

## 7. Relocation

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### 7.1. Introduction

Regulation [49 CFR 24](#) contains the relocation assistance provisions required on projects financed with Federal funds. Even if Federal funds are not involved in the ROW phase, if Federal funding is used for any phase of the project, the Uniform Act applies. See [§24.101](#) and [49 CFR Appendix-A-to-Part-24](#)

[“Section 24.101\(a\) Direct Federal program or project.”](#) Note that [AS 34.60](#) also incorporates the Uniform Act by reference and thus all relocations must comply, except where otherwise provided.

The Uniform Act ensures that any person displaced as a direct result of a project is treated fairly, consistently, and equitably so as not to suffer disproportionate injuries. Any qualifying displaced person must be fully informed of all rights and entitlements to relocation assistance and payments provided in this chapter. In accordance with [49 CFR 24.207\(f\)](#), the agency shall not propose or request that a person waive his or her rights or entitlements to relocation assistance and benefits provided by the Uniform Act and this chapter.

The purpose of this chapter is to provide the reference necessary to provide advisory and relocation services required by the Uniform Act. This chapter is divided into sections that provide the agent with an understanding of their responsibilities regarding:

- General planning and relocation expertise needed during project development and the public participation portions of Design.
- Services to be provided to displaced persons.
- Determination of advisory services or benefits.
- Relocation of displaced occupants of dwellings (residential).
- Relocation of businesses, farms and nonprofits (nonresidential).
- Protocol for processing claims.

In addition, [49 CFR 24.205\(d\)](#) requires relocation activities be coordinated with project work and other displacement-causing activities to ensure that, to the extent feasible, persons displaced receive consistent treatment and the duplication of functions is minimized. See [§24.6](#).

### 7.2. Displaced Person, Temporary Moves, Emergency Moves, Voluntary Acquisitions

Note the definition in [49 CFR 24.2\(a\)](#) for “person” is “any individual, family, partnership, corporation, or association” and thus is not limited to residents or

individuals. The definitions of displaced person and persons not displaced are further defined in §24.2(a). Note, too, that “displaced person” includes guidelines of timeline of displacement. See also §24.2(a) “Displaced person”, “Persons not displaced”, and “Persons required to move temporarily”, and Ch. 12.

### **7.2.1. Temporary Moves**

In accordance with 49 CFR 24.2(a) “Persons required to move temporarily”, a person required to move temporarily is a person who is required to move or moves his or her personal property from the real property as a direct result of the project but is not required to relocate permanently. See also §24.202(a) and Ch. 12.

### **7.2.2. Emergency Moves, Waiver**

In accordance with 49 CFR 24.204(a)-(b), the Federal agency funding the project may grant a waiver of the requirement §24.204(a) in any case where it is demonstrated that a person must move because of:

1. a major disaster as defined in section 102 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, as amended (42 USC 5122);
2. a presidentially declared national emergency; or
3. 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 to be displaced is required to move from the displacement dwelling for a temporary period because of an emergency as described above, the agency shall:

1. take whatever steps are necessary to assure that the person who is required to move from their dwelling is relocated to a DSS dwelling;
2. pay the actual reasonable out-of-pocket moving expenses and any reasonable increase in rent and utility costs incurred in connection with the emergency move; and
3. make available to the displaced person as soon as feasible, at least one comparable replacement dwelling. (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 their dwelling due to the emergency.)

### **7.2.3. Owner-Occupants Who Move as a Result of Voluntary Acquisitions**

For a streamlined acquisition process, the relocation assistance provisions described in 49 CFR 24.101(b)(1)-(3) are not applicable to owner-occupants who move as a result of a voluntary acquisition. See §24.2(a) “Displaced person” and “Voluntary acquisitions”. In the case of permanent relocation of a tenant the tenant is not eligible for relocation assistance until there is a binding written agreement that obligates the Agency, without further election, to purchase the real property. See 49 CFR Appendix-A-to-Part-24 “Section 24.2(a) Initiation of negotiations, Tenants, (iv)” and Ch. 12.

### **7.3. Eligibility for Relocation Services**

Services shall be offered to all persons occupying property:

- acquired or to be acquired;
- immediately adjacent to the acquired real property if the agency believes they may have difficulty adjusting to changes resulting from the acquisition that was acquired, and choose to relocate their adjacent residence, business, or farm operation; and
- after it was acquired by the agency, when such occupancy is permitted by a short-term rental agreement or an agreement subject to termination when the property is needed for a project.

No services shall be offered to persons or businesses not certified as lawfully present in the U.S. In order to be eligible for relocation benefits, the displaced person(s) must certify and specify whether they are a citizen or an alien who is lawfully present in the U.S., or in the case of an incorporated business, farm, or nonprofit organization, that the corporation is authorized to conduct business within the U.S. See 49 CFR 24.208.

An exception to this eligibility rule is possible only if an alien not lawfully present in the U.S. can demonstrate that the denial of relocation assistance will result in an exceptional and extremely unusual hardship to such person’s spouse, parent, or child who is a citizen of the U.S. or an alien lawfully admitted for permanent residence in the U.S. See 49 CFR 24.208(c)-(h), 49 CFR Appendix-A-to-Part-24 “Section 24.208(c) Aliens not lawfully present in the United States—computing relocation payments if some members of a displaced family are present

lawfully but others are present unlawfully”, and 49 CFR Appendix-A-to-Part-24 “Section 24.208(h)” for guidance on reviewing certifications and documentation and considering the exception.

### **7.3.1. Moves to Clear Encroachments**

Clearing encroachments from a project ROW may require relocation assistance and benefits, particularly for the contents or occupants. Some costs may be nonparticipating. Early coordination with Environmental and funding partners is essential when these are identified.

The agency must provide, at a minimum, those measures, facilities, or services that are necessary or appropriate to carry out the following:

- determine the relocation needs and preferences of displaced persons;
- explain the relocation services, including advisory services and benefits for which the person may be eligible, the related eligibility requirements, and the procedures to obtain assistance;
- explain that a residential displaced person cannot be required to move unless at least one comparable DSS replacement dwelling is made available;
- provide current and continuing information on availability, purchase prices, and rental costs of comparable replacement properties, and
- advise of potential limitations related to other government housing assistance programs for residential moves and assurances that benefits from other agencies for nonresidential moves are not impacted;
- explain the reimbursement options for moving and reestablishment expenses; and
- provide appropriate accommodations for those requiring special assistance and ensure displaced persons receive consistent treatment.

### **7.3.2. Relocation Assistance Program Package**

The Relocation Assistance Program Package is given to eligible displaced persons to explain the relocation program. Although the content will vary among

residential and nonresidential occupants, the materials may include:

- appropriate Relocation Brochure;
- [Certification Concerning Legal Residency in the United States](#);
- [Notice of Eligibility Form 25A-R723](#) stating kinds and amounts of benefits the specific displaced person may be eligible to receive;
- [Affirmation and Request for Relocation Assistance \(Residential\) Form 25A-R725](#) or [Affirmation and Request for Relocation Assistance \(Business\) Form 25A-R726](#) as appropriate;
- [Methods of Notice to Owner or Occupant Form 25A-R606](#) (see Method of Contact, Opt-In for Electronic Notices section in this chapter); and
- other optional information pertinent to the specific type of eligibility involved; e.g., “Fair Housing” pamphlets and Small Business Administration loan information.

### **7.4. Relocation Planning**

In accordance with [49 CFR 24.205\(a\)](#), during the early stages of development, an agency shall plan Federal and Federally-assisted programs or projects in such a manner that recognizes the problems associated with the displacement of individuals, families, businesses, farms, and nonprofit organizations and develop solutions to minimize the adverse impacts of displacement. Such planning, where appropriate, shall precede any action by an agency which will cause displacement, and should be scoped to the complexity and nature of the anticipated displacing activity including an evaluation of program resources available to carry out timely and orderly relocations. Planning may involve a relocation survey or study, which may include:

1. An estimate of the number of households to be displaced including information such as owner/tenant status, estimated value and rental rates of properties to be acquired, family characteristics, and special consideration of the impacts on minorities, the elderly, large families, and persons with disabilities when applicable.
2. An estimate of the number of comparable replacement dwellings in the area (including price ranges and rental rates) that are expected to be

available to fulfill the needs of those households permanently or temporarily displaced. When an adequate supply of comparable housing is not expected to be available, the agency should consider housing of last resort actions.

3. An estimate of the number, type, and size of the businesses, farms, and nonprofit organizations to be displaced and the approximate number of employees that may be affected.
4. An estimate of the availability of replacement business sites. When an adequate supply of replacement business sites is not expected to be available, the impacts of displacing or temporarily moving the businesses should be considered and addressed. Planning for permanently and temporarily 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.
5. Consideration of any special relocation advisory services that may be necessary from the agency displacing a person and other cooperating agencies.

#### **7.4.1. Project Information and Documentation**

1. Collect pertinent project related documents, i.e., plans, design study reports, environmental impact statements, etc.
2. Certification dates for the project.
3. Information contained in the relocation study.
4. Maintain correspondence, documentation, etc., relative to a specific parcel or project in the regional parcel file or the project general correspondence file. Maintain the following information in the Regional Relocation Unit:
  - a. current and continuing lists of replacement dwellings available to persons, without regard to race, color, national origin, gender, age, income, or disability, drawn from various sources, suitable in price, size, and condition for displaced persons to the extent available;
  - b. current and continuing lists for commercial properties and locations for displaced businesses;

- c. current data for costs such as security deposits, closing costs, typical down payments, interest rates and terms;
- d. maps showing the location of schools, parks, playgrounds, shopping, and public transportation routes in the areas, where applicable;
- e. schedules and costs of public transportation, where applicable;
- f. copies of the relocation brochure, local ordinances pertaining to housing, building codes, open housing consumer education literature on housing, shelter costs, and family budgeting;
- g. subscription for apartment directory services, neighborhood and metropolitan newspapers, and multiple listing services, where applicable;
- h. list of licensed and approved movers;
- i. list of insurance companies that will insure the personal property being moved;
- j. list of advisory information for the project to include contact information of key personnel, what the project will affect and outcomes; and
- k. other pertinent information of value to displaced persons.

#### **7.4.2. Relocation Study**

Consult with Environmental staff early to ascertain the requirements for NEPA or other relevant reviews. The study should address, in detail, special relocation problems, timing considerations, relocation phasing, and general relocation alternatives.

At the regional environmental section's request, the Regional ROW Chief directs the preparation of a relocation study in accordance with [49 CFR 24.205](#). The study will become part of the environmental document for the project. The study should recognize problems associated with the displacement of individuals and develop solutions to minimize their adverse impacts.

When preparing the study, consider the number of displacements, type, availability or lack of affordable replacement housing or non-residential facilities, the likelihood of housing of last resort payments (HLR),

and special needs that will have to be addressed before negotiations begin.

Basic assumptions should be stated that could invalidate all or part of the study if changed:

- certification dates for the project will remain essentially unchanged;
- reservation that the design will remain essentially unchanged;
- critical recommendations in the relocation plan are implemented; and
- all approvals are obtained as scheduled.

When considering the availability of housing units versus the need—consider completing a table or spreadsheet that:

- compares by price range, number of bedrooms, and occupancy status;
- summarizes the total available dwellings by price range, number of bedrooms, and occupancy status; and
- outlines (one for each year of ROW acquisition for the project) the basis for relating the various kinds of housing and non-residential needs and the housing or non-residential facilities available to fulfill them.

If it is necessary to relocate people in mobile homes, provide a complete separate analysis, the results of which are correlated into the project relocation study.

Describe those types of housing where no special effort will be necessary, including areas where relocation assistance payments will easily accomplish relocation. Provide an analysis showing that displaced persons will be able to pay for their housing in the new area. Describe DSS problems where the normal market may not have enough DSS housing to absorb the demand within the time span allowed for relocation. Perform the same analyses for non-residential relocations.

If the time scheduled for acquisition and relocation is insufficient to allow orderly relocation based on what the market can absorb, state the best estimate of the time required and recommend changes that would allow for this additional time.

If there is scarcity in some types of housing or non-residential facilities, follow-up studies on previous projects with displaced persons may enable the report to generalize on the percentages of people by housing class or businesses who tend to leave the area completely. A reasonable estimate of people expected to leave the area, based on solid facts, may show that no availability problem exists where there initially appeared to be one.

If the survey indicates an area where there are or may be a large number of ineligible occupants in the ROW, note this along with any foreseeable problems connected with the displaced persons (examples include student housing and motel/hotel occupants).

Indicate which parcels should be appraised and acquired first and include any appropriate special recommendations for handling them. Identify those parcels where extra time will solve special problems. If there is low availability of one type of unit more time may well solve the relocation problem. Such problems may involve rest homes, old hotels with permanent residents, housing for elderly, mobile home parks, specialized warehouses, medical facilities, farms, or other specialized or atypical properties.

If research indicates a lack of available business relocation sites or significant relocation problems, bring these issues to the attention of the Regional ROW Chief. Include a discussion of possible solutions to the identified problems.

During this study, contact property owners, if necessary, to develop data that includes the following:

1. Estimate of the number of households to be displaced, including information such as owner/tenant status, estimated value and rental rates of properties to be acquired, family characteristics, and special consideration of the impacts on minorities, the elderly, large families, and persons with disabilities when applicable. Some of this data is available from secondary sources such as government and utility records.
2. Estimate of the number of comparable replacement dwellings in the area (including price ranges and rental rates) that are expected to be available to fulfill the needs of those households permanently or temporarily displaced. When an adequate supply of comparable housing is not expected to be available, consider HLR.



3. Estimate of the number, type, and size of the businesses, farms, and nonprofit organizations to be displaced and the approximate number of employees that may be affected.
4. Estimate of the availability of replacement business sites. When an adequate supply of replacement business sites is not expected to be available, the impacts of displacing or temporarily moving the businesses should be considered and addressed. Planning for permanently and temporarily 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.
5. Consideration of any special relocation advisory services that may be necessary from the agency displacing a person and other cooperating agencies.
6. Any other pertinent or helpful information.

This information is required for each of the design alternatives under consideration in the environmental document. After completing these activities, the Regional ROW Chief's staff must submit the study to the regional environmental coordinator to include in the environmental document.

#### **7.4.3. Corridor Public Meeting**

A Corridor Public Meeting is a meeting related to the project corridor. The Regional Environmental Section may request the Regional ROW Chief direct the preparation of the corridor presentation.

Present the following information at the corridor public meeting:

1. Information contained in the relocation study.
2. The relocation brochure.
3. If applicable, a discussion of the relocation program in terms of availability of relocation assistance and services, eligibility requirements and payment procedures under Alaska law and the Uniform Act.
4. The Public Statement (Ex. 7-1).

#### **7.4.4. Design Public Meeting**

A Design Public Meeting is a meeting related to the project design. The Regional Environmental

Section may request the Regional ROW Chief's staff prepare information for the design meeting. The agency must update the relocation study as a relocation plan for the selected alignment to identify any changes that have occurred in the number or type of displaced persons and any changes in the availability of replacement properties.

