



## 5.0 RELOCATION ASSISTANCE

### 5.0.1 Purpose

The purpose of this Chapter 5 - Relocation is to outline the policies and procedures for providing relocation assistance under the authority, requirement and guidance of the [Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended](#) (Uniform Act), federal code 49 CFR Part 24, Wisconsin Statutes [s. 32.185 to 32.27](#), and Wisconsin Administrative Code Adm 92 Relocation Assistance ([Adm 92](#)).

This chapter establishes minimum standards, policies, and procedures for providing relocation payments and services to a person(s) who moves from a residential or non-residential property because of an acquisition for a highway project and to assure that such persons do not suffer disproportionate costs because of projects designed to benefit the public as a whole.

This chapter establishes procedures for relocation assistance and services provided by Wisconsin Department of Transportation (WisDOT) staff and consultants serving as relocation specialists. It is all inclusive of procedures established herein, and shall be performed with full compliance of applicable state and federal laws and regulations as applied to all WisDOT projects in which a relocation may be involved.

Payments required by this chapter do not affect any right of persons to seek compensation specified in the Wisconsin statutes, s. 32.01 through 32.18 and 32.28. WisDOT may compensate certain residential and non-residential displaced persons for the purchase of comparable housing, businesses and/or farm property as replacement for such property taken in association with a highway project. This chapter also provides guidance for providing moving payments to relocate personal property affected by the highway project when there are no displaced persons. Questions regarding relocation can be directed to WisDOT's Bureau of Technical Services (BTS) statewide relocation program coordinator.

### 5.0.2 Fair Housing Policy

WisDOT shall carry out a relocation assistance advisory program satisfying the requirements of the [Fair Housing Act, 42 U.S.C. 3601 et seq.](#), and the Wisconsin Open Housing Law, [s. 106.50, Wis. Stats.](#), to ensure that replacement housing resources are open to all without discrimination. The following will be exercised:

- Persons to be displaced will be assisted in a manner to ensure against discriminatory practices in the purchase and rental of residential units based on race, sex, color, handicap, religion, national origin, age, marital status of the persons maintaining a household, ancestry, or sexual orientation.
- Persons to be relocated are fully informed of fair housing rights and options to select replacement housing in an area of their choice.
- Replacement housing resources used are open housing to all races and sexes without discrimination.

Upon receipt of a fair housing discrimination complaint, the relocation specialist will refer displaced person to the Wisconsin Department of Workforce Development/Equal Rights Division ([DWD/ER](#)) or the nearest office for the US Department of Housing and Urban Development ([HUD](#)).

### 5.0.3 No Duplication of Payment

No person can receive any payment under this chapter if that person receives a payment under federal, state or local law that is determined by the agency to have the same purpose and effect as such payment under this chapter.

### 5.0.4 Payments Not Considered Income

Payments received under provisions of this chapter are not considered as income pursuant to [s. 32.19](#) or [s. 32.195, Wis. Stats.](#), except for reasonable net rental losses under [s. 32.195\(6\)](#), Wis. Stats. No relocation payment received under the Uniform Act is considered income for the purposes of the Internal Revenue Code of 1954 or for the purposes of determining the eligibility or the extent of eligibility of any person for assistance under the Social Security Act or any other federal law (except for any federal law providing low-income housing assistance).

### 5.0.5 WisDOT Assurance

WisDOT assures that:

- All displaced persons are treated fairly, consistently and equitably under laws of the United States and state of Wisconsin.
- Authorization to proceed with any phase of a project that will cause relocation of any displaced person or to proceed with any construction project concerning any right of way acquired by WisDOT will not be given until there has been a specific plan submitted to provide orderly, timely and efficient relocation of displaced persons as provided in this chapter, and has had such plan approved Authority to approve Conceptual Relocation Plan – Interview Addendums (formerly the Acquisition Stage Relocation Plan - RE2238) is delegated to the BTS statewide relocation program coordinator by the DOA.
- No person lawfully occupying real property will be required to move from an acquired dwelling, business or farm operation without at least ninety (90) days written notice by WisDOT.
- No person to be displaced will be required to move permanently from a dwelling or business location unless at least one comparable replacement dwelling as defined by this chapter has been made available. A comparable replacement dwelling or business location is considered to have been made available to a person when such person has sufficient time to negotiate and enter into a purchase agreement or lease for a property; is assured of receiving relocation assistance and acquisition compensation, subject to reasonable safeguards, to which entitled; and, is informed of its location.
- No person shall be asked or required to waive relocation rights, assistance or benefits provided under 49 CFR Part 24.
- Persons will not suffer disproportionate injuries because of projects designed for benefit of the public as a whole.

- WisDOT shall not proceed with a construction project having right of way to be acquired by the agency, unless relocation payments and services are provided as set forth in this chapter.

## 5.0.6 Organization

WisDOT administers and coordinates relocation assistance services through the BTS for all acquisition projects, and may supervise such program with respect to local public agencies engaged in acquisitions for local road and transportation projects in accordance with this chapter.

### 5.0.6.1 BTS Responsibilities

Primary responsibility for administration and supervision of the relocation program rests within WisDOT's Bureau of Technical Services-Real Estate (BTS)/Appraisal, Relocation and Property Management section. The BTS statewide relocation program coordinator has the primary responsibility for daily administration and coordination of relocation for WisDOT, including:

- Relocation plan approvals
- Assignment of staff or consultants for relocation projects in all regions,
- Relocation claim reviews and approvals
- Quality Assurance Reviews
- Policy and procedures development
- Facilitation of the WisDOT Relocation User Group and similar leadership
- Statewide technical assistance
- Training and other guidance
- Coordination with federal government agencies, other states and Wisconsin agencies, including Department of Administration.

### 5.0.6.2 Regional Responsibilities

Regional Technical Services chiefs, supervisors and lead workers work with BTS management and specialists to:

- Set project priorities.
- Participate in regular meetings with BTS regarding project planning and anticipated relocations.
- Coordinate on relocation cost estimates for conceptual stage plans
- Developing work orders for consultant services in consultation with BTS
- Coordinating move only payments (no displaced persons/businesses) through the relocation program for non-complex moves, in consultation with BTS.

## 5.0.7 Relocation Definitions

Acquisition - A property purchased by an agency by any legal means including a negotiated

sale and exercise of eminent domain; or a tenant-occupied unit where possession or use is denied to the occupant under rehabilitation, code enforcement, or other program or project being carried out with public financial assistance.

Agency - A displacing agency (see displacing agency topic below).

Alien - Not lawfully present in United States, as defined in [49 CFR 24.208](#), and includes:

- In the United States, but has not been admitted or paroled into United States pursuant to Immigration and Nationality Act and whose stay in United States has not been authorized by United States Attorney General; and,
- In the United States after expiration of period of stay authorized by United States Attorney General, or who otherwise violates terms and conditions of admission, parole or authorization to stay in United States.

Average annual net earnings - One-half of net earnings of a business or farm operation, before federal and state income taxes, during the two taxable years preceding the taxable year of displacement, or another period an agency determines more equitable. It includes compensation paid by a business or farm operation to an owner, spouse or dependents. An owner, as used under this subsection includes a sole proprietorship, a principal partner of a partnership and a principal stockholder of a corporation. Stock held by a spouse and dependent children is treated as one principal stockholder (the sum remaining after all expenses are met or deducted).

Average monthly income - For determining financial means, this is the annual gross income of an individual or the adults in a family, including salaries; wages; public assistance payments; tips; commissions; unemployment payments; rents; royalties; dividends; interest; profits; pensions; annuities and other income; and; divided by 12.

Business - A legal activity, other than a farm operation, regardless of the income produced, and may be conducted for the purpose of, or:

- As a non-profit organization established as non-profit status under federal or state law.
- For the purchase, sale, lease or rent of personal and real property and to manufacture, process or market a product, commodity, or other personal property.
- For the sale of a service to public.
- Primarily for outdoor advertising display purposes when display must be moved due to a project.

Carve-out - A method for computing a replacement housing, business or farm operation payment that is applied to separate the value of a portion of a property acquired, or a comparable selected.

Comparable replacement business – A comparable replacement business is adequate for the needs of the business, is reasonably similar in all major characteristics, is functionally equivalent with respect to condition, state of repair, land area, building square footage required, access to transportation, utilities and public service, is available on the market, meets all applicable federal, state or local codes required of the particular business being conducted, is within reasonable proximity of the business acquired and is suited for the same type of business conducted by the

acquired business at the time of acquisition.

Comparable replacement dwelling – A replacement dwelling, when compared with the subject dwelling, is substantially equal concerning all major characteristics and functionally equivalent with respect to: the number and size of rooms and closets, area of living space, type of construction, age, state of repair, size and utility of any garage or other outbuilding, type of neighborhood and accessibility to public services and places of employment. The comparable dwelling shall meet all of the standard building requirements and other code requirements of the local governmental body and shall also be decent, safe and sanitary under Adm 92.04 and within the financial means of the displaced person.

Comparable replacement farm operation - a replacement farm operation which, when compared with the farm operation being acquired, is adequate for the needs of the farmer, is reasonably similar in all major characteristics, is functionally equivalent with respect to type of farm operation, condition and state of repair of farm buildings, soil quality, yield per acre, land area, access to transportation, utilities and public services, is within reasonable proximity of the acquired farm operation, is available on the market, meets all applicable federal, state or local codes required of the particular farm operation acquired and is suited for the same type of farming operation conducted by the displaced person at the time of acquisition.

Conventional financing - For determining a down payment assistance payment, a loan or promissory note secured by a mortgage made by a financial institution and not insured or guaranteed by an agency of the state or federal government, or any other private insurer.

Displaced person - Any person who moves from real property, or who moves personal property from real property that is required for a project or a program undertaken by WisDOT or a local public agency because of:

- Denial of possession or use by owner in anticipation of acquisition by an agency, if removal is unrelated to a material breach of a rental agreement by tenant.
- Property rehabilitation, conversion, demolition, or other related displacing activity.
- Written notice of intent to acquire.
- Written notice of intent to deny possession or use of rented property or to purchase real property, initiation of negotiations for, or purchase of, such real property.

A person is also considered to have moved because of purchase when person occupies a property at time of initiation of negotiations, but moves before acquisition, if property is subsequently acquired.

A displaced person does not include, among others, any person who is or may be:

- A non-occupant owner of commercial or residential property that is rented to others, except that such owner may qualify for actual and reasonable moving and reestablishment expenses under [Adm 92.52](#) and [92.67](#).
- A tenant-occupant who has been promptly notified that he/she will not be permanently displaced by project, provided if a temporary move is necessary, the temporary replacement dwelling is decent, safe and sanitary and tenant is compensated for actual

out-of-pocket expenses incurred for temporary move, including moving costs to and from temporary dwelling, any increased rent or utility costs and other reasonable expenses incurred.

- After receiving a notice of relocation eligibility, is subsequently notified in writing that they would not be displaced for project. Such notice shall not be issued unless person has not moved. WisDOT will provide compensation for any expenses incurred up to time no displacement notice is issued and agency withdraws any attempt to acquire property or carry out project affecting property.
- Determined to be in unlawful occupancy of property or has been evicted for cause under applicable law before initiation of negotiations for the property. Unlawful occupancy is defined under [Adm 92.01\(42\)](#). For businesses, if the business is operating illegally including violations of local ordinances, WisDOT requires that the business receive local government approvals prior to being eligible for relocation assistance.
- Initially occupying affected property after date of acquisition by agency.
- Moving before initiation of negotiations, unless WisDOT determines person was displaced by project.
- Occupying property for express purpose of obtaining relocation benefits under this chapter.
- Voluntarily retaining right of use and occupancy of real property for life following its acquisition by WisDOT.

Displacing agency - A condemnor, state agency, political subdivision of the state. An agency vested with eminent domain powers under [Chapter 32](#), Wis. Stats. Acquiring real property in whole or in part for a public project, is a displacing agency, regardless of whether any or all the statutory procedural steps necessary to exercise such power has been taken, or whether the property is acquired by negotiated purchase or by eminent domain. In a project being carried out by a person without eminent domain power, the condemnor, state agency or political subdivision of the state that is the principal public funding source for the project, shall insure compliance with the provisions of Adm 92 and the Uniform Act.

