Guidance Document for Determination of
Certain Financial Benefits
For Displacees

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Right of Way and Utilities Division
to accompany Chapter 6
24 VAC 30-41-10 et seq.
(*Rules and Regulations*
Governing
Relocation Assistance)

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Introduction

This document provides guidance in the determination of various types of financial benefits for residential and non-residential displacees. It will help the experienced relocation agent to resolve questions that are encountered in administering the program on the project level. It also provides a reference to assist newly assigned relocation personnel to become familiar with basic financial benefit concepts.

The content of this document augments and expands on information presented in 24 VAC 30-41-10 et seq. To assist the reader, references to the regulation are prominently located before the discussion of each benefit.

There is only limited coverage in this attachment of eligibility criteria, and no coverage of advisory services or program administration. These topics are addressed in the text of 24 VAC 30-41-10 et seq.

This guidance focuses on basic benefits and typical relocation situations, not on unusual cases. One of the features of relocation is the incidence of cases where the facts "fall between the cracks" of existing policy. Unusual or unique case situations should be brought to the attention of management as soon as identified. Decisions may require special interpretation of policy, while recognizing the importance of consistent and equitable administration of the relocation program on a statewide basis.

1. REIMBURSEMENT FOR MOVING PERSONAL PROPERTY - RESIDENTIAL

Related Procedure: Part 5 – Moving Costs - Residential Moves

The two move options, **actual cost** and the **moving expense schedule**, each have features that a displacee should carefully consider before making a choice. The relocation agent should explain the options on the initial meeting at which relocation benefits are discussed. The agent should not expect a decision until the displacee has been advised of the amount of the payment under the schedule, and has had an opportunity to secure an estimate for a commercial move.

The Moving Expense Schedule

The schedule payments are based on a room count of the dwelling and other storage areas, such as basements and attics, containing personal property. The schedule is developed by VDOT. It is compiled with schedules of other states and published on a national basis by the Federal Highway Administration. It is updated as requested by the Federal Highway Administration. The relocation agent should be sure of using the latest schedule update when working on a project.

Features of Schedule Move

1. Administratively simple for displacee and VDOT. No support required for claim beyond the room count, and performance of the move.
2. Allows maximum flexibility to displacee. Move can be performed by family, or a commercial mover may be hired.
3. No additional reimbursement if actual move cost exceeds schedule.
4. No added reimbursement for storage of personal property, packing, unpacking or incidental costs such as appliance hook up. These items are all included in the schedule.

Features of Actual Move Expense Reimbursement

1. All reasonable costs are paid, including those specified in last bullet above.
2. Requires close coordination of agent with movers to secure estimates
3. Storage costs paid up to maximum of 12 months See 24 VAC 30-41-210 C(5).
4. Move reimbursement limited to 50 miles (unless special approval)

Steps in the Process

1. Explain the options to the displacee, and the features of each (see above).
2. Take a count of all rooms and storage areas containing personal property.
3. Advise displacee of the room count, and the schedule amount.
4. Secure move bids or estimates, if displacee has not made a decision to accept the schedule move reimbursement. See 24 VAC 30-41-210.
5. Ask displacee for final decision on move reimbursement method.
6. Displacee moves with own resources, or contracts with a commercial mover to perform the move.

Schedule – (for illustration purposes only)

	1st Room	**2nd Room**	**Additional Rooms**
Occupant Owns Furniture	$300	$500	+$100
Occupant does not own furniture	$225	$260	+ $35

Important Points

1. The schedule is revised periodically. The **current** schedule should be used.
2. A displacee who does not own furnishings is reimbursed less. Look for the "Occupant does not own furniture column". This column is not included above.
3. A "room" may include outside storage, garage or basement that contains personal property.

Example
Move Expense Reimbursement

An elderly couple has a lifetime of possessions including antiques, and mementos from travels. There are 6 rooms in the house plus basement and garage. A commercial mover has submitted an estimate of $2,000. They ask your advice.