Present the following information at the design public meeting:

1. Eligibility requirements and payment procedures.
2. Discussion of the services available under the agency's relocation advisory assistance program, including the address and telephone number of the local relocation office and cooperating local agencies, if any, by name.
3. Updated estimate of the number of individuals or families to be relocated;
4. Public Statement (Ex. 7-1).
5. Relocation brochure.

#### **7.4.5. Open House**

The Regional Environmental Section may use an Open House concept in place of the Corridor Public Meeting and the Design Public Meeting. The agency must make the same relocation information available to the open house attendees.

### **7.5. Catalog of Comparable Replacement Housing**

Compile a catalog of comparable replacement housing using the [Comparable Housing Listing Form 25A-R713](#), and update it as project needs require and the local market dictates. The purpose of this catalog is to analyze the market in terms of rentals and homes for sale. Arrange the listing in terms of asking price and rents. Include only those dwellings that meet the criteria for a comparable replacement dwelling. Dwellings must pass the DSS inspection to be part of the catalog. Consider the same process for nonresidential displacements and moves, as necessary for the project.

### **7.6. Relocation Advisory Assistance Services**

As set forth in [49 CFR 24.205\(c\)](#), the agency shall carry out a relocation assistance advisory program which satisfies the requirements of Title VI of the Civil Rights Act of 1964 ([42 USC 2000d et seq.](#)),

title VIII of the Civil Rights Act of 1968 (42 USC 3601 *et seq.*, as amended.), and Executive Order 11063 (3 CFR, 1959-1963 Comp., p. 652), and offer the services described in 49 CFR 24.205(c)(2).

If the agency determines that a person occupying property adjacent to the real property acquired for the project is caused substantial economic injury because of such acquisition, it may offer advisory services to such person as described throughout this chapter. In accordance with 49 CFR 24.205(c)(2)(iv)-(v):

- (iv) 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.
- (v) 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 displaced persons, and technical help to persons applying for such assistance.

Regulation 49 CFR 24.205(d) provides that relocation activities shall be coordinated with project work and other displacement-causing activities to ensure that, to the extent feasible, persons displaced receive consistent treatment and the duplication of functions is minimized. See §24.6.

The agency must provide relocation advisory assistance services to ensure that the maximum assistance possible is provided to eligible persons required to relocate because of the project.

If the displaced person has limited English proficiency, secure through the DOT&PF's Civil Rights Office (CRO) the assistance of a translator with whom the displaced person is comfortable. Obtain a signed affidavit from the translator attesting that the displaced person understood the information presented and is making any agreements knowingly, willingly, and in full understanding of their obligations.

These services are intended as a minimum to assist in relocation to DS&S housing that meets their needs. Provide the services by personal contact. If unable to make personal contact, include information in the files regarding the reasonable efforts made.

Regulation 49 CFR 24.205(d) provides that relocation activities shall be coordinated with project work and other displacement-causing activities to ensure that, to the extent feasible, persons displaced receive consistent treatment and the duplication of functions is minimized. See §24.6.

#### **7.6.1. Residential Services Provided**

In accordance with 49 CFR 24.205(c)(2)(ii), the advisory program must include such measures, facilities, and services that are necessary or appropriate in order to determine, for residential displacements, the relocation needs and preferences of each person to be displaced, or temporarily displaced when the funding agency determines it to be necessary, 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. This shall include a personal interview with each residential displaced person and, when the funding agency determines it to be necessary, each temporarily displaced person.

- (A) 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 made available as set forth in §24.204(a).
- (B) As soon as feasible, the agency shall inform the person in writing of the specific comparable replacement dwelling and the price or rent used for establishing the upper limit of the replacement housing payment (see §24.403(a) and (b)) and the basis for the determination, so that the person is aware of the maximum replacement housing payment for which he or she may qualify.
- (C) Where feasible, comparable housing shall be inspected prior to being made available to assure that it meets applicable standards (see §24.2(a)). If such an inspection is not made, the agency shall notify the person to be displaced in writing of the reason that an inspection of the comparable was not made and, that if the comparable is purchased or rented by the displaced person, a replacement housing payment may not be made unless the replacement dwelling is subsequently inspected and determined to be decent, safe, and sanitary.

See [49 CFR Appendix-A-to-Part-24 “Section 24.205\(c\)\(2\)\(ii\)\(C\)”](#).

- (D) Whenever possible, minority persons, including those temporarily displaced, 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 does not require an agency to provide a person a larger payment than is necessary to enable a person to relocate to a comparable replacement dwelling. See [49 CFR Appendix-A-to-Part-24 “Section 24.205\(c\)\(2\)\(ii\)\(D\)”](#).
- (E) The agency shall offer all persons transportation to inspect housing to which they are referred.
- (F) Any displaced person that may be eligible for Government housing assistance at the replacement dwelling shall be advised of any requirements of such Government housing assistance program that would limit the size of the replacement dwelling (see [§24.2\(a\)](#)), as well as of the long-term nature of such rent subsidy, and the limited (42-month) duration of the relocation rental assistance payment.

#### **7.6.2. Replacement Housing to be Inspected**

In accordance with [49 CFR 24.403\(b\)](#) before making a replacement housing payment or releasing the initial payment from escrow, the agency or its designated representative shall inspect the replacement dwelling and determine whether it to assure it is a DSS dwelling as defined at [§24.2\(a\)](#). If the replacement housing was found by the displaced person, the agency may not make replacement housing payments (RHP) unless the agency inspects it and finds it to be DSS. Refer to [Replacement Dwelling Inspection Report Form 25A-R780](#).

Note that consideration, examination, or the viewing of an MLS listing does not equate to the inspection of the comparable dwelling required by [§24.205\(c\)\(2\)\(ii\)\(C\)](#), which requires that at a minimum, the comparable dwelling should be physically inspected. When an inspection is not feasible, the displaced person must be informed in writing that a physical inspection of the interior or exterior was not performed, the reason that the inspection was not performed, and that if the comparable is selected as a replacement dwelling RHP may not be made unless the replacement dwelling is

subsequently inspected and determined to be decent, safe, and sanitary. Should the selected comparable dwelling later be found to not be DSS then the agency's policies and procedures must ensure that the requirements of [§24.2\(a\)](#), definition of DSS, are met. If the agency does not recalculate the eligibility in these instances, FHWA does not believe that the requirement to ensure comparable housing is made available to the displaced person can be met.

Some Federal funding agency requirements, such as those of the U.S. Department of Housing and Urban Development (HUD), prohibit reliance on an exterior visual inspection when selecting a comparable replacement dwelling or as part of determining the cost of comparable replacement dwellings. This is because the physical condition standards for such governmental housing assistance programs could not be met without an in-person physical inspection. See [49 CFR Appendix-A-to-Part-24 “Section 24.205\(c\)\(2\)\(ii\)\(C\)”](#) and [“Section 24.403\(a\)\(1\)”](#).

#### **7.6.3. Availability of Comparable Replacement Housing**

In accordance with [49 CFR 24.204](#), no person to be permanently displaced shall be required to move from his or her dwelling unless at least one comparable replacement dwelling has been made available to the person. When possible, three or more comparable replacement dwellings shall be made available, List them on the Benefit Statement to ensure the person:

1. is informed in writing of its location;
2. has sufficient time to negotiate and enter into a purchase or lease agreement for the property; and
3. subject to reasonable safeguards, is assured of receiving the relocation assistance and acquisition payment to which the person is entitled in sufficient time to complete the purchase or lease of the property; and
4. is informed that the replacement dwellings have been inspected and confirm at time of offer that comparable replacement housing is available and DSS ([49 CFR 24.403\(b\)](#)).

#### **7.6.4. Relocation Contact and Activities**

After receipt of Authority to Proceed with the acquisition phase, the Regional ROW Chief directs the Relocation Unit to proceed with the following subsections.



### **7.6.5. Data Collection, Future Reporting, and Documentation**

In accordance with [49 CFR 24.9](#), throughout the relocation process, keep organized records and collect data in anticipation of future reporting. In particular, see [49 CFR Appendix-A-to-Part-24 “Section 24.9\(c\) Reports”](#) and [Appendix B to Part 24, Title 49](#) requiring reporting on all relocation and real property acquisition activities under a Federal or a Federally-assisted project or program subject to the provisions of the Uniform Act.

Copies of the agency's determinations of displaced persons, eligibility for advisory services and assistance, and the notices provided shall be included in the applicable case file.

### **7.6.6. Method of Contact, Opt-In for Electronic Notices**

Unless a property owner or occupant or their designated representative elects to receive required notices by electronic delivery in lieu, the default delivery method for each notice that the agency is required to provide to a property owner or occupant under [49 CFR 24.5](#), except the notice of intent to acquire in [§24.102\(b\)](#) and the basic protections provided to the owner or occupant by law described at, shall be personal service or by certified or registered first-class mail, return receipt requested (or by companies other than the U.S. Postal Service that provide the same function as certified mail with return receipts) and documented in agency files. See Ch. 6 [Methods of Notice to Owner or Occupant Form 25A-R606](#), [49 CFR 24.5](#), and [49 CFR Appendix-A-to-Part-24 “Section 24.5 Manner of Notices and Electronic Signatures”](#) for guidance on providing an opportunity for the property owner or occupant to opt in to receive certain information and notices electronically.

### **General Information Notice**

As soon as feasible, a person who may be displaced or who may be required to move temporarily shall be furnished with a general written description of the agency's relocation program. Furnish any person scheduled to be displaced with [General Information Notice Form 25A-R705](#) and the relocation brochure. Notify the owner before contacting occupants. Advise the potential displaced persons that any person who is an alien not lawfully present in the United States is ineligible for relocation advisory services and relocation payments under [49 CFR 24.203\(a\)\(4\)](#), except as provided in [§24.208\(h\)](#).

As required by [49 CFR 24.203\(a\)](#), include, at a minimum, the following in the General Information Notice that:

1. the person may be displaced (or, if appropriate, required to move temporarily from his or her unit) for the project and generally describe 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. the displaced person (or person required to move temporarily from his or her unit, if appropriate) will be given reasonable relocation advisory services, including referrals to replacement properties, help in filing payment claims, and other necessary assistance to help the displaced person successfully relocate;
3. any person required to move, temporarily or otherwise, who is an alien not lawfully present in the U.S. is ineligible for relocation advisory services and relocation payments under this part, unless such ineligibility would result in exceptional and extremely unusual hardship to a qualifying spouse, parent, or child pursuant to [§24.208\(h\)](#); and
4. the displaced person (or persons required to move temporarily) has the right to appeal the agency's determination. as to a person's application for assistance for which a person may be eligible under this part and [17 AAC 81](#). For rules regarding appeals, see [49 CFR 24.10](#) and [17 AAC 85](#) and consult with the Regional and Statewide Real Estate/ROW Chiefs and LAW.

### **Request for Relocation Assistance**

For residential moves, obtain the signature of the displaced person on the [Affirmation and Request for Relocation Assistance \(Residential\) Form 25A-R725](#) or complete the [Agent's Affirmation of Presentation Form 25A-R728](#) if the displaced person will not sign the form. If they do not waive assistance, supply lists of replacement housing that meets the DSS standard.

List the addresses of the comparable housing offered on the Record of Relocation Contacts. Offer all displaced persons transportation to inspect housing to which they are referred. The elderly, disabled, or financially-disadvantaged persons are among those that may need special assistance and require additional planning and coordination appropriate

accommodations. Work with the agency's CRO to ensure compliance and accommodation.

For a displaced business, obtain the signature of the owner on the [Affirmation for Request for Relocation Assistance \(Business\) Form 25A-R726](#) and supply lists of comparable commercial properties available.

Inform the displaced person of the different moving options available and inquire as to any moving plans.

### **Subject Dwelling Occupancy Report**

Upon the initial contact with each displaced person, complete a [Displacement Dwelling Occupancy Report \(Residential\) Form 25A-R708](#) for residential displaced persons or a [Non-Residential Occupancy Report Form 25A-R710](#) for nonresidential displaced persons. These forms contain questions about the displaced person's gender. Explain to the owner that this information is required for all parcels by the Federal agency funding the project to fulfill its reporting requirements. File the form in the parcel relocation file, usually as the first entry.

### **Notice of Relocation Eligibility**

In accordance with [49 CFR 24.203\(b\)](#), eligibility for relocation assistance begins on the date of the issuance of a notice of intent to acquire, the initiation of negotiations for the occupied property, or the actual acquisition of the property, whichever occurs first.

Give the [Notice of Eligibility Form 25A-R723](#) to all occupants within 2 weeks after the offer is made for the property. If the Notice of Eligibility is sent by certified mail, make personal contact within 30 days after initiation of negotiations to furnish any additional explanations necessary. If appropriate, the applicable 90-day notice may be given at the same time as the Notice of Eligibility.

### **Relocation Notices**

Throughout the project either personally serve, or send by certified or registered first class mail, return receipt requested, the following notices (as applicable) to displaced persons, and document it in the Record of Negotiations and place a copy in the parcel relocation file:

- [General Information Notice Form 25A-R705](#);
- [Notice of Intent to Acquire Form 25A-R715](#);
- [Notice of Eligibility Form 25A-R723](#);

- an appropriate [Benefit Statement \(Owner-Occupant of 180 Days or More\) Form 25A-R730](#), [Benefit Statement \(Occupant Less Than 90 Days\) Form 25A-R733](#), [Benefit Statement–Residential \(Owner-Occupant more than 90 Days\) Form 25A-R735](#), [Benefit Statement \(Tenant of More Than 90 Days\) Form 25A-R738](#), [Benefit Statement \(Tenant of Less Than 90 Days\) Form 25A-R740](#), or [Benefit Statement \(Business\) Form 25A-R743](#);
- [Moving Incentive Program Statement Form 25A-R744](#) if applicable for a State-funded project;
- 90-Day Notice(see also Sec. 7.19.3);
- 90-Day General Information Notice; and
- appropriate Affirmation Forms ([Affirmation and Request for Relocation Assistance \(Residential\) Form 25A-R725](#), [Affirmation and Request for Relocation Assistance \(Business\) Form 25A-R726](#), and [Agent's Affirmation of Presentation Form 25A-R728](#)).

For persons unable to read and understand the notice, provide appropriate translation/translator and counseling. Each notice must indicate the name and contact information for the agent who may be contacted for answers to questions or other needed help. Consult with the agency's CRO if there is concern that the property owner may not understand or may need assistance.

### **Rental Agreement**

Inform the displaced person of the requirement to pay rent to the agency for the property after it is acquired, and that they must sign a rental agreement. See Subsequent or Interim Occupants: Protective Lease Rental Agreement in Ch. 6 and also Ch. 9. The rental agreement is authorized by the Regional ROW Chief.

### **Benefit Statement**

Within 2 weeks after initiation of negotiations, if possible, but by the time the agency acquires the property, give the displaced person the appropriate benefit statement, showing the amount of replacement housing or rent supplement by use of one of the following forms:

- [Benefit Statement \(Owner-Occupant of 90 days or More\) Form 25A-R730](#);
- [Benefit Statement \(Owner-Occupant of Less Than 90 days\) Form 25A-R733](#);

- [Benefit Statement \(Tenant of More Than 90 days\) Form 25A-R738](#);
- [Benefit Statement \(Tenant of Less than 90 days\) Form 25A-R740](#); or
- [Benefit Statement \(Business\) Form 25A-R743](#).