Dwelling - Single family house, a single-family unit in a duplex, multi-family or multi-purpose property, a condominium or cooperative housing unit, a sleeping room, a mobile home, or other residential unit.

Economic rent – The rent for a property similar to and in the same area as an acquired property. Rent that a property would most probably command in the open market, as indicated by current rents paid in same area as acquired property.

Eminent domain - Right of government and others under [Chap 32.02, Wis. Stats.](#), permitting a taking of private property for a public purpose with payment of just compensation.

Existing patronage - Business from specific clientele or as evidenced by an annual net income during the two taxable years preceding the taxable year of an acquisition or during a more equitable period determined by an agency. Patronage for a non-profit organization includes persons, clientele and community served or affected by the organization.

Farm operation - Activity conducted mainly for the production of one or more agricultural products or commodities, or timber, for sale or home use and customarily producing these in

sufficient quantity to contribute materially to a person's support.

Financial means - Standard for determining if a dwelling is affordable when:

- Owner occupant – Acquisition price of a comparable replacement dwelling does not exceed sum of the payment for acquired dwelling and comparable replacement housing payment available under this chapter.
- Tenant occupant – Monthly rent of comparable replacement dwelling does not exceed monthly rent at displacement dwelling, after consideration of any rental assistance payment available under this chapter.

Household income - The total gross income received for a twelve (12) month period from all sources (earned and unearned) including, but not limited to wages, salary, child support, alimony, unemployment benefits, workers compensation, social security, and/or the net income from a business. It does not include income received or earned by dependent children and full-time students less than eighteen (18) years of age. Full time students may be considered dependent unless the person demonstrates otherwise.

Initiation of negotiations - In acquisition projects, the date a displacing agency, or its representative, initially contacts an owner of real property, or the owner's representative and makes a written monetary offer to purchase the property. Initiation of negotiations does not generally include a situation where the agency obtains only a first right of refusal to acquire or option that does not also include a monetary offer or establishment of a purchase price and where the agency is not otherwise committed to the acquisition of the property; and, the initiation of negotiations does not include:

- Entering into a lease, including a lease with an option to purchase.
- Obtaining a right of first refusal to acquire that does not also include a monetary offer or establishment of a purchase price and does not otherwise commit agency to acquisition of the property.
- Responding to an offer to sell property and negotiating for purchase of the property when offer does not involve involuntary displacement of any occupant and agency is not implementing a project to acquire property.

Mobile home - Includes manufactured homes and vehicles used as residences. See 49 CFR Part 24, Appendix A, Sec. 24.2(a)(17).

Mortgage - A lien given to secure an advance for the unpaid purchase price of real property, together with a credit instrument secured thereby.

Moving expense/actual - Actual and reasonable expenses necessary to move a person and personal property including charges by public utilities for starting service, storage of property up to 12 months and necessary temporary lodging and transportation.

Moving expense/optional fixed payment - An alternate payment for moving.

- Business or farm: A fixed payment ("in lieu of" other actual moving expenses) for a business or farm operation is based on average annual net earnings and may not be less than \$1,000 or more than \$40,000.

- **Residential:** A payment for an occupant of a dwelling is based on the federal room schedule that includes a dislocation allowance.

**Non-profit organization** - A corporation, partnership, individual or other public or private entity engaged in a legal business, professional or instructional activity on a non-profit basis and having fixtures, equipment, stock in trade or other tangible property on the premises and established as a non-profit organization under federal or state law.

**Owner** - A person who has an interest in a dwelling or real property to be acquired by a displacing agency in the form of the following:

- A contract purchaser of any estates or interests under this subsection.
- A fee title or life estate.
- A mobile home on a permanent foundation, or a mobile home which is not decent, safe and sanitary and cannot be moved without substantial damage or unreasonable cost or there are no replacement sites to where it can be moved.
- Has succeeded to any of the interests under this subsection by devise, bequest, inheritance or operation of law, except the tenure of ownership, not occupancy, of a succeeding owner will include the tenure of a preceding owner.
- Interest in cooperative housing including a right to occupy a dwelling.
- Interest other than under this subsection, which is considered ownership by an agency or the department.

**Owner-nonoccupant/landlord** – A person who is an owner of a property being acquired but is not the same owner and operator of a business or farm operation that was conducted on the property as a tenant. An owner-nonoccupant/landlord is collecting rents from the tenant(s) occupying property he/she owns.

**Owner-occupant/business** - A person who is an owner of a property being acquired and is the owner and operator of a business or farm operation that was conducted on the property for at least one year before initiation of negotiations or the date of vacation when given a notice of intent to acquire, whichever is earlier.

**Owner-occupant/residential** - A person who is the owner of a property being acquired and occupies a dwelling on the property as a primary residence.

**Person** - An individual, family, partnership, corporation, association, business or farm operation, or non-profit organization under this chapter.

**Personal property** - Tangible property located on real property but not acquired by an agency as real property or fixtures.

**Prepaid expense** - An item paid in advance by a seller of real property and prorated between a seller and buyer at the time of closing on a property including property tax, insurance, assessment, fuel and utilities and others.

**Primary residence** - A dwelling occupied as a customary and usual place of residence but not a vacation dwelling. A person occupies it for a substantial period before initiation of negotiations.



It is evidenced by place of voter registration, address on a tax return, mailing address, rent receipt, proximity to work, school, utility and phone bill or other evidence acceptable to an agency.

Public financial assistance - Direct funding received from a public entity, such as:

- A private project, which can proceed because of governmental zoning changes, variances or related actions.
- Another related public construction or improvement project receiving federal financial assistance covered under federal relocation regulation.
- Demolition activity accomplished on a random basis if there is no planned public project for property affected.
- Direct acquisition by a federal agency carrying out a federal program or project.

An authority using its own funds for a project is not receiving public financial assistance.

Real property - Land and improvements on and to the land, estates in land and fixtures or other personal property directly connected with the land.

Reasonable Project Costs - the total of all of the following costs that an owner displaced person of an owner-occupied business or farm operation or tenant displaced person of a tenant-occupied business or farm operation must reasonably incur to make a business or farm operation to which the owner or tenant moves a comparable replacement business or farm operation:

1. Capital costs, including the actual costs of the construction of improvements, new buildings, structures, and fixtures; the demolition, alteration, remodeling, repair or reconstruction of existing buildings, structures, and fixtures; the removal or containment of, or the restoration of soil or groundwater affected by, environmental pollution; and the clearing and grading of land.
2. Financing costs, including all interest paid to holders of evidences of indebtedness issued to pay for project costs and any premium paid over the principal amount of the obligations because of the redemption of the obligations prior to maturity.
3. Professional service costs, including costs incurred for architectural, planning, engineering, and legal advice and services.
4. Imputed administrative costs, including reasonable charges for the time spent by the owner or tenant in connection with the implementation of the project.
5. Costs related to the construction or alteration of sewerage treatment plants, water treatment plants or other environmental protection devices, storm or sanitary sewer lines, water lines, or amenities on streets; the relocation of utility lines or other utility infrastructure, including any lines or infrastructure related to an electric utility, natural gas utility, or telecommunications utility; the installation of infrastructure necessary to provide utility service to the property, including any service from an electric utility, natural gas utility, or telecommunications utility; or the rebuilding or expansion of streets if such costs are required by the applicable municipality and are not paid for by the municipality.

Relocation payment - A payment under this chapter, including actual moving expense, a fixed payment in lieu of actual moving expense, purchase, rental and interest differential payment, down payment assistance and cost incidental to a purchase of replacement property. An agency may pay more than the minimum amounts under this chapter, provided the payments

are uniform.

Relocation plan - A document prepared by an agency and submitted to and approved by the department before any property acquisition activity begins. A plan describes the relocation assistance and payments to be provided and indicates whether displaced persons can be satisfactorily relocated.

Replacement housing payments (RHP) - If necessary, limits may be exceeded and a greater payment calculated for the purchase or rent supplement under last resort housing.

- Owner – A purchase supplement not to exceed \$31,000, which when added to price paid by WisDOT for acquired dwelling, equals amount, if any, necessary to purchase a comparable decent, safe and sanitary (DSS) dwelling.
- Tenant – A rent supplement not to exceed \$8,000, which when added to rent of subject site with utilities, equals amount necessary to rent a comparable DSS dwelling.

Searching expense payment - Payment to a displaced business or farm operation, not to exceed \$2,500, to compensate for actual and reasonable expenses in locating a replacement business or farm operation.

Selected comparable - A comparable dwelling, business or farm operation selected by an agency from one or more comparable properties as the most comparable for computing a replacement differential payment.

Tenant - A person who occupies real property and has not been, or could not otherwise be dispossessed, except pursuant procedures under [Chapters 704](#) and [799, Wis. Stats.](#)

Tenant-occupant/business - A person who is a tenant-owner and operator of a business or farm operation that was conducted on the property for at least one year before initiation of negotiations or the date of vacation when given a notice of displacement from the agency, whichever is earlier.

Tenant-occupant/residential - A person who is the tenant of a displacement dwelling and occupies the dwelling as a primary residence.

Unlawful occupancy - Occupancy by a person who has been ordered to move by a court of competent jurisdiction prior to initiation of negotiations for the acquisition of the property. At the discretion of the agency, persons who occupy property without permission of the owner may be considered to be in unlawful occupancy. Technical violations of law and un-litigated violations of the terms of a lease, such as having an unauthorized pet or withholding rent because of improper building maintenance, do not constitute unlawful occupancy. For businesses, if the business is operating illegally including violations of local ordinances, such as zoning violations, WisDOT will require that the business receive local approvals prior to being eligible for relocation assistance.

Utility charge - Average monthly cost for space and water heating, lighting, water and sewer and trash removal, but not telephone service, internet service, cable or satellite TV.



## 5.1 GENERAL RELOCATION REQUIREMENTS

It is the responsibility of the WisDOT relocation specialist to fully inform any person who qualifies as a displaced person of his or her rights and entitlements to relocation assistance and payments. WisDOT relocation specialists must provide displaced persons and businesses with notices and relocation information as they are generally discussed in this section at a minimum.

Written notices shall be provided to displaced persons by one or more of the following methods:

- Certified or registered first-class mail, with a return receipt requested/receipt documented.
- Hand delivery.
- Electronic Mail Delivery

This section describes the information that is required to be provided to a displaced person and the manner and order in which to present the necessary notices, entitlements and payments.

### 5.1.1 Public Involvement Meetings

To assure the public has adequate knowledge of the relocation program, WisDOT shall present information and provide opportunity for discussion of relocation services and benefits at public involvement meetings. Information shall include:

1. A general description of relocation services and payments.
2. A statement that a person who moves prematurely may jeopardize relocation entitlements.
3. Identification of project boundaries and an estimate of the number of residential and non-residential properties to be acquired.
4. Information that all displaced persons will be informed about relocation program through procedures as outlined in this chapter at time of initial interview for the Conceptual Relocation Plan – Interview Addendum (RE2238) and the initiation of negotiations.
5. Information regarding the relocation plan preparation including personal contacts by the relocation specialist to potential displaced persons to obtain information to prepare the relocation plan.
6. Provide the required Wisconsin Department of Administration (DOA) relocation rights brochures.
7. Provide name, address, email and phone number of a WisDOT representative available for further information on acquisition and relocation assistance matters.
8. A statement that sufficient time to relocate will be provided.

### 5.1.2 Conceptual Relocation Plan

The Conceptual Relocation Plan is part of the environmental review process and the budgeting process. Questions that need to be answered for these program areas are provided in this plan. This is the estimate of potentially displaced houses, business, farms and nonprofit organizations and the effects it may or may not have on the environment.

### 5.1.3 Initial Contact and Interview

The Conceptual Relocation Plan - Interview Addendum (RE2238) for a highway project should be prepared by the relocation specialists who will be working with the displaced persons on a project. This is important to the relocation process in order to start a relationship between the relocation specialist and the occupants of the subject property to be acquired. The interview must be administered in person in order to make initial contact with the occupants of the subject and in order to obtain information necessary for preparation of the relocation plan.

Information to be provided at the time of the interview includes a general relocation eligibility letter, the appropriate statewide brochure and informational handout and contact information for the relocation specialist.

