



# Attachment B

## **Rules and Regulations for Relocation Payments and Assistance for Judicial Branch Capital-Outlay Projects**

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**Real Estate Relocation Assistance  
Consultant Services**



**ADMINISTRATIVE OFFICE  
OF THE COURTS**

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OFFICE OF COURT CONSTRUCTION  
AND MANAGEMENT

**ATTACHMENT B**

**JUDICIAL COUNCIL OF CALIFORNIA  
ADMINISTRATIVE OFFICE OF THE COURTS**

**RULES AND REGULATIONS  
FOR  
RELOCATION PAYMENTS AND ASSISTANCE  
FOR JUDICIAL BRANCH CAPITAL-OUTLAY PROJECTS**

The Judicial Council adopted the *Site Selection and Acquisition Policy for Court Facilities* (the "Site Policy") on August 14, 2009 (originally adopted on June 29, 2007). Under the Site Policy, the Administrative Director of the Courts ("ADOC") is given authority, upon recommendation by staff of the AOC, to approve the selection of, negotiate terms for and acquire sites for new court facilities. The AOC is engaged in the acquisition process for a number of properties as future sites for new court facilities. Businesses, government agencies or entities, and residents of dwellings that are located on a number of these properties may be displaced as a result of AOC's acquisition of such properties.

State law requires public entities such as the AOC to provide relocation assistance and financial payments to persons and businesses that are displaced as a direct result of the acquisition of property for a public project, except as limited by Government Code section 7277. The minimum requirements for such relocation assistance and benefits are set forth in the Relocation Assistance Act (the "Act") (Government Code sections 7260 et seq.) and the Relocation Assistance and Real Property Acquisition Guidelines (the "Guidelines") (Title 25, California Code of Regulations Administrative Code, Ch. 6, sections 6000 - 6198).

These rules and regulations are adopted by the AOC pursuant to section 7267.8 of the Act and section 6006 of the Guidelines.

**1. RELOCATION ADVISORY ASSISTANCE**

As a function of the AOC's relocation program, technical and advisory assistance will be provided by the AOC and its relocation consultant to any resident ("Displaced Person") or business or governmental agency or entity ("Displaced Business" or "Displaced Businesses") which may be displaced as the result of the AOC's acquisition of a particular property (a "Project"). The AOC will engage a relocation consultant and the following specific actions will be taken with respect to every affected resident, business, or governmental agency or entity:

- 1.1. Each household, business or governmental agency or entity affected by an AOC Project will be personally interviewed to gather relevant information to assess their needs and preferences with regard to the replacement of existing accommodations. Inquiries made of residential occupants by relocation personnel will cover the following areas: family size, age and health considerations, employment status, family income, transportation needs, and location preferences related to replacement housing (e.g., proximity to schools, work, medical facilities, etc.).

- 1.2. A printed residential or business Informational Brochure, as appropriate, will be provided to all potential Displaced Persons and Displaced Businesses. Signed acknowledgments will be obtained to verify receipt of this material.
- 1.3. As soon as feasible, the AOC will contact each potential Displaced Person or Displaced Business and explain the relocation payments, and other assistance for which the Displaced Person or Displaced Business may be eligible; the related eligibility requirements; and the procedures for obtaining such assistance. Displaced Persons or Displaced Businesses who are unable to understand the information shall be provided appropriate translation services where necessary.
- 1.4. Transportation will be provided, if necessary, for any Displaced Person or Displaced Business to inspect replacement sites within the local area. Specific assistance may also be provided to senior citizens in finding housing near friends, relatives, medical facilities and convenient transportation.
- 1.5. Assistance will be offered to all Displaced Persons or Displaced Businesses in connection with the completion of applications for replacement housing or business premises; requests for relocation benefits; and obtaining services from other public agencies, if applicable.
- 1.6. Special assistance in the form of referrals to governmental and social service agencies will be made, if needed.

