



Maryland Department
of
Transportation
State Highway Administration

Relocation Assistance



Your Rights and Benefits Guide

<http://www.roads.maryland.gov>

Notes

Forward

The Office of Real Estate and the Office of Customer Relations and Information of the State Highway Administration have prepared this booklet for your information and use.

It serves as a summary of your rights, as well as the rules and procedures that apply when the State acquires your property.

This information is general in nature. There are many rules and regulations mandated by State and Federal laws and any specific questions should be directed to your relocation assistance counselor.



RELOCATION ASSISTANCE PROGRAMS



This section outlines the various relocation services and benefits provided by the State of Maryland. These services are available to all people displaced by the State's acquisition of property.

If you occupy property that is acquired by the State, you may be a displaced person. The State Highway Administration (SHA) will assign a relocation counselor who will explain the Relocation Assistance Program to you.

Please remain in your present location until you have been advised to move. Moving too soon could result in a loss of benefits. You will not be asked to move until your relocation counselor has worked with you to explore your options. If you find it necessary to move before you receive notice to vacate, please contact your relocation counselor prior to your move.

SHA's goal is to provide reasonable and fair relocation assistance to every displaced person. We need your help in this effort. Working together assures maximum benefits and minimum stress, producing mutually satisfactory solutions.

Any questions which are not answered in this booklet should be addressed to your relocation assistance counselor.

State Highway Administration's Equal Opportunity Section in accordance with Title 49, CFR, Part 21 of the Department of Transportation Regulations for the Implementation of Title VI of the Civil Rights Act of 1964.

Please contact the chief of the Equal Opportunity Section of the State Highway Administration at 410-545-0315 or toll-free at 1-888-545-0098 if you have any questions or complaints. The address is:

Maryland State Highway Administration
Equal Opportunity Section
707 North Calvert Street—C-406
Baltimore MD 21202



EQUAL OPPORTUNITY STATEMENT

The Maryland State Highway Administration complies with all equal opportunity legislation and regulations which prohibit discrimination on the basis of race, color, sex, national origin, age, religion or physical and/or mental handicap.

The State Highway Administration has incorporated this policy into all levels of the highway planning process to assure that proper consideration is given to the social, economic and environmental effects of highway projects.

The State Highway Administration will not discriminate in the selection and retention of consultants and contractors whose services are retained or are incidental to the planning and construction of highway projects.

The State Highway Administration will not discriminate in the acquisition of right-of-way or in the provision of relocation advisory assistance.

The State Highway Administration will not locate, design or construct a highway which restricts reasonable access or use to any person on the basis of race, color or national origin.

Any person or group of people who feel that they have been discriminated against by the Maryland State Highway Administration in the conduct of highway project activities may file a charge with the chief of the Equal Opportunity Section. The charge must be filed in person or in writing within 180 days of the alleged discriminatory action. The complaint will be investigated by the staff of the Maryland State Highway Administration's Equal Opportunity Section in accordance with Title 49 CFR, Part 21 of the Department of Transportation Regulations for the Implementation of Title VI of the

TERMS YOU SHOULD KNOW...

DISPLACING AGENCY

The “displacing agency” is the State agency that acquires the property or displaces a person.

DISPLACED PERSON

A “displaced person” is anyone who moves from property, or moves his or her personal possessions from property because of the acquisition of that property by the State.

BUSINESS

A “business” is any lawful activity conducted primarily for the purchase, sale or rental of personal property or land for the manufacturing, processing or marketing of products; or for the sale of services to the public.

FARM

A “farm operation” is any activity conducted for the production of one or more agricultural products, including timber.

NON-PROFIT ORGANIZATION

A “non-profit organization” is a corporation, partnership or individual engaged in a business profession or instructional activity on a non-profit basis.

ALIEN NOT LAWFULLY RESIDING IN RESIDENCE

If you are an alien not lawfully present in the United States, you shall not be eligible for relocation payments unless such ineligibility creates a hardship to your spouse, parent, or child and they are a citizen or lawfully admitted for permanent residence. All displaced persons will be asked to certify their citizenship or alien status prior to receiving payments or other benefits under the relocation program.

INITIATION OF NEGOTIATIONS

Initiation of Negotiations” is the delivery of the State’s first written offer to the owner or owner’s representative to purchase property for a public project.