For a tenant or an owner-occupant of a property, the general relocation eligibility letter must describe:

- Date acquisition is expected to begin.
- Nature of proposed project.
- Relocation assistance and benefits in summary.
- Clear caution that any premature move may jeopardize relocation entitlements.
- WisDOT contact (name, address, email and phone of agency representative).

For an owner of rental property, a notification must be provided which:

- Advises if tenant(s) moves before acquisition, an owner may qualify for a rent loss payment.
- Cautions owner against eviction of tenants before acquisition.
- Explains nature of proposed project.
- Explains that owner of property may be eligible for re-establishment expenses.
- Explains that tenants are being advised not to move prematurely.
- Informs owner that tenants are being contacted to obtain information to prepare plan.

The current statewide relocation program and general information brochures can be downloaded electronically from the DOA's [Relocation Assistance](#) website and also from WisDOT's website for [Real Estate forms](#). In order to ensure the most recent, updated forms are being used, relocation specialists must download directly from the WisDOT Real Estate Automated Data System (READS). The relocation specialist should review the appropriate brochures with the occupants as a part of the interview process in order to address any questions the possible displaced persons have early on.

When the interview is conducted, the relocation specialist should discuss the best way for the possible displaced persons to contact the specialist when they have questions, especially for during the time period between the interview and when the relocation assistance package is delivered.

#### 5.1.3.1 Notice of Intent to Acquire

With pre-approval from BTS statewide relocation program coordinator, WisDOT may

establish eligibility for relocation benefits to occupants prior to the initiation of negotiations for the parcel by issuing a letter identifying the agency's notice of intent to acquire. This notice is not issued prior to the Relocation Order (RE1708) for the project or prior to authorization for acquisition of individual parcels in the case of a protective purchase or a hardship acquisition. The notice advises occupants of this information:

- Anticipated date of actual initiation of negotiations.
- Any occupant contemplating moving should, to ensure eligibility for moving and replacement housing and rent supplements, notify department before moving.
- Area of their eligibility for and requirements to receive moving and replacement housing and rent supplement payments.
- How additional information pertaining to relocation assistance payments, benefits and services can be obtained.

### 5.1.4 Delivery of Relocation Assistance Package

Eligibility for relocation assistance begins on the date of initiation of negotiations for the occupied property. It is the responsibility of the relocation specialist to promptly notify all occupants in writing of their eligibilities by providing a relocation assistance package. The relocation assistance package must be provided in person with the displaced person or business either at the time of the initiation of negotiations or within seven calendar days. It is best practice to coordinate with the acquisition specialist and present the relocation assistance package at the same time they meet with the displaced person to provide them with the initiation of negotiations.

The Relocation Assistance Package Receipt (RE1036) is a checklist of all documents that need to be included in the relocation assistance package for each relocation. This receipt also provides the order for the documents to be presented and discussed with the displaced person(s). Documents to be provided in all relocation assistance packages include:

- Certification of Legal Residency form (RE1031)
- Initiation of Negotiations letter appropriate to the relocation
- Wisconsin Relocation Rights Brochures: residential, business.
- WisDOT Relocation Informational Handout appropriate to the relocation: business owner (RE1039bo); business tenant (RE1039bt); farm owner (RE1039fo); farm tenant (RE1039ft); business owner landlord (RE 1039l); residential owner (RE1039ro); and, residential tenant (RE1039rt).
- Approved computation, appropriate to the relocation: For Residential: Replacement Housing Payment-Owner (RE1943); Replacement Housing Payment-Tenant (RE1948), For Non-Residential: Business Replacement Payment Computation - Owner (RE1609); Business Replacement Payment Computation – Tenant (unnumbered)
- Relocation Payments Summary/Residential (RE1679R); Relocation Payments Summary Non-Residential (RE1679B).
- Relocation Claim forms (RE1527).
- Notice of vacancy form (RE1783)
- Self-addressed return envelope(s).
- Other items as applicable.

Other items to be included in non-residential relocation assistance packages include, but are not

limited to:

- Business Replacement Payment – Reasonable Project Costs Worksheet
- Administrative Cost Log
- Business Actual Moving Expenses Worksheet (RE1030)
- Reestablishment Expenses Worksheet (RE1034)
- Searching Expense Records (RE1960)
- Tangible Loss / Substitute Property (RE1050)

In the presentation of a nonresidential relocation assistance package, the relocation specialist will have an idea of what that specific business needs may be from the initial contact made during the interview for the acquisition stage relocation plan. The relocation specialist should use their discretion and include as many business forms as they feel may be necessary for the nonresidential relocation.

The Relocation Assistance Package Receipt or Move Only Package Receipt provides the file with confirmation that the relocation specialist discussed each document on the checklist with the displaced person(s). The receipt must be signed by the displaced person(s) and uploaded to the READS relocation log to certify their acknowledgement of receiving all items as presented to them in the relocation assistance package.

#### 5.1.4.1 Legal Residency Certification

Each person seeking relocation payments or relocation advisory assistance under the federal Uniform Act must certify U.S. residency status as a condition of eligibility (see FHWA website: [http://www.fhwa.dot.gov/real\\_estate/uniform\\_act/index.cfm](http://www.fhwa.dot.gov/real_estate/uniform_act/index.cfm)) / [Illegal Aliens and the Uniform Act](#) and [49 CFR 24.208](#). The certification shall indicate:

- For an individual, that he/she is either a citizen or national of the United States, or an alien who is lawfully present in the United States.
- For a household, that each member is either a citizen or national of the United States, or an alien who is lawfully present in the United States. The certification may be made by the head of the household on behalf of other family members.
- For an unincorporated business, farm, or nonprofit organization, that each owner is either a citizen or national of the United States, or an alien who is lawfully present in the United States. The certification may be made by the principal owner, manager or operating officer on behalf of other persons with an ownership interest.
- For an incorporated business, farm, or nonprofit organization, that the corporation is authorized to conduct business within the United States.

The Certification of Legal Residency (RE1031), is the first document to be presented in the relocation assistance package. The relocation specialist will explain to the displaced person(s) that residency status certification is required under the federal Uniform Act for all displaced persons on a project. The relocation specialist should have introduced the requirement during the initial interview for the conceptual relocation plan – interview addendum. The Certification of Legal Residency must be completed and signed by each person seeking relocation payments. The relocation specialist must include the completed, signed form in READS and fill in the date of signature in the relocation screen.

Relocation payments and relocation advisory assistance will not be provided to a person who has not provided the certification described in this section or who has been determined to be not lawfully present in the United States. WisDOT considers the signed certification form provided by a person to be valid.

A refusal to sign the Certification of Legal Residency form by the displaced person will be regarded as non-certified and documented within the Relocation Assistance Diary (RE1043). If a person refuses to sign this document, the relocation specialist must end the meeting and not provide the remainder of the relocation assistance package. Any refusals to certify legal residency must be relayed to the BTS statewide relocation program coordinator immediately and identified in the Relocation Assistance Diary in READS.

If a person can demonstrate to WisDOT's satisfaction, under 49 CFR Part 24.208(h) that the denial of relocation benefits will result in an "exceptional and extremely unusual hardship" to a person's spouse, parent, or child who is a citizen of the United States, or is an alien lawfully admitted for permanent residence in the United States, meaning this will directly result in:

- A significant and demonstrable adverse impact on the health or safety of the person's spouse, parent, or child;
- A significant and demonstrable adverse impact on the continued existence of the family unit of which the person's spouse, parent, or child is a member; or,
- Any other impact that WisDOT determines will have a significant and demonstrable adverse impact on a person's spouse, parent, or child.

For cases in which an "exceptional and extremely unusual hardship" may be considered, the relocation specialist must receive approval from the BTS statewide relocation program coordinator.

Non-discrimination - Any review by WisDOT of the certifications shall be conducted in a nondiscriminatory fashion. WisDOT will apply the standard of review to all certifications it receives, except that standards may be revised periodically.

The relocation specialist must include the completed, signed form in the READS relocation log and update the relocation screen to indicate the date the certification was signed.

#### **WisDOT Review of Certification of Legal Residency:**

For each residential and non-residential relocation, the relocation specialist will explain the residency status certification required under the federal Uniform Act. The relocation specialist should introduce the requirement during the initial interview process. At the initiation of negotiations, the relocation specialist should request and receive a signed copy of the Certification of Legal Residency (RE1031). WisDOT will consider the signed certification form provided by a person to be valid, unless WisDOT determines it is invalid based on a review of certification documentation or other information that WisDOT considers reliable and appropriate. If, based on a review of documentation or other credible evidence, WisDOT has reason to believe that a person's certification is invalid.

For example, a document reviewed does not on its face reasonably appear to be genuine

and that, as a result, a person may be an alien not lawfully present in the U.S., the relocation specialist needs to obtain this information:

1. Relocation specialist may request and review evidence of U.S. citizenship or nationality from such person. Examples of documentation may include a birth certificate or U.S.-issued Green Card. The relocation specialist will review the authenticity of the document provided and identify the review in the Relocation Assistance Diary (RE1043). No copies should be retained by WisDOT.
2. If considered necessary, the relocation specialist will verify the accuracy of such evidence with the issuer. Verification of the person's lawful status can be obtained from the local Bureau of Citizenship and Immigration Services (BCIS). A list of local
3. BCIS offices is available at <http://www.uscis.gov>, and then to find a [USCIS](#) office. Any request for BCIS verification should include the person's(s) full name, date of birth, and a copy of the person's citizenship documentation.
4. If staff has a concern about validity of the person's certification, staff must contact the BTS statewide relocation program coordinator for further consultation and determination.

**Refusals** - A refusal to sign the Certification of Legal Residency form by the displaced person will be regarded as non-certified and documented within the Relocation Assistance Diary (RE1043). Any refusals to certify legal residency must be relayed to the BTS statewide relocation program coordinator immediately and identified in the Relocation Assistance Diary (RE1043) in READS.

### **Computing relocation benefits and payments:**

In computing relocation payments, if any member(s) of a household (tenants/owners) or owner(s) of an unincorporated business, farm, or nonprofit organization is (are) determined to be ineligible because of a failure to be legally present in the United States, no relocation payments may be made.

**Households** - Any payment(s) for such household, which would otherwise be eligible, are computed based on the number of eligible household members. For example, a four-person, owner-occupied household has two undocumented residents. The household also has two children who are U.S. citizens based on documentation of state issued birth certificates.

Moving expenses and replacement housing payments would be provided at 50 percent of the calculated totals to provide benefits to the two household members that are U.S. citizens.

**Determining number of rooms for comparable housing** - The number of bedrooms under the decent, safe and sanitary (DSS) requirements applies only to legal residents of the U.S. However, its application is dependent on the circumstances of the members of a household. If there are four, non-legal status adults and three children that are U.S. citizens being relocated from a three-bedroom apartment rental, the requirement is to ensure three rooms for the three legal residents (e.g., children that are U.S. citizens). The relocation specialist must consider whether providing a three-bedroom apartment will create exceptional harm to the children, spouse or family unit. Staff will consult the BTS statewide relocation program coordinator to discuss the number of bedrooms calculated if an



exceptional harm exception is under consideration.

Unincorporated business (sole proprietorships, partnerships, farms, non-profits) - Any payment(s) for an unincorporated business, farm or nonprofit organization, which would otherwise be eligible, are computed based on the ratio of ownership between eligible and ineligible owners for moving payments and business reestablishment expenses.

Corporation - Federal law considers a legal person established under state laws, need only certify that it is authorized to conduct business in the U.S. All payments are calculated using eligibility provisions.

#### **5.1.4.2 Assurance of Occupancy and 90 Day Notice to Vacate**

A firm date to vacate the property should be established by the project team prior to the start of any acquisition and relocation activities.

WisDOT must provide this date to the property owners in writing and provide timely information on any date adjustments. All displaced persons must be notified in writing as soon as possible of any adjustments.

##### **Federal Uniform Act provisions:**

Assurance of occupancy - WisDOT must provide a 90 day assurance of occupancy (“assurance”) for all residential and non-residential relocations under the federal Uniform Act ([49 CFR Part 24.203](#)). This assurance provides displaced persons a guarantee that they will have a minimum of 90 days before being required to move from the property to be acquired. This assurance may start the actual timeline of 90 days to vacate the premises or it may indicate a specific date in the future when the 90 days will start, depending on the project timeline.

