

Hardin Hyundai Inc. was assigned to a new lessee--Garden Grove Automotive (dba Kia Motors). Rent reduction was also considered as part of the lease in exchange for a waiver of relocation benefits. The tenants that signed relocation waivers coupled with Businesses that have vacated the site has left seven Businesses that are eligible to receive relocation assistance.

DISCUSSION

The Agency is now in negotiations with Kam Sang Company (the "Developer") for the sale and redevelopment of the Brookhurst Triangle in multiple phases. The proposed redevelopment project (the "Proposed Project") will consist of approximately 600 residential units and retail development. In planning for the Proposed Project and the potential displacement of commercial tenants that may occur if it were to proceed, the attached Relocation Plan has been prepared pursuant to the Relocation Law. Copies of the draft Relocation Plan have been provided and made all the tenants at the Brookhurst Triangle. Pursuant to the Relocation Law, the Relocation Plan includes: an assessment of relocation needs, business relocation resources, and the relocation program. The City and Agency have provided general notice of the availability of the Relocation Plan, including posting on the City website, and have delivered copies and made the plan available for more than 30 days prior to consideration and action on the Relocation Plan by the City Council.

The Relocation Plan has been prepared based on personal onsite interviews and surveys of the tenants conducted by Agency's consultant, Overland, Pacific and Cutler, Inc. The Relocation Plan presented for City Council and Agency consideration and action meets the requirements of the Relocation Law. Prior to actual displacement of persons or businesses the following will occur:

1. Fair and reasonable relocation payments will be provided to eligible businesses;
2. Eligible businesses will be provided the services offered in the City's/Agency's Relocation Assistance Program; and
3. Eligible persons and businesses will be adequately informed of the relocation assistance, benefits, policies, practices and procedures, including grievance procedures, available to them.

The total cost to relocate the Businesses is estimated to be \$470,000.00, which includes reestablishment expenses and moving and related expenses pursuant to the Relocation Law.

In addition, the Agency will consider a Disposition and Development Agreement (the "DDA") with the Developer for the Proposed Project on the concurrent agenda. If the DDA is approved, then implementation of the DDA in the future may necessitate displacement and relocation of the Businesses at the Brookhurst Triangle pursuant to the Relocation Plan and the Relocation Law. While the DDA, if approved, will require displacement in the future, it is not anticipated that notices to vacate would be issued

in the immediate near term and will not be issued unless and until the Proposed Project is ready to proceed. When and if actual displacement occurs based on notices to vacate issued by the Agency, then eligible Businesses will receive relocation benefits required by the Relocation Law and in implementation of the Relocation Plan.

In the interim, the Businesses at the Brookhurst Triangle may continue to occupy the site pursuant to their current rental agreements. In the event eligible Businesses breach their leases, then under the Relocation Law they could lose their eligibility for relocation assistance and benefits.

FINACIAL IMPACT

The estimated relocation expenditures are estimated to be \$470,000.00, payable through Agency funds. The financial impact to the City and Agency relating to the proposed projects are set forth in the DDA.

RECOMMENDATION

Staff recommends that the following actions be taken:

City Council Action

- Adopt the attached City Council Resolution approving the Brookhurst Triangle Updated Relocation Plan.

Agency Actions

- Receive and file the Brookhurst Triangle Updated Relocation Plan; and
- Authorize the Agency Director and his designees to implement the Brookhurst Triangle Updated Relocation Plan.

GREG BROWN
Real Property Manager

By: Carlos Marquez
Real Property Agent

Recommended for Approval


Matthew Fertal
City Manager

Attachment 1: City Resolution

Attachment 2: Brookhurst Triangle Updated Relocation Plan

RESOLUTION NO. _____

A RESOLUTION OF CITY COUNCIL OF THE CITY OF GARDEN GROVE APPROVING THE RELOCATION PLAN FOR THE BROOKHURST TRIANGLE BUSINESSES AND MAKING CERTAIN OTHER FINDINGS IN CONNECTION THEREWITH

WHEREAS, the Garden Grove Agency for Community Development (“Agency”) is a public body corporate and politic and a community redevelopment agency organized and existing under the California Community Redevelopment Law, Health and Safety Code Sections 33000, *et seq.* (“CRL”) and has been authorized to transact business and exercise the powers of a redevelopment agency pursuant to action of the City Council (“City Council”) of the City of Garden Grove, a California municipal corporation (“City”); and

WHEREAS, the City Council originally adopted the Redevelopment Plan for the Garden Grove Community Project by Ordinance No. 1339 on June 26, 1973 and thereafter amended said Redevelopment Plan and Project Area by City Council Ordinance Nos. 1388, 1476, 1548, 1699, 1576, 1642, 1699, 1760, 1971, 2035, 2232, 2304, 2455, 2576, and 2709; and

WHEREAS, the Redevelopment Plan for the Garden Grove Community Project, as amended, and the Garden Grove Community Project Area, as amended, are referred to, respectively, as the “Redevelopment Plan” and “Project Area”; and

WHEREAS, relocation assistance and benefits for eligible businesses in California are governed by and provided for in the California Relocation Assistance Law, Government Code §7260, *et seq.* (“CRAL”) and the implementing regulations promulgated by the California Department of Housing & Community Development set forth in California Code of Regulations, Title 25, Housing and Community Development, Division 1, Chapter 6, §6000, *et seq.* (“Guidelines”), together the CRAL and Guidelines are referred to as the “Relocation Law”; and

WHEREAS, the Agency acquired that certain real property in the Project Area located at 10071-10081 Garden Grove Boulevard; 10111 Garden Grove Boulevard; 12791 Brookhurst Street; 12861 Brookhurst Street; 12882 Brookhurst Way, Garden Grove for future redevelopment purposes (“Agency Property”); and

WHEREAS, the Agency is in negotiations with New Age Brookhurst, LLC (“Developer”) relating to a proposed redevelopment project on the Agency Property in the Project Area on an approximately 13.9-acre site (“Proposed Project Site”); and

WHEREAS, the proposed redevelopment project that is the subject of the negotiations is commonly referred to as the Brookhurst Triangle, which is proposed to comprise of 600 residential units with 80,000 square feet of retail space, (together, “Proposed Project”); and

WHEREAS, the terms, conditions, provisions and schedule for the Proposed Project as and when negotiated will be set forth in that certain Disposition and Development Agreement (“DDA”) between the Agency and the Developer; and

WHEREAS, if the DDA for the Proposed Project is approved by the Agency and, as applicable, the City Council, and if and when development were to proceed under the DDA, then there may be caused displacement and relocation of approximately six (6) commercial businesses; and

WHEREAS, businesses in lawful occupancy and who are displaced as a direct result of the implementation of a public program or project may be or become eligible for relocation assistance and benefits; and

WHEREAS, pursuant to the Relocation Law, specifically Section 6038 of the Guidelines, and in planning for implementation of the Proposed Project, if such project proceeds, the City and Agency have caused to be prepared a draft relocation plan relating to potential displacement of six (6) commercial business (“Relocation Plan”); and

WHEREAS, Section 6038 provides that local legislative body consider and approve relocation plans; and

WHEREAS, pursuant to the CRL, the City Council is the legislative body of the Agency; and

WHEREAS, in accordance with the Relocation Law, the Relocation Plan has been provided to each of the six business owners on the Site and the Relocation Plan has been made available for public review and comment for a period not less than 30 days prior to submittal of the Relocation Plan to the City Council for consideration, action, and approval; and

WHEREAS, the City Council has reviewed the Relocation Plan and considered public comment (both oral and written), if any, and the City Council believes the Proposed Project and implementation of the Relocation Plan are in the best interests of the District and the health, safety, and welfare of the community and in accord with the public purposes and provisions of applicable state and local law requirements; and

WHEREAS, the City Council desires to approve the Relocation Plan and authorize the City Manager and his designees, to carry out the Relocation Plan, if and when there may be displacement that occurs as a direct result of implementation of the DDA for the Proposed Project, which authorization includes processing and payment of relocation claims and issuance of warrants necessary thereto.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Garden Grove as follows:

Section 1. The foregoing recitals are a substantive part of this Resolution and fully incorporated herein.

