



SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

ACQUISITION AND RELOCATION ASSISTANCE

INFORMATION GUIDE

*The Metro*  
A Transportation Vision  
for Tomorrow



SCRTD  
1985

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## FOREWARD

This booklet gives a brief description of the real estate acquisition process that will be followed in acquiring real property and includes the relocation services and payments that will be available to persons displaced because of the Metro Rail Project.

This booklet is strictly an information guide and does not constitute an offer by SCRTD to purchase any property or a request to move. Additional information or clarification may be obtained by contacting the Real Estate Department Southern California Rapid Transit District, 425 South Main Street, Los Angeles, California 90013, (213) 972-3993.

SCRIPD RIGHT-OF-WAY ACQUISITION  
AND RELOCATION POLICIES

**SCRTD RIGHT-OF-WAY ACQUISITION  
AND RELOCATION POLICIES**

The following policy statements provide the basic parameters for the development and operation of SCRTD Metro Rail Project Real Estate Program.

**APPRAISAL POLICIES**

- o Property will be appraised before an offer to purchase is made to an owner.
- o The owner or his representative will be encouraged to accompany the appraiser during his inspection of the property.
- o Just compensation for the property to be acquired will be established before negotiations are initiated with an owner. In no event will just compensation be less than the lowest appraisal obtained by SCRTD.

**ACQUISITION POLICIES**

- o SCRTD will acquire all properties which are necessary for the construction and operation of the Metro Rail Project.
- o Acquisition will be undertaken after the SCRTD Board of Directors have passed a resolution which identifies specific parcels as part of the Metro Rail Project and authorizes acquisition.
- o All approved properties will be acquired in fee simple unless a lesser interest provides adequate controls to assure the safe construction and operation of the Metro Rail Project.
- o Advance acquisition will be approved whenever practical to:
  - a. Forestall anticipated property appreciation from development or speculation; or
  - b. Relieve a hardship on the property owner resulting from SCRTD's interest in acquiring the property.
- o Every reasonable effort will be made to promptly acquire property by negotiated purchase for the full amount of just compensation.
- o SCRTD will not take an action which is coercive in order to compel agreement on price.
- o Owners of property will be provide a written statement which contains the amount established as just compensation and the basis of the determination.

- o A separate offer of just compensation will be made to the owner of improvements or fixtures.
- o The full amount of just compensation will be paid to the property owner prior to SCRTD taking possession of the property.
- o SCRTD will pay all closing costs related to conveying the property such as recording fees, transfer taxes, and escrow fees.
- o If the acquisition of only part of a property would leave the owner with an uneconomic remnant, SCRTD will offer to acquire the remnant, if the owner desires.
- o Condemnation of property will be considered only after all reasonable efforts to acquire the property by negotiation have been exhausted.

#### RELOCATION POLICIES

- o SCRTD will use its own facilities, personnel and services to implement its relocation and acquisition programs.
- o SCRTD will present information and provide opportunity for discussion of relocation services or distribute relocation brochures and provide adequate notice of the relocation assistance program.
- o A relocation advisory program will be established to provide the maximum assistance possible to all persons required to relocate because of the Metro Rail Project. The advisory program will include such measures, facilities and services as may be necessary or appropriate to:
  - a. Determine the relocation needs and preferences of each person to be displaced and explain the relocation payments and other assistance for which the person may be eligible, the related eligibility requirements and the procedures for obtaining the assistance.
  - b. Provide current and continuing information on the availability, purchase price and rental costs of comparable replacement dwellings and explain that the person cannot be required to move unless at least one comparable replacement dwelling is made available.
  - c. Provide current and continuing information on the availability, purchase price and rental costs of suitable commercial locations.

- d. Minimize hardships to persons in adjusting to relocation by providing counseling, advice as to other sources of assistance that may be available, and other help as may be appropriate.
- e. Supply persons to be displaced with appropriate information concerning Federal and State housing programs, disaster loans and other programs administered by the Small Business Administration and other Federal and State Programs offering assistance to displaced persons and technical help to persons applying for assistance.
- o No lawful occupant will be required to move unless he or she has received at least 90 days advanced written notice of the earliest date by which he or she may be required to move.
- o Any applicant for a relocation payment who is dissatisfied with SCRTD's determination of eligibility for payment or the amount of payment may appeal the determination.
- o No person to be displaced shall be required to move from his or her dwelling unless at least one comparable replacement dwelling has been made available to the person.

#### PROPERTY MANAGEMENT POLICIES

- o SCRTD may permit an owner or tenant to continue occupying acquired property on a rental basis for a short term or for a period subject to termination by SCRTD on short notice.
- o SCRTD will move expeditiously to inspect vacant property and to protect against vandalism, fire and rodent infestation.