#### **7.6.7. Replacement Housing**

Dwellings considered as replacement housing must meet the DSS standard as well as the applicable housing and occupancy codes, which may include requirements relating to potentially hazardous substances.

No dwelling located on, or in close proximity to, an identified hazardous waste site may be considered as a comparable replacement dwelling.

### **7.7. 90-Day Homeowner Occupants**

In addition to other authorized payments, eligible individuals and families displaced from a dwelling (including a condominium or cooperative apartment) required for a Federal-aid project may be eligible for RHP. The displaced person is not required to relocate to the same occupancy status (homeowner vs. tenant) but has other options according to ownership status and tenure of occupancy as described in this chapter.

#### **7.7.1. Eligibility**

In accordance with [49 CFR 24.401](#), a displaced person is eligible for RHP for a 90-day homeowner-occupant if the person:

- (1) Has actually owned and occupied the displacement dwelling for not less than 90 days immediately prior to the initiation of negotiations; and
- (2) Purchases and occupies a DSS replacement dwelling within 1 year after the later of the following dates (except that the agency may extend such 1-year period for good cause):
  - (i) The date the displaced person receives final payment for the displacement dwelling or, in the case of condemnation, the date the full amount of the determination of just compensation is deposited in the court; or
  - (ii) date the agency's obligation is met under [§24.204](#).

#### **7.7.2. Amount of Payment**

Except under HLR, RHP for an eligible 90-day homeowner-occupant may be as much as \$41,200. See [49 CFR 24.401](#) and [§24.404](#). Payment under this subpart is limited to the amount necessary to relocate to a comparable replacement dwelling within 1 year from the date the displaced homeowner-occupant is paid for the displacement dwelling, or the date a comparable dwelling is made available to such person, whichever is later. The payment shall be the sum of:

1. The amount by which the cost of a replacement dwelling exceeds the acquisition cost of the displacement dwelling, as determined under [§24.401\(c\)](#).
2. The increased interest costs and other debt service costs which are incurred in connection with the mortgage(s) on the replacement dwelling, as determined under [§24.401\(d\)-\(e\)](#).
3. The reasonable expenses incidental to the purchase of the replacement dwelling, as determined under [§24.401\(f\)](#).

See [Claim for Payment \(Replacement Housing Supplement\) Form 25A-R760](#) and RHP Computation Example (Ex. 7-2) of a situation where the displacement site is larger than the typical residential lot.

#### **7.7.3. Price Differential**

##### **Basic Computation**

The price differential to be paid under [49 CFR 24.401\(b\)\(1\)](#) is the amount which must be added to the acquisition cost of the displacement dwelling and site (see [§24.2\(a\)](#)) to provide a total amount equal to the lesser of:

- (i) The reasonable cost of a comparable replacement dwelling as determined in accordance with [§24.403\(a\)](#); or
- (ii) The purchase price of the DSS replacement dwelling actually purchased and occupied by the displaced person.

##### **Mixed-use and Multifamily Properties**

In accordance with [49 CFR 24.403\(a\)\(7\)](#), for mixed-use and multifamily properties, if the displacement dwelling was part of a property that contained another dwelling unit and/or space used for nonresidential purposes, and/or is located on a lot larger than typical for residential purposes, only that portion of the

acquisition payment actually attributable to the displacement dwelling shall be considered the acquisition cost when computing RHP.

#### **Insurance Proceeds**

In accordance with [49 CFR 24.403\(g\)](#), 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 (fire, flood, etc.) shall be included in the acquisition cost of the displacement dwelling when computing the price differential. See [§24.3](#).

#### **Owner Retention of Displacement Dwelling**

In accordance with [49 CFR 24.401\(c\)\(2\)](#), if the owner retains ownership of his or her dwelling, moves it from the displacement site, and reoccupies it on a replacement site, the purchase price of the replacement dwelling shall be the sum of:

- (i) The cost of moving and restoring the dwelling to a condition comparable to that prior to the move;
- (ii) The cost of making the unit a DSS replacement dwelling (see [§24.2\(a\)](#) and Ch. 12).
- (iii) The current fair market value for residential use of the replacement dwelling site (see [49 CFR Appendix-A-to-Part-24 “Section 24.401\(c\)\(2\)\(iii\) Price differential”](#)), unless the claimant rented the displacement site and there is a reasonable opportunity for the claimant to rent a suitable replacement site; and
- (iv) The retention value of the dwelling, if such retention value is reflected in the “acquisition cost” used when computing RHP.

Use the [Claim for Payment \(Owner Retention of Dwelling\) Form 25A-R763](#) for a claim under this section. This is done by approval of the Regional ROW Chief on a case-by-case basis.

#### **7.7.4. Increased Mortgage Interest Cost Differential**

##### **Mortgage Interest Differential Eligibility for 90- and 180-day Owners**

In 2018 [AS 34.60](#) was updated to refer directly to [42 USC 4622](#) as amended and [42 USC 4624](#) as amended to reflect changes made in the Moving Ahead for Progress in the 21<sup>st</sup> Century (MAP-21) Federal Transportation Bill of 2012. One notable

difference, however, is that Alaska law exceeded the Federal requirements for mortgage interest cost differential eligibility by including language to treat all existing mortgages of at least 90-days equivalently. However, as of the current version of this manual, FHWA clarified that they are not authorized to apply Federal funds for mortgages less than 180 days. Thus, the cost differential for mortgages less than 180 days are non-participating.

#### **Computing the Mortgage Interest Cost Differential**

In accordance with [49 CFR 24.401\(d\)](#), the amount the agency will pay is determined by the buydown method. Except as otherwise provided in [§24.401\(e\)](#), this method shall be the amount which will reduce the mortgage balance on a new mortgage to an amount that could be amortized with the same monthly payment for principal and interest as that for the mortgage(s) on the displacement dwelling.

In addition, payments shall include other debt service costs, if not paid as incidental costs, and shall be based only on bona fide mortgages that were valid liens on the displacement dwelling for at least 90 days before the initiation of negotiations. As previously noted, AS 34.60.050 exceeds the Federal requirement for mortgage interest cost differential eligibility for 180-day occupants, but does not differentiate eligible types of loans (such as home equity loans). As of the current version of this manual, FHWA is not authorized to apply Federal funds for mortgages less than 180 days. Thus, the cost differential for mortgages less than 180 days are non participating. [49 CFR 24.401\(d\)\(1\)-\(5\)](#) shall apply to the computation of the increased mortgage interest costs payment, which payment shall be contingent upon a mortgage being placed on the replacement dwelling:

- (1) The payment shall be based on the unpaid mortgage balance(s) on the displacement dwelling; however, in the event the displaced person obtains a smaller mortgage than the mortgage balance(s) computed in the buydown determination, the payment will be prorated and reduced accordingly. See [49 CFR Appendix-A-to-Part-24 “Section 24.401\(d\) Increased mortgage interest costs”](#). In the case of a home equity loan, the unpaid balance shall be that balance which existed 90 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.
- (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:
  - (i) They are not paid as incidental expenses;
  - (ii) They do not exceed rates normal to similar real estate transactions in the area;
  - (iii) The agency determines them to be necessary; and
  - (iv) 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 the 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 (i.e. obtain a mortgage of at least the same amount as the old mortgage and for at least the same term).

Use the [Computations for Incidental Expenses and Increased Interest Costs Form 25A-R765](#) for purposes of this section. Check for updated Federal Housing Authority (FHA) programs (i.e. reverse mortgage program). See [49 CFR 24.401\(e\)](#).

#### **7.7.5. Incidental Expenses**

In accordance with [49 CFR 24.401\(f\)](#) the incidental expenses to be paid under [§24.401\(b\)\(3\)](#) or [§24.402\(c\)\(1\)](#) are those necessary and reasonable costs actually incurred by the displaced person

incident to the purchase of a replacement dwelling, and customarily paid by the buyer, including:

- (1) Legal, closing, and related costs, including those for title search, preparing conveyance instruments, notary fees, preparing surveys and plats, and recording fees;
- (2) Lender, FHA, or VA application and appraisal fees.
- (3) Loan origination or assumption fees that do not represent prepaid interest.
- (4) Professional home inspection, certification of structural soundness, and termite inspection.
- (5) Credit report.
- (6) Owner's and mortgagee's evidence of title, e.g., title insurance, not to exceed the costs for a comparable replacement dwelling.
- (7) Escrow agent's fee.
- (8) State revenue or documentary stamps, sales, or transfer taxes (not to exceed the costs for a comparable replacement dwelling).and
- (9) Such other costs as the agency determines are incidental to the purchase (such as buyer's agent's commissions when it is required or customary in the local market or customarily paid by the buyer).

Use the [Computations for Incidental Expenses and Increased Interest Costs Form 25A-R765](#).

#### **7.7.6. Reverse Mortgages**

In accordance with [49 CFR 24.401\(e\)](#) and [49 CFR Appendix-A-to-Part-24 "Section 24.401\(e\) Reverse Mortgage"](#), the payment for replacing a reverse mortgage shall be the difference between the existing reverse mortgage balance and the minimum dollar amount necessary to purchase a replacement reverse mortgage which will provide the same or similar terms as that for the reverse mortgage on the displacement dwelling. In addition, payments shall include other debt service costs, if not paid as incidental costs, and shall be based only on reverse mortgages that were valid liens on the displacement dwelling for at least 180 days prior to the initiation of negotiations.

The following shall apply to the computation of the mortgage interest differential payment required under



[§24.401\(d\)](#), which payment shall be contingent upon a new reverse mortgage being purchased for the replacement dwelling:

1. The payment shall be based on the difference between the reverse mortgage balance and the minimum amount needed to qualify for a reverse mortgage with the similar terms as the reverse mortgage on the displacement dwelling; however, in the event the displaced person obtains a reverse mortgage with a smaller principal balance than the reverse mortgage balance(s) computed in the buydown determination, the payment will be prorated and reduced accordingly. The reverse mortgage balance shall be that balance which existed 180 days prior to the initiation of negotiations or the reverse mortgage balance on the date of acquisition, whichever is less.
2. The interest rate on the new reverse mortgage used in determining the amount of the eligibility shall not exceed the prevailing rate for reverse mortgages currently charged by mortgage lending institutions for owners with similar amounts of equity in their units in the area in which the replacement dwelling is located.
3. Purchaser's points and loan origination, but not seller's points, shall be paid to the extent:
  - (i) they are not paid as incidental expenses;
  - (ii) they do not exceed rates normal to similar real estate transactions in the area;
  - (iii) the agency determines them to be necessary; and
  - (iv) the computation of such points and fees shall be based on the reverse mortgage balance on the displacement dwelling plus any amount necessary to purchase the new reverse mortgage.
4. The displaced person or their representative shall be advised of the approximate amount of this eligibility and the conditions that must be met to receive the reimbursement as soon as the facts relative to the person's current reverse mortgage are known; the payment shall be made available at or near the time of closing on the replacement dwelling in order to purchase the new reverse mortgage as intended.

#### **7.7.7. Rental Assistance Payment for 90-Day Homeowner**

In accordance with [49 CFR 24.401\(g\)](#) a 90-day homeowner-occupant, who could be eligible for RHP under [§24.401\(a\)](#), but elects to rent a replacement dwelling, is eligible for a rental assistance payment. The amount of the rental assistance payment is based on a determination of market rent for the acquired dwelling compared to a comparable rental dwelling available on the market. The difference, if any, is computed in accordance with [§24.402\(b\)\(1\)](#), except that the limit of \$9,570 does not apply, and is disbursed in accordance with [§24.402\(b\)\(3\)](#). Under no circumstances would the rental assistance payment exceed the amount that could have been received under [§24.402\(b\)\(1\)](#) had the 90-day homeowner elected to purchase and occupy a comparable replacement dwelling. Payments allowed under [§24.402\(c\)](#) are not applicable.

#### **7.7.8. Computing Relocation Benefits for Households Containing Aliens not Lawfully Present in the U.S.**

In accordance with [49 CFR Appendix-A-to-Part-24 "Section 24.208\(c\) Aliens not lawfully present in the U.S.--computing relocation payments if some members of a displaced family are present lawfully but others are present unlawfully"](#), if a person who is a member of a family being displaced is not eligible for and does not receive Uniform Act benefits because he or she is not lawfully in the U.S., that person's income shall not be excluded from the computation of family income. The person's income is counted unless the agency is certain that the ineligible person will not continue to reside with the family. To exclude the ineligible person's income would result in a windfall by providing a higher relocation payment.

There are two different methods for computing relocation payments in situations where some members of a displaced family are present lawfully, but others are present unlawfully. For moving expenses, the payment is to be based on the proportion of lawful occupants to the total number of occupants. For example, if four out of five members of a family to be displaced are lawfully present the proportion of lawful occupants is 80 percent and that percentage is to be applied against the moving expenses payment that otherwise would have been received. Similarly, unlawful occupants are not counted as a part of the family for RHP calculations. Thus, a family of five, one of whom is a person not lawfully present in the U.S., would be counted as a family of four. The

comparable replacement dwelling for the family would reflect the makeup of the remaining four persons, and the RHP would be computed accordingly.

A “pro rata” approach to an RHP calculation is not permitted unless use of the two permitted methods discussed in this section would create an exceptional and extremely unusual hardship (consistent with [Pub. L. 105-117](#); codified at [42 USC 4605](#)). Following such a calculation would require that the agency disregard alien status for comparability determination, select a comparable and then apply a percentage to the RHP amount. A “pro rata” calculation approach for RHP may result in a higher RHP eligibility than the displaced persons would otherwise be eligible to receive. The “pro rata” approach of providing a percentage of the calculated RHP eligibility is contrary to the requirements of the Uniform Act and this part.

## **7.8. 90-Day Tenants and Certain Others**

In accordance with [49 CFR 24.402](#), except under HLR, a tenant or owner-occupant displaced from a dwelling may be entitled to a payment of as much as \$9,570 for rental assistance, as computed in accordance with [§24.402\(b\)](#), or down payment assistance, as computed in accordance with [§24.402\(c\)](#), under the following eligibility requirements.

### **7.8.1. Eligibility**

A displaced person is eligible for 90-day tenant assistance, if such displaced person:

1. Has actually and lawfully occupied the displacement dwelling for at least 90 days immediately before the initiation of negotiations; and
2. Has rented or purchased and occupied a DSS replacement dwelling within 1 year (unless the agency extends this period for good cause) after the date they move from the displacement dwelling.

### **7.8.2. Rental Assistance Payment**

Except under HLR, an eligible displaced person under [§24.402\(a\)](#) who rents a replacement dwelling is entitled to a payment of as much as \$9,570 for rental assistance. See [§24.404](#)). Such payment shall be 42 times the amount obtained by subtracting the

base monthly rental for the displacement dwelling from the lesser of:

- (i) The monthly rent and estimated average monthly cost of utilities for a comparable replacement dwelling; or
- (ii) The monthly rent and estimated average monthly cost of utilities for the DSS replacement dwelling actually occupied by the displaced person.