Agent should suggest an actual cost commercial move. Schedule will only yield $1,100 (8 rooms). Higher commercial move estimate reflects needed packing, unpacking and insurance. Elderly may not desire to perform move themselves. However the decision is with displaced couple.

2. OWNER PURCHASE SUPPLEMENT

Related Procedures:
24 VAC 30-41-30 – "comparable replacement housing" defined
24 VAC 30-41-340 through 370 - Eligibility
24 VAC 30-41-430 through 480 – Payment Determination

The owner purchase supplement is the amount which, when added to the amount of the acquisition price of the displacement dwelling, equals the cost of a comparable dwelling.

It is very important, before determining or processing a claim for any relocation benefit, to verify that necessary eligibility criteria have been met. For consideration for the owner purchase supplement, the displaced family must have been in occupancy for 180 days before the first offer by VDOT to purchase the displacement property. To qualify to submit a claim, the owner occupant displacee must purchase and occupy a dwelling meeting decent, safe, and sanitary (DSS) standards. These requirements are specified in detail in 24 VAC 30-41-30 ("Definitions").

Steps in the Process

1. Determine displacee eligibility for benefits.
2. Identify characteristics of the home and the family being displaced, by interview, and inspection of the premises. Use form RW–69A to record information.
3. Determine essential requirements of comparable replacement housing for the displaced household, in terms of number of bedrooms and baths, and type of dwelling, location characteristics, special needs, such as one floor plan to accommodate elderly or disabled etc. Refer to the definition of "comparable replacement housing" in 24 VAC 30-41-30 ("Definitions").
4. Conduct a search for comparable replacement housing, using resources such as contacts with brokers, published listings and personal observations. At least three dwellings meeting comparable criteria should be located and inspected to select the most comparable dwelling. Use form RW-69B.
5. Compute price differential as in the following example on the following page, using form RW-62A.
6. Displacee is advised of **maximum** Purchase Supplement amount, and the address of the most comparable dwelling through form letter RW-65A(1).

7. Displacee locates and contracts for purchase of a replacement dwelling and arranges with assigned agent for a DSS inspection.
8. Relocation agent performs DSS inspection. Any deficiencies must be corrected before a claim for Purchase Supplement is submitted.
9. Displacee closes on purchase of replacement dwelling and executes claim for payment on form RW-65A(1) or RW-65B.

EXAMPLE
Owner Purchase Supplement

Estimated adjusted* cost of comparable	$105,000
LESS: Acquisition price VDOT pays for displacement dwelling.....	$95,000
Maximum Owner Purchase Supplement (price differential)	$10,000

If displacee purchases a replacement for $100,000, the actual Owner Purchase Supplement will be $5,000. The payment claim is based on the lower of the estimated cost of comparable housing as determined by VDOT, or the actual cost of the replacement actually purchased.

* the selected comparable house asking price is adjusted to reflect the difference between asking and selling price in the local area

Discussion

Note that the VDOT determined purchase supplement is a maximum amount. The actual claim will be based on amount the displacee actually pays for a replacement dwelling, if lower. This is known as the "spend to get" rule. It is important that displacees understand provision at the time they are searching for replacement housing.

The basic concept of the owner purchase supplement as presented above is quite simple. However, actual cases are often complicated by the infinite variety of displacee circumstances and living arrangements that are encountered. In addition, the statutory model for the owner purchase supplement is the whole take of a dwelling on a typical size site. In reality, there is great variety in the types of acquisitions, forms of ownership, and in the physical characteristics of properties acquired. Some of these special situations are discussed in Part 8 of the regulation. Situations that are not addressed in the regulation should be brought to the attention of the District Manager or the Assistant Manager for Relocation. There should also be close coordination with the Central Office to resolve policy questions quickly, in a fair and consistent manner.