Section 2. The City Council approves the Relocation Plan and authorizes the implementation of such Relocation Plan.

Section 3. The City Manager and his designees are hereby authorized to carry out the Relocation Plan.

Section 4. In furtherance of such approval and authorization, the City Manager is authorized take all necessary actions and execute all documents necessary or appropriate to carry out the Relocation Plan. The City Manager is further authorized to the extent necessary during the implementation of the Relocation Plan to accept, process, and approve relocation claims, to provide interpretations and waivers, to cause issuance of warrants for payment of relocation claims, to cause issuance of warrants to pay consulting, legal, and other administrative costs incurred in connection therewith, and to administer the City's (and Agency's) obligations, responsibilities and duties to be performed under the Relocation Plan pursuant to the Relocation Laws.

Section 5. A copy of the final, approved Relocation Plan shall be placed on file in the City Clerk's official records.

Section 6. The City Clerk shall certify to the adoption of this Resolution.

APPROVED AND ADOPTED this 23rd day of November 2010.

CITY OF GARDEN GROVE, a California
municipal corporation

Mayor

ATTEST:

City Clerk

STATE OF CALIFORNIA)
COUNTY OF ORANGE)
CITY OF GARDEN GROVE)

I, Kathleen Bailor, City Clerk of the City of Garden Grove, do hereby certify that the foregoing Resolution No. _____ was introduced and adopted at an adjourned regular meeting of the City Council held on the 23rd day of November 2010 by the following vote of the members thereof:

AYES: COUNCIL MEMBERS:

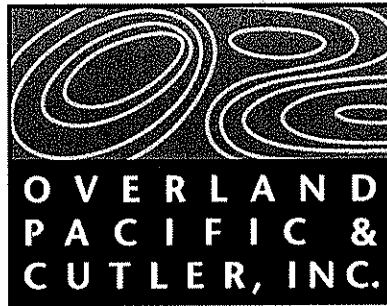
NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

CITY OF GARDEN GROVE

City Clerk



Brookhurst Triangle Project

Draft Relocation Plan

Prepared for

Garden Grove Agency for Community Development

By

**Overland, Pacific & Cutler, Inc.
20 Fairbanks, Suite 178
Irvine, CA 92618
(949) 951-5263**

October 14, 2010

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LIST OF EXHIBITS

- EXHIBIT A: Sample Business Interview Form
- EXHIBIT B: Representative Photographs of Project Businesses
- EXHIBIT C: Business Informational Brochure
- EXHIBIT D: Public Comments and Response

INTRODUCTION

The Garden Grove Agency for Community Development ("Agency") has acquired and assembled certain real property commonly referred to as the "Brookhurst Triangle", which is located within a proposed development site bounded by Brookhurst Street and Brookhurst Way, north of Garden Grove Boulevard and south of Stanford Avenue ("Site"). The Site currently includes both unimproved parcels and some improved parcels; on the improved parcels there are commercial/industrial buildings upon which ten separate businesses are in operation. The Agency is in the planning stages of a proposed redevelopment project that would cause the demolition of the Site and thereafter construction, completion, and operation of a new mixed-use redevelopment project that will include market and affordable housing and commercial retail space ("Project"). The proposed developer of the Project is Kam Sang ("Developer"), who is currently negotiating a disposition and development agreement with the Agency. The Developer's proposed Project is a mixed-use development, which will replace the current fading structures and vacant land with housing, including both affordable and at market units, as well as commercial and retail space. Specific unit designations and project design are still in the development stage. Construction will occur in multiple phases with initial development occurring on the vacant parcels and the last phase being the areas occupied by current commercial business tenants.

The Project is in conformance with the provisions of the Garden Grove Community Project Redevelopment Plan regarding land use, economic goals and policies. Tax increment funds, including housing set aside funds, will be used to fund the proposed Project.

Overland, Pacific & Cutler, Inc. (OPC), an experienced relocation and acquisition firm, has been selected to prepare this Relocation Plan ("Plan") and to provide all subsequent required relocation assistance and coordination of claims for payment of benefits. In compliance with statutory requirements, the Plan has been prepared to evaluate the present circumstances and replacement requirements of potential Project displacees and has been prepared in accordance with the provisions of the California Health and Safety Code, Sections 33411 and 33411.1; the California Relocation Assistance Law, California Government Code, Section 7260, et seq.; and the California Code of Regulations, Title 25, Chapter 6, Section 6000, et seq.

The Plan addresses the following:

1. A description of the Site and Project location (**SECTION I**);
2. An assessment of the aggregate relocation needs of the businesses, which may be displaced as a result of the Project, including survey methods and results (**SECTION II**);
3. An assessment of the availability of replacement commercial sites within Garden Grove and surrounding communities (**SECTION III**); and
4. The steps and procedures that the Agency will follow to ensure a fair and equitable relocation program (**SECTION IV**).

I. PROJECT AREA DESCRIPTION

A. THE REGIONAL LOCATION

The Brookhurst Triangle Project is located in the City of Garden Grove, within the County of Orange, approximately 25 miles south of downtown Los Angeles and 130 miles north of the International Border with Mexico. Garden Grove is easily accessible by State Routes 22 and 39, and Interstate Freeways 5 and 405. (See Figure 1: Regional Project Location)

