Date \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ File Reference: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Dear \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_:

On \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_\_, the Department of Transportation made an offer to purchase all or a portion of the property which you occupy. As the eligible occupant of the property, you are entitled to certain benefits under the Department’s Relocation Assistance Program. These benefits are outlined below. It is important that you understand the conditions described below which must be met before any payments can be made. Please contact me before you incur any expense.

As the occupant of the property, you are entitled to options 1, 2, and 3 below or you may choose option 4:

1. **RELOCATION ADVISORY ASSISTANCE:**The Department will help you find a new place to conduct your business, farm, or nonprofit organization. Information on and maps of available properties, typical real estate purchase and rental costs, and the services offered by other agencies in the area are also available. If you want assistance, contact your relocation agent.
2. **MOVING AND RELATED EXPENSES:**Businesses, farms, and nonprofit organizations may be paid on the basis of actual reasonable moving and related costs and reestablishment expenses as the Department determines to be reasonable and necessary or, under certain circumstances, a fixed payment. The moving expenses listed below may be considered by the Department:
3. Transportation of personal property limited to 50 miles or less. Distances beyond 50 miles are not eligible, unless the Department determines that relocation beyond 50 miles is justified.
4. Packing, crating, unpacking, and uncrating of the personal property.
5. Disconnecting, dismantling, removing, reassembling, and reinstalling relocated machinery, equipment, and other personal property, and certain substitute personal property. This includes connection to utilities available nearby. It also includes modifications to personal property necessary to adapt it to the replacement site, or the utilities at the replacement site, and modifications necessary to adapt the utilities at the replacement site to the personal property.
6. Storage of the personal property not to exceed 12 months, unless the Department determines that it is not necessary, or that a longer period is necessary. These expenses must be preapproved.
7. Insurance for the replacement value of the personal property in connection with the move and necessary storage.
8. Any license, permit, fees or certification required of your operation at the replacement location. However, the payment shall be based on the remaining useful life of your existing license, permit, or certification.
9. The replacement value of property lost, stolen, or damaged in the process of moving (not through the fault or negligence of your own, your agent, or your employee) where insurance covering such loss, theft, or damage is not reasonably available.
10. Professional services necessary for (i) planning the move of the personal property, (ii) moving the personal property, and (iii) installing the relocated personal property at the replacement location, subject to the Department’s determination that these services are necessary. These expenses must be preapproved.
11. Relettering signs and replacing stationary on hand at the time of displacement that is made obsolete as a result of the move.
12. Actual direct loss of tangible personal property incurred as a result of moving or discontinuing your operation. The payment shall consist of the lesser of:
13. The fair market value of the item for continued use at the displacement site, less the proceeds from its sale. (To be eligible for payment, you must make a good faith effort to sell the personal property, unless the Department 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 the potential selling price.); or
14. The estimated cost of moving the item, but with no allowance for storage nor reassembly of discontinued items. (If your operation is discontinued, the estimated cost shall be based on a moving distance of 50 miles.)
15. The reasonable cost incurred in attempting to sell an item that is not to be relocated.
16. Purchase of substitute personal property. If an item of personal property which is used as part of your operation is not moved but is promptly replaced with a substitute item that performs a comparable function at the replacement site, you will be entitled to payment for the lesser of:
17. The cost of the substitute item, including installation costs at the replacement site, minus any proceeds from the sale or trade-in of the replaced item; or
18. The estimated cost of moving and reinstalling the replaced item, based on the lowest acceptable bid or estimate obtained by the Department, but with no allowance for storage.
19. Searching for a replacement location. You are entitled to reimbursement for actual expenses, not to exceed $2,500, as the Department determines to be reasonable, which are incurred in searching for a replacement location including:
20. Transportation.
21. Meals and lodging away from home.
22. Time spent searching, based on reasonable salary or earnings.
23. 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 site.
24. Other moving related expenses as the Department determines to be reasonable and necessary.
25. Provision of utilities from right of way to improvements on the replacement site.
26. Professional services in connection with the purchase or lease of a replacement site.
27. Impact fees or one‑time assessments for anticipated heavy utility usage.
28. High Bulk/Low Value payment will allow a payment for personalty that is worth less than the cost to move it to the replacement property as determined by the Department. The moving payment shall not exceed the amount, which you would receive if the property were sold at the site.

**CAUTION:**In order to qualify for reimbursement of the above‑described expenses, you **MUST:**

1. Provide the Department with a certified list or inventory of the items to be moved at least 30 days in advance of the start of your move;
2. Notify the Department at least 15 days in advance of the date of the start of your move or disposition of your property;
3. Permit the Department to monitor the move; and
4. Permit the Department to make reasonable and timely inspections of the personal property at both the displacement and replacement sites.

