

RESOLUTION NO. 2000-25

A RESOLUTION of the City Council of the City of Lakewood, Washington, establishing a relocation assistance policy for the City of Lakewood

WHEREAS, there are occasions, either because of acquisition of property by the City of Lakewood or by economic development activity occurring in the City of Lakewood in which the City of Lakewood is involved where relocation of businesses or residences would be necessary to pursue the project involved; and,

WHEREAS, state law, including Chapter 8.28 of the Revised Code of Washington, authorizes City's to provide relocation assistance and to establish guidelines for providing equitable relocation assistance to businesses, homeowners and residential tenants, in order to minimize hardship created by a need to relocate to facilitate such projects; and,

WHEREAS, in order to provide the opportunity for such relocation assistance, it is appropriate that the City establish guidelines and procedures for relocation assistance.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAKEWOOD, WASHINGTON HEREBY RESOLVES, as Follows:

Section 1. That the City of Lakewood Relocation Assistance Policy and Procedures are established as set forth on the attached Exhibit "A".

Section 2. That Resolution shall be in full force and effect upon passage and signatures hereon.

PASSED by the City Council this 21<sup>st</sup> day of August, 2000.

CITY OF LAKEWOOD

Bill Harrison

Bill Harrison, Mayor

Attest:

Alice M. Bush  
Alice M. Bush, CMC, City Clerk

Approved as to Form:

Daniel B. Heid  
Daniel B. Heid, City Attorney

EXHIBIT "A"

CITY OF LAKEWOOD  
RELOCATION POLICY,  
PROCEDURES, AND GUIDELINES

CITY OF LAKEWOOD  
RELOCATION POLICY,  
PROCEDURES, AND GUIDELINES

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# CITY OF LAKEWOOD RELOCATION POLICY, PROCEDURES, AND GUIDELINES

## 1. POLICY

In order to address the need for municipal services within the City of Lakewood, there are occasions when it will be necessary for the City to acquire real property or become involved in projects where real property is to be acquired. This may result in the dislocation of property owners, businesses, tenants, and individuals located within buildings on such real property. It is the City's intent to treat such property owners and their tenants fairly, to minimize hardships of displacement by equitable treatment of persons and businesses displaced as a direct result of the municipal projects, and to seek cooperative settlements of relocation claims, depending on availability of funds. These Relocation Policy, Procedures, and Guidelines ("Procedures") are written to provide the City the ability to accomplish these goals within the City's limited resources and schedule constraints.

These Procedures should be implemented so as to encourage the cooperative agreements with owners and tenants that avoid protracted disputes and litigation where possible.

## 2. PURPOSE

These Procedures are to be carried out such that the City's program of assistance involving relocation of persons displaced by, the implementation of municipal projects, complies with applicable federal and state law.

## 3. STATE AND FEDERAL LAW CERTIFICATION

The City certifies that it will comply with applicable law, including chapter 8.26 RCW, chapter 468-100 WAC, U.S.C.A. Title 42, and 49 C.F.R. Part 24 in connection with the relocation of persons displaced by the implementation of municipal projects, as they pertain to the project involved. In order to do so, City is establishing a relocation program that is comprised of these Procedures and future administrative policies and procedures (the "Program").

## 4. ACCOUNTABILITY AND DELEGATION

The City Council will be responsible for the policy direction of the City's Program. By adopting these Policies, Procedures and Guidelines the City Council is establishing the acceptable terms and conditions for relocation of persons and businesses. In the interest of administrative efficiency, the City hereby acknowledges certain delegations of authority regarding property and leasehold transactions and improvements. The City Council hereby further authorizes the City Manager to adopt such administrative rules, procedures or guidelines as the City Manager may determine to be necessary to implement these Procedures.

## 5. DEFINITIONS

- 5.1. Appraisal. A written statement independently and impartially prepared by a qualified appraiser setting forth an opinion of defined fair market value of an adequately described property as of a specific date, supported by the presentation and analysis

of relevant market information.

- 5.2. Acquisition Price. The price, based upon appraisal fair market value, paid to acquire real property for Project.
- 5.3. Appraised fair market value. The value arrived at using appraisal and review appraisal value. This value may be given as a range of values, with no more than a 10% variation from the higher end of the range.
- 5.4. Business. Any lawful activity that is conducted:
  - a. Primarily for the purchase, sale, lease, and/or rental of personal and/or real property, and/or for the manufacture, processing, and/or marketing of products, commodities, and/or any other personal property; or
  - b. Primarily for the sale of services to the public; or
  - c. Solely for the purpose of Section 6.1, conducted primarily for outdoor advertising display purposes, when the display must be moved as a result of the project; or
  - d. By a nonprofit organization that has established its nonprofit status under applicable federal or state law.
- 5.5. Comparable replacement dwelling. A dwelling that meets the additional rules in Section 8.3 and which:
  - a. Is decent, safe, and sanitary according to the definition in Section 5.7.
  - b. Is functionally equivalent to the displacement dwelling with particular attention to the number of rooms and living space. This means that the replacement dwelling should perform the same function, provide the same utility, and is capable of contributing to a comparable style of living. A comparable replacement dwelling need not possess every feature of the displacement dwelling, but the principal features must be present. Functional equivalency generally is an objective standard, reflecting the range of purposes for which the various features of a dwelling may be used. However, in determining functional equivalency, the City may consider reasonable tradeoffs for specific features when the replacement unit is equal to or better than the displacement dwelling.
  - c. Is adequate comparable in size to accommodate the occupants.
  - d. Is located in an area that is not subject to unreasonable adverse environmental conditions, is not generally less desirable than the location of the displaced person's dwelling with respect to public utilities and commercial and public



facilities, and is comparably reasonably accessible to the person's place of employment. Comparables may be used from neighborhoods similar to that of the acquired dwelling.

- e. Has a site that is typical in size for residential development with normal site improvements, including customary landscaping. The replacement site need not include either a special improvement or a major exterior attribute of the displacement site in accordance with Section 8.3.a, paragraph 2.
  - f. Is currently available to the displaced person on the private market. However, a comparable replacement dwelling for a person receiving government housing assistance before displacement may reflect similar government housing assistance.
  - g. Is priced within the financial means of the displaced person.
    - (1) For a one hundred eighty-day owner-occupant described at Section 8.1.a, a comparable dwelling is considered to be within the displacee's financial means if the owner will receive the full price differential as described in Section 8.1.a (3), all increased mortgage interest costs as described in Section 8.1.a (4), and all incidental expenses as described in Section 8.1.a (6) , plus any additional amount required to be paid under Article 13.
    - (2) For a ninety-day tenant-occupant described at Section 8.2.a, a comparable dwelling is considered to be within the displacee's financial means if after application of the rental assistance payment, described in said section, the displacee's portion of the monthly rent plus utilities do not exceed person's base monthly rental for the displacement dwelling as described in 8.2.a (2) (b).
    - (3) For a displaced person who is not eligible to receive a replacement housing payment under Section 8.2.a due to failure to meet the length of occupancy requirements, comparable housing is considered to be within the displacee's financial means if the City pays that portion of the monthly housing costs that would exceed thirty percent of the displacee's monthly income for forty-two months or, if receiving a welfare assistance payment from a program that designates amounts for shelter and utilities. Replacement housing payments would be paid under Article 13.
- 5.6. Contribute materially. During the two taxable years before the taxable year in which displacement occurs, or during such other period as the City determines to be more equitable, a business:
- a. Had average annual gross receipts of at least five thousand dollars (\$5,000);

or

- b. Had average annual net earnings of at least one thousand dollars (\$1,000); or Contributed at least thirty-three and one-third percent (33 $\frac{1}{3}$ %) of the owner's or operator's average annual gross income from all sources.

If the application of the above criteria creates an inequity or hardship in a given case, the City may approve the use of other criteria as determined appropriate.

- 5.7. Decent, safe, and sanitary (DSS) dwelling. A dwelling that meets applicable housing and occupancy codes. However, any of the following standards that are not met by an applicable code will apply, unless waived for good cause by the applicable federal funding. The dwelling will:

- a. Be structurally sound, ~~weather tight~~, and in good repair.
- b. Contain a safe electrical wiring system adequate for lighting and other electrical devices.
- c. Contain a heating system capable of sustaining a healthful temperature (of approximately seventy degrees) for a displaced person.
- d. Be adequate in size with respect to the number of rooms and area of living space needed to accommodate the displaced person. There will be a separate, well-lighted and ventilated bathroom that provides privacy to the user and contains a sink, bathtub or shower stall, and a toilet, all in good working order and properly connected to appropriate sources of water and to a sewage drainage system. In the case of a housekeeping dwelling, there will 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.
- e. 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.
- f. For a displaced person who is handicapped, be free of any barriers that would preclude reasonable ingress, egress, or use of the dwelling by such displaced person.

- 5.8. Displaced person.

- a. General: Any person who moves from the real property or moves his or her personal property from the real property (this includes a person who does not meet the length of occupancy requirements of Sections 8.1.a and 8.2.a):

- (1) As a direct result of the City's acquisition of, or the initiation of negotiation for or other involvement in acquisition of, such real property in whole or in part for the Project; or

- (2) As a direct result of a written order from the City to vacate such real property for the Project; or
  - (3) As a direct result of the City's acquisition of, or written order to vacate for the Project, other real property on which the person conducts a business;
  - (4) As a direct result of a voluntary transaction by the owner as described in Section 6.2.a, thereby displacing a tenant; or
  - (5) As a direct result of the City's rehabilitation or demolition for the Project ; or
  - (6) As a direct result of the City's initiation of negotiations, acquisition of, demolition of, in whole or in part, other real property on which the person conducts a business, for the Project. Eligibility under this subparagraph (6) is only for purposes of obtaining relocation assistance advisory services under Section 9.1 and moving expenses under Sections 6.1, 6.3, and 6.4.
- b. Persons not displaced: The following is a nonexclusive listing of persons who do not qualify as a displaced person under these Procedures.
- (1) A person who moves before the initiation of negotiations except one who is required to move for reasons beyond his or her control as explained in Section 8.3.e; or
  - (2) A person who initially enters into occupancy of the property after the date of its acquisition for the Project (such determination will be made in accordance with any guidelines of the federal funding agency); or
  - (3) A person that the City determines is not required to relocate permanently as a direct result of the Project; or
  - (4) A person that the City determines is not displaced as a direct result of a partial acquisition; or
  - (5) A person who, after receiving a notice of relocation eligibility also receives a notice of non eligibility (described in Section 9.3.b, paragraph 2); or
  - (6) An owner who voluntarily sells his or her property as described in Section 6.2.a after being informed in writing that if a mutually satisfactory agreement of sale cannot be reached, the City will not acquire the property; or
  - (7) A person who retains the right of use and occupancy of the real property for life following its acquisition by the City; or
  - (8) A person who retains the right of use and occupancy of the real

property for a fixed term after its acquisition for a program or project receiving federal financial assistance from the Department of Interior; or

- (9) A person who has occupied the property for the purpose of obtaining assistance under the Uniform Act;
  - (10) A person who is determined to be in unlawful occupancy or a person who has been evicted for cause before the initiations of negotiations for the property;
  - (11) A person who initially enters occupancy of the property after the date of its acquisition for the Project;
  - (12) A person who, after receiving notice of relocation eligibility, is notified in writing that he or she will not be displaced for the Project. Such notice will not be issued unless the person has not moved and the City agrees to reimburse the person for any expenses incurred to satisfy any findings of contractual obligations entered into after the effective date of the notice of relocation eligibility ; or
  - (13) An owner-occupant who moves as a result of the rehabilitation or demolition of the real property. (However, the displacement of a tenant as a direct result of any acquisition, rehabilitation, or demolition for a federally assisted project is subject to these Procedures.)
- 5.9. Dwelling. The place of permanent or customary and usual residence of a person, as determined by the City according to local custom or law, including a single family house; a single family unit in a two-family, multifamily, or multipurpose property; a unit of a condominium or cooperative housing project; a non-housekeeping unit; a mobile home; or any other fixed or installed residential unit other than a unit customarily used, and currently (although not necessarily immediately) capable of use, for transportation or recreational purposes.
- 5.10. Fair market value. The value of real property established by an appraisal and review appraisal, as set forth in Article 7 and Section 5.3.
- 5.11. Financial assistance. A grant, loan, or contribution, except a federal guarantee or insurance.
- 5.12. Initiation of negotiations. The date of delivery of the initial written offer by the City to the owner or the owner's representative to purchase real property the Project for the amount determined to be just compensation. However:
- a. If the City issues a notice of its intent to acquire the real property, and a person moves after that notice, but before delivery of the initial written purchase offer, the "initiation of negotiations" means the date the person moves from the property. (See also Section 12.4.c.)

- b. If the displacement is caused by rehabilitation, demolition, or privately undertaken acquisition of real property (and there is no related federal or state agency acquisition) the initiation of negotiations means the notice to the person that he or she will be displaced by the Project or, if there is no notice, the actual move of the person from the property ; or
  - c. In the case of a permanent relocation to protect the public health and welfare under the Comprehensive Environmental Response Compensation and Liability Act of 1980 (Pub. L. 96-510, or "Superfund"), the "initiation of negotiations" means the formal announcement of such relocation or the federal or federally-coordinated health advisory where the federal government later decides to conduct a permanent relocation.
- 5.13. Mortgage. Any of such classes of liens as are commonly given to secure advances on, or the unpaid purchase price of, real property, under the laws of the state of Washington, together with the credit instruments, if any, secured thereby.
- 5.14. Nonprofit Organization. An organization that is incorporated under the applicable laws of a state as a nonprofit organization, and exempt from paying federal income taxes under Section 501 of the Internal Revenue Code (26 U.S.C. 501).
- 5.15. Owner of displacement dwelling. A displaced person owns a displacement dwelling if the person holds any of the following interests in real property acquired for the Project:
- a. Fee title, a life estate, a ninety-nine year lease, or a lease, including any options for extension, with at least fifty years to run from the date of acquisition; or
  - b. An interest in a cooperative housing project that includes the right to occupy a dwelling; or
  - c. A contract to purchase any of the interests or estates described in subsection (a) or (b) above; or
  - d. Any other interests, including a partial interest, which in the judgment of the City warrants consideration as ownership.
- 5.16. Person. Any individual, family, partnership, corporation, or association.
- 5.17. Procedures. The City's Relocation Policy, Procedures, and Guidelines as contained in this document.
- 5.18. Program. The City's relocation program, comprised of the Procedures and any administratively adopted procedures and policies regarding relocation. The Project includes transit supportive and transit-oriented development undertaken by the City consistent with the City Council's adopted guidelines for transit oriented development.
- 5.19 Project. The Project includes municipal and City related development activities

which involved the need for relocation and relocation assistance as provided by these Relocation Policy, Procedures, and Guidelines, and for the purposes hereof, includes activities where real property is acquired, whether by the City or by another person, entity or organization, related to a project with which the City is involved, directly or indirectly, so as to implicate the City's Relocation Policy, Procedures, and Guidelines.

- 5.20. Salvage value. The probable sale price of an item, if offered for sale on the condition that it will be removed from the property at the buyer's expense, allowing a reasonable period of time to find a person buying with knowledge of the uses and purposes for which it is adaptable and capable of being used, including separate use of serviceable components and scrap when there is no reasonable prospect of sale except on that basis.
- 5.21. Small business. Any business having not more than five hundred employees working at the site being acquired or permanently displaced by the Project. Sites occupied solely by outdoor advertising signs, displays, or devices do not qualify as a business for purposes of Article 7.
- 5.22. State. Any department, commission, agency, or instrumentality of the state of Washington.
- 5.23. Tenant. A person who has temporary use and occupancy of real property owned by another.
- 5.24. Uneconomic remnant. A parcel of real property in which the owner is left with an interest after the partial acquisition of the owner's property, and that the City has determined has little or no value or utility to the owner.
- 5.25. Uniform Act. The Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601 et seq), and amendments thereto.
- 5.26. Unlawful occupancy. A person is considered to be in unlawful occupancy when such person has been ordered to move by a court before the initiation of negotiations for the acquisition of the occupied property, or is determined by the City to be a squatter who is occupying the property without permission of the owner and otherwise has no legal right to occupy the property under Washington law. The City may, at its discretion, consider such a squatter to be a legal occupant.
- 5.27. Utility Costs. Expenses for heat, light, water, and sewer.
- 5.28. Utility facility. Any electric, gas, water, steam power, or materials transmission or distribution system, any transportation system, any communications system, including cable television, and any fixtures, equipment, or other property associated with the operation, maintenance, or repair of any such system. A utility facility may be publicly, privately, or cooperatively owned.
- 5.29. Utility relocation. The adjustment of a utility facility required by the Project. It includes removing and reinstalling the facility, including necessary temporary

facilities, acquiring necessary right-of-way on new locations; moving rearranging or changing the type of existing facilities; and taking any necessary safety and protective measures. It also means constructing a replacement facility that has the functional equivalency of the existing facility and is necessary for the continued operation of the utility service, the Project economy, or sequence of Project construction.

5.30. Voluntary transaction. A donation, exchange, market sale, or other type of agreement entered into without compulsion on the part of the City.

5.31. W.S.D.O.T. The Washington State Department of Transportation.

## 6. PAYMENT FOR MOVING AND RELATED EXPENSES

If the City determines that the implementation of the Project will result in the displacement of a person who is dwelling on or conducting business on the real property being acquired, the City ~~will~~ **may, in its discretion and depending on availability of funds,** reimburse or make a payment in lieu of reimbursement to the displaced person for certain costs and expenses required to move the individual, business, or other personal property.

6.1. Non-Residential Moves. The City ~~will~~ **may, in its discretion and depending on availability of funds,** reimburse the displaced business for their documented actual moving and related expenses that the City determines to be reasonable and necessary, including those expenses described below.

a. Eligible Expenses. (See Section 6.6 for a list of ineligible expenses)

- (1) Transportation of personal property. Transportation costs for a distance beyond fifty miles are not eligible, unless the City, at its sole discretion, determines that relocation beyond fifty miles is justified.
- (2) Packing, crating, unpacking, and uncrating of the personal property.
- (3) Disconnecting, dismantling, removing, reassembling, and reinstalling relocated machinery, equipment, and other personal property, including substitute personal property described in paragraph 10 below. This includes connection to utilities available nearby. It also includes modifications to the personal property necessary to adapt it to the replacement structure, the replacement site, or the utilities at the replacement site, and modifications necessary to adapt the utilities at the replacement site to the personal property. (Expenses for providing utilities from the right-of-way to the building or improvement are excluded.)
- (4) Storage of the personal property for a period not to exceed twelve months, unless the City determines, in its sole discretion, that a longer

period is necessary.

- (5) Insurance for the replacement value of the personal property in connection with the move and necessary storage.
- (6) Any license, permit, or certification required of the displaced person at the replacement location. However, the payment may be based on the remaining useful life of the existing license, permit, or certification.
- (7) 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 such loss, theft, or damage is not reasonably available.
- (8) Professional services necessary for the tasks listed below. Such professional services may include legal fees not to exceed seven thousand, five hundred (\$7,500,) (other than legal fees ineligible for reimbursement under Section 6.6), real property or equipment appraisals not to exceed five thousand (\$5,000,) property surveys for replacement location, and accounting fees not to exceed two thousand, five hundred (\$2,500,) including applicable local and state taxes associated with those fees.
  - (a) Planning the move of the personal property;
  - (b) Moving the personal property; and
  - (c) Installing the relocated personal property at the replacement location.
- (9) Re-lettering signs and replacing stationery on hand at the time of displacement that are made obsolete as a result of the move.
- (10) Actual direct loss of tangible personal property incurred as a result of moving or discontinuing the business. The payment will consist of the lesser of:
  - (a) The value of the item for continued use at the displacement site, 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 City determines that such effort is not necessary. When payment for property loss is claimed for goods held for sale, the value will be based on the cost of the goods to the business, not the potential selling price.); or
  - (b) The estimated cost of moving the item, but with no allowance for storage. (If the business is discontinued, the estimated



cost will be based on a moving distance of fifty miles.)

- (11) The reasonable cost incurred in attempting to sell an item that is not to be relocated.
- (12) Purchase of substitute personal property. If an item of personal property that is used as part of a business 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:
  - (a) 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
  - (b) The estimated cost of moving and reinstalling the replaced item but with no allowance for storage. At the City's discretion, the estimated cost for a low cost or uncomplicated move may be based on a single bid or estimate.
- (13) Searching for a replacement location. A displaced business is entitled to reimbursement for actual expenses, not to exceed one thousand dollars (\$1,000), as the City determines to be reasonable, which are incurred in searching for a replacement location, including:
  - ~~(a) Transportation;~~
  - ~~(b) Meals and lodging away from home;~~
  - ~~(c)(a)~~ Time spent searching, based on reasonable salary or earnings;
  - ~~(d)(b)~~ 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.
- (14) Other moving-related expenses that are not listed as ineligible under Section 6.6, as the City determines to be reasonable and necessary.

b. Notification and inspection. The following requirements apply to payments under Article 6:

- (1) The City will inform the displaced person in writing, of the requirements of subparagraphs (2) and (3) below, as soon as possible after the initiation of negotiations. This information may be included in the relocation information provided to the displaced person as set forth in Section 9.3.
- (2) The displaced person must provide the City reasonable advance written notice of the approximate date of the start of the move or disposition of the personal property and a list of the items to be

moved. The City may waive this notice in its discretion.

- (3) The displaced person must permit the City to make reasonable and timely inspections of the personal property at both the displacement and replacement sites and to monitor the move.
- c. Self-moves. If the displaced person elects to take full responsibility for the move of the business, the City may make a payment for the person's moving expenses in an amount not to exceed the lower of two acceptable bids or estimates obtained by the City or prepared by qualified staff. At the City's discretion, a payment for a low cost or uncomplicated move may be based on a single bid or estimate.
- d. Transfer of ownership. Upon request and in accordance with applicable law, the claimant will transfer to the City ownership of any personal property that has not been moved, sold, or traded in.
- e. Advertising signs. The amount of a payment for direct loss of an advertising sign that is personal property will be the lesser of:
  - (1) The depreciated reproduction cost of the sign, as determined by the City, less the proceeds from its sale; or
  - (2) The estimated cost of moving the sign, but with no allowance for storage.

6.2. Non-Residential Moves: Fixed Payment in Lieu of Reimbursement for Actual Moving Expenses.

- a. Business: A displaced business may be eligible to choose a fixed payment in lieu of a payment for actual moving and related expenses, and actual reasonable reestablishment expenses provided for in section above. The payment except for payment to a nonprofit organization, will equal the average annual net earnings of the business, as computed in accordance with subsection (e) of this section, but not less than one thousand dollars (\$1,000) or more than twenty thousand dollars (\$20,000).<sup>1</sup> The displaced business is eligible for the payment if the City determines that:
  - (1) The business owns or rents personal property that 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; and
  - (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 City demonstrates that it will not suffer a

- substantial loss of its existing patronage; and
- (3) The business is not part of a commercial enterprise having more than three other entities that are not being acquired, and that are under the same ownership and 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; and
  - (5) The business is not operated at the displacement site solely for the purpose of renting the site to others; and
  - (6) The business contributed materially to the income of the displaced person during the two taxable years before displacement.
- b. Determining the number of businesses: In determining whether two or more displaced legal entities constitute a single business that is entitled to only one fixed payment, the City will consider all pertinent factors 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 commingled;
  - (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.
- c. Nonprofit organization: A displaced nonprofit organization may choose a fixed payment of one thousand to twenty thousand dollars<sup>2</sup> in lieu of a payment for actual moving and related expenses if the City 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 City demonstrates otherwise. Any payment in excess of one thousand dollars must be supported with financial statements for the two twelve-month periods before the acquisition. The amount to be used for the payment is the average of two years annual gross revenues less administrative expenses.
- d. Average annual net earnings of a business: The average annual net earnings of a business are one-half of its net earnings before federal, state, and local income taxes during the two taxable years immediately before the taxable year in which it was displaced.<sup>3</sup> If the business was not in operation for the full two taxable years before displacement, net earnings will be based on the actual period of operation at the displacement site during the two taxable years before displacement projected to an annual rate. Average annual net

earnings may be based upon a different period of time when the City determines it to be more equitable. Net earnings include any compensation obtained from the business by its owner, the owner's spouse, and dependents. The displaced person will furnish the City proof of net earnings through income tax returns, certified financial statements, or other reasonable evidence that the City determines is satisfactory.

- 6.3. Residential Moves: Actual Reasonable Expenses. The City ~~will~~ may, in its discretion and depending on availability of funds, reimburse the displaced owner-occupant or tenant of a residential dwelling for ~~their~~ his/her documented actual moving and related expenses that the City determines to be reasonable and necessary including the actual reasonable expenses in moving the ~~person, her owner-occupant or tenant,~~ family members in the household, or other and their personal property. Expenses may include the following:
- a. Disconnecting, dismantling, and removing displaced personal property.
  - b. Packing displaced personal property.
  - c. Transporting displaced person and personal property within fifty miles. The City may authorize transportation costs of a distance beyond fifty miles based on economic feasibility of the available choices of replacement locations, but not on the displacee's subjective preferences.
  - d. Storeing personal property for a period not to exceed twelve months, unless the City determines a longer period is necessary.
  - e. Unpacking relocated personal property.
  - f. Reassembleing, reinstall, and reconnect relocated personal property.
  - g. Insureing for the replacement value of personal property in connection with the move; or where insurance covering loss, theft, or damage in the process of moving (not through fault or negligence of the displaced person or the person's agent, or employee) is not reasonably available, pay the replacement value for such loss, theft, or damage.
  - h. ~~The replacement~~ Replacing the 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 such loss, theft, or damage is not reasonably available.
  - i. Reimburseing other moving-relating expenses that are not listed as ineligible under Section 6.6, as the City determines to be reasonable and necessary.
- 6.4. Residential Moves: Fixed Payment In-Lieu of Reimbursement of Actual Expenses.