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

- (i) The average monthly cost for rent and utilities at the displacement dwelling for the 1 year prior to displacement (for an owner-occupant, use the fair market rent for the displacement dwelling; for a tenant who paid little or no rent for the displacement dwelling, use the fair market rent, unless its use would result in a hardship because of the person’s income or other circumstances);
- (ii) Thirty (30) percent of the displaced person’s average monthly gross household income if the amount is classified as “low income” by HUD in its most recently published Uniform Relocation Act Income Limits (“Survey”). The base monthly rental shall be established solely on the criteria in [§24.402\(b\)\(2\)\(i\)](#) above for persons with income exceeding the Survey’s “low income” limits, for persons refusing to provide appropriate evidence of income, and for persons who are dependents. A full-time student or resident of an institution may be assumed to be a dependent, unless the demonstrates otherwise; or
- (iii) The total of the amounts designated for shelter and utilities if the displaced person is receiving a welfare assistance payment from a program that designates the amounts for shelter and utilities.

Note 1 to [§24.402\(b\)\(2\)](#): The Survey’s income limits are updated annually and are available at: <https://www.huduser.gov/portal/datasets/ura.html>. See also [https://www.fhwa.dot.gov/real\\_estate/low\\_income\\_calculations/index.cfm](https://www.fhwa.dot.gov/real_estate/low_income_calculations/index.cfm).

Disburse the payment under this section in a lump sum, unless the Regional ROW Chief determines that the payment should be made in installments. If installments are chosen, except as limited by [§24.403\(f\)](#), the full amount vests immediately,

whether or not there is any later change in person's income or rent, or in the condition or location of the person's replacement housing.

DOT&PF intends that the full amount of RHP for rental assistance should be applied to the rental of the replacement dwelling. The agency may make payment to the owner of the rental replacement housing if the Regional ROW Chief determines it to be necessary for placement into a rental situation and obtains the written consent of the displaced person.

Use the following forms for purposes of this section:

- [Payment Evaluation \(Rent Supplement\) Form 25A-R768](#); and
- [Claim for Payment \(Rent Supplement\) Form 25A-R770](#).

### **7.8.3. Down Payment Assistance**

In accordance with [49 CFR 24.402\(c\)](#), an eligible displaced person under [§24.402\(a\)](#) who purchases a replacement dwelling is entitled to a down payment assistance payment in the amount the person would receive under [§24.402\(b\)](#) if the person rented a comparable replacement dwelling. If the computed down payment assistance payment is less than \$9,570 (for 90-day occupant), the agency may increase the down payment amount to as much as \$9,570. However, the payment to a displaced person shall not exceed the amount the homeowner would receive under [§24.401\(b\)](#) if he or she met the 90-day occupancy requirement. If the agency elects to provide the maximum payment of \$9,570 as a down payment, the agency shall apply this discretion in a uniform and consistent manner, so that eligible displaced persons in like circumstances are treated equally. A displaced person eligible to receive a payment as a 90-day owner-occupant under [§24.401\(a\)](#) is not eligible for this payment. See [Appendix A](#) to [§Section 24.402\(c\)](#) for payments to less than 90-day occupants and for a discussion of those who fail to meet the 90-day occupancy requirements.

The full amount of RHP for down payment assistance must be applied to the purchase price of the replacement dwelling and related incidental expenses. The agency may make the payment to an escrow

account before closure of the loan if the following criteria are met:

- loan agency agrees to return the payment should the sale not be consummated; and
- replacement dwelling meets the necessary DSS inspection requirements.

Use the following forms for purposes of this section:

- [Payment Evaluation \(Down Payment\) Form 25A-R773](#); and
- [Claim for Payment \(Down Payment\) Form 25A-R775](#).

### **7.9. Determining Cost of Comparable Replacement Dwelling**

In accordance with [49 CFR 24.403\(a\)](#), the upper limit of RHP shall be based on the cost of a comparable replacement dwelling. See [§24.2\(a\)](#).

- (1) If available, at least three comparable replacement dwellings shall be considered and the payment computed on the basis of the dwelling most nearly representative of, and equal to or better than, the displacement dwelling. See [Appendix A](#) to this part, [section 24.403\(a\)\(1\)](#).
- (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 contributory value of such attribute as determined by the agency shall be subtracted from the acquisition cost of the displacement dwelling for purposes of computing the payment. This is often referred to as a "carve out." See [49 CFR Appendix-A-to-Part-24 "RHP Computation for Carve Out of a Major Exterior Attribute of a Displacement Property's Land in Excess of a Typical Lot"](#).

Examples of such major exterior attributes may include land in excess of that typical in size for the neighborhood, a swimming pool, shed, or garage. Use of a carve out allows agencies to ensure comparable dwellings are available to the displaced person. The displaced person has received just compensation for the carved-out attribute and may decide to use that compensation to replace the attribute. However, it should be noted that some carved out attributes, acreage as one example, cannot always be replaced in the

immediate market and a displaced person may then have to decide whether they want to expand their search area and reconsider their desired replacement home location.

- (3) If the acquisition of a portion of a typical residential property causes the displacement of the owner from the dwelling and the agency determines that the remainder has economic value to the owner, the agency may offer to purchase the entire property. If the owner refuses to sell the remainder to the agency, the fair market value of the remainder may be added to the acquisition cost of the displacement dwelling for purposes of computing RHP. See [49 CFR Appendix-A-to-Part-24 Section 24.403\(a\)\(3\)](#).
- (4) 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.

## 7.10. Replacement HLR

In accordance with [49 CFR 24.404\(a\)](#), whenever a program or project cannot proceed on a timely basis because comparable replacement dwellings are not available within the monetary limits for owners or tenants, as specified in [§24.401](#) or [§24.402](#), the agency must provide additional or alternative assistance, which is termed “housing of last resort” (HLR).

Any decision to provide last resort housing assistance must be adequately justified either:

- (1) On a case-by-case basis, for good cause, which means that appropriate consideration has been given to:
  - (i) The availability of comparable replacement housing in the program or project area;
  - (ii) The resources available to provide comparable replacement housing; and
  - (iii) The individual circumstances of the displaced person; or
- (2) By a determination that:
  - (i) There is little, if any, comparable replacement housing available to displaced persons within an entire program or project area; and,

therefore, last resort housing assistance is necessary for the area as a whole;

- (ii) A program or project cannot be advanced to completion in a timely manner without last resort housing assistance; and
- (iii) The method selected for providing last resort housing assistance is cost effective, considering all elements, which contribute to total program or project costs.

In accordance with [49 CFR 24.404\(b\)](#), notwithstanding any provision of this subpart, no person shall be required to move from a replacement dwelling unless comparable replacement housing is available to such person. No person may be deprived of any rights the person may have under the Uniform Act ([49 CFR 24](#)) or [this part](#). The agency shall not require any displaced person to accept a dwelling provided by the agency under the procedures of this part (unless the agency and the displaced person have entered into a contract to do so) in lieu of any acquisition payment or any relocation payment for which the person may otherwise be eligible.

### 7.10.1. Methods of Providing Comparable Replacement HLR

The agency has broad latitude in implementing this section, but implementation shall be for reasonable cost, on a case-by-case basis, unless an exception to case-by-case analysis is justified for an entire project. Consult with the regional procurement office to ensure compliance with procurement regulations when contracting directly for goods and services. The Regional ROW Chief must approve any methods other than payment in excess of the established limits.

In accordance with [49 CFR 24.404\(c\)](#), the methods of providing comparable replacement housing include the following:

- (i) RHP in excess of the limits set forth in [49 CFR 24.401](#) or [§24.402](#), as appropriate. The agency may provide a rental assistance subsidy in installments or in a lump sum as determined by the Regional ROW Chief. See Sections 7.8.2, 7.9.2-7.9.3.
- (ii) Rehabilitation of, or additions to, an existing replacement dwelling.
- (iii) The construction of a new replacement dwelling.



- (iv) The provision of a direct loan, which requires regular amortization or deferred repayment. The loan may be unsecured or secured by the real property. The loan may bear interest or be interest-free. See Sec. 2.9.7.
- (v) The relocation and, if necessary, rehabilitation of a dwelling.
- (vi) The purchase of land or a replacement dwelling by the agency and subsequent sale or lease to, or exchange with a displaced person.
- (vii) The removal of barriers for persons with disabilities.

Under special circumstances, consistent with the definition of a comparable replacement dwelling in [49 CFR 24.2\(a\)](#), modified methods of providing replacement HLR permit consideration of replacement housing based on space and physical characteristics different from those in the displacement dwelling (see [49 CFR Appendix-A-to-Part-24 “Section 24.404\(c\) Methods of providing comparable replacement housing”](#)), including upgraded, but smaller replacement housing that is DSS 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 [§24.2\(a\)](#), comparable replacement housing.

[49 CFR 24.404\(c\)](#) emphasizes the use of cost-effective means of providing comparable replacement housing. The term “reasonable cost” is used to highlight the fact that while innovative means to provide housing are encouraged, they should be cost-effective. [§24.404\(c\)\(2\)](#) permits the use of HLR, in special cases, which may involve variations from the usual methods of obtaining comparability. However, such variation should never result in 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. In no event may the agency require a displaced person to move into a property that is not functionally equivalent in accordance with the definition of “Comparable Replacement Dwelling”. See [49 CFR 24](#).

A new mobile home may be used in extreme circumstances to replace a very substandard conventional dwelling in an area where comparable conventional dwellings are not available. Another option is to provide a superior, but smaller, DSS dwelling to replace a large, old substandard dwelling, if only a portion of a large dwelling is being used as living quarters by the occupants and no other large comparable dwellings are available in the area. See [49 CFR Appendix-A-to-Part-24 “Section 24.404 Replacement housing of last resort”](#).

## 7.11. Requirement to Purchase Replacement Dwelling

In accordance with [49 CFR 24.403\(c\)](#), a displaced person is considered to have met the requirement to purchase a replacement dwelling, if the person:

- (1) Purchases a dwelling;
- (2) Purchases and rehabilitates a substandard dwelling;
- (3) Relocates a dwelling which he or she owns or purchases;
- (4) Constructs a dwelling on a site he or she owns or purchases;
- (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; or
- (6) Currently owns a previously purchased dwelling and site, valuation of which shall be on the basis of current fair market value.

### 7.11.1. Occupancy Requirements for Displacement or Replacement Dwelling

In accordance with [49 CFR 24.403\(d\)](#), no person shall be denied eligibility for RHP solely because the person is unable to meet the occupancy requirements set forth in this part for a reason beyond his or her control, including:

- (1) 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 agency; or
- (2) Another reason, such as a delay in the construction of the replacement dwelling, military duty, or hospital stay, as determined by the agency.



## 7.12. Persons Ineligible to Receive RHP

The agency shall provide assistance under this subpart to a displaced person who is not eligible to receive RHP under [49 CFR 24.401](#) and [§24.402](#) because of failure to meet the length of occupancy requirement when comparable replacement rental housing is not available at rental rates within the displaced person's financial means. Such assistance shall cover a period of 42 months. See [§24.2\(a\)](#).

## 7.13. Utilization of Payment by Displaced Person

Whenever the agency provides monetary assistance, the displaced person must apply the money to the intended purpose.

## 7.14. Voluntary Sale for HLR

Relocation benefits are inapplicable to an owner-occupant who voluntarily sells property to the agency for HLR, and the owner-occupant so certifies in a statement maintained in the agency's files.

## 7.15. Payment for Residential Moves and Related Expenses

In accordance with [49 CFR 24.301](#) any displaced owner-occupant or tenant who qualifies as a displaced person (defined at [§24.2\(a\)](#)) and who moves from a dwelling (including a mobile home) or who moves from a business, farm, or nonprofit organization is entitled to payment of his or her actual moving and related expenses as the agency determines to be reasonable and necessary.

A displaced person's actual, reasonable, and necessary moving expenses for moving personal property from a dwelling may be determined based on the cost of one or a combination of the following methods (see [§24.301\(b\)](#)):

- (1) Commercial moves performed by a professional mover.
- (2) Self moves may be performed by the displaced person in one or a combination of the following methods:
  - (i) Fixed Residential Moving Cost Schedule (see [49 CFR 302](#) and [http://www.fhwa.dot.gov/real\\_estate/uniform\\_act/relocation/moving\\_cost\\_schedule.cfm](http://www.fhwa.dot.gov/real_estate/uniform_act/relocation/moving_cost_schedule.cfm)).
  - (ii) Actual Cost Move, supported by receipted bills for labor and equipment. Hourly labor

rates should not exceed the cost paid by a commercial mover for moving staff necessary for moving the residential personal property. Costs for moving personal property that requires special handling should not exceed the hourly market rate for a commercial specialist. Equipment rental fees should be based on the actual cost of renting the equipment but not exceed the cost paid by a commercial mover.

- (iii) A moving cost estimate prepared by a qualified agency staff person as developed from the agency's thorough review of the personal property to be moved and documented costs for materials, equipment, and labor. Hourly labor rates should not exceed the cost paid by a commercial mover for moving staff. Costs for moving residential personal property that requires special handling should not exceed the hourly rate for a commercial specialist. Equipment rental fees should be based on the actual cost of renting the equipment but not exceed the cost paid by a commercial mover. The cost of materials should equal those readily available locally.
- (iv) Commercial mover estimate based on the lower of two bids from a commercial mover. Federal funding agencies may establish policies and procedures which require its grantees to calculate and subtract an estimated amount of overhead and profit from the moving cost bids to establish a reimbursement eligibility.

ROW Agents level 1-6 and ROW Chiefs or commercial movers, where permitted by [49 CFR 24.301](#), are authorized to make moving cost estimates. See also Chapters 1 and 2.

### 7.15.1. Residential Moves: Actual Expenses

In accordance with [49 CFR 24.301\(g\)](#), actual and necessary residential moving expenses eligible for reimbursement include the following:

- (1) Transportation of the displaced person and personal property. Transportation costs for a distance beyond 50 miles are not eligible, unless the agency determines that relocation beyond 50 miles is justified.

- (2) Packing, crating, unpacking, and uncrating of the personal property.
- (3) Disconnecting, dismantling, removing, reassembling, and reinstalling relocated household appliances and other personal property.
- (4) An agency may determine that the storage of personal property is a reasonable and necessary moving expense for a displaced person or person required to move temporarily under this part. Agencies may approve a payment for storage when the process of relocating from the acquired site to the replacement site is delayed for reasons beyond the control of the displaced person. Storage may not be longer than 12 months, starting at the date of vacation from the acquired site and ending when the replacement site becomes available. Agencies may approve storage for more than 12 months in unusual instances as justified, documented, and approved by the agency.
- (5) Insurance for the replacement value of the property in connection with the move and necessary storage.
- (6) The replacement value of property lost, stolen, or damaged in the process of moving (not through the fault or negligence of the displaced person, his or her agent, or employee) where insurance covering the loss, theft, or damage is not reasonably available.
- (7) A displaced tenant is entitled to reasonable reimbursement, as determined by the agency, for actual expenses not to exceed \$1,000, incurred for rental replacement dwelling application fees or credit reports required to lease a replacement dwelling.
- (8) Other moving related expenses that are not listed as ineligible the agency determines are reasonable and necessary. See [49 CFR 24.301\(h\)](#).

