

**Relocation
Assistance Program for
Businesses, Farms and
Non-Profit Organizations**



**Department of Transportation
State of Colorado**

COLORADO STATE CAPITOL – DENVER



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Declaration of Policy

Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended.

Sec. 201 Declaration of Policy

“The purpose of this title is to establish a uniform policy for fair and equitable treatment of persons displaced as a result of federal and federally assisted programs in order that such persons shall not suffer disproportionate injuries as a result of programs designed for the benefit of the public as a whole.”



Region 5
Telluride Sidewalks
Transportation
Enhancement for a
Local Agency

Important Terms Used in This Brochure

ACQUIRING AGENCY OR AGENCY

A State Agency, which has the authority to acquire property by eminent domain under State law, and a State Agency or person which does not have such authority. For purposes of this brochure, this includes the Colorado Dept. of Transportation (CDOT) or a local agency conducting business in a Right of Way (ROW) project. For purposes of this brochure, "Agency" shall refer to CDOT or to any local governmental or non-governmental organization or private party using federal financial assistance for a program or project that acquires real property or displaces a person.

ALIEN NOT LAWFULLY PRESENT

An alien present in the United States who has not been admitted or paroled into the United States pursuant to the Immigration and Nationality Act (8 USC 1101 et seq.) and whose stay in the United States has not been authorized by the United States Attorney General; and an alien who is present in the United States after the expiration of the period of stay authorized by the United States Attorney General or who otherwise violates the terms and conditions of admission, parole or authorization to stay in the United States. Public Law 105-117 prohibits any person who is not lawfully present in the United States from receiving any relocation benefits or assistance.

BUSINESS

Any lawful activity, except a farm operation, that is conducted primarily for:

- purchase, sale, lease and/or rental of personal and/or real property;
- manufacture, processing, and/or marketing of products, commodities, and/or any other personal property;
- sale of services to the public;

- outdoor advertising display purposes, when the display(s) must be moved as a result of the project;
- a nonprofit organization that has established its nonprofit status under applicable Federal or State law.

CONTRIBUTE MATERIALLY

A business or farm operation which, during the two taxable years prior to the taxable year in which displacement occurs, had:

- average annual gross receipts of at least \$5,000; or
- average annual net earnings of at least \$1,000; or
- contributed at least 33-1/3 percent of the owner's or operator's average annual gross income from all sources.

DISPLACED PERSON

A person who must permanently move or who must move personal property from real property as a direct result of a written Notice of Intent to Acquire or the Initiation of Negotiations for the acquisition of real property for a federal or federal-aid program or project.

FARM

Any activity conducted solely or primarily for the production of one or more agricultural products or commodities, including timber, for sale or home use, and customarily producing such products or commodities in sufficient quantity to be capable of contributing materially to the operator's support.

INITIATION OF NEGOTIATIONS

The date on which the Agency delivers or presents to a property owner or their representative the Agency's first written offer of just compensation to purchase real property for a project.

NEGOTIATION

The process used by acquiring agencies to reach an amicable agreement with a property owner for the

acquisition of needed property. An offer is made for the purchase of property in person or by mail, and the offer is discussed with the owner.

NOTICE OF ELIGIBILITY FOR RELOCATION ASSISTANCE

A written notice furnished to a person to be displaced that establishes eligibility for relocation benefits before the initiation of negotiations to acquire real property for a program or a project.

NON-PROFIT ORGANIZATION

An organization that is incorporated under the applicable laws of a state as a non-profit organization, and exempt from paying federal income taxes under Section 501 of the Internal Revenue Code (26 U.S.C. 501).

PROGRAM OR PROJECT

Any activity or series of activities undertaken by a federal agency or by an Agency using federal financial assistance in any phase of an undertaking in accordance with the federal funding agency guidelines.

SMALL BUSINESS

A business having not more than 500 employees working at the site being acquired or displaced by a program or project, which site is the location of economic activity. Sites occupied solely by outdoor advertising signs, displays, or devices do not qualify as a business for purposes of §24.304 (Code of Federal Regulations [CFR]).

Relocation Assistance and Advisory Services

A relocation agent will contact you and offer relocation assistance and advisory services if it is determined that you are an eligible displaced person. Any business, farm, or non-profit organization displaced by a federal or federally-assisted program shall be offered relocation assistance services for the purpose of locating a suitable replacement property.

Relocation services are provided by qualified staff or contract relocation agents. It is their goal and desire to serve and assist you in any way possible to help you successfully relocate.

