



CALIFORNIA High-Speed Rail Authority

*Your Rights and Benefits as a Displacee Under
the Uniform Relocation Assistance Program
(Residential)*

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INTRODUCTION

In building any large, modern transportation project, the displacement of a small percentage of the population is often necessary. However, it is the policy of the California High-Speed Rail Authority (Authority) that displaced persons shall not suffer unnecessarily as a result of a program, like the High-Speed Rail Project (Project) that is designed to benefit the public as a whole.

Individuals, families, businesses, farms, and nonprofit organizations displaced by the Project may be eligible for relocation advisory services and payments.

This brochure provides information about available relocation services and payments. If you are required to move as the result of the Project, a Relocation Agent will contact you. The Relocation Agent will be able to answer your specific questions and provide additional information.

UNIFORM RELOCATION ASSISTANCE AND REAL PROPERTY ACQUISITION POLICIES ACT OF 1970 AS AMENDED “THE UNIFORM ACT”

The purpose of the Uniform Act is to provide for uniform and equitable treatment of persons displaced from their homes, businesses, farms, or nonprofit organizations by federal and federally assisted programs and to establish uniform and equitable land acquisition policies for federal and federally assisted programs.

Title 49, Part 24, of the Code of Federal Regulations implements the Uniform Act in accordance with the following relocation assistance objective:

To ensure that persons displaced as a direct result of federal or federally-assisted projects are treated fairly, consistently and equitably so that such persons will not suffer disproportionate injuries as a result of projects designed for the benefit of the public as a whole.

While every effort has been made to assure the accuracy of this booklet, you must understand that it does not have the force and effect of law, rule, or regulation governing the payment of benefits. In the event of any difference between a statement in this brochure and any provision of law, rule or regulation, the latter will be followed.

SOME IMPORTANT DEFINITIONS

You will be able to understand your relocation benefits better if you become familiar with the following terms:

Comparable Replacement Dwelling is a dwelling which is:

1. Decent, safe, and sanitary. (*See definition below.*)
2. Functionally equivalent to the displacement dwelling.
3. Adequate in size to accommodate the persons being relocated.
4. In an area not subject to unreasonable adverse environmental conditions.
5. In a location generally not less desirable than the location of your displacement dwelling with respect to public utilities and commercial and public facilities, and reasonably accessible to your place of employment.
6. On land that is typical in size for residential development with typical improvements.
7. Currently available on the market.
8. Within your financial means.

Decent, Safe and Sanitary (DS&S) Dwelling is a dwelling that meets applicable local housing and occupancy codes. It also shall:

1. Be structurally sound, weather tight, and in good repair.
2. Contain a safe electrical wiring system adequate for lighting and other devices.
3. Contain a heating system capable of sustaining a healthful temperature (of approximately 70 degrees) for a displaced person, except in those areas where local climatic conditions do not require such a system.
4. Be adequate in size with respect to the number of rooms and area of living space needed to accommodate the displaced persons. The number of persons occupying each habitable room used for sleeping purposes shall not exceed that permitted by local housing codes.
5. Have a separate, well-lighted and ventilated bathroom that provides privacy to the user and contains a sink, bathtub or shower stall, and a toilet, all in good working order and properly connected to appropriate sources of water and to a sewage drainage system.

***Note:** In the case of a housekeeping dwelling, there shall be a kitchen area that contains a fully usable sink, properly connected to potable hot and cold water and to a sewage drainage system, and adequate space and utility service connections for a stove and refrigerator.*

6. Contains unobstructed egress to safe, open space at ground level. If the replacement dwelling unit is on the second story or above, with access directly from or through a common corridor, the common corridor must have at least two means of egress.
7. For a displaced person with a disability, be free of any barriers which would preclude reasonable ingress, egress, or use of the dwelling by that displaced person.

Displaced Person or Displacee is any person who moves from real property or moves personal property from real property as a result of the acquisition of the real property, in whole or in part, or as the result of a written notice from the agency of its intent to acquire the real property needed for this transportation project. In the case of a partial acquisition, the Authority shall determine if a person is displaced as a direct result of the acquisition.

Persons **not lawfully present** in the United States are not eligible to receive relocation payments and assistance.

Relocation benefits will vary, depending upon the type and length of occupancy. As a residential displacee, you will be classified as either:

- An owner occupant of a residential property (includes mobile homes)
- A tenant occupant of a residential property (includes mobile homes and sleeping rooms)

Dwelling is the place of permanent or customary and usual residence of a person, according to local custom or law, including a single family house; a single family unit in a two-family, multi-family, or multi-purpose property; a unit of a condominium or cooperative housing project; a non-housekeeping unit; a mobile home; or any other residential unit.

