

NON-DISCRIMINATION POLICY

It is the State's policy that no person shall be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity under the transportation program.

This is interpreted to include:

1. The manner in which relocation payments and assistance are given;
2. The manner in which real property is transferred or acquired and the leasing or use of that real property once it has been acquired.

RIGHT OF APPEAL

Persons denied claims or who otherwise believe they have been aggrieved by the Department's determinations may file an appeal. To appeal a determination, write a letter to the Region's Chief Right of Way Agent stating the determination you are appealing and the reasons for your appeal. The appeal must be received by the Region's Chief Right of Way Agent within 60 days of the date you received written notification of the determination. Upon your request, your Relocation Agent will furnish you with a copy of the Department's relocation appeals process, as set forth in the Alaska Administrative Code (17 AAC 81.020).

IMPORTANT CONTACT INFORMATION

- **DOT&PF Central Region ROW**
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Phone: (907) 269-0700 or 1-800-770-5263
Fax: (907) 269-0828 / TDD: (907) 269-0473
- **DOT&PF Northern Region ROW MS 2553**
2301 Peger Road, Fairbanks AK 99709-5316
Phone: (907) 451-5400 or 1-800-475-2464
Fax: (907) 451-5411 / TDD: (907) 451-2363
- **DOT&PF Southeast Region ROW**
6860 Glacier Hwy, Juneau AK 99801-7909
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Visit our web site:

<http://www.dot.state.ak.us/stwddes/dcsrow/resources.shtml>

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State of Alaska Department of Transportation And Public Facilities



Relocation Services for Businesses, Farms & Non-Profit Organizations



*The State of Alaska
Department of
Transportation and Public
Facilities pledges to
provide uniform and
equitable treatment to all
displaced persons.*

IMPORTANT DEFINITIONS

The following terms are commonly used in relocation:

INITIATION OF NEGOTIATIONS

The date on which the first written offer of just compensation to purchase real property for a project is delivered to an owner.

NOTICE OF INTENT TO ACQUIRE

and/or 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.

DISPLACED PERSON

A person who must permanently move or 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.

BUSINESS

Any lawful activity, except a farm operation, conducted: (1) primarily for the purchase, sale, lease and/or rental of personal and/or real property, and/or for the manufacture, processing, and/or marketing of products, commodities, and/or any other personal property; (2) primarily for the sale of services to the public; (3) to advertise, promote, or display products, personal property, or services by use of outdoor advertising displays, whether or not the displays are located on the premises on which any of the above activities are manufactured, sold, purchased or offered; (4) by a non-profit organization.

FARM OPERATION

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.

REESTABLISHMENT EXPENSES

A small business, farm or non-profit organization may also be eligible for a payment up to \$25,000 for reasonable and necessary expenses actually incurred in relocating and reestablishing at a replacement site.

Eligible Expenses:

1. Repairs or improvements to the replacement real property as required by Federal, State or local law, code or ordinance.
2. Modifications to the replacement property to accommodate the business operation or make replacement structures suitable for conducting the business.
3. Construction and installation costs for exterior signing to advertise the business.
4. Redecoration or replacement of soiled or worn surfaces at the replacement site, such as paint, paneling, or carpeting.
5. Advertisement of replacement location.
6. 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 fees.
7. Other items that the Department considers essential to the reestablishment of the operation.

Ineligible Expenses:

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

MOVING COST REIMBURSEMENT (continued)

Eligible Searching Expenses:

A business, farm operation, or a non-profit organization is entitled to reimbursement for actual, reasonable, and necessary expenses incurred (as supported by receipted bills), up to \$2,500, for searching for a replacement site, including:

1. Transportation;
2. Meals and lodging away from home;
3. Time spent searching, based on a reasonable salary or earnings;
4. Fees paid to a real estate agent or broker to locate a replacement site (excluding commission fees);
5. Time spent in obtaining permits and attending zoning hearings based on a reasonable salary or earnings;
6. 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 Department:

1. Connection to available nearby utilities from the right of way to improvements at the replacement site.
2. 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)
3. Impact fees or one time assessments for anticipated heavy utility usage.

Ineligible Moving and Related Expenses:

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

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).

SMALL BUSINESS

A business having not more than 500 employees working at the site being acquired or displaced. Sites occupied solely by outdoor advertising signs, displays, or devices do not qualify as a business.

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 had 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.

GENERAL RELOCATION SERVICES

Businesses, farms and non-profit organizations are to be provided with necessary assistance in relocation. The following are some of the services and assurances to be provided by your Relocation Agent.

1. Direct assistance/referrals to locate a comparable replacement site.
2. Information regarding a business, farm or non-profit organization's "specific" payment entitlements before relocation occurs.
3. Assurance of a reasonable time to move. Generally, no business, farm, or non-profit organization will be required to move without first being given a written notice, at least 90 days in advance, of the earliest date by which they will be required to move.
4. Reasonable and appropriate steps taken to minimize displacement hardships, including assistance to plan and accomplish the move and assistance to reinstall machinery and/or other personal property.

GENERAL RELOCATION INFORMATION

RELOCATION PAYMENTS ARE NOT TAXABLE

Relocation payments are not subject to federal, state, or local income tax.

FILING A RELOCATION CLAIM

You should file a relocation claim as soon as possible after expenses have been incurred; however you must file your claim no later than 18 months after the date of displacement from your property. Your Relocation Agent will furnish you with claim forms for this purpose. You should receive payment within 30 days after your claim is approved.

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 for the actual, reasonable, and necessary expenses in moving your personal property as prepared by a commercial mover. Payments for an uncomplicated move under \$2,500 may be based on a single bid or estimate.

METHOD 2: SELF-MOVE

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

Option 1) the lower of two bids or estimates prepared by a commercial mover or qualified Departmental staff. Payments for an uncomplicated move under \$2,500 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.

Option 2) 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:

1. Moving persons and personal property. If the personal property to be moved is of low value and high bulk, some limitations may apply.
2. Packing, crating, unpacking, and uncrating personal property.
3. Disconnecting and reconnecting machinery, equipment, and substitute personal property; connection to utilities available within the building, modifications to the personal property (including those mandated by code or ordinance) necessary to adapt it to the replacement building, site, or available utilities; and modification to adapt utilities at the replacement site to the personal property.

4. Storage of personal property, if necessary and pre-approved, generally not to exceed 12 months; Insurance to cover loss or damage to personal property in transit or storage.
5. Replacement value of property lost, damaged or stolen through no personal fault where insurance was not available.
6. 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.
7. Professional services determined by the Department to be reasonable and necessary for:
 - a) Planning the move of the personal property;
 - b) Moving the personal property;
 - c) Installing the relocated personal property at the replacement location.
8. Re-lettering signs and replacing stationary on hand at the time of displacement that are made obsolete by the move;
9. 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:
 - a) 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
 - b) 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.
10. The reasonable cost incurred to sell an item that is not to be relocated.
11. 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:
 - a) The cost of the substitute item, including installation costs, minus any proceeds from the sale or trade-in of the replaced item; or
 - b) The estimated cost of moving and reinstalling the replaced item but with no allowance for storage.
12. Other related moving costs that are considered by the Department to be reasonable and necessary.