Your relocation agent is there to help and advise you, so please be sure to make full use of their services. Do not hesitate to ask questions and be sure you fully understand all your rights and benefits.

Individuals with disabilities will be provided the assistance needed to locate and move to a replacement dwelling or site. You should notify your relocation agent of any special requirements for assistance.

Once the acquisition and relocation process begins for the property that you now occupy, you will receive a notice from the Agency giving an assurance that you will not have to move for at least 90 days. A final notice to vacate will be issued at least 30 days prior to the date you will be required to move.

Business, Farm, and Non-profit Organization Assistance

The relocation agent will interview you and discuss your needs and replacement site requirements and estimate the time needed to accomplish the move. Relocation services and payments will be explained in accordance with your eligibility. It is important to explain to the agent any anticipated problems. During the initial interview you will

be asked questions pertaining to your business operation to determine the need for outside specialists to plan, move, and reinstall personal property, and to determine the need for assistance from other local, state, and federal agencies.

You and your relocation agent will identify and resolve any issues, clarifying what is real estate and what is personal property. In addition, as needed, the agent will provide you with listings of commercial properties and farms available in your area.

The goal is to achieve a successful relocation back into the community.



Region 1
U.S. Hwy. 6
Clear Creek
Canyon: rock
fall mitigation

Moving Cost Reimbursement

If your operation qualifies as a displaced business, farm, or non-profit organization, you are entitled to reimbursement of your moving costs and certain related expenses incurred in moving. There is no limit to the distance you may move, but reimbursement of moving costs is usually limited to a move up to 50 miles from your exiting location.

Personal property, as determined by an inventory from a business, farm or non-profit organization, may be moved by one or a combination of the methods listed below. However, to assure your eligibility for benefits and prompt payment of your moving expenses, be sure to contact your relocation agent before you move.

METHOD 1: COMMERCIAL MOVE

The reimbursement amount for a commercial move is based on the lower of two bids or estimates prepared by a commercial mover for the actual, reasonable, and necessary expenses in moving your personal property. Payments for an uncomplicated move under \$3,000 may be based on a single bid or estimate.



METHOD 2: SELF MOVE

If you elect to take full responsibility for your move, the reimbursement amount for a self-move is based on one or a combination of the following options:

- Option 1) Bid Basis: the lower of two bids or estimates prepared by a commercial mover or qualified agency staff. Payments for an uncomplicated move under \$3,000 may be based on a single bid or estimate. If this option is chosen, you are not required to support your actual costs for the move; or

- Option 2) Actual Cost: if this option is chosen, it must be supported by receipted bills for actual, reasonable, and necessary labor and equipment. Hourly labor rates should not exceed the rates paid by a commercial mover to employees performing the same activity, and equipment rental fees should be based on the actual rental cost of the equipment but not to exceed the cost paid by a commercial mover.

Eligible Actual Moving Expenses:

- Transportation of the displaced person and personal property;
- Packing, crating, unpacking, and uncrating personal property;
- Disconnecting and reconnecting machinery, equipment, and substitute personal property:
 - 1) connection to utilities available within the building;
 - 2) modifications to the personal property (including those mandated by code or ordinance) necessary to adapt it to the replacement building, site, or available utilities;
 - 3) modification to adapt utilities at the replacement site to the personal property.
- Storage of personal property, if necessary and pre-approved, generally not to exceed 12 months; plus insurance to cover loss or damage to personal property in transit or storage (storage expenses may not be eligible on personal property-only relocations);
- Insurance for the replacement value of the property in connection with the commercial move and necessary storage;
- Replacement value of property lost, damaged or stolen through no personal fault where insurance was not available;

- Any license, permit, fees, 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, fees or certification;
- Professional services determined by the Agency to be reasonable and necessary for:
 - 1) planning the move of the personal property;
 - 2) moving the personal property;
 - 3) installing the relocated personal property at the replacement location;
- Modification of signs to be used at new location;
- Replacing stationary on hand at the time of displacement that are made obsolete by the move;
- Payment for actual direct loss of tangible personal property incurred as a result of moving or discontinuing the business, farm or non-profit organization shall be the lesser of:
 - 1) The fair market value of the item(s), as is, for continued use, less the proceeds from its sale. To be eligible for payment, you must make a good faith effort to sell the item(s). When payment for property loss is claimed for goods held for sale, the market value shall be based on the cost of the goods to the operation, not the potential selling price of the goods; or
 - 2) The estimated cost of moving the item as is, but not including any allowance for storage; or for reconnecting a piece of equipment if the equipment is in storage or not being used at the acquired site;
- The reasonable cost incurred to sell an item that is not to be relocated;

- Purchase of substitute personal property - if an item is not moved but promptly replaced with a substitute item performing the same function, payment is the lesser of:
 - 1) The cost of the substitute item, including installation costs, minus any proceeds from the sale or trade-in of the replaced item; or
 - 2) The estimated cost of moving and reinstalling the replaced item but with no allowance for storage; and
- Other related moving costs that are considered by the Agency to be reasonable and necessary.