Note that [49 CFR Appendix-A-to-Part-24 “Section 24.301\(g\)\(3\) Modifications to personal property or to utilities”](#) contains a typographical error where expenses for disconnecting, dismantling, removing, reassembling, and reinstalling relocated personal property are erroneously mentioned as disallowed. This Manual makes the correction to indicate they are allowed.

The following forms are required for a claim under this section:

- [Claim for Actual Moving Expenses Form 25A-R745](#); and
- [Tabulation of Actual Moving Expenses \(Nonresidential\) Form 25A-R750](#).

See [49 CFR 24.207](#), [49 CFR Appendix-A-to-Part-24 “Section 24.207 General Requirements—Claims for relocation payments”](#) and Ch. 12 regarding required deductions of advance relocation payments.

#### **7.15.2. Residential Moves: Fixed Payment for Moving Expenses**

In accordance with [49 CFR 24.302](#), any eligible person displaced from a dwelling or a seasonal residence or a dormitory-style room is entitled to receive a fixed moving cost payment as an alternative to a payment for actual moving and related expenses covered under [§24.301](#). This payment shall be based on room count. Determine the room count when requested.

In some cases, a displaced person will have an unusually large amount of furniture in one or more rooms (such as in a basement or attic). In this case the number of rooms and the Fixed Residential Moving Cost Schedule payment may be adjusted to reflect this situation. The definition of “Counted room” and the Fixed Residential Moving Cost Schedule for either occupants moving from unfurnished units or from furnished units where the occupant does not own the furniture are set forth on the [Claim for Fixed Moving Expenses and Dislocation Allowance \(Residential\) Form 25A-R753](#).

Occasionally, a displaced person may store personal property outdoors yet still choose to move the property as a scheduled move. In this case, the agency may determine the reasonable cost of moving this outdoor property and add it to the schedule as additional rooms or as a moving cost finding.

The expense and dislocation allowance to a person whose residential move is performed by an agency at no cost to them shall be limited to \$100.

If an owner-occupant chooses to retain the home and leaves personal property in the dwelling while the dwelling is being moved, the displaced person is eligible to receive the moving costs by the schedule outlined above. If the move by schedule option is selected, the displaced person is not eligible to receive

payments for any other moving expenses, storage costs, nor the cost of temporary lodging.

The payment to a person with minimal personal possessions who is in occupancy of a dormitory-style room shared by two or more other unrelated persons or a person whose residential move is performed by an agency at no cost to the person shall be limited to \$100 as indicated on the Fixed Residential Moving Cost Schedule approved by FHWA and published in the Federal Register on a periodic basis. In addition, an agency may approve storage for a displaced person's personal property for a period of up to 12 months as a reasonable, actual and necessary moving expense under [49 CFR 24.301\(g\)\(4\)](#).

As set forth in [49 CFR 24.302](#) and [49 CFR Appendix-A-to-Part-24 “Section 24.303\(a\)”](#), an agency may determine that the storage of personal property is a reasonable and necessary moving expense for a displaced person under this part. The determination shall be based on the needs of the displaced person; the nature of the move; the plans for permanent relocation; the amount of time available for the relocation process; and, whether storage will facilitate relocation. If the agency determines that storage is reasonable and necessary in conjunction with a fixed cost moving payment made under this section, the agency shall pay the actual, reasonable, and necessary storage expenses in accordance with [§24.301\(g\)\(4\)](#). However, regardless of whether storage is approved, the Fixed Residential Move Cost Schedule provides a one-time payment for one move from the displacement dwelling to the replacement dwelling, or storage facility. Consequently, displaced persons must be fully informed that reimbursement of costs to move the personal property to storage and the cost of approved storage, if applicable, represent a full reimbursement of their eligibility for moving costs under this part.

#### **7.15.3. *Computing Moving Expenses for Households Containing Aliens not Lawfully Present in the U.S.***

To calculate the pro rata share of moving expenses for households including aliens not lawfully present in the U.S., see [49 CFR Appendix-A-to-Part-24 “Section 24.208\(c\) Aliens not lawfully present in the United States—computing relocation payments if](#)

[some members of a displaced family are present lawfully but others are present unlawfully”](#).

#### **7.15.4. *Owner-occupants of Multifamily Dwellings***

An eligible owner-occupant of a multifamily dwelling is eligible to receive a residential moving expense payment for moving personal property from the owner-occupied dwelling unit. The owner-occupant is also eligible to receive moving payments for personal property owned in the other units of the multifamily dwellings.

#### **7.16. *Payment for Nonresidential Moves and Related Expenses***

In accordance with [49 CFR 24.301\(d\)](#), eligible expenses for moves from a business, farm, or nonprofit organization include those expenses described in §§ [paragraphs \(g\)\(1\)-\(7\) and \(11\)-\(18\)](#) of this section and [§24.303](#). Personal property as determined by an inventory from a business, farm, or nonprofit organization may be moved by one or a combination of the following methods:

1. Commercial move based on the lower of two bids or estimates prepared by a commercial mover. At the agency's discretion, payment for a low cost or uncomplicated move may be based on a single bid or estimate.
2. A self-move payment may be based on one or a combination of the following:
  - (i) The lower of two bids or estimates prepared by a commercial mover or qualified agency staff person. At the agency's discretion, payment for a low cost or uncomplicated move may be based on a single bid or estimate; or
  - (ii) Supported by receipted bills for labor and equipment. Hourly labor rates should not exceed the rates paid by a commercial mover to employees performing the same activity and, equipment rental fees should be based on the actual rental cost of the equipment but not to exceed the cost paid by a commercial mover).
  - (iii) A qualified agency staff person may develop a move cost finding by estimating and determining the cost of a small uncomplicated nonresidential personal property move of \$5,000 or less, with the written consent of the

person. This estimate may include only the cost of moving personal property which does not require disconnect and reconnect and/or specialty moving services necessary for activities including crating, lifting, transportation, and setting of the item in place.

The prohibition of benefits payments to an alien not lawfully present in the U.S. must be applied differently to the differing ownership situations found in sole proprietorships, partnerships, or corporations.

In a sole proprietorship, the eligibility of the business is synonymous with the residency status of the proprietor. Therefore, if the proprietor is an alien not lawfully present in the U.S., the business is not eligible.

In a partnership, if any of the owners are aliens not lawfully present in the U.S., the agency may make no relocation payment to those owners. Reduce the total relocation payment by a percentage based on the proportion of ineligible owners.

A corporation, which is considered a “person” under Alaska law, need only certify that it is authorized to conduct business in the U.S.

#### **7.16.1. Nonresidential Moves: Actual Reasonable Moving and Related Expenses**

In accordance with [49 CFR 24.301\(g\)](#) (see also guidance in [49 CFR Appendix-A-to-Part-24 “Section 24.301 Payment for Actual Reasonable Moving and Related Expenses”](#)), actual and necessary non-residential moving expenses also include:

- Any actual, reasonable, or necessary costs of a license, permit, fee, or certification required of the displaced person to operate a business, farm, or nonprofit at the replacement location. However, the payment may be based on the remaining useful life of the existing license, permit, fees, or certification.
- Professional services as the agency determines to be actual, reasonable, and necessary for:
  - (i) Planning the move of the personal property, such as consultants, professional services performed prior to the purchase or lease of a replacement site to determine its suitability for the displaced person’s business operation are included if the agency determines they are actual, reasonable, and necessary (examples

include feasibility surveys, soil testing, and marketing studies; and professional services in connection with the purchase or lease of a replacement site);

- (ii) Moving the personal property; and
- (iii) Installing the relocated personal property at the replacement location. (See also [49 CFR Appendix-A-to-Part-24 “Section 24.304\(b\)\(5\) Ineligible expenses”](#) and note below. Construction costs for a new building at the business replacement site and costs to substantially reconstruct or rehabilitate a building are generally ineligible for reimbursement as are expenses for disconnecting, dismantling, removing, reassembling, and reinstalling relocated personal property.)

Note that [49 CFR Appendix-A-to-Part-24 “Section 24.301\(g\)\(3\) Modifications to personal property or to utilities”](#) contains a typographical error where expenses for disconnecting, dismantling, removing, reassembling, and reinstalling relocated personal property are erroneously mentioned as disallowed. This Manual makes the correction to indicate they are allowed. Note that Appendix A for [§24.301\(g\)\(3\)](#) disallows the items stated in (iii) above, but does allow for eligibility of modifications for utilities tied to the personal property. As of the effective date of this manual, FHWA is working on a technical correction to the regulations.

- Relettering signs, replacing stationery on hand at the time of displacement or temporary move, and making reasonable and necessary updates to other media that are made obsolete as a result of the move. See [49 CFR Appendix-A-to-Part-24 “Section 24.301\(g\)\(14\) Relettering signs and replacing stationery”](#).
- Actual direct loss of tangible personal property incurred as a result of moving or discontinuing the business or farm operation only when equipment is not being moved to replacement site and therefore it becomes an actual loss of tangible personal property. The payment shall consist of:
  - (i) If the item is currently in use, the lesser of:
    - A. The estimated cost to move the item up to 50 miles and reinstall; or



- B. The fair market value in place of the item, as is for continued use, less the proceeds from its sale. To be eligible for payment, the claimant must make a good faith effort to sell the personal property, unless the agency determines that such effort is not necessary.
- (ii) If the item is not currently in use: The estimated cost of moving the item 50 miles, as is.
- (iii) 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 prices. See [49 CFR Appendix-A-to-Part-24 "Section 24.301\(g\)\(15\)\(i\)"](#).
- The reasonable cost incurred in attempting to sell an item that is not to be relocated. (In accordance with [49 CFR 24.301\(g\)\(15\)\(i\)\(B\)](#), the claimant must make a good faith effort to sell the personal property, unless the agency determines that such effort is not necessary. 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 on the potential selling prices.)
  - If an item of personal property, which is used as part of a business or farm operation is not moved but is promptly replaced with a substitute item that performs a comparable function at the replacement site, the displaced person is entitled to payment of the lesser of:
    - (i) The cost of the substitute item, including installation costs of the replacement site, minus any proceeds from the sale or trade-in of the replaced item; or
    - (ii) The estimated cost of moving and reinstalling the replaced item but with no allowance for storage at the agency's discretion, the estimated cost for a low cost or uncomplicated move may be based on a single bid or estimate.
  - Searching for a replacement location.
    - (i) A business or farm operation is entitled to reimbursement for actual expenses, not to exceed \$5,000, as the agency determines to be reasonable, which are incurred in searching for a replacement location, including:
      - (A) Transportation;
      - (B) Meals and lodging away from home;
      - (C) Time spent searching, based on reasonable salary or earnings of at least \$25 per hour (a higher rate may be justified based on a demonstration of actual salary);
      - (D) Fees paid to a real estate agent or broker to locate a replacement site, exclusive of any fees or commissions related to the purchase of such sites;
      - (E) Time spent obtaining permits and attending zoning hearings; and
      - (F) Expenses negotiating the purchase of a replacement site, based on a reasonable salary or fee, including actual, reasonable, and necessary attorney's fees.
- The Federal funding agency, on a program-wide basis, allows a one-time payment of \$1,000 for search expenses with minimal or no documentation as an alternative payment method to [49 CFR 24.301\(g\)\(18\)\(i\)](#). See [49 CFR Appendix-A-to-Part-24 "Section 24.301\(g\)\(18\) Searching expenses"](#).
- The amount of a payment for direct loss of an advertising sign that is personal property shall be the lesser of the following:
    - (1) The depreciated reproduction cost of the sign, as determined by the agency, less the proceeds from its sale; or
    - (2) The estimated cost of moving the sign, but with no allowance for storage.
  - 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 agency, the allowable moving cost payment shall not exceed the lesser of: the amount which would be received if the property were sold at the site; or the replacement cost of a comparable quantity delivered to the new business location. Examples of personal property covered by this [49 CFR 24\(g\)\(19\)](#) include, but are not



limited to, stockpiled sand, gravel, minerals, metals, and other similar items of personal property as determined by the agency.

In accordance with [49 CFR 24.303](#), the following expenses, in addition to those provided by [§24.301](#) for moving personal property, shall be provided if the agency determines that they are actual, reasonable, and necessary:

- (a) Connection to available utilities from the replacement site's property line to improvements at the replacement site. See [49 CFR Appendix-A-to-Part-24 "Section 24.303\(a\)"](#).
- (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 or feasibility and marketing studies (excluding any fees or commissions directly related to the purchase or lease of such site). At the discretion of the agency an hourly rate of \$50 may be paid. See [49 CFR Appendix-A-to-Part-24 "Section 24.303\(b\) Professional services"](#).
- (c) Impact fees and one-time assessments for anticipated heavy utility usage, as determined necessary by the agency. See [49 CFR Appendix-A-to-Part-24 "Section 24.303\(c\) Impact fees and one-time assessments for anticipated heavy utility usage"](#).

The following forms are required for a claim under this section:

- [Claim for Actual Moving Expenses Form 25A-R745](#); and
- [Tabulation of Actual Moving Expenses Form 25A-R750](#).

## **7.17. Nonresidential Moves: Preparation of Specifications, Notification, and Inspection**

In accordance with [49 CFR 24.301\(i\)](#) the agency shall inform the displaced person, and persons required to move temporarily, in writing, of the requirements of this section as soon as possible after the initiation of negotiations. This information may be included in the relocation information provided the person as set forth

in [§24.203](#). To be eligible for payments under this section the person must:

- (1) Provide the agency reasonable advance notice of the approximate date of the start of the move or disposition of the personal property and an inventory of the items to be moved. However, the agency may waive this notice requirement after documenting its file accordingly.
- (2) Permit the agency to make reasonable and timely inspections of the personal property at both the displacement and replacement sites and to monitor the move.

The move specification is a detailed agreement between the displaced person and the agency on how the move is to be accomplished. The displaced person prepares this document (with agency assistance if necessary). The displaced person should be informed that he or she may hire a professional to prepare the document and include the cost of preparation as part of the displaced person's moving expenses. The document becomes the basis to prepare the bids or estimates because it informs the person preparing the move estimate of what must be done to accomplish the move.

The move specifications should address such items as the following:

- order of the move;
- advance notification of the date of the move;
- special handling required;
- detach and reinstallation instructions;
- inventory;
- unique circumstances of the move; and
- location to which the property will be moved.

For low-cost or uncomplicated moves, the agency may waive the move specifications requirement.

### **7.17.1. Nonresidential Moves: Self-Moves**

If the displaced person elects to take full responsibility for all or part of the move of the business, farm operation, or nonprofit organization, the agency may approve a payment for the moving expenses. Before the move, the displaced person must complete the [Self-Move Agreement \(Business\) Form 25A-R755](#).