Owner is a person who is considered to have met the requirement to own a dwelling if the person purchases or holds any of the following interests in real property:

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

2. An interest in a cooperative housing project that includes the right to occupy a dwelling;
OR
3. A contract to purchase any interests or estates described in (1) or (2); **OR**
4. Any other interest, including a partial interest, which in the judgment of the Authority warrants consideration as ownership.

Tenant is a person who has the temporary use and occupancy of real property owned by another.

MOVING EXPENSES

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

Displaced individuals and families may choose to be paid on the basis of actual, reasonable moving costs and related expenses, or according to a fixed moving cost schedule. However, to ensure your eligibility and prompt payment of moving expenses, you should contact your Relocation Agent before you move.

You Can Choose Either

Actual Reasonable Moving Costs

You may be paid for your actual reasonable moving costs and related expenses when a commercial mover performs the move. Reimbursement will be limited to a move of 50 miles or less. Related expenses *may* include:

- Transportation
- Packing and unpacking personal property
- Disconnecting and reconnecting household appliances
- Temporary storage of personal property
- Insurance while property is in storage or transit

OR

Fixed Moving Cost Schedule

You may be paid on the basis of a fixed moving cost schedule. Under this option, you will not be eligible for reimbursement of related expenses listed above. The fixed schedule is designed to cover these expenses.

Examples (Year 2012 Rate):

- 4 Rooms - \$1,295
- 7 Rooms - \$2,090

The Fixed Move Schedule for a furnished unit (e.g. you are a tenant of an apartment that is furnished by your landlord) is also based on the following schedule.

Example (Year 2012 Rate):

- 1 Room - \$450
- Each additional room - \$85

Under the Fixed Move Schedule, you will not receive any additional payments for temporary storage, lodging, transportation or utility hook-ups.

REPLACEMENT HOUSING PAYMENTS

The type of Replacement Housing Payment (RHP) depends on whether you are an owner or a tenant, and on the length of your occupancy in the property being acquired. If you are a qualified **owner occupant** of more than 180 days prior to the initiation of negotiations for the acquisition of your property, you may be entitled to a RHP that consists of:

**Price Differential, AND
Mortgage Differential, AND
Incidental Expenses;**

OR

Rent Differential

If you are a qualified **owner occupant** of more than 90 days but less than 180 days, **OR** you are a qualified **tenant occupant** of at least 90 days, you may be entitled to a RHP as follows:

Rent Differential

OR

Downpayment Option

Length of occupancy simply means counting the number of days that you actually occupied a dwelling before the date of initiation of negotiations by the Authority for the purchase of the property. The term "initiation of negotiations" means the date the Authority makes the first personal contact with the owner of real property, or the owner's representative, to give either of them a written offer for the property to be acquired.

***Note:** If you have been in occupancy **less than 90 days** before the initiation of negotiations and the property is subsequently acquired, or if you move onto the property after the initiation of negotiations and you are still in occupancy on the date of acquisition, you may or may not be eligible for a Replacement Housing Payment. Check with your Relocation Agent before you make any decision to vacate your property.*

FOR OWNER OCCUPANTS OF 180 DAYS OR MORE

If you qualify as a 180-day owner occupant, you may be eligible, in addition to the fair market value of your property, for a Replacement Housing Payment that consists of a Price Differential, Mortgage Differential and/or Incidental Expenses.

The **Price Differential** payment is the amount by which the cost of a replacement dwelling exceeds the acquisition cost of the displacement dwelling. This payment will assist you in purchasing a comparable decent, safe, and sanitary (DS&S) replacement dwelling. The Authority will compute the maximum payment you may be eligible to receive.

In order to receive the full amount of the calculated Price Differential, you must purchase a decent, safe and sanitary dwelling and spend at least the amount calculated by the Authority to be the cost of a comparable replacement property. (spend to get requirement)

The **Mortgage Differential** payment will reimburse you for any increased mortgage interest costs you might incur because the interest rate on your new mortgage exceeds the interest rate on the property acquired by the Authority. The payment computation is complex as it is based on prevailing rates, your existing loan and your new loan. Also, a part of this payment may be prorated, for example, as reimbursement for a portion of your loan origination fees and mortgage points.

To be eligible to receive this payment, the acquired property must have been encumbered by a bona fide mortgage that was a valid lien for at least 180 days prior to the initiation of negotiations.