Failure to comply with any of the above four (4) requirements may result in your losing part or all of your benefits. You should also be aware that you are not entitled to payment, under the relocation regulations, for: The cost of moving any structure or other real property improvement in which you reserved ownership; Interest on a loan to cover moving expenses; or

* Loss of goodwill;
* Loss of profits;
* Loss of trained employees;
* Personal injury; or
* Costs for storage of personal property on real property owned or leased by the displaced person.

You may move either by commercial mover or take full responsibility for all or part of the move. If you elect a “self‑move,” the Department must first obtain at least two (2) acceptable bids or estimates.

**-AND-**

1. **REESTABLISHMENT EXPENSES:**In addition to payments available above, a small business, farm, or nonprofit organization may be eligible to receive a payment, not to exceed $25,000, for expenses actually incurred in relocating and reestablishing at a replacement site. Reestablishment expenses must be reasonable and necessary as determined by the Department. 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 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 two years at the replacement site for such items as:
2. Lease or rental charges,
3. Personal or real property taxes,
4. Insurance premiums,
5. Utility charges, excluding impact fees.

 You should be aware that you are not entitled to payment under reestablishment regulations for any of the following:

1. Purchase of capital assets, such as office furniture, filing cabinets, machinery, or trade fixtures.
2. Purchase of manufacturing material, production supplies, product inventory, or other items used in the normal course of business operation.
3. Interior or exterior refurbishments at the replacement site, which are purely aesthetic in purpose except as, paid in “d” above.
4. Interest on money borrowed to make the move or purchase the replacement property.
5. Payment to a part-time business or in the home, which does not contribute materially to the household income.

**-OR-**

1. **FIXED PAYMENT IN LIEU OF PAYMENT FOR ACTUAL MOVING AND RELATED EXPENSES AND REESTABLISHMENT EXPENSES:** In lieu of a payment for actual moving and related expenses and reestablishment expenses, you may elect to receive an amount equal to your business’ recent average annual net earnings in an amount not less than $1,000 nor more than $40,000. A displaced business is eligible for the payment if the Department determines that:
2. The business owns or rents personal property, which must be moved in connection with such displacement and for which an expense would be incurred in such move; and the business vacates or relocates from its displacement site.
3. The business cannot be relocated without a substantial loss of its existing patronage (clientele or net earnings). A business is assumed to meet this test unless the Department determines that it will not suffer a substantial loss of its existing patronage.
4. The business is not part of a commercial enterprise having more than three other entities which are not being acquired by the Department, and which are under the same ownership and engaged in the same or similar business activities.
5. The business is not operated at a displacement dwelling solely for the purpose of renting such dwelling to others.
6. The business is not operated at the displacement site solely for the purpose of renting the site to others.
7. The business contributed materially to the income of the displaced person during the two taxable years prior to displacement.

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

If you lease or rent from the Department, failure to pay necessary rental payments to the Department may reduce the relocation payment that you will receive.

Moving and related payments are not considered as income for the purposes of personal income tax laws. Furthermore, these payments are not considered income or resources to recipients of public assistance. Relocation payments are normally made within 60 days of the date that your completed claim is received by the Department.

You will be given at least 90 days’ written notice before you will be required to move from the property.

It is important that you understand the matters explained above which relate to your eligibility. If at any time you want assistance, please contact your relocation agent by writing, telephoning, or visiting him/her at the address listed below.

The Uniform Act provides that a person may appeal to the head of the responsible department if the person believes that the Department has failed to properly determine the person’s eligibility or the amount of the payment authorized by the Uniform Act. You have the right to be represented by legal counsel at your own expense, but their presence is not required. If you still believe a proper determination has not been made by the Relocation Appeals Board, you may seek judicial review. You may submit an appeal in writing to:  Caltrans, Right of Way Office, Relocation Appeals Board, 1120 N Street, Sacramento, CA 95814.

Displacees not lawfully present in the United States are ineligible for relocation payments and assistance. Certification of legal U.S. residency status must be on file with the Department for all household members in order to receive benefits.

Sincerely,

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, Relocation Agent

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Relocation Agent Address

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Telephone

# ACKNOWLEDGEMENT

I was personally contacted by the above agent for the Department of Transportation. I have had the services and entitlements available explained to me. I was further advised that the Department of Transportation Relocation Assistance Program is available to assist me if any questions arise or as assistance is needed. I have been given a copy of this form letter.

Date \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Displacee’s signature \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_