THE RELOCATION ASSISTANCE COUNSELOR

The State Highway Administration’s (SHA) relocation assistance staff will work with you during the acquisition process.

A trained relocation counselor will interview you to determine your housing needs and preferences. He or she will explain the payments and services available. These payments and services are related to your current occupancy status—owner, renter, business, farm or non-profit organization.

SHA’s relocation counselor is very knowledgeable about the availability, location and cost of replacement housing in your area.

APPEAL PROCEDURES

If you are dissatisfied with either your eligibility for payment or the amount of your payment, you may ask for a review of these decisions. The agency will consider any written appeal regardless of form.

Following your expression of dissatisfaction, the relocation counselor will provide you with the necessary information and assistance to file a formal appeal, as well as an explanation of the procedures.

You will be given an opportunity to be heard. A prompt decision will be given to you in writing. If you wish, a final administrative appeal may then be directed to the head of the Office of Real Estate.



LAST RESORT HOUSING

You will not be required to move from your current home until at least one comparable house or apartment has been located and offered to you.

If we are unable to locate comparable housing, the State will take whatever extra measures are necessary to find you a comparable dwelling.



WRITTEN NOTICES

During the relocation assistance process, you will receive several written notices containing important information or dates.

After the relocation counselor's housing study, you will receive a letter which states the amount of your replacement housing payment eligibility. This letter will also contain a written promise that you will not be required to vacate the property for at least 90 days. Once the State has acquired the property, you will receive a 30-day notice which contains a specific date to vacate.

He or she can also refer you to other individuals who may be of assistance.

Your relocation counselor is available to help and advise you at all stages of the relocation process. Do not hesitate to ask questions about anything you do not understand. Working together with your relocation counselor and relying on his or her expertise and advice will make your move a more positive experience.

RELOCATION ASSISTANCE BENEFITS

As a displaced person, you may be classified in one or more of the following categories:

1. An owner-occupant of residential property, including mobile homes;
2. A tenant-occupant of residential property, including mobile homes; or
3. A non-residential occupant, such as a business, farm or non-profit organization.

A residential owner-occupant may be eligible to receive a replacement housing payment, incidental settlement costs, increased mortgage costs and moving costs.

A residential tenant-occupant may be eligible to receive either a rental replacement housing payment or a down payment assistance payment and moving costs.

A non-residential occupant may be eligible to receive moving costs and a re-establishment allowance or a fixed moving cost payment.

All displaced persons are eligible to receive relocation assistance advisory services.

Payments made to displaced persons under the Relocation Assistance Program are not considered income. Therefore, you need not claim the money on State and Federal income tax forms, nor do you need to list the sums when applying for other assistance programs.

ADVISORY SERVICES

State and Federal laws require that any eligible person, family, business, farm or non-profit organization displaced by any State agency be offered relocation assistance advisory services. Information on these services is available from the relocation counselor assigned to the project.

The relocation counselor will help you to the extent that you wish to be helped. Assistance is available to help you fill out the application or claim forms for payments and explain all financial information concerning replacement housing. Every displaced person will be offered assistance in minimizing the difficulties of searching for acceptable replacement housing.

The State Highway Administration relocation counselor maintains numerous contacts with a variety of public and private agencies. If you need special assistance dealing with personal physical hardships during the relocation period, your relocation counselor will direct you to the agency which can best serve your needs.

In certain circumstances where the above-mentioned method creates a financial hardship to the displaced person, the State may utilize alternative methods of computing the rental replacement housing payment.

DOWN PAYMENT ASSISTANCE PAYMENT

If you choose to purchase, rather than lease your new home, you may receive a payment of \$10,500 to help with the down payment and related settlement expenses.

An individual who has owned and occupied his home for less than 180 days prior to the start of negotiations may qualify to receive this payment in the same manner as a tenant.



RENTAL REPLACEMENT HOUSING PAYMENT EXAMPLE

Assume that you rented your current home for \$450 a month, including utilities. After completing a survey of the local rental market, the relocation counselor determines that a comparable decent, safe and sanitary rental unit is available for \$525 per month, including utilities.