A person displaced from a dwelling or a seasonal residence ~~is~~ may be entitled to receive a fixed payment in lieu of a payment for actual moving and related expenses covered under Section 6.3. This allowance will be determined according to the applicable schedules, ~~if any approved by the Federal Highway Administration and W.S.D.O.T.~~, except that the expense and dislocation allowance to a person occupying a furnished one-room unit shared by more than one other person involving a minimum of personal property to be moved, will be limited to fifty dollars.<sup>4</sup>

- 6.5. Residential Moves: Mobile Homes. If the displaced dwelling is a mobile home and/or mobile home site, the provisions below will supplement the procedures set forth above regarding reimbursement of moving expenses for persons displaced from a residential dwelling. However, if the mobile home is not acquired but the owner obtains a replacement housing payment under one of the circumstances described in Section 12.2.c, the owner is not eligible for payment for moving the mobile home.
- a. A displaced mobile homeowner, who moves the mobile home to a replacement site, is eligible for the necessary and reasonable cost of disassembling, moving, and reassembling any attached appurtenances (such as porches, decks, skirting, and awnings) that were not acquired, anchoring of the unit, and utility "hook-up" charges.
  - b. If a mobile home requires reasonable repairs and/or modifications so that it can be moved and/or made decent, safe, and sanitary, and the City determines that it would be practical to relocate it, the reasonable cost of such repairs and/or modifications is reimbursable.
  - c. A non-returnable mobile home park entrance fee is reimbursable, to the extent it does not exceed the fee at a comparable mobile home park, if the person is displaced from a mobile home park or the City determines that payment of the fee is necessary to effect relocation.
- 6.6 Ineligible Moving and Related Expenses. The City will not reimburse for certain moving and related expenses (residential and non-residential), including the following:
- a. The cost of moving any structure or other real property improvement in which the displaced person reserved ownership. However, this section does not preclude the computation under Section 8.1.a(3)(d)(iii) or
  - b. Interest on a loan to cover moving expenses; or
  - c. Loss of goodwill; or
  - d. Loss of profits; or
  - e. Loss of trained employees; or

- f. Any additional operating expenses of a business, incurred because of operating in a new location except as provided in Section 7.1, paragraph j; or
  - g. Personal injury; or
  - h. Any legal fee or other cost for preparing a claim for a relocation payment or for representing the claimant before the City; or
  - i. Expenses for searching for a replacement dwelling; or
  - j. Physical changes to the real property at the replacement location of a business; or
  - k. Costs for storage of personal property on real property already owned or leased by the displaced person.
- 6.7. Discretionary utility relocation payments. If the Project causes the relocation of a utility facility and the relocation of the facility creates extraordinary expenses for its owner, the City may, at its option, make a relocation payment to the owner for all or part of such expenses, if the following criteria are met:
- a. The utility facility legally occupies State or local government property, or property over which the State or local government has an easement or right-of-way; and
  - b. The utility facility's right of occupancy is pursuant to State law or local ordinance specifically authorizing such use and occupancy has been granted through a franchise, use and occupancy permit, or other similar agreement; and
  - c. Relocation of the utility facility is required by and is incidental to the primary purpose of the Project; and
  - d. There is no federal law, other than the Uniform Act, that clearly establishes a policy for the payment of utility moving costs that is applicable to the Project; and
  - e. State or local government reimbursement for utility moving costs or payment of such costs by the City is in accordance with State law.
- 6.8. Extraordinary Expenses. For the purposes of this Article, the term extraordinary expenses means those expenses which, in the City's opinion are not routine or predictable expenses relating to the utility's occupancy of rights-of-way, and are not ordinarily budgeted as operating expenses, unless the owner of the utility facility has explicitly and knowingly agreed to bear such expenses as a condition for use of the property, or has voluntarily agreed to be responsible for such expenses.

6.9. Utility Facility Relocation Costs. A relocation payment to a utility facility owner for moving costs under this section may not exceed the cost to functionally restore the service disrupted by the Project, less any increase in value of the new facility and salvage value of the old facility. The City and the utility facility owner will reach prior agreement on the nature of the utility relocation work to be accomplished, the eligibility of the work for reimbursement, the responsibilities for financing and accomplishing the work, and the methods of accumulating costs and making payment.

6.10 State Law. The City may, in its discretion, provide for other relocation assistance in accordance with Chapter 59.21 RCW.

## 7. RE-ESTABLISHMENT EXPENSES

The City may, **in its discretion and depending on availability of funds**, reimburse a displaced business, or nonprofit organization for re-establishment expenses up to a maximum of ten thousand dollars (\$10,000).<sup>5</sup> Such reimbursement would be for expenses actually incurred in relocating and reestablishing the small business or non-profit organization at a replacement site. This reimbursement would be in addition to any reimbursement for moving and related expenses provided for in Article 6 above.

- 7.1. Eligible expenses. Reestablishment expenses must be reasonable and necessary, as determined by the City. They may include, but are not limited to, the following:
- a. Repairs or improvements to the replacement real property as required by federal, state, or local law, code, or ordinance.
  - b. Modifications to the replacement property to accommodate the business operation or make replacement structures suitable for conducting the business.
  - c. Construction and installation costs, not to exceed one thousand five hundred dollars (\$1,500) <sup>6</sup> for exterior signing to advertise the business.
  - d. Provision of utilities from right of way to improvements on the replacement site.
  - e. Redecoration or replacement of soiled or worn surfaces at the replacement site, such as paint, paneling, or carpeting.
  - f. Licenses, fees, and permits when not paid as part of moving expenses.
  - g. Feasibility surveys, soil testing and marketing studies.
  - h. Advertisement of replacement location, not to exceed one thousand, five hundred dollars (\$1,500).<sup>7</sup>

- i. Professional services in connection with the purchase or lease of a replacement site.
  - j. Increased costs of operation during the first two years at the replacement site, not to exceed five thousand dollars (\$5,000), for such items as:
    - (1) Lease or rental charges;
    - (2) Personal or real property taxes;
    - (3) Insurance premiums; and
    - (4) Utility charges, excluding impact fees.
  - k. Impact fees or one-time assessments for anticipated heavy utility usage.
  - l. Other items that the City considers essential to the reestablishment of the business.
  - m. Expenses in excess of the maximums set forth in subsections (c), (h), and (j) in Section 7.1 may be considered eligible if large and legitimate disparities exist between costs of operation at the displacement site and costs of operation at an otherwise similar replacement site. In such cases the applicable federal funding agency may, at the City's request, waive the regulatory limitation for reimbursement of such costs but in no event will total costs payable under this section exceed the ten thousand dollar (\$10,000) statutory maximum.
- 7.2. Ineligible expenses. The following is a nonexclusive list of reestablishment expenditures not considered to be reasonable, necessary, or otherwise eligible:
- a. Purchase of capital assets, such as, office furniture, filing cabinets, machinery, or trade fixtures.
  - b. Purchase of manufacturing materials, production supplies, product inventory, or other items used in the normal course of the business operation.
  - c. Interior or exterior refurbishments at the replacement site that are for aesthetic purposes, except as provided in Section 7.1, paragraph e.
  - d. Interest on money borrowed to make the move or purchase the replacement property.
  - e. Payment to a part-time business in the home that does not contribute materially to the household income.

## 8. PAYMENTS FOR REPLACEMENT HOUSING

- 8.1. For Certain Homeowners. In addition to payments otherwise authorized by these Procedures, the City **will may, in its descretion and depending on availability of funds,** make an additional payment to persons displaced from a dwelling actually owned and occupied by the displaced person for not less than one hundred eighty (180) days immediately before the initiation of negotiations for the acquisition of the property. The additional payment will be made only to persons who purchase and



occupy a decent, safe, and sanitary replacement dwelling within one year after the date when the person receives final payment from the City for the acquired dwelling or the date when the City's obligations under RCW 8.26.075 are met, whichever date is later, unless the City extends this period for good cause. If the period is extended, the payments will be based on the costs of relocating the person to comparable replacement dwelling within one year of the extension date. Such payment will not exceed twenty two thousand, five hundred dollars (\$22,500)<sup>8</sup>, and will be established as set forth in Section 8.1.a below, and, in the case of mobile home owner-occupants, as supplemented by Sections 12.2 and 12.3 below.

a. Replacement housing payment for one hundred eighty-day homeowner-occupants.

(1) Entitlement: A displaced person is entitled to the replacement housing payment for a one hundred eighty-day, homeowner-occupant if the person:

(a) Has actually owned and occupied the displacement dwelling for not less than the one hundred eighty days immediately before the initiation of negotiations; and

(b) Purchases and occupies a DSS replacement dwelling within one year after the later of (except that the City may extend the one-year period for good cause):

i. The date the person receives final payment for the displacement dwelling or, in the case of condemnation, the date the required amount is deposited in the court;

ii. The date the person moves from the displacement dwelling; or

iii. The date the City's obligations under Article 13 are met.

(2) Amount of payment: The replacement housing payment for an eligible one hundred eighty-day homeowner-occupant may not exceed twenty-two thousand, five hundred dollars (\$22, 500)<sup>9</sup>. The payment under this section is limited to the amount necessary to relocate to a comparable replacement dwelling within one year from the date the displaced homeowner-occupant is paid for the displacement dwelling, or the date such person is initially offered a comparable replacement dwelling, whichever is later. The payment will be the sum of:

(a) The amount by which the cost of a replacement dwelling exceeds the acquisition cost of the displacement dwelling

- (price differential), as determined in accordance with subparagraph (3) of this section; and
- (b) The increased interest costs and other debt service costs to be incurred in connection with the mortgage(s) on the replacement dwelling (increased mortgage interest cost), as determined in accordance with subparagraph (4) of this section; and
  - (c) The necessary and reasonable expenses incidental to the purchase of the replacement dwelling (incidental purchase expense), as determined in accordance with subsection (6) of this section.
- (3) Price differential:
- (a) Determination of price differential: The price differential to be paid under subsection (2)(a) of this section is the amount that must be added to the acquisition cost of the displacement dwelling to provide a total amount equal to the lesser of:
    - i. The reasonable cost of a comparable replacement dwelling as determined in accordance with Section 8.3.a; or
    - ii. The purchase price of the DSS replacement dwelling actually purchased and occupied by the displaced person.
  - (b) 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 tract larger than a site that is typical for residential purposes, only that portion of the acquisition payment that is actually attributable to the displacement dwelling will be considered its acquisition cost when computing the price differential.
  - (c) Insurance proceeds: To the extent necessary to avoid duplicate compensation, the amount of any insurance proceeds received by a person in connection with a loss to the displacement dwelling due to a catastrophic occurrence (fire, flood, etc.) will be included in the acquisition cost of the displacement dwelling when computing the price differential.
  - (d) Owner retention/salvage of displacement dwelling: If the owner retains ownership of, or obtains salvage rights to, the person's dwelling, moves it from the displacement site, and reoccupies it on a replacement site, the purchase price of the replacement dwelling will be the sum of:

- i. The cost of moving and restoring the dwelling to retain the functional utility it had when situated on the displacement site; and
    - ii. The cost of making the unit a DSS replacement; and
    - iii. The current fair market value for residential use of the replacement site (based on any reasonable evaluation method determined by the City), 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/salvage value of the displacement dwelling, as determined from the acquisition of the displacement dwelling.
  - (e) Owner constructs replacement dwelling: If the owner obtains a DSS replacement dwelling by contracting for or otherwise obtaining new construction, the purchase price of the replacement dwelling will be the sum of:
    - i. The cost necessary to construct a dwelling that is comparable to the displacement dwelling; and
    - ii. The current value for residential use of the replacement site (based on any reasonable evaluation method determined by the City), unless the claimant rented the displacement site and there is a reasonable opportunity for the claimant to rent a suitable replacement site.
- (4) Increased mortgage interest costs:
  - (a) The City will determine the factors to be used in computing the amount to be paid to a displaced person under subsection (2)(b) of this section. The payment for increased mortgage interest costs will be the amount that 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 will include other debt service costs, if not paid as incidental costs, and will be based only on bona fide mortgages that were valid liens on the displacement dwelling for at least one hundred eighty days before the initiation of negotiations. Subparagraphs (b) through (e) of this subsection will apply to the computation of the increased mortgage interest costs payment, which payment will be contingent upon a mortgage being placed on

- the replacement dwelling.
- (b) The payment will be based on the unpaid mortgage balance(s) on the displacement dwelling; however, in the event the person obtains a smaller mortgage than the mortgage balance(s) computed in the buy down determination the payment will be prorated and reduced accordingly.  
In the case of a home equity loan the unpaid balance will be that balance that existed one hundred eighty days before the initiation of negotiations or the balance on the date of acquisition, whichever is less.
  - (c) The payment will be based on the remaining term of the mortgage(s) on the displacement dwelling or the term of the new mortgage, whichever is shorter.
  - (d) The interest rate on the new mortgage used in determining the amount of the payment will 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.
  - (e) Purchaser's points and loan origination or assumption fees, but not seller's points, will 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 City determines them to be necessary; and
    - iv. The computation of such points and fees will be based on the unpaid mortgage balance on the displacement dwelling, less the amount determined for the reduction of such mortgage balance under this section.
- (5) The displaced person will 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 will be made available at or near the time of closing on the replacement dwelling in order to reduce the new mortgage as intended.
- (6) Incidental purchase expenses: The incidental purchase expenses to be paid for a one hundred eighty-day homeowner-occupant (under subsection (2)(c) of this section) or for down payment assistance (under Section 8.3) 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, and are limited by such costs based on the cost of a comparable replacement

dwelling pursuant to Section 8.3.a, including:

- (a) Legal, closing, and related costs, including those for title search, preparing conveyance instruments, notary fees, preparing surveys and plats, and recording fees.
  - (b) Lender, FHA, or VA application and appraisal fees.
  - (c) Loan origination or assumption fees that do not represent prepaid interest.
  - (d) Certification of structural soundness and termite inspection when required.
  - (e) Credit report.
  - (f) Owner's and mortgagee's evidence of title, e.g., title insurance.
  - (g) Escrow agent's fee.
  - (h) State revenue or documentary stamps, sales or transfer taxes.
  - (I) Such other costs that the City determines to be incidental to the purchase.
- (7) Rental assistance payment for one hundred eighty-day homeowner: A one hundred eighty-day homeowner-occupant who is eligible for a replacement housing payment under subsection (1) of this section but elects to rent a replacement dwelling, is eligible for a rental assistance payment not to exceed five thousand, two hundred fifty dollars (\$5,250)<sup>10</sup>, computed and disbursed in accordance with 8.2.a.

8.2. For Tenants and Others. In addition to payments otherwise authorized by these Procedures, the City ~~will~~ **may, in its discretion and depending on availability of funds**, make an additional payment to persons displaced from a dwelling who is not eligible to receive a payment under Section 8.1 if the dwelling was actually and lawfully occupied by the displaced person for not less than ninety days immediately before (a) the initiation of negotiations for acquisition of the dwelling, or (b) in any case in which displacement is not a direct result of acquisition, such other event as is prescribed by Section 8.2.a. The payment will consist of the amount necessary to enable the person to lease or rent for a period not to exceed forty-two months, a comparable replacement dwelling, but not to exceed five thousand, two hundred (\$5,200).<sup>11</sup> The amount of the payment will be established as provided in paragraph 1 below, and, in the case of 90-day mobile home occupants, as supplemented by Sections 12.3 and 12.4.

a. Replacement housing payment for ninety-day occupants.

- (1) Entitlement: A tenant or owner-occupant displaced from a dwelling is entitled to a payment not to exceed five thousand two hundred fifty dollars (\$5,250)<sup>12</sup> for rental assistance, as computed in accordance

with subsection (2) of this section, or down payment assistance, as computed in accordance with subsection (3) of this section, if such displaced person:

- (a) Has actually and lawfully occupied the displacement dwelling for at least ninety days immediately before the initiation of negotiations; and
  - (b) Has rented, or purchased, and occupied a DSS replacement dwelling within one year (unless the City extends this period for good cause) after:
    - i. For a tenant, the date the tenant moves from the displacement dwelling; or
    - ii. For an owner-occupant, the later of:
      - (A) The date the owner-occupant receives final payment for the displacing interest, or in the case of condemnation, the date the required amount is deposited with the court; or
      - (B) The date the owner-occupant moves from the displacement dwelling.
- (2) Rental assistance payment:
- (a) Amount of payment: An eligible displaced person who rents a replacement dwelling is entitled to a payment not to exceed five thousand, two hundred fifty dollars (\$5,250)<sup>13</sup> for rental assistance. (See also Section 8.3.b.) Such payment will be forty-two times the amount obtained by subtracting the base monthly rent or the fair market rent (in accordance with (b) of this subsection) of the displacement dwelling for a reasonable period before displacement, as determined by the City, from the lesser of:
    - i. The monthly rent and average monthly cost of utilities for a comparable replacement dwelling; or
    - ii. The monthly rent and estimated average monthly utilities for the DSS replacement dwelling actually occupied by the displaced person.
  - (b) Base monthly rental for displacement dwelling. 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 a reasonable period before displacement, as determined by the City. (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); or
- ii. Thirty percent of the person's average gross household income. (If the person refuses to provide appropriate evidence of income or is a dependent, the base monthly rental will be established solely on the criteria in (b)(I) of this subsection. A full time student or resident of an institution may be assumed to be a dependent, unless the person demonstrates otherwise.)
  - iii. The total of the amounts designated for shelter and utilities if receiving a welfare assistance payment from a program that designates the amounts for shelter and utilities.
- (c) Manner of disbursement: A rental assistance payment may, at the City's discretion, be disbursed in either a lump sum or in installments. However, except as limited by Section 8.3.g., the full amount vests immediately, whether or not there is any later change in the person's income or rent, or in the condition or location of the person's housing.
- (3) Down payment assistance payment:
- (a) Amount of payment: An eligible displaced person who purchases a replacement dwelling is entitled to a down payment assistance payment in the amount the person would receive under subsection (2) of this section if the person rented a comparable replacement dwelling. At the discretion of the City, a down payment assistance payment may be increased to any amount not to exceed five thousand, two hundred fifty dollars (\$5,250).<sup>14</sup> However, the payment to a displaced homeowner will not exceed the amount the owner would receive under Section 8.1.a, paragraph 6 if he or she met the one hundred eighty-day occupancy requirement. The City's discretion to provide the maximum payment will be exercised in a uniform and consistent manner, so those eligible displaced persons in like circumstances are treated equally. A displaced person eligible to receive a payment as a one hundred eighty-day owner-occupant under Section 8.1.a is not eligible for this payment.
  - (b) Application of payment: The full amount of the replacement housing payment for down payment assistance must be

applied to the purchase price of the replacement dwelling and related incidental expenses.

(c) Mobile Homes (See Sections 12.2 and 12.3.)

8.3. Additional rules governing replacement housing payments.

a. Determining cost of comparable replacement dwelling: The upper limit of a replacement housing payment will be based on the cost of a comparable replacement dwelling.

(1) Three-comparable method: If available, at least three comparable replacement dwellings will be examined and the payment computed on the basis of the dwelling most nearly representative of, and equal to, or better than, the displacement dwelling. An adjustment will be made to the asking price of any dwelling, to the extent justified by local market data. An obviously overpriced or underpriced dwelling may be ignored.

(2) Major exterior attribute: If the site of the comparable replacement dwelling lacks a major exterior attribute of the displacement dwelling site (e.g., the site is significantly smaller or does not contain a swimming pool), the value of such attribute will be subtracted from the acquisition cost of the displacement dwelling for purposes of computing the replacement housing payment.

(3) Remainder offer: If the acquisition of a portion of a typical residential property causes the displacement of the owner from the dwelling and the remainder is a remnant of the displacement dwelling site or a buildable residential lot, the City may offer to purchase that remainder. If such an offer is made and the owner refuses to sell the remainder to the City, the value attributable to that remainder, will be added to the acquisition price paid for the displacement dwelling for purposes of computing the price differential.

(4) Location: Comparable replacement dwellings will be selected preferably from the neighborhood in which the displacement dwelling was located or, if not otherwise feasible, from nearby or similar neighborhoods where housing costs are generally the same as in the displacement neighborhood. Where that is not possible dwellings may be selected from neighborhoods where housing costs are the same or higher.

b. Applicability of last resort housing: Whenever a twenty-two thousand, five hundred dollar (\$22,500) replacement housing payment under Section 8.1.a or a five thousand, two hundred fifty dollar (\$5,250) replacement housing payment under Section 8.2.a would be insufficient to ensure that a comparable replacement dwelling is available on a timely basis to a person,



- the City **will may, in its discretion and depending on availability of funds,** provide additional or alternative assistance under the last resort housing provisions in Article 13, which may include increasing the replacement housing payment so that a replacement dwelling is within the displaced person's financial.
- c. Inspection of replacement dwelling: Before making a replacement housing payment or releasing a payment from escrow, the City or its designated representative will inspect the replacement dwelling and determine whether it is a DSS dwelling.
  - d. Purchase of replacement dwelling: A displaced person is considered to have met the requirement to purchase a replacement dwelling, if the person:
    - (1) Purchases a dwelling; or
    - (2) Purchases and rehabilitates a substandard dwelling; or
    - (3) Relocates a dwelling that the person owns or purchases; or
    - (4) Constructs a dwelling on a site the person owns or purchases; or
    - (5) Contracts for the purchase or construction of a dwelling on a site provided by a builder or on a site the person owns or purchases; or
    - (6) Currently owns a previously purchased dwelling and site, valuation of which will be on the basis of current value.
  - e. Occupancy requirements for displacement or replacement dwelling: No person will be denied eligibility for a replacement housing payment solely because the person is unable to meet the occupancy requirements set forth in this chapter for a reason beyond the person's control, including:
    - (1) A disaster, an emergency, or an imminent threat to the public health or welfare, as determined by the applicable federal funding agency; or
    - (2) Another reason, such as a delay in the construction of the replacement dwelling, military reserve duty, or hospital stay, as determined by the City.
  - f. Conversion of payment: A displaced person who initially rents a replacement dwelling and receives a rental assistance payment under Section 8.2.a(2)(a), is eligible to receive a payment under Section 8.1(a) or Section 8.2.a(3)(a), if the person meets the eligibility criteria for such payments, including purchase and occupancy within the prescribed one-year period. Any portion of the rental assistance payment that has been disbursed will be deducted from the payment computed under Section 8.1 or Section 8.2.a(3)(a).
  - g. Payment after death: A replacement housing payment is personal to the displaced person and upon the person's death the undisbursed portion of any such payment will 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 will be paid.
- (2) The full payment will be disbursed in any case in which a member of a displaced family dies and the other family member(s) continue to occupy a DSS replacement dwelling.
- (3) Any portion of a replacement housing payment necessary to satisfy the legal obligation of an estate in connection with the selection of a replacement dwelling by or on behalf of a deceased person will be disbursed to the estate.

## 9. RELOCATION ASSISTANCE

At the request of a displaced person, business, the City will provide relocation assistance advisory services, and may also provide relocation services to any person occupying property immediate adjacent to the property where the displacing activity occurs, if the City determines that the displacing activity is causing substantial economic injury to the adjacent property.

9.1. Relocation Advisory Services. The City's relocation assistance advisory services may, in the City's discretion, include, but are not limited to, such measures, facilities, or services as may be necessary or appropriate to:

- a. Determine the relocation needs and preferences of each person to be displaced 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 may include a personal interview with each person.
- b. Provide current and continuing information on the availability, purchase prices, and rental costs of comparable replacement dwellings, and explain that the person cannot be required to move unless at least one comparable replacement dwelling is made available as set forth in Section 9.4.
  - (1) As soon as feasible, the City will 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 Sections 8.3.a and 8.3.b) and the basis for the determination, so that the person is aware of the maximum replacement housing payment for which the person may qualify.
  - (2) Where feasible, housing will be inspected before being made available to assure that it meets applicable standards. If such an inspection is not made, the person to be displaced will be notified that a replacement housing payment may not be made unless the replacement dwelling is subsequently inspected and determined to be decent, safe, and sanitary (DSS).
  - (3) Whenever possible, minority persons will be given reasonable

opportunities to relocate to DSS replacement dwellings, not located in an area of minority concentration, that are within their financial means. This does not, however, require the City to provide a person a larger payment than is necessary to enable a person to relocate to a comparable replacement dwelling.

- (4) All displaced persons, especially the elderly and handicapped, will be offered transportation to inspect housing to which they are referred.
  - c. Provide current and continuing information on the availability, purchase prices, and rental costs of comparable and suitable commercial and business properties and locations. Assist any person displaced from a business to obtain and become established in a suitable replacement location.
  - d. 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.
  - e. Supply persons to be displaced with appropriate information concerning federal and state housing programs, disaster loans and other programs administered by the Small Business Administration, and other federal, state, and local programs offering assistance to persons to be displaced.
  - f. Any person who occupies property acquired by the City or in connection with a City project, when such occupancy began subsequent to the acquisition of the property, and the occupancy is permitted by a short-term rental agreement or an agreement subject to termination when the property is needed the Project, will be eligible for advisory services, as determined by the City.
- 9.2. Coordination of relocation activities. Relocation activities will 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.
- 9.3. Relocation Notice and Information.
- a. General Relocation Information Notice: ~~As soon as feasible, the~~ **The** City will provide a person scheduled to be displaced with **a pamphlet, based on his or her situation, and based on availability, and other information describing the Relocation Policy, and upon request, will provide a full** copy of these Procedures, along with a general written description of the City's Relocation Program. The written descriptions **and materials** will include at least the following:
    - (1) ~~Informs~~ the person that the person may be displaced for the project and generally describes the relocation payment(s) for which the person may be eligible, the basic conditions of eligibility, and the

procedures for obtaining the payment(s).

- (2) Informs— the person that the person will be given reasonable relocation advisory services, including referrals to replacement properties, help in filing payment claims, and other necessary assistance to help the person successfully relocate.
  - (3) Informs— the person that he or she will not be required to move without at least ninety days' advance written notice (see subparagraph (c) of this section), and informs any person to be displaced from a residential dwelling that the person cannot be required to move permanently unless at least one comparable replacement dwelling has been made available.
  - (4) Describes— the person's right to appeal the City's determination as to eligibility for, or the amount of, any relocation payment for which the person may be eligible under these Procedures.
- b. Notice of relocation eligibility:
- (1) Eligibility for relocation assistance will begin on the date of initiation of negotiations for the occupied property. When this occurs, the City will promptly provide written notice to all occupants to be displaced of their eligibility for applicable relocation assistance.
  - (2) An occupant may subsequently be provided a notice of noneligibility if the City determines the person will not be displaced. Such notice may be issued only if the person has not moved and the City agrees to reimburse the person for any expenses incurred to satisfy any binding contractual relocation obligations entered into after the effective date of the notice of relocation eligibility.
- c. Ninety-day notice:
- (1) General: No lawful occupant will be required to move unless the occupant has received at least ninety days advance written notice of the earliest date by which he or she may be required to move.
  - (2) Timing of notice: The City may issue the notice ninety days before it expects the person to be displaced or earlier. When possible the City will attempt to provide maximum notification time but in any event no less than 90 days, except in case of urgent need(s).
  - (3) Content of notice: The ninety-day notice will either 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 thirty days in advance, the specific date by which the occupant must move. If the ninety-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 ninety days after such a dwelling is made available.