The owner purchase supplement is one of several items in the total replacement housing benefit package for which long term owners (over 180 days) are eligible. The other items are reimbursement of incidental expenses incurred in purchase of replacement housing, and payment for increased interest costs. This benefit package is referred to collectively as the replacement housing payment. There is a program limit of $22,500 imposed by law on the total amount for the replacement housing payment. However, there is an overriding provision of law that requires comparable replacement housing be made available to displacees. The apparent conflict is resolved by considering claims over $22,500 under the special authority and controlling rules of Last Resort Housing. Refer to Part 11 of the regulation for a full explanation of Last Resort Housing.

Displacees must relocate to DSS housing to qualify for payment. The agent should encourage the displacee to place a clause in any purchase contract that states: "*This contract is subject to the house passing an inspection by the Virginia Department of Transportation for compliance with decent safe and sanitary standards".* If an inspection discloses DSS deficiencies, they must be corrected before a claim is accepted by VDOT. The cost of correcting DSS deficiencies, if paid by the displacee, may be included in the total cost of the dwelling.

Displacees eligible for an owner purchase supplement may choose to rent, rather than purchase replacement housing. They are eligible for consideration for a rent supplement payment as presented in 24 VAC 30-41-510 ("Owner-Occupant for 180 Days or More Who Rents").

3. RENTAL REPLACEMENT HOUSING PAYMENT

Related Procedure: Part 9

The rental replacement housing payment (rental supplement) is simple in its basic concept. It is the difference in rent before and after relocation (if any) for a period of 42 months. A maximum amount is determined by VDOT based on the rent for a comparable available unit. The tenant is advised of this maximum amount and the specific dwelling on which it was based. The tenant displacee then rents a replacement unit and the actual amount claimed is based on the lower of the rent on the VDOT identified comparable unit, or the unit the displacee actually rents and occupies.

EXAMPLE

Rental Assistance Payment (basic)

Determination of Maximum payment:
Rent on available comparable rental unit, including utilities……. $600
LESS: Displacee monthly rent including utilities …….. $550
Monthly rent difference..... $50

X 42 months
Maximum Rent Supplement amount $2,100

Rent of replacement unit actually occupied (including utilities) = $575
Actual Rent Supplement amount ($25 X 42 months) = $1,050

The rent supplement amount actually paid is subject to the same "spend to get" limitation as applicable to owner purchase supplements. The tenant displacee should be advised of this provision.

The relocation program assures that housing will be available within a displacee's financial means. For tenants whose gross household income is classified as "low income" by HUD , housing within financial means is 30% of gross household income. Thus, for tenants paying 30% or more of income in rent and utilities before relocation the rent supplement determination will be based on monthly income, not rent paid.

EXAMPLE

Rent Supplement (low income)

Same facts as above example except 30% of displacee gross monthly household income from all sources = $510 (income = $1,700)

Determination of maximum payment:

.... Rent on available comparable rental unit, including utilities $600

Less: 30% of displacee income …… $510

Monthly rent difference…… $90

X 42 months

Maximum Rent Supplement Amount $3,780

The displacee rented a $575 replacement unit as in above example. The actual amount claimed is thus $2,730 because of the "spend to get" provision ($575-$510 =$65 X42 months = $2,730)

The term "base monthly rent" is used to express the lower of 30% of income, or the actual amount paid for housing before displacement.

Steps in the Process

The steps in the process to be performed by the relocation agent are essentially the same as for the owner purchase supplement. However, two additional data items must be determined for a tenant displacee. Monthly gross income must be identified, to determine if it is classified as "low income" to provide housing within their financial means. In addition, utility costs (heat, water, sewer, and electric) must be determined if they are not included in stated rent.

Income

The agent should explain the relevance of income and ask for verification, by way of pay stubs, W-2 statements etc. If the displacee declines to provide verification, the rent supplement should be based on rent actually paid.

Utilities

Utilities are a necessary cost of housing and thus part of the determination of the rental benefit. Utility costs (heat, water, sewer, and electric) are to be added to the rent for the displacement determined comparable, and the replacement dwellings to the extent they

are not included in the stated rent. Information may be secured or verified by billing statements or utility company records. If actual billings cannot be determined, the utility company may provide average costs for units of different types and sizes.