As part of the relocation assistance package provided to displaced persons at or within seven (7) days of the initiation of negotiations, the assurance must be incorporated into the “notice of relocation eligibility” letter given to each displaced person. The assurance is provided to persons who:

- Are in lawful occupancy;
- Are required to vacate their premises because of the proposed highway construction; and,
- Have personal property located on the acquired property.

The assurance must state that the displaced person will receive a notice to vacate, specifying the actual date the displaced person must vacate the premises. The assurance given to a displaced person at the initiation of negotiations is NOT considered a 90 day notice to vacate.

##### **Wisconsin Statutes and Administrative Code provisions:**

90 day notice to vacate - Wisconsin Statutes, [s. 32.05\(8\)](#) and [Adm 92.06](#) require a notice to displaced persons at least 90 days prior to the date of vacation. Wisconsin Statutes [s. 32.05\(8\)\(b\)](#) states:

*“...No person occupying real property may be required to move from a dwelling or move his or her business or farm without at least 90 days' written notice of the intended vacation date from the condemnor.”*

And, [Adm 92.06\(6\)\(b\)](#) states:

*“An agency may not require an occupant of property acquired by an agency to move without at least 90 day written notice of an intended vacation date.”*

The 90-day notice to vacate (“notice to vacate”) letter must provide a specific date for occupants to vacate the property. In order for the 90 day period to commence, WisDOT must provide three comparable properties that meet the Uniform Act criteria found in [49 CFR Part 24.204](#) and [Adm 92](#). While the Uniform Act allows for a minimum of one comparable is provided, three comparable properties are necessary to ensure multiple available properties could be considered a comparable.

A relocation specialist must provide the notice to vacate to the displaced person(s) as soon as the specific date is known that the property must be vacated or when the department has obtained title to the property through a Jurisdictional Offer (RE1786) and Award of Damages.

The notice to vacate should typically reflect the 90-day timeframe after WisDOT owns the property at the closing date or when the Award of Damages is recorded. However, if a region project team and BTS determines that it is necessary for project timing purposes, a notice to vacate may be issued for longer than 90 days before WisDOT owns the property. If the project schedule requires more rapid progress, a notice to vacate may be issued prior to WisDOT ownership.

WisDOT must provide a 30-day notice to vacate after WisDOT owns the property at least 30 days prior to vacancy to allow for the required 30-day, rent-free period at the subject property. See [s. 32.05\(8\)](#), Wis. Stats. and the below sections for further discussion.

**Urgent Need** - Under s.32.21 and 49 CFR Part 24.204, Wis. Stats., a displaced person may be required to vacate their property on less than 90 days advance written notice if WisDOT determines there is a danger to the occupant’s health or safety. A copy of WisDOT’s determination shall be included in the case file and in the READS relocation diary and log. Coordination and approval by the BTS statewide relocation program coordinator is necessary when considering requiring vacancy with less than 90 days written notice.

#### **Waiver of federal relocation requirements under 49 CFR 24.204(b):**

The above policy, REPM/Section 5.1.4.1, may be waived by FHWA, if they demonstrate that a person must move because of:

- A major disaster as defined in Section 102(c), Disaster Relief Act of 1974;
- A presidentially declared national emergency; or
- Another emergency which requires immediate vacation of the real property, if continued occupancy would constitute a danger to the health or safety of the occupants or the general public.

When a person is required to relocate for a temporary period, WisDOT shall:

- Take whatever steps are necessary to assure that the person is temporarily relocated to a decent, safe, and sanitary dwelling;
- Pay the actual reasonable out of pocket moving expenses and any reasonable increase in monthly housing costs incurred because of the temporary move; and
- Make available to the displaced person as soon as feasible, at least one comparable replacement dwelling. (For purposes of filing a claim and meeting the eligibility requirements for a relocation payment, the date of displacement is the date the person moves from the temporarily occupied dwelling.)

If considering a waiver, the relocation specialist or consultant must coordinate with the BTS statewide relocation program coordinator to determine whether a request will be made to FHWA.

### 5.1.5 Deductions from Relocation Payments

In accordance with [49 CFR24.403\(a\)\(6\)](#), the amount of any advanced relocation payment “shall” be deducted from the relocation payment(s) to which a displaced person is otherwise entitled. This allows deductions of relocation payments with pre-approval from the BTS statewide relocation program coordinator provided that the deduction of payment does not prevent a person from obtaining a comparable replacement home or business.

Advanced payments require BTS management or statewide relocation program coordinator pre-approval. However, it is WisDOT policy, should there be a hardship, to make payments to moving companies or other entities in connection with the relocation of a residential or business relocation, directly while naming both parties on the check once the work has been verified as completed and meeting all statutory requirements of reimbursement. No portion of a relocation payment may be withheld by WisDOT to make payments to any other creditor, including any deduction of any unpaid rents from relocation move payments.

### 5.1.6 Eviction Policy

Prior to the initiation of negotiations, WisDOT will assist the tenant displaced person to prevent eviction by an owner. Coordination with the landlord must be made by the relocation specialist to prevent eviction. However, should the tenant be in breach of their rental agreement with the owner of the subject, WisDOT cannot advise the landlord not to evict the tenant.

Any person who occupies the real property and is not in unlawful occupancy on the date of the initiation of negotiations, is presumed to be entitled to relocation payments and other assistance set forth unless the WisDOT determines that:

- The person received an eviction notice prior to the initiation of negotiations and, as a result of that notice is later evicted; or
- The person is evicted after the initiation of negotiations for serious or repeated violation of material terms of the lease or occupancy agreement; and
- In either case the eviction was not undertaken for the purpose of evading the obligation to make available the payments and other assistance set forth in this part.

For purposes of determining eligibility for relocation payments, the date of displacement is the date the person moves, or if later, the date a comparable replacement dwelling is made available.

WisDOT may evict a person as a last resort after attempts to coordinate the move with the displaced person(s) have failed by the expiration of the 90-day notice to vacate. Eviction does not affect the eligibility of a person and their ability to receive relocation benefits. WisDOT's diary must document the circumstance surrounding eviction from an agency-acquired property. Eviction may be undertaken for any of these reasons [Adm 92.16](#):

- A material breach of rental agreement.
- Failure to pay rent, except as specified under [s. 704.07, Wis. Stats.](#)
- Refusal to accept offer of a comparable replacement property.
- Use of premises for illegal purpose.
- When law requires eviction.

### **Coordination with BTS Statewide Relocation Program Coordinator-**

If facing a difficult relocation, which may lead to a potential for an Award of Damages and/or a Writ of Assistance (eviction), the relocation specialist should coordinate with the BTS statewide relocation program coordinator to review the relocation and steps anticipated to obtain possession of the property. This preparation is prior to involvement with the Wisconsin Department of Justice (DOJ). This coordination is intended to ensure that state and federal requirements have been met.

These requirements include:

- All proper notices and written information have been provided to the displaced persons as required under the Uniform Act; Wis. Stats. [Chapter 32](#) and [Adm 92](#).
- Displaced persons have been given adequate time to relocate.
- WisDOT has provided at least one comparable property to displaced persons.
- WisDOT has sufficiently addressed the needs of the displaced persons.

### **Lease agreement and rent charged**

The relocation specialist will present a lease agreement to the displaced person at the time of the recording of the Award of Damages, which provides the 30-day rent-free period. The lease will provide language that the displaced person is responsible for paying rent for the remainder of the time they remain in occupancy up to 60 days maximum.

The amount of rent WisDOT may charge to a displaced person is established by using an economic rent calculation or existing and verifiable, current rental rates, whichever is less; or, in the case of an acquired residential dwelling, one-half of one percent (1/2 of 1%) of the purchase price is used.

A displaced person should be encouraged to vacate the parcel as soon as possible after the Award of Damages has been recorded. WisDOT does not have to undertake a Writ of Assistance process if the displaced person vacates before the designated vacancy date. If the displaced person vacates prior to or at the end of the 30-day rent-free period, no rent is due.

### **Award of damages and writ of assistance**

REPM/ Chapter 3 describes the condemnation process for highway projects, including:

- 1) Jurisdictional Offer ([s. 32.05\(3\)](#) and [\(4\)](#), Wis. Stats.);
- 2) Award of Damages and Payment ([s. 32.05\(7\)](#), Wis. Stats.); and,
- 3) Writ of Assistance ([s. 32.05\(8\)](#), Wis. Stats.).

When WisDOT is unable to negotiate the purchase of a property with an owner, a Jurisdictional Offer (JO) (RE1786) is prepared. The notice provides a 20-day period for acceptance by the owner. If the JO expires or is rejected, an Award of Damages payment may be prepared by a region. When WisDOT is unable to gain timely possession of a property, WisDOT may apply to the circuit court for a Writ of Assistance (eviction). The preparation of the Writ of Assistance occurs through the coordination of WisDOT and the DOJ.

### **When to issue a 90-day notice to vacate**

If either an Award of Damages or a Writ of Assistance, or both, will be necessary to fully secure possession of the acquired parcel, the 90-day notice to vacate, issued on the date the Award of Damages is recorded, firmly establishes the vacancy date. Working back from the established vacancy date ahead of that date is important and should take place as early as possible. If a project letting date is moved and postpones the need for parcel clearance, the notice to vacate may be extended with consultation with the BTS statewide relocation program coordinator.

Example: A property must be vacated by July 1. The Award of Damages must be issued a minimum of 90 days prior to this date on April 1. A JO was issued 20 days prior on March 11. If the Award is recorded on April 1, WisDOT can send the 90-day notice to vacate on that date. The 30-day rent-free period will apply after the Award is recorded starting on the 1st or 15th day of the month.

When a Writ of Assistance is obtained, WisDOT must follow the requirements under [s. 32.05\(8\)\(b\)](#), Wis. Stats.:

*“...No person occupying real property may be required to move from a dwelling or move his or her business or farm without at least 90 days' written notice of the intended vacation date from the condemnor. The displaced person shall have rent-free occupancy of the acquired property for a period of 30 days, commencing with the next 1st or 15th day of the month after title vests in the condemnor, whichever is sooner. Any person occupying the property after the date that title vests in the condemnor is liable to the condemnor for all waste committed or allowed by the occupant on the lands condemned during the occupancy...”*

If a notice to vacate is issued prior to the recording of the Award of Damages, the date of vacancy must comply with the procedures to issue an Award of Damages and filing a Writ of Assistance and include the minimum of 30 days, rent-free period as specified above. When a notice to vacate is issued at the time of the recording of the Award of Damages, unless

possession is otherwise negotiated, the Writ of Assistance should be undertaken at the end of 90 days. When a notice to vacate is issued 60 days prior to the recording of the Award of Damages, a Writ of Assistance procedure should not commence until the end of the 30-day, rent-free period under the above provision in [s. 32.05\(8\)\(b\)](#), Wis. Stats.

### **30-day notice to vacate**

Wisconsin Statutes s. 32.05(8)(b), specifies the 30-day rent-free period shall begin on the next 1st or 15th of the month after the closing date or when an Award of Damages has been recorded. WisDOT sends the 30-Day Notice to Vacate the same day the free rent period begins.

Example: WisDOT informs a residential property displaced person that the property must be vacated by July 1. An Award of Damages is recorded in the Register of Deeds on May 28 (a JO was sent May 1). (e.g., if closing is May 10; free rental period begins May 15). The 90 Day Notice to Vacate can be issued 60 days prior to recording of the Award of Damages on March 28, with a vacancy date of July 1. The displaced person's 30-day rent-free period begins June 1.

## **5.1.7 Move Payments and Vacancy Inspection**

The relocation specialist or consultant serving on behalf of WisDOT is personally required to conduct a vacancy inspection to verify that all personal property has been removed from the property. The visual inspection and completed Vacancy Notice (RE1783) must be signed by the displaced person(s) and relocation specialist with any additional information noted on the document, and uploaded to the READS relocation log. The date of vacancy must also be entered in the relocation section of READS.