- (4) Urgent need: In unusual circumstances, an occupant may be required to vacate the property on less than ninety days advance written notice if the City determines that a ninety-day notice is impracticable, such as when the person's continued occupancy of the property would constitute a substantial danger to health or safety. A record of the City's determination will be included in the applicable case file.

9.4. Availability of Comparable Replacement Dwelling Before Displacement. No person to be displaced will be required to move from the person's dwelling unless at least one comparable replacement has been made available to the person.

a. Policy: Three or more comparable replacement dwellings will be made available unless such dwellings are not available on the local housing market. When otherwise feasible, in accordance with Section 9.1.b, paragraph 3 and Section 8.3.a, paragraph 4, comparable replacement dwellings to be made available to minority persons may include dwellings not located in an area of minority concentration. A comparable replacement dwelling will be considered to have been made available to a person, if:

- (1) The person is informed of its location; and
- (2) The person has sufficient time to negotiate and enter into a purchase agreement or lease for the property; and in order to meet the deadlines of the project, the City may, at the request of the displaced person, provide assistance in these negotiations.
- (3) Subject to reasonable safeguards, the person is assured of receiving the acquisition payment to which the person is entitled in sufficient time to complete the purchase or lease of the property.

b. Circumstances permitting waiver - **federal emergency**: The applicable federal funding agency may grant a waiver of the policy in subparagraph a of this section in any case where it is demonstrated that a person must move because of:

- (1) A major disaster as defined in section 102(c) of the Disaster Relief Act of 1974 (42 U.S.C. 5121); or
- (2) A presidentially declared national emergency; or
- (3) Another **federal** emergency that 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.

c. Basic conditions of emergency move: Whenever a person is required to

relocate for a temporary period because of ~~an~~ a federal emergency as described in subparagraph b of this section, for purposes of filing a claim and meeting the eligibility requirements for a relocation payment, the date of displacement is the date the person moves from the temporarily-occupied dwelling. Depending on availability of funds, the City, in concert with federal agencies, will:

- (1) Take whatever reasonable steps are necessary to assure that the person is temporarily relocated to a sanitary dwelling; and
- (2) Pay the actual reasonable out-of-pocket moving expenses and any reasonable increase in monthly housing costs incurred in connection with the temporary relocation; 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 the temporarily occupied dwellings.)
- (4) The person is entitled to be heard according to Article 11 in the event of a grievance.

9.5. Eviction for cause. Eviction for cause must conform to applicable state and local law. Any person who has lawfully occupied the real property, but who is later evicted for cause on or after the date of the initiation of negotiations, retains the right to the relocation payments and other assistance set forth in these Procedures. Any person who occupies the real property and is not in lawful occupancy on the date of initiation of negotiations is presumed to be entitled to relocation payments and other assistance set forth in this Article 9 unless the City determines that:

- a. The person received an eviction notice before the initiation of negotiations and as a result of that notice is later evicted; or
- b. The person is evicted after the initiation of negotiations for serious or repeated violations of material terms of the lease and occupancy agreement; and
- c. In either case the eviction was not undertaken for the purpose of evading the obligation to make available the payments and other assistance set forth in Article 9.

For purposes of determining eligibility for relocation payments, the date of displacement is the date the person moves or the date a comparable replacement dwelling is made available, whichever is later. This section applies only if the City had intended to displace the person.

9.6. Claims for relocation payments.

- a. Documentation: Any claim for a relocation payment must be supported by documentation reasonably necessary to support expenses incurred, such as, bills, certified prices, appraisals, or other evidence of such expenses. Payment for a low cost or uncomplicated move may be made without documentation of actual costs when payment is limited to the amount of the lowest acceptable bid or estimate obtained by the City. The City will provide a displaced person with reasonable assistance necessary to complete and file any required claim for payment.
- b. Expedient payments: The City will review claims expeditiously. The City will promptly notify claimants as to any additional documentation that is required to support the claim. Payment for a claim will be made as soon as feasible following receipt of sufficient documentation to support the claim.
- c. Advance payments: If a person demonstrates the need for an advance relocation payment in order to avoid or reduce a hardship, the City may issue the payment, subject to such safeguards as are appropriate to ensure that the objective of the payment is accomplished.
- d. Time for filing: All claims for a relocation payment must be filed with the City within eighteen months after:
  - (1) For tenants, the date of displacement;
  - (2) For owners, the date of displacement or the date of the final payment for the acquisition of the real property, whichever is later.The City will waive this time period for good cause.
- e. Multiple occupants of one displacement dwelling: 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 City, of any relocation payments that would have been made if the occupants moved together to a comparable replacement dwelling. However, if the City determines that two or more occupants maintained separate households within the same dwelling, such occupants have separate entitlements to relocation payments.
- f. Deductions from relocation payments: The City will deduct the amount of any advance relocation payment from the relocation payment(s) to which a displaced person is otherwise entitled. Similarly where such a deduction would not prevent the displaced person from obtaining a comparable replacement dwelling as required by Section 9.4 the City may deduct from relocation payments any rent that the displaced person owes the City. The City will not withhold any part of a relocation payment to a displaced person

to satisfy an obligation to any other creditor.

- g. Notice of denial of claim: If the City disapproves all or part of a payment claimed or refuses to consider the claim on its merits because of untimely filing or other grounds, it will promptly notify the claimant in writing of its determination, the basis for its determination, and the procedures for appealing that determination.

9.7. Relocation planning. The Project will be planned in such a manner that the problems associated with the displacement of individuals, families, businesses and non-profit organizations are recognized and solutions are developed to minimize the adverse impacts of displacement. Such planning, where appropriate, will precede any City action that will cause displacement, and will 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 the following:

- a. An estimate of the number of households to be displaced including information such as owner/tenant status, estimated value and rental rates of property to be acquired, family characteristics, and special consideration of the impacts on minorities, the elderly, and the handicapped, when applicable.
- b. 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 displaced. When an adequate supply of comparable housing is not expected to be available, consideration of housing of last resort actions should be instituted.
- c. An estimate of the number, types, and size of the businesses and non-profit organizations to be displaced and the approximate number of employees that may be affected.
- d. Consideration of any special relocation advisory services that may be necessary from the City and other cooperating agencies.

## 10. CHARACTERIZATION OF PAYMENTS

No payment received by a displaced person or business under these Procedures may be considered as income for the purpose of determining the eligibility or extent of eligibility of any person for assistance under any state law for the purposes of any income tax or any tax imposed under Title 82 RCW and the payment will not be deducted from any amount to which any recipient would otherwise be entitled under Title 74 RCW. No payment received by a displaced person under these Procedures will 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, or for the purpose of determining the eligibility or the extent of eligibility of any person for assistance under the Social Security Act or any other federal law except for any federal law providing low-income housing



assistance.

## 11. RELOCATION APPEALS PROCESS

The City will promptly review appeals in accordance with the requirements of applicable law and these Procedures.

- 11.1. **Appealable Actions.** A person may file written notice of an appeal with the City in any case in which the person believes that the City has failed to properly determine the person's eligibility for, or the amount of, a payment required under these Procedures, or a relocation payment required under the Program.
- 11.2. **Limitations.** A person is entitled to only such benefits as are specifically delineated in these Procedures.
- 11.3. **Form of notice.** Appeals must be in writing. The City will consider a written appeal regardless of form. The appeal notice or letter should state what issues are being claimed, the reasons why the aggrieved person believes the claim should be allowed, and how the person believes he or she is otherwise aggrieved. The letter or notice should clearly identify the City's project and the parcel of real property involved and should bear the signature and address of the aggrieved person or the person's authorized representative. The City may refuse to schedule any review or hearing on an appeal until these requirements have been complied with or may issue an order providing for dismissal of such appeal upon failure to comply within a reasonable time specified by the City, which will not be less than 14 days.
- 11.4. **Time limit for initiating appeal.** The time limit will be sixty days after the person receives written notification of the City's determination on the person's claim.
- 11.5. **Review of files by person making appeal.** The City will permit a person to inspect and copy all materials pertinent to the person's appeal, except materials that are classified as confidential by the City. The City may, however, impose reasonable conditions on the person's right to inspect, consistent with applicable laws.
- 11.6. **Scope of Review Appraisal.** In deciding appeal, the City will consider all pertinent justification and other material submitted by the person, and all other available information that is needed to ensure a fair and full review of the appeal.
- 11.7. **City Official to Review Appeal.** The City Manager or his or her authorized designee will conduct the review of the appeal. However, in no event will the reviewing official have been directly involved in the action appealed.
- 11.8. **Determination of Notification.** Promptly after receipt of all information submitted by a person in support of an appeal, the City will make a written determination on the appeal, including an explanation of the basis on which the decision was made, and furnish the person a copy. If the full relief requested is not granted the City will

advise the person of his or her right to seek judicial review.

- 11.9. Hearing process. Except as they may be inconsistent with the rules of this chapter, the practice and procedure rules as set forth in chapter 468-10 WAC will apply to appeals under this Program. Where the rules of these Procedures conflict with those of chapter 468-10 or 10-08 WAC, the rules of these Procedures will govern.
- 11.10. Discovery. Discovery will be available in relocation appeals as follows. Any party to a relocation appeal may obtain discovery from any party by written interrogatories, written admissions, oral depositions, subpoena duces tecums, and written requests for production of documents. The procedures regarding these methods of discovery are found at CR 28 through 36 and 45(b) as now or hereafter amended and are hereby incorporated in these Procedures.

## 12. MOBILE HOMES

12.1. General Provisions. This Article 12 describes the requirements governing the provision of relocation payments to a person displaced from a mobile home and/or mobile homesite who meets the basic eligibility requirements of these Procedures. Except as modified by Section 6.5 and this Article 12, such a displaced person is entitled to a moving expense payment in accordance with Article 6 and a replacement housing payment in accordance with Article 8 to the same extent and subject to the same requirements as persons displaced from conventional dwellings. See also Section 6.10.

12.2. Replacement housing payment for one hundred eighty-day mobile home owner-occupants.

A displaced owner-occupant of a mobile home is entitled to a replacement housing payment, not to exceed twenty-two thousand, five hundred dollars (\$22,500)<sup>15</sup> under Section 8.1 if:

- a. The person both owned the displacement mobile home and occupied it on the displacement site for at least the one hundred eighty days immediately before the initiation of negotiations;
- b. The person meets the other basic eligibility requirements in Section 8.1.a; and
- c. The City acquires the mobile home and/or mobile homesite or the mobile home is not acquired by the City but the owner is displaced from the mobile home because the City determines that the mobile home:
  - (1) Is not and cannot economically be made decent, safe, and sanitary; or
  - (2) Cannot be relocated without substantial damage or unreasonable cost; or
  - (3) Cannot be relocated because there is no available comparable

replacement site; or

- (4) Cannot be relocated because it does not meet mobile home park entrance requirements.

If the mobile home is not actually acquired, but the City determines that it is not practical to relocate it, the acquisition cost of the displacement dwelling used when computing the price differential amount, described in Section 8.1.a, will include the salvage value or trade-in value of the mobile home, whichever is higher.

- 12.3. Replacement housing payments for ninety-day mobile home occupants. A displaced tenant or owner-occupant of a mobile home is eligible for a replacement housing payment, not to exceed five thousand, two hundred fifty dollars (\$5,250), under Section 8.2 if:<sup>16</sup>

- a. The person actually occupied the displacement mobile home on the displacement site for at least the ninety days immediately before the initiation of negotiations;
- b. The person meets the other basic eligibility requirements in Section 8.2.a, paragraph 1; and
- c. The City acquires the mobile home and/or mobile homesite, or the mobile home is not acquired by the City but the owner or tenant is displaced from the mobile home because of one of the circumstances described in Section 12.2.c.

- 12.4. Additional rules governing relocation payment to mobile home occupants.

- a. Replacement housing payment based on dwelling and site: Both the mobile home and mobile homesite must be considered when computing a replacement housing payment. For example, a displaced mobile home occupant may have owned the displacement mobile home and rented the site or may have rented the displacement mobile home and owned the site. Also a person may elect to purchase a replacement mobile home and rent a replacement site, or rent a replacement mobile home and purchase a replacement site. In such cases, the total replacement housing payment will consist of a payment for a dwelling and a payment for a site; each computed under the applicable section in Sections 8.1 through 8.3. However, the total replacement housing payment under Sections 8.1 through 8.3 will not exceed the maximum payment (either twenty-two thousand, five hundred dollars (\$22,500) or five thousand, two hundred fifty dollars (\$5,250) permitted under the subsection that governs the computation for the dwelling. (See also Section 8.3.b.)
- b. Cost of comparable replacement dwelling:
  - (1) If a comparable replacement mobile home is not available, the replacement housing payment will be computed on the basis of the

reasonable cost of a conventional comparable replacement dwelling.

- (2) If the City determines that it would be practical to relocate the mobile home, but the owner-occupant elects not to do so, the City may determine that, for purposes of computing the price differential under Section 8.1.a, the cost of a comparable replacement dwelling is the sum of:
  - (3) The value of the mobile home;
  - (4) The cost of any necessary repairs or modifications; and
  - (5) The estimated cost of moving the mobile home to a replacement site.
- c. Initiation of negotiations: If the mobile home is not actually acquired, but the occupant is considered displaced under these Procedures, "initiation of negotiations" is the date of initiation of negotiations to acquire the land, or, if the land is not acquired, the date of the written notification that the occupant is a displaced person under this chapter.
- d. Person moves mobile home: If the owner is reimbursed for the cost of moving the mobile home under this chapter, the owner is not eligible to receive a replacement housing payment to assist in purchasing or renting a replacement mobile home. The owner may, however, be eligible for assistance in purchasing or renting a replacement site.
- e. Partial acquisition of mobile home park: 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. If the City determines that a mobile home located in the remaining part of the property must be moved as a direct result of the project, the owner and any tenant will be considered a displaced person who is entitled to relocation payments and other assistance under this chapter.
- f. General provisions: Section 8.1 also applies.

### 13. LAST RESORT HOUSING

#### 13.1. Applicability.

- a. Basic determination to provide last resort housing: A person will not be required to move from the person's dwelling unless the City has made available to the person at least one comparable replacement dwelling. Whenever the City determines that a replacement housing payment under Sections 8.1 through 8.3 would not be sufficient to provide a comparable replacement dwelling on a timely basis to the person, the City may take appropriate cost-effective measures this section to provide such a dwelling.

The City's obligation to ensure that a comparable replacement dwelling is available will be met when such a dwelling, or assistance necessary to provide such a dwelling, is offered under the provisions of this Article 13.

b. Basic rights of persons to be displaced:

- (1) The provisions of this section do not deprive any displaced person of any rights the person may have under the Policy and Procedures. The City will not require any displaced person to accept a dwelling provided by the City under these Procedures (unless the City 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. A one hundred eighty-day homeowner-occupant who is eligible for a payment under Section 8.1 is entitled to a reasonable opportunity to purchase a comparable replacement dwelling.
- (2) The actual amount of assistance will be limited to the amount necessary to relocate to a comparable replacement dwelling within one year from the date the displaced homeowner-occupant is paid for the displacement dwelling or the date the person is initially offered a comparable replacement dwelling, whichever is later.
- (3) The City is not required to provide persons owning only a fractional interest in the displacement dwelling a greater level of assistance to purchase a replacement dwelling than the City would be required to provide such persons if they owned fee simple title to the displacement dwelling. If such assistance is not sufficient to buy a replacement dwelling, the City may provide additional purchase assistance or rental assistance.

13.2. Methods of providing replacement housing. The City has broad latitude in implementing its last resort-housing program, but implementation will be on a reasonable cost-effective basis.

a. The methods of providing last resort housing include, but are not limited to:

- (1) Rehabilitation of and/or additions to an existing replacement dwelling.
- (2) The construction of a new replacement dwelling.
- (3) 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.

- (4) A replacement housing payment in excess of the limits set forth in these sections. A rental assistance subsidy may be provided in installments or in a lump sum.
  - (5) The relocation and, if necessary, rehabilitation of a dwelling.
  - (6) The purchase of land and/or a replacement dwelling by the displacing City and subsequent sale or lease to, or exchange with, a displaced person.
  - (7) The removal of barriers to the handicapped.
  - (8) The change in status of the displaced person from tenant to homeowner when it is more cost-effective to do so, as in cases where a down payment may be less expensive than a last resort rental assistance payment.
- b. Under special circumstances, modified methods of providing housing of last resort permit consideration of:
- (1) Replacement housing based on space and physical characteristics different from those in the displacement dwelling.
  - (2) Upgraded, but smaller replacement housing that is decent, safe, and sanitary and adequate to accommodate individuals or families displaced from marginal or substandard housing with probable functional obsolescence.
  - (3) The financial means of a displaced person who is not eligible to receive a replacement housing payment because of failure to meet length-of-occupancy requirements when comparable replacement rental housing is not available at rental rates within thirty percent of the person's gross monthly household income.

#### 14. NOTICES

Notices will be written and will be in plain understandable language. Persons unable to read and understand the notice must be provided with appropriate translation and counseling. Each notice will indicate the name and telephone number of a person who may be contacted for answers to questions or other needed help. Notices will be personally served or sent by registered or certified first-class mail return receipt requested and documented in the City's files.

#### 15. RECORD KEEPING

The City will maintain records of acquisition and displacement activities in sufficient detail to demonstrate compliance with these Procedures and law. These records must be maintained for at least 3 years after each owner of a property and each person displaced from a property receives the final payment to which the person is entitled under these Procedures or in accordance with federal funding requirements, whichever is later. Such records will be confidential regarding their use as

public information, unless applicable law provides otherwise.

## 16. CONTRACTS FOR SERVICES

In order to prevent unnecessary expenses and delays, and to promote uniform and effective administration of the Program, the City may enter into contracts with any individual, firm, association, local public agency or state agency for services in connection with these Procedures or may carry out its functions under these Procedures through any state agency or local public agency having an established organization for conducting relocation assistance programs.

<sup>1</sup> RCW 8.26.035(3), WAC 468-100-304(1), 49 C.F.R. § 24.306(a)

<sup>2</sup> WAC 468-100-304(4), 49 C.F.R. § 24.306(d)

<sup>3</sup> WAC 468-100-304(5), 49 C.F.R. § 24.306(e)

<sup>4</sup> WAC 468-100-302, 49 C.F.R. § 24.302

<sup>5</sup> RCW 8.26.035(d), WAC 468-100-306, 49 C.F.R. § 24.304

<sup>6</sup> WAC 468-100-306(c)

<sup>7</sup> WAC 468-100-306(h)

<sup>8</sup> RCW 8.26.045(1), WAC 468-100-401(2), 49 C.F.R. § 24.401(b)

<sup>9</sup> WAC 468-100-401(2), 49 C.F.R. § 24.401(b)

<sup>10</sup> WAC 468-100-401(6), 49 C.F.R. § 24.401(f)

<sup>11</sup> RCW 8.26.055(1), WAC 468-100-402(1), 49 C.F.R. § 24.402(a)

<sup>12</sup> RCW 8.26.055(1), WAC 468-100-402(2)(a), 49 C.F.R. § 24.402(b)

<sup>13</sup> WAC 468-100-402(2)(a), 49 C.F.R. § 24.402(b)

<sup>14</sup> WAC 468-100-402(3)(a), 49 C.F.R. § 24.402(c)

<sup>15</sup> WAC 468-100-401, 49 C.F.R. § 24.503(a)

<sup>16</sup> WAC 468-100-504, 49 C.F.R. § 24.504

EXHIBIT "A"

CITY OF LAKEWOOD  
RELOCATION POLICY,  
PROCEDURES, AND GUIDELINES

*Cleaned up  
Version of  
Relocation  
Policy -*



CITY OF LAKEWOOD  
RELOCATION POLICY,  
PROCEDURES, AND GUIDELINES

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# CITY OF LAKEWOOD RELOCATION POLICY, PROCEDURES, AND GUIDELINES

## 1. POLICY

In order to address the need for municipal services within the City of Lakewood, there are occasions when it will be necessary for the City to acquire real property or become involved in projects where real property is to be acquired. This may result in the dislocation of property owners, businesses, tenants, and individuals located within buildings on such real property. It is the City's intent to treat such property owners and their tenants fairly, to minimize hardships of displacement by equitable treatment of persons and businesses displaced as a direct result of the municipal projects, and to seek cooperative settlements of relocation claims, depending on availability of funds. These Relocation Policy, Procedures, and Guidelines ("Procedures") are written to provide the City the ability to accomplish these goals within the City's limited resources and schedule constraints.

These Procedures should be implemented so as to encourage the cooperative agreements with owners and tenants that avoid protracted disputes and litigation where possible.

## 2. PURPOSE

These Procedures are to be carried out such that the City's program of assistance involving relocation of persons displaced by, the implementation of municipal projects, complies with applicable federal and state law.

## 3. STATE AND FEDERAL LAW CERTIFICATION

The City certifies that it will comply with applicable law, including chapter 8.26 RCW, chapter 468-100 WAC, U.S.C.A. Title 42, and 49 C.F.R. Part 24 in connection with the relocation of persons displaced by the implementation of municipal projects, as they pertain to the project involved. In order to do so, City is establishing a relocation program that is comprised of these Procedures and future administrative policies and procedures (the "Program").

## 4. ACCOUNTABILITY AND DELEGATION

The City Council will be responsible for the policy direction of the City's Program. By adopting these Policies, Procedures and Guidelines the City Council is establishing the acceptable terms and conditions for relocation of persons and businesses. In the interest of administrative efficiency, the City hereby acknowledges certain delegations of authority regarding property and leasehold transactions and improvements. The City Council hereby further authorizes the City Manager to adopt such administrative rules, procedures or guidelines as the City Manager may determine to be necessary to implement these Procedures.

## 5. DEFINITIONS

- 5.1. Appraisal. A written statement independently and impartially prepared by a qualified appraiser setting forth an opinion of defined fair market value of an adequately

described property as of a specific date, supported by the presentation and analysis of relevant market information.

- 5.2. Acquisition Price. The price, based upon appraisal fair market value, paid to acquire real property for Project.
- 5.3. Appraised fair market value. The value arrived at using appraisal and review appraisal value. This value may be given as a range of values, with no more than a 10% variation from the higher end of the range.
- 5.4. Business. Any lawful activity that is conducted:
  - a. Primarily for the purchase, sale, lease, and/or rental of personal and/or real property, and/or for the manufacture, processing, and/or marketing of products, commodities, and/or any other personal property; or
  - b. Primarily for the sale of services to the public; or
  - c. Solely for the purpose of Section 6.1, conducted primarily for outdoor advertising display purposes, when the display must be moved as a result of the project; or
  - d. By a nonprofit organization that has established its nonprofit status under applicable federal or state law.
- 5.5. Comparable replacement dwelling. A dwelling that meets the additional rules in Section 8.3 and which:
  - a. Is decent, safe, and sanitary according to the definition in Section 5.7.
  - b. Is functionally equivalent to the displacement dwelling with particular attention to the number of rooms and living space. This means that the replacement dwelling should perform the same function, provide the same utility, and is capable of contributing to a comparable style of living. A comparable replacement dwelling need not possess every feature of the displacement dwelling, but the principal features must be present. Functional equivalency generally is an objective standard, reflecting the range of purposes for which the various features of a dwelling may be used. However, in determining functional equivalency, the City may consider reasonable tradeoffs for specific features when the replacement unit is equal to or better than the displacement dwelling.
  - c. Is comparable in size to accommodate the occupants.
  - d. Is located in an area that is not subject to unreasonable adverse environmental conditions, is not generally less desirable than the location of the displaced

person's dwelling with respect to public utilities and commercial and public facilities, and is comparably accessible to the person's place of employment. Comparables may be used from neighborhoods similar to that of the acquired dwelling.

- e. Has a site that is typical in size for residential development with normal site improvements, including customary landscaping. The replacement site need not include either a special improvement or a major exterior attribute of the displacement site in accordance with Section 8.3.a, paragraph 2.
  - f. Is currently available to the displaced person on the private market. However, a comparable replacement dwelling for a person receiving government housing assistance before displacement may reflect similar government housing assistance.
  - g. Is priced within the financial means of the displaced person.
    - (1) For a one hundred eighty-day owner-occupant described at Section 8.1.a, a comparable dwelling is considered to be within the displacee's financial means if the owner will receive the full price differential as described in Section 8.1.a (3), all increased mortgage interest costs as described in Section 8.1.a (4), and all incidental expenses as described in Section 8.1.a (6) , plus any additional amount required to be paid under Article 13.
    - (2) For a ninety-day tenant-occupant described at Section 8.2.a, a comparable dwelling is considered to be within the displacee's financial means if after application of the rental assistance payment, described in said section, the displacee's portion of the monthly rent plus utilities do not exceed person's base monthly rental for the displacement dwelling as described in 8.2.a (2) (b).
    - (3) For a displaced person who is not eligible to receive a replacement housing payment under Section 8.2.a due to failure to meet the length of occupancy requirements, comparable housing is considered to be within the displacee's financial means if the City pays that portion of the monthly housing costs that would exceed thirty percent of the displacee's monthly income for forty-two months or, if receiving a welfare assistance payment from a program that designates amounts for shelter and utilities. Replacement housing payments would be paid under Article 13.
- 5.6. Contribute materially. During the two taxable years before the taxable year in which displacement occurs, or during such other period as the City determines to be more equitable, a business:

- a. Had average annual gross receipts of at least five thousand dollars (\$5,000); or
- b. Had average annual net earnings of at least one thousand dollars (\$1,000); or Contributed at least thirty-three and one-third percent (33⅓%) of the owner's or operator's average annual gross income from all sources.

If the application of the above criteria creates an inequity or hardship in a given case, the City may approve the use of other criteria as determined appropriate.

5.7. Decent, safe, and sanitary (DSS) dwelling. A dwelling that meets applicable housing and occupancy codes. However, any of the following standards that are not met by an applicable code will apply, unless waived for good cause by the applicable federal funding. The dwelling will:

- a. Be structurally sound and in good repair.
- b. Contain a safe electrical wiring system adequate for lighting and other electrical devices.
- c. Contain a heating system capable of sustaining a healthful temperature (of approximately seventy degrees) for a displaced person.
- d. Be adequate in size with respect to the number of rooms and area of living space needed to accommodate the displaced person. There will be a separate, well-lighted and ventilated bathroom that provides privacy to the user and contains a sink, bathtub or shower stall, and a toilet, all in good working order and properly connected to appropriate sources of water and to a sewage drainage system. In the case of a housekeeping dwelling, there will 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.
- e. 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.
- f. For a displaced person who is handicapped, be free of any barriers that would preclude reasonable ingress, egress, or use of the dwelling by such displaced person.