Special Rules

If the tenant displacee is paying little or no rent because of a family relationship with the owner, the market rent may be used to determine the rent supplement. However, if the low rent favorable to the displacee merely results from long tenancy the actual rent will be used.

The rent supplement is subject to a limit of $5,250. However, just as with the Owner replacement housing payment, a higher computed payment will be paid under authority of Last Resort Housing.

The full amount of a rent supplement may be used as a contribution to a down payment for a tenant displacee who purchases replacement housing.

A tenant who receives a Section 8 subsidy may usually transfer that subsidy to a replacement dwelling. See 24 VAC 30-41-580 ("Section 8 Housing Assistance Program").

4. FIXED PAYMENT IN LIEU OF ACTUAL COST (In-Lieu Payment)

Related Procedure: 24 VAC 30-41-320

Discussion

The In-Lieu Payment, as indicated by its name, is an exclusive alternative to all other payments for which a business (also farms and non-profits) may be eligible. It is a payment based only on income of the enterprise and has no relationship to the cost of relocation.

This payment has a maximum $75,000 and minimum $1,000.

The eligibility criteria for the In-Lieu payment are summarized below.

1. Business is not part of an entity having more than 3 other locations engaged in the same activity.
2. The business must contribute materially to the operator's income.
3. The business must have property on the site acquired, which would be eligible to be moved.
4. Business cannot be relocated without a substantial loss of patronage.
5. The business is not operated at a dwelling or site solely to rent such dwelling or site to others.

The above is a summary. Refer to 24 VAC 30-41-320 ("Fixed Payment In Lieu or Actual Costs") for a complete discussion. The application of the above criteria sometimes presents difficulty, particularly items 2 and 4.

The term "contribute materially" has a specific definition found at 24 VAC 30-41-30. Note that the 4 part definition is very specific and sets a low threshold of eligibility. Only minor economic activities would not qualify as contributing materially to income.

The "substantial loss of patronage" requirement is to be assumed to be satisfied unless there is a specific reason evident for loss of patronage not to occur. This is an

acknowledgment that involuntary displacement is bound to cause disruption of a business clientele and income.

In-Lieu payment eligibility is based solely on the above stated criteria. Eligibility is not dependent on any relationship of the amount of the In-Lieu payment to the amount of relocation expenses that would otherwise be eligible for reimbursement.

Benefit Determination

The amount of the payment is the average annual income for the business for the 2 tax years preceding the year displaced, as in the following example:

EXAMPLE
Fixed Payment In-Lieu Of Actual Cost

Joe's Barber Shop – displaced July 1998
Income: 1998 (1/2 year) $7,000
1997 ..... $17,000
1996 ..... $22,000

Payment: $\frac{\$17,000 + \$22,000}{2 \text{ years}}$ = $19,500

Joe is eligible for the $19,500 In-Lieu of determination even if he does not relocate the business. If the business is relocated and actual move cost is greater than $19,500, the claim will not be changed. The displacee has accepted this payment option "in lieu of" all other benefits.

Income

The displacee must provide documentary verification of income to be eligible for any In-Lieu claim over the $1,000 minimum level. The agent should ask for certified copies of State or federal tax returns or CPA certified financial reports. Other support may be acceptable on approval of the District Manager.

In determination of net income, include income <u>before</u> taxes. Also, include any salary paid to the owner, the owner's spouse, and dependents. Many specific questions can arise in

determining income, and these should be resolved in consultation with the Central Office to assure consistency in administering the program.

Steps in the Process

1. Interview the business operator. Determine the critical relocation needs, including site, special permits, clientele. Determine the intentions of the operator to relocate, or discontinue operations. (Use RW-69A(1))

2. Tour the site with the business operator. Note specialized or complex equipment, inventory storage, offices.

3. Explain the full range of benefits including move expenses, reestablishment cost reimbursement, search expense reimbursement, etc.