No move payments will be disbursed to the displaced person(s) until:

- 1) WisDOT is notified the premise is vacant;
- 2) The relocation specialist/consultant has conducted an inspection verifying the premise is vacant;
- 3) Vacancy Notice (RE1783) is completed, signed and in READS; and,
- 4) No further actions are necessary.

Documentation - Signed copies of all original notices (including any revised notices for changes to the date of vacancy); signed lease agreements; and, signed vacancy inspections must be documented in the relocation case file, Relocation Assistance Diary (RE1043); and all appropriate and related materials are completed in READS.



## 5.2 RELOCATION PLANNING

This section addresses the requirements and procedures specific to relocation planning. During the early stages of planning for highway development, all projects should be planned in such a manner that any issues in the displacement of persons, businesses, farms and non-profit organizations are recognized and solutions are developed to minimize any adverse impact of displacement.

Relocation planning documents will provide the scope of relocation requirements on a project and must precede any project action by the region that will cause displacement. Planning will involve written studies and assure that all displaced persons be afforded the following:

- Business, farm operations or non-profit organizations shall have an opportunity to occupy a comparable replacement site and shall be assisted in reestablishing with minimum delay and loss of earnings.
- Persons covered under Wisconsin's Open Housing Law shall be assisted to ensure equal opportunity to obtain housing from within a community's total housing supply. For more details, see Wisconsin Department of Workforce Development ([DWD](#)) / [Housing Discrimination](#) website.
- Persons shall be given reasonable time to move and may not be required to move unless a comparable replacement is provided for or available.
- Persons shall have an opportunity to occupy comparable, decent, safe and sanitary replacement housing.
- Persons shall receive assistance consistent with needs, including referrals for social service, job and housing counseling, and transportation to available replacement dwellings.
- Persons shall receive equal treatment in the relocation process.
- Project and program activities designed to minimize displacement hardship.
- Prompt and complete relocation payments will be made.

Two types of relocation planning documents are prepared under [Adm 92.24 – 92.30](#) :

1. Conceptual Relocation Plan – This plan is part of the environmental review process. It reviews the relocations proposed within all project alternatives and provides an estimate of relocation costs. A Conceptual Relocation Plan must be prepared for an Environmental Impact Statement (EIS) if relocations are proposed.
2. Conceptual Relocation Plan - Interview Addendum (RE2238) is prepared once the project alternative is selected and project plat is completed. Interviews are conducted with identified displaced persons on the project plat.

This section discusses both documents and the procedures to develop them.

The depth of analysis and scope of the relocation plan should reflect needs of the people to be displaced. Planning for both documents shall include:

- Consideration of housing of last resort, if applicable.
- When an adequate supply of replacement business sites is not expected to be available, address the impacts of displacing the businesses.
- Consideration of special relocation advisory services necessary for any unusual conditions identified, including planning for displaced businesses which are expected to involve complex or lengthy moving processes or small businesses with limited financial resources.
- Estimated number of households to be displaced, including information such as owner/tenant status, family characteristics and consideration of the impact on the elderly, large families and disabled individuals.
- Estimated number, type and size of businesses, farms and non-profit organizations with approximate number of employees.
- Estimated value and rental rates of properties to be acquired and estimate of the number of comparable replacement dwellings in the area, to include price ranges and rental ranges expected to be available.
- Estimated value and rental rates of properties to be acquired and estimate of the number of comparable replacement business sites in the area, to include price ranges and rental ranges expected to be available.

### 5.2.1 Conceptual Relocation Plan

As part of the environmental review process, if relocations are anticipated within any of the project alternatives, the relocation specialist or a consultant may be asked to prepare this plan. The conceptual relocation plan (CRP) will be used in the relocation discussions of the environmental documentation. A CRP must be prepared for an Environmental Impact Statement (EIS) if relocations are proposed. The CRP shall be attached to an EIS but does not need to be included. If the environmental documentation is an Environmental Assessment, Environmental Report, or Categorical Exclusion Checklist, the CRP should be attached to the environmental document if there are various or complex relocations, or if, on a case-by-case basis, it makes sense to attach the CRP. If you are unsure if the CRP should be attached, talk to the Region Environmental Coordinator or BTS statewide relocation program coordinator. The CRP addresses each alternate route design being considered for a highway project and the potential effects for displaced persons.

At this stage, the relocation specialist or consultant should not directly contact potential displaced persons or other occupants in preparation of this plan, as the project alternatives may vary widely for the number of displaced persons and direct impacts. However, an accurate inventory of the buildings and cost estimates are important to obtain for the plan on complex relocation projects. Information in the CRP and methods used to obtain such information include:

- Contact with local governments; local builders; business; and social services agencies.



- Examination of recent sales of homes and businesses in target area for last six months This information may be researched from Register of Deeds; tax assessment offices; informal interviews with local real estate companies; etc.
- Research regarding the number and type of structures affected, number of businesses or households; size of structures; and, owner/tenant status.
- Study of available comparable properties to use as replacement housing and replacement businesses. Use a variety of resources such as online property websites, real estate companies, multiple listing services, newspaper classifieds.

Additional guidance for preparing the CRP is found in Adm 92.64.

## Content

The Conceptual Relocation Plan submitted to WisDOT shall be submitted in the format as indicated in this chapter and conform to the requirements of [Adm 92, Subchapter II - .](#) Each relocation plan shall include the following elements in sufficient detail to assess whether relocation can be satisfactorily accomplished. Contents of a conceptual relocation plan are:

1. PROJECT DESCRIPTION. The name, purpose, location, overall project activity, administrative organization and staffing for relocation assistance, type and occupancy status of displacement property and a timetable for project implementation;
2. RELOCATION PROGRAM STANDARDS. A statement regarding whether local ordinances or regulations establish standards meeting those specified under this chapter for decent, safe and sanitary housing, or whether another regulation requires the agency to provide relocation benefits in excess of those specified under this chapter;
3. COMPETING DISPLACEMENT. A description and analysis of any other private and public displacement activities in the area that may compete for replacement resources;
4. RELOCATION FEASIBILITY ANALYSIS. An identification and description of displaced persons, a description of the property occupied, an identification and assessment of available replacement resources, a correlation of replacement resources with a person's needs, financial means, and an estimate of relocation payments;
5. ALTERNATIVE RELOCATION PLAN. An alternative relocation plan when existing replacement resources are insufficient to meet a person's needs;
6. RELOCATION ASSISTANCE SERVICE. The relocation services to be provided;
7. RELOCATION PAYMENT. The procedure for processing a claim to assure prompt and complete payment;
8. PROPERTY MANAGEMENT. The policy for continued occupancy and eviction;
9. RELOCATION GRIEVANCE. The procedure for resolving a relocation appeal;
10. ASSURANCE. A statement by the agency head or designee that persons to be displaced will be relocated as specified in the approval plan and this chapter;
11. PROJECT MAP. A map identifying each property to be acquired and the project boundary;
12. PHOTOGRAPH. A photograph of each improved property to be acquired.

## 5.2.2 Conceptual Relocation Plan – Interview Addendum

WisDOT will not authorize acquisition activities on any project until the Conceptual Relocation Plan – Interview Addendum (RE2238) has been filed and approved. As delegated by the Wisconsin Department of Administration, the BTS statewide relocation program coordinator approves all relocation plans written for state highway projects and local public agency projects with state and/or federal funds in any part of the project. The relocation addendum should be started once a project plat has been recorded. If the project construction schedule does not allow lead-time, the relocation addendum may be done simultaneous to preliminary design and prior to the Relocation Order (RE1708). Relocation specialists should coordinate with the BTS statewide relocation program coordinator on all plans. When right of way is acquired in hardship acquisitions, early acquisitions or protective purchases, an analysis is made of relocation problems and the relocation addendum will be provided to resolve such problems for each parcel of the project.

### Procedures

The relocation specialist assigned to the preparation of the relocation addendum will conduct an in-depth interview with the displaced persons as soon as practicable prior to preparation of the relocation addendum. All efforts must be made to contact each displaced person on the project. Only after repeated attempts to contact each displaced person have failed and this is clearly documented, should a specialist proceed to develop a relocation addendum without a personal interview of each displaced person.

During the interview, the specialist should complete the required questionnaire for that displaced person and gather all pertinent data that will affect the relocation of each displaced person. These personal interviews will provide the specialist with a picture of the subject site, the relocation needs of the displaced persons and identify potential issues and unique circumstances.

The specialist will conduct a study of the project area to locate comparable replacement sites, which meet the standards of decent, safe and sanitary for residential displaced persons. The specialist should utilize multiple listing services, websites, newspaper listings, personal contacts and other means considered necessary to develop an inventory of acceptable replacement sites for each project.

The result of both the interview and market analysis will be a description of the available sites in the area, including price ranges and rental rates, which can then be compared with the study of displaced persons to assist in identifying replacement housing for the displaced persons. This will assist the specialist in estimating the replacement housing payment and moving expenses. In addition, these steps will assist in identifying any relocation problems affecting persons on the project as well as the scheduling of the highway project. Should it be necessary in the relocation addendum, the provision of last resort housing must be applied to the affected residential households.

In addition to interviewing persons for the relocation plan, the relocation specialist will study the business and farm operations that may be relocated by the highway project. An in-depth interview with the potential affected business shall be conducted. At this stage, the specialist

will implement the planning process for moving with the business by identifying personal property versus real property. The relocation addendum shall indicate services to be provided and methods to provide those services to the business.

The addendum must include a completed interview, project inventory and payment summary. The result of the interview is an estimate of services to be provided for both residential and nonresidential relocations, including replacement payments, moving expenses, and other available relocation benefits.

### **Content**

The Conceptual Relocation Plan – Interview Addendum submitted to WisDOT shall be submitted in the format as indicated in this chapter and conform to the requirements of [Adm 92, Subchapter II - https://docs.legis.wisconsin.gov/document/administrativecode/subch. II of ch. Adm 92](https://docs.legis.wisconsin.gov/document/administrativecode/subch. II of ch. Adm 92). Adm 92.30. Information from an interview regarding a person's needs, characteristics, present occupancy and relocation preferences shall form the basis for the Conceptual Relocation Plan – Interview Addendum.



## 5.3 RELOCATION ADVISORY SERVICES

WisDOT shall carry out a relocation assistance advisory program that satisfies the requirements of the [Fair Housing Law 42 U.S.C. 3601 et. Seq.](#); the [Uniform Act, 49 CFR Part 24; Title VI of the Civil Rights Act of 1964; Title VIII of the Civil Rights Act of 1968; Executive Order 11063](#); and, [Adm 92 – Relocation Assistance](#), and offers all the services listed in this section commensurate with individual needs, whenever the acquisition of property for a project will result in the displacement of a person.

### 5.3.1 Services Provided

The services required herein are intended, as a minimum, to assist persons in relocating to decent, safe and sanitary (DSS) housing that meets their needs. Personal contact is made for the purposes of discussing the entire relocation program in general terms and will include a discussion of the services in this chapter. If such contacts are not achievable, WisDOT specialists must provide detailed documentation to the relocation file via the Relocation Assistance Diary (RE1043) in READS to show that reasonable efforts were made to contact the displaced person(s).

The frequency of personal contacts with each displaced person will depend on the complexity of the specific needs of the persons to be relocated and the level of availability of replacement housing. These contacts should continue until replacement housing is obtained. The displaced persons should continue to be provided with current and continuing information on availability, purchase prices and rental costs of comparable replacement dwellings. Personal contact marks the beginning of a working relationship where trust and rapport with the displaced persons can be established.

After an initial contact, information and data need to be obtained regarding building requirements, and building, and the acreage needed. Assistance will be provided to the person to be displaced from a business or farm operation in obtaining and becoming established in a suitable replacement location. The relocation specialist should consider all available commercial businesses and farms to determine the adequacy for each displaced person.

WisDOT staff and consultants serving as relocation specialists on behalf of WisDOT shall provide relocation assistance advisory services to include such measures, facilities or practices as may be necessary or appropriate to displaced persons, such as:

- Advise renters on tenant or lease arrangements, tenant/landlord responsibilities, and security deposit practices and rent costs.
- Advise that after WisDOT has legal possession of property, a rental agreement between agency and displaced person will be executed (if displaced person remains after possession) and will extend occupancy commensurate with construction project schedules.
- Assess replacement property to determine condition and adequacy, before referral.
- Assistance in moving and transferring utility services.
- Assistance in preparing and filing a claim.
- Assistance relocating advertising signs as discussed in REPM Ch. 10.