The rental replacement housing payment would be calculated like this:

Monthly Housing Cost, Replacement Dwelling	\$525
- Monthly Housing Cost, Former Dwelling	\$450
Monthly Housing Cost Difference -	\$ 75
x 42	
Monthly Replacement Rental Housing Payment Eligibility	\$3,150

If you rent a replacement home for at least \$525 a month, including utilities, you would receive the maximum payment of \$3,150. However, if your replacement dwelling costs \$500 a month, including utilities, you would be limited to a payment of only \$2,100.

REMINDER: Your payment cannot exceed the lesser of the actual housing cost difference or the relocation counselor's rental replacement housing study amount.

The relocation counselor is also available to aid businesses, farms and non-profit organizations in their search for replacement site. He or she possesses a large body of information on a variety of State and Federal programs.

The relocation counselor will help you to the extent that you wish to be helped. Assistance is available to help you fill out the application or claim forms for payments and explain all financial information concerning replacement housing.



RELOCATION PAYMENTS

MOVING COSTS

The State Highway Administration reimburses all eligible persons who must move their personal property to a replacement dwelling. Businesses, farms and non-profit organizations may also receive moving costs for relocating equipment and inventory determined to be personal property. You should not move until a relocation officer has contacted you and provided a full explanation of benefits and options.

RESIDENTIAL MOVES

Displaced individuals and families may receive their moving costs and related expenses by either one or a combination of the following methods.

ACTUAL MOVING EXPENSES

Your actual moving expenses may be paid whether you move yourself or hire a commercial mover to perform the work. Eligible expenses include transportation costs, packing and unpacking charges, disconnection and reconnection charges and replacement value insurance costs; other related costs may also be reimbursed depending upon the circumstances of the move.

Your expenses must be necessary and reasonable and supported by receipted bills. Reimbursement is limited to a 50 mile moving distance from the original location, unless the displacing agency determines that a move exceeding the limit is justified.

The monthly cost of utilities are also considered for your present rental and your new rental. The State Highway Administration will make the appropriate adjustment before calculating your eligibility for payment.

A displaced owner-occupant may also qualify for a rental replacement housing payment by leasing, rather than buying, a replacement dwelling. In such cases, the relocation counselor calculates payment eligibility by comparing a comparable rental to an estimated rent for your former home.

To receive this payment, you must lease and occupy a decent, safe and sanitary dwelling within a year of final settlement with the State by the owner or a year from the date on which you are displaced, whichever is later.



REPLACEMENT HOUSING PAYMENTS FOR TENANT-OCCUPANTS

Displaced tenant-occupants may receive either a rental replacement housing payment or a down payment assistance payment. The maximum payment is \$10,500.

To qualify for either payment, you must have been in lawful occupancy for at least 90 days before the start of negotiations for the property.

To receive either payment, you must lease or purchase and then occupy a decent, safe and sanitary dwelling within one year after the date on which you leave the property acquired by the State Highway Administration.

RENTAL REPLACEMENT HOUSING PAYMENTS

The State Highway Administration may grant you a rental replacement housing payment to assist you in paying for the increased monthly expense of renting a comparable dwelling over a forty-two (42) month period.

Your eligibility for payment is calculated by multiplying forty-two (42) by the monthly difference between the rent charged for your present home and the rent charged for a comparable replacement home.

These figures are determined by your relocation counselor. While you are not limited to the State's selection for your actual replacement home, you would be responsible for any additional monthly costs in excess of the determined sum.

FIXED COST MOVING SCHEDULE

You may choose instead to be paid on a fixed cost schedule. The amount of the payment is based upon the number of occupied rooms in your dwelling.



NON-RESIDENTIAL MOVES

As a displaced business, farm or non-profit organization, you may choose to be reimbursed for the cost of moving your personal property on an actual cost or fixed payment basis. Prior to your move, you must provide the relocation counselor with a categorized inventory of the items to be moved with adequate notification of the date of the move.

The relocation counselor must inspect the original and replacement sites and may monitor the move as it progresses. The two options for non-residential moves are as follows:

ACTUAL COST MOVES

SHA will pay the actual reasonable and necessary expenses of moving your personal property to a replacement site. Eligible expenses include costs for packing and unpacking, loading and unloading, transporting (up to a 50 mile distance) and, when determined to be necessary by the displacing agency, storing the personal property.