You may also be reimbursed for any actual and necessary **Incidental Expenses** that you incur in relation to the purchase of your replacement property. These expenses may be those costs for title search, recording fees, credit report, appraisal report, and certain other closing costs associated with the purchase of property. You will not be reimbursed for any recurring costs such as prepaid real estate taxes and property insurance.

If the total amount of your **Replacement Housing Payment** (Price Differential, Mortgage Differential and Incidental Expenses) exceeds \$22,500, the payment must be deposited directly into an escrow account or paid directly to the mortgage company.

Examples of Price Differential Payment Computation:

Assume that the Authority purchases your property for \$98,000. After a thorough study of available, decent, safe and sanitary dwellings on the open market, the Authority determines that a comparable replacement property will cost you \$100,000. If your purchase price is \$100,000, you will receive \$2,000 (see *Example A*).

If your actual purchase price is more than \$100,000, you pay the difference (see *Example B*). If your purchase price is less than \$100,000, the differential payment will be based on actual costs (see *Example C*).

How much of a differential payment you receive depends on how much you actually spend on a replacement dwelling as shown in these examples:

The Authority's Computation

Cost of Comparable Replacement Property	\$100,000
Acquisition Price of Your Property	<u>-\$ 98,000</u>
Maximum Price Differential	\$ 2,000

Example A

Purchase Price of Replacement Property	\$100,000
Cost of Comparable Replacement Property	\$100,000
Acquisition Price of Your Property	<u>-\$ 98,000</u>
Maximum Price Differential	\$ 2,000

Example B

Purchase Price of Replacement Property	\$105,000
Cost of Comparable Replacement Property	\$100,000
Acquisition Price of Your Property	<u>-\$ 98,000</u>
Maximum Price Differential	\$ 2,000
You Must Pay the Additional	\$ 5,000

Example C

Cost of Comparable Replacement Property	\$100,000
Purchase Price of Replacement Property	\$ 99,000
Acquisition Price of Your Property	<u>-\$ 98,000</u>
Price Differential	\$ 1,000

In Example C you will only receive \$1,000, not the full amount of the Authority's "Comparable Replacement Property," because of the "Spend to Get" requirements.

If you are a “180-day owner occupant” in order to receive the full amount of the Replacement Housing Payment (Price Differential, Mortgage Differential and Incidental Expenses), you must:

A) Purchase and occupy a DS&S replacement dwelling within one year after the later of:

1. The date you first receive a notification of an available replacement house, **OR**
2. The date that the Authority has paid the acquisition cost of your current dwelling (usually the closing of escrow on State’s acquisition),

AND

B) Spend at least the amount of the Authority’s “Comparable Replacement Property” for a replacement property,

AND

C) File a claim for relocation payments within 18 months of the later:

1. The date you vacate the property acquired by the Authority, **OR**
2. The date that the Authority has paid the acquisition cost of your current dwelling (usually the close of escrow on State’s acquisition)

You will not be eligible to receive any relocation payments until the Authority has actually made the first written offer to purchase the property. Also, you will receive at least 90 days’ written notice before you must move.

FOR OWNER OCCUPANTS AND TENANTS OF 90 DAYS OR MORE

If you qualify as a 90-day occupant (either as an owner or tenant), you may be eligible for a Replacement Housing Payment in the form of a Rent Differential.

The **Rent Differential** payment is designed to assist you in renting a comparable decent, safe and sanitary replacement dwelling. The payment is based on the difference between the base monthly rent for the property acquired by the Authority (including average monthly cost for utilities) and the lesser of:

- a. The monthly rent and estimated average monthly cost of utilities for a comparable replacement dwelling as determined by the Authority, **OR**
- b. The monthly rent and estimated average monthly cost of utilities for the decent, safe and sanitary dwelling that you actually rent as a replacement dwelling.

Utility costs are those expenses you incur for heat, lights, water and sewer regardless of the source (e.g. electricity, propane, and septic system). They do not include garbage, cable, telephone, or security. The utilities at your property are the average costs over the last 12 months. The cost of utilities at the comparable replacement property is based on the estimated costs for the last 12 months for the type of dwelling and area used in the calculation.

This difference between (a) and (b) is multiplied by 42 months and may be paid to you in a lump sum payment or in periodic installments in accordance with policy and regulations.

In order to receive the full amount of the calculated Rent Differential, you must rent a decent, safe and sanitary dwelling and spend at least the amount calculated by the Authority to be the rental rate of a comparable replacement property.