In accordance with [49 CFR 24.301\(d\)\(2\)](#), the amount may be based on one or a combination of the following:

- (i) the lower of two bids or estimates prepared by a commercial mover or a qualified agency staff person. At the agency's discretion, payment for a low cost or uncomplicated move may be based on a single bid or estimate; or
- (ii) supported by receipted bills for labor and equipment. Hourly labor rates should not exceed the rates paid by a commercial mover to employees performing the same activity and, equipment rental fees should be based on the actual rental cost of the equipment but not to exceed the cost paid by a commercial mover.
- (iii) A qualified agency staff person may develop a move cost finding by estimating and determining the cost of a small uncomplicated nonresidential personal property move of \$5,000 or less, with the written consent of the person. This estimate may include only the cost of moving personal property which does not require disconnect and reconnect and/or specialty moving services necessary for activities including crating, lifting, transportation, and setting of the item in place.

The person preparing these bids or estimates must sign and date them and indicate the replacement location. A self-move payment does not require the displaced person to submit any additional documentation of moving expenses actually incurred in the move.

Monitor the move to ensure the property is actually moved to the replacement site and that the payment to the displaced person was based upon costs that were actual, reasonable, and necessary. This can be documented in the file by pre- and post-move inventories and the agent's move monitoring report contained within the [Self-Move Agreement \(Business\) Form 25A-R755](#).

For an uncomplicated move of less than \$5,000, the Regional ROW Chief may determine that a single bid or estimate is required. If, in the Regional ROW Chief's opinion, bids or estimates cannot be obtained or if circumstances (such as large fluctuations in inventory) prevent reasonable bidding, The agency may pay the displaced owner the actual reasonable moving costs, supported by receipts or other evidence of expense incurred.

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

- amounts paid for truck and/or equipment hired;
- 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 (the hourly rate may not exceed that of commercial movers or contractors in the locality for each profession or craft involved); and
- if a business proposes to use working foremen or group leaders regularly employed by the business to provide supervisory services in connection with the move, the amount of their wages covering time spent in actual supervision of the move may be included as a moving expense.

#### **7.17.2. Nonresidential Moves: Eligible Reestablishment Expenses**

In addition to the payments available [49 CFR 24.301](#) and [§24.303](#), as described above, [§24.304](#) provides that a small business, farm, or nonprofit organization is entitled to receive a payment not to exceed \$33,200 for expenses actually incurred in relocating and reestablishing such small business, farm, or nonprofit organization at a replacement site. Reestablishment expenses must be reasonable and necessary, as determined by the agency. They include, but are not limited to, the following:

- (1) Repairs or improvements to the replacement real property as required by Federal, State, or local law, code, or ordinance.
- (2) Modifications to the replacement property to accommodate the business operation or make replacement structures suitable for conducting the business.
- (3) Construction and installation costs for exterior signing to advertise the business.
- (4) Redecoration or replacement of soiled or worn surfaces at the replacement site, such as paint, paneling, or carpeting.

- (5) Advertisement of replacement location.
- (6) Estimated increased costs of operation during the first 2 years at the replacement site, for items such as:
  - (i) Lease or rental charges;
  - (ii) Personal or real property taxes;
  - (iii) Insurance premiums; and
- (7) Utility charges, excluding impact fees.
- (8) Other items that the agency considers essential to the reestablishment of the business.

### **7.17.3. Nonresidential Moves: Ineligible Reestablishment Expenses**

In accordance with [49 CFR 24.304\(b\)](#) the following is a nonexclusive listing of reestablishment expenditures not considered to be reasonable, necessary, or otherwise eligible:

1. Purchase of capital assets such as office furniture, filing cabinets, machinery, or trade fixtures.
2. Purchase of manufacturing materials, production supplies, product inventory, or other items used in the normal course of the business operation.
3. Interest on money borrowed to make the move or purchase the replacement property.
4. Payment to a part-time business in the home which does not contribute materially, defined at [§24.2\(a\)](#), to the household income.
5. Construction costs for a new building at the business replacement site, or costs to construct, reconstruct or rehabilitate an existing building. See [49 CFR Appendix-A-to-Part-24](#) “Section 24.304(b)(5) Ineligible expenses”.

### **7.17.4. Nonresidential Business Fixed Payment for Moving Expenses**

In accordance with [49 CFR 24.305](#), a displaced business may be eligible to choose a fixed payment in lieu of the payments for both actual moving and related expenses, as well as actual reasonable reestablishment expenses provided by [§§24.301](#), [24.303](#), and [24.304](#). Such fixed payment, except for payment to a nonprofit organization, shall equal the average annual net earnings of the business, as computed in accordance with [§24.305\(e\)](#), but not less than \$1,000 nor more than \$53,200. The displaced

business is eligible for the payment if the agency determines 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 the 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 agency determines that it will not suffer a substantial loss of its existing patronage;
- (3) The business is not part of a commercial enterprise having more than three other entities which are not being acquired by the agency, and which are under the same ownership and that is engaged in the same or similar business activities.
- (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 displaced person during the 2 taxable years prior to displacement. See [§24.2\(a\)](#).

Use the following forms for a claim under this section:

- [Request for Determination of Entitlement for Payment in Lieu of Moving Costs \(Business or Farm\) Form 25A-R757](#); and
- [Claim for Payment Income Basis in Lieu of Moving Expense \(Business or Farm\) Form 25A-R758](#).

If a business elects the fixed payment for moving expenses (in lieu of payment) option, the payment represents its full and final payment for all relocation expenses. Should the business elect to receive this payment, it would not be eligible for any other relocation assistance payments including actual moving or related expenses, or reestablishment expenses. See [49 CFR Appendix-A-to-Part-24](#) “Section 24.305(a) Business”.

### **7.17.5. Determining the Number of Businesses**

In accordance with [49 CFR 24.305\(b\)](#), 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:

- (1) The same premises and equipment are shared;
- (2) Substantially identical or interrelated business functions are carried out and business and financial affairs are comingled;
- (3) The entities are held out to the public, and to those customarily dealing with them, as one business; and
- (4) The same person, or closely related persons own, control, or manage the affairs of the entities.

### **7.17.6. Farm Operation Fixed Payment for Moving Expenses**

In accordance with [49 CFR 24.305\(c\)](#), a displaced farm operation (defined at [§24.2\(a\)](#)) may choose a fixed payment, in lieu of the payments for actual reasonable reestablishment expenses, in an amount equal to its average annual net earnings as computed in accordance with [§24.305\(e\)](#), but not less than \$1,000 nor more than \$53,200. In the case of a partial acquisition of land, which was a farm operation before the acquisition, the fixed payment shall be made only if the agency determines that:

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

Use the following forms for a claim under this section:

- [Request for Determination of Entitlement for Payment in Lieu of Moving Costs \(Business or Farm\) Form 25A-R757](#); and
- [Claim for Payment Income Basis in Lieu of Moving Expense \(Business or Farm\) Form 25A-R758](#).

If a farm operation elects the fixed payment for moving expenses (in lieu of payment) option, the payment represents its full and final payment for all relocation expenses. Should the farm elect to receive this payment, it would not be eligible for any other

relocation assistance payments including actual moving or related expenses, and reestablishment expenses. See [49 CFR Appendix-A-to-Part-24 “Section 24.305\(c\) Farm operation”](#).

### **7.17.7. Nonprofit Organizations**

In accordance with [49 CFR 24.305\(d\)](#), a displaced nonprofit organization may choose a fixed payment of \$1,000 to \$53,200, in lieu of the payments for both actual moving as well as related expenses and actual reasonable reestablishment expenses, if the agency 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 the agency demonstrates otherwise. 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 2 years annual gross revenues less administrative expenses. See [49 CFR Appendix-A-to-Part-24 “Section 24.305\(d\) Nonprofit organization”](#).

Gross revenues may include membership fees, class fees, cash donations, tithes, receipts from sales, or other forms of fund collection that enables 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 fundraising 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.

If a nonprofit organization elects the fixed payment for moving expenses (in lieu of payment) option, the payment represents its full and final payment for all relocation expenses. Should the nonprofit organization elect to receive this payment, it would not be eligible for any other relocation assistance payments including actual moving or related expenses, or reestablishment expenses.

### **7.17.8. Average Annual Net Earnings of a Business or Farm Operation**

In accordance with [49 CFR 24.305\(e\)](#), the average annual net earnings of a business or farm operation are one-half of its net earnings before Federal, State, and local income taxes during the 2 taxable years immediately prior to the taxable year in which it was



displaced. If the business or farm was not in operation for the full 2 taxable years prior to displacement, net earnings shall be based on the actual period of operation at the displacement site during the 2 taxable years prior to displacement, projected to an annual rate (see [49 CFR Appendix-A-to-Part-24 “Computation”](#) for sample calculations). Average annual net earnings may be based upon a different period of time when the agency determines it to be more equitable. Net earnings include any compensation obtained from the business or farm operation by its owner, the owner's spouse, and dependents. The displaced person shall furnish the agency proof of net earnings through income tax returns, certified financial statements, or other reasonable evidence, which the agency determines is satisfactory. See [49 CFR Appendix-A-to-Part-24 “Section 24.305\(e\) Average annual net earnings of a business or farm operation”](#).

#### **7.17.9. More Than One Move**

If it is in the public interest, the agency may allow more than one move. The Regional ROW Chief must furnish complete written justification for the moves.

#### **7.17.10. Advertising for Bids**

The agency may pay the expenses incurred in advertising for packing, crating, and transportation services when the Regional ROW Chief determines that advertising is necessary. Advertising should be limited to complicated or unusual moves where advertising is the only method of securing bids.

#### **7.17.11. Transfer of Ownership (Nonresidential)**

Pursuant to [49 CFR 24.301\(j\)](#), upon request and in accordance with applicable law, the claimant shall transfer to the agency ownership of any personal property that has not been moved, sold, or traded in. This may be done by a waiver.

#### **7.17.12. Ineligible Moving and Related Expenses: Residential and Nonresidential**

In accordance with [49 CFR 24.301\(h\)](#), a displaced person is not entitled to payment for the following:

- (1) The cost of moving any structure or other real property improvement in which the displaced person reserved ownership. (However, this does not preclude the computation under [§24.401\(c\)\(2\)\(iii\)](#).);
- (2) Interest on a loan to cover moving expenses;

- (3) Loss of goodwill;
- (4) Loss of profits;
- (5) Loss of trained employees;
- (6) Any additional operating expenses of a business or farm operation incurred because of operating in a new location, except as provided in [§24.304\(a\)\(6\)](#);
- (7) Personal injury;
- (8) Any legal fee or other cost for preparing a claim for a relocation payment or for representing the claimant before the agency;
- (9) Expenses for searching for a replacement residential dwelling which include costs for mileage, meals, lodging, time and professional real estate broker or attorney's fees;
- (10) Physical changes to the real property at the temporary or replacement location of a business or farm operation except as provided in [§24.301\(g\)\(3\)](#) and [§24.304\(a\)](#) (see Sections 7.16 and 7.17.2);
- (11) Costs for storage of personal property on real property owned or leased by the displaced person or person to be moved temporarily (however, the agency may approve rental of van storage when the displaced person or entity provides support in writing);
- (12) Refundable security and utility deposits; and
- (13) Cosmetic changes to a replacement or temporary dwelling, which are not required by State or local law, such as painting, draperies, or replacement carpet or flooring.

### **7.18. Personal Property Only**

In accordance with [49 CFR 24.301\(e\)](#), eligible expenses for a person who is required to move personal property from real property but is not required to move from a dwelling (including a mobile home), business, farm, or nonprofit organization include those expenses described in Sections 7.14 and 7.16. An example is personal property located on property that is being acquired, but the business or residence will not be acquired and can still operate. See [§24.301\(g\)\(1\)-\(7\)](#) and (18) and [49 CFR Appendix-A-to-Part-24 “Section 24.301\(e\) Personal property only”](#).



### **7.18.1. Mobile Homes**

The occupant of a mobile home may elect to move the contents by the schedule or on an actual cost basis. The agency must make any payment for moving the mobile home itself on an actual cost basis.

Mobile homes are usually considered personal property; however, if a particular mobile home is considered real property, it will be valued as such in the valuation.

Whether a particular object is personal or real property depends on whether it can be easily moved and what has been the owner's intent. If it has been held out for tax purposes as personal property, then in all likelihood it would be personal property.

For a mobile home to be considered real property, it would have to demonstrate the characteristics of real property, for example, being set on a permanent foundation; having numerous additions and modifications of a permanent nature; not being easily moved; and being taxed as real property.

### **7.18.2. Applicability**

Regulation [49 CFR 24.501\(a\)](#) describes the requirements governing the provision of RHP to a person displaced from a mobile home and/or mobile home site who meets the basic eligibility requirements of this part. Except as modified by this subpart, such a displaced person is entitled to:

- (1) A moving expense payment in accordance with [subpart D of this part](#); and
- (2) RHP in accordance with [subpart E of this part](#); to the same extent and to the same requirements as persons displaced from conventional dwellings. Moving cost payments to persons occupying mobile homes are covered in [§24.301\(g\)\(1\)-\(11\)](#).

The same prohibition on relocation payments to aliens not lawfully present in the U.S. that apply to residents of permanent structures apply to residents of mobile homes.

### **7.18.3. Moving and Related Expenses-Mobile Homes**

A non-occupant owner of a rented mobile home is eligible for actual cost reimbursement under [49 CFR 24.301\(a\)\(2\)](#) to relocate the mobile home. If the mobile home is not acquired as real estate, but the homeowner-occupant obtains RHP under one of the circumstances described at [§24.502\(a\)\(3\)](#), the homeowner-occupant 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.

In accordance with [49 CFR 24.301\(g\)\(1\)-\(11\)](#), actual and necessary mobile home moving expenses also include:

- The reasonable cost of disassembling, moving, and reassembling any attached appurtenances attached to a mobile home, such as porches, decks, skirting, and awnings which were not acquired; anchoring of the unit; and utility "hookup" charges.
- The reasonable cost of repairs and/or modifications so that it can be moved and/or made DSS.
- The cost of a nonrefundable mobile home park entrance fee, to the extent it does not exceed the fee at a comparable mobile home park, if the person is displaced or temporarily moved from a mobile home park or the agency determines that payment of the fee is necessary to effect relocation.

### **7.18.4. RHP for 90-Day Mobile Homeowner-Occupants**

Except under HLR, [49 CFR 24.502](#) provides that an owner-occupant displaced from a mobile home is entitled to RHP of as much as \$41,200 under [§24.401](#) if:

- (1) The person occupied the mobile home on the displacement site for at least 90 days immediately before:
  - (i) The initiation of negotiations to acquire the mobile home, if the person owned the mobile home and the mobile home is real property;
  - (ii) The initiation of negotiations to acquire the mobile home site if the mobile home is personal property, but the person owns the mobile home site;
  - (iii) The date of the agency's written notification to the owner-occupant that the owner is determined to be displaced from the mobile home as described in [49 CFR 24.502\(a\)\(3\)\(i\)-\(iv\)](#) of this section.
- (2) The person meets the other basic eligibility requirements at [§24.401\(a\)\(2\)](#);

(3) The agency acquires the mobile home as real estate, or acquires mobile home site from the displaced owner, or the mobile home is personal property, but the owner is displaced from the mobile home because the agency determines that the mobile home:

- (i) Is not, and cannot economically be made DSS;
- (ii) Cannot be relocated without substantial damage or unreasonable cost;
- (iii) Cannot be relocated because there is no available comparable replacement site; or
- (iv) Cannot be relocated because it does not meet mobile home park entrance requirements.