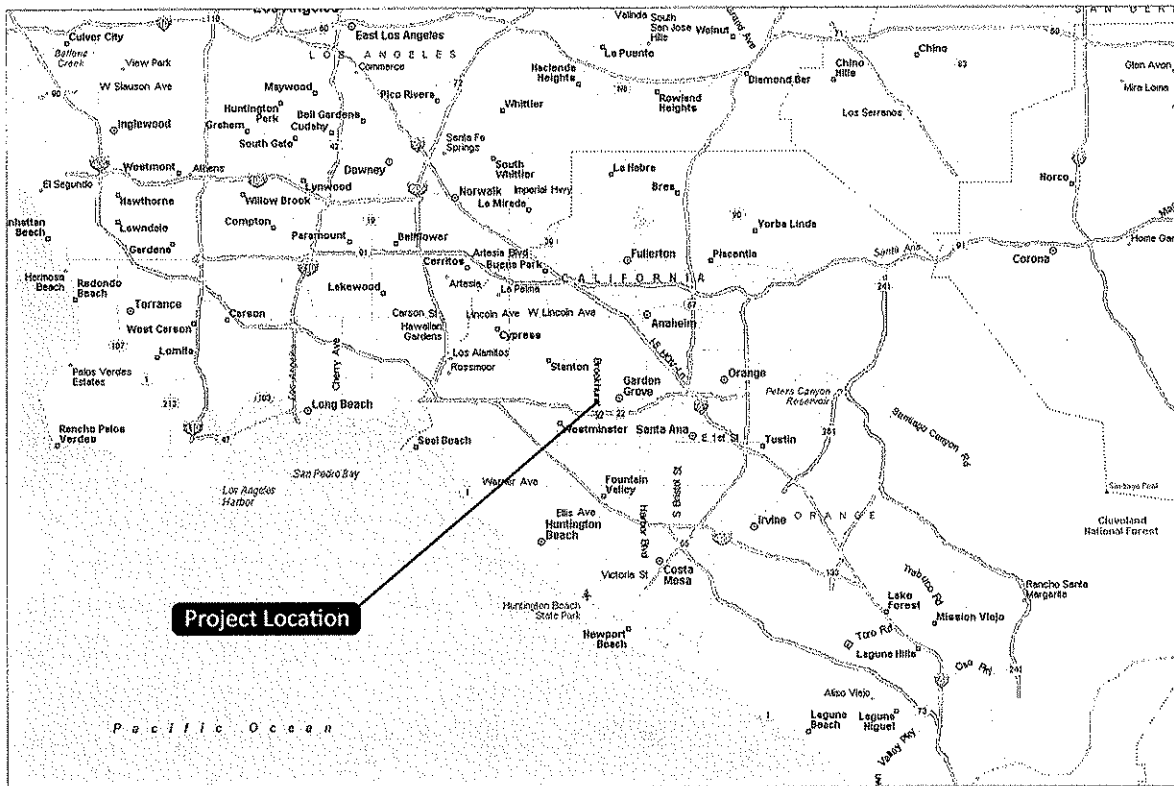


Figure 1: Regional Project Location

B. SITE LOCATION; PROJECT LOCATION

The Site and location of the proposed Project is at the northwestern corner of Brookhurst Street and Garden Grove Boulevard. It is comprised of 13 parcels, and it encompasses approximately 13.9 acres. The Project is generally bounded by Stanford Avenue on the north, Brookhurst Street on the east, Brookhurst Way on the west and Garden Grove Boulevard on the south. (See Figure 2: Project and Site Location)

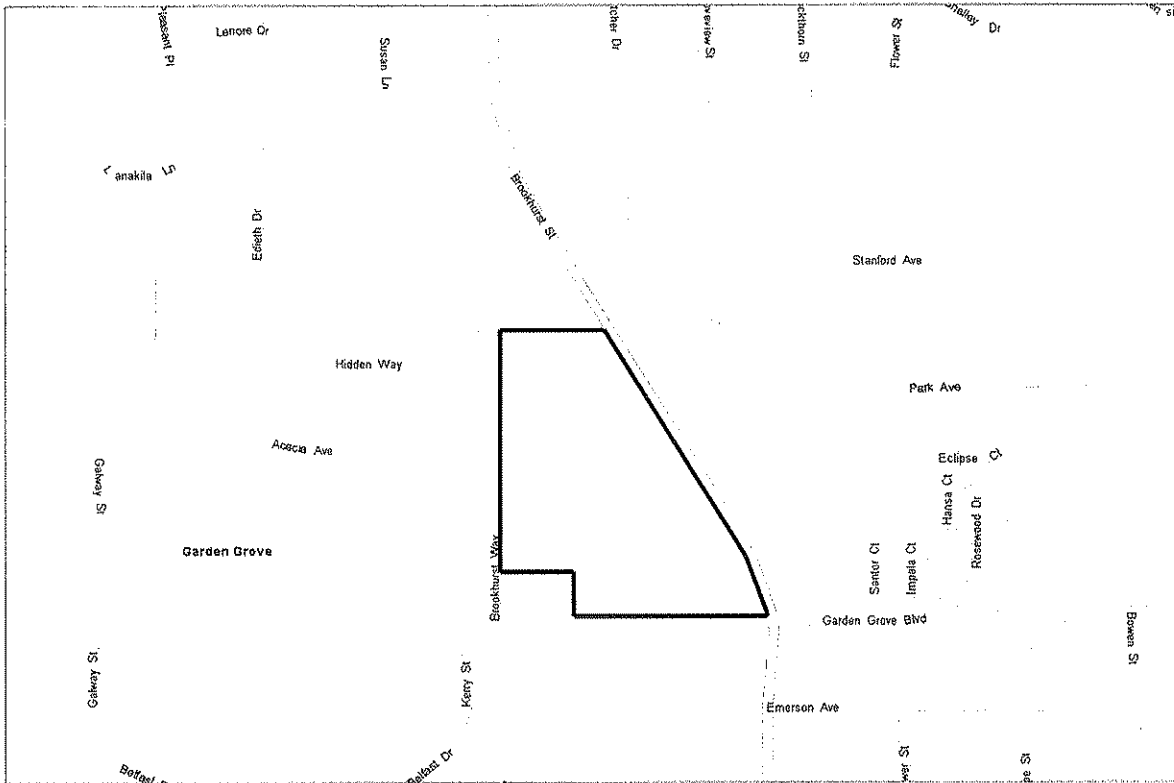


Figure 2: Project and Site Location

C. GENERAL DEMOGRAPHIC & HOUSING CHARACTERISTICS

According to the 2000 U. S. Census, the population of the City of Garden Grove is 165,196 and the population of the impacted Census Tract 887.01 is 6,314 (see **Table 1**). Corresponding Census data concerning the housing mix is shown in **Table 2**.

Population	Tract 887.01	%	City	%
Total Population	6,314	100.0%	165,196	100.0%
White	2,329	36.9%	77,443	46.9%
Black or African American	72	1.1%	2,168	1.3%
American Indian and Alaska Native	44	0.7%	1,260	0.8%
Asian	2,639	41.8%	51,078	30.9%
Native Hawaiian and Other Pacific Islander	43	0.7%	1,081	0.7%
Some Other Race	946	15.0%	25,362	15.4%
Two or More Races	241	3.8%	6,804	4.1%
Hispanic or Latino (of Any Race)	1,987	31.5%	53,608	32.5%

Source: U.S. Census Bureau, Race, Hispanic or Latino, and Age: 2000

Type	Tract 887.01	%	City	%
Total Units	1,930	100.0%	46,703	100.0%
Owner-Occupied	708	36.7%	27,286	58.4%
Renter-Occupied	1,192	61.8%	18,505	39.6%
Vacant Housing Units	30	1.5%	912	2.0%
Available for Sale Only (of Total Vacant Units)	4	13.3%	191	20.9%
Available for Rent - Full Time Occupancy (of Total Vacant Units)	17	56.7%	372	40.8%
Sold or Rented - Not Occupied	1	3.3%	78	8.6%
Otherwise Not Available (e.g. seasonal, recreational, migratory, occasional use)	6	20.0%	83	9.1%
Other Vacant	2	6.7%	188	20.6%

Source: U.S. Census Bureau, General Housing Characteristics: 2000

II. ASSESSMENT OF RELOCATION NEEDS

A. METHODOLOGY

To obtain information necessary for the preparation of this Plan, personal interviews with business owners within the Site were conducted in December 2004, January 2005, June 2006 and again in July 2010. Interviewers were successful in contacting owners from all affected businesses. Survey questions concerned existing conditions such as type of business, type of occupancy, lease/rental and income information, description and size of current operations, any special requirements, and area/facility preferences for replacement locations. A sample interview form can be found in **Exhibit A** of this Plan.

