The environmental suitability of the location of the housing.
c. The estimated amount of project funds to be used for such housing.

d. How construction, rehabilitation, relocation and refurbishment will be monitored.

e. Analysis of the prices at which the housing will be rented or sold and the relationship to the financial means of the families and individuals to be displaced.

f. Arrangements for rental housing management.

g. Other relevant information, as necessary.

4. All payments under housing of last resort must be approved as follows:

<table>
<thead>
<tr>
<th>RHP-Owners</th>
<th>RHP-Tenants</th>
<th>Approving Authority</th>
</tr>
</thead>
<tbody>
<tr>
<td>To $31,000.00</td>
<td>to $7,200.00</td>
<td>Regional Administrator</td>
</tr>
<tr>
<td>$31,001 - $40,000</td>
<td>$7,201-$20,000</td>
<td>Field Administrator</td>
</tr>
<tr>
<td>$40,000 +</td>
<td>$20,000 +</td>
<td>Relocation Manager or Director, Rights of Way</td>
</tr>
</tbody>
</table>
SECTION XIX – PRECLUDING TENANCY BY NEW TENANTS

A. General

In certain situations it may be advantageous to the Department to rent vacated/vacant tenant properties from the property owner.

Large older dwellings which would accommodate large families, multi-family structures and non-decent, safe and sanitary houses present a relocation problem, and could possibly be kept vacant by paying rent to the landlord. This would result in a savings to the Department by not having to relocate any new occupants where a moving cost, rent supplement and possible last resort housing payment would be necessary and much more costly than the rent payment to the landlord.

Ordinarily, Right of Way Agents will encourage tenants to remain in occupancy until the property is acquired. However, if it becomes feasible to commence relocation activities to meet a scheduled construction letting date, or because of the availability of a comparable dwelling or replacement site, or any other reason, the Department will proceed and consider implementing this Section.

B. Policy

The Department shall consider renting vacant rental units when it is reasonably anticipated to be cost effective as compared to relocation costs associated with any potential new occupants. The estimated payment should not exceed the cost which would reasonably be required to relocate any subsequent occupant.

The following information will be furnished to the Director, Rights of Way in order to make a decision on renting the vacant property:

An estimate of potential relocation costs. The estimate will be prepared by the Regional Right of Way Administrator.

An estimate of the amount of time to keep the unit vacant. Input will be gathered from appraisal, negotiation and legal personnel, as necessary.

An estimate of the expected rental rate. The Appraisal Section will be consulted to confirm the economic rent of the unit, so as to compare it to the actual rent being charged by the owner.

If the decision is made to rent the property from the owner, the following actions will be completed:
1. A lease will be prepared by the Relocation Manager’s Office.

2. The offer will be made to the owner by either the Relocation Manager or a Right of Way Agent, whichever is more appropriate.

3. The fully executed lease will be returned to the Relocation Manager’s Office. This section will be responsible for processing the monthly rent so it will be available on the rent due date. This section will also be responsible for utility payments, if necessary, and periodic inspection of the property.

4. The Regional Right of Way Administrator will advise the Relocation Manager when the acquisition agreement has been signed by the owner or when the condemnation notice has been filed.

5. Rental payments will cease when the acquisition payment has been made to the owner or when the offered amount has been deposited with the Court.

The Director, Rights of Way shall be informed if it is expected that the Department will exceed the original estimate on the amount of time to keep the unit vacant. A new decision may need to be made concerning the continued renting of the property.
SECTION XX – RELOCATION ASSISTANCE APPEAL PROCEDURES

A. Notice of Right of Appeal

Persons dissatisfied by the determination of their eligibility for relocation assistance payments, or the amount of payment, may have their eligibility reviewed by means of an appeal, (Form 16). Such persons shall be promptly furnished with the forms necessary to file an appeal and will be advised of the procedures required for presentation of their grievances.

B. Review of File by Person Making Appeal

The displacee shall be permitted to inspect and copy all materials pertinent to the appeal in the Central Office during normal working hours. However, the Right of Way Agent's log is confidential and cannot be inspected or copied as provided by 49 CFR Part 24 Section 24.9 (b).

C. Authority

The provisions of this regulation are issued pursuant to Code of Laws of South Carolina, 1976, Section 28-11-10 and Regulation 63-322, and the Administrative Procedures Act, S.C. Code Section 1-23-10, et. seq.

1. An applicant for a relocation assistance payment shall be promptly notified in writing of his eligibility for assistance, the amount of entitlement, if any, and the time and manner in which such payment shall be made. Such notification shall also advise the applicant of the right to appeal and of the procedures for filing an appeal. If the displacee disagrees with the Relocation Manager's decision with respect to eligibility for a payment or the amount of payment offered under this regulation, he shall be promptly reminded of the procedures to be followed in filing a request for review or an appeal.

2. Whenever a displaced person indicates dissatisfaction with the Department's determination of relocation assistance eligibility or when such eligibility is otherwise contested, the assigned Right of Way Agent shall provide full instructions regarding the filing and mailing of the appeal (See Form 16 – Appendix A – Relocation Assistance Forms).
D. Time Limit for Appeals

A request for review by the Director, Rights of Way, the SCDOT Executive Director’s designee must be requested within sixty (60) days after the person receives written notification of the Department's determination of eligibility or of the amount of any relocation assistance payment. An appeal of the Director’s decision must be filed within thirty (30) days of receipt of the Director’s decision before the Administrative Law Judge Division.

E. Appeal Procedures

Any person who files a proper petition or request for review within the time specified in this regulation shall be given a prompt decision in writing along with the reasons for such decision.
SECTION XXI – CIVIL RIGHTS

A. The Department must take affirmative action to ensure that replacement housing resources used are, in fact, open housing to all races and sexes without discrimination.