- Consult with a business or farm operator to determine relocation needs and preferences, land and building square footage required, traffic patterns, market demand and retention of clientele, replacement cost limitations, employee needs, operating modifications and other factors for successful reestablishment.
- Coordinate activities with local housing authorities of available low-income housing resources as necessary.
- Determine needs and relocation preferences, if any, of displaced persons for their preferences in housing, desired locations, consideration of family size and composition, employment information, area of habitable space occupied, bedroom count, and other requirements for handicapped accessibility or proximity requirements to special facilities.
- Ensure that during time of acquisition and displacement, a property occupied by a displaced person is free of any life-threatening conditions. An agency may temporarily relocate an occupant as an alternative to correcting such life-threatening conditions.
- Explain services available, types of relocation payments and assist in completing any application or other required form.
- Explain timing of program and when highway construction will take place.
- Give advice to displaced persons on obtaining mortgage financing or a land contract and submission of offers to purchase, credit reports, appraisals and survey.
- Make referrals to financial institutions, government agencies and others offering assistance to businesses or farm operations.
- Make transportation available to all displaced persons to inspect housing to which referred, or to attend appointments.
- Provide current and continuing information and referrals to suitable commercial replacement sales, rental sites and facilities.
- Provide current data on cost of comparable properties and leased space, industrial sites, applicable codes, to displaced persons in making an informed decision regarding relocation or discontinuation of a business or farm operation.
- Provide information on WisDOT's relocation program, local ordinances on housing, building codes, fair housing laws, housing consumer literature, shelter costs, homeownership and budgeting.
- Whenever possible, persons shall be given reasonable opportunities to locate to decent, safe and sanitary replacement dwellings that are within their financial means. This does not require WisDOT to provide a person a larger payment than is necessary to enable a person to relocate to a comparable replacement dwelling.

### 5.3.2 Duration of Assistance

Relocation assistance and services to a displaced person shall continue for residential occupants for one (1) year and business/farm occupants for two (2) years after displacement or until relocation has been completed, or until:

- A diligent effort has been made to locate a displaced person, but their whereabouts are unknown.
- Displaced person moves into housing that is not decent, safe and sanitary or to a business or farm operation not in compliance with applicable codes, and refuses efforts by WisDOT to correct deficiencies or accept other referrals.

- Displaced person moves to a suitable replacement property, or discontinues a business or farm operation and receives relocation payments.
- Displaced person refuses to accept suitable replacement referrals.

Relocation specialists shall document the READS diary with all phone calls, letters and other documentation to show that a diligent effort was made to communicate with the displaced persons before terminating assistance. In such cases, the specialist shall document a displaced persons' continuous refusal to work with the specialist for relocation assistance. Relocation specialist must also update READS to document prior notices given/sent (via registered or certified mail) to the displaced persons of the specialist's intention to meet at convenient times with the displaced persons, which were to no avail and any other relevant information pertaining to the situation.

### 5.3.3 Public Housing/Rent Assistance

WisDOT's policy is each displaced person in public housing must be informed that they have an option of either relocating into private housing or relocating back into public housing if units are available. Any rental assistance received from other agencies must be considered when computing benefits for displaced persons. Housing assistance from other state or federal agencies received by the displaced person must be documented and a determination of what procedure to be followed discussed with the BTS statewide relocation program coordinator.

### 5.3.4 Refusal of Assistance

A displaced person can refuse relocation services and still be eligible for payments. There is no requirement that a displaced person accept the services offered and may relocate without assistance. However, to receive the replacement housing payment, it is necessary that the dwelling meet the standard of decent, safe and sanitary requirements based on an inspection by the department or its designee, and that the displaced persons make an application within the time limits to qualify for replacement housing payments. If the person to be displaced declines to acknowledge the refusal or acceptance of services by refusing to sign, it is necessary that you make the proper entries onto the Relocation Assistance Diary (RE1043) to this effect. Specialists should also provide a copy of everything the displaced person signs to the displaced person.

### 5.3.5 Fair Rent Charge

A displaced person shall have rent-free use of the property for thirty (30) days beginning with the next 1st or the 15th day of the month after title vests in WisDOT, whichever is sooner. Rent charged to an occupant for use of a property between the date of acquisition and the date of displacement (vacancy) is calculated either of the following:

- Economic rent.
- Current, verified rent paid by a tenant.
- 1/2 of 1% of purchase price of acquired dwelling for previous owners.

The rent must be within the financial means of the resident.

### 5.3.6 Relocation Complaints/Appeals

Appeals may be filed at any time by a displaced person under [Adm 92.18](#). An appeal made to WisDOT must be made within 60 days after a claim has been denied. WisDOT will provide a written response for decisions not considered in agreement with a displaced person's request or claimed amount. A relocation appeals handout must accompany a written response. Every attempt should be made to resolve the conflict informally by the relocation specialist. If the specialist handling the relocation is unable to provide a resolution of the displaced persons concerns, the relocation specialist shall inform the displaced persons of their appeal rights as stated in this section and per [Adm 92.18](#). A displaced person, (or a person claiming to be displaced), may file an appeal for review by the WisDOT BTS statewide relocation program coordinator. A written letter of complaint explaining their situation is preferable and what they are appealing, however, any form of writing is acceptable. The staff shall review their initial determination made, which resulted in the disputed, along with any new information presented by the displaced person.

Upon completion of the review and if the complaint cannot be resolved at this level, all applicable documentation shall be forwarded to the BTS statewide relocation program coordinator for a final determination by WisDOT. A displaced person shall be assured of these rights:

- A written complaint, in any form, to be reviewed and acted upon within thirty (30) days.
- Inspect and copy files, records, regulation and/or operating procedures of WisDOT pertinent to the appeal.
- Prompt consideration of a complaint, and a written reply from WisDOT explaining a determination within 30 days after receipt of a complaint.
- Representation in an appeal by a personal representative. WisDOT shall:
  - Convey a determination on a complaint to a displaced person in writing within 30 days after receipt of the complaint.
  - Give a displaced person the opportunity to be heard, and shall assist such person in understanding the process for filing a complaint.
  - Inform person filing a complaint of right to appeal under [Adm 92.18\(3\)](#) if they do not agree with WisDOT's determination.

#### DOA Appeal

A displaced person may file an appeal to the DOA if they do not agree with any WisDOT relocation decision, claim reduction or denial. WisDOT shall cooperate and provide materials/documentation requested by DOA pertinent to a complaint within the period established by [Adm 92.18](#). It is not necessary that displaced persons file an appeal with WisDOT prior to appealing to DOA. The BTS statewide relocation program coordinator will coordinate with DOA on required information, and relay needs to the relocation specialist involved in the relocation appeal.

#### Legal Action

Under [s. 32.20, Wis. Stats](#), a claimant has the right to action against WisDOT in a court of

record in the county where the displacement occurred. Filing a complaint under the WisDOT or DOA appeal procedures is not a condition precedent to legal action under s. 32.20, Wis. Stats. The BTS statewide relocation program coordinator will coordinate with the Wisconsin Department of Justice on the required information and relay needs to the relocation specialist involved in the relocation.

If a sum is recovered by a claimant in a litigation judgement settlement, the settlement must clearly define the relocation purposes for how the settlement payment is being determined. This is similar to how, when a relocation agent submits a claim during the relocation process, they must identify the type of relocation benefit that is being claimed. If this is not done in a litigation settlement, federal funds on a project may be jeopardized. **(Note: if there are federal funds used anywhere on a project, this statement holds true.)**





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## 5.4 RESIDENTIAL MOVE PAYMENTS, INCIDENTAL EXPENSES AND INCREASED INTEREST PAYMENTS

Any individual is eligible to receive payment for the reasonable expense of moving their personal property when:

- In occupancy at initiation of negotiations for acquisition of real property in whole or in part.
- In occupancy at time of written notice of intent to acquire by WisDOT.
- Move occurs after issuance of a Jurisdictional Offer (RE1786) to purchase.
- Move occurs after written order to vacate is issued; occupant is eligible though property is not subsequently acquired.

All eligible costs for an actual cost move are based on the principle of actual, reasonable and necessary and are limited to a 50-mile radius. Displaced persons are reimbursed for their costs after they move, after the site is clear of all personal property, and they are the only occupants of the subject site. If the site has multiple-occupancy, all areas occupied and used by the displaced person must be clear of personal property. In hardship cases, displaced persons may be reimbursed or have their moving company reimbursed as directly as possible. All checks to be disbursed in this manner should be written to both the displaced person and the moving company. Only in unique situations should the reimbursement be made directly to the moving company.

Move payments may be made only for items of personal property provided the displaced person is in lawful occupancy. The cost of moving personal property should not be an offset charge against the replacement housing payment or incidental expenses payment that the displaced person receives because of their property being acquired by WisDOT. The length of occupancy requirements for replacement housing payments has no bearing on eligibility for move payments. The displaced person has the option of payment based on actual reasonable moving expenses, or as per the fixed payment schedule as shown in REPM 5.4.8.

WisDOT will generally not participate in costs associated with more than one move of a displaced person. However, if it is shown to be in the public interest that more than one move is necessary, the relocation specialist must request preapproval from the BTS statewide relocation program coordinator prior to the agency agreeing to more than one move.

### 5.4.1 Eligible Move Costs

The following are a list of eligible move costs:

- Actual costs of transportation of individuals and families to replacement housing, including special costs such as an ambulance, if necessary.

- Amount paid for services in documenting and preparing a move claim, up to \$100, one time reimbursement under 92.52(1)(n).
- Cost of insurance covering loss and damage of personal property in transit or storage.
- Costs of meals and lodging when unforeseen circumstances make such payments necessary (i.e., replacement site is not available for occupancy, delay by moving company, etc.).
- Expense of disconnecting, dismantling, removing, reassembling and reinstalling relocated household appliances and other personal property.
- Modification of personal property to adapt it to replacement site that exceeds actual and reasonable expenses might be incurred by a prudent person; all such costs for modification must be accompanied by two estimates; and, should not equal or exceed replacement costs of a new comparable property item.
- No limitation on distance displaced person may move either within Wisconsin or elsewhere; however, WisDOT will reimburse moving costs only within a 50-mile radius. Exceptions are rare and only made if no other alternative exist.
- Packing, crating, unpacking and uncrating personal property.
- Reasonable replacement value of property lost, stolen or damaged during move is reimbursable; however, insurance should be utilized in all moves wherever possible. Replacement value will only be reimbursed if insurance is not available.
- Relocating personal property to remaining lands of displaced person is allowable.
- Should agency determine it necessary or should circumstances occur that displaced person has no control over, displaced person may be eligible for storage of personal property for a reasonable time not to exceed 12 months. Storage for a longer period is eligible for reimbursement only when considered necessary. Should this situation occur as part of a residential move, BTS statewide relocation program coordinator should be consulted for concurrence on necessity of extending that period for reimbursing storage and associated cost.
- If there are other move related costs not listed as eligible in this section, such costs will be evaluated by the BTS statewide relocation program coordinator on a case-by-case basis; all such costs are evaluated on basis of actual, reasonable and necessary.

## 5.4.2 Ineligible Move Costs

The following are ineligible move costs:

- Acquired subject site improvements moved by displaced person.
- Additional expenses incurred because of living in a new location (e.g. heating bills, electric bills, taxes).
- Cost of moving structures, or real property improvement in which displaced person retained ownership or bought back from WisDOT.
- Improvements to replacement site, even if required by law. See REPM Section 5.5 on replacement housing payment, to determine if these expenses are eligible to be considered for reimbursement.
- Interest on loans to cover moving expenses.
- Items included in fair market value compensation (appraisal) for subject site and additional items included in fair market value by acquisition process.
- Payment for searching expenses in connection to locating a replacement dwelling.

- Personal injury, annoyance or discomfort.
- Storage of personal property on real property already owned by displaced person.
- Refundable security and utility deposits.
- Legal fees under 49 CFR Part 24.301(h).