B. FIELD SURVEY DATA

There are ten (10) businesses currently operating within the Site. In connection with the Agency's acquisition of the properties that comprise the Site, the Agency assumed the existing lease/rental agreements in place between the former owner/landlord. Since acquiring the Site, the owner/operators of three of the ten businesses approached the Agency and requested significant reductions in monthly rent and other lease concessions. As of the date of this Plan, these three businesses have entered into new leases at significantly reduced rents and after advisement of their rights to future relocation assistance and benefits each of the three businesses executed Release and Waiver Agreement Regarding Relocation Assistance and Benefits in consideration of the new leases. Therefore, this Plan addresses the needs of, and estimated relocation costs associated with, the remaining seven businesses within the Site. In addition, one post-acquisition lease with a business owner is being negotiated and finalized as of the date of this Plan, which will move onto the Site temporarily. This new business has been fully informed of its status as a post-acquisition tenant and will be ineligible for relocation assistance and benefits when the proposed Project proceeds.

A breakdown of the types of businesses, the estimated aggregate square footage occupied by the type of business, and the approximate total square footage occupied by the type of business is detailed in **Table 3**, below.

TABLE 3: Business Sites by Type			
Type of Establishment	No. of Estab.	Sq. Ft. Total Usage	Avg. Sq. Ft. per Unit
Auto Sales	1	12,500	12,500
Service Provider	1	1,000	1,000
Auto-Related Service Provider	5	5,110	1,022
TOTAL	7		

The information given below is based on the most recent personal interviews conducted with the seven businesses represented in this Plan. Representative photographs of the Project businesses are shown in **Exhibit B**.

All seven businesses reported their lease information; all are paying an average lease rate of \$1.21 per square foot.

Ownership types among the surveyed businesses are shown in **Table 4**, below:

TABLE 4: Business Ownership Types	
Sole Proprietorships	7
Partnerships	0
Corporations	0

The total reported employment base of the businesses is 16 full and part-time permanent employees. **Table 5**, below, shows a breakdown of the varying employment bases with the number of businesses that have the corresponding number of employees for that employment base.

TABLE 5: Project Employment Base	
Type of Establishment	Number of Employees
Auto Sales (1 respondent)	4
Service Provider (1 respondent)	2
Auto-Related Service Provider (5 respondents)	10
TOTAL:	16

Of the seven respondent businesses that indicated a locational preference, the majority desired to reestablish in the same general Garden Grove area. Being in a high traffic area was of major concern to many of them. Other desirable communities mentioned were Stanton, Anaheim, Westminster, Orange, Fullerton, Costa Mesa and Santa Ana. Besides the locational preference, certain business owners expressed preference regarding the time of year that would be most suitable for a move and for the replacement site to have high visibility.

III. BUSINESS RELOCATION RESOURCES

While there is no specific requirement under the Relocation Law that alternate relocation sites be made available to commercial businesses at the time of displacement, the Agency is committed to making every effort to satisfactorily relocate all business concerns to comparable replacement business locations.

A. METHODOLOGY

Both in preparing this Plan, and in the subsequent provision of relocation assistance, the characteristics and needs of the businesses that may be displaced must be understood and addressed. To determine the availability of commercial sites prior to the displacement of occupants from the Site, resources were researched through internet sources and contacts with commercial brokerages serving the area.

B. REPLACEMENT BUSINESS SITE AVAILABILITY

1. Commercial Sites

The project area includes a total of seven commercial uses requiring replacement sites, all zoned for commercial-retail or C-2, that can be categorized as follows: one auto sales retail with a large lot, one service provider and five auto-related service shops. The research that was performed to analyze likely relocation opportunities focused on actual space availability in Garden Grove and surrounding areas.

Survey results indicate an abundance of smaller retail space throughout commercial corridors of Garden Grove and surrounding communities, as well as an adequate number of industrial/commercial spaces in certain clustered industrial areas, which can accommodate auto-related service providers such as those in operation at the Site. Additional available locations were identified that would be suitable upon application for and issuance of a conditional use permit. It is not anticipated that the need will arise, however, the Agency is willing to entertain the option of certain commercial uses being able to return into the newly constructed space or to carefully review and consider any request for special zoning use, especially for hard to find, auto-related sites. **Table 6**, following, represents the available space and price range per property type.

TABLE 6: Availability and Cost of Commercial Space			
Use	# of Properties Found	Sq. Ft. Range	Cost/Sq. Ft. (Median Cost)
Automotive/Industrial	17	600 - 1,800	\$.60 - \$2.00 (\$1.57)
Retail/Service Provider (smaller)	58	600 - 1,500	\$.99 - \$3.55 (\$1.65)
Auto Sales	3	25,000 - 36,000	\$1.00 - \$3.17 (\$1.54)

2. Loss of Goodwill

Goodwill consists of the benefits that accrue to a business as a result of its location, reputation for dependability, skill or quality, and, any other circumstances resulting in probable retention of old, or acquisition of new patronage. Claims for loss of goodwill are not compensable under the statutory provisions related to relocation assistance and benefits and thus are not the focus or subject of this Plan.

Goodwill claims are subject to the laws set forth in the California Eminent Domain Law (Code of Civil Procedure Section 1263.510), which requires business owners to prove all of the following: (1) The loss is caused by the taking of the property; (2) The loss cannot reasonably be prevented by relocation of the business, or by taking steps and adopting procedures that a reasonably prudent person would take to preserve the goodwill; and, (3) The compensation for the loss has not been included as a relocation payment, or duplicated in compensation otherwise awarded to the owner.

C. RELATED ISSUES

1. Language

Relocation assistance information will be verbally provided in English or the language used by the business owners. All written communication will be provided in the language needed, or an interpreter will be provided in order to assure that all business owners obtain a complete understanding of the relocation program and available benefits.

2. Temporary Relocation

No need for temporary relocation is anticipated.

3. “Move-back” Priority

It is anticipated that the majority of business owners at the Site will relocate and reestablish at comparable commercial replacement sites. The Agency and the Developer will consider those owners who express interest in returning to the newly redeveloped Project and will evaluate prospective tenants on the basis of business type, product mix, credit worthiness and past performance.

In the course of working with all business owners, the Agency will identify those individuals who do wish to return and also pursue interim business arrangements. To facilitate a continuation of business operations for those interested, the Agency will direct relocation staff to attempt to locate available, short-term facilities and coordinate with Agency zoning and planning officials where their assistance may be useful.

The Agency and its professional relocation consultant will evaluate and quantify relocation assistance and benefits at the time of eligibility and prior to issuance of any notices to vacate, all in order to develop compensation packages and to make working funds available prior to reestablishment in the relocation site. The Agency will attempt to resolve, by administrative settlement, the financial claims of business owners.

IV. THE RELOCATION PROGRAM

A. PROGRAM ASSURANCES, STANDARDS AND OBJECTIVES

The relocation program to be implemented by the Agency will conform with the standards and provisions of the State of California Relocation Assistance Law, Government Code, Section 7260, et seq., and the California Code of Regulations, Title 25, Chapter 6, Section 6000, et seq. The program objectives will be as follows:

1. To fully inform eligible Project occupants of the nature of, and procedures for, obtaining relocation assistance and benefits;
2. To determine the needs of each displacee eligible for assistance;
3. To provide continuously updated referrals to potential replacement sites within a reasonable time prior to displacement and assure that no commercial occupant is required to move without a minimum of 90 days written notice to vacate;
4. To provide assistance that does not result in different or separate treatment due to race, color, religion, national origin, sex, marital status or other arbitrary circumstances;
5. To supply information concerning federal and state programs and other governmental programs providing assistance to displaced persons;
6. To assist each eligible business to complete applications for benefits;
7. To make relocation benefit payments in accordance with State of California guidelines;
8. To inform all persons subject to displacement of the Agency's policies with regard to eviction and property management; and
9. To establish and maintain a formal grievance procedure for use by displaced persons seeking administrative review of the Agency's decisions with respect to relocation assistance.