This payment may, with certain limitations, be converted to a **Downpayment Option** to assist you in purchasing a replacement property.

Example of Rent Differential Payment Computation:

After a thorough study of comparable, decent, safe and sanitary dwellings that are available for rent, the Authority determines that a comparable replacement property will rent for \$325.00 per month.

The Authority's Computation (rates are per month)

Rental Rate for Comparable Replacement Property	\$ 325
PLUS average estimated utilities costs	<u>+100</u>
TOTAL Cost to Rent Comparable Replacement Property	= \$ 425

Rental Rate for Your Current Property	\$ 300
PLUS average utilities costs	<u>+ 90</u>
TOTAL Cost to Rent Current Property	= \$ 390

Comparable Replacement Property including utilities	\$ 425
Cost you currently pay to rent your property including utilities	- <u>390</u>
Difference	= \$ 35

Multiplied by 42 months = \$1,470 Rent Differential

Example A:

Rental Rate you pay for a Replacement Property including estimated average utilities costs	\$ 525
Comparable Replacement Property including utilities	\$ 425
Cost you currently pay to rent your property including utilities	\$ 390

Because \$425 is less than \$525, the Rent Differential is based on the difference between \$390 and \$425.

Rent Differential (\$35 x 42 months = \$1,470)

In this case you spent "at least" the amount of the Comparable Replacement Property on the replacement property and will receive the full amount.

Example B:

Rental Rate you pay for a Replacement Property including estimated average utilities costs	\$ 400
Comparable Replacement Property including utilities	\$ 425
Cost you currently pay to rent your property including utilities	\$ 390

Because \$400 is less than \$425, the Rent Differential is based on the difference between \$400 and \$390.

Rent Differential (\$10 x 42 months = \$420)

In this case you spent "less than" the amount of the Comparable Replacement Property on the replacement property and will not receive the full amount.

If you are a "90- day owner occupant" in order to receive the full amount of your replacement housing payment (Rent Differential), you must:

A) Rent and occupy a DS&S replacement dwelling within one year after the later of:

1. The date you first receive a notification of an available replacement dwelling, **OR**
2. The day you vacate the property acquired by the Authority, **AND**

B) Spend at least the amount of the Authority's calculation of "Comparable Replacement Property" to rent a replacement property,

AND

C) File a claim for relocation payments within 18 months of the later of:

1. The date you vacate the property acquired by the Authority, **OR**
2. The date that the Authority has paid the acquisition cost of your current dwelling (usually the close of escrow on State's acquisition)

You will not be eligible to receive any relocation payments until the Authority has actually made the first written offer to purchase the property. Also, you will receive at least 90 days' written notice before you must move.

***Note 1:** The time periods for a 90-day owner occupant are different from those for a 180-day owner occupant.*

***Note 2:** If the Rent Differential is converted to a Downpayment Option, there is no "spend-to-get" requirement.*

DOWNPAYMENT OPTION

The Rent Differential payment may, with certain limitations, be converted to a **Downpayment Option** to assist you in purchasing a replacement property. The downpayment option is a direct conversion of the Rent Differential payment.

If the Authority's calculated Rent Differential is between \$0 and \$5,250, your downpayment option will be \$5,250, which can be used toward the purchase of a replacement decent, safe and sanitary dwelling.

If the Rent Differential is over \$5,250, you may be able to convert the entire amount of the Rent Differential to a downpayment option.

The downpayment option must be used for the acquisition of the replacement dwelling, plus any eligible incidental expenses (see "180-day Owner Occupants Incidental Expenses") related to the purchase of the property. You must work closely with your Relocation Agent to ensure you can utilize the full amount of your downpayment option toward the purchase.

If any portion of the Rent Differential was used prior to the decision to convert to a downpayment option, those advance payments will be deducted from the entire benefit.

LAST RESORT HOUSING

On most projects, an adequate supply of housing will be available for sale and for rent, and the benefits provided will be sufficient to enable you to relocate to comparable housing. However, there may be projects in certain locations where the supply of available housing is insufficient to provide the necessary housing for those persons being displaced. In such cases, the Authority will utilize a method called Last Resort Housing. Last Resort Housing allows the Authority to construct, rehabilitate or modify housing in order to meet the needs of the people displaced from a project. The Authority can also pay above the statutory limits of \$5,250 and \$22,500 in order to make available housing affordable.