### 5.4.3 Owner Retention of Dwelling

When an owner retains the acquired dwelling, the cost of moving it onto the remainder or replacement land is not eligible for reimbursement as a part of the cost of moving personal property. Moving personal property is an eligible expense under the fixed payment schedule if the owner elects to retain their dwelling. For additional discussion on moving a retained dwelling and reimbursement of costs associated with this type of relocation, see REPM/Section 5.5.

### 5.4.4 Multi-Family Units

An owner occupant of a multi-family structure is eligible for moving expenses in accordance with this chapter. A non-occupant owner (landlord) of a multi-family structure is also eligible for moving expenses for any additional personal property at the subject site. See REPM/Section 5.4.10 for all personal property only moves.

### 5.4.5 Multiple Occupancy of a Dwelling

When more than one occupant resides at an acquired single-family dwelling, these provisions apply:

- If two or more eligible occupants (displaced persons) of the displacement dwelling move to separate replacement dwellings and WisDOT determines only one household existed, payment is as follows:
  - If displaced persons each move to separate replacement dwellings, each is entitled to a prorated share of singular relocation payments allowable had they moved together to a single dwelling.
  - Fixed payment schedule for each is based on number of rooms occupied by each occupant; shared rooms shall be allocated on an equitable basis.
- If two or more eligible occupants of the displacement dwelling move to separate replacement dwellings and WisDOT determines that separate households were maintained on the acquired property, the payment is this:
  - Each occupant is entitled to an actual move payment or a fixed move payment.
  - Each occupant is entitled to a RHP payment individually calculated based on a share of the rent or a prorated share of the RHP for owners if they are moving separately.

The term occupant or displaced person may apply to both individuals and families.

### 5.4.6 Payment Procedures

Residential moves, which are unusual or exceptional and require one or more of the following procedures, require the review and approval of the BTS statewide relocation program coordinator. In all circumstances, this review and approval must be sought prior to planning and to the actual move taking place. A minimum of two estimates should be obtained for all residential moves. All move costs will be reviewed is based on actual, reasonable, and necessary.

### 5.4.7 Vacating Subject Property

It is the responsibility of the relocation specialist to ensure that the subject property is vacated of all personal property. The relocation specialist should be present at the time of the move to ensure the property is vacated of all personal property. When a displaced person notifies WisDOT of the date their property was vacated, a WisDOT relocation specialist or designee shall complete a vacancy inspection no later than 72 hours after notification. The inspection verifies that all personal property has been removed and to record the date of vacancy.

The payment for moving shall not be released until this inspection has been completed and all personal property has been removed from the site to the satisfaction of WisDOT.

The relocation specialist must also notify the regional property manager of the vacancy date as soon as they become aware of the move date and send one copy of the completed Vacancy Notice (RE1783) to the regional property manager. Upload the signed Vacancy Notice in the relocation log in READS and include the date of vacancy in the READS field.

### 5.4.8 Fixed Payment Schedule

Residential displaced persons (persons) may elect to be paid for moving expenses based on the fixed payment schedule as established by FHWA. The fixed payment schedule is not intended to replace the commercial move estimate or bid on a dollar-for-dollar basis. A commercial move includes overhead costs; payroll expenses; equipment; and vehicles of a professional moving company.

The homeowner would not incur those costs in a self-move and should not be compensated for them. The fixed payment schedule includes: transportation; packing; crating; unpacking; uncrating; disconnecting and reconnecting utilities; dismantling; removing; reassembling and reinstalling machinery; equipment and appliances; and disposal of personal property on site.

Fixed Payment Schedule and Dislocation Allowance as Set by FHWA Effective August 26, 2021		
No. of Rooms	Occupant With Furniture	Occupant Without Furniture
1	\$ 600	\$ 465
2	\$ 825	
3	\$ 1,050	
4	\$ 1,275	
5	\$ 1,500	
6	\$ 1,725	
7	\$1,950	
8	\$ 2,175	
Addl. Room	\$ 250	\$115
Exceptions: 1. The payment to a person with minimal possessions who occupies a dormitory style room or whose residential move is performed by an agency at no cost to the person is limited to \$100.00. 2. An occupant is paid on an actual cost basis for moving a mobile home from a displacement site. In addition, a reasonable payment to the occupant for packing and securing property for the move may be paid at the agency's discretion.		

**Occupants with furniture** - The fixed move payment is computed based on the number of furnished rooms in the dwelling unit plus basements, attics, garages and outbuildings, if such spaces contain sufficient personal property to constitute a room. In determining how and when to add additional rooms to the room count, start with the actual room sizes of the habitable rooms, and calculate an average of the habitable room size square footage in the subject property.

The average room size calculated should be the amount of square feet used in determining how many additional rooms to add to the move payment, along with evaluating whether the amount of personal property warrants adding additional rooms to the payment. There must be personal property in rooms that are being added. Additional rooms with no personal property should not be added for purposes of determining a fixed move payment. All such determinations of either fewer or additional rooms must be documented with pictures and a written explanation.

The example below demonstrates how to arrive at a figure for the total habitable space and how to calculate the average square footage for all rooms using a typical five-room house with three bedrooms, a living room, kitchen and dining room combination.

‘Example’ – Calculating Habitable Space (5 room house = 3 bedrooms, living room, kitchen & dining combo)			
Habitable Rooms	Room Size/Count	Square Footage	Total/Average Square Feet
Living room	15 x 20	300	
Kitchen/dining	15 x 18	270	
Bedroom 1	10 x 12	120	
Bedroom 2	10 x 15	150	
Bedroom 3	15 x 18	270	

Total habitable space	1,110	1,110
Divided (÷) by number of rooms		÷ 5
Average square footage of room sizes (use this sq ft)		222

In this example, use 222 square feet (average square footage of room sizes) when deciding if additional rooms will be added. If this home has a basement of 30' x 40' to equal 1,200 square feet, and assuming all the basement has personal property to be moved, divide the overall square footage of the basement by the average square foot room size for the house to arrive at the number of rooms to add (i.e., 1,200 sq ft ÷ 222 sq ft). If there is very little personal property in the basement, however, that fact should be considered when adding rooms and fewer rooms may be added; conversely, if the basement has a great deal of personal property, that information should also be documented and those facts should be taken into account in addition to using the average room size. The key is using sound judgment and documenting all additional room counts.

### 5.4.9 Actual Cost Moves

#### Commercial Moves

The relocation specialist must evaluate the costs associated with the move and monitor all actual moves by a commercial company. If an item, such as a piano, must be moved by a special mover, the relocation specialist shall include in the relocation log the item that was moved separately. Residential displaced persons or owners of personal property on the acquired property may choose to be reimbursed for the actual, reasonable and necessary costs of moving by a commercial mover with these requirements:

- A displaced person or WisDOT must obtain residential estimates from a qualified mover; and,
- Complete documentation of actual expenses incurred, such as receipted bills, must be submitted to BTS statewide relocation program coordinator.

#### Self-Moves

This procedure may be used only with the review and pre-approval of the BTS statewide relocation program coordinator. The commercial move and the fixed move payment schedule procedures are the preferable, standard moving options used in residential moves. The self-move procedure will only be considered acceptable in unusual or complex circumstances where there is no other alternative. It may also be considered in conjunction with the previously named procedures, if necessary, because of unusual circumstances. If a question exists as to the reasonableness of an expense under this provision, WisDOT may obtain other estimates or have the documentation reviewed by the BTS statewide relocation program coordinator.

Reimbursement for the actual, reasonable cost of moving may be made only under these conditions:

- An inventory of items to be moved accompanied by photos must be completed prior to move occurring.
- Basis of payment will be documentation of reasonable expenses incurred, such as receipted bills.

- Estimates from two qualified moving companies are required for verification that payment of self-move does not exceed the cost paid by a commercial mover.
- Move has been fully monitored by the relocation specialist for the entire duration of the move.
- Self-move payments shall not exceed cost of an estimate by a qualified moving company even though itemization of time, materials and labor is required.
- Time and labor for move must be documented by the relocation specialist.

#### 5.4.10 Personal Property Move Only

The relocation or move of personal property only is defined as moving personal property from a property acquired by WisDOT for project purposes where there is no need for relocation of a residence or business/farm/nonprofit operation, and where no displaced persons are included in the property acquired or to be acquired.

Personal property only relocation types:

- Business strip of land. Personal property located on a portion of property being acquired, but where the business located on the property can still operate after the acquisition and where the business will not incur reestablishment expenses.
- Mini-warehouse/self-storage facility. Personal property being stored within a rented storage unit(s) or rented mailboxes in a storage facility that will be acquired in whole or in part.
- Residential strip of land. Personal property located on a portion of property being acquired, but where the residence located on the project will not be affected. Examples include: vehicles, trucks and recreational vehicles (whether operational or not); boats and trailers.
- Vacant land. Personal property stored on property where there is no residence or business.

Personal property only relocation benefits: An owner of personal property to be relocated has two options for the move expense, either a commercial move or a self-move. The owner of the personal property has the discretion to select one option listed below for moving the personal property to a replacement location, including:

1. Commercial move. The WisDOT relocation specialist will arrange for a commercial mover based on the lower of two acceptable estimates (not to exceed their estimated amount) and will pay the mover directly. WisDOT will prepare an inventory, including photos, of the items inventoried to be moved.
2. Self-move. The personal property owner is required to sign a Self-Move Agreement (RE2266) to take full responsibility of the move and will be reimbursed based on the schedules below. WisDOT will reimburse this self-move option after the relocation specialist has inspected the storage unit or property to ensure its vacancy.

Schedule of Unit Size <i>and</i> Rates for Self-Moves	
Unit Size	Self-Move Reimbursable Rates
50 sq. feet or under	\$ 250
51 sq. feet - 100 sq. feet	\$ 400
101 sq. feet - 200 sq. feet	\$ 550
201 sq. feet - 300 sq. feet	\$ 800
Over 300 sq. ft.	Add square footage from unit sizes above [Example: 350 sq. ft. unit is \$800+ \$250=

Schedule of Itemized Personal Property for Self-Move Reimbursement	
Operational vehicles	\$ 50 per vehicle
Boats/trailers, utility trailers, and fifth wheel trailers	\$ 200 each
Non-operating vehicles or any other item requiring towing	\$ 200 per trailer
Appliances	\$50 per appliance
Other fixtures/personal property	\$25 per item

General procedure:

1. The relocation specialist will obtain a list of the names of each tenant or personal property owner and their address(s). The owner/lessee of a self-storage facility should supply the names and addresses on file through rental agreements.
2. The relocation specialist will either hand deliver, email or send a certified Initiation of Negotiations Move Only letter to the owner of the personal property to be moved. The letter must be sent to each self-storage tenant or personal property owner. The letter will provide the two available options for moving personal property.
3. A move only interview will be conducted with each potential owner/lessee to identify what personal property needs to be moved. If the owner does not remove personal property by the date indicated in the letter, the relocation specialist will send, by certified mail, a 30-day notice to vacate.
4. The relocation specialist will inspect the property after the 90-day notice to vacate expires to ensure all items were moved. The specialist will prepare a Vacancy Notice (RE1783), which serves in part as the inspection form, for each personal property move in READS.
5. The relocation specialist will submit a signed Relocation Claim - Application and Release (RE1527) through READS and a cover memo identifying the move option selected, with a description of the items to be moved, unit size or an inventory, and will submit the calculations to BTS statewide relocation program coordinator for review and approval.

Any variation from this personal property move only policy requires prior approval from the BTS statewide relocation program coordinator. Information on actual move payments for personal property move only relocations can be found under Adm 92.52 and 49 CFR part 24.301.

**5.4.11 Replacement Property Closing Costs and Incidental Expenses**

An incidental expense payment is the amount necessary to reimburse the displaced person for actual reasonable costs incurred incidental to the purchase of a replacement property. Such costs may include the following items if normally paid by displaced person or required



by lender:

- Application fees.
- Appraisal fees.
- Attorney fees.
- Certification of structural soundness.
- Conveyance documents (unless these are normal seller's fees).
- Credit report.
- Loan origination or assumption fees that do not represent prepaid interest.
- Reimbursement for points or assumption fee percentages is based on amount of unpaid mortgage balance of the subject property, less the amount determined for the reduction of such mortgage balance.
- Increased mortgage interest. The payment for increased mortgage interest cost shall be the amount which will reduce the mortgage balance on a new mortgage to an amount which could be amortized with the same monthly payment for principal and interest as that for the mortgage(s) on the displacement dwelling. See REPM/Section 5.4.13 for more discussion.
- Recording fees.
- Survey (drawing or plats); see Adm 92.70(6).
- Title search.