5.8. Displaced person.

- a. General: Any person who moves from the real property or moves his or her personal property from the real property (this includes a person who does not meet the length of occupancy requirements of Sections 8.1.a and 8.2.a):
  - (1) As a direct result of the City's acquisition of, or the initiation of negotiation for or other involvement in acquisition of, such real

property in whole or in part for the Project; or

- (2) As a direct result of a written order from the City to vacate such real property for the Project; or
  - (3) As a direct result of the City's acquisition of, or written order to vacate for the Project, other real property on which the person conducts a business;
  - (4) As a direct result of a voluntary transaction by the owner as described in Section 6.2.a, thereby displacing a tenant; or
  - (5) As a direct result of the City's rehabilitation or demolition for the Project ; or
  - (6) As a direct result of the City's initiation of negotiations, acquisition of, demolition of, in whole or in part, other real property on which the person conducts a business, for the Project. Eligibility under this subparagraph (6) is only for purposes of obtaining relocation assistance advisory services under Section 9.1 and moving expenses under Sections 6.1, 6.3, and 6.4.
- b. Persons not displaced: The following is a nonexclusive listing of persons who do not qualify as a displaced person under these Procedures.
- (1) A person who moves before the initiation of negotiations except one who is required to move for reasons beyond his or her control as explained in Section 8.3.e; or
  - (2) A person who initially enters into occupancy of the property after the date of its acquisition for the Project (such determination will be made in accordance with any guidelines of the federal funding agency); or
  - (3) A person that the City determines is not required to relocate permanently as a direct result of the Project; or
  - (4) A person that the City determines is not displaced as a direct result of a partial acquisition; or
  - (5) A person who, after receiving a notice of relocation eligibility also receives a notice of non eligibility (described in Section 9.3.b, paragraph 2); or
  - (6) An owner who voluntarily sells his or her property as described in Section 6.2.a after being informed in writing that if a mutually satisfactory agreement of sale cannot be reached, the City will not acquire the property; or
  - (7) A person who retains the right of use and occupancy of the real property for life following its acquisition by the City; or



- (8) A person who retains the right of use and occupancy of the real property for a fixed term after its acquisition for a program or project receiving federal financial assistance from the Department of Interior; or
  - (9) A person who has occupied the property for the purpose of obtaining assistance under the Uniform Act;
  - (10) A person who is determined to be in unlawful occupancy or a person who has been evicted for cause before the initiations of negotiations for the property;
  - (11) A person who initially enters occupancy of the property after the date of its acquisition for the Project;
  - (12) A person who, after receiving notice of relocation eligibility, is notified in writing that he or she will not be displaced for the Project. Such notice will not be issued unless the person has not moved and the City agrees to reimburse the person for any expenses incurred to satisfy any findings of contractual obligations entered into after the effective date of the notice of relocation eligibility ; or
  - (13) An owner-occupant who moves as a result of the rehabilitation or demolition of the real property. (However, the displacement of a tenant as a direct result of any acquisition, rehabilitation, or demolition for a federally assisted project is subject to these Procedures.)
- 5.9. Dwelling. The place of permanent or customary and usual residence of a person, as determined by the City according to local custom or law, including a single family house; a single family unit in a two-family, multifamily, or multipurpose property; a unit of a condominium or cooperative housing project; a non-housekeeping unit; a mobile home; or any other fixed or installed residential unit other than a unit customarily used, and currently (although not necessarily immediately) capable of use, for transportation or recreational purposes.
- 5.10. Fair market value. The value of real property established by an appraisal and review appraisal, as set forth in Article 7 and Section 5.3.
- 5.11. Financial assistance. A grant, loan, or contribution, except a federal guarantee or insurance.
- 5.12. Initiation of negotiations. The date of delivery of the initial written offer by the City to the owner or the owner's representative to purchase real property the Project for the amount determined to be just compensation. However:
- a. If the City issues a notice of its intent to acquire the real property, and a person moves after that notice, but before delivery of the initial written purchase offer, the "initiation of negotiations" means the date the person

- moves from the property. (See also Section 12.4.c.)
- b. If the displacement is caused by rehabilitation, demolition, or privately undertaken acquisition of real property (and there is no related federal or state agency acquisition) the initiation of negotiations means the notice to the person that he or she will be displaced by the Project or, if there is no notice, the actual move of the person from the property ; or
  - c. In the case of a permanent relocation to protect the public health and welfare under the Comprehensive Environmental Response Compensation and Liability Act of 1980 (Pub. L. 96-510, or "Superfund"), the "initiation of negotiations" means the formal announcement of such relocation or the federal or federally-coordinated health advisory where the federal government later decides to conduct a permanent relocation.
- 5.13. Mortgage. Any of such classes of liens as are commonly given to secure advances on, or the unpaid purchase price of, real property, under the laws of the state of Washington, together with the credit instruments, if any, secured thereby.
- 5.14. Nonprofit Organization. An organization that is incorporated under the applicable laws of a state as a nonprofit organization, and exempt from paying federal income taxes under Section 501 of the Internal Revenue Code (26 U.S.C. 501).
- 5.15. Owner of displacement dwelling. A displaced person owns a displacement dwelling if the person holds any of the following interests in real property acquired for the Project:
- a. Fee title, a life estate, a ninety-nine year lease, or a lease, including any options for extension, with at least fifty years to run from the date of acquisition; or
  - b. An interest in a cooperative housing project that includes the right to occupy a dwelling; or
  - c. A contract to purchase any of the interests or estates described in subsection (a) or (b) above; or
  - d. Any other interests, including a partial interest, which in the judgment of the City warrants consideration as ownership.
- 5.16. Person. Any individual, family, partnership, corporation, or association.
- 5.17. Procedures. The City's Relocation Policy, Procedures, and Guidelines as contained in this document.
- 5.18. Program. The City's relocation program, comprised of the Procedures and any administratively adopted procedures and policies regarding relocation. The Project includes transit supportive and transit-oriented development undertaken by the City consistent with the City Council's adopted guidelines for transit oriented development.

- 5.19 Project. The Project includes municipal and City related development activities which involved the need for relocation and relocation assistance as provided by these Relocation Policy, Procedures, and Guidelines, and for the purposes hereof, includes activities where real property is acquired, whether by the City or by another person, entity or organization, related to a project with which the City is involved, directly or indirectly, so as to implicate the City's Relocation Policy, Procedures, and Guidelines.
- 5.20. Salvage value. The probable sale price of an item, if offered for sale on the condition that it will be removed from the property at the buyer's expense, allowing a reasonable period of time to find a person buying with knowledge of the uses and purposes for which it is adaptable and capable of being used, including separate use of serviceable components and scrap when there is no reasonable prospect of sale except on that basis.
- 5.21. Small business. Any business having not more than five hundred employees working at the site being acquired or permanently displaced by the Project. Sites occupied solely by outdoor advertising signs, displays, or devices do not qualify as a business for purposes of Article 7.
- 5.22. State. Any department, commission, agency, or instrumentality of the state of Washington.
- 5.23. Tenant. A person who has temporary use and occupancy of real property owned by another.
- 5.24. Uneconomic remnant. A parcel of real property in which the owner is left with an interest after the partial acquisition of the owner's property, and that the City has determined has little or no value or utility to the owner.
- 5.25. Uniform Act. The Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601 et seq), and amendments thereto.
- 5.26. Unlawful occupancy. A person is considered to be in unlawful occupancy when such person has been ordered to move by a court before the initiation of negotiations for the acquisition of the occupied property, or is determined by the City to be a squatter who is occupying the property without permission of the owner and otherwise has no legal right to occupy the property under Washington law. The City may, at its discretion, consider such a squatter to be a legal occupant.
- 5.27. Utility Costs. Expenses for heat, light, water, and sewer.
- 5.28. Utility facility. Any electric, gas, water, steam power, or materials transmission or distribution system, any transportation system, any communications system, including cable television, and any fixtures, equipment, or other property associated with the operation, maintenance, or repair of any such system. A utility facility may be publicly, privately, or cooperatively owned.
- 5.29. Utility relocation. The adjustment of a utility facility required by the Project. It

includes removing and reinstalling the facility, including necessary temporary facilities, acquiring necessary right-of-way on new locations; moving rearranging or changing the type of existing facilities; and taking any necessary safety and protective measures. It also means constructing a replacement facility that has the functional equivalency of the existing facility and is necessary for the continued operation of the utility service, the Project economy, or sequence of Project construction.

- 5.30. Voluntary transaction. A donation, exchange, market sale, or other type of agreement entered into without compulsion on the part of the City.

## 6. PAYMENT FOR MOVING AND RELATED EXPENSES

If the City determines that the implementation of the Project will result in the displacement of a person who is dwelling on or conducting business on the real property being acquired, the City will may, in its discretion and depending on availability of funds, reimburse or make a payment in lieu of reimbursement to the displaced person for certain costs and expenses required to move the individual, business, or other personal property.

- 6.1. Non-Residential Moves. The City may, in its discretion and depending on availability of funds, reimburse the displaced business for their documented actual moving and related expenses that the City determines to be reasonable and necessary, including those expenses described below.

- a. Eligible Expenses. (See Section 6.6 for a list of ineligible expenses)
- (1) Transportation of personal property. Transportation costs for a distance beyond fifty miles are not eligible, unless the City, at its sole discretion, determines that relocation beyond fifty miles is justified.
  - (2) Packing, crating, unpacking, and uncrating of the personal property.
  - (3) Disconnecting, dismantling, removing, reassembling, and reinstalling relocated machinery, equipment, and other personal property, including substitute personal property described in paragraph 10 below. This includes connection to utilities available nearby. It also includes modifications to the personal property necessary to adapt it to the replacement structure, the replacement site, or the utilities at the replacement site, and modifications necessary to adapt the utilities at the replacement site to the personal property. (Expenses for providing utilities from the right-of-way to the building or improvement are excluded.)
  - (4) Storage of the personal property for a period not to exceed twelve months, unless the City determines, in its sole discretion, that a longer

period is necessary.

- (5) Insurance for the replacement value of the personal property in connection with the move and necessary storage.
- (6) Any license, permit, or certification required of the displaced person at the replacement location. However, the payment may be based on the remaining useful life of the existing license, permit, or certification.
- (7) 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 such loss, theft, or damage is not reasonably available.
- (8) Professional services necessary for the tasks listed below. Such professional services may include legal fees not to exceed seven thousand, five hundred (\$7,500) (other than legal fees ineligible for reimbursement under Section 6.6), real property or equipment appraisals not to exceed five thousand (\$5,000) property surveys for replacement location, and accounting fees not to exceed two thousand, five hundred (\$2,500) including applicable local and state taxes associated with those fees.
  - (a) Planning the move of the personal property;
  - (b) Moving the personal property; and
  - (c) Installing the relocated personal property at the replacement location.
- (9) Re-lettering signs and replacing stationery on hand at the time of displacement that are made obsolete as a result of the move.
- (10) Actual direct loss of tangible personal property incurred as a result of moving or discontinuing the business. The payment will consist of the lesser of:
  - (a) The value of the item for continued use at the displacement site, 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 City determines that such effort is not necessary. When payment for property loss is claimed for goods held for sale, the value will be based on the cost of the goods to the business, not the potential selling price.); or
  - (b) The estimated cost of moving the item, but with no allowance for storage. (If the business is discontinued, the estimated

cost will be based on a moving distance of fifty miles.)

- (11) The reasonable cost incurred in attempting to sell an item that is not to be relocated.
- (12) Purchase of substitute personal property. If an item of personal property that is used as part of a business 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:
  - (a) 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
  - (b) The estimated cost of moving and reinstalling the replaced item but with no allowance for storage. At the City's discretion, the estimated cost for a low cost or uncomplicated move may be based on a single bid or estimate.
- (13) Searching for a replacement location. A displaced business is entitled to reimbursement for actual expenses, not to exceed one thousand dollars (\$1,000), as the City determines to be reasonable, which are incurred in searching for a replacement location, including:
  - (a) Time spent searching, based on reasonable salary or earnings;
  - (b) 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.
- (14) Other moving-related expenses that are not listed as ineligible under Section 6.6, as the City determines to be reasonable and necessary.

b. Notification and inspection. The following requirements apply to payments under Article 6:

- (1) The City will inform the displaced person in writing, of the requirements of subparagraphs (2) and (3) below, as soon as possible after the initiation of negotiations. This information may be included in the relocation information provided to the displaced person as set forth in Section 9.3.
- (2) The displaced person must provide the City reasonable advance written notice of the approximate date of the start of the move or disposition of the personal property and a list of the items to be moved. The City may waive this notice in its discretion.
- (3) The displaced person must permit the City to make reasonable and

timely inspections of the personal property at both the displacement and replacement sites and to monitor the move.

- c. Self-moves. If the displaced person elects to take full responsibility for the move of the business, the City may make a payment for the person's moving expenses in an amount not to exceed the lower of two acceptable bids or estimates obtained by the City or prepared by qualified staff. At the City's discretion, a payment for a low cost or uncomplicated move may be based on a single bid or estimate.
- d. Transfer of ownership. Upon request and in accordance with applicable law, the claimant will transfer to the City ownership of any personal property that has not been moved, sold, or traded in.
- e. Advertising signs. The amount of a payment for direct loss of an advertising sign that is personal property will be the lesser of:
  - (1) The depreciated reproduction cost of the sign, as determined by the City, less the proceeds from its sale; or
  - (2) The estimated cost of moving the sign, but with no allowance for storage.

6.2. Non-Residential Moves: Fixed Payment in Lieu of Reimbursement for Actual Moving Expenses.

- a. Business: A displaced business may be eligible to choose a fixed payment in lieu of a payment for actual moving and related expenses, and actual reasonable reestablishment expenses provided for in section above. The payment except for payment to a nonprofit organization, will equal the average annual net earnings of the business, as computed in accordance with subsection (e) of this section, but not less than one thousand dollars (\$1,000) or more than twenty thousand dollars (\$20,000).<sup>1</sup> The displaced business is eligible for the payment if the City determines that:
  - (1) The business owns or rents personal property that 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; and
  - (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 City demonstrates that it will not suffer a substantial loss of its existing patronage; and
  - (3) The business is not part of a commercial enterprise having more than three other entities that are not being acquired, and that are under the

same ownership and 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; and
  - (5) The business is not operated at the displacement site solely for the purpose of renting the site to others; and
  - (6) The business contributed materially to the income of the displaced person during the two taxable years before displacement.
- b. Determining the number of businesses: In determining whether two or more displaced legal entities constitute a single business that is entitled to only one fixed payment, the City will consider all pertinent factors 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 commingled;
  - (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.
- c. Nonprofit organization: A displaced nonprofit organization may choose a fixed payment of one thousand to twenty thousand dollars<sup>2</sup> in lieu of a payment for actual moving and related expenses if the City 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 City demonstrates otherwise. Any payment in excess of one thousand dollars must be supported with financial statements for the two twelve-month periods before the acquisition. The amount to be used for the payment is the average of two years annual gross revenues less administrative expenses.
- d. Average annual net earnings of a business: The average annual net earnings of a business are one-half of its net earnings before federal, state, and local income taxes during the two taxable years immediately before the taxable year in which it was displaced.<sup>3</sup> If the business was not in operation for the full two taxable years before displacement, net earnings will be based on the actual period of operation at the displacement site during the two taxable years before displacement projected to an annual rate. Average annual net earnings may be based upon a different period of time when the City determines it to be more equitable. Net earnings include any compensation obtained from the business by its owner, the owner's spouse, and dependents.



The displaced person will furnish the City proof of net earnings through income tax returns, certified financial statements, or other reasonable evidence that the City determines is satisfactory.

6.3. Residential Moves: Actual Reasonable Expenses. The City may, in its discretion and depending on availability of funds, reimburse the displaced owner-occupant or tenant of a residential dwelling for his/her documented actual moving and related expenses that the City determines to be reasonable and necessary including the actual reasonable expenses in moving the owner-occupant or tenant, family members in the household, and their personal property. Expenses may include the following:

- a. Disconnecting, dismantling, and removing displaced personal property.
- b. Packing displaced personal property.
- c. Transporting displaced person and personal property within fifty miles. The City may authorize transportation costs of a distance beyond fifty miles based on economic feasibility of the available choices of replacement locations, but not on the displacee's subjective preferences.
- d. Storing personal property for a period not to exceed twelve months, unless the City determines a longer period is necessary.
- e. Unpacking relocated personal property.
- f. Reassembling, reinstall, and reconnect relocated personal property.
- g. Insuring for the replacement value of personal property in connection with the move; or where insurance covering loss, theft, or damage in the process of moving (not through fault or negligence of the displaced person or the person's agent, or employee) is not reasonably available, pay the replacement value for such loss, theft, or damage.
- h. Replacing the 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 such loss, theft, or damage is not reasonably available.
- i. Reimbursing other moving-related expenses that are not listed as ineligible under Section 6.6, as the City determines to be reasonable and necessary.

6.4. Residential Moves: Fixed Payment In-Lieu of Reimbursement of Actual Expenses. A person displaced from a dwelling or a seasonal residence is may be entitled to receive a fixed payment in lieu of a payment for actual moving and related expenses covered under Section 6.3. This allowance will be determined according to the applicable schedules, if any, except that the expense and dislocation allowance to a

person occupying a furnished one-room unit shared by more than one other person involving a minimum of personal property to be moved, will be limited to fifty dollars.<sup>4</sup>

- 6.5. Residential Moves: Mobile Homes. If the displaced dwelling is a mobile home and/or mobile home site, the provisions below will supplement the procedures set forth above regarding reimbursement of moving expenses for persons displaced from a residential dwelling. However, if the mobile home is not acquired but the owner obtains a replacement housing payment under one of the circumstances described in Section 12.2.c, the owner is not eligible for payment for moving the mobile home.
  - a. A displaced mobile homeowner, who moves the mobile home to a replacement site, is eligible for the necessary and reasonable cost of disassembling, moving, and reassembling any attached appurtenances (such as porches, decks, skirting, and awnings) that were not acquired, anchoring of the unit, and utility "hook-up" charges.
  - b. If a mobile home requires reasonable repairs and/or modifications so that it can be moved and/or made decent, safe, and sanitary, and the City determines that it would be practical to relocate it, the reasonable cost of such repairs and/or modifications is reimbursable.
  - c. A non-returnable mobile home park entrance fee is reimbursable, to the extent it does not exceed the fee at a comparable mobile home park, if the person is displaced from a mobile home park or the City determines that payment of the fee is necessary to effect relocation.
- 6.6 Ineligible Moving and Related Expenses. The City will not reimburse for certain moving and related expenses (residential and non-residential), including the following:
  - a. The cost of moving any structure or other real property improvement in which the displaced person reserved ownership. However, this section does not preclude the computation under Section 8.1.a(3)(d)(iii) or
  - b. Interest on a loan to cover moving expenses; or
  - c. Loss of goodwill; or
  - d. Loss of profits; or
  - e. Loss of trained employees; or
  - f. Any additional operating expenses of a business, incurred because of operating in a new location except as provided in Section 7.1, paragraph j; or

- g. Personal injury; or
  - h. Any legal fee or other cost for preparing a claim for a relocation payment or for representing the claimant before the City; or
  - i. Expenses for searching for a replacement dwelling; or
  - j. Physical changes to the real property at the replacement location of a business; or
  - k. Costs for storage of personal property on real property already owned or leased by the displaced person.
- 6.7. Discretionary utility relocation payments. If the Project causes the relocation of a utility facility and the relocation of the facility creates extraordinary expenses for its owner, the City may, at its option, make a relocation payment to the owner for all or part of such expenses, if the following criteria are met:
- a. The utility facility legally occupies State or local government property, or property over which the State or local government has an easement or right-of-way; and
  - b. The utility facility's right of occupancy is pursuant to State law or local ordinance specifically authorizing such use and occupancy has been granted through a franchise, use and occupancy permit, or other similar agreement; and
  - c. Relocation of the utility facility is required by and is incidental to the primary purpose of the Project; and
  - d. There is no federal law, other than the Uniform Act, that clearly establishes a policy for the payment of utility moving costs that is applicable to the Project; and
  - e. State or local government reimbursement for utility moving costs or payment of such costs by the City is in accordance with State law.
- 6.8. Extraordinary Expenses. For the purposes of this Article, the term extraordinary expenses means those expenses which, in the City's opinion are not routine or predictable expenses relating to the utility's occupancy of rights-of-way, and are not ordinarily budgeted as operating expenses, unless the owner of the utility facility has explicitly and knowingly agreed to bear such expenses as a condition for use of the property, or has voluntarily agreed to be responsible for such expenses.
- 6.9. Utility Facility Relocation Costs. A relocation payment to a utility facility owner for moving costs under this section may not exceed the cost to functionally restore the

service disrupted by the Project, less any increase in value of the new facility and salvage value of the old facility. The City and the utility facility owner will reach prior agreement on the nature of the utility relocation work to be accomplished, the eligibility of the work for reimbursement, the responsibilities for financing and accomplishing the work, and the methods of accumulating costs and making payment.

- 6.10 State Law. The City may, in its discretion, provide for other relocation assistance in accordance with Chapter 59.21 RCW.

## 7. RE-ESTABLISHMENT EXPENSES

The City may, in its discretion and depending on availability of funds, reimburse a displaced business, or nonprofit organization for re-establishment expenses up to a maximum of ten thousand dollars (\$10,000).<sup>5</sup> Such reimbursement would be for expenses actually incurred in relocating and reestablishing the small business or non-profit organization at a replacement site. This reimbursement would be in addition to any reimbursement for moving and related expenses provided for in Article 6 above.

- 7.1. Eligible expenses. Reestablishment expenses must be reasonable and necessary, as determined by the City. They may include, but are not limited to, the following:
- a. Repairs or improvements to the replacement real property as required by federal, state, or local law, code, or ordinance.
  - b. Modifications to the replacement property to accommodate the business operation or make replacement structures suitable for conducting the business.
  - c. Construction and installation costs, not to exceed one thousand five hundred dollars (\$1,500) <sup>6</sup> for exterior signing to advertise the business.
  - d. Provision of utilities from right of way to improvements on the replacement site.
  - e. Redecoration or replacement of soiled or worn surfaces at the replacement site, such as paint, paneling, or carpeting.
  - f. Licenses, fees, and permits when not paid as part of moving expenses.
  - g. Feasibility surveys, soil testing and marketing studies.
  - h. Advertisement of replacement location, not to exceed one thousand, five hundred dollars (\$1,500).<sup>7</sup>
  - i. Professional services in connection with the purchase or lease of a

replacement site.

- j. Increased costs of operation during the first two years at the replacement site, not to exceed five thousand dollars (\$5,000), for such items as:
  - (1) Lease or rental charges;
  - (2) Personal or real property taxes;
  - (3) Insurance premiums; and
  - (4) Utility charges, excluding impact fees.
- k. Impact fees or one-time assessments for anticipated heavy utility usage.
- l. Other items that the City considers essential to the reestablishment of the business.
- m. Expenses in excess of the maximums set forth in subsections (c), (h), and (j) in Section 7.1 may be considered eligible if large and legitimate disparities exist between costs of operation at the displacement site and costs of operation at an otherwise similar replacement site. In such cases the applicable federal funding agency may, at the City's request, waive the regulatory limitation for reimbursement of such costs but in no event will total costs payable under this section exceed the ten thousand dollar (\$10,000) statutory maximum.

7.2. Ineligible expenses. The following is a nonexclusive list of reestablishment expenditures not considered to be reasonable, necessary, or otherwise eligible:

- a. Purchase of capital assets, such as, office furniture, filing cabinets, machinery, or trade fixtures.
- b. Purchase of manufacturing materials, production supplies, product inventory, or other items used in the normal course of the business operation.
- c. Interior or exterior refurbishments at the replacement site that are for aesthetic purposes, except as provided in Section 7.1, paragraph e.
- d. Interest on money borrowed to make the move or purchase the replacement property.
- e. Payment to a part-time business in the home that does not contribute materially to the household income.

## 8. PAYMENTS FOR REPLACEMENT HOUSING

- 8.1. For Certain Homeowners. In addition to payments otherwise authorized by these Procedures, the City may, in its discretion and depending on availability of funds, make an additional payment to persons displaced from a dwelling actually owned and occupied by the displaced person for not less than one hundred eighty (180) days immediately before the initiation of negotiations for the acquisition of the property. The additional payment will be made only to persons who purchase and occupy a decent, safe, and sanitary replacement dwelling within one year after the date when

date when the person receives final payment from the City for the acquired dwelling or the date when the City's obligations under RCW 8.26.075 are met, whichever date is later, unless the City extends this period for good cause. If the period is extended, the payments will be based on the costs of relocating the person to comparable replacement dwelling within one year of the extension date. Such payment will not exceed twenty two thousand, five hundred dollars (\$22,500)<sup>8</sup>, and will be established as set forth in Section 8.1.a below, and, in the case of mobile home owner-occupants, as supplemented by Sections 12.2 and 12.3 below.

- a. Replacement housing payment for one hundred eighty-day homeowner-occupants.
  - (1) Entitlement: A displaced person is entitled to the replacement housing payment for a one hundred eighty-day, homeowner-occupant if the person:
    - (a) Has actually owned and occupied the displacement dwelling for not less than the one hundred eighty days immediately before the initiation of negotiations; and
    - (b) Purchases and occupies a DSS replacement dwelling within one year after the later of (except that the City may extend the one-year period for good cause):
      - i. The date the person receives final payment for the displacement dwelling or, in the case of condemnation, the date the required amount is deposited in the court;
      - ii. The date the person moves from the displacement dwelling; or
      - iii. The date the City's obligations under Article 13 are met.
  - (2) Amount of payment: The replacement housing payment for an eligible one hundred eighty-day homeowner-occupant may not exceed twenty-two thousand, five hundred dollars (\$22, 500)<sup>9</sup>. The payment under this section is limited to the amount necessary to relocate to a comparable replacement dwelling within one year from the date the displaced homeowner-occupant is paid for the displacement dwelling, or the date such person is initially offered a comparable replacement dwelling, whichever is later. The payment will be the sum of:
    - (a) The amount by which the cost of a replacement dwelling exceeds the acquisition cost of the displacement dwelling (price differential), as determined in accordance with

date when the person receives final payment from the City for the acquired dwelling or the date when the City's obligations under RCW 8.26.075 are met, whichever date is later, unless the City extends this period for good cause. If the period is extended, the payments will be based on the costs of relocating the person to comparable replacement dwelling within one year of the extension date. Such payment will not exceed twenty two thousand, five hundred dollars (\$22,500)<sup>8</sup>, and will be established as set forth in Section 8.1.a below, and, in the case of mobile home owner-occupants, as supplemented by Sections 12.2 and 12.3 below.