RELOCATION ADVISORY ASSISTANCE

Any individual, family, business or farm displaced by the Authority shall be offered relocation advisory assistance for the purpose of locating a replacement property. Relocation services are provided by qualified personnel employed by, or under contract with, the Authority. It is their goal and desire to be of service to you and to assist in any way possible to help you relocate successfully. A Relocation Agent from the Authority will contact you personally. Relocation services and payments will be explained to you in accordance with your eligibility. During the Agent's initial interview with you, your housing needs and desires will be determined as well as your need for assistance. You cannot be required to move unless at least one comparable replacement dwelling is made available to you. You can expect to receive the following services, advice and assistance from your Relocation Agent who will:

- Explain the relocation benefits and eligibility requirements.
- Provide the amount of the replacement housing payments in writing.
- Assure the availability of a comparable replacement property before you move.
- Inspect possible replacement residential units for DS&S compliance.
- Provide information on counseling you can obtain to help minimize hardships in adjusting to your new location.
- Assist you in completing loan documents, rental applications or Relocation Claims Forms.

AND provide information on:

- Security deposits
- Interest rates and terms
- Typical downpayments
- VA and FHA loan requirements
- Real property taxes
- Consumer education literature on housing

If you desire, your Relocation Agent will give you current listings of other available replacement housing. Transportation will be provided to inspect available housing, especially if you are elderly or handicapped. Though you may use the services of a real estate broker, the Authority cannot provide a referral.

Your Relocation Agent is familiar with the services provided by others in your community and will provide information on other federal, state, and local housing programs offering assistance to displaced persons. If you have special needs, your Relocation Agent will make every effort to secure the services of those agencies with trained personnel who have the expertise to help you.

If the high-speed rail project will require a considerable number of people to be relocated, the Authority may establish a temporary Relocation Field Office on or near the project. Project relocation offices will be open during convenient hours and evening hours if necessary.

In addition to these services, the Authority is required to coordinate its relocation activities with other agencies causing displacements to ensure that all persons displaced receive fair and consistent relocation benefits.

Remember: YOUR RELOCATION AGENT is there to offer advice and assistance. Do not hesitate to ask questions. And be sure you fully understand all of your rights and available benefits.

YOUR RIGHTS AS A DISPLACED

All eligible displacees have a freedom of choice in the selection of replacement housing, and the Authority will not require any displaced person to accept a replacement dwelling provided by the Authority. If you decide not to accept the replacement housing offered by the Authority, you may secure a replacement dwelling of your choice, providing it meets DS&S housing standards. The Authority will not pay more than your calculated benefits on any replacement property.

The most important thing to remember is that the replacement dwelling you select must meet the basic “decent, safe, and sanitary” standards. **DO NOT** execute a purchase agreement or a rental agreement

until a representative from the Authority has inspected and certified in writing that the dwelling you propose to occupy meets the basic standards. **DO NOT** jeopardize your right to receive a replacement housing payment by moving into a substandard dwelling.

It is important to remember that your relocation benefits will not have an adverse effect on your:

- Social Security Eligibility
- Welfare Eligibility
- Income Taxes

In addition, Title VIII of the Civil Rights Act of 1968 and later acts and amendments make discriminatory practices in the purchase and rental of most residential units illegal if based on race, color, religion, sex, or national origin.

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

The Authority's Non-Discrimination Policy ensures that all services and/or benefits will be administered to the general public without regard to race, color, national origin, or sex in compliance with Title VI of the 1964 Civil Rights Act (42 USC, sec. 2000d, et seq.). And you always have the right to appeal any decision by the Authority regarding your relocation benefits and eligibility.

Your right of appeal is guaranteed in the Uniform Act which states that any person may file an appeal with the head of the responsible agency if that person believes that the agency has failed to determine properly the person's eligibility or the amount of a payment authorized by the Act.

If you indicate your dissatisfaction, either verbally or in writing, the Authority will assist you in filing an appeal and will explain the procedures to be followed. You will be given a prompt and full opportunity to be heard. You have the right to be represented by legal counsel or other representative in connection with the appeal (but solely at your own expense). The Authority will consider all pertinent justifications and materials submitted by you and other available information needed to ensure a fair review. The Authority will provide you with a written determination resulting from the appeal with an explanation of the basis for the decision. If you are still dissatisfied with the relief granted, the Authority will advise you that you may seek judicial review.

Reference: Uniform Relocation Assistance and Real Property Acquisition

Policies Act of 1970, as amended (42 U.S.C. sec. 4601 et seq.) (Uniform Act);

and Implementing Regulations (49 C.F.R. Part 24)