## **2. RELOCATION BENEFITS (FINANCIAL ASSISTANCE)**

Specific eligibility requirements and benefit plans will be detailed on an individual basis with all Displaced Persons and Displaced Businesses. In the course of personal interviews and follow-up visits, each Displaced Person will be counseled as to available options and the consequences of any choice with respect to financial assistance.

### **2.1. Residential Relocation**

2.1.1. Moving Expenses. To be eligible to receive payment for moving expenses, a resident must have legal occupancy as of the date of the AOC's initial written offer to acquire the property and remain an occupant on the property until the time of displacement. A choice of two(2) payment options for reasonable moving expenses is available to such qualified occupants:

2.1.1.1. *Fixed Payment*. A Displaced Person may receive a fixed payment allowance, calculated based on the total number of rooms (excepting bathrooms) at the acquired site and whether the unit is furnished or unfurnished. No additional reimbursement for utility reconnection fees is available under this option. The

claim will be paid by the AOC after the unit is vacated. Fixed payments<sup>1</sup> will be made according to the following schedule:

Occupant Owns Furniture

Number of Rooms	2	3	4	5	6	7	8
Payments	\$750	\$925	\$1,100	\$1,325	\$1,550	\$1,775	\$2,000

Occupant Does Not Own Furniture

Number of Rooms	First Room	Each Add'l Room
Payment	\$375	\$60

2.1.1.2. *Actual Cost.* A Displaced Person may receive payment for the actual cost of a move. The Displaced Person must obtain at least two (2) bids from qualified, licensed professional moving carriers to pack, move and unpack all personal property from the acquired site to the replacement site, not to exceed a distance of 50 miles. Payment will be based on the lowest of the bids obtained and may be compensated either in the form of a direct payment to the mover or as reimbursement to the displaced person upon presentation of a paid invoice. The AOC will also reimburse the household for any one-time utility reconnection fees, such as telephone, gas, electricity, water, sewer, internet, and cable.

2.1.2. Replacement Housing Payments – Owner-Occupants. A payment up to \$22,500 is available to assist a qualified homeowner-occupant in purchasing a suitable replacement dwelling. To qualify, an owner must have been living in the acquired dwelling for at least 180 days prior to the time the AOC first offered to purchase the house, and he/she must purchase and occupy a standard replacement dwelling within one (1) year from the date of the move. There are three elements to this payment, which combined cannot exceed \$22,500. The exact amount each owner is entitled to must be computed individually on the following basis:

2.1.2.1. *Housing Differential Payment.* The difference, if any, between the amount the AOC pays a displaced owner-occupant for his/her property and the average cost for a comparable replacement dwelling, or the difference, if any, between the amount the AOC pays for the displaced owner-occupant’s property and the actual amount the displaced owner-occupant pays for the replacement dwelling, whichever is less.

2.1.2.2. *Interest Differential Payment.* If a displaced owner-occupant has an existing mortgage on his/her home and must finance a replacement dwelling, the displaced owner-occupant may receive an amount to compensate for a loss of favorable financing.

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<sup>1</sup> Fixed payment amounts will be updated in accordance with current statute.

2.1.2.3. *Incidental Expenses.* The displaced owner-occupant will be reimbursed for actual non-recurring closing costs incurred in purchasing a replacement dwelling, including such items as title search, title insurance, escrow fees, credit reports, appraisal fees, termite inspection fees, loan application fees, and notary and recording fees.

2.1.2.4. *Replacement Rental.* A displaced owner-occupant who chooses to rent a replacement dwelling instead of purchasing is entitled to the difference, if any, between the economic rent of the acquired dwelling and the actual rent paid for the comparable, replacement dwelling for a period of forty-two (42) months.

2.1.3. Replacement Housing Payments – Tenants. A payment up to \$5,250 is available to assist displaced tenants in either renting or purchasing a replacement dwelling. To be eligible, a tenant must have been living in the AOC-acquired dwelling for at least ninety (90) days prior to the time the AOC first offered to purchase the property, and he/she must occupy a decent, safe and sanitary replacement dwelling within one (1) year after moving.