- a. Replacement housing payment for one hundred eighty-day homeowner-occupants.
  - (1) Entitlement: A displaced person is entitled to the replacement housing payment for a one hundred eighty-day, homeowner-occupant if the person:
    - (a) Has actually owned and occupied the displacement dwelling for not less than the one hundred eighty days immediately before the initiation of negotiations; and
    - (b) Purchases and occupies a DSS replacement dwelling within one year after the later of (except that the City may extend the one-year period for good cause):
      - i. The date the person receives final payment for the displacement dwelling or, in the case of condemnation, the date the required amount is deposited in the court;
      - ii. The date the person moves from the displacement dwelling; or
      - iii. The date the City's obligations under Article 13 are met.
  - (2) Amount of payment: The replacement housing payment for an eligible one hundred eighty-day homeowner-occupant may not exceed twenty-two thousand, five hundred dollars (\$22, 500)<sup>9</sup>. The payment under this section is limited to the amount necessary to relocate to a comparable replacement dwelling within one year from the date the displaced homeowner-occupant is paid for the displacement dwelling, or the date such person is initially offered a comparable replacement dwelling, whichever is later. The payment will be the sum of:
    - (a) The amount by which the cost of a replacement dwelling exceeds the acquisition cost of the displacement dwelling (price differential), as determined in accordance with

- subparagraph (3) of this section; and
- (b) The increased interest costs and other debt service costs to be incurred in connection with the mortgage(s) on the replacement dwelling (increased mortgage interest cost), as determined in accordance with subparagraph (4) of this section; and
  - (c) The necessary and reasonable expenses incidental to the purchase of the replacement dwelling (incidental purchase expense), as determined in accordance with subsection (6) of this section.
- (3) Price differential:
- (a) Determination of price differential: The price differential to be paid under subsection (2)(a) of this section is the amount that must be added to the acquisition cost of the displacement dwelling to provide a total amount equal to the lesser of:
    - i. The reasonable cost of a comparable replacement dwelling as determined in accordance with Section 8.3.a; or
    - ii. The purchase price of the DSS replacement dwelling actually purchased and occupied by the displaced person.
  - (b) 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 tract larger than a site that is typical for residential purposes, only that portion of the acquisition payment that is actually attributable to the displacement dwelling will be considered its acquisition cost when computing the price differential.
  - (c) Insurance proceeds: To the extent necessary to avoid duplicate compensation, the amount of any insurance proceeds received by a person in connection with a loss to the displacement dwelling due to a catastrophic occurrence (fire, flood, etc.) will be included in the acquisition cost of the displacement dwelling when computing the price differential.
  - (d) Owner retention/salvage of displacement dwelling: If the owner retains ownership of, or obtains salvage rights to, the person's dwelling, moves it from the displacement site, and reoccupies it on a replacement site, the purchase price of the replacement dwelling will be the sum of:
    - i. The cost of moving and restoring the dwelling to



- retain the functional utility it had when situated on the displacement site; and
- ii. The cost of making the unit a DSS replacement; and
  - iii. The current fair market value for residential use of the replacement site (based on any reasonable evaluation method determined by the City), 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/salvage value of the displacement dwelling, as determined from the acquisition of the displacement dwelling.
- (e) Owner constructs replacement dwelling: If the owner obtains a DSS replacement dwelling by contracting for or otherwise obtaining new construction, the purchase price of the replacement dwelling will be the sum of:
- i. The cost necessary to construct a dwelling that is comparable to the displacement dwelling; and
  - ii. The current value for residential use of the replacement site (based on any reasonable evaluation method determined by the City), unless the claimant rented the displacement site and there is a reasonable opportunity for the claimant to rent a suitable replacement site.
- (4) Increased mortgage interest costs:
- (a) The City will determine the factors to be used in computing the amount to be paid to a displaced person under subsection (2)(b) of this section. The payment for increased mortgage interest costs will be the amount that 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 will include other debt service costs, if not paid as incidental costs, and will be based only on bona fide mortgages that were valid liens on the displacement dwelling for at least one hundred eighty days before the initiation of negotiations. Subparagraphs (b) through (e) of this subsection will apply to the computation of the increased mortgage interest costs payment, which payment will be contingent upon a mortgage being placed on the replacement dwelling.

- (b) The payment will be based on the unpaid mortgage balance(s) on the displacement dwelling; however, in the event the person obtains a smaller mortgage than the mortgage balance(s) computed in the buy down determination the payment will be prorated and reduced accordingly.
- In the case of a home equity loan the unpaid balance will be that balance that existed one hundred eighty days before the initiation of negotiations or the balance on the date of acquisition, whichever is less.
- (c) The payment will be based on the remaining term of the mortgage(s) on the displacement dwelling or the term of the new mortgage, whichever is shorter.
- (d) The interest rate on the new mortgage used in determining the amount of the payment will 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.
- (e) Purchaser's points and loan origination or assumption fees, but not seller's points, will 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 City determines them to be necessary; and
  - iv. The computation of such points and fees will be based on the unpaid mortgage balance on the displacement dwelling, less the amount determined for the reduction of such mortgage balance under this section.
- (5) The displaced person will 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 will be made available at or near the time of closing on the replacement dwelling in order to reduce the new mortgage as intended.
- (6) Incidental purchase expenses: The incidental purchase expenses to be paid for a one hundred eighty-day homeowner-occupant (under subsection (2)(c) of this section) or for down payment assistance (under Section 8.3) 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, and are limited by such costs based on the cost of a comparable replacement dwelling pursuant to Section 8.3.a, including:

- (a) Legal, closing, and related costs, including those for title search, preparing conveyance instruments, notary fees, preparing surveys and plats, and recording fees.
  - (b) Lender, FHA, or VA application and appraisal fees.
  - (c) Loan origination or assumption fees that do not represent prepaid interest.
  - (d) Certification of structural soundness and termite inspection when required.
  - (e) Credit report.
  - (f) Owner's and mortgagee's evidence of title, e.g., title insurance.
  - (g) Escrow agent's fee.
  - (h) State revenue or documentary stamps, sales or transfer taxes.
  - (i) Such other costs that the City determines to be incidental to the purchase.
- (7) Rental assistance payment for one hundred eighty-day homeowner: A one hundred eighty-day homeowner-occupant who is eligible for a replacement housing payment under subsection (1) of this section but elects to rent a replacement dwelling, is eligible for a rental assistance payment not to exceed five thousand, two hundred fifty dollars (\$5,250)<sup>10</sup>, computed and disbursed in accordance with 8.2.a.

8.2. For Tenants and Others. In addition to payments otherwise authorized by these Procedures, the City may, in its discretion and depending on availability of funds, make an additional payment to persons displaced from a dwelling who is not eligible to receive a payment under Section 8.1 if the dwelling was actually and lawfully occupied by the displaced person for not less than ninety days immediately before (a) the initiation of negotiations for acquisition of the dwelling, or (b) in any case in which displacement is not a direct result of acquisition, such other event as is prescribed by Section 8.2.a. The payment will consist of the amount necessary to enable the person to lease or rent for a period not to exceed forty-two months, a comparable replacement dwelling, but not to exceed five thousand, two hundred (\$5,200).<sup>11</sup> The amount of the payment will be established as provided in paragraph 1 below, and, in the case of 90-day mobile home occupants, as supplemented by Sections 12.3 and 12.4.

a. Replacement housing payment for ninety-day occupants.

- (1) Entitlement: A tenant or owner-occupant displaced from a dwelling is entitled to a payment not to exceed five thousand two hundred fifty dollars (\$5,250)<sup>12</sup> for rental assistance, as computed in accordance with subsection (2) of this section, or down payment assistance, as

computed in accordance with subsection (3) of this section, if such displaced person:

- (a) Has actually and lawfully occupied the displacement dwelling for at least ninety days immediately before the initiation of negotiations; and
  - (b) Has rented, or purchased, and occupied a DSS replacement dwelling within one year (unless the City extends this period for good cause) after:
    - i. For a tenant, the date the tenant moves from the displacement dwelling; or
    - ii. For an owner-occupant, the later of:
      - (A) The date the owner-occupant receives final payment for the displacing interest, or in the case of condemnation, the date the required amount is deposited with the court; or
      - (B) The date the owner-occupant moves from the displacement dwelling.
- (2) Rental assistance payment:
- (a) Amount of payment: An eligible displaced person who rents a replacement dwelling is entitled to a payment not to exceed five thousand, two hundred fifty dollars (\$5,250)<sup>13</sup> for rental assistance. (See also Section 8.3.b.) Such payment will be forty-two times the amount obtained by subtracting the base monthly rent or the fair market rent (in accordance with (b) of this subsection) of the displacement dwelling for a reasonable period before displacement, as determined by the City, from the lesser of:
    - i. The monthly rent and average monthly cost of utilities for a comparable replacement dwelling; or
    - ii. The monthly rent and estimated average monthly utilities for the DSS replacement dwelling actually occupied by the displaced person.
  - (b) Base monthly rental for displacement dwelling. 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 a reasonable period before displacement, as determined by the City. (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); or

- ii. Thirty percent of the person's average gross household income. (If the person refuses to provide appropriate evidence of income or is a dependent, the base monthly rental will be established solely on the criteria in (b)(I) of this subsection. A full time student or resident of an institution may be assumed to be a dependent, unless the person demonstrates otherwise.)
  - iii. The total of the amounts designated for shelter and utilities if receiving a welfare assistance payment from a program that designates the amounts for shelter and utilities.
- (c) Manner of disbursement: A rental assistance payment may, at the City's discretion, be disbursed in either a lump sum or in installments. However, except as limited by Section 8.3.g., the full amount vests immediately, whether or not there is any later change in the person's income or rent, or in the condition or location of the person's housing.
- (3) Down payment assistance payment:
- (a) Amount of payment: An eligible displaced person who purchases a replacement dwelling is entitled to a down payment assistance payment in the amount the person would receive under subsection (2) of this section if the person rented a comparable replacement dwelling. At the discretion of the City, a down payment assistance payment may be increased to any amount not to exceed five thousand, two hundred fifty dollars (\$5,250).<sup>14</sup> However, the payment to a displaced homeowner will not exceed the amount the owner would receive under Section 8.1.a, paragraph 6 if he or she met the one hundred eighty-day occupancy requirement. The City's discretion to provide the maximum payment will be exercised in a uniform and consistent manner, so those eligible displaced persons in like circumstances are treated equally. A displaced person eligible to receive a payment as a one hundred eighty-day owner-occupant under Section 8.1.a is not eligible for this payment.
  - (b) Application of payment: The full amount of the replacement housing payment for down payment assistance must be applied to the purchase price of the replacement dwelling and

related incidental expenses.

(c) Mobile Homes (See Sections 12.2 and 12.3.)

8.3. Additional rules governing replacement housing payments.

- a. Determining cost of comparable replacement dwelling: The upper limit of a replacement housing payment will be based on the cost of a comparable replacement dwelling.
  - (1) Three-comparable method: If available, at least three comparable replacement dwellings will be examined and the payment computed on the basis of the dwelling most nearly representative of, and equal to, or better than, the displacement dwelling. An adjustment will be made to the asking price of any dwelling, to the extent justified by local market data. An obviously overpriced or underpriced dwelling may be ignored.
  - (2) Major exterior attribute: If the site of the comparable replacement dwelling lacks a major exterior attribute of the displacement dwelling site (e.g., the site is significantly smaller or does not contain a swimming pool), the value of such attribute will be subtracted from the acquisition cost of the displacement dwelling for purposes of computing the replacement housing payment.
  - (3) Remainder offer: If the acquisition of a portion of a typical residential property causes the displacement of the owner from the dwelling and the remainder is a remnant of the displacement dwelling site or a buildable residential lot, the City may offer to purchase that remainder. If such an offer is made and the owner refuses to sell the remainder to the City, the value attributable to that remainder, will be added to the acquisition price paid for the displacement dwelling for purposes of computing the price differential.
  - (4) Location: Comparable replacement dwellings will be selected preferably from the neighborhood in which the displacement dwelling was located or, if not otherwise feasible, from nearby or similar neighborhoods where housing costs are generally the same as in the displacement neighborhood. Where that is not possible dwellings may be selected from neighborhoods where housing costs are the same or higher.
- b. Applicability of last resort housing: Whenever a twenty-two thousand, five hundred dollar (\$22,500) replacement housing payment under Section 8.1.a or a five thousand, two hundred fifty dollar (\$5,250) replacement housing payment under Section 8.2.a would be insufficient to ensure that a comparable replacement dwelling is available on a timely basis to a person, the City will may, in its descretion and depending on availability of funds,

provide additional or alternative assistance under the last resort housing provisions in Article 13, which may include increasing the replacement housing payment so that a replacement dwelling is within the displaced person's financial.

- c. Inspection of replacement dwelling: Before making a replacement housing payment or releasing a payment from escrow, the City or its designated representative will inspect the replacement dwelling and determine whether it is a DSS dwelling.
- d. Purchase of replacement dwelling: A displaced person is considered to have met the requirement to purchase a replacement dwelling, if the person:
  - (1) Purchases a dwelling; or
  - (2) Purchases and rehabilitates a substandard dwelling; or
  - (3) Relocates a dwelling that the person owns or purchases; or
  - (4) Constructs a dwelling on a site the person owns or purchases; or
  - (5) Contracts for the purchase or construction of a dwelling on a site provided by a builder or on a site the person owns or purchases; or
  - (6) Currently owns a previously purchased dwelling and site, valuation of which will be on the basis of current value.
- e. Occupancy requirements for displacement or replacement dwelling: No person will be denied eligibility for a replacement housing payment solely because the person is unable to meet the occupancy requirements set forth in this chapter for a reason beyond the person's control, including:
  - (1) A disaster, an emergency, or an imminent threat to the public health or welfare, as determined by the applicable federal funding agency; or
  - (2) Another reason, such as a delay in the construction of the replacement dwelling, military reserve duty, or hospital stay, as determined by the City.
- f. Conversion of payment: A displaced person who initially rents a replacement dwelling and receives a rental assistance payment under Section 8.2.a(2)(a), is eligible to receive a payment under Section 8.1(a) or Section 8.2.a(3)(a), if the person meets the eligibility criteria for such payments, including purchase and occupancy within the prescribed one-year period. Any portion of the rental assistance payment that has been disbursed will be deducted from the payment computed under Section 8.1 or Section 8.2.a(3)(a).
- g. Payment after death: A replacement housing payment is personal to the displaced person and upon the person's death the undisbursed portion of any such payment will 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 will be paid.

- (2) The full payment will be disbursed in any case in which a member of a displaced family dies and the other family member(s) continue to occupy a DSS replacement dwelling.
- (3) Any portion of a replacement housing payment necessary to satisfy the legal obligation of an estate in connection with the selection of a replacement dwelling by or on behalf of a deceased person will be disbursed to the estate.

## 9. RELOCATION ASSISTANCE

At the request of a displaced person, business, the City will provide relocation assistance advisory services, and may also provide relocation services to any person occupying property immediate adjacent to the property where the displacing activity occurs, if the City determines that the displacing activity is causing substantial economic injury to the adjacent property.

9.1. Relocation Advisory Services. The City's relocation assistance advisory services may, in the City's discretion, include, but are not limited to, such measures, facilities, or services as may be necessary or appropriate to:

- a. Determine the relocation needs and preferences of each person to be displaced 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 may include a personal interview with each person.
- b. Provide current and continuing information on the availability, purchase prices, and rental costs of comparable replacement dwellings, and explain that the person cannot be required to move unless at least one comparable replacement dwelling is made available as set forth in Section 9.4.
  - (1) As soon as feasible, the City will 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 Sections 8.3.a and 8.3.b) and the basis for the determination, so that the person is aware of the maximum replacement housing payment for which the person may qualify.
  - (2) Where feasible, housing will be inspected before being made available to assure that it meets applicable standards. If such an inspection is not made, the person to be displaced will be notified that a replacement housing payment may not be made unless the replacement dwelling is subsequently inspected and determined to be decent, safe, and sanitary (DSS).
  - (3) Whenever possible, minority persons will be given reasonable opportunities to relocate to DSS replacement dwellings, not located



in an area of minority concentration, that are within their financial means. This does not, however, require the City to provide a person a larger payment than is necessary to enable a person to relocate to a comparable replacement dwelling.

- (4) All displaced persons, especially the elderly and handicapped, will be offered transportation to inspect housing to which they are referred.
  - c. Provide current and continuing information on the availability, purchase prices, and rental costs of comparable and suitable commercial and business properties and locations. Assist any person displaced from a business to obtain and become established in a suitable replacement location.
  - d. 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.
  - e. Supply persons to be displaced with appropriate information concerning federal and state housing programs, disaster loans and other programs administered by the Small Business Administration, and other federal, state, and local programs offering assistance to persons to be displaced.
  - f. Any person who occupies property acquired by the City or in connection with a City project, when such occupancy began subsequent to the acquisition of the property, and the occupancy is permitted by a short-term rental agreement or an agreement subject to termination when the property is needed for the Project, will be eligible for advisory services, as determined by the City.
- 9.2. Coordination of relocation activities. Relocation activities will 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.
- 9.3. Relocation Notice and Information.
- a. General Relocation Information Notice: The City will provide a person scheduled to be displaced with a pamphlet, based on his or her situation, and based on availability, and other information describing the Relocation Policy, and upon request, will provide a full copy of these Procedures, along with a general written description of the City's Relocation Program. The written descriptions and materials will include at least the following:
    - (1) Inform the person that the person may be displaced for the project and generally describes the relocation payment(s) for which the person may be eligible, the basic conditions of eligibility, and the procedures for obtaining the payment(s).
    - (2) Inform the person that the person will be given reasonable relocation

advisory services, including referrals to replacement properties, help in filing payment claims, and other necessary assistance to help the person successfully relocate.

- (3) Inform the person that he or she will not be required to move without at least ninety days' advance written notice (see subparagraph (c) of this section), and informs any person to be displaced from a residential dwelling that the person cannot be required to move permanently unless at least one comparable replacement dwelling has been made available.
- (4) Describe the person's right to appeal the City's determination as to eligibility for, or the amount of, any relocation payment for which the person may be eligible under these Procedures.

b. Notice of relocation eligibility:

- (1) Eligibility for relocation assistance will begin on the date of initiation of negotiations for the occupied property. When this occurs, the City will promptly provide written notice to all occupants to be displaced of their eligibility for applicable relocation assistance.
- (2) An occupant may subsequently be provided a notice of noneligibility if the City determines the person will not be displaced. Such notice may be issued only if the person has not moved and the City agrees to reimburse the person for any expenses incurred to satisfy any binding contractual relocation obligations entered into after the effective date of the notice of relocation eligibility.

c. Ninety-day notice:

- (1) General: No lawful occupant will be required to move unless the occupant has received at least ninety days advance written notice of the earliest date by which he or she may be required to move.
- (2) Timing of notice: The City may issue the notice ninety days before it expects the person to be displaced or earlier. When possible the City will attempt to provide maximum notification time but in any event no less than 90 days, except in case of urgent need(s).
- (3) Content of notice: The ninety-day notice will either 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 thirty days in advance, the specific date by which the occupant must move. If the ninety-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 ninety days after such a dwelling is made available.

- (4) Urgent need: In unusual circumstances, an occupant may be required to vacate the property on less than ninety days advance written notice if the City determines that a ninety-day notice is impracticable, such as when the person's continued occupancy of the property would constitute a substantial danger to health or safety. A record of the City's determination will be included in the applicable case file.
- 9.4. Availability of Comparable Replacement Dwelling Before Displacement. No person to be displaced will be required to move from the person's dwelling unless at least one comparable replacement has been made available to the person.
- a. Policy: Three or more comparable replacement dwellings will be made available unless such dwellings are not available on the local housing market. When otherwise feasible, in accordance with Section 9.1.b, paragraph 3 and Section 8.3.a, paragraph 4, comparable replacement dwellings to be made available to minority persons may include dwellings not located in an area of minority concentration. A comparable replacement dwelling will be considered to have been made available to a person, if:
    - (1) The person is informed of its location; and
    - (2) The person has sufficient time to negotiate and enter into a purchase agreement or lease for the property; and in order to meet the deadlines of the project, the City may, at the request of the displaced person, provide assistance in these negotiations.
    - (3) Subject to reasonable safeguards, the person is assured of receiving the acquisition payment to which the person is entitled in sufficient time to complete the purchase or lease of the property.
  - b. Circumstances permitting waiver - federal emergency: The applicable federal funding agency may grant a waiver of the policy in subparagraph a of this section in any case where it is demonstrated that a person must move because of:
    - (1) A major disaster as defined in section 102(c) of the Disaster Relief Act of 1974 (42 U.S.C. 5121); or
    - (2) A presidentially declared national emergency; or
    - (3) Another federal emergency that 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.
  - c. Basic conditions of emergency move: Whenever a person is required to relocate for a temporary period because of a federal emergency as described in subparagraph b of this section, for purposes of filing a claim and meeting

the eligibility requirements for a relocation payment, the date of displacement is the date the person moves from the temporarily-occupied dwelling. Depending on availability of funds, the City, in concert with federal agencies, will:

- (1) Take whatever reasonable steps are necessary to assure that the person is temporarily relocated to a sanitary dwelling; and
- (2) Pay the actual reasonable out-of-pocket moving expenses and any reasonable increase in monthly housing costs incurred in connection with the temporary relocation; 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 the temporarily occupied dwellings.)
- (4) The person is entitled to be heard according to Article 11 in the event of a grievance.

9.5. Eviction for cause. Eviction for cause must conform to applicable state and local law. Any person who has lawfully occupied the real property, but who is later evicted for cause on or after the date of the initiation of negotiations, retains the right to the relocation payments and other assistance set forth in these Procedures. Any person who occupies the real property and is not in lawful occupancy on the date of initiation of negotiations is presumed to be entitled to relocation payments and other assistance set forth in this Article 9 unless the City determines that:

- a. The person received an eviction notice before the initiation of negotiations and as a result of that notice is later evicted; or
- b. The person is evicted after the initiation of negotiations for serious or repeated violations of material terms of the lease and occupancy agreement; and
- c. In either case the eviction was not undertaken for the purpose of evading the obligation to make available the payments and other assistance set forth in Article 9.

For purposes of determining eligibility for relocation payments, the date of displacement is the date the person moves or the date a comparable replacement dwelling is made available, whichever is later. This section applies only if the City had intended to displace the person.

9.6. Claims for relocation payments.

- a. Documentation: Any claim for a relocation payment must be supported by

documentation reasonably necessary to support expenses incurred, such as, bills, certified prices, appraisals, or other evidence of such expenses. Payment for a low cost or uncomplicated move may be made without documentation of actual costs when payment is limited to the amount of the lowest acceptable bid or estimate obtained by the City. The City will provide a displaced person with reasonable assistance necessary to complete and file any required claim for payment.

- b. Expedient payments: The City will review claims expeditiously. The City will promptly notify claimants as to any additional documentation that is required to support the claim. Payment for a claim will be made as soon as feasible following receipt of sufficient documentation to support the claim.
- c. Advance payments: If a person demonstrates the need for an advance relocation payment in order to avoid or reduce a hardship, the City may issue the payment, subject to such safeguards as are appropriate to ensure that the objective of the payment is accomplished.
- d. Time for filing: All claims for a relocation payment must be filed with the City within eighteen months after:
  - (1) For tenants, the date of displacement;
  - (2) For owners, the date of displacement or the date of the final payment for the acquisition of the real property, whichever is later.

The City will waive this time period for good cause.

- e. Multiple occupants of one displacement dwelling: 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 City, of any relocation payments that would have been made if the occupants moved together to a comparable replacement dwelling. However, if the City determines that two or more occupants maintained separate households within the same dwelling, such occupants have separate entitlements to relocation payments.
- f. Deductions from relocation payments: The City will deduct the amount of any advance relocation payment from the relocation payment(s) to which a displaced person is otherwise entitled. Similarly where such a deduction would not prevent the displaced person from obtaining a comparable replacement dwelling as required by Section 9.4 the City may deduct from relocation payments any rent that the displaced person owes the City. The City will not withhold any part of a relocation payment to a displaced person to satisfy an obligation to any other creditor.

- g. Notice of denial of claim: If the City disapproves all or part of a payment claimed or refuses to consider the claim on its merits because of untimely filing or other grounds, it will promptly notify the claimant in writing of its determination, the basis for its determination, and the procedures for appealing that determination.

9.7. Relocation planning. The Project will be planned in such a manner that the problems associated with the displacement of individuals, families, businesses and non-profit organizations are recognized and solutions are developed to minimize the adverse impacts of displacement. Such planning, where appropriate, will precede any City action that will cause displacement, and will 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 the following:

- a. An estimate of the number of households to be displaced including information such as owner/tenant status, estimated value and rental rates of property to be acquired, family characteristics, and special consideration of the impacts on minorities, the elderly, and the handicapped, when applicable.
- b. 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 displaced. When an adequate supply of comparable housing is not expected to be available, consideration of housing of last resort actions should be instituted.
- c. An estimate of the number, types, and size of the businesses and non-profit organizations to be displaced and the approximate number of employees that may be affected.
- d. Consideration of any special relocation advisory services that may be necessary from the City and other cooperating agencies.

## 10. CHARACTERIZATION OF PAYMENTS

No payment received by a displaced person or business under these Procedures may be considered as income for the purpose of determining the eligibility or extent of eligibility of any person for assistance under any state law for the purposes of any income tax or any tax imposed under Title 82 RCW and the payment will not be deducted from any amount to which any recipient would otherwise be entitled under Title 74 RCW. No payment received by a displaced person under these Procedures will 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, or for the purpose of determining the eligibility or the extent of eligibility of any person for assistance under the Social Security Act or any other federal law except for any federal law providing low-income housing

assistance.

## 11. RELOCATION APPEALS PROCESS

The City will promptly review appeals in accordance with the requirements of applicable law and these Procedures.