You may also be reimbursed for disconnection or reconnection charges, replacement value insurance costs, permit, license, and impact fees, connection to utilities, professional services in connection with the purchase or lease of a replacement site, and other incidental moving expenses.

COMMERCIAL

You may choose to use a commercial mover for your relocation. Payment is based upon the lowest acceptable bid.

- Transfer and documentary stamps and fees (restrictions apply)
- Professional Home Inspection

You may also be eligible for reimbursement of purchaser points or loan origination fees if there was a mortgage on your property.

Prepaid expenses such as real estate taxes and property insurance are not eligible for reimbursement.



INCREASED MORTGAGE INTEREST COSTS

You may be reimbursed for the increased interest costs that you are required to pay if the interest rate on your new mortgage exceeds that of your present mortgage.

To be eligible for payment, your current home must have been mortgaged for at least 180 days prior to the start of negotiations. The payment is based on the lesser term and unpaid balance of either your existing mortgage or the mortgage on the replacement property.

Your relocation counselor can explain the calculation process more fully. He or she can also discuss your eligibility for reimbursement of other expenses, such as mortgage insurance.

INCIDENTAL SETTLEMENT COSTS

The Relocation Assistance Program may also pay some additional costs related to the purchase of a house, if those costs are normally paid by the buyer.

These costs may include, but are not limited to, the following items:

- Closing and related costs
- Title search
- Notary and recording fees
- Credit reports and lien certificates
- Certain appraisal fees
- Transfer and documentary stamps and fees (restrictions apply)

All expenses must be supported by receipted bills.

SELF-MOVE

You may choose to handle the moving operations yourself. If so, you must negotiate payment with the relocation counselor for your business move. You may also be paid for the other related expenses under the actual cost option.

ACTUAL DIRECT LOSSES OF TANGIBLE PERSONAL PROPERTY

You may be paid for actual losses of personal property if you decide not to move this property to the new location. An effort must be made to sell the items prior to claiming payment. You will be reimbursed for the expense of holding the sale. Your relocation counselor will further explain the requirements of this option.

SEARCHING EXPENSES

Non-residential displaced persons may be reimbursed for expenses incurred in the search for a replacement location. Expenses may include costs for transportation, meals, lodging and real estate agent searching fees (not commissions). All costs claimed must be supported by receipted bills. You may also be reimbursed (at a reasonable rate) for your personal time. The total amount reimbursable for searching expenses is \$2,500.



RE-ESTABLISHMENT EXPENSES

In addition to its actual moving costs, a small business (less than 500 employees), farm or non-profit organization may be eligible to receive a payment not to exceed \$60,000 for expenses actually incurred in relocating and re-establishing at a replacement site.

Re-establishment expenses must be reasonable and necessary, as determined by the State. They may include but are limited to the following:

- Repairs or improvements to the replacement property as required by Local, State or Federal law, code or ordinance
- Modification to the replacement property to accommodate the business operation or make replacement structures suitable for conducting 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



If you purchase a replacement dwelling costing at least \$90,000, you would receive a total replacement housing payment of \$10,000.

If your choice of a replacement dwelling costs \$92,000, you would still receive the total payment of \$10,000. However, you would be responsible for paying all costs in excess of \$90,000.

Finally, if you were to purchase a replacement dwelling costing \$88,000, you would receive a payment of only \$8,000, not the full amount of \$10,000.

REMINDER: Your payment cannot exceed the lesser of either the actual housing cost difference or the replacement housing study amount.

OWNER RETENTION

You may decide to retain ownership of your present home and move it to another location. As a displaced owner-occupant, you may be allowed to apply some or all of your replacement housing eligibility to offset relocation costs. In order for you to receive a payment under this program, the cost to move your current dwelling and restore it to DS&S condition, plus the value of the land to which your dwelling will be physically moved must exceed the acquisition price of your current dwelling.

If you are considering this possibility, be sure to discuss it with both the negotiating agent and the relocation counselor. They can explain the complete process and offer advice and assistance.

- Advertising the replacement location
- Estimated increased costs of operation during the first two years at the replacement site for such items as:
 - lease or rental charges,
 - personal or real property taxes,
 - insurance premiums, and
 - utility charges.
- Other items that the State considers essential to the re-establishment of the business



FIXED PAYMENT

The owner of a displaced business or farm may choose to receive a lump sum fixed payment in lieu of actual moving costs, personal property losses, search expenses and re-establishment expenses. The minimum fixed payment is \$1,000; the maximum is \$60,000. Fixed payments are also available to non-profit organizations.