2.1.3.1. *Tenants Who Rent.* A tenant who rents another dwelling is entitled to the lesser of (i) the difference, if any, over a period of forty-two (42) months, between the monthly rental rate for the AOC-acquired property and the average cost for a comparable rental, or (ii) the difference, if any, over a period of forty-two (42) months, between the monthly rental rate for the acquired property and the actual rent paid for the replacement unit. The payment will be made in a lump sum.

2.1.3.2. *Tenants Who Purchase.* If a tenant elects to buy a replacement dwelling instead of renting, he/she may use their entitlement for a down payment and/or non-recurring closing costs. The payment will be deposited directly into an escrow account.

2.1.4. Last Resort Housing. Comparable replacement housing must be within the financial means of the displaced owner or tenant. If the total value of the assistance needed to provide comparable replacement housing to a displaced owner or tenant exceeds the \$22,500 and \$5,250 monetary limits set forth above, the AOC must either cease work on the Project or provide the additional assistance needed to allow the displaced tenants and owners to obtain replacement housing.

## **2.2. Business and Governmental Agency/Entity Relocation**

### **2.2.1. Moving Expenses.**

2.2.1.1. *Basic Requirements.* Each Displaced Business will be provided complete moving service to a new location and will have the option of having either a commercial move or conducting a self-move. The Displaced Business

will be required to obtain a minimum of two (2) competitive bids from qualified, licensed professional moving carriers. The AOC will make direct payment to the professional moving carrier with the lowest bid, or if a self-move is elected payment will be made to the Displaced Business in an amount equal to the lowest bid.

2.2.1.2. *Notices to the AOC.* A minimum of 30 days prior to the move, the Displaced Business must provide to the AOC a written inventory listing of the personal property items used in the business that will need to be moved. At least 15 days prior to moving, the Displaced Business must provide the AOC with written notice of the date of the move and the type of move requested (commercial move or self-move). Relocation advisors must be allowed to make reasonable and timely inspections of the personal property at both the displacement and replacement sites, and to monitor the move.

2.2.1.3. *Permitted Expenses.* The following is a list of expenses which are generally covered:

1. Transportation of personal property from the acquired site to a replacement site (limited to a distance of 50 miles);
2. Packing, crating, unpacking and uncrating of personal property to be moved;
3. Removal and reinstallation of appliances, machinery and equipment, including utility connection charges;
4. Re-lettering of trucks, signs and similar items such as re-printing of business cards and stationery made obsolete by the move;
5. Insurance of property in connection with the move, and reasonable replacement of property lost or damaged where insurance is unavailable;
6. Storage of property for a period generally not to exceed 12 months, when the AOC determines it to be necessary;
7. Any re-application fee for a professional license, permit or certification required by a Displaced Business for the replacement location; and
8. Other moving and related expenditures that the AOC determines are reasonable by a Displaced Business.

2.2.1.4. *Excluded Expenses.* The following is a list of items which would not be eligible in a moving expense claim:

1. Additional expenses incurred because of operating in a new location, except as permitted under the “re-establishment” payment described in Section 2.2.4, below;
2. Interest on loans to cover moving expenses;
3. Loss of business goodwill or loss of profits;
4. Loss of trained employees;

5. Personal injury;
6. Preparation of claim for moving and related expenses;
7. Other items the AOC determines are not reasonable and necessary.

2.2.2. Payments Related to Personal Property Not Moved.

2.2.2.1. *Loss of Personal Property.* A Displaced Business may receive a payment for actual direct loss of tangible personal property which is not relocated. Payment is determined on the basis of the value of the property minus any proceeds from the sale of the item, or the cost to move the item, whichever is less. Appropriate documentation to support a claim, such as reasonable advertising costs, auction records, or other supporting evidence, will be required.