4. Explain the In-Lieu payment benefit. If there is interest, secure information necessary for an eligibility determination (1-5 above)

5. If eligible and displacee is interested, secure income facts and necessary documentary verification for income.

6. Advise the displaced business operator of the preliminary determination of In-Lieu amount.

7. Ask for commitment after business operator has had opportunity to consider benefit options.

8. Assemble claim documentation. Send moving cost approval letter.

The Fixed Payment In-Lieu of Actual Cost will be particularly attractive to displaced businesses in the following circumstances:

1. Operator is contemplating retirement, or otherwise has decided to discontinue operations.
2. In-Lieu payment amount significantly exceeds cost of moving business.
3. Operator desires administrative simplicity of not having to support actual move costs
4. Operator faces loss of clientele, and cash payment will help sustain business after relocation.

Farms and Non-profits are Eligible

A farm operation must be determined to be displaced, if the acquisition is a part take (See 24 VAC 30-41-320 ("Fixed Payment In Lieu of Actual Costs")). A non-profit organization income, for purposes of the In-Lieu benefit, is gross revenues (fees, donations etc.), less administrative expenses.

5. BUSINESS REESTABLISHMENT EXPENSES

Related Procedure: 24 VAC 30-41-310

This benefit is a limited ($25,000 maximum) reimbursement of actual costs incurred by a displaced business (also farm or non-profit) in any of 12 categories. The relocation agent should fully explain the benefit, with particular attention to those items that seem applicable to the specific displaced business. To aid the practical application of this important benefit the reestablishment categories are presented below with examples of cost items that are reimbursable.

Reestablishment Expenses

1. Repairs or improvements required by law.

   Is the business subject to health and safety regulations that require that the building be modified? For example: employee shower facilities; sprinkler system; handicap access.

2. Modification to accommodate business operation.

   Does the relocation property need renovations to satisfy business needs? For example: Installation of customer counters; office layout; reception area.

3. Construction or installation of exterior signage.

   New signage not relocated and paid as a moving cost can be reimbursed as a reestablishment expense.

4. Redecoration or replacement of worn surfaces.

   New carpet, paint or wallpaper may be a legitimate need for any business that serves a clientele on site, such as a real estate office, or retail store.

5. Licenses, fees or permits.

This may include transfer of existing, or newly required business licenses, or permits. It will benefit the business to claim permit transfer costs as a moving expense since there is no claim ceiling.

6. Advertisement of replacement location.

   Any business having a public customer base will have a need to advertise a new location, to some degree. Even a business serving a specialized small clientele will need to print and send notices, as a minimum.

7. Increased Cost of operation for the first two years.

   Rent, taxes, insurance, utilities or other operating costs may be reimbursed to the extent they individually exceed what had been paid before displacement.

8. Other items considered essential.

   Other legitimate costs proposed for reimbursement should be discussed with the Central Office Relocation Section before approval.

General Discussion

It should be evident from the inclusive list and examples that it is not difficult for many displaced businesses to qualify for the maximum claim amount of $25,000. Note that there are no individual item limits, so the claim ceiling may be reached with one or two of the eligible expense categories. The Department has a responsibility to administer this benefit in a manner that is equitable, consistent and in compliance with authorizing legislation. Therefore, all claims for the reestablishment need to be supported by receipted bills, and clearly referenced to one of the above categories.

Note there is overlap in several of the categories. Repairs and modifications may be performed under items 1,2 or 4.

Note that reinstallation of signage (3), and transferring Licenses, fees and permits (5) may be paid as a moving expense. It is best to use this option as they are not subject to the $25,000 ceiling as moving expense items.

Following items are specifically not eligible for reimbursement: a) purchase of capital assets, b) purchase of raw material or inventory, c) interest on loans. See 24 VAC 30-41-310 C ("Reestablishment Expenses") for a complete discussion of ineligible items.

The Business reestablishment expense benefit can be an essential help to displaced small businesses, most of which will incur many other unreimbursable direct and indirect costs. The relocation agent should assist the business operator in identifying legitimate expenses that can be paid with this benefit.