- 11.1. **Appealable Actions.** A person may file written notice of an appeal with the City in any case in which the person believes that the City has failed to properly determine the person's eligibility for, or the amount of, a payment required under these Procedures, or a relocation payment required under the Program.
- 11.2. **Limitations.** A person is entitled to only such benefits as are specifically delineated in these Procedures.
- 11.3. **Form of notice.** Appeals must be in writing. The City will consider a written appeal regardless of form. The appeal notice or letter should state what issues are being claimed, the reasons why the aggrieved person believes the claim should be allowed, and how the person believes he or she is otherwise aggrieved. The letter or notice should clearly identify the City's project and the parcel of real property involved and should bear the signature and address of the aggrieved person or the person's authorized representative. The City may refuse to schedule any review or hearing on an appeal until these requirements have been complied with or may issue an order providing for dismissal of such appeal upon failure to comply within a reasonable time specified by the City, which will not be less than 14 days.
- 11.4. **Time limit for initiating appeal.** The time limit will be sixty days after the person receives written notification of the City's determination on the person's claim.
- 11.5. **Review of files by person making appeal.** The City will permit a person to inspect and copy all materials pertinent to the person's appeal, except materials that are classified as confidential by the City. The City may, however, impose reasonable conditions on the person's right to inspect, consistent with applicable laws.
- 11.6. **Scope of Review Appraisal.** In deciding appeal, the City will consider all pertinent justification and other material submitted by the person, and all other available information that is needed to ensure a fair and full review of the appeal.
- 11.7. **City Official to Review Appeal.** The City Manager or his or her authorized designee will conduct the review of the appeal. However, in no event will the reviewing official have been directly involved in the action appealed.
- 11.8. **Determination of Notification.** Promptly after receipt of all information submitted by a person in support of an appeal, the City will make a written determination on the appeal, including an explanation of the basis on which the discussion was made, and furnish the person a copy. If the full relief requested is not granted the City will

advise the person of his or her right to seek judicial review.

- 11.9. Hearing process. Except as they may be inconsistent with the rules of this chapter, the practice and procedure rules as set forth in chapter 468-10 WAC will apply to appeals under this Program. Where the rules of these Procedures conflict with those of chapter 468-10 or 10-08 WAC, the rules of these Procedures will govern.
- 11.10. Discovery. Discovery will be available in relocation appeals as follows. Any party to a relocation appeal may obtain discovery from any party by written interrogatories, written admissions, oral depositions, subpoena duces tecums, and written requests for production of documents. The procedures regarding these methods of discovery are found at CR 28 through 36 and 45(b) as now or hereafter amended and are hereby incorporated in these Procedures.

## 12. MOBILE HOMES

- 12.1. General Provisions. This Article 12 describes the requirements governing the provision of relocation payments to a person displaced from a mobile home and/or mobile homesite who meets the basic eligibility requirements of these Procedures. Except as modified by Section 6.5 and this Article 12, such a displaced person is entitled to a moving expense payment in accordance with Article 6 and a replacement housing payment in accordance with Article 8 to the same extent and subject to the same requirements as persons displaced from conventional dwellings. See also Section 6.10.
- 12.2. Replacement housing payment for one hundred eighty-day mobile home owner-occupants.

A displaced owner-occupant of a mobile home is entitled to a replacement housing payment, not to exceed twenty-two thousand, five hundred dollars (\$22,500)<sup>15</sup> under Section 8.1 if:

- a. The person both owned the displacement mobile home and occupied it on the displacement site for at least the one hundred eighty days immediately before the initiation of negotiations;
- b. The person meets the other basic eligibility requirements in Section 8.1.a; and
- c. The City acquires the mobile home and/or mobile homesite or the mobile home is not acquired by the City but the owner is displaced from the mobile home because the City determines that the mobile home:
  - (1) Is not and cannot economically be made decent, safe, and sanitary; or
  - (2) Cannot be relocated without substantial damage or unreasonable cost; or
  - (3) Cannot be relocated because there is no available comparable



replacement site; or

- (4) Cannot be relocated because it does not meet mobile home park entrance requirements.

If the mobile home is not actually acquired, but the City determines that it is not practical to relocate it, the acquisition cost of the displacement dwelling used when computing the price differential amount, described in Section 8.1.a, will include the salvage value or trade-in value of the mobile home, whichever is higher.

12.3. Replacement housing payments for ninety-day mobile home occupants. A displaced tenant or owner-occupant of a mobile home is eligible for a replacement housing payment, not to exceed five thousand, two hundred fifty dollars (\$5,250), under Section 8.2 if:<sup>16</sup>

- a. The person actually occupied the displacement mobile home on the displacement site for at least the ninety days immediately before the initiation of negotiations;
- b. The person meets the other basic eligibility requirements in Section 8.2.a, paragraph 1; and
- c. The City acquires the mobile home and/or mobile homesite, or the mobile home is not acquired by the City but the owner or tenant is displaced from the mobile home because of one of the circumstances described in Section 12.2.c.

12.4. Additional rules governing relocation payment to mobile home occupants.

- a. Replacement housing payment based on dwelling and site: Both the mobile home and mobile homesite must be considered when computing a replacement housing payment. For example, a displaced mobile home occupant may have owned the displacement mobile home and rented the site or may have rented the displacement mobile home and owned the site. Also a person may elect to purchase a replacement mobile home and rent a replacement site, or rent a replacement mobile home and purchase a replacement site. In such cases, the total replacement housing payment will consist of a payment for a dwelling and a payment for a site; each computed under the applicable section in Sections 8.1 through 8.3. However, the total replacement housing payment under Sections 8.1 through 8.3 will not exceed the maximum payment (either twenty-two thousand, five hundred dollars (\$22,500) or five thousand, two hundred fifty dollars (\$5,250) permitted under the subsection that governs the computation for the dwelling. (See also Section 8.3.b.)
- b. Cost of comparable replacement dwelling:
  - (1) If a comparable replacement mobile home is not available, the replacement housing payment will be computed on the basis of the

reasonable cost of a conventional comparable replacement dwelling.

- (2) If the City determines that it would be practical to relocate the mobile home, but the owner-occupant elects not to do so, the City may determine that, for purposes of computing the price differential under Section 8.1.a, the cost of a comparable replacement dwelling is the sum of:
  - (3) The value of the mobile home;
  - (4) The cost of any necessary repairs or modifications; and
  - (5) The estimated cost of moving the mobile home to a replacement site.
- c. Initiation of negotiations: If the mobile home is not actually acquired, but the occupant is considered displaced under these Procedures, "initiation of negotiations" is the date of initiation of negotiations to acquire the land, or, if the land is not acquired, the date of the written notification that the occupant is a displaced person under this chapter.
- d. Person moves mobile home: If the owner is reimbursed for the cost of moving the mobile home under this chapter, the owner is not eligible to receive a replacement housing payment to assist in purchasing or renting a replacement mobile home. The owner may, however, be eligible for assistance in purchasing or renting a replacement site.
- e. Partial acquisition of mobile home park: 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. If the City determines that a mobile home located in the remaining part of the property must be moved as a direct result of the project, the owner and any tenant will be considered a displaced person who is entitled to relocation payments and other assistance under this chapter.
- f. General provisions: Section 8.1 also applies.

### 13. LAST RESORT HOUSING

#### 13.1. Applicability.

- a. Basic determination to provide last resort housing: A person will not be required to move from the person's dwelling unless the City has made available to the person at least one comparable replacement dwelling. Whenever the City determines that a replacement housing payment under Sections 8.1 through 8.3 would not be sufficient to provide a comparable replacement dwelling on a timely basis to the person, the City may take appropriate cost-effective measures this section to provide such a dwelling.

The City's obligation to ensure that a comparable replacement dwelling is available will be met when such a dwelling, or assistance necessary to provide such a dwelling, is offered under the provisions of this Article 13.

- b. Basic rights of persons to be displaced:
  - (1) The provisions of this section do not deprive any displaced person of any rights the person may have under the Policy and Procedures. The City will not require any displaced person to accept a dwelling provided by the City under these Procedures (unless the City 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. A one hundred eighty-day homeowner-occupant who is eligible for a payment under Section 8.1 is entitled to a reasonable opportunity to purchase a comparable replacement dwelling.
  - (2) The actual amount of assistance will be limited to the amount necessary to relocate to a comparable replacement dwelling within one year from the date the displaced homeowner-occupant is paid for the displacement dwelling or the date the person is initially offered a comparable replacement dwelling, whichever is later.
  - (3) The City is not required to provide persons owning only a fractional interest in the displacement dwelling a greater level of assistance to purchase a replacement dwelling than the City would be required to provide such persons if they owned fee simple title to the displacement dwelling. If such assistance is not sufficient to buy a replacement dwelling, the City may provide additional purchase assistance or rental assistance.

13.2. Methods of providing replacement housing. The City has broad latitude in implementing its last resort-housing program, but implementation will be on a reasonable cost-effective basis.

- a. The methods of providing last resort housing include, but are not limited to:
  - (1) Rehabilitation of and/or additions to an existing replacement dwelling.
  - (2) The construction of a new replacement dwelling.
  - (3) 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.

- (4) A replacement housing payment in excess of the limits set forth in these sections. A rental assistance subsidy may be provided in installments or in a lump sum.
  - (5) The relocation and, if necessary, rehabilitation of a dwelling.
  - (6) The purchase of land and/or a replacement dwelling by the displacing City and subsequent sale or lease to, or exchange with, a displaced person.
  - (7) The removal of barriers to the handicapped.
  - (8) The change in status of the displaced person from tenant to homeowner when it is more cost-effective to do so, as in cases where a down payment may be less expensive than a last resort rental assistance payment.
- b. Under special circumstances, modified methods of providing housing of last resort permit consideration of:
- (1) Replacement housing based on space and physical characteristics different from those in the displacement dwelling.
  - (2) Upgraded, but smaller replacement housing that is decent, safe, and sanitary and adequate to accommodate individuals or families displaced from marginal or substandard housing with probable functional obsolescence.
  - (3) The financial means of a displaced person who is not eligible to receive a replacement housing payment because of failure to meet length-of-occupancy requirements when comparable replacement rental housing is not available at rental rates within thirty percent of the person's gross monthly household income.

#### 14. NOTICES

Notices will be written and will be in plain understandable language. Persons unable to read and understand the notice must be provided with appropriate translation and counseling. Each notice will indicate the name and telephone number of a person who may be contacted for answers to questions or other needed help. Notices will be personally served or sent by registered or certified first-class mail return receipt requested and documented in the City's files.

#### 15. RECORD KEEPING

The City will maintain records of acquisition and displacement activities in sufficient detail to demonstrate compliance with these Procedures and law. These records must be maintained for at least 3 years after each owner of a property and each person displaced from a property receives the final payment to which the person is entitled under these Procedures or in accordance with federal funding requirements, whichever is later. Such records will be confidential regarding their use as

public information, unless applicable law provides otherwise.

## 16. CONTRACTS FOR SERVICES

In order to prevent unnecessary expenses and delays, and to promote uniform and effective administration of the Program, the City may enter into contracts with any individual, firm, association, local public agency or state agency for services in connection with these Procedures or may carry out its functions under these Procedures through any state agency or local public agency having an established organization for conducting relocation assistance programs.

<sup>1</sup> RCW 8.26.035(3), WAC 468-100-304(1), 49 C.F.R. § 24.306(a)

<sup>2</sup> WAC 468-100-304(4), 49 C.F.R. § 24.306(d)

<sup>3</sup> WAC 468-100-304(5), 49 C.F.R. § 24.306(e)

<sup>4</sup> WAC 468-100-302, 49 C.F.R. § 24.302

<sup>5</sup> RCW 8.26.035(d), WAC 468-100-306, 49 C.F.R. § 24.304

<sup>6</sup> WAC 468-100-306(c)

<sup>7</sup> WAC 468-100-306(h)

<sup>8</sup> RCW 8.26.045(1), WAC 468-100-401(2), 49 C.F.R. § 24.401(b)

<sup>9</sup> WAC 468-100-401(2), 49 C.F.R. § 24.401(b)

<sup>10</sup> WAC 468-100-401(6), 49 C.F.R. § 24.401(f)

<sup>11</sup> RCW 8.26.055(1), WAC 468-100-402(1), 49 C.F.R. § 24.402(a)

<sup>12</sup> RCW 8.26.055(1), WAC 468-100-402(2)(a), 49 C.F.R. § 24.402(b)

<sup>13</sup> WAC 468-100-402(2)(a), 49 C.F.R. § 24.402(b)

<sup>14</sup> WAC 468-100-402(3)(a), 49 C.F.R. § 24.402(c)

<sup>15</sup> WAC 468-100-401, 49 C.F.R. § 24.503(a)

<sup>16</sup> WAC 468-100-504, 49 C.F.R. § 24.504

EXHIBIT "A"

CITY OF LAKEWOOD  
RELOCATION POLICY,  
PROCEDURES, AND GUIDELINES

8/14/00  
VERSION  
27

CITY OF LAKEWOOD  
RELOCATION POLICY,  
PROCEDURES, AND GUIDELINES

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# CITY OF LAKEWOOD RELOCATION POLICY, PROCEDURES, AND GUIDELINES

## 1. POLICY

In order to address the need for municipal services within the City of Lakewood, there are occasions when it will be necessary for the City to acquire real property or become involved in projects where real property is to be acquired. This may result in the dislocation of property owners, businesses, tenants, and individuals located within buildings on such real property. It is the City's intent to treat such property owners and their tenants fairly, to minimize hardships of displacement by equitable treatment of persons and businesses displaced as a direct result of the municipal projects, and to seek cooperative settlements of relocation claims. These Relocation Policy, Procedures, and Guidelines ("Procedures") are written to provide the City the ability to accomplish these goals within the City's limited resources and schedule constraints.

These Procedures should be implemented so as to encourage the cooperative agreements with owners and tenants that avoid protracted disputes and litigation where possible.

## 2. PURPOSE

These Procedures are to be carried out such that the City's program of assistance involving relocation of persons displaced by, the implementation of municipal projects, complies with applicable federal and state law.

## 3. STATE AND FEDERAL LAW CERTIFICATION

The City certifies that it will comply with applicable law, including chapter 8.26 RCW, chapter 468-100 WAC, U.S.C.A. Title 42, and 49 C.F.R. Part 24 in connection with the relocation of persons displaced by the implementation of municipal projects, as they pertain to the project involved. In order to do so, City is establishing a relocation program that is comprised of these Procedures and future administrative policies and procedures (the "Program").

## 4. ACCOUNTABILITY AND DELEGATION

The City Council will be responsible for the policy direction of the City's Program. By adopting these Policies, Procedures and Guidelines the City Council is establishing the acceptable terms and conditions for relocation of persons and businesses. In the interest of administrative efficiency, the City hereby acknowledges certain delegations of authority regarding property and leasehold transactions and improvements. The City Council hereby further authorizes the City Manager to adopt such administrative rules, procedures or guidelines as the City Manager may determine to be necessary to implement these Procedures.

## 5. DEFINITIONS

- 5.1. Appraisal. A written statement independently and impartially prepared by a qualified appraiser setting forth an opinion of defined fair market value of an adequately described property as of a specific date, supported by the presentation and analysis

of relevant market information.

- 5.2. Acquisition Price. The price, based upon appraisal fair market value, paid to acquire real property for Project.
- 5.3. Appraised fair market value. The value arrived at using appraisal and review appraisal value. This value may be given as a range of values, with no more than a 10% variation from the higher end of the range.
- 5.4. Business. Any lawful activity that is conducted:
  - a. Primarily for the purchase, sale, lease, and/or rental of personal and/or real property, and/or for the manufacture, processing, and/or marketing of products, commodities, and/or any other personal property; or
  - b. Primarily for the sale of services to the public; or
  - c. Solely for the purpose of Section 6.1, conducted primarily for outdoor advertising display purposes, when the display must be moved as a result of the project; or
  - d. By a nonprofit organization that has established its nonprofit status under applicable federal or state law.
- 5.5. Comparable replacement dwelling. A dwelling that meets the additional rules in Section 8.3 and which:
  - a. Is decent, safe, and sanitary according to the definition in Section 5.7.
  - b. Is functionally equivalent to the displacement dwelling with particular attention to the number of rooms and living space. This means that the replacement dwelling should perform the same function, provide the same utility, and is capable of contributing to a comparable style of living. A comparable replacement dwelling need not possess every feature of the displacement dwelling, but the principal features must be present. Functional equivalency generally is an objective standard, reflecting the range of purposes for which the various features of a dwelling may be used. However, in determining functional equivalency, the City may consider reasonable tradeoffs for specific features when the replacement unit is equal to or better than the displacement dwelling.
  - c. Is adequate in size to accommodate the occupants.
  - d. Is located in an area that is not subject to unreasonable adverse environmental conditions, is not generally less desirable than the location of the displaced person's dwelling with respect to public utilities and commercial and public

facilities, and is reasonably accessible to the person's place of employment. Comparables may be used from neighborhoods similar to that of the acquired dwelling.

- e. Has a site that is typical in size for residential development with normal site improvements, including customary landscaping. The replacement site need not include either a special improvement or a major exterior attribute of the displacement site in accordance with Section 8.3.a, paragraph 2.
  - f. Is currently available to the displaced person on the private market. However, a comparable replacement dwelling for a person receiving government housing assistance before displacement may reflect similar government housing assistance.
  - g. Is priced within the financial means of the displaced person.
    - (1) For a one hundred eighty-day owner-occupant described at Section 8.1.a, a comparable dwelling is considered to be within the displacee's financial means if the owner will receive the full price differential as described in Section 8.1.a (3), all increased mortgage interest costs as described in Section 8.1.a (4), and all incidental expenses as described in Section 8.1.a (6) , plus any additional amount required to be paid under Article 13.
    - (2) For a ninety-day tenant-occupant described at Section 8.2.a, a comparable dwelling is considered to be within the displacee's financial means if after application of the rental assistance payment, described in said section, the displacee's portion of the monthly rent plus utilities do not exceed person's base monthly rental for the displacement dwelling as described in 8.2.a (2) (b).
    - (3) For a displaced person who is not eligible to receive a replacement housing payment under Section 8.2.a due to failure to meet the length of occupancy requirements, comparable housing is considered to be within the displacee's financial means if the City pays that portion of the monthly housing costs that would exceed thirty percent of the displacee's monthly income for forty-two months or, if receiving a welfare assistance payment from a program that designates amounts for shelter and utilities. Replacement housing payments would be paid under Article 13.
- 5.6. Contribute materially. During the two taxable years before the taxable year in which displacement occurs, or during such other period as the City determines to be more equitable, a business:
- a. Had average annual gross receipts of at least five thousand dollars (\$5,000);

or

- b. Had average annual net earnings of at least one thousand dollars (\$1,000); or Contributed at least thirty-three and one-third percent (33 1/3 %) of the owner's or operator's average annual gross income from all sources.

If the application of the above criteria creates an inequity or hardship in a given case, the City may approve the use of other criteria as determined appropriate.

- 5.7. Decent, safe, and sanitary (DSS) dwelling. A dwelling that meets applicable housing and occupancy codes. However, any of the following standards that are not met by an applicable code will apply, unless waived for good cause by the applicable federal funding. The dwelling will:

- a. Be structurally sound, weather tight, and in good repair.
- b. Contain a safe electrical wiring system adequate for lighting and other electrical devices.
- c. Contain a heating system capable of sustaining a healthful temperature (of approximately seventy degrees) for a displaced person.
- d. Be adequate in size with respect to the number of rooms and area of living space needed to accommodate the displaced person. There will be a separate, well-lighted and ventilated bathroom that provides privacy to the user and contains a sink, bathtub or shower stall, and a toilet, all in good working order and properly connected to appropriate sources of water and to a sewage drainage system. In the case of a housekeeping dwelling, there will 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.
- e. 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.
- f. For a displaced person who is handicapped, be free of any barriers that would preclude reasonable ingress, egress, or use of the dwelling by such displaced person.

- 5.8. Displaced person.

- a. General: Any person who moves from the real property or moves his or her personal property from the real property (this includes a person who does not meet the length of occupancy requirements of Sections 8.1.a and 8.2.a):
  - (1) As a direct result of the City's acquisition of, or the initiation of negotiation for or other involvement in acquisition of, such real property in whole or in part for the Project; or

- (2) As a direct result of a written order from the City to vacate such real property for the Project; or
  - (3) As a direct result of the City's acquisition of, or written order to vacate for the Project, other real property on which the person conducts a business;
  - (4) As a direct result of a voluntary transaction by the owner as described in Section 6.2.a, thereby displacing a tenant; or
  - (5) As a direct result of the City's rehabilitation or demolition for the Project ; or
  - (6) As a direct result of the City's initiation of negotiations, acquisition of, demolition of, in whole or in part, other real property on which the person conducts a business, for the Project. Eligibility under this subparagraph (6) is only for purposes of obtaining relocation assistance advisory services under Section 9.1 and moving expenses under Sections 6.1, 6.3, and 6.4.
- b. Persons not displaced: The following is a nonexclusive listing of persons who do not qualify as a displaced person under these Procedures.
- (1) A person who moves before the initiation of negotiations except one who is required to move for reasons beyond his or her control as explained in Section 8.3.e; or
  - (2) A person who initially enters into occupancy of the property after the date of its acquisition for the Project (such determination will be made in accordance with any guidelines of the federal funding agency); or
  - (3) A person that the City determines is not required to relocate permanently as a direct result of the Project; or
  - (4) A person that the City determines is not displaced as a direct result of a partial acquisition; or
  - (5) A person who, after receiving a notice of relocation eligibility also receives a notice of non eligibility (described in Section 9.3.b, paragraph 2); or
  - (6) An owner who voluntarily sells his or her property as described in Section 6.2.a after being informed in writing that if a mutually satisfactory agreement of sale cannot be reached, the City will not acquire the property; or
  - (7) A person who retains the right of use and occupancy of the real property for life following its acquisition by the City; or
  - (8) A person who retains the right of use and occupancy of the real

property for a fixed term after its acquisition for a program or project receiving federal financial assistance from the Department of Interior; or

- (9) A person who has occupied the property for the purpose of obtaining assistance under the Uniform Act;
  - (10) A person who is determined to be in unlawful occupancy or a person who has been evicted for cause before the initiations of negotiations for the property;
  - (11) A person who initially enters occupancy of the property after the date of its acquisition for the Project;
  - (12) A person who, after receiving notice of relocation eligibility, is notified in writing that he or she will not be displaced for the Project. Such notice will not be issued unless the person has not moved and the City agrees to reimburse the person for any expenses incurred to satisfy any findings of contractual obligations entered into after the effective date of the notice of relocation eligibility ; or
  - (13) An owner-occupant who moves as a result of the rehabilitation or demolition of the real property. (However, the displacement of a tenant as a direct result of any acquisition, rehabilitation, or demolition for a federally assisted project is subject to these Procedures.)
- 5.9. Dwelling. The place of permanent or customary and usual residence of a person, as determined by the City according to local custom or law, including a single family house; a single family unit in a two-family, multifamily, or multipurpose property; a unit of a condominium or cooperative housing project; a non-housekeeping unit; a mobile home; or any other fixed or installed residential unit other than a unit customarily used, and currently (although not necessarily immediately) capable of use, for transportation or recreational purposes.
- 5.10. Fair market value. The value of real property established by an appraisal and review appraisal, as set forth in Article 7 and Section 5.3.
- 5.11. Financial assistance. A grant, loan, or contribution, except a federal guarantee or insurance.
- 5.12. Initiation of negotiations. The date of delivery of the initial written offer by the City to the owner or the owner's representative to purchase real property the Project for the amount determined to be just compensation. However:
- a. If the City issues a notice of its intent to acquire the real property, and a person moves after that notice, but before delivery of the initial written purchase offer, the "initiation of negotiations" means the date the person moves from the property. (See also Section 12.4.c.)

- b. If the displacement is caused by rehabilitation, demolition, or privately undertaken acquisition of real property (and there is no related federal or state agency acquisition) the initiation of negotiations means the notice to the person that he or she will be displaced by the Project or, if there is no notice, the actual move of the person from the property ; or
  - c. In the case of a permanent relocation to protect the public health and welfare under the Comprehensive Environmental Response Compensation and Liability Act of 1980 (Pub. L. 96-510, or "Superfund"), the "initiation of negotiations" means the formal announcement of such relocation or the federal or federally-coordinated health advisory where the federal government later decides to conduct a permanent relocation.
- 5.13. Mortgage. Any of such classes of liens as are commonly given to secure advances on, or the unpaid purchase price of, real property, under the laws of the state of Washington, together with the credit instruments, if any, secured thereby.
- 5.14. Nonprofit Organization. An organization that is incorporated under the applicable laws of a state as a nonprofit organization, and exempt from paying federal income taxes under Section 501 of the Internal Revenue Code (26 U.S.C. 501).
- 5.15. Owner of displacement dwelling. A displaced person owns a displacement dwelling if the person holds any of the following interests in real property acquired for the Project:
- a. Fee title, a life estate, a ninety-nine year lease, or a lease, including any options for extension, with at least fifty years to run from the date of acquisition; or
  - b. An interest in a cooperative housing project that includes the right to occupy a dwelling; or
  - c. A contract to purchase any of the interests or estates described in subsection (a) or (b) above; or
  - d. Any other interests, including a partial interest, which in the judgment of the City warrants consideration as ownership.
- 5.16. Person. Any individual, family, partnership, corporation, or association.
- 5.17. Procedures. The City's Relocation Policy, Procedures, and Guidelines as contained in this document.
- 5.18. Program. The City's relocation program, comprised of the Procedures and any administratively adopted procedures and policies regarding relocation. The Project includes transit supportive and transit-oriented development undertaken by the City consistent with the City Council's adopted guidelines for transit oriented development.
- 5.19. Project. The Project includes municipal and City related development activities



which involved the need for relocation and relocation assistance as provided by these Relocation Policy, Procedures, and Guidelines, and for the purposes hereof, includes activities where real property is acquired, whether by the City or by another person, entity or organization, related to a project with which the City is involved, directly or indirectly, so as to implicate the City's Relocation Policy, Procedures, and Guidelines.

- 5.20. Salvage value. The probable sale price of an item, if offered for sale on the condition that it will be removed from the property at the buyer's expense, allowing a reasonable period of time to find a person buying with knowledge of the uses and purposes for which it is adaptable and capable of being used, including separate use of serviceable components and scrap when there is no reasonable prospect of sale except on that basis.
- 5.21. Small business. Any business having not more than five hundred employees working at the site being acquired or permanently displaced by the Project. Sites occupied solely by outdoor advertising signs, displays, or devices do not qualify as a business for purposes of Article 7.
- 5.22. State. Any department, commission, agency, or instrumentality of the state of Washington.
- 5.23. Tenant. A person who has temporary use and occupancy of real property owned by another.
- 5.24. Uneconomic remnant. A parcel of real property in which the owner is left with an interest after the partial acquisition of the owner's property, and that the City has determined has little or no value or utility to the owner.
- 5.25. Uniform Act. The Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601 et seq), and amendments thereto.
- 5.26. Unlawful occupancy. A person is considered to be in unlawful occupancy when such person has been ordered to move by a court before the initiation of negotiations for the acquisition of the occupied property, or is determined by the City to be a squatter who is occupying the property without permission of the owner and otherwise has no legal right to occupy the property under Washington law. The City may, at its discretion, consider such a squatter to be a legal occupant.
- 5.27. Utility Costs. Expenses for heat, light, water, and sewer.
- 5.28. Utility facility. Any electric, gas, water, steam power, or materials transmission or distribution system, any transportation system, any communications system, including cable television, and any fixtures, equipment, or other property associated with the operation, maintenance, or repair of any such system. A utility facility may be publicly, privately, or cooperatively owned.
- 5.29. Utility relocation. The adjustment of a utility facility required by the Project. It includes removing and reinstalling the facility, including necessary temporary

facilities, acquiring necessary right-of-way on new locations; moving rearranging or changing the type of existing facilities; and taking any necessary safety and protective measures. It also means constructing a replacement facility that has the functional equivalency of the existing facility and is necessary for the continued operation of the utility service, the Project economy, or sequence of Project construction.