B. RELOCATION ADVISORY ASSISTANCE

Overland, Pacific & Cutler, Inc. (OPC) has been retained by the Agency to assist in the administration of its relocation program. OPC will work closely with Agency staff. Agency staff will provide final approvals, or otherwise, of all OPC recommendations. Every reasonable effort will be made to ensure that the relocation of businesses occurs with a minimum of delay and hardship.

The following specific services will be provided to the seven businesses to be displaced from the Site:

1. Each business located at the Site will be personally re-interviewed to gather information appropriate to the determination of needs and preferences regarding replacement of existing facilities. Inquiries made of business owners will cover the following areas: zoning requirements, special site needs, and locational preferences related to reestablishment of the business operation.
2. A printed Informational Brochure (See **Exhibit C**) will be provided to all displaced businesses. Informational Brochures will be provided in the business owner's language should that subsequently be deemed necessary. Signed acknowledgments will be obtained to verify receipt of this material.
3. Assistance will be offered to all displacee businesses in connection with arrangements for the lease or purchase of real property for their business operations, obtaining required business permits or licenses, the filing of claim forms to request relocation benefits from the Agency and to obtain services from other public agencies.
4. Special assistance in the form of referrals to governmental agencies will be made, if requested.
5. Among the other resources which may be utilized in providing needed assistance are the following:
 - (a) The City of Garden Grove Community Development Department
 - (b) City of Garden Grove EDD, Business Retention and Development

- (c) Small Business Administration
- (d) Garden Grove Chamber of Commerce

C. RELOCATION BENEFITS

Relocation benefits will be provided in accordance with the provisions of the State of California Relocation Law, Government Code Section 7260 et seq., Title 25, Chapter 6, and Relocation Assistance and Real Property Acquisition Guidelines. Benefits will be paid to eligible displaced persons upon submission of required claim forms and documentation in accordance with the Agency's approved procedures.

In all instances, specific eligibility requirements and detailed compensation plans will be developed for, and explained to, commercial displacees on an individual basis. In the course of additional personal interviews and follow-up visits, each business owner will be counseled as to available options, and the consequences of any choice with respect to financial assistance.

Payments to Businesses

Pursuant to the requirements of California Relocation Law, eligible businesses may receive a relocation payment to cover the reasonable cost of moving. Each displaced business owner may choose either (1) a payment for actual reasonable and necessary moving and related expenses, or (2) a fixed payment not to exceed \$20,000.

a. *Payment for Actual Reasonable and Necessary Moving and Related Expenses.*

This payment may include the following:

- Transportation of persons and property from the present location to the replacement location (transportation costs are limited to a distance of 50 miles);
- Packing, crating, uncrating, and unpacking personal property;
- Disconnecting, dismantling, removing, reassembling, and installing relocated and substitute machinery, equipment and other personal property. This includes connection to utilities available nearby and modifications necessary

to adapt such property to the replacement structure or to the utilities or to adapt the utilities to the personal property;

- Storage of personal property for up to 12 months, at the Agency's discretion;
- Insurance of personal property while in storage or transit and the replacement value of property lost, stolen, or damaged (not through the fault or negligence of the displaced person) in the process of moving, where insurance is not readily available;
- Subject to certain limitations, any license, permit, or certification required by the displaced business, to the extent that the cost is necessary for reestablishment at the replacement location;
- Subject to certain limitations, reasonable and pre-authorized professional services, including architects', attorneys', engineers' fees, and consultants' charges, necessary for: (1) planning the move of the personal property; (2) moving the personal property; or (3) installing the relocated personal property at the replacement location;
- Subject to certain limitations, the purchase and installation of substitute personal property limited to the lesser of: (1) the estimated cost to move the item to the replacement location; or (2) the replacement cost, less any proceeds from its sale;
- Subject to certain limitations, modifying the machinery, equipment or other personal property to adapt it to the replacement location or to utilities available at the replacement location or modifying the power supply;
- Actual direct losses of tangible personal property resulting from moving or discontinuing a business, not-to-exceed the lesser of: (1) the fair market value of the property for continued use at its location prior to displacement; or (2) an amount equal to the reasonable expenses that would have been required to relocate the property, as determined by the Agency, subject to certain limitations;
- Actual and reasonable expenses incurred in searching for a replacement business location, not-to-exceed \$1,000, and including compensation for

transportation expenses; time spent searching for a reasonable location; meals; lodging; and, real estate broker or agent fees;

- Actual and reasonable expenses necessary to reestablish a displaced business at its new location, not-to-exceed \$10,000. Examples of expenses that may be considered for reimbursement include advertising, redecoration, tenant improvements and certain increased costs of operation at the new location.

b. A Fixed Payment In Lieu of A Payment For Actual Reasonable Moving and Related Expenses

The amount of this payment shall be based on the average, annual net earnings of the business or non-profit organization. The payment to an eligible business, or non-profit organization may not be less than \$1,000, nor more than \$20,000.

To qualify for this payment a displaced business:

- Cannot be a part of a commercial enterprise having at least three other establishments which are not being acquired by the Agency, and which is under the same ownership and engaged in the same or similar business activities; and
- Must not be able to relocate without substantial loss of patronage; and,
- Must have contributed at least 33 ⅓ percent of the owner's total gross income during each of the two taxable years prior to displacement or meet specific earnings criteria.

D. GENERAL INFORMATION ON PAYMENT OF RELOCATION BENEFITS

Claims and supporting documentation for relocation benefits must be filed with the Agency within 18 months from:

1. The date the claimant moves from the acquired property; **or**,
2. The date on which final payment for the acquisition of real property is made, whichever is later.

The procedure for the preparation and filing of claims and the processing and delivery of payments will be as follows:

1. Claimant(s) will provide all necessary documentation to substantiate eligibility for assistance.
2. Assistance amounts will be determined in accordance with the provisions of California Relocation Law.
3. Required claim forms will be prepared by relocation personnel in conjunction with claimant(s). Signed claims and supporting documentation will be submitted by relocation personnel to the Agency.
4. The Agency will review and approve claims for payment, or request additional information.
5. The Agency will issue benefit checks which the relocation consultant will disburse, unless circumstances dictate otherwise.
6. Final payments will be issued after confirmation that the subject business location at the Site has been completely vacated, and actual occupancy at the replacement site is verified.
7. Receipts of payment will be maintained in the relocation case file.

E. RELOCATION TAX CONSEQUENCES

In general, relocation payments are not considered income for the purpose of the Internal Revenue Code of 1968, or the Personal Income Tax Law, Part 10 of the Revenue and Taxation Code. The above statement on tax consequences is not intended to be provision of tax advice by the Agency. Displacees are responsible for consulting with their own tax advisors concerning the tax consequences of relocation payments.

F. GRIEVANCE PROCEDURES

The Agency's Grievance Policy will follow the standards described in Article 5, Section 6150 et seq., Title 25, Chapter 6, State of California, Department of Housing and Community Development Program guidelines.

Briefly stated, displacees will have the right to ask for administrative review when they believe themselves aggrieved by a determination as to eligibility, the amount of payment, or the Agency's property management practices. Requests for review will be directed first to the Agency Director, or other authorized designee of the Agency. Details concerning the entire appeals process will be provided upon request.