Eligible Site Searching Expenses:

In searching for a replacement site, a business, farm operation, or a non-profit organization is entitled to reimbursement for actual, reasonable, and necessary expenses, as determined by the Agency, incurred up to \$2,500:

- Transportation;
- Meals and lodging away from home;
- Time spent searching, based on a reasonable salary or earnings;
- Fees paid to a real estate agent or broker to locate a replacement site (excluding commission fees);
- Time spent in obtaining permits and attending zoning hearings based on a reasonable salary or earnings; and
- Time spent negotiating the purchase of a replacement site based on a reasonable salary or earnings.

Eligible Related Moving Expenses:

The following expenses, if determined to be actual, reasonable and necessary, shall also be reimbursed by the Agency:

- Connection to available nearby utilities from the right of way to improvements at the replacement site;
- Professional services performed prior to the purchase or lease of a replacement site to determine the site's suitability for the displaced operation (i.e. soil testing, feasibility and marketing studies, etc. - excluding commission fees); and
- Impact fees or one time assessments for anticipated heavy utility usage.

Ineligible Moving and Related Expenses:

- The cost of moving any structure or other real property in which the displaced person retained ownership;
- Interest on a loan to cover moving expenses;
- Loss of goodwill, profits or trained employee;
- Additional operating expenses incurred because of operating at the new location (except as provided under the reestablishment payment, explained on the following pages);
- Personal injury;
- Any legal fee or other cost for preparing a claim for a relocation payment or for representing the claimant before the Agency;
- Physical changes to the replacement real property at the new location (except as provided under the reestablishment payment);
- Costs for storage of personal property on real property already owned or leased by the displaced person; and
- Refundable security and utility deposits.



Reestablishment Expenses

A small business, farm or non-profit organization may also be eligible for payment of up to \$50,000 for reasonable and necessary expenses actually incurred in relocating and reestablishing at a replacement site.

Eligible Expenses:

- Repairs or improvements to the replacement real property as required by federal, state or local law, code or ordinance;
- Modifications to the replacement property to accommodate the business operation or to make replacement structures suitable for conducting the business;
- Construction and installation costs for exterior signing to advertise the business;
- Redecoration or replacement of soiled or worn surfaces at the replacement site, such as paint, paneling, or carpeting;
- Advertisement of replacement location;
- Estimated increased cost of operation during the first 2 years at the replacement site for such items as lease or rental charges, personal or real property taxes, insurance premiums, and utility charges, excluding impact fee; and
- Other items that the Agency considers essential to the reestablishment of the operation.

Ineligible Expenses:

- Purchase of capital assets such as office furniture, filing cabinets, machinery, or trade fixtures;
- Purchase of manufacturing materials, production supplies, product inventory, or other items used in the normal course of the business operation;
- Interest on money borrowed to make the move or purchase the replacement property; and
- Payment to a part-time business in the home which does not contribute materially to household income.

Fixed Payment (In-Lieu)

Displaced businesses, farms and non-profit organizations may be eligible for a fixed payment in place of (in lieu) actual moving expenses, personal property losses, searching expenses, and reestablishment expenses.

This payment may not be less than \$1,000 and not more than \$40,000.

Specific criteria must be met in order for a business to be eligible for this payment. At your request, your relocation agent will provide you with additional information on this payment.

Filing a Relocation Claim

You should file a relocation claim as soon as possible after the move and expenses have been incurred. Your relocation agent will furnish you with claim forms for this purpose. You should receive payment within 30 days after your claim is approved.

Relocation Payments Not Considered Income

You do not have to pay income taxes on relocation payments. Relocation payments for displaced persons are not considered as income for the purpose of the Internal Revenue Code of 1954, which has been re-designated as the Internal Revenue Code of 1986 (Title 26, US Code). No relocation payment received will be considered income for the purposes of determining eligibility or the extent of eligibility of any person for assistance under the Social Security Act (Title 42, US Code 301 et seq.) or any other federal law, except for federal law providing low income housing assistance.