6. ACTUAL DIRECT LOSS OF TANGIBLE PERSONAL PROPERTY

Related Procedure: 24 VAC 30-41-290

A displaced business (also farm or non-profit organization) owner may choose not to move certain business personal property to the relocation site. Items may be obsolete, not functional, or be very bulky. The cost to move such items may exceed their value. The actual direct loss claim allows the business owner to dispose of such property, and be reimbursed for any resulting costs or loss, up to the estimated cost to relocate the item. This payment has two forms, corresponding to whether or not the item not moved is replaced with an item serving the same function at the replacement business site.

Item is Replaced. (Substitute Equipment Payment)

Under this option the business replaces obsolete equipment with new items serving the same function.

EXAMPLE

Direct Loss of Tangible Personal Property

Item Replaced (Substitute Equipment Payment)

Speedy Printing Co.
Item not moved – old printing press

Cost of Substitute Item	$30,000	
PLUS: Installation Cost	$1,000	
Total Cost	$31,000	
Proceeds from sale of old printing press	$15,000	
LESS: Cost of the sale	$1,500	
Proceeds of sale	$13,500	
Net Loss ($31,000 - $13,500)		$17,500
Estimated cost to move and reinstall the old printing press		$8,000

Speedy Printing Co. is paid $8,000. The payment cannot exceed the estimated cost to move the old printing press.

If the item replaced is traded-in rather than sold, the trade in value is used.

Item is Not Replaced

The Speedy Printing Co. has an obsolete collating machine. They have kept it primarily as a back up for a newer machine. They do not need it at the relocation site and want to sell it before they move. The payment would be as follows:

EXAMPLE
Direct Loss of Tangible Personal Property
Item Not Replaced

Speedy Printing Co.
Item not moved – collating machine

Market value in place for continued use	$5,000
LESS: Net proceeds of sale from site (after selling expenses)...	$3,000
Net Loss	$2,000

Estimated cost to move and reinstall the item …… $3,000

Direct Loss claim: $2,000

Note that the direct loss claim is the lower of the cost to move, or the net loss on sale.

The direct loss of tangible personal property option allows the business to modernize equipment, or regain cash value for unneeded equipment. The cost to VDOT is no more, and may be less, than if the items were moved.

A program vulnerability in the direct loss benefit is that it is based on estimated, rather than actual cost to move. This can be highly speculative. A specialist should be engaged, and paid, to perform move estimate of equipment that is complex, bulky or otherwise expensive to move.

Another often speculative element is the estimated value for continued use at the existing location (see above example). This will usually be the same as salvage value for equipment that is obsolete and not functioning. However an item not relocated or replaced may have significant value for continued use if it is in use and in good condition. A specialist should be employed to perform the estimate.

Steps in the Process

1. Interview the business operator. Determine the critical relocation needs, including site, special permits, clientele. Determine the intentions of the operator to relocate, or discontinue operations. (Use RW-69A(1))

2. Tour the site with the business operator. Note specialized or complex equipment that appears older or not operational. Ask about function of equipment, if it is not obvious.

3. Explain the full range of benefits including move expenses, reestablishment cost reimbursement, search expense reimbursement etc.

4. Explain the direct loss option *if it is relevant* to the move situation. Ask the business owner to identify specific items that might be sold from the site, or traded in on newer equipment in the process of moving.

5. Obtain all identifying information on direct loss items including make, model, function, age, and condition. Take photos of items.

6. Secure estimates of the cost of relocating the specific identified items, including detach and reinstall costs.

7. Determine value of items for continued use at the displacement site. This may require specialist appraisal.

8. Coordinate with business to sell property from the site in the manner likely to yield the highest net proceeds. Obtain all documents and receipts reflecting cost of sale.

9. Secure data on purchase of substitute equipment including function, cost, delivery, setup and installation charges. If item is traded in, obtain trade in value. Ask for copies of receipted invoices.