2.2.2.2. *Replacement of Personal Property.* A Displaced Business may receive a payment for personal property that is not relocated, but rather is replaced with substitute equipment at the replacement site. Payment is determined on the basis of the cost of the substitute item minus proceeds from the sale of the replaced item, or the cost to move the replaced item, whichever is less. Appropriate documentation to support a claim, such as proof of cost of substitute item installed, reasonable advertising costs, auction records, receipts from sale proceeds, or other supporting evidence will be required.

2.2.2.3. *Abandoned Personal Property.* When personal property is abandoned with no effort made by Displaced Business to dispose of such property, the Displaced Business is not entitled to claim moving expenses or losses from the abandoned item.

2.2.3. Search Costs for a Replacement Location. A Displaced Business may file for reimbursement of costs to search for a replacement location, not to exceed \$1,000. Such a claim must be supported by accurate records of dates, times, locations, expenses, receipts, diaries, and similar evidence, and may include the following expenses:

1. Transportation within a radius of 50 miles from the city limit boundaries.
2. Meals and lodging while away from home, when receipts are presented as documentation.
3. Reasonable time spent in searching, based on the individual's average hourly wage rate.
4. Reasonable fees paid to real estate agents or brokers to locate the replacement site, excluding any fees or commissions related to the purchase of replacement site.

2.2.4. Re-establishment Costs for a Business. A Displaced Business may file for reimbursement of actual and reasonable costs necessary to relocate and re-establish a business at its new site, not to exceed \$10,000. Such a claim must be supported by

accurate records of dates, times, expenses, fees, receipts, and similar evidence, and may include the following expenses:

1. Repairs, improvements or modifications to the replacement site as required by law, code or ordinance.
2. Construction and installation costs for exterior signing to advertise the business.
3. Provision of utilities from right-of-way to improvements at replacement site.
4. Advertisement of replacement location.
5. Licenses, fees and permits when not paid as part of moving expenses.
6. Estimated increased costs of operation during the first two (2) years at the replacement site.

2.2.5. Fixed Payment In-Lieu of Actual Moving and Related Expenses. Instead of receiving payment for actual reasonable moving and related expenses, a Displaced Business may elect to receive a fixed payment computed on the basis of the average annual net earnings of the displaced for the two years immediately preceding displacement. The in-lieu payment shall be in an amount of not less than \$1,000 or more than \$20,000. To be eligible to receive an in-lieu payment, the AOC must determine the following:

1. That the business cannot be relocated without a substantial loss of existing patronage. The term "existing patronage" includes membership, persons, community and/or clientele served or affected by the activities of the business.
2. That the business is not part of a commercial enterprise having no more than three other establishments, which are not being acquired for the project, and which are engaged in the same or similar activity.
3. The business is not operated solely for the purpose of renting the site to others.
4. That during the two taxable years prior to displacement, the Displaced Business must have:
  - a. Had an average annual gross receipts of at least \$5,000; or
  - b. Had an average annual net earnings of at least \$1,000; or
  - c. Contributed to at least one-third of the average gross income of the owner of the Displaced Business.

To establish average annual net earnings, the Displaced Business must submit certified copies of income tax returns for two years immediately preceding the taxable year in which the business is displaced.

### **3. AUTHORITY TO MAKE OTHER RELOCATION PAYMENTS.**

As permitted by both the Act and Guidelines, the Administrative Director of the Courts is authorized to approve additional assistance and payments consistent with section 7272.3 of the Act and section 6002(d) of the Guidelines. Any such additional assistance and payments shall be



based on the specific circumstances of the persons, businesses or governmental agency or entity to be displaced (size of existing property/building being vacated, etc.). Examples of additional payments might include: the moving costs for a residence to a new location in excess of 50 miles from the existing site (section 2.1.1.2); or payment for the cost of tenant improvements at the displaced business' new location in excess of the \$10,000 (section 2.2.4.1). Any additional assistance and payments will be based on AOC staff analysis of documentation from the Displaced Person or Business. AOC staff will make a recommendation to the Administrative Director of the Courts for approval on an individual, project-specific basis.