Right to Appeal

You may file a written appeal with the Agency if you believe that the Agency has failed to properly determine eligibility for or the amount of a relocation payment. Payment limitations which have statutory maximums such as site search expenses or reestablishment expenses can not be appealed.

If you submit an appeal, you will be given a prompt and full opportunity to be heard. You will also have the right to be represented by legal counsel or other representation in connection with the appeal, but solely at your own expense. The Agency will provide assistance as needed in completing the appeal form, and will explain the appeal process to you.

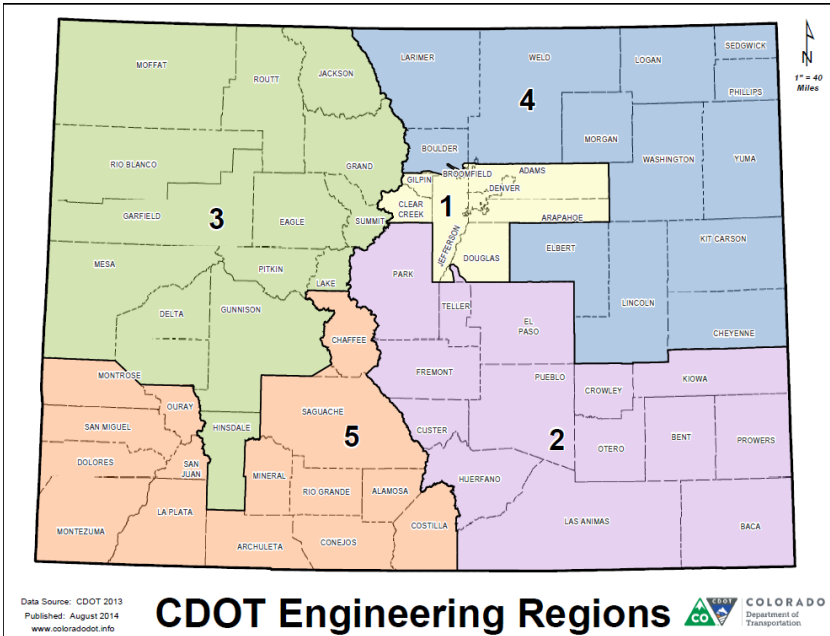
A written appeal must be submitted to the relocation agent, and the Agency will conduct an informal review of the case.

The appeal must be filed no later than 60 days from the date you received written notification of the Agency's initial determination.

If the appeal is denied, a written appeal must be submitted to:

Chief Engineer
CDOT
4201 East Arkansas Avenue
Denver, Colorado 80222

Region Map and Contact Information



<p>CDOT Headquarters 4201 E. Arkansas Ave. 4th Floor Denver, CO 80222 303-757-9331</p>	<p>The Headquarters ROW Office in Denver is responsible for facilitating the provisions of statewide policies and guidelines, conducting quality assurance, providing training and development and technical assistance to the Regions in support of their responsibilities for transportation program delivery.</p>
<p>CDOT Region 1 2000 S. Holly St. Denver, CO 80222 303-757-9212</p>	<p>Counties: Adams, Arapahoe, portions of Boulder and Broomfield, Clear Creek, Douglas (majority), Gilpin, Jefferson.</p>
<p>CDOT Region 2 905 Erie Ave. PO Box 536 Pueblo, CO 81002 719-546-5400</p>	<p>Counties: Baca, Bent, Crowley, Custer, Douglas (minority), El Paso, Fremont, Huerfano, Kiowa, Las Animas, Otero, Park, Prowers, Pueblo, Teller.</p>
<p>CDOT Region 3 222 South Sixth St., Rm 317 Grand Junction, CO 81501 970-683-6230</p>	<p>Counties: Delta, Eagle, Garfield, Grand, Gunnison, Hinsdale, Jackson, Lake, Mesa, Moffat, Montrose (portion), Pitkin, Rio Blanco, Routt, Summit.</p>
<p>CDOT Region 4 1420 2nd St. Greeley, CO 80631 970-350-2152</p>	<p>Counties: Boulder (majority), Broomfield (portion), Cheyenne, Elbert, Kit Carson, Larimer, Lincoln, Logan, Morgan, Phillips, Sedgwick, Washington, Weld, Yuma.</p>
<p>CDOT Region 5 3803 N. Main Ave., Ste. 300 Durango, CO 81301 970-385-1400</p>	<p>Counties: Alamosa, Archuleta, Chaffee, Conejos, Costilla, Dolores, La Plata, Mineral, Montrose (portion), Montezuma, Ouray, Rio Grande, Saguache, San Juan, San Miguel.</p>

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COLORADO

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Transportation