10. Determine direct loss amount using information gathered in above steps, and applying formula in above examples.

11. Advise displacee of amount, complete forms and documentation.

7. LAST RESORT HOUSING

Related Procedures: Part 11 – Last Resort Housing
24 VAC 30-41-30 Key Terms ("comparable replacement housing")

Last Resort Housing (LRH) is the legal and administrative authority to provide comparable housing when it is not otherwise available. Unavailability may arise because of the lack of housing supply of the type needed, or because the cost exceeds the displacee's financial means, even with the maximum replacement housing payment of $22,500 (owners), or $5250 (tenants).

LRH can be very costly in terms of benefit amounts, project lead time, and staff resources. It is particularly costly if project advertising dates have to be deferred while housing solutions are planned and implemented. This can delay a needed transportation improvement or cause higher construction cost. Two strategies can be employed to limit the need for LRH, or expedite the provision of housing when it is needed. These are Comparability Review, and Early Identification of Need.

Comparability Review

VDOT is obligated to enable every displacee to relocate to comparable replacement housing. This term might be described as an "as good or better" standard with regard to housing characteristics. However, care should be taken to ensure that the flexibility that is provided in the definition of comparable replacement housing is utilized and that unnecessary upgrading is avoided, particularly in potential LRH situations.

Before determining a benefit under LRH the relocation agent should review the comparability requirements in reference to the specific displacee needs, and available housing resources.

Special attention should be given to the concept of "functional equivalency". This key term in the definition allows for consideration of a range of housing that differs in some physical

aspects from the displacement house. The important point is that the comparable replacement dwelling perform the same function, and provide the same utility. as the house acquired. It is not necessary that the comparable dwelling must meet a tape measure comparison to the property acquired. Reasonable tradeoffs may be made in specific features when the dwelling is "as good or better' on an overall basis and satisfies basic needs as to bedrooms and living space. For instance, a garage work area may substitute for basement workshop. Generally, a comparable dwelling should have an equivalent number of rooms and living area. However, a smaller decent safe and sanitary dwelling (which by definition must be "adequate to accommodate" the displacee), may be considered functionally superior to a larger dwelling in substandard condition. The emphasis is on functional, not physical, equivalency.

Several of the elements of comparable replacement housing deal with the specific needs of a displaced person or family, including financial means, access to employment and access to public and commercial facilities. The needs of potential LRH displacees should be identified and critically evaluated. For instance, a displacee that has a car and presently commutes 15 miles to work, has a greater range of potential "comparable housing" than a neighbor next door who does not have a car and relies on public transit. A displaced family may need to remain in the same school district.

The essential point is that the LRH should be considered applicable only after a careful review is made of the specific requirements of comparability.

Early Identification

The best approach is to identify the potential need for it early in the relocation process, and intensify efforts to identify and provide housing under normal program parameters.

Most Last Resort Housing cases involve unusual displacee circumstances or needs such as large family, very low income, disabled or elderly displacee. These conditions are always identifiable at the initial displacee contact. Initial interviews should be performed as early as possible and explore all conditions relevant to housing needs.

Potential LRH cases identified in the initial contact should be set aside from the overall caseload and marked for priority service. Early identification and action will enable the broadest possible range of housing alternatives to be considered. It will also provide the greatest opportunity for the housing market to produce an existing dwelling meeting displacee's needs, and avoid the need to select upgraded housing, or to construct new housing.

The example on the following page contrasts the replacement housing alternatives considered for a specific LRH case situation, under high priority service vs. normal relocation service.