To be eligible for this fixed payment, your business or non-profit organization must suffer substantial loss of its clientele or incur unreasonable, additional expenses as a result of displacement.

The business must contribute to your net income and must not be a part of a commercial enterprise which includes more than three other business establishments conducting the same business activities but not being acquired.

A displaced farm may receive a fixed payment if its economic productivity is destroyed or substantially diminished as a result of the acquisition process.

the amount of the difference equals the amount of your replacement housing payment eligibility.

While you are not required to accept the State's choice as your actual replacement property, you must purchase a dwelling that costs as much as the State's selection in order to receive the full amount of your replacement housing payment eligibility. Your payment cannot exceed the actual housing cost difference or the replacement amount determined by the relocation counselor, whichever is less.

In order to receive payment, you must purchase and occupy a decent, safe and sanitary replacement dwelling within one year of the date on which you finally settle with the State for your acquired dwelling or the date on which the State provides you with a comparable dwelling, whichever is later.

REPLACEMENT HOUSING PAYMENT SCHEDULE

Assume that the State purchases your present home for \$80,000. After a thorough study of the local housing market, your relocation counselor determines that a comparable replacement home will cost \$90,000.

Your maximum replacement housing payment eligibility is calculated like this:

Replacement Cost of Dwelling -	\$90,000
- Acquisition Price of Present Dwelling-	- \$80,000
Maximum Replacement Housing Payment Eligibility	\$10,000

INFORMATION ON REPLACEMENT HOUSING PAYMENTS FOR OWNER-OCCUPANTS

Replacement housing payments are supplemental amounts paid to owner-occupants in addition to the appraised fair market value of the property being acquired by the State Highway Administration.

Replacement housing payments can be used only for the purchase of decent, safe and sanitary replacement dwellings. As a displaced owner-occupant, your eligibility for payment is dependent upon the amount of time you have occupied the dwelling prior to the State's first written offer of purchase.

If you have owned and occupied your home for at least 180 days prior to the initiation of negotiations, you may qualify for a replacement housing payment of up to \$45,000. The maximum amount of your entitlement is determined by your relocation counselor who will complete a thorough survey of the housing market in the area.

If you have owned and occupied your home for at least 90 days, but less than 180 days, prior to the initiation of negotiations, you may qualify for a down payment supplement of up to \$10,500. The method of calculating this supplement appears later in this brochure.

The replacement housing payment is calculated by comparing the cost of a comparable replacement dwelling to the acquisition price paid by the State for your existing dwelling. If the replacement cost exceeds the acquisition price,

The computation of your payment is based upon the average annual net earnings of the enterprise for the two taxable years immediately preceding the year in which displacement occurs.

To receive this payment you must provide financial information supporting your net earnings in order to receive this payment. Your relocation counselor will explain the requirements and methods of computing the fixed payment option more fully.



GENERAL INFORMATION ON REPLACEMENT HOUSING PAYMENTS AND COMPARABLE REPLACEMENT HOUSING

You may receive a replacement housing payment to assist you in securing comparable replacement housing. Comparable replacement housing is:

- Affordable
- Decent, Safe and Sanitary
- Functionally equivalent to your current dwelling
- Located on a typically sized residential lot (not necessarily the size of the acquired lot)
- Located in a neighborhood similar to your current one with regard to access, amenities and services.
- Currently for sale or rent.

Comparable housing must be fair housing available for sale or rent to all persons regardless of race, color, religion, age, sex or national origin.

Decent, Safe and Sanitary (DS&S) Housing meets all of the minimum requirements of the State of Maryland and conforms to all local codes and ordinances. Some of the requirements for DS&S housing are:

- Structurally sound walls and ceilings
- Weather tight construction
- Adequate and safe electrical and heating systems
- Potable hot and cold water in kitchen and bathrooms

- Safe and functional sewer or septic systems
- Private bedroom and bathroom areas
- Adequate kitchen utility connections
- Safe exit to ground level
- Reasonable handicap-free access

Any replacement dwelling which you purchase or rent must pass a DS&S inspection prior to the payment of any replacement housing assistance.