G. EVICTION POLICY

1. Under the State of California guidelines, eviction by the Agency is permissible only as a last alternative with the exception of persons considered to be in unlawful occupancy. A displaced person's eviction may affect eligibility for relocation assistance and benefits. Relocation records must be documented to reflect the specific circumstances surrounding the eviction.
2. Eviction may be undertaken only for one or more of the following reasons:
 - a) Failure to pay rent, except in those cases where the failure to pay is due to the lessor's failure to keep the premises in habitable condition, is the result of harassment or retaliatory action or is the result of discontinuation or substantial interruption of services;
 - b) Performance of a dangerous, illegal act at the premises;
 - c) Material breach of the rental agreement and failure to correct breach within 30 days of notice;
 - d) Maintenance of a nuisance and failure to abate within a reasonable time following notice;
 - e) Refusal to accept one of a reasonable number of offers of replacement sites;
 - f) A requirement under State or local law or emergency circumstances that cannot be prevented by reasonable efforts on the part of the public entity.

H. CITIZEN PARTICIPATION

As the process for considering the Project moves forward, the Agency will observe the following protocol:

1. Provide affected business tenants with full and timely access to documents relevant to the relocation program;
2. Encourage meaningful participation in reviewing the Relocation Plan and monitoring the relocation assistance program;
3. Provide technical assistance necessary to interpret elements of the Relocation Plan and other pertinent materials;
4. Issue of a general notice concerning the availability of the Plan for public review, as required, 30 days prior to its proposed approval; and
5. Include written or oral comments received concerning the Plan as an attachment (**Exhibit D**) when it is forwarded to the City Council for approval.

I. PROJECTED DATES OF DISPLACEMENT

The Agency anticipates that date specific vacate notices will not be issued prior to summer 2011 at which time the relocation process will begin.

J. ESTIMATED RELOCATION COSTS

The estimate for relocation-related payments for this Project is **\$470,000**.

The estimated relocation budget does not include any funds that may be disbursed to property and business owners for property acquisition, including fixtures pertaining to realty and/or loss of business goodwill, if any. It does, however, include an amount to provide for potential compensation to owners for equipment, which was intended to be, though is not, subsequently relocated. In addition, the budget does not include relocation administrative costs, or provision for any other services necessary for the implementation of the Plan and Project.

EXHIBIT A: Business Interview Form

OVERLAND, PACIFIC & CUTLER, INC. - BUSINESS INTERVIEW FORM

CASE ID: _____ PROJECT: _____ Funding: _____

AGENCY: _____ CONSULTANT: _____

Parcel #: _____ County: _____ State / Federal _____ Project #: _____

OCCUPANT INFORMATION	MAJOR EVENTS:
Claimant: _____	Site Move-In: _____
Address: _____	First Offer: _____
Site Owner: _____	Initial Interview: _____
	IPR/F&E Walkthrough: _____
	Years Established: _____

	NAME	TITLE	PHONE
CONTACT 1:	_____	_____	() _____
CONTACT 2:	_____	_____	() _____
Email:	_____	_____	() _____ Fax

Mailing Address (if different than above): _____

OWNERSHIP TYPE: Sole Proprietorship Partnership Corporation Non-Profit/Type: _____

OCCUPANCY STATUS: Rent Lease Mortgage Own (Clear) Vacant No Contact

ETHNICITY: White Hispanic Black Asian Other: _____

PRIMARY LANGUAGE: English Spanish Other: _____

BUSINESS INFORMATION

Business Description/Product or Service: Office Retail Manufacturing Warehouse Service Other: _____

Special Features: Parking: _____ Zoning: _____ Clearance/ Height: _____ Loading/Docks/Cranes/Access: _____ Hazardous Materials/Disposal/Emissions/Handling/Storage/UST: _____	Relocate Business: <input type="checkbox"/> Yes <input type="checkbox"/> No Monthly Occupancy Payment: \$ _____ Terms: _____ Options: _____ Number of Employees: FT: _____ PT: _____
--	--

Special Permits? <input type="checkbox"/> Yes <input type="checkbox"/> No Special Utilities? <input type="checkbox"/> Yes <input type="checkbox"/> No Outside Specialists Required? <input type="checkbox"/> Yes <input type="checkbox"/> No	Any leased equipment on site? _____	Annual Gross Sales: \$ _____ Annual Net Income: \$ _____ Federal ID # _____
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Est. Value of Property to be moved: \$ _____	Inventory List Available? Yes / No <input type="checkbox"/> Yes <input type="checkbox"/> No	Office/Retail sq.ft.: _____ Whse/Shop sq.ft.: _____ Open Yard sq.ft.: _____
--	--	---

Multiple Businesses on Site? <input type="checkbox"/> Yes <input type="checkbox"/> No Sub-Leasing to Others? <input type="checkbox"/> Yes <input type="checkbox"/> No Other Locations? Where: <input type="checkbox"/> Yes <input type="checkbox"/> No Franchise? <input type="checkbox"/> Yes <input type="checkbox"/> No	Est. time to move: _____ Best time: _____ Est. time to locate repl. Site? _____ Advance \$\$ needed? <input type="checkbox"/> Yes <input type="checkbox"/> No
---	---

Customer Source/area: _____

Significant Improvements/Equipment/Machinery:

Replacement Property Requirements Area/Facility Preference and size / Access/disabilities:

Comments:

Certification:

I (We) certify that all of the information on this survey is true and correct to the best of my (our) knowledge. The information contained herein shall be treated confidentially to the extent allowed by law.

Respondent(s): _____

Date: _____

Date: _____

Interviewer: _____

Date: _____

EXHIBIT B: Representative Photographs of Project Businesses

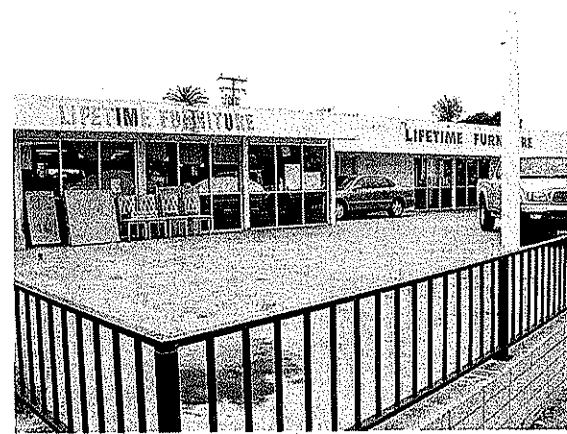


EXHIBIT C: Business Informational Brochure

INFORMATIONAL STATEMENT FOR BUSINESSES, NONPROFIT ORGANIZATIONS AND FARMS

Introduction

The property on which you now conduct your business is in an area to be improved with the assistance of the City of Garden Grove Agency for Community Development ("Agency"). The Agency's plans require the acquisition of several land parcels and the relocation of existing commercial uses. You will be notified in a timely manner as to the date by which you must move.

Please read this information as it will be helpful to you in determining your eligibility and the amount of your relocation benefits under the federal and/or state law. We suggest you save this informational statement for reference.

This is not a notice to move. It is important that you do not move before you learn what you must do to receive relocation payments and other assistance to which you may be entitled. The Agency has retained the services of Overland, Pacific & Cutler, Inc. (OPC), a qualified professional relocation firm, to assist you. The firm is available to explain the program and benefits. Their address and telephone number is:



Overland, Pacific & Cutler, Inc.
20 Fairbanks, Suite 178
Irvine, CA 92618
Telephone: (800) 901-5263

Spanish speaking representatives are available. **Si necesita esta información en Español, por favor llame a su representante.**

Summary of Relocation Assistance

As an eligible displaced person, you will be offered appropriate financial and advisory assistance to help you relocate, including:

- A. Payment for your moving expenses. You will receive either:
 - A Payment for Actual Reasonable Moving and Related Expenses, or
 - A Fixed Payment In Lieu of a Payment for Actual Moving and Related Expenses
- B. Referrals to suitable replacement locations.
- C. Other help to reestablish your business and minimize the impact of the move including help in preparing claim forms to request relocation payments.