5.30. Voluntary transaction. A donation, exchange, market sale, or other type of agreement entered into without compulsion on the part of the City.

5.31. W.S.D.O.T. The Washington State Department of Transportation.

## 6. PAYMENT FOR MOVING AND RELATED EXPENSES

If the City determines that the implementation of the Project will result in the displacement of a person who is dwelling on or conducting business on the real property being acquired, the City will reimburse or make a payment in lieu of reimbursement to the displaced person for certain costs and expenses required to move the individual, business, or other personal property.

6.1. Non-Residential Moves. The City will reimburse the displaced business for their documented actual moving and related expenses that the City determines to be reasonable and necessary, including those expenses described below.

a. Eligible Expenses. (See Section 6.6 for a list of ineligible expenses)

- (1) Transportation of personal property. Transportation costs for a distance beyond fifty miles are not eligible, unless the City, at its sole discretion, determines that relocation beyond fifty miles is justified.
- (2) Packing, crating, unpacking, and uncrating of the personal property.
- (3) Disconnecting, dismantling, removing, reassembling, and reinstalling relocated machinery, equipment, and other personal property, including substitute personal property described in paragraph 10 below. This includes connection to utilities available nearby. It also includes modifications to the personal property necessary to adapt it to the replacement structure, the replacement site, or the utilities at the replacement site, and modifications necessary to adapt the utilities at the replacement site to the personal property. (Expenses for providing utilities from the right-of-way to the building or improvement are excluded.)
- (4) Storage of the personal property for a period not to exceed twelve months, unless the City determines, in its sole discretion, that a longer period is necessary.

- (5) Insurance for the replacement value of the personal property in connection with the move and necessary storage.
- (6) Any license, permit, or certification required of the displaced person at the replacement location. However, the payment may be based on the remaining useful life of the existing license, permit, or certification.
- (7) 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 such loss, theft, or damage is not reasonably available.
- (8) Professional services necessary for the tasks listed below. Such professional services may include legal fees not to exceed seven thousand, five hundred (\$7,500,) (other than legal fees ineligible for reimbursement under Section 6.6), real property or equipment appraisals not to exceed five thousand (\$5,000,) property surveys for replacement location, and accounting fees not to exceed two thousand, five hundred (\$2,500,) including applicable local and state taxes associated with those fees.
  - (a) Planning the move of the personal property;
  - (b) Moving the personal property; and
  - (c) Installing the relocated personal property at the replacement location.
- (9) Re-lettering signs and replacing stationery on hand at the time of displacement that are made obsolete as a result of the move.
- (10) Actual direct loss of tangible personal property incurred as a result of moving or discontinuing the business. The payment will consist of the lesser of:
  - (a) The value of the item for continued use at the displacement site, 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 City determines that such effort is not necessary. When payment for property loss is claimed for goods held for sale, the value will be based on the cost of the goods to the business, not the potential selling price.); or
  - (b) The estimated cost of moving the item, but with no allowance for storage. (If the business is discontinued, the estimated cost will be based on a moving distance of fifty miles.)
- (11) The reasonable cost incurred in attempting to sell an item that is not

to be relocated.

- (12) Purchase of substitute personal property. If an item of personal property that is used as part of a business 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:

- (a) 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
- (b) The estimated cost of moving and reinstalling the replaced item but with no allowance for storage. At the City's discretion, the estimated cost for a low cost or uncomplicated move may be based on a single bid or estimate.

- (13) Searching for a replacement location. A displaced business is entitled to reimbursement for actual expenses, not to exceed one thousand dollars (\$1,000), as the City 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;
- (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 site.

- (14) Other moving-related expenses that are not listed as ineligible under Section 6.6, as the City determines to be reasonable and necessary.

b. Notification and inspection. The following requirements apply to payments under Article 6:

- (1) The City will inform the displaced person in writing, of the requirements of subparagraphs (2) and (3) below, as soon as possible after the initiation of negotiations. This information may be included in the relocation information provided to the displaced person as set forth in Section 9.3.
- (2) The displaced person must provide the City reasonable advance written notice of the approximate date of the start of the move or disposition of the personal property and a list of the items to be moved. The City may waive this notice in its discretion.



three other entities that are not being acquired, and that are under the same ownership and 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; and
  - (5) The business is not operated at the displacement site solely for the purpose of renting the site to others; and
  - (6) The business contributed materially to the income of the displaced person during the two taxable years before displacement.
- b. Determining the number of businesses: In determining whether two or more displaced legal entities constitute a single business that is entitled to only one fixed payment, the City will consider all pertinent factors 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 commingled;
  - (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.
- c. Nonprofit organization: A displaced nonprofit organization may choose a fixed payment of one thousand to twenty thousand dollars<sup>2</sup> in lieu of a payment for actual moving and related expenses if the City 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 City demonstrates otherwise. Any payment in excess of one thousand dollars must be supported with financial statements for the two twelve-month periods before the acquisition. The amount to be used for the payment is the average of two years annual gross revenues less administrative expenses.
- d. Average annual net earnings of a business: The average annual net earnings of a business are one-half of its net earnings before federal, state, and local income taxes during the two taxable years immediately before the taxable year in which it was displaced.<sup>3</sup> If the business was not in operation for the full two taxable years before displacement, net earnings will be based on the actual period of operation at the displacement site during the two taxable years before displacement projected to an annual rate. Average annual net earnings may be based upon a different period of time when the City determines it to be more equitable. Net earnings include any compensation

obtained from the business by its owner, the owner's spouse, and dependents. The displaced person will furnish the City proof of net earnings through income tax returns, certified financial statements, or other reasonable evidence that the City determines is satisfactory.

- 6.3. Residential Moves: Actual Expenses. The City will reimburse the displaced owner-occupant or tenant of a residential dwelling for their documented actual moving and related expenses that the City determines to be reasonable and necessary including the actual reasonable expenses in moving the person, her family, or other personal property.
- a. Disconnect, dismantle, and remove displaced personal property.
  - b. Pack displaced personal property.
  - c. Transport displaced person and personal property within fifty miles. The City may authorize transportation costs of a distance beyond fifty miles based on economic feasibility of the available choices of replacement locations, but not on the displacee's subjective preferences.
  - d. Store personal property for a period not to exceed twelve months, unless the City determines a longer period is necessary.
  - e. Unpack relocated personal property.
  - f. Reassemble, reinstall, and reconnect relocated personal property.
  - g. Insure for the replacement value of personal property in connection with the move; or where insurance covering loss, theft, or damage in the process of moving (not through fault or negligence of the displaced person or the person's agent, or employee) is not reasonably available, pay the replacement value for such loss, theft, or damage.
  - h. 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 such loss, theft, or damage is not reasonably available.
  - i. Reimburse other moving-relating expenses that are not listed as ineligible under Section 6.6, as the City determines to be reasonable and necessary.
- 6.4. Residential Moves: Fixed Payment In-Lieu of Reimbursement of Actual Expenses. A person displaced from a dwelling or a seasonal residence is entitled to receive a fixed payment in lieu of a payment for actual moving and related expenses covered under Section 6.3. This allowance will be determined according to the applicable schedule approved by the Federal Highway Administration and W.S.D.O.T., except

that the expense and dislocation allowance to a person occupying a furnished one-room unit shared by more than one other person involving a minimum of personal property to be moved, will be limited to fifty dollars.<sup>4</sup>

- 6.5. Residential Moves: Mobile Homes. If the displaced dwelling is a mobile home and/or mobile home site, the provisions below will supplement the procedures set forth above regarding reimbursement of moving expenses for persons displaced from a residential dwelling. However, if the mobile home is not acquired but the owner obtains a replacement housing payment under one of the circumstances described in Section 12.2.c, the owner is not eligible for payment for moving the mobile home.
- a. A displaced mobile homeowner, who moves the mobile home to a replacement site, is eligible for the necessary and reasonable cost of disassembling, moving, and reassembling any attached appurtenances (such as porches, decks, skirting, and awnings) that were not acquired, anchoring of the unit, and utility "hook-up" charges.
  - b. If a mobile home requires reasonable repairs and/or modifications so that it can be moved and/or made decent, safe, and sanitary, and the City determines that it would be practical to relocate it, the reasonable cost of such repairs and/or modifications is reimbursable.
  - c. A non-returnable mobile home park entrance fee is reimbursable, to the extent it does not exceed the fee at a comparable mobile home park, if the person is displaced from a mobile home park or the City determines that payment of the fee is necessary to effect relocation.
- 6.6 Ineligible Moving and Related Expenses. The City will not reimburse for certain moving and related expenses (residential and non-residential), including the following:
- a. The cost of moving any structure or other real property improvement in which the displaced person reserved ownership. However, this section does not preclude the computation under Section 8.1.a(3)(d)(iii) or
  - b. Interest on a loan to cover moving expenses; or
  - c. Loss of goodwill; or
  - d. Loss of profits; or
  - e. Loss of trained employees; or
  - f. Any additional operating expenses of a business, incurred because of operating in a new location except as provided in Section 7.1, paragraph j; or



- g. Personal injury; or
  - h. Any legal fee or other cost for preparing a claim for a relocation payment or for representing the claimant before the City; or
  - i. Expenses for searching for a replacement dwelling; or
  - j. Physical changes to the real property at the replacement location of a business; or
  - k. Costs for storage of personal property on real property already owned or leased by the displaced person.
- 6.7. Discretionary utility relocation payments. If the Project causes the relocation of a utility facility and the relocation of the facility creates extraordinary expenses for its owner, the City may, at its option, make a relocation payment to the owner for all or part of such expenses, if the following criteria are met:
- a. The utility facility legally occupies State or local government property, or property over which the State or local government has an easement or right-of-way; and
  - b. The utility facility's right of occupancy is pursuant to State law or local ordinance specifically authorizing such use and occupancy has been granted through a franchise, use and occupancy permit, or other similar agreement; and
  - c. Relocation of the utility facility is required by and is incidental to the primary purpose of the Project; and
  - d. There is no federal law, other than the Uniform Act, that clearly establishes a policy for the payment of utility moving costs that is applicable to the Project; and
  - e. State or local government reimbursement for utility moving costs or payment of such costs by the City is in accordance with State law.
- 6.8. Extraordinary Expenses. For the purposes of this Article, the term extraordinary expenses means those expenses which, in the City's opinion are not routine or predictable expenses relating to the utility's occupancy of rights-of-way, and are not ordinarily budgeted as operating expenses, unless the owner of the utility facility has explicitly and knowingly agreed to bear such expenses as a condition for use of the property, or has voluntarily agreed to be responsible for such expenses.
- 6.9. Utility Facility Relocation Costs. A relocation payment to a utility facility owner for moving costs under this section may not exceed the cost to functionally restore the

service disrupted by the Project, less any increase in value of the new facility and salvage value of the old facility. The City and the utility facility owner will reach prior agreement on the nature of the utility relocation work to be accomplished, the eligibility of the work for reimbursement, the responsibilities for financing and accomplishing the work, and the methods of accumulating costs and making payment.

- 6.10 State Law. The City may, in its discretion, provide for other relocation assistance in accordance with Chapter 59.21 RCW.

## 7. RE-ESTABLISHMENT EXPENSES

The City may reimburse a displaced business, or nonprofit organization for re-establishment expenses up to a maximum of ten thousand dollars (\$10,000).<sup>5</sup> Such reimbursement would be for expenses actually incurred in relocating and reestablishing the small business or non-profit organization at a replacement site. This reimbursement would be in addition to any reimbursement for moving and related expenses provided for in Article 6 above.

- 7.1. Eligible expenses. Reestablishment expenses must be reasonable and necessary, as determined by the City. They may include, but are not limited to, the following:
- a. Repairs or improvements to the replacement real property as required by federal, state, or local law, code, or ordinance.
  - b. Modifications to the replacement property to accommodate the business operation or make replacement structures suitable for conducting the business.
  - c. Construction and installation costs, not to exceed one thousand five hundred dollars (\$1,500) <sup>6</sup> for exterior signing to advertise the business.
  - d. Provision of utilities from right of way to improvements on the replacement site.
  - e. Redecoration or replacement of soiled or worn surfaces at the replacement site, such as paint, paneling, or carpeting.
  - f. Licenses, fees, and permits when not paid as part of moving expenses.
  - g. Feasibility surveys, soil testing and marketing studies.
  - h. Advertisement of replacement location, not to exceed one thousand, five hundred dollars (\$1,500).<sup>7</sup>
  - i. Professional services in connection with the purchase or lease of a replacement site.

- j. Increased costs of operation during the first two years at the replacement site, not to exceed five thousand dollars (\$5,000), for such items as:
    - (1) Lease or rental charges;
    - (2) Personal or real property taxes;
    - (3) Insurance premiums; and
    - (4) Utility charges, excluding impact fees.
  - k. Impact fees or one-time assessments for anticipated heavy utility usage.
  - l. Other items that the City considers essential to the reestablishment of the business.
  - m. Expenses in excess of the maximums set forth in subsections (c), (h), and (j) in Section 7.1 may be considered eligible if large and legitimate disparities exist between costs of operation at the displacement site and costs of operation at an otherwise similar replacement site. In such cases the applicable federal funding agency may, at the City's request, waive the regulatory limitation for reimbursement of such costs but in no event will total costs payable under this section exceed the ten thousand dollar (\$10,000) statutory maximum.
- 7.2. Ineligible expenses. The following is a nonexclusive list of reestablishment expenditures not considered to be reasonable, necessary, or otherwise eligible:
- a. Purchase of capital assets, such as, office furniture, filing cabinets, machinery, or trade fixtures.
  - b. Purchase of manufacturing materials, production supplies, product inventory, or other items used in the normal course of the business operation.
  - c. Interior or exterior refurbishments at the replacement site that are for aesthetic purposes, except as provided in Section 7.1, paragraph e.
  - d. Interest on money borrowed to make the move or purchase the replacement property.
  - e. Payment to a part-time business in the home that does not contribute materially to the household income.

## 8. PAYMENTS FOR REPLACEMENT HOUSING

- 8.1. For Certain Homeowners. In addition to payments otherwise authorized by these Procedures, the City will make an additional payment to persons displaced from a dwelling actually owned and occupied by the displaced person for not less than one hundred eighty (180) days immediately before the initiation of negotiations for the acquisition of the property. The additional payment will be made only to persons who purchase and occupy a decent, safe, and sanitary replacement dwelling within one year after the date when the person receives final payment from the City for the acquired dwelling or the date when the City's obligations under RCW 8.26.075 are met, whichever date is later, unless the City extends this period for good cause. If

the period is extended, the payments will be based on the costs of relocating the person to comparable replacement dwelling within one year of the extension date. Such payment will not exceed twenty two thousand, five hundred dollars (\$22,500)<sup>8</sup>, and will be established as set forth in Section 8.1.a below, and, in the case of mobile home owner-occupants, as supplemented by Sections 12.2 and 12.3 below.

a. Replacement housing payment for one hundred eighty-day homeowner-occupants.

(1) Entitlement: A displaced person is entitled to the replacement housing payment for a one hundred eighty-day, homeowner-occupant if the person:

- (a) Has actually owned and occupied the displacement dwelling for not less than the one hundred eighty days immediately before the initiation of negotiations; and
- (b) Purchases and occupies a DSS replacement dwelling within one year after the later of (except that the City may extend the one-year period for good cause):
  - i. The date the person receives final payment for the displacement dwelling or, in the case of condemnation, the date the required amount is deposited in the court;
  - ii. The date the person moves from the displacement dwelling; or
  - iii. The date the City's obligations under Article 13 are met.

(2) Amount of payment: The replacement housing payment for an eligible one hundred eighty-day homeowner-occupant may not exceed twenty-two thousand, five hundred dollars (\$22,500)<sup>9</sup>. The payment under this section is limited to the amount necessary to relocate to a comparable replacement dwelling within one year from the date the displaced homeowner-occupant is paid for the displacement dwelling, or the date such person is initially offered a comparable replacement dwelling, whichever is later. The payment will be the sum of:

- (a) The amount by which the cost of a replacement dwelling exceeds the acquisition cost of the displacement dwelling (price differential), as determined in accordance with subparagraph (3) of this section; and
- (b) The increased interest costs and other debt service costs to be incurred in connection with the mortgage(s) on the

- replacement dwelling (increased mortgage interest cost), as determined in accordance with subparagraph (4) of this section; and
- (c) The necessary and reasonable expenses incidental to the purchase of the replacement dwelling (incidental purchase expense), as determined in accordance with subsection (6) of this section.
- (3) Price differential:
- (a) Determination of price differential: The price differential to be paid under subsection (2)(a) of this section is the amount that must be added to the acquisition cost of the displacement dwelling to provide a total amount equal to the lesser of:
    - i. The reasonable cost of a comparable replacement dwelling as determined in accordance with Section 8.3.a; or
    - ii. The purchase price of the DSS replacement dwelling actually purchased and occupied by the displaced person.
  - (b) 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 tract larger than a site that is typical for residential purposes, only that portion of the acquisition payment that is actually attributable to the displacement dwelling will be considered its acquisition cost when computing the price differential.
  - (c) Insurance proceeds: To the extent necessary to avoid duplicate compensation, the amount of any insurance proceeds received by a person in connection with a loss to the displacement dwelling due to a catastrophic occurrence (fire, flood, etc.) will be included in the acquisition cost of the displacement dwelling when computing the price differential.
  - (d) Owner retention/salvage of displacement dwelling: If the owner retains ownership of, or obtains salvage rights to, the person's dwelling, moves it from the displacement site, and reoccupies it on a replacement site, the purchase price of the replacement dwelling will be the sum of:
    - i. The cost of moving and restoring the dwelling to retain the functional utility it had when situated on the displacement site; and
    - ii. The cost of making the unit a DSS replacement; and

- iii. The current fair market value for residential use of the replacement site (based on any reasonable evaluation method determined by the City), 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/salvage value of the displacement dwelling, as determined from the acquisition of the displacement dwelling.
- (e) Owner constructs replacement dwelling: If the owner obtains a DSS replacement dwelling by contracting for or otherwise obtaining new construction, the purchase price of the replacement dwelling will be the sum of:
- i. The cost necessary to construct a dwelling that is comparable to the displacement dwelling; and
  - ii. The current value for residential use of the replacement site (based on any reasonable evaluation method determined by the City), unless the claimant rented the displacement site and there is a reasonable opportunity for the claimant to rent a suitable replacement site.
- (4) Increased mortgage interest costs:
- (a) The City will determine the factors to be used in computing the amount to be paid to a displaced person under subsection (2)(b) of this section. The payment for increased mortgage interest costs will be the amount that 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 will include other debt service costs, if not paid as incidental costs, and will be based only on bona fide mortgages that were valid liens on the displacement dwelling for at least one hundred eighty days before the initiation of negotiations. Subparagraphs (b) through (e) of this subsection will apply to the computation of the increased mortgage interest costs payment, which payment will be contingent upon a mortgage being placed on the replacement dwelling.
  - (b) The payment will be based on the unpaid mortgage balance(s) on the displacement dwelling; however, in the event the person obtains a smaller mortgage than the mortgage

- balance(s) computed in the buy down determination the payment will be prorated and reduced accordingly.
- In the case of a home equity loan the unpaid balance will be that balance that existed one hundred eighty days before the initiation of negotiations or the balance on the date of acquisition, whichever is less.
- (c) The payment will be based on the remaining term of the mortgage(s) on the displacement dwelling or the term of the new mortgage, whichever is shorter.
  - (d) The interest rate on the new mortgage used in determining the amount of the payment will 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.
  - (e) Purchaser's points and loan origination or assumption fees, but not seller's points, will 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 City determines them to be necessary; and
    - iv. The computation of such points and fees will be based on the unpaid mortgage balance on the displacement dwelling, less the amount determined for the reduction of such mortgage balance under this section.
- (5) The displaced person will 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 will be made available at or near the time of closing on the replacement dwelling in order to reduce the new mortgage as intended.
- (6) Incidental purchase expenses: The incidental purchase expenses to be paid for a one hundred eighty-day homeowner-occupant (under subsection (2)(c) of this section) or for down payment assistance (under Section 8.3) 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, and are limited by such costs based on the cost of a comparable replacement dwelling pursuant to Section 8.3.a, including:
- (a) Legal, closing, and related costs, including those for title search, preparing conveyance instruments, notary fees, preparing surveys and plats, and recording fees.

- (b) Lender, FHA, or VA application and appraisal fees.
  - (c) Loan origination or assumption fees that do not represent prepaid interest.
  - (d) Certification of structural soundness and termite inspection when required.
  - (e) Credit report.
  - (f) Owner's and mortgagee's evidence of title, e.g., title insurance.
  - (g) Escrow agent's fee.
  - (h) State revenue or documentary stamps, sales or transfer taxes.
  - (I) Such other costs that the City determines to be incidental to the purchase.
- (7) Rental assistance payment for one hundred eighty-day homeowner: A one hundred eighty-day homeowner-occupant who is eligible for a replacement housing payment under subsection (1) of this section but elects to rent a replacement dwelling, is eligible for a rental assistance payment not to exceed five thousand, two hundred fifty dollars (\$5,250)<sup>10</sup>, computed and disbursed in accordance with 8.2.a.

8.2. For Tenants and Others. In addition to payments otherwise authorized by these Procedures, the City will make an additional payment to persons displaced from a dwelling who is not eligible to receive a payment under Section 8.1 if the dwelling was actually and lawfully occupied by the displaced person for not less than ninety days immediately before (a) the initiation of negotiations for acquisition of the dwelling, or (b) in any case in which displacement is not a direct result of acquisition, such other event as is prescribed by Section 8.2.a. The payment will consist of the amount necessary to enable the person to lease or rent for a period not to exceed forty-two months, a comparable replacement dwelling, but not to exceed five thousand, two hundred (\$5,200).<sup>11</sup> The amount of the payment will be established as provided in paragraph 1 below, and, in the case of 90-day mobile home occupants, as supplemented by Sections 12.3 and 12.4.

a. Replacement housing payment for ninety-day occupants.

- (1) Entitlement: A tenant or owner-occupant displaced from a dwelling is entitled to a payment not to exceed five thousand two hundred fifty dollars (\$5,250)<sup>12</sup> for rental assistance, as computed in accordance with subsection (2) of this section, or down payment assistance, as computed in accordance with subsection (3) of this section, if such displaced person:
  - (a) Has actually and lawfully occupied the displacement dwelling for at least ninety days immediately before the initiation of



- negotiations; and
- (b) Has rented, or purchased, and occupied a DSS replacement dwelling within one year (unless the City extends this period for good cause) after:
    - i. For a tenant, the date the tenant moves from the displacement dwelling; or
    - ii. For an owner-occupant, the later of:
      - (A) The date the owner-occupant receives final payment for the displacing interest, or in the case of condemnation, the date the required amount is deposited with the court; or
      - (B) The date the owner-occupant moves from the displacement dwelling.
- (2) Rental assistance payment:
- (a) Amount of payment: An eligible displaced person who rents a replacement dwelling is entitled to a payment not to exceed five thousand, two hundred fifty dollars (\$5,250)<sup>13</sup> for rental assistance. (See also Section 8.3.b.) Such payment will be forty-two times the amount obtained by subtracting the base monthly rent or the fair market rent (in accordance with (b) of this subsection) of the displacement dwelling for a reasonable period before displacement, as determined by the City, from the lesser of:
    - i. The monthly rent and average monthly cost of utilities for a comparable replacement dwelling; or
    - ii. The monthly rent and estimated average monthly utilities for the DSS replacement dwelling actually occupied by the displaced person.
  - (b) Base monthly rental for displacement dwelling. 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 a reasonable period before displacement, as determined by the City. (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); or
    - ii. Thirty percent of the person's average gross

household income. (If the person refuses to provide appropriate evidence of income or is a dependent, the base monthly rental will be established solely on the criteria in (b)(I) of this subsection. A full time student or resident of an institution may be assumed to be a dependent, unless the person demonstrates otherwise.)

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

(c) Manner of disbursement: A rental assistance payment may, at the City's discretion, be disbursed in either a lump sum or in installments. However, except as limited by Section 8.3.g., the full amount vests immediately, whether or not there is any later change in the person's income or rent, or in the condition or location of the person's housing.

(3) Down payment assistance payment:

(a) Amount of payment: An eligible displaced person who purchases a replacement dwelling is entitled to a down payment assistance payment in the amount the person would receive under subsection (2) of this section if the person rented a comparable replacement dwelling. At the discretion of the City, a down payment assistance payment may be increased to any amount not to exceed five thousand, two hundred fifty dollars (\$5,250).<sup>14</sup> However, the payment to a displaced homeowner will not exceed the amount the owner would receive under Section 8.1.a, paragraph 6 if he or she met the one hundred eighty-day occupancy requirement. The City's discretion to provide the maximum payment will be exercised in a uniform and consistent manner, so those eligible displaced persons in like circumstances are treated equally. A displaced person eligible to receive a payment as a one hundred eighty-day owner-occupant under Section 8.1.a is not eligible for this payment.

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

(c) Mobile Homes (See Sections 12.2 and 12.3.)

8.3. Additional rules governing replacement housing payments.

a. Determining cost of comparable replacement dwelling: The upper limit of a

replacement housing payment will be based on the cost of a comparable replacement dwelling.