B. The Department must fully inform displacees of their fair housing rights and options in selecting replacement housing in areas of their choice and of the available assistance from the State in ensuring relocatees that their fair housing rights will be protected in accordance with Title VII of the Civil Rights Act of 1968 and the HUD Amendment Act of 1974.
SECTION XXII – ILLEGAL ALIENS

A. Public Law 105 – 117 provides that an alien not lawfully present in the United States shall not be eligible to receive relocation payments or any other assistance provided under the Uniform Act unless such ineligibility would result in exceptional and extremely unusual hardship to the alien’s spouse, parent, or child and such spouse, parent, or child is a citizen or an alien admitted for permanent residence.

B. To insure compliance with the law, all displaced (head of household and businesses) must complete the Certification of Legal Residency in the United States (Form 1) in order to receive relocation benefits.

C. If an Agent encounters any situation involving illegal aliens or someone who refuses to sign the Certification of Legal Residency, the Relocation Manager should be contacted for further guidance.
SECTION XXIII – EVICTIONS

A. Evictions are a last resort in the right of way process; occurring only after all reasonable efforts have been made to relocate displacees in accordance with federal and state law.

B. Prior to commencing with any eviction efforts, the Director, Rights of Way will be notified by the appropriate Regional Right of Way Administrator that the potential exists for an eviction. A detailed summary, along with the appropriate files, shall be sent to the Director, Rights of Way stating the problems and efforts made to resolve said problems.

C. The Director, Rights of Way shall appoint another individual, other than those currently working with the displacee, to meet with the displacee in an attempt to resolve any differences. Upon meeting with the displacee, the Director, Rights of Way shall be provided a report detailing any recommendations.

D. If eviction is recommended, the Director, Rights of Way shall notify the Executive Director and State Highway Engineer ten (10) days prior of the intent to begin the eviction proceedings and will state why an eviction is necessary at that time.

E. Notification of the eviction action will also be provided to the Director of Communications. A brief description of the situation including benefits offered and a timeline for relocation contacts will be provided. The Director of Communications will take such preventive action as possible to reduce potential negative media attention. Scheduling of the eviction should occur the latter part of the week.

F. Arrangements must be made with a local moving company to pack and store all belongings for a period not to exceed twelve (12) months. Insurance coverage shall be maintained as appropriate. In addition, motel arrangements may be secured for one (1) week on behalf of the displacee. In some situations, a rental unit may be secured by the Department prior to eviction; however, payment after one month’s occupancy shall be at the expense of the displacee.
SECTION XXIV – RENT FOR HOLDOVER LANDOWNERS

It is the South Carolina Department of Transportation’s (SCDOT) policy to vacate acquired improved properties as quickly as possible, so that projects can proceed to construction in a timely manner. In order to promote a uniform procedure for charging and collecting rent, the following guidelines are to be used. However, in some circumstances, which are reviewed on a case by case basis, it maybe in the best interest of SCDOT and the public for SCDOT to lease property that has been acquired.

A. Owner Occupant (Residential and Commercial)

Rent amounts to be charged are those normally associated with short term occupancy. SCDOT will not be responsible for utilities, unless the use of a master meter is in place, nor for maintenance of any improvements. Therefore, rent for an occupant will be computed as follows:

Appraised value x 70% x 10% divided by 12 months = Monthly Rent.

Example: $150,000 Appraised value

\[
x \times 0.70 \\
\frac{-}{12} \\
\times 0.10 \\
\frac{-}{12 \text{ months} = \$875 \text{ monthly rent}}
\]

Note (1): Rent should be rounded to the nearest $25.

Note (2): If acquisition is based on a negotiated settlement figure, the rent shall be based upon the settlement figure, unless agreed to otherwise and approved by the Regional Right of Way Administrator.

B. Tenant (Residential and Commercial)

Tenant will be charged the same rental amount as previously charged by their Landlord(s) prior to the acquisition by the SCDOT. Exceptions for residential tenants are for those whose household income is classified as “low income” by the Housing of Urban Development’s (HUD) Annual Survey of Income Limits.
for the Public Housing and Section Eight Program. In those cases, 30 percent of household income is the maximum rent permitted by federal regulations.

Rent will commence within 60 days following payment to the property owner of the acquisition amount. Rent will not be charged for the remainder of the month in which the property is purchased, nor for the following month. Exceptions may be made where multiple rental units are purchased from an existing landlord and the SCDOT deems it appropriate to continue with the landlord’s management services.

Rent will be computed and placed in the SCDOT’s offer letter to purchase right of way. If the SCDOT and the property owner are in disagreement on the proposed right of way offer, rental adjustments may be made if a settlement can be reached. All rental adjustments should be approved by the Right of Way Regional Manager.

When property is acquired, SCDOT’s Relocation Office will include a statement of rental charges and the effective date in the vacate letter sent to each displaced occupant. The notice will include the mailing address where all checks are to be sent. The SCDOT’s Finance Office will be provided a copy of this letter along with a Form 3025A detailing the charge codes for rent to be charged to and the renter’s Social Security number or Federal Identification. The Finance Office shall bill the tenant for the monthly rent until the Right of Way office provides notification that the occupancy has been terminated. The SCDOT’s cashier shall provide a monthly listing of rent received to the Right of Way Relocation Office.

Although delinquent rent can be offset against relocation benefits, they will not be offset if it impedes the displaced person’s relocation.

The Rights of Way Director shall have the authority to waive and/or adjust rent when it is deemed in the SCDOT’s best interest.