If you disagree with the Agency's decision as to your right to a relocation payment, or the amount of the payment, you may appeal that decision.

SOME GENERAL QUESTIONS

How will I know I am eligible for relocation assistance?

Ordinarily, eligibility begins on the date the owner of the property receives the Agency's initial written offer to purchase it. Therefore, you should not move before that date. If you do, you may not be eligible for relocation assistance.

How Will the Agency Know How Much Help I Need?

You will be contacted at an early date and personally interviewed by a representative of the Agency to determine your needs and preferences for a replacement location and other services. The interviewer will ask questions about such matters as your space requirements. It is to your advantage to provide the information so that the Agency, through its relocation consultant, can assist you in moving with a minimum of hardship. The information you give will be kept in confidence.

How Soon Will I Have to Move?

Every reasonable effort will be made to provide you with sufficient time to find and reestablish your business in a suitable replacement location. If possible, a mutually agreeable date for the move will be worked out. Unless there is an urgent need for the property (e.g., your occupancy would present a health or safety emergency), you will not be required to move without at least 90 days advance written notice. It is important, however, that you keep in close contact with the Agency so that you are aware of the time schedule for carrying out the project and the approximate date by which you will have to move.

I Own The Property, Will I Be Paid For It Before I Have To Move?

If you reach a voluntary agreement to sell your property to the Agency, you will not be required to move before you receive the agreed purchase price. If the property is acquired through an eminent domain proceeding, you cannot be required to move before the estimated fair market value of the property has been deposited with the court. (You should be able to withdraw this amount immediately, less any amounts necessary to pay off any mortgage or other liens on the property and to resolve any special ownership problems. Withdrawal of your share of the money will not affect your right to seek additional compensation for your property).

Will I Have To Pay Rent To The Agency Before I Move?

You may be required to pay a fair rent to the Agency for the period between the acquisition of your property and the date that you move. Your rent and the terms of your tenancy will be generally the same as in the prior arrangement.

How Will I Find A Replacement Location?

The Agency will provide you with current and continuing information on available replacement locations that meet your needs. The Agency may also provide you with the names of real estate agents and brokers who can assist you in finding the type of replacement location you require. While the Agency will assist you in obtaining a suitable replacement location, you should take an active role in finding and relocating to a location of your choice. No one knows your needs better than you. You will want a facility that provides sufficient space for your planned activities. You will also want to ensure that there are no zoning or other requirements which will unduly restrict your planned operations. Ask the Agency to explain which kind of moving costs are eligible for repayment and which are not eligible. That will enable you to carry out your move in the most advantageous manner.

What Other Assistance Will be Available To Help Me?

In addition to help in finding a suitable replacement location, other assistance, as necessary, will be provided by the Agency. This includes information on Federal, State, and local programs that may be of help in reestablishing a business. For example, the Small Business Administration (SBA) provides managerial and technical assistance to some businesses. There may also be a government grant or loan program which can help you reestablish your

business. The Agency will assist you in applying for help available from government agencies. The range of services depends on the needs of the business being displaced. You should ask the Agency representative to tell you about the specific services that will be available to you.

I Have A Replacement Location And Want To Move. What Should I Do?

Before you make any arrangements to move, notify the Agency, in writing, of your intention to move. This should be done at least 30 days before the date you begin your move. The Agency will discuss the move with you and advise you of the relocation payment(s) for which you may be eligible, the requirements to be met, and how to obtain a payment.

I Plan To Discontinue My Business Rather Than Move. What Should I Do?

If you have decided to discontinue your business rather than reestablish, you may still be eligible to receive a payment. Contact the Agency and discuss your decision to discontinue your business. You will be informed of the payment, if any, for which you may be eligible, the requirements to be met, and how to obtain your payment.

What Kinds of Payments For Moving Expenses Will I Receive?

Every business is entitled to a relocation payment to cover the reasonable cost of moving. You may choose either:

- A. A Payment For Actual Reasonable Moving and Related Expenses, or
- B. A Fixed Payment In Lieu of Moving and Related Expenses (if you meet the eligibility requirements).

What is Payment For Actual Reasonable Moving And Related Expenses?

If you choose a Payment For Actual Reasonable Moving And Related Expenses, you may claim the cost of:

- A. Transportation of personal property from your present location to the replacement location. (Generally, transportation costs are limited to a distance of 50 miles. If you plan to move beyond 50 miles, discuss your planned move with the Agency.)
- B. Packing, crating, uncrating, and unpacking personal property.
- C. Disconnecting, dismantling, removing, reassembling, and installing relocated and substitute machinery, equipment and other personal property. This includes connection to utilities available nearby and modifications necessary to adapt such property to the replacement structure or to the utilities or to adapt the utilities to the personal property. This includes alterations to the replacement structure required to reinstall machinery, equipment or other personal property
- D. Storage of personal property for a reasonable period of time, if required, at the Agency's discretion.
- E. Insurance of personal property in connection with the move and required storage and the replacement value of property lost, stolen, or damaged in the process of moving where insurance is not readily available.
- F. Any license, permit or certification required by the displaced business, to the extent that the cost is (1) necessary to its reestablishment at the replacement location and (2) does not exceed the cost for the remaining useful life of the existing license, permit, or certification.
- G. Reasonable and preauthorized professional services, including architect's, attorney's, and engineer's fees, and consultant's charges, necessary for (1) planning the move of the personal property, (2) moving the personal property, or (3) installing the relocated personal property at the replacement location.
- H. Relettering signs, printing replacement stationery made obsolete by the move and customer notifications.
- I. The reasonable cost incurred in attempting to sell an item that is not relocated.

- J. Actual direct loss of personal property. This payment provides compensation for property that is neither moved nor promptly replaced with a "substitute item" at the replacement location. Payment is limited to the lesser of: (1) the estimated cost of moving the property or (2) the fair market value of the property for its continued use at the old location, less any proceeds from its sale. To be eligible, you must make a good faith effort to sell the property, unless the Agency determines that such effort is not necessary.
- K. Purchase and installation of substitute personal property. Payment will be limited to the lesser of: (1) the estimated cost to move the item to the replacement location, or (2) the actual cost of the substitute item delivered and installed at the replacement location, less any proceeds from its sale or its trade-in value. It is important to discuss your plans with the Agency before you proceed.
- L. Searching for a replacement location. This payment may not exceed \$1,000.00 and may cover costs for:
- Transportation expenses
 - Time spent searching for a replacement location, based on a reasonable salary or earnings
 - Reasonable fees paid to real estate agents or brokers to find a replacement location (not fees related to the purchase of a site)
 - Meals and lodging away from home

The Agency representative will explain all eligible moving costs, as well as, those which are not eligible. You must be able to account for all costs that you incur; so keep all your receipts. The Agency will inform you of the documentation needed to support your claim.

You may minimize the amount of documentation needed to support your claim, if you elect to "self-move" your property. Payment for self-move is based on the amount of an acceptable low bid or estimate obtained by the Agency. If you self-move, you may move your personal property using your own employees and equipment or a commercial mover. If you and the Agency cannot agree on an acceptable amount to cover the cost of the "self-move," you will have to submit full documentation in support of your claim.

You may elect to pay your moving costs yourself and be reimbursed by the Agency or, if you prefer, you may have the Agency pay the mover directly. In either case, let the Agency know before you move. Select your mover with care. The Agency representative can help you select a reliable and reputable mover.