REAL ESTATE ACQUISITION PROCESS



## REAL ESTATE ACQUISITION PROCESS

### CERTIFICATION

The need for real estate is defined based on engineering and construction requirements of the system. Each parcel is certified as to:

- o Kind of Acquisition: Total or partial
- o Interest Required: Total ownership, easement or license
- o If easement, whether: Permanent or temporary

### BOARD AUTHORIZATION

The SCRTD Board of Directors will approve the parcels as needed for construction of the project and authorize acquisition.

### INFORMATION MEETING

Owners and occupants of parcels in a designated station or line segment will be thoroughly informed of (1) the parcels to be acquired, (2) the acquisition process and (3) the relocation benefits and services. Individual or group meetings will be held to discuss the project.

### TITLE REPORT

A title report will be ordered to verify ownership and encumbrances against the property.

### APPRAISAL

In most cases, two professional property appraisers will be retained to determine the fair market value of each property interest required. Property owners will be informed of the selected appraisers and encouraged to accompany the appraisers during their inspection of the property to point out special features which relate to the value of the property. The appraisers will submit a written appraisal report which contain their opinion of the property's current market value.

### APPRAISAL REVIEW AND APPROVAL

The appraisal reports will be reviewed and the amount of just compensation recommended.

### NEGOTIATIONS

- o The property owner will be personally contacted and given a written offer to purchase the property or property interest for the approved amount of just compensation. A written statement will be included which gives the basis for the offered price.

- o The property owner will be given time to review the offer with an attorney or real estate appraiser if desired.
- o If an agreement on the offered price is reached a purchase agreement will be signed by the property owner and SCRTD.

#### ESCROW CLOSING

Negotiated agreements will be put into escrow and the escrow closed as soon as possible. The full amount of the agreed price will be paid to the property owner at closing. SCRTD will pay all closing costs such as recording fees, transfer taxes and escrow fees. HOWEVER, the property owner must pay all taxes, assessments, and encumbrances such as mortgages, which are liens against the property.

#### RELOCATION

Each person required to relocate will be given at least a 90-day Notice to Vacate. This notice will not be issued until after SCRTD has ownership or control of the property. If the property is not needed immediately, property occupants may be allowed to continue occupancy on a rental basis for a short period of time.

Relocation payments and services will be offered and explained in detail shortly after the acquisition process begins.

#### CLEARANCE

After the property is vacated, any improvements not needed by SCRTD will be cleared.

#### PROPERTY ACQUIRED THROUGH CONDEMNATION

If a satisfactory agreement on the value of the property cannot be reached through negotiations, condemnation action will be initiated. This action allows the courts to determine the amount of just compensation that should be paid for the property.

After all of the legal requirements are met and the condemnation suit filed, SCRTD will deposit the amount of probable just compensation into the court. This allows SCRTD to file an Order for Possession Prior to Judgment and to obtain possession of the property ninety (90) days after the property owner is served with the Order. The final determination of value will be decided by a Judge or Jury after the presentation of evidence by the owner and SCRTD.

Relocation and clearance will proceed as discussed above.

Average Time In Weeks

NO. OF WEEKS	4	8	12	16	20	24	28	32	36	40	44	48	52	56	60	64
CERTIFICATION	[Bar from 0 to 4 weeks]															
BOARD AUTHORIZATION	[Bar from 0 to 4 weeks]															
INFORMATION MEETING	[Bar from 0 to 4 weeks]															
APPRAISAL	[Bar from 0 to 4 weeks] [Preliminary Work from 0 to 2 weeks] [Bar from 2 to 20 weeks]															
APPRAISAL REVIEW AND APPROVAL	[Bar from 20 to 24 weeks]															
NEGOTIATIONS	[Bar from 28 to 32 weeks]															
CLOSING	[Bar from 36 to 40 weeks]															
RELOCATION	[Preliminary Work from 32 to 36 weeks] [Bar from 36 to 40 weeks] [Preliminary Work from 40 to 44 weeks] [Bar from 44 to 52 weeks]															
POSSESSION ACQUIRED THRU CONDEMNATION	[Bar from 36 to 52 weeks]															
RELOCATION	[Bar from 44 to 52 weeks]															

READY FOR CONSTRUCTION

LEGEND: [Solid Black Box] Average Time To Accomplish  
 [Dotted Black Box] Preliminary Work

RELOCATION BENEFITS FOR BUSINESSES

## INTRODUCTION

Business concerns and non-profit organizations required to relocate because of the SCR TD Metro Rail Project are eligible for certain relocation services and payments. These services and payments are prescribed by the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended.

The owner of a business displaced by the Metro Rail Project will be contacted personally and the applicable services and payments will be explained in detail. Extensive contact will be maintained between SCR TD real estate staff and the business owner to assure compliance with all of the procedures for moving and claiming relocation payments.

Every effort will be extended to accommodate the business' particular needs and to cause as little disruption to normal operations as possible. No business will be required to move without at least 90 days written notice and not until comparable facilities are available.