EXAMPLE

Last Resort Housing Options

Facts: Family of 7; 2 (f), 3(m) ages 7,9,11,13,16; youngest autistic-receiving spec. ed. Family income $15,000; 4br home in poor condition, only $10,000 equity. Need 4-5 br replacement; tight housing market. Project ad date – June 1999	
Options – LRH Need recognized 9/97	**Options – LRH Need recognized 6/98**
➢ Explore market(21 months listings) ➢ Rehab HUD repossession ➢ Good spec. ed. Available in adjacent school district. Find listings ➢ Build new house (expensive) ➢ Add br to existing 3br house. ➢ Purchase upscale 4br(expensive) ➢ Community housing assistance Corp. offers low int. mortgages	➢ Explore market(12 months listings) ➢ Purchase upscale 4br(expensive) ➢ Build new house (expensive)

8. RELOCATION FORMS

The following is a list of all relocation forms and their corresponding reference numbers for the RUMS Library:

RUMS #	RUMS LOCATION	FORM # AND DESCRIPTION
R15	Alignment	Relocation Assistance Report (No Relocation
R16	Alignment	Relocation Assistance Report (With Relocation
R16A	Alignment	Relocation Assistance Report - Cost Summary
R01	Relocation-General Tab	RW59A Notice of Intent to Acquire Owner-occupied
R02	Relocation-General Tab	RW59B Notice of Intent to Acquire-Tenant Occupied
R03	Parcel	RW59C Notice of Intent to Acquire-Owner w Tenant
R04	Relocation-General Tab	RW59-1 Relocation Assistance (Residential)
R05	Relocation-General Tab	RW59-2 Relocation Assistance (Personal Property)
R06	Relocation-General Tab	RW59-3 Relocation Assistance (Business)
R06V2	Relocation-General Tab	RW59-3 Relocation Assistance (Business)
R21	Relocation-General Tab	(RW62C) Occupancy Affidavit - Tenants
R25	Relocation-General Tab	RW66 Incidental Exp & Mortgage Interest Differential
R25V2	Relocation-General Tab	RW66 Incidental Exp & Mortgage Interest Differential
R29	Relocation-General Tab	RW69A Char & Needs of Displaced Individual or Family
R29A	Relocation-General Tab	Page 2 RW69A
R30	Relocation-General Tab	RW69A1 Char & Needs of Displaced Business,Farm,NPO
R90	Relocation-General Tab	Ninety Day Assurance Notice

R91	Relocation-General Tab	Final Vacating Notice
R92	Relocation-General Tab	30 Day Personal Property Only

RUMS #	RUMS LOCATION	FORM # AND DESCRIPTION
R10	Relocation-Moving Tab	Moving Cost Approval - Residential Fixed
R11	Relocation-Moving Tab	Moving Cost Approval - Commercial Move
R12	Relocation-Moving Tab	Moving Cost Approval - Business Fixed Pa
R13	Relocation-Moving Tab	Moving Cost Approval - Moving Cost Finding
R17	Relocation-Moving Tab	(RW60A) Moving Cost Application - Family-Individual-PP
R18	Relocation-Moving Tab	RW60B Moving Cost Application - Bus Farms NPO
R26	Relocation-Moving Tab	RW67A Moving Cost Payment Claim-Family,Individual, PP
R27	Relocation-Moving Tab	RW67B Moving Cost Payment Claim-Business,Farms,NPO
R27V2	Relocation-Moving Tab	RW67B Moving Cost Payment Claim-Business,Farms,NPO
R07	Relocation-RHP Tab	RW65A Offer of RHP (180 days or more)
R08	Relocation-RHP Tab	RW65B Offer of RHP (Less than 180 days)
R09	Relocation-RHP Tab	RW65C Offer of RHP Owner-Occupant to Rent
R14	Relocation-RHP Tab	Occupancy Agreement (Purchase)
R19	Relocation-RHP Tab	(RW62A) Determination of Purchase RHP
R20	Relocation-RHP Tab	(RW62B) Determination of Rental RHP
R20V2	Relocation-RHP Tab	(RW62B) Determination of Rental RHP
R22	Relocation-RHP Tab	RW65A1 Application for Purchase RHP OwnerOcc 180+

R23	Relocation-RHP Tab	RW65B1 Application for Purchase RHP OwnerOcc 90-180
R24	Relocation-RHP Tab	(RW65C1) - Application for Rental RHP
R31	Relocation-RHP Tab	Available or Acquired Replacement Housing
R28	Relocation-Contacts Tab	(RW68A) Contact Record