When a payment for "actual direct loss of personal property" or "substitute personal property" is made for an item, the estimated cost of moving the item may be based on the lowest acceptable bid or estimate obtained by the Agency. If not sold or traded-in, the item must remain at the old location and ownership of the item must be transferred to the Agency before you may receive the payment.

What are Reestablishment Expenses?

A small business, farm or non-profit organization may be eligible to receive a payment of up to \$10,000 for expenses actually incurred in relocating and reestablishing such operation at a replacement site.

Eligible expenses must be reasonable and necessary, as determined by the Agency. They may include but are not limited to the following:

- A. Repairs or Improvements to the replacement real property as required by federal, state or local law, code or ordinance.
- B. Modifications to the replacement property to accommodate the business operation or make replacement structures suitable for conducting the business.
- C. Construction and installation costs for exterior signage to advertise the business.
- D. Provision of utilities from right-of-way to improvements on the replacement site.

- E. Redecoration or replacement of soiled or worn surfaces at the replacement site, such as paint, paneling or carpeting.
- F. Licenses, fees, and permits where not paid as part of moving expenses.
- G. Feasibility surveys, soil testing and marketing studies.
- H. Advertising of replacement location.
- I. Professional services in connection with the purchase or lease of a replacement site.
- J. Estimated increased costs of operation during the first 2 years at the replacement site, for such items as:
 - 1. Lease or rental charges
 - 2. Personal or real property taxes
 - 3. Insurance premiums, and
 - 4. Utility charges (excluding Impact fees)
- K. Impact fees or one-time assessments for anticipated heavy utility usage.
- L. Other items that the Agency considers essential to the reestablishment of the business.

What Expenses Are Not Eligible for Reestablishment Payment?

The following is a non-exclusive listing of reestablishment expenditures not considered to be reasonable, necessary or otherwise eligible:

- A. Purchase of capital assets, such as, office furniture, filing cabinets, machinery or trade fixtures.
- B. Purchase of manufacturing materials, production supplies, product inventory, or other items used in the normal course of the business operation.
- C. Interior or exterior refurbishment at the replacement site, except as otherwise provided for under the business reestablishment payment.
- D. Interest costs associated with any relocation expense or the purchase of replacement property.
- E. Payment to a part-time business in the home which does not contribute materially to the household income.

What is Fixed Payment In Lieu Of A Payment For Actual Reasonable Moving And Related Expenses?

A Fixed Payment In Lieu Of A Payment For Actual Reasonable Moving And Related Expenses to a business or farm operation is based on the average annual net earnings of the business or farm operation. The payment to an eligible business or farm operation may not be less than \$1,000.00, or more than \$20,000.00. The nonprofit organization may be eligible for a payment from \$1,000.00 to \$20,000.00 subject to the following:

A displaced nonprofit organization may choose a fixed payment as stated above if the Agency determines that it cannot be relocated without a substantial loss of existing patronage (membership or clientele.) A nonprofit organization is assumed to meet this test, unless the Agency demonstrates otherwise. Any payment in excess of \$1,000.00 must be supported with financial statements for the two 12 month periods prior to displacement. The amount to be used for the payment is the average of the last two (2) years annual net earnings. Documentation required may be income tax returns, certified financial statements and accounting records or other similar evidence acceptable to the Agency. To qualify for an In-Lieu payment:

A. A displaced **business**:

1. Must own or rent personal property which must be moved in connection with the displacement and for which an expense would be incurred in such move, and the business vacates or relocates from its displacement site.
2. Must be unable to relocate without a substantial loss of existing patronage.
3. Must not be part of a commercial enterprise having more than three other establishments which are not being acquired by the Agency, and which are engaged in the same or similar business activities.
4. Must not be operated at a displacement dwelling/site solely for the purpose of renting such dwelling/site to others.
5. Must have contributed materially to the income of the displaced person during the two (2) taxable years prior to displacement.

B. A displaced **nonprofit organization** (1) must be unable to relocate without a substantial loss of its existing patronage; and, (2) must not be part of an enterprise having more than three other establishments which are not being acquired by the Agency.

C. A displaced **farm operation** must meet certain minimum income requirements.

The average annual net earnings of a business or farm operation are one-half of its net earnings before Federal, State, or local income taxes during the two (2) taxable years immediately prior to the taxable year in which it was displaced. If not in business for a full two years prior to displacement, the net earnings shall be based on the actual period of operation at the acquired site projected to an annual rate. Average net earnings may be based on a different period of time when the Agency determines it to be more equitable. Net earnings include any compensation paid to the owners of the business, a spouse or dependents. The displaced person shall furnish the Agency proof of net earnings through income tax returns, certified financial statements, or other reasonable evidence which the Agency determines is satisfactory.

The Agency will inform you as to your eligibility for this payment and the documentation you must submit to support your claim. Remember, when you elect to take this payment you are not entitled to reimbursement for any other moving expenses.

I Own An Outdoor Advertising Display. What Relocation Payment Will I Receive?

As the owner of an outdoor advertising display, you are eligible for a Relocation Payment For Actual Reasonable Moving And Related Expenses. You are not eligible to receive a Payment In Lieu Of A Payment For Actual Reasonable Moving And Related Expenses.

If you choose not to relocate or replace the sign, the payment for "direct loss of personal property" would be the lesser of: (1) the depreciated reproduction cost of the sign, as estimated by the Agency, less the proceeds from its sale, or (2) the estimated cost of moving the sign without temporary storage. The Agency will inform you as to the exact costs that may be reimbursed.

How do I File A Claim For A Relocation Payment?

You must file a claim for a relocation payment. The Agency will provide you with the required claim forms, assist you in completing them, and explain the type of documentation that you must submit in order to receive your relocation payments. If you must pay any relocation expenses before you move (e.g., because you must provide a security deposit if you lease your new location), discuss your financial needs with the Agency. You may be able to obtain an advance payment. An advance payment may be placed in "escrow" to ensure that the move will be completed on a timely basis.

If you are a tenant, you must file your claim within 18 months after the date you move. If you own the property, you must file within 18 months after the date you move, or the date you receive the final acquisition payment, whichever is later. However, it is to your advantage to file as soon as possible after you move. The sooner you submit your claim, the sooner it can be processed and paid. If you are unable to file your claim within 18 months, the Agency may extend this period.

You will be paid promptly after you file an acceptable claim. If there is any question regarding your right to a relocation payment or the amount of the payment, you will be notified, in writing, of the problem and the action you may take to resolve the matter.

Appeals

If you disagree with the Agency's decision as to your right to a relocation payment or the amount of payment, you may appeal the decision to the Agency. The Agency will inform you of its appeal procedures. At a minimum, you will have 18 months to file your appeal with the Agency. Your appeal must be in writing. However, if you need help, the Agency will assist you in preparing your appeal. If you are not satisfied with the final appeal decision, you may seek review of the matter by the courts.

Tax Status of Relocation Benefits

Relocation benefit payments are not considered as income for the purpose of the Internal Revenue Code of 1986 or the Personal Income Tax Law, Part 10 (commencing with Section 17001) of Division 2 of the Revenue and Taxation Code, or the Bank and Corporation Tax law, Part 11(commencing with Section 23001) of Division 2 of the Revenue and Taxation Code. The preceding statement is not tendered as legal advice in regard to tax consequences, and displacees should consult with their own tax advisor or legal counsel to determine the current status of such payments.

Additional Information

If you have further questions after reading this brochure, contact Overland, Pacific & Cutler, Inc. and discuss your concerns with your relocation representative.

EXHIBIT D: Public Comments and Response