- (1) Three-comparable method: If available, at least three comparable replacement dwellings will be examined and the payment computed on the basis of the dwelling most nearly representative of, and equal to, or better than, the displacement dwelling. An adjustment will be made to the asking price of any dwelling, to the extent justified by local market data. An obviously overpriced or underpriced dwelling may be ignored.
  - (2) Major exterior attribute: If the site of the comparable replacement dwelling lacks a major exterior attribute of the displacement dwelling site (e.g., the site is significantly smaller or does not contain a swimming pool), the value of such attribute will be subtracted from the acquisition cost of the displacement dwelling for purposes of computing the replacement housing payment.
  - (3) Remainder offer: If the acquisition of a portion of a typical residential property causes the displacement of the owner from the dwelling and the remainder is a remnant of the displacement dwelling site or a buildable residential lot, the City may offer to purchase that remainder. If such an offer is made and the owner refuses to sell the remainder to the City, the value attributable to that remainder, will be added to the acquisition price paid for the displacement dwelling for purposes of computing the price differential.
  - (4) Location: Comparable replacement dwellings will be selected preferably from the neighborhood in which the displacement dwelling was located or, if not otherwise feasible, from nearby or similar neighborhoods where housing costs are generally the same as in the displacement neighborhood. Where that is not possible dwellings may be selected from neighborhoods where housing costs are the same or higher.
- b. Applicability of last resort housing: Whenever a twenty-two thousand, five hundred dollar (\$22,500) replacement housing payment under Section 8.1.a or a five thousand, two hundred fifty dollar (\$5,250) replacement housing payment under Section 8.2.a would be insufficient to ensure that a comparable replacement dwelling is available on a timely basis to a person, the City will provide additional or alternative assistance under the last resort housing provisions in Article 13, which may include increasing the replacement housing payment so that a replacement dwelling is within the displaced person's financial.
- c. Inspection of replacement dwelling: Before making a replacement housing payment or releasing a payment from escrow, the City or its designated

- representative will inspect the replacement dwelling and determine whether it is a DSS dwelling.
- d. Purchase of replacement dwelling: A displaced person is considered to have met the requirement to purchase a replacement dwelling, if the person:
    - (1) Purchases a dwelling; or
    - (2) Purchases and rehabilitates a substandard dwelling; or
    - (3) Relocates a dwelling that the person owns or purchases; or
    - (4) Constructs a dwelling on a site the person owns or purchases; or
    - (5) Contracts for the purchase or construction of a dwelling on a site provided by a builder or on a site the person owns or purchases; or
    - (6) Currently owns a previously purchased dwelling and site, valuation of which will be on the basis of current value.
  - e. Occupancy requirements for displacement or replacement dwelling: No person will be denied eligibility for a replacement housing payment solely because the person is unable to meet the occupancy requirements set forth in this chapter for a reason beyond the person's control, including:
    - (1) A disaster, an emergency, or an imminent threat to the public health or welfare, as determined by the applicable federal funding agency; or
    - (2) Another reason, such as a delay in the construction of the replacement dwelling, military reserve duty, or hospital stay, as determined by the City.
  - f. Conversion of payment: A displaced person who initially rents a replacement dwelling and receives a rental assistance payment under Section 8.2.a(2)(a), is eligible to receive a payment under Section 8.1(a) or Section 8.2.a(3)(a), if the person meets the eligibility criteria for such payments, including purchase and occupancy within the prescribed one-year period. Any portion of the rental assistance payment that has been disbursed will be deducted from the payment computed under Section 8.1 or Section 8.2.a(3)(a).
  - g. Payment after death: A replacement housing payment is personal to the displaced person and upon the person's death the undisbursed portion of any such payment will 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 will be paid.
    - (2) The full payment will be disbursed in any case in which a member of a displaced family dies and the other family member(s) continue to occupy a DSS replacement dwelling.
    - (3) Any portion of a replacement housing payment necessary to satisfy

the legal obligation of an estate in connection with the selection of a replacement dwelling by or on behalf of a deceased person will be disbursed to the estate.

## 9. RELOCATION ASSISTANCE

At the request of a displaced person, business, the City will provide relocation assistance advisory services, and may also provide relocation services to any person occupying property immediate adjacent to the property where the displacing activity occurs, if the City determines that the displacing activity is causing substantial economic injury to the adjacent property.

- 9.1. Relocation Advisory Services. The City's relocation assistance advisory services may, in the City's discretion, include, but are not limited to, such measures, facilities, or services as may be necessary or appropriate to:
- a. Determine the relocation needs and preferences of each person to be displaced 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 may include a personal interview with each person.
  - b. Provide current and continuing information on the availability, purchase prices, and rental costs of comparable replacement dwellings, and explain that the person cannot be required to move unless at least one comparable replacement dwelling is made available as set forth in Section 9.4.
    - (1) As soon as feasible, the City will 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 Sections 8.3.a and 8.3.b) and the basis for the determination, so that the person is aware of the maximum replacement housing payment for which the person may qualify.
    - (2) Where feasible, housing will be inspected before being made available to assure that it meets applicable standards. If such an inspection is not made, the person to be displaced will be notified that a replacement housing payment may not be made unless the replacement dwelling is subsequently inspected and determined to be decent, safe, and sanitary (DSS).
    - (3) Whenever possible, minority persons will be given reasonable opportunities to relocate to DSS replacement dwellings, not located in an area of minority concentration, that are within their financial means. This does not, however, require the City to provide a person a larger payment than is necessary to enable a person to relocate to a comparable replacement dwelling.
    - (4) All displaced persons, especially the elderly and handicapped, will be

offered transportation to inspect housing to which they are referred.

- c. Provide current and continuing information on the availability, purchase prices, and rental costs of comparable and suitable commercial and business properties and locations. Assist any person displaced from a business to obtain and become established in a suitable replacement location.
  - d. 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.
  - e. Supply persons to be displaced with appropriate information concerning federal and state housing programs, disaster loans and other programs administered by the Small Business Administration, and other federal, state, and local programs offering assistance to persons to be displaced.
  - f. Any person who occupies property acquired by the City or in connection with a City project, when such occupancy began subsequent to the acquisition of the property, and the occupancy is permitted by a short-term rental agreement or an agreement subject to termination when the property is needed the Project, will be eligible for advisory services, as determined by the City.
- 9.2. Coordination of relocation activities. Relocation activities will 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.
- 9.3. Relocation Notice and Information.
- a. General Relocation Information Notice: As soon as feasible, the City will provide a person scheduled to be displaced with a copy of these Procedures, along with a general written description of the City's relocation Program. The written description will include at least the following:
    - (1) Informs the person that the person may be displaced for the project and generally describes the relocation payment(s) for which the person may be eligible, the basic conditions of eligibility, and the procedures for obtaining the payment(s).
    - (2) Informs the person that the person will be given reasonable relocation advisory services, including referrals to replacement properties, help in filing payment claims, and other necessary assistance to help the person successfully relocate.
    - (3) Informs the person that he or she will not be required to move without at least ninety days' advance written notice (see subparagraph (c) of this section), and informs any person to be displaced from a residential dwelling that the person cannot be required to move

permanently unless at least one comparable replacement dwelling has been made available.

- (4) Describes the person's right to appeal the City's determination as to eligibility for, or the amount of, any relocation payment for which the person may be eligible under these Procedures.

b. Notice of relocation eligibility:

- (1) Eligibility for relocation assistance will begin on the date of initiation of negotiations for the occupied property. When this occurs, the City will promptly provide written notice to all occupants to be displaced of their eligibility for applicable relocation assistance.
- (2) An occupant may subsequently be provided a notice of noneligibility if the City determines the person will not be displaced. Such notice may be issued only if the person has not moved and the City agrees to reimburse the person for any expenses incurred to satisfy any binding contractual relocation obligations entered into after the effective date of the notice of relocation eligibility.

c. Ninety-day notice:

- (1) General: No lawful occupant will be required to move unless the occupant has received at least ninety days advance written notice of the earliest date by which he or she may be required to move.
- (2) Timing of notice: The City may issue the notice ninety days before it expects the person to be displaced or earlier. When possible the City will attempt to provide maximum notification time but in any event no less than 90 days, except in case of urgent need(s).
- (3) Content of notice: The ninety-day notice will either 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 thirty days in advance, the specific date by which the occupant must move. If the ninety-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 ninety days after such a dwelling is made available.
- (4) Urgent need: In unusual circumstances, an occupant may be required to vacate the property on less than ninety days advance written notice if the City determines that a ninety-day notice is impracticable, such as when the person's continued occupancy of the property would constitute a substantial danger to health or safety. A record of the City's determination will be included in the applicable case file.

9.4. Availability of Comparable Replacement Dwelling Before Displacement. No person

to be displaced will be required to move from the person's dwelling unless at least one comparable replacement has been made available to the person.

- a. Policy: Three or more comparable replacement dwellings will be made available unless such dwellings are not available on the local housing market. When otherwise feasible, in accordance with Section 9.1.b, paragraph 3 and Section 8.3.a, paragraph 4, comparable replacement dwellings to be made available to minority persons may include dwellings not located in an area of minority concentration. A comparable replacement dwelling will be considered to have been made available to a person, if:
  - (1) The person is informed of its location; and
  - (2) The person has sufficient time to negotiate and enter into a purchase agreement or lease for the property; and in order to meet the deadlines of the project, the City may, at the request of the displaced person, provide assistance in these negotiations.
  - (3) Subject to reasonable safeguards, the person is assured of receiving the acquisition payment to which the person is entitled in sufficient time to complete the purchase or lease of the property.
- b. Circumstances permitting waiver: The applicable federal funding agency may grant a waiver of the policy in subparagraph a of this section in any case where it is demonstrated that a person must move because of:
  - (1) A major disaster as defined in section 102(c) of the Disaster Relief Act of 1974 (42 U.S.C. 5121); or
  - (2) A presidentially declared national emergency; or
  - (3) Another emergency that 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.
- c. Basic conditions of emergency move: Whenever a person is required to relocate for a temporary period because of an emergency as described in subparagraph b of this section, for purposes of filing a claim and meeting the eligibility requirements for a relocation payment, the date of displacement is the date the person moves from the temporarily-occupied dwelling. The City will:
  - (1) Take whatever steps are necessary to assure that the person is temporarily relocated to a sanitary dwelling; and
  - (2) Pay the actual reasonable out-of-pocket moving expenses and any reasonable increase in monthly housing costs incurred in connection with the temporary relocation; 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 the temporarily occupied dwellings.)
- (4) The person is entitled to be heard according to Article 11 in the event of a grievance.

9.5. Eviction for cause. Eviction for cause must conform to applicable state and local law. Any person who has lawfully occupied the real property, but who is later evicted for cause on or after the date of the initiation of negotiations, retains the right to the relocation payments and other assistance set forth in these Procedures. Any person who occupies the real property and is not in lawful occupancy on the date of initiation of negotiations is presumed to be entitled to relocation payments and other assistance set forth in this Article 9 unless the City determines that:

- a. The person received an eviction notice before the initiation of negotiations and as a result of that notice is later evicted; or
- b. The person is evicted after the initiation of negotiations for serious or repeated violations of material terms of the lease and occupancy agreement; and
- c. In either case the eviction was not undertaken for the purpose of evading the obligation to make available the payments and other assistance set forth in Article 9.

For purposes of determining eligibility for relocation payments, the date of displacement is the date the person moves or the date a comparable replacement dwelling is made available, whichever is later. This section applies only if the City had intended to displace the person.

9.6. Claims for relocation payments.

- a. Documentation: Any claim for a relocation payment must be supported by documentation reasonably necessary to support expenses incurred, such as, bills, certified prices, appraisals, or other evidence of such expenses. Payment for a low cost or uncomplicated move may be made without documentation of actual costs when payment is limited to the amount of the lowest acceptable bid or estimate obtained by the City. The City will provide a displaced person with reasonable assistance necessary to complete and file any required claim for payment.
- b. Expeditious payments: The City will review claims expeditiously. The City will promptly notify claimants as to any additional documentation that is

required to support the claim. Payment for a claim will be made as soon as feasible following receipt of sufficient documentation to support the claim.

- c. Advance payments: If a person demonstrates the need for an advance relocation payment in order to avoid or reduce a hardship, the City may issue the payment, subject to such safeguards as are appropriate to ensure that the objective of the payment is accomplished.
- d. Time for filing: All claims for a relocation payment must be filed with the City within eighteen months after:
  - (1) For tenants, the date of displacement;
  - (2) For owners, the date of displacement or the date of the final payment for the acquisition of the real property, whichever is later.

The City will waive this time period for good cause.

- e. Multiple occupants of one displacement dwelling: 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 City, of any relocation payments that would have been made if the occupants moved together to a comparable replacement dwelling. However, if the City determines that two or more occupants maintained separate households within the same dwelling, such occupants have separate entitlements to relocation payments.
  - f. Deductions from relocation payments: The City will deduct the amount of any advance relocation payment from the relocation payment(s) to which a displaced person is otherwise entitled. Similarly where such a deduction would not prevent the displaced person from obtaining a comparable replacement dwelling as required by Section 9.4 the City may deduct from relocation payments any rent that the displaced person owes the City. The City will not withhold any part of a relocation payment to a displaced person to satisfy an obligation to any other creditor.
  - g. Notice of denial of claim: If the City disapproves all or part of a payment claimed or refuses to consider the claim on its merits because of untimely filing or other grounds, it will promptly notify the claimant in writing of its determination, the basis for its determination, and the procedures for appealing that determination.
- 9.7. Relocation planning. The Project will be planned in such a manner that the problems associated with the displacement of individuals, families, businesses and non-profit organizations are recognized and solutions are developed to minimize the adverse impacts of displacement. Such planning, where appropriate, will precede any City action that will cause displacement, and will 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 the following:

- a. An estimate of the number of households to be displaced including information such as owner/tenant status, estimated value and rental rates of property to be acquired, family characteristics, and special consideration of the impacts on minorities, the elderly, and the handicapped, when applicable.
- b. 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 displaced. When an adequate supply of comparable housing is not expected to be available, consideration of housing of last resort actions should be instituted.
- c. An estimate of the number, types, and size of the businesses and non-profit organizations to be displaced and the approximate number of employees that may be affected.
- d. Consideration of any special relocation advisory services that may be necessary from the City and other cooperating agencies.

#### 10. CHARACTERIZATION OF PAYMENTS

No payment received by a displaced person or business under these Procedures may be considered as income for the purpose of determining the eligibility or extent of eligibility of any person for assistance under any state law for the purposes of any income tax or any tax imposed under Title 82 RCW and the payment will not be deducted from any amount to which any recipient would otherwise be entitled under Title 74 RCW. No payment received by a displaced person under these Procedures will 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, or for the purpose of determining the eligibility or the extent of eligibility of any person for assistance under the Social Security Act or any other federal law except for any federal law providing low-income housing assistance.

#### 11. RELOCATION APPEALS PROCESS

The City will promptly review appeals in accordance with the requirements of applicable law and these Procedures.

- 11.1. **Appealable Actions.** A person may file written notice of an appeal with the City in any case in which the person believes that the City has failed to properly determine the person's eligibility for, or the amount of, a payment required under these Procedures, or a relocation payment required under the Program.
- 11.2. **Limitations.** A person is entitled to only such benefits as are specifically delineated in these Procedures.

- 11.3. Form of notice. Appeals must be in writing. The City will consider a written appeal regardless of form. The appeal notice or letter should state what issues are being claimed, the reasons why the aggrieved person believes the claim should be allowed, and how the person believes he or she is otherwise aggrieved. The letter or notice should clearly identify the City's project and the parcel of real property involved and should bear the signature and address of the aggrieved person or the person's authorized representative. The City may refuse to schedule any review or hearing on an appeal until these requirements have been complied with or may issue an order providing for dismissal of such appeal upon failure to comply within a reasonable time specified by the City, which will not be less than 14 days.
- 11.4. Time limit for initiating appeal. The time limit will be sixty days after the person receives written notification of the City's determination on the person's claim.
- 11.5. Review of files by person making appeal. The City will permit a person to inspect and copy all materials pertinent to the person's appeal, except materials that are classified as confidential by the City. The City may, however, impose reasonable conditions on the person's right to inspect, consistent with applicable laws.
- 11.6. Scope of Review Appraisal. In deciding appeal, the City will consider all pertinent justification and other material submitted by the person, and all other available information that is needed to ensure a fair and full review of the appeal.
- 11.7. City Official to Review Appeal. The City Manager or his or her authorized designee will conduct the review of the appeal. However, in no event will the reviewing official have been directly involved in the action appealed.
- 11.8. Determination of Notification. Promptly after receipt of all information submitted by a person in support of an appeal, the City will make a written determination on the appeal, including an explanation of the basis on which the discussion was made, and furnish the person a copy. If the full relief requested is not granted the City will advise the person of his or her right to seek judicial review.
- 11.9. Hearing process. Except as they may be inconsistent with the rules of this chapter, the practice and procedure rules as set forth in chapter 468-10 WAC will apply to appeals under this Program. Where the rules of these Procedures conflict with those of chapter 468-10 or 10-08 WAC, the rules of these Procedures will govern.
- 11.10. Discovery. Discovery will be available in relocation appeals as follows. Any party to a relocation appeal may obtain discovery from any party by written interrogatories, written admissions, oral depositions, subpoena duces tecums, and written requests for production of documents. The procedures regarding these methods of discovery are found at CR 28 through 36 and 45(b) as now or hereafter amended and are hereby incorporated in these Procedures.

## 12. MOBILE HOMES

12.1. General Provisions. This Article 12 describes the requirements governing the provision of relocation payments to a person displaced from a mobile home and/or mobile homesite who meets the basic eligibility requirements of these Procedures. Except as modified by Section 6.5 and this Article 12, such a displaced person is entitled to a moving expense payment in accordance with Article 6 and a replacement housing payment in accordance with Article 8 to the same extent and subject to the same requirements as persons displaced from conventional dwellings. See also Section 6.10.

12.2. Replacement housing payment for one hundred eighty-day mobile home owner-occupants.

A displaced owner-occupant of a mobile home is entitled to a replacement housing payment, not to exceed twenty-two thousand, five hundred dollars (\$22,500)<sup>15</sup> under Section 8.1 if:

- a. The person both owned the displacement mobile home and occupied it on the displacement site for at least the one hundred eighty days immediately before the initiation of negotiations;
- b. The person meets the other basic eligibility requirements in Section 8.1.a; and
- c. The City acquires the mobile home and/or mobile homesite or the mobile home is not acquired by the City but the owner is displaced from the mobile home because the City determines that the mobile home:
  - (1) Is not and cannot economically be made decent, safe, and sanitary; or
  - (2) Cannot be relocated without substantial damage or unreasonable cost; or
  - (3) Cannot be relocated because there is no available comparable replacement site; or
  - (4) Cannot be relocated because it does not meet mobile home park entrance requirements.

If the mobile home is not actually acquired, but the City determines that it is not practical to relocate it, the acquisition cost of the displacement dwelling used when computing the price differential amount, described in Section 8.1.a, will include the salvage value or trade-in value of the mobile home, whichever is higher.

12.3. Replacement housing payments for ninety-day mobile home occupants. A displaced tenant or owner-occupant of a mobile home is eligible for a replacement housing payment, not to exceed five thousand, two hundred fifty dollars (\$5,250), under Section 8.2 if:<sup>16</sup>

- a. The person actually occupied the displacement mobile home on the displacement site for at least the ninety days immediately before the initiation of negotiations;
- b. The person meets the other basic eligibility requirements in Section 8.2.a, paragraph 1; and
- c. The City acquires the mobile home and/or mobile homesite, or the mobile home is not acquired by the City but the owner or tenant is displaced from the mobile home because of one of the circumstances described in Section 12.2.c.

12.4. Additional rules governing relocation payment to mobile home occupants.

- a. Replacement housing payment based on dwelling and site: Both the mobile home and mobile homesite must be considered when computing a replacement housing payment. For example, a displaced mobile home occupant may have owned the displacement mobile home and rented the site or may have rented the displacement mobile home and owned the site. Also a person may elect to purchase a replacement mobile home and rent a replacement site, or rent a replacement mobile home and purchase a replacement site. In such cases, the total replacement housing payment will consist of a payment for a dwelling and a payment for a site; each computed under the applicable section in Sections 8.1 through 8.3. However, the total replacement housing payment under Sections 8.1 through 8.3 will not exceed the maximum payment (either twenty-two thousand, five hundred dollars (\$22,500) or five thousand, two hundred fifty dollars (\$5,250) permitted under the subsection that governs the computation for the dwelling. (See also Section 8.3.b.)
- b. Cost of comparable replacement dwelling:
  - (1) If a comparable replacement mobile home is not available, the replacement housing payment will be computed on the basis of the reasonable cost of a conventional comparable replacement dwelling.
  - (2) If the City determines that it would be practical to relocate the mobile home, but the owner-occupant elects not to do so, the City may determine that, for purposes of computing the price differential under Section 8.1.a, the cost of a comparable replacement dwelling is the sum of:
    - (3) The value of the mobile home;
    - (4) The cost of any necessary repairs or modifications; and
    - (5) The estimated cost of moving the mobile home to a replacement site.
- c. Initiation of negotiations: If the mobile home is not actually acquired, but the occupant is considered displaced under these Procedures, "initiation of

negotiations” is the date of initiation of negotiations to acquire the land, or, if the land is not acquired, the date of the written notification that the occupant is a displaced person under this chapter.

- d. Person moves mobile home: If the owner is reimbursed for the cost of moving the mobile home under this chapter, the owner is not eligible to receive a replacement housing payment to assist in purchasing or renting a replacement mobile home. The owner may, however, be eligible for assistance in purchasing or renting a replacement site.
- e. Partial acquisition of mobile home park: 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. If the City determines that a mobile home located in the remaining part of the property must be moved as a direct result of the project, the owner and any tenant will be considered a displaced person who is entitled to relocation payments and other assistance under this chapter.
- f. General provisions: Section 8.1 also applies.

### 13. LAST RESORT HOUSING

#### 13.1. Applicability.

- a. Basic determination to provide last resort housing: A person will not be required to move from the person’s dwelling unless the City has made available to the person at least one comparable replacement dwelling. Whenever the City determines that a replacement housing payment under Sections 8.1 through 8.3 would not be sufficient to provide a comparable replacement dwelling on a timely basis to the person, the City may take appropriate cost-effective measures this section to provide such a dwelling. The City’s obligation to ensure that a comparable replacement dwelling is available will be met when such a dwelling, or assistance necessary to provide such a dwelling, is offered under the provisions of this Article 13.
- b. Basic rights of persons to be displaced:
  - (1) The provisions of this section do not deprive any displaced person of any rights the person may have under the Policy and Procedures. The City will not require any displaced person to accept a dwelling provided by the City under these Procedures (unless the City 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. A one hundred eighty-day homeowner-

occupant who is eligible for a payment under Section 8.1 is entitled to a reasonable opportunity to purchase a comparable replacement dwelling.

- (2) The actual amount of assistance will be limited to the amount necessary to relocate to a comparable replacement dwelling within one year from the date the displaced homeowner-occupant is paid for the displacement dwelling or the date the person is initially offered a comparable replacement dwelling, whichever is later.
- (3) The City is not required to provide persons owning only a fractional interest in the displacement dwelling a greater level of assistance to purchase a replacement dwelling than the City would be required to provide such persons if they owned fee simple title to the displacement dwelling. If such assistance is not sufficient to buy a replacement dwelling, the City may provide additional purchase assistance or rental assistance.

13.2. Methods of providing replacement housing. The City has broad latitude in implementing its last resort-housing program, but implementation will be on a reasonable cost-effective basis.

- a. The methods of providing last resort housing include, but are not limited to:
  - (1) Rehabilitation of and/or additions to an existing replacement dwelling.
  - (2) The construction of a new replacement dwelling.
  - (3) 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.
  - (4) A replacement housing payment in excess of the limits set forth in these sections. A rental assistance subsidy may be provided in installments or in a lump sum.
  - (5) The relocation and, if necessary, rehabilitation of a dwelling.
  - (6) The purchase of land and/or a replacement dwelling by the displacing City and subsequent sale or lease to, or exchange with, a displaced person.
  - (7) The removal of barriers to the handicapped.
  - (8) The change in status of the displaced person from tenant to homeowner when it is more cost-effective to do so, as in cases where a down payment may be less expensive than a last resort rental



assistance payment.

- b. Under special circumstances, modified methods of providing housing of last resort permit consideration of:
- (1) Replacement housing based on space and physical characteristics different from those in the displacement dwelling.
  - (2) Upgraded, but smaller replacement housing that is decent, safe, and sanitary and adequate to accommodate individuals or families displaced from marginal or substandard housing with probable functional obsolescence.
  - (3) The financial means of a displaced person who is not eligible to receive a replacement housing payment because of failure to meet length-of-occupancy requirements when comparable replacement rental housing is not available at rental rates within thirty percent of the person's gross monthly household income.

#### 14. NOTICES

Notices will be written and will be in plain understandable language. Persons unable to read and understand the notice must be provided with appropriate translation and counseling. Each notice will indicate the name and telephone number of a person who may be contacted for answers to questions or other needed help. Notices will be personally served or sent by registered or certified first-class mail return receipt requested and documented in the City's files.

#### 15. RECORD KEEPING

The City will maintain records of acquisition and displacement activities in sufficient detail to demonstrate compliance with these Procedures and law. These records must be maintained for at least 3 years after each owner of a property and each person displaced from a property receives the final payment to which the person is entitled under these Procedures or in accordance with federal funding requirements, whichever is later. Such records will be confidential regarding their use as public information, unless applicable law provides otherwise.

#### 16. CONTRACTS FOR SERVICES

In order to prevent unnecessary expenses and delays, and to promote uniform and effective administration of the Program, the City may enter into contracts with any individual, firm, association, local public agency or state agency for services in connection with these Procedures or may carry out its functions under these Procedures through any state agency or local public agency having an established organization for conducting relocation assistance programs.

<sup>1</sup> RCW 8.26.035(3), WAC 468-100-304(1), 49 C.F.R. § 24.306(a)

- <sup>2</sup> WAC 468-100-304(4), 49 C.F.R. § 24.306(d)
- <sup>3</sup> WAC 468-100-304(5), 49 C.F.R. § 24.306(e)
- <sup>4</sup> WAC 468-100-302, 49 C.F.R. § 24.302
- <sup>5</sup> RCW 8.26.035(d), WAC 468-100-306, 49 C.F.R. § 24.304
- <sup>6</sup> WAC 468-100-306(c)
- <sup>7</sup> WAC 468-100-306(h)
- <sup>8</sup> RCW 8.26.045(1), WAC 468-100-401(2), 49 C.F.R. § 24.401(b)
- <sup>9</sup> WAC 468-100-401(2), 49 C.F.R. § 24.401(b)
- <sup>10</sup> WAC 468-100-401(6), 49 C.F.R. § 24.401(f)
- <sup>11</sup> RCW 8.26.055(1), WAC 468-100-402(1), 49 C.F.R. § 24.402(a)
- <sup>12</sup> RCW 8.26.055(1), WAC 468-100-402(2)(a), 49 C.F.R. § 24.402(b)
- <sup>13</sup> WAC 468-100-402(2)(a), 49 C.F.R. § 24.402(b)
- <sup>14</sup> WAC 468-100-402(3)(a), 49 C.F.R. § 24.402(c)
- <sup>15</sup> WAC 468-100-401, 49 C.F.R. § 24.503(a)
- <sup>16</sup> WAC 468-100-504, 49 C.F.R. § 24.504