In accordance with [49 CFR 24.502\(b\)](#), RHP for an eligible displaced 90-day owner is computed as described at [§24.401\(b\)](#) incorporating the following, as applicable:

- (1) If the agency acquires the mobile home as real estate and/or acquires the owned site, the acquisition cost used to compute the price differential payment is the actual amount paid to the owner as just compensation for the acquisition of the mobile home, and/or site, if owned by the displaced mobile homeowner.
- (2) If the agency does not purchase the mobile home as real estate but the owner is determined to be displaced and eligible for RHP based on [§24.502\(a\)\(1\)\(iii\)](#), the eligible price differential payment for the purchase of a comparable replacement mobile home, is the lesser of the displaced mobile homeowner occupant's net cost to purchase a replacement mobile home (i.e., purchase price of the replacement mobile home less trade-in or sales proceeds from the displacement mobile home); or, the cost of the agency's selected comparable mobile home less the agency's estimate of the salvage or trade-in value of for the mobile home from which the person is displaced.

#### **7.18.5. RHP for a 90-day Owner-Occupant that is Displaced from a Leased or Rented Mobile Home Site**

Consider both the mobile home and mobile home site when computing a replacement housing payment. For example, an occupant may own the mobile home and rent the site or may rent the mobile home and own 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, DOT&PF must make the total replacement housing payment for a dwelling and a payment for a site, each computed under the applicable sections herein.

In accordance with [49 CFR 24.502\(c\)](#), if the displacement mobile homeowner-occupant's site is leased or rented, a 90-day owner-occupant is entitled to a rental assistance payment computed as described in [§24.402\(b\)](#). This rental assistance housing payment may be used to lease a replacement site, may be applied to the purchase price of a replacement site, or may be applied, with any RHP attributable to the mobile home toward the purchase of a replacement mobile home and the purchase or lease of a site or the purchase of a conventional DSS dwelling.

#### **7.18.6. Owner-Occupant Not Displaced from the Mobile Home**

In accordance with [49 CFR 24.502\(d\)](#), if the agency determines that a mobile home is personal property and may be relocated to a comparable replacement site, but the owner-occupant elects not to do so, the owner is not entitled to RHP for the purchase of a replacement mobile home. However, the owner is eligible for moving costs described at [§24.301](#) and any RHP for the purchase or rental of a comparable site as described in this section as applicable.

#### **7.18.7. RHP for 90-Day Mobile Home Occupants**

Except under HLR, [49 CFR 24.503](#) provides that a displaced tenant or owner-occupant of a mobile home and/or site is eligible for RHP of as much as \$9,570, under [§24.402](#) if the following conditions are met:

- 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 at [§24.402\(a\)](#); and
- 3. The agency acquires the mobile home and/or mobile home site, or the mobile home is not acquired, but the agency determines that the occupant is displaced from the mobile home because of one of the circumstances described at [§24.502\(a\)\(3\)](#).

#### **7.18.8. Cost of Comparable Replacement Dwelling**

In accordance with [49 CFR 24.502\(b\)\(3\)](#), if a comparable replacement mobile home is not available, the price differential payment shall be computed on the basis of the reasonable cost of a conventional comparable replacement dwelling.

For purposes of computing the price differential, the cost of a comparable replacement dwelling is the sum of the following amounts:

- the value of the mobile home as established by the market;
- the cost of any necessary repairs or modifications; and
- the estimated cost of moving the mobile home to a replacement site.

#### **7.18.9. Initiation of Negotiations**

If the agency does not acquire the mobile home but the occupant is considered displaced, the initiation of negotiations is the date negotiations were initiated to acquire the land. If the agency does not acquire the land, the initiation of negotiations is the date the [Notice of Eligibility Form 25A-R723](#) is signed.

#### **7.18.10. Person Moves Mobile Home**

In accordance with [49 CFR 24.502\(d\)](#), if the agency determines that a mobile home is personal property and may be relocated to a comparable replacement site, but the owner-occupant elects not to do so, the owner is entitled to RHP for the purchase of a replacement mobile home. However, the owner is eligible for moving costs described at [§24.301](#) and any RHP for the purchase or rental of a comparable site as described in this section as applicable.

#### **7.18.11. Partial Acquisition of Mobile Home Park**

In accordance with [49 CFR 24.501\(b\)](#), the acquisition of a portion of a mobile home park property may leave a remaining part of the property that is not adequate to continue the operation of the park (deemed an uneconomic remnant by the agency). If the agency determines that a mobile home located in the remaining part of the property must be moved as a direct result of the project, the occupant of the mobile home shall be considered to be a displaced person who is entitled to relocation payments and other assistance under this part.

#### **7.19. Notice of Intent to Acquire, Rehabilitate, or Demolish**

If, in rare instances, after authority to acquire is received and before initiating negotiations for a parcel, the agency determines that it is necessary to establish eligibility for relocation payments for a parcel, issue a [Notice of Intent to Acquire Form 25A-R715](#), accompanied by the appropriate relocation brochure.

A notice of intent to acquire, rehabilitate, and/or demolish is the agency's written communication that is provided to a person to be displaced, including persons required to temporarily move, which clearly sets forth that the agency intends to acquire, rehabilitate, and/or demolish the property. A notice of intent to acquire, rehabilitate, and/or demolish establishes eligibility for relocation assistance prior to the initiation of negotiations and/or prior to the commitment of Federal financial assistance to the activity. See [49 CFR 24.2\(a\)](#).

Furnish a copy of the notice to each occupant within 15 days and notify the owner that this was done. To prevent possible subsequent occupancy and minimize rental problems for the owner, use discretion in issuing the notice.

#### **7.19.1. Notification of Initiation of Negotiations**

Federal law requires that the relocation brochure and a brief explanation of the relocation program be given to owners at the first acquisition contact. If a written offer to acquire is given to the owner, this is the "initiation of negotiations." While this *may* be done by the acquisition agent (see Ch. 6), because the relocation agent is more knowledgeable of the program, it is recommended that the relocation agent accompany the acquisition agent at this time.

#### **7.19.2. Contact Displaced Person Immediately After Initiation of Negotiations**

In accordance with [49 CFR 24.301\(i\)](#), contact the owner and any occupants as soon as possible after initiation of negotiations. Contact new tenants as their tenancy is known. Note and initial the details of *all* contacts (date, time, persons present, items discussed, questions raised and resolved) on the [Record of Relocation Contacts Form 25A-R720](#). A complete record is important in case the displaced person files an appeal or a different agent has to handle portions of the relocation.

Inform the displaced person and persons required to move temporarily, in writing of their rights, responsibilities, and entitlements. Explain the eligibility requirements to receive payments, increased interest costs, incidental expenses, and the option to rent replacement housing, relocation services available, and where they may be obtained. Provide a relocation brochure if not previously given and documented.

### **7.19.3. 90-Day Notice**

In accordance with [49 CFR 24.203\(c\)](#) no lawful occupant shall be required to move unless he or she has received at least 90 days advance written notice of the earliest date by which he or she may be required to move. The agency may issue the notice 90 days or earlier before it expects the person to be displaced. If appropriate, the applicable 90-day notice may be given at the same time as the Notice of Eligibility. As required by [§24.203\(c\)\(3\)](#) and [§24.204\(a\)](#), the 90-day notice shall, at a minimum, inform include a statement that they will not be required to move without at least 90 days' written notice and:

1. state a specific date as the earliest date by which the occupant may be required to move, or state that the occupant will receive a further notice indicating, at least 30 days in advance, the specific date by which he or she must move. 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, except in unusual circumstances; and
2. disclose in unusual circumstances, an occupant may be required to vacate the property on less than 90 days advance written notice if the agency determines that a 90-day notice is impracticable, such as when the person's continued occupancy of the property would constitute a substantial danger to health or safety.

### **7.20. Nonresidential Services Provided**

In accordance with [49 CFR 24.205\(c\)\(2\)\(i\)](#), the advisory program must include such measures, facilities, and services that are necessary or appropriate in order to determine, for nonresidential (businesses, farm, and nonprofit organizations) displacements, the relocation needs and preferences of each business (farm and nonprofit organization) to be displaced or, when determined to be necessary by the funding agency, temporarily displaced and explain the

relocation payments and other assistance for which the business may be eligible, the related eligibility requirements, and the procedures for obtaining assistance. This shall include a personal interview with each business. At a minimum, interviews with displaced business owners and operators should include the following items:

- (A) The business's replacement site requirements, current lease terms and other contractual obligations and the financial capacity of the business to accomplish the move.
- (B) Determination of the need for outside specialists in accordance with [§24.301\(g\)\(13\)](#) that will be required to assist in planning the move, assistance in the actual move, and in the reinstallation of machinery and/or other personal property.
- (C) For businesses, an identification and resolution of personalty and/or realty issues. Every effort must be made to identify and resolve personalty and/or realty issues prior to, or at the time of, the appraisal of the property.
- (D) An estimate of the time required for the business to vacate the site.
- (E) An estimate of the anticipated difficulty in locating a replacement property.
- (F) An identification of any advance relocation payments required for the move, and the agency's legal capacity to provide them.

In accordance with [49 CFR 24.205\(c\)\(2\)\(iii\)](#):

- (iii) Provide, for nonresidential moves, current and continuing information on the availability, purchase prices, and rental costs of 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 location.

### **7.21. Appeals**

Any person who is dissatisfied by DOT&PF's benefits or relocation services may file a written appeal using the procedures in [17 AAC 81.020](#), including (if necessary) the procedures for a relocation appeals board hearing in accordance with [17 AAC 85.040](#) (d)-(e).



Advise every eligible displaced person of the right to appeal. Explain the procedures for making an appeal verbally when the benefit statement is delivered, if not before. A displaced person may file a written appeal in any case in which they believe the agency failed to properly determine eligibility for, or the amount of, a relocation payment required under this chapter.

## **7.22. Moving of Hazardous Materials**

There is a significant distinction between “hazardous materials” (permissible legal materials such as paint and oil) and “hazardous wastes” (byproducts of industrial and commercial uses, legal or otherwise). This distinction may be significant in a legal sense and cause other complications that will need to be resolved at the earliest possible stage.

For purposes of this general discussion, the term “hazardous materials” is used for general identification purposes. Early and close coordination with the Alaska Department of Environmental Conservation (DEC) is a necessity for resolving these complex issues.

The agency must determine and provide relocation payments separate and apart from consideration of liability for hazardous materials treatment or removal. In other words, the agency cannot withhold relocation payments because of a hazardous materials problem (except as noted in Sec. 7.22.1).

A displaced person (individual, business, or farm) cannot be forced to move hazardous materials when the person is displaced, and the person may abandon it when they move from the acquired property. However, the displaced person remains liable for the control, treatment, or removal of any abandoned hazardous materials under the applicable Federal, State, or local laws.

### **7.22.1. Personal Property**

Nothing in the Uniform Act or this manual affects a displaced person’s responsibility for hazardous materials under Federal, State, or local law.

If the removal of items of personal property would cause or contribute to contamination at the displacement or the replacement site (because of leakage, improper storage, etc.), do not consider those items removable personal property, and do not allow them to be moved until the Regional ROW Chief coordinates with DEC regarding proper disposition of the materials before moving/disposal, and if possible,

before assumption of agency ownership of the materials.

A displaced person may be compensated for moving hazardous materials to that displaced person’s new location or to a certified or licensed disposal or recycling center within 50 miles. The displaced person is responsible for obtaining all necessary permits and fulfilling their legal obligations. They coordinate these actions with DEC.

If the displaced person elects to abandon the hazardous materials rather than move them, pay the displaced person the actual cost of moving their other personal property in accordance with Sections 7.14 or 7.16. The person may also be entitled to a payment for actual direct loss of tangible personal property for the hazardous materials unless the Regional ROW Chief determines that the displaced person’s use or ownership of the materials before displacement was in violation of applicable law.

If otherwise eligible, provide the displaced person a fixed or “in lieu” payment pursuant to Sections 7.14.2 or 7.17.4 in place of the payments described above.

## **7.23. Eviction for Cause**

In accordance with [49 CFR 24.206](#), eviction for cause must conform to applicable Federal, State, and local law. Except where provided elsewhere, any person who occupies the real property and is in lawful occupancy on the date of the initiation of negotiations is presumed to be entitled to relocation payments and other assistance set forth in [§24.206](#) unless the agency determines 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; and
- (3) In either case the eviction was not undertaken for the purpose of evading the obligation to make available the payments and other assistance described in this part.

For purposes of determining eligibility for relocation payments, the date of displacement is the date the person moves or if later, the date a comparable replacement dwelling is made available. This section applies only to persons who would otherwise have

been displaced by the project. See [49 CFR Appendix-A-to-Part-24 “Section 24.206 Eviction for cause”](#).

## **7.24. Parcels Acquired by Condemnation**

When the agency initiates condemnation proceedings, eligible owner-occupants are still eligible for replacement housing supplements. Compute the provisional advance RHP and pay it on the basis that agency’s maximum offer for the property is the acquisition price. If the owner does not agree to the adjustment, the agency must defer RHP until a legal settlement is reached.

The RHP may be made only upon the owner-occupant’s signed agreement that:

- upon final acceptance of the condemnation or stipulated settlement or judgment, the agency will recalculate RHP; compare the settlement amount to the actual price paid or the amount determined by the Regional ROW Chief to be necessary to acquire a comparable DSS-compliant dwelling; and
- if the settlement amount plus the amount of the provisional RHP advanced exceeds the price paid for a comparable dwelling or the agency’s determined cost, the displaced person agrees to refund to the agency, from the settlement, an amount equal to the amount of the excess; in no event, however, may the agency require the displaced person to refund more than the advanced RHP (this potential action needs to be in the agreement signed by the displaced person).

## **7.25. Administration Relocation Claim Processing**

In accordance with [49 CFR 24.207](#), to obtain a relocation payment, the displaced person must file a written claim for payment on the appropriate form provided by the agency. A displaced person or person required to move temporarily must be provided reasonable assistance necessary to complete and file any required claim for payment.

The agency shall review claims in an expeditious manner. The claimant shall be promptly notified as to any additional documentation that is required to support the claim. The relocation supervisor must review all claim forms before requesting approval from the Regional ROW Chief. No more than one RHP will be made for each dwelling unit, except in the case of multifamily occupancy of a single-family

dwelling. Inspect all replacement housing before occupancy whenever possible, but certainly before payment is made.

With certain limited exceptions, relocation payments to aliens not lawfully present in the U.S. are prohibited. By signing a relocation claim form, the displaced person certifies residence status

### **7.25.1. Federal Agency May Make Periodic Payment Adjustments**

In accordance with [49 CFR 24.11](#) and [49 CFR Appendix-A-to-Part-24 “Section 24.11 Adjustment of Limits and Payments”](#), the Lead Agency may adjust maximum relocation benefits payments.