## RELOCATION SERVICES AND ASSISTANCE

### Help in Finding a Suitable New Location

With the cooperation of private owners, management agents, and real estate brokers, SCRTD will assist businesses in finding suitable properties for individual business needs. In addition, information regarding floor space, rents, parking facilities, zoning, and other related real estate matters concerning available properties will be provided.

### Loans and Advisory Services

Assistance will be provided in making application for Small Business Administration (SBA) long term, low-interest loans. Information will also be maintained regarding other financing sources for working capital, the purchase of new furnishings and equipment, the purchase and improvement of an existing facility or new construction of a replacement facility.

## RELOCATION PAYMENTS

Relocation payments for a displaced person who conducts a business may be either:

### Fixed Payment

A Fixed Payment equal to the average annual net income of the business, except that the payment cannot be less than \$1,000, nor more than \$20,000. To be entitled to this payment, the business must meet the following requirements:

- o The business cannot be relocated without a substantial loss of its existing patronage;
- o The business is not part of a commercial enterprise having more than three other establishments not being acquired by SCRTD;
- o The business must meet certain minimum income requirements.

OR

### Actual Reasonable Moving Expenses; Cost of Searching for a Replacement Site; Direct Losses of Personal Property

A payment for actual reasonable moving expenses including:

- o Transporting personal property from the displacement site to a replacement site, but not more than 50 miles unless SCRTD finds that the business cannot be relocated within that distance.
- o Packing, crating, and if SCRTD finds it necessary, storing personal property for not more than 12 months.
- o If necessary, advertising for packing, crating, storing or transporting personal property.
- o Insuring against loss or damage of personal property while in storage or transit.
- o Removing and reinstalling machinery and equipment including reconnecting utilities.

Under this payment a business may also claim payment for:

- o Actual direct losses of personal property resulting from the discontinuation of the business or abandonment of personal property due to relocation.
- o Incidental expenses incurred in searching for a replacement property not to exceed \$1,000.

- o Modifications to personal property necessary to adapt to the replacement site.
- o Making physical changes, with prior SCRTD approval, in or to a building to which a business concern relocates.
- o License, permits or certification fees if needed to operate at the new location. Payment will be based on the remaining useful life of the existing license, permit or certification.
- o Replacement value of property damaged, lost or stolen in the process of moving, where insurance covering such loss, theft or damage is not reasonably available.
- o Relettering signs and trucks and reprinting stationary and similar items used by the displaced business.
- o Reasonable cost incurred in attempting to sell an item that is not to be relocated.

Reestablishment Expenses

Owners of a small business may be eligible to receive a payment, not to exceed \$10,000, for expenses actually incurred in relocating and reestablishing the business at a replacement site. Eligible expenses are:

- o Repairs or improvements to the replacement real property as required by Federal, State or Local Law, Code or Ordinance.
- o Modifications to the replacement property to accommodate the business operation or make replacement structures suitable for conducting the business.
- o Construction and installation costs, not to exceed \$1,500 for exterior signing to advertise the business.
- o Relocation or replacement of soiled or worn surfaces at the replacement site, such as paint, panelling, or carpeting.
- o Licenses, fees and permits when not paid as part of moving expenses.
- o Feasibility surveys, soil testing and marketing studies.
- o Advertisement of replacement location, not to exceed \$1,500.
- o Professional services in connection with the purchase or lease of a replacement site.



- o Increased costs of operation during the first two years at the replacement site, not to exceed \$5,000, for such items as:
  - (1) Lease or rental charges.
  - (2) Personal or real property taxes.
  - (3) Insurance premiums.
  - (4) Utility charges, excluding impact fees.
  
- o Impact fees or one time assessments for anticipated heavy utility usage.
  
- o Other items that SCRTD considers essential to the reestablishment of the business.
  
- o Expense in excess of the regulatory maximum set forth above may be considered eligible if large and legitimate disparities exist between costs of operation at the displacement site and costs of operation at an otherwise similar replacement site. In such cases the regulatory limitation for reimbursement of such costs may, at the request of SCRTD, be waived by UMTA, but in no event shall total costs payable under this section exceed the \$10,000 statutory maximum.

#### Eligibility Requirements

To be eligible for a moving expense payment, a business must have:

- o Occupied the property at the time of initiation of negotiation for the acquisition of the property, or at the time SCRTD gives written notice of its intent to acquire the property by a given date; and
  
- o Submit a written claim for payment within 18 months after the date the displaced person moves from the premises, or 18 months after the date of acquisition of the premises, whichever date is later.

#### **APPEAL**

Any displaced person who is not satisfied with the determination of eligibility or the amount of the relocation payment may file an appeal with the SCRTD. Internal appeal procedures will be established which will assure administrative due process. Judicial appeal may also be pursued if a claimant is not satisfied with the final SCRTD determination.