#### **4. RELOCATION BENEFITS – PROCEDURES**

Claims and supporting documentation for relocation benefits must be filed with the AOC within one (1) year from the later of: (i) the date the claimant moves from the AOC acquired property; or (ii) the date on which AOC makes final payment for the acquisition of the real property. The procedure for the preparation and filing of claims and the processing and delivery of payments will be as follows:

1. Potential Displaced Persons and Businesses will be required to provide all necessary documentation to substantiate eligibility for assistance.
2. Assistance amounts will be determined in accordance with the provisions of the Act and the Guidelines.
3. The AOC will review, and approve claims for payment, or request additional information.
4. The AOC will issue benefit checks which will be available at the AOC's offices for disbursement to Displaced Persons and Businesses, unless circumstances dictate otherwise.
5. Final payments will be issued after confirmation that the Project premises have been completely vacated, and actual residency at the replacement unit is verified.
6. Receipts of payment will be obtained and maintained in the relocation case file.

CAL. GOV. CODE § 7267.8

(a)All public entities shall adopt rules and regulations to implement payments and to administer relocation assistance under this chapter. These rules and regulations shall be in accordance with the rules and regulations adopted by the Department of Housing and Community Development.

(b)Notwithstanding subdivision (a), with respect to a federally funded project, a public entity shall make relocation assistance payments and provide relocation advisory assistance as required under federal law.

CAL. GOV. CODE § 7272.3 :

It is the intent of the Legislature, by this chapter, to establish minimum requirements for relocation assistance payments by public entities. This chapter shall not be construed to limit any other authority which a public entity may have to make other relocation assistance payments, or to make any relocation assistance payment in an amount which exceeds the maximum amount for such payment authorized by this chapter.

Any public entity may, also, make any other relocation assistance payment, or may make any relocation assistance payment in an amount which exceeds the maximum amount for such payment authorized by this chapter, if the making of such payment, or the payment in such amount, is required under federal law to secure federal funds.

Cal. Admin. Code tit. 25, § 6002

Title 25. Housing and Community Development  
Division 1. Housing and Community Development  
Chapter 6. Department of Housing and Community Development Programs  
Subchapter 1. Relocation Assistance and Real Property Acquisition Guidelines  
Article 1. General

➡ § 6002. Statement of Purpose and Policy.

(a) The purpose of the Guidelines is to assist public entities in the development of regulations and procedures implementing the Act.

(b) The Guidelines are designed to carry out the following policies of the Act:

(1) To ensure that uniform, fair and equitable treatment is afforded persons displaced from their homes, businesses or farms as a result of the actions of a public entity in order that such persons shall not suffer disproportionate injury as a result of action taken for the benefit of the public as a whole; and

(2) In the acquisition of real property by a public entity, to ensure consistent and fair treatment for owners of real property to be acquired, to encourage and expedite acquisition by agreement with owners of such property in order to avoid litigation and relieve congestion in courts, and to promote confidence in public land acquisition.

(c) A public entity shall not participate in or undertake a project that will displace individuals from their homes unless comparable replacement dwellings (see subsection 6008(c)) will be available within a reasonable period of time prior to displacement.

(d) The Guidelines are intended to establish only minimum requirements for relocation assistance and payments. They shall not be construed to limit any other authority or obligation which a public entity may have to provide additional assistance and payments.

(e) The Act and the Guidelines are intended for the benefit of displaced persons, to ensure that such persons receive fair and equitable treatment and do not suffer disproportionate injuries as the result of programs designed for the benefit of the public as a whole. The Act, Guidelines and all applicable regulations on which determinations are based shall be construed to effect this intent.