### **7.25.2. Time for Filing**

In accordance with [49 CFR 24.207\(d\)](#), a displaced person shall file all claims for a relocation payment with the regional ROW Section no later than 18 months after:

- (1) for tenants, the date of displacement, or temporary move; and
- (2) for owners, the date of displacement or the date of the final payment for the acquisition of the real property (for condemnations, the date the full amount of the Right-of-Way Chief’s Determination of Just Compensation ([Form 25A-R505](#)) is deposited in the court), whichever is later:

The agency may waive this time period for good cause.

### **7.25.3. Notice of Denial of Claim**

In accordance with [49 CFR 24.207\(e\)](#), if the Regional ROW Chief disapproves all or a part of a payment claimed or refuses to consider the claim on its merits because of untimely filing or other grounds, the agency shall promptly notify the claimant in writing of its determination, providing the basis for the determination, and the procedures for appealing the determination.

### **7.25.4. Purchase Voucher Preparation**

A purchase voucher prepared for payment must reference the type of document authorizing the payment ([Claim for Actual Moving Expenses Form 25A-R745](#) and [Claim for Payment \(Rent Supplement\) Form 25A-770](#)). The date of agreement must be the date the claim is approved for payment. Attach the original approved claim form to the

processed purchase voucher and file it in the parcel relocation file.

#### **7.25.5. Payments**

In accordance with [49 CFR 24.207](#), payment for a claim shall be made as soon as feasible following receipt of sufficient documentation to support the claim. The agency must make payments for replacement housing supplements directly to the displaced person or family or upon written instruction from the displaced person, directly to the lessor for rent or the seller toward the purchase of a DSS dwelling. If an applicant otherwise qualifies for RHP, and upon specific request, the agency must make payments into escrow before the displaced person moves.

The agency must make payments for moving expenses directly to the displaced person. By written prearrangement between the agency, the displaced person, and the mover, the displaced person may present an unpaid moving bill to the agency for direct payment to the mover.

Payments, provided pursuant to [49 CFR 24.207](#) shall not be considered to constitute Federal financial assistance. Accordingly, this part does not apply to the expenditure of such payments by, or for, a displaced person.

#### **7.25.6. Multiple Occupants of One Displacement Dwelling Unit**

In accordance with [49 CFR 24.403\(a\)\(5\)](#) when there are multiple occupants of one displacement dwelling and if two or more occupants of the displacement dwelling move to separate replacement dwellings, each occupant is entitled to a reasonable prorated share, as determined by the agency, of any relocation payments that would have been made if the occupants moved together to a comparable replacement dwelling. However, if the agency determines that two or more occupants maintained separate households within the same dwelling, such occupants have separate entitlements to relocation payments.

The ROW agent must determine the number of households in a dwelling, based on the use of the dwelling, the relationship of the occupants, and any other relevant information. The payment computation for each household should be based on the part of the dwelling each household occupies and the space shared with others. For owner-occupants, the acquisition price to be used as the basis for RHP

computations is that amount each owner received from the total payment for the property to be acquired.

#### **7.25.7. Deductions from Relocation Payments**

In accordance with [49 CFR 24.403\(a\)\(6\)](#) an agency shall deduct the amount of any advance relocation payment from the relocation payment(s) to which a displaced person is otherwise entitled. The agency shall not withhold any part of a relocation payment to a person to satisfy any other obligation to any other creditor.

#### **7.25.8. Conversion of Payment**

In accordance with [49 CFR 24.403\(e\)](#), a displaced person who initially rents a replacement dwelling and receives a rental assistance payment under [§24.402\(b\)](#) is eligible to receive a payment under [§24.401](#) or [§24.402\(c\)](#) if he or she meets the eligibility criteria for such payments, including purchase and occupancy within the prescribed 1-year period. Any portion of the rental assistance payment that has been disbursed shall be deducted from the payment computed under [24.401](#) or [§24.402\(c\)](#).

#### **7.25.9. Payment After Death**

In accordance with [49 CFR 24.403\(f\)](#), RHP is personal to the displaced person and upon his or her death the undisbursed portion of any such payment shall not be paid to the heirs or assigns, except that:

- (1) The amount attributable to the displaced person's period of actual occupancy of the replacement housing shall be paid.
- (2) Any remaining payment shall be disbursed to the remaining family members of the displaced household in any case in which a member of a displaced family dies; and
- (3) Any portion of RHP 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.

#### **7.25.10. Advanced Payments (Hardship)**

In accordance with [49 CFR 24.207\(c\)](#) if a person demonstrates the need for an advance relocation payment to avoid or reduce a hardship, the agency shall issue the payment, subject to such safeguards as are appropriate to ensure that the objective of the payment is accomplished. The Regional ROW Chief approves the payment, subject to such safeguards as

are appropriate to ensure that the objective of the payment is accomplished. The purchase voucher authorizing payment must reference the specific claim form or other documentation justifying payment.

#### **7.25.11. No Duplication of Payments**

In accordance with [49 CFR 24.3](#) no person shall receive any payment under this part if that person receives another payment under Federal, State, or local law that is determined to have the same purpose and effect as a payment under this part.

#### **7.25.12. Relocation Payments Not Considered as Income**

In accordance with [49 CFR 24.209](#) no relocation payment received by a displaced person or person required to move temporarily under this part shall be considered as income for the purpose of the Internal Revenue Code of 1954, which has been redesignated as the Internal Revenue Code of 1986 (Title 26, USC), or for the purpose of determining the eligibility or the extent of eligibility for assistance under the Social Security Act ([42 USC 301 et seq.](#)) or any other Federal law, except for any Federal law providing low-income housing assistance.

### **7.26. Civil Rights**

The agency must select prime contractors and subcontractors on a nondiscriminatory basis and as required by Title VI of the Civil Rights Act of 1964 and Executive Orders 11246 and 11625.

#### **7.27. Restrictions on Agent Establishing a Relocation Payment**

The agent who establishes the estimate of value of a moving or RHP may not negotiate for the acquisition of the parcel nor deliver payments to the displaced person.



# ALASKA DEPARTMENT OF TRANSPORTATION & PUBLIC FACILITIES

## PUBLIC STATEMENT ON ACQUISITIONS AND RELOCATIONS FOR PUBLIC PROJECTS

Any property required for a project will be valued. These valuations are completed by a qualified, competent real estate professionals as required by Federal and State laws and regulations described in the [Alaska Right-of-Way Manual](#). The Department's Statewide Appraisal and Review Group manages appraisals and appraisal reviews, as well as administrative consistency spot checks for waiver valuations. The approved valuation is the basis for the fair market value offer. After the Department approves the valuation, negotiations for the purchase of the property with the property owner begin.

"Fair market value" is defined as the basis for just compensation; the final opinion of value that most nearly represents what the typical, informed, rational purchaser would pay for the subject property if it were available for sale on the open market as of the date of the appraisal [valuation], given all the data available to the valuer in their analysis." This is known as the willing buyer-willing seller concept and is the basis for "fair market value".

For the State to pay less than fair market value would be unfair to the property owner and inconsistent with State and Federal requirements. For the State to pay more than the fair market value of the property could be unfair to the taxpayer who provides the money for improvements.

[AS 34.60](#) defines the Federal-aid project assistance available to persons displaced from their homes, farms, and businesses, and nonprofit organizations and the benefits eligible parties may receive. These benefits are not a part of the fair market value of the property acquired but are *in addition to* the payment for property.

The Department offers the following benefits under the relocation program, as explained more fully in the available relocation brochures:

- (1) Relocation advisory assistance is available for all eligible individuals, families, businesses, farms, or nonprofit organizations displaced as a result of a public improvement, as well as for adjacent property owners who suffer substantial economic damage resulting from acquisition.
- (2) A moving payment is available for individuals, families, businesses, farms, and nonprofit organizations in occupancy on the first negotiating call or in occupancy at the time the agency obtains legal possession of the property. This payment is for actual and reasonable costs to move personal property up to 50 miles. As an alternative to actual costs of moving, an individual or a family living in a dwelling is eligible to receive a moving expense and relocation allowance based on the number of rooms of furniture and/or personal property moved.
- (3) Under certain conditions, displaced farms, businesses, and nonprofit organizations may be eligible for benefit payments of up to \$53,200 in lieu of actual moving costs.
- (4) For owner-occupants of dwellings for more than 90 days prior to the initiation of negotiations, under certain conditions, an additional payment may be available for the additional cost necessary to purchase a replacement dwelling, to compensate the owner for increased interest costs in financing a replacement

dwelling, and to reimburse the owner for expenses incidental to the purchase of replacement housing, the combination of which may not exceed \$41,200.

- (5) For owners and renters occupying the property for more than 90 days prior to the initiation of negotiations who prefer to rent a replacement dwelling, a rental RHP of up to \$9,570 may be made to allow the rental of a decent, safe, and sanitary dwelling.
- (6) For owners and renters occupying the property for more than 90 days prior to the initiation of negotiations who prefer to rent a replacement dwelling, a rental RHP of up to \$9,570 without entering Housing of Last Resort (HLR) may be made to allow the rental of a Decent, Safe, and Sanitary (DSS) dwelling.
- (7) For owner-occupants and renters occupying the property for 90 days prior to the initiation of negotiations who elect to purchase a Decent, Safe, and Sanitary (DSS) house, an alternate benefit to apply to the down payment of as much as \$9,570 without entering Housing of Last Resort is available.

The Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (Pub. L. 91-646, 84 Stat. 1894; [42 USC 4601 et seq.](#)) and -amendments thereto ([49 CFR 24](#) effective June 3, 2024) and the State Relocation Assistance and Real Property Acquisition Practices operating procedures are very complex. The dollar figures just quoted are maximum figures. You are cautioned that benefits must be computed in accordance with these laws and regulations and on an individual basis. Usually, the benefits do not reach the maximums quoted.

## **THE FOLLOWING ADVISORY MUST BE READ ALOUD**

### **AT ALL PUBLIC PROJECT MEETINGS:**

The benefits available under the laws and the eligibility requirements for such benefits are outlined in the relocation brochures. Copies of these brochures are available at this meeting and, if your property may be affected by the project, I encourage you to take a copy with you. The right-of-way agent will explain the program in full at the initiation of negotiations or notice of relocation eligibility. Eligibility for the various benefits under the program will have been determined and will be explained fully at that time.

### **THE FOLLOWING MUST BE AVAILABLE AT ALL CORRIDOR MEETINGS:**

- (1) The approximate number of individuals, families, businesses, farms and nonprofit organizations that would be displaced for each proposed route.
- (2) A projection of the probable availability of decent, safe, and sanitary replacement housing within the means of those displaced is to be made up to the anticipated year of the project. In addition, any alternate plans for replacement housing displaced persons are to be presented.

**Exhibit 7-1  
Public Statement  
Page 2 of 3**

## THE FOLLOWING MUST BE AVAILABLE AT DESIGN MEETINGS:

The Department estimates that \_\_\_\_\_ individuals or families will need to be relocated for this project.

The Department estimates the time required for right-of-way acquisitions and relocations at \_\_\_\_\_ months from the date of authorization to value and acquire property for the project. This estimate considers the anticipated time to permit adequate valuation and negotiations and provide at least 90 days after notice of acquisition for relocation of displaced persons. In addition, no eligible residential displacements may occur until they have been offered Decent, Safe, and Sanitary (DSS) housing that is available for immediate occupancy, have obtained the right of possession of comparable replacement housing, or have been relocated to Decent, Safe, and Sanitary housing. No owner-occupant will be required to move until receiving payment for the property (or the money is deposited in the Clerk of the Court for condemnations).

Alternate housing for this project is readily available. A search of the residential market reveals that \_\_\_\_\_ dwellings are for sale by real estate brokers and private owners. Also, a search of the rental market reveals that \_\_\_\_\_

single-family dwelling units in multiple housing complexes are available for rent. Mobile home courts have vacancies available and mobile home dealers have large inventories of replacement dwellings. Further studies indicate this amount of housing can reasonably be expected to be (as many, more, or less) than indicated here during the foreseeable future.

**[Note: The above language may be adjusted slightly to suit the replacement housing situation for each separate project. Consult with Regional ROW agents to ensure accuracy and reliability. Remove this note before distributing.]**

The Department shall ensure that replacement dwelling units meet Decent, Safe, and Sanitary (DSS) requirements that are functionally equivalent and substantially the same as those to be acquired: fair housing, open to all persons regardless of race, color, national origin, gender, age, income, or disability in areas not less desirable than the dwellings to be acquired in regard to public utilities and public and commercial facilities, reasonably accessible to the displaced person's place of employment, adequate to accommodate the displaced person in an equal or better neighborhood, and within that person's financial means.

If the displaced person is dissatisfied with the payment benefits, he or she may initiate the relocation appeals procedure. The right-of-way agent will render the appellant assistance in each step of the appeal procedure. Initiating the appeal procedure does not invalidate the benefits for which the displaced person is eligible. Within 60 days after notification of eligibility or payment, the appellant may make a written request for a determination from the Regional Director ([17 AAC 81.020](#), [17 AAC 85.040](#) (d)-(e)). If, within 30 days after the Regional Director's determination, the displaced person is still dissatisfied, a second-level appeal may be made, in writing, to the Statewide Chief Engineer of the Division of Design and Engineering Services. In turn, the Chief Engineer will appoint a three-member appeals board that will provide the appellant an opportunity to be heard. Any further appeals actions must be made through civil litigation.

The right-of-way relocations supervisor for this project will be: \_\_\_\_\_,  
whose office is located at: \_\_\_\_\_  
in \_\_\_\_\_, Alaska. Their telephone number is: \_\_\_\_\_  
and their email address is: \_\_\_\_\_.

## RHP COMPUTATION EXAMPLES

Use for mixed-use and multifamily properties, if the displacement dwelling is part of a property that contains another dwelling unit and/or space used for nonresidential purposes, and/or is located on a lot larger than typical for residential purposes, [49 CFR 24.403\(a\)\(7\).](#) )

### Sample Computation:

<u>Total Acquisition Price</u>	<u>\$110,000</u>
Comparable Replacement Housing	\$90,000
Less Acquisition Price of Acquired Dwelling	(\$30,000)
Less Acquisition Price for that portion of acquired land representing a typical residential tract in the area	<u>(\$50,000)</u>
RHP (Replacement Housing Payment)	\$10,000

If the mortgage is obviously based on the larger site, reduce the interest payment to the estimated percentage ratio of the larger site value has to the typical site value:

In the above example, the acquired dwelling (\$30,000) plus the associated land portion (\$50,000) totals \$80,000 that, divided by the acquisition price (\$110,000), represents 72% of the total acquisition price. To determine the mortgage interest cost differential, the remaining principal balance and the monthly mortgage payment would each be reduced to 72% of the actual amount.

**Old Mortgage:** (30 years on \$80,000 with 25 years remaining term)

Remaining Principal Balance:  $\$78,988 \times 72\% = \$56,871.36$

Monthly Payment (principal and interest):  $\$812.38 \times 72\% = \$584.91$

Interest Rate: 12% (commercial rate)

### New Mortgage:

Interest Rate: 10% (residential rate)

Principal Balance \$56,871.36

Monthly Payment (principal & interest) \$516.78

No interest mortgage cost interest differential payment is due in the above example since the monthly payment for the new mortgage is less than the monthly payment for the old mortgage.

### Exhibit 7-2 RHP Computation Examples