These costs do not include:

- Closing costs normally paid by seller of the replacement dwelling.
- Construction permits.
- Costs representing prepaid expenses (insurance proration, interest proration, property tax proration, etc.) and any other fees that represent prepaid expenses.
- Fees, costs, charges and expenses reimbursable as incidental expenses that are part of debt service or a finance charge.

#### **Documentation necessary for payment**

- Copy of all closing statements prepared by lender, broker and attorney incidental to purchase of replacement property.
- Other incidental costs incurred for purchase documented by receipts, paid invoices, billings and letters or documents signed by the parties involved.

For reimbursement of expenses contingent upon the purchase of the replacement property, necessary documentation includes, but is not limited to:

- Copy of the report (appraisal, home inspection, well inspection or radon inspection) must be uploaded to the READS relocation log and the claim must provide a paid bill, invoice or receipt for approval.

### **5.4.12 Expenses Incidental to Property Transfer**

The payments authorized under Wis. Stats. [s. 32.195](#) are payments for incidental expenses for the real property acquired for a project for all reasonable and necessary expenses incurred. These payments may be made under the appraisal process (itemized as part of the allocation of

the appraisal). These payments may also be made as part of the acquisition process provided they are identified. Should neither of these programs value these items or if the items have been missed in the acquisition process, they can be claimed under relocation program provided they are actual, reasonable, and necessary. For further guidance on how and when payments are made through the other processes, see REPM/Chapters 2-Appraisal and 3-Acquisition. WisDOT will reimburse the owner of real property acquired for all actual, reasonable and necessary expenses incurred for:

- Plans and specifications specifically designed for property acquired by WisDOT, and of no value elsewhere because of taking. Documentation for claim must include original plans for all drawings, plats, specifications and invoices (copies are not acceptable).
- Prepayment penalty costs for recorded mortgages encumbering real property provided it is executed 180 days prior to initiation of negotiations.
- Prorated share of property taxes paid, if not prorated when property is acquired.
- Realignment of personal property on same site in partial takings or where realignment is required due to acquisition of property.
- Recording fees, transfer taxes and similar expenses related to the acquisition of the subject property.

#### 5.4.12.1 Net Rental Losses

Rent loss may be provided on a property that will be acquired by WisDOT. Under Wis. Stats. [s. 32.195\(6\)](#), WisDOT may pay reasonable net rental losses when losses are directly attributable to the public improvement project and losses are shown to exceed the normal rental or vacancy experience for similar properties in the area. Payable rent loss is limited to the period of time when the parcel appears on a transportation plat until the date the parcel is acquired by WisDOT.

#### 5.4.12.2 Fencing

If fencing has been acquired and the amount fully compensates the property owner in the appraisal and acquisition process, it should not be necessary to file a claim for additional costs under the provisions of Wis. Stats. [s. 32.195](#). The acquisition process is the recommended approach in compensating the costs of replacement fencing.

In some instances, it may be necessary to reimburse costs under relocation. When highway right of way is acquired, WisDOT will reimburse the property owner for all reasonable and necessary expenses incurred for the cost of fencing necessary to separate lands acquired (new right of way) from the remainder lands of the property owner, less the amount paid for fencing valued in the appraisal and acquired by WisDOT. The replacement fencing must be necessary and will be replaced with similar type/quality and as identical as possible as the acquired and existing. Replacement fence costs, minus value of existing fence (from appraisal), is the claimed amount for reimbursement under relocation. For the appraisal valuation of existing fencing along the right of way acquired, see REPM/2.8.1. Fencing expenses will not be allowed where the highway project includes fencing of the right of way at no cost to the abutting owner. Fencing replaced along the existing or previous highway right of way line and interior fencing is also not a reimbursable fencing

cost. See analysis of fencing for varying situations:

Scenario 1: Replacement of the existing fencing

- Reimbursement of costs for new fencing is based on replacement of comparable fencing to that of the previous fence.
- Any upgrades in the new fence shall be paid by property owner.
- Costs of new gates of same type and size are allowable, but reimbursement is limited to same number/quality as the acquired fencing gates.

Scenario 2: When there is no existing fence

- Fences should conform to other fencing being replaced in area or type determined necessary to provide safety and security for the highway improvement.
- Reimbursement may be made for fencing an area remaining after acquisition when WisDOT determines it to be necessary.

Scenario 3: Temporary fencing

- Materials and labor for construction of temporary fencing is an eligible expense.

All reimbursable costs must be reasonable and necessary with these limitations:

- Cost of materials is based on prevailing retail costs charged by suppliers in area.
- If the new fence is upgraded and more expensive than fence acquired or deemed necessary, reimbursement is limited to same type as acquired.
- If fencing is installed by an owner, total time charged must be itemized and supported by owner, and is reviewed on basis of reasonable and necessary time to build type of fence installed.
- All charges for time, materials and labor must be shown on a fully itemized receipted bill from fencing contractor.

Claims must be submitted no later than two years after WisDOT acquires the property. The owner should be informed of the date by which time they must submit a claim. Claims will not be approved for payment until all fencing has been completed.

If an owner self-builds a fence, the labor charges are on an hourly rate, and the days and hours worked must be logged, signed and verified by those working on the fence and accompany the claims. If labor charges are on a per foot or yard basis, the invoice must reflect this cost and be verified as to the actual footage. Itemized receipted bills and invoices are necessary to show that the costs were incurred and must accompany the claim. The cost of fencing materials and labor if by an owner may not exceed the installation cost by a private fencing contractor less overhead costs or a maximum of \$30/hour.

### **5.4.13 Increased Interest Payments**

Increased interest payments are provided to compensate a displaced person for the increased interest cost the owner is required to pay for financing a replacement dwelling. All bona fide mortgages on dwellings acquired by WisDOT are used to compute the increased interest cost portion of the replacement payment. General procedures are:

- For mobile homes, mortgage(s) must encumber real property including home and lot or site.
- If mobile home is financed as personal property, it is not eligible for an increased interest payment.
- Payment will be made to owner-occupants only.
- When a multiple unit dwelling is acquired, amount of reimbursement is limited to portion of mortgage represented by unit occupied by owner.

Increased interest payment is allowed under these conditions:

- All mortgages (if more than one) are a valid lien on property acquired and were executed at least 180 days prior to initiation of negotiations. Federal law under the provisions of [MAP-21](#) maintained the 180-day requirement for mortgage interest differential payment eligibility.
- Dwelling acquired by WisDOT was encumbered by a bona fide mortgage(s), executed and recorded in good faith. Land contracts, home equity loans and other similar instruments are considered as bona fide mortgages provided they meet all requirements of this section.
- Mortgage(s) on replacement dwelling, farm, business or non-profit organization bear a higher net interest rate than mortgage interest rate on acquired property.
- Property acquired has been occupied by owner 90 days prior to initiation of negotiations.

#### **5.4.13.1 Increased Interest Payment Eligibility**

The displaced person shall be informed of the eligibility for this payment and the conditions that must be met to receive this payment. Facts relative to both the new and old mortgage(s) must be known to calculate this payment. Should the displaced person need these dollars at the time of closing, those facts should be determined as soon as possible and preferably, three weeks in advance of the closing date for the new dwelling. Sufficient time should be given for filing the claim and return of the check to the relocation specialist. The check for these costs should be released to the displaced person at time of the closing. If the displaced person does not anticipate the need for these dollars at the closing, they may be calculated based on the old mortgage and the mortgage executed at the closing in accordance with this chapter.

The documentation needed for this calculation are copies of both mortgages, and a bank statement showing the interest rate, term and other pertinent data for the new mortgage. The mortgage executed at the closing must be the same terms as stated in the bank statement. The increased interest payment may be made directly to the displaced person, farm, business or non-profit organization. In addition, the mortgagee and the displaced person both may be named on the check upon a specific written request by the displaced person.

While MAP-21 decreased the requirement for being present at a home to 90 days, the eligibility that a mortgage is in place for at least 180 days remains unchanged. The

increased mortgage interest payment eligibility per [49 CFR 24.401\(d\)](#) and [MAP-21](#) requires that the mortgage be a valid lien on the homeowner's property at least 180 days prior to the Initiation of Negotiations date. Less than 180-day homeowners are not eligible for the mortgage differential payment.

### 5.4.13.2 Calculating Payment

The amount of increased interest payment is computed using a computerized system programmed specifically for calculating the increased interest payment such as the MIDP calculator found on the FHWA website found at the following website:

[https://www.fhwa.dot.gov/real\\_estate/uniform\\_act/relocation/midpcalcs/](https://www.fhwa.dot.gov/real_estate/uniform_act/relocation/midpcalcs/).

This payment is commonly known as the "buy down." These factors are needed for computing the payment:

1. Mortgage details on replacement property (interest rate; monthly principal and interest payments; term of mortgage; and, points).
2. Mortgage(s) details on subject property (remaining principal balance; interest rate; monthly principal and interest payments; and, remaining term of mortgage).

If the new mortgage has an interest rate and points that exceed the current prevailing interest rate and points (for same type of mortgage on subject property) and there is no justification for the excessive rate, then the current prevailing rate is used in the calculation. Justification may include the unavailability of current rates in an area, credit difficulties or other similar reasons. Justification does not include creative financing or utilizing points as a buy down for the mortgage. Payment is based on the remaining term of the mortgage of the subject site or the term of the new mortgage on the replacement site, whichever is shorter. Buyer's points, loan origination fee or assumption fees (but not seller's points or costs) should be included in the interest differential payment provided that:

- Points and fees are based on same percentage ratio; however, it shall be to unpaid mortgage balance on displacement dwelling.
- Points are not paid as closing costs or incidental costs.
- Points do not exceed prevailing rates.
- WisDOT determines it to be necessary.

### 5.4.13.3 Common Examples of Interest Calculation Factors

The FHWA mortgage interest differential payment calculator shall be used to determine the interest payment owed. The following examples are discussed for providing basic criteria and are the procedures to be followed when calculating increased interest payments. Each example is presented based on certain and specific mortgage criteria and the procedure to use in that situation.

Example 1*Mortgage criteria:*

- Acquired subject property has first and second mortgage.
- Combined mortgage balance is less than new mortgage.
- New interest rate is higher than present mortgage.
- Replacement property has first mortgage only.

*Procedures to develop payment:*

- Compute interest differential payment for first mortgage using lesser term, amount and interest.
- Compute interest differently for second mortgage using lesser term, amount and interest rate.
- Interest differential amounts calculated would be added to determine total interest differential payment amount.

Example 2*Mortgage criteria:*

- Acquired subject property has first and second mortgage.
- New interest rate is higher than present rate.
- New mortgage amount is less than combined old first and second mortgage.
- Replacement property has first mortgage only.

*Procedures to develop payment:*

- Compute interest differential payment for first mortgage using lesser term, rate and amount.
- Compute interest differential payment for second mortgage using lesser term and interest rate, but amount is reduced so combined balance does not exceed new mortgage amount.

**5.4.13.4 Factors in Partial Acquisition, Dwelling and Business Interest Differential Payments**

Normal size tracts - Where the dwelling is located on a tract normal for residential or business use in the area, the interest payment is reduced to the percentage ratio that the acquisition price bears to the before value; except the reduction shall not apply when the mortgagee requires the entire mortgage balance to be paid because of the acquisition and it is necessary to refinance.

*Example:* Assume before value of entire property is \$35,000; and offering price for part needed is \$28,000. The resulting percentage ratio would be 80% (\$28,000 divided by \$35,000 = 80%). The interest payment would be reduced by 20%, thus subsidizing all but the remaining portion of the existing mortgage. This reduction would not be used. However, when the mortgage lender requires that the entire mortgage balance be paid on the acquired property because of the acquisition and it is necessary to refinance.

Larger than normal tracts - Where a dwelling or business is located on a tract larger than normal for residential or business use in the area, the total mortgage balance shall be reduced to the percentage ratio that the value of the residential or business portion bears to the before value for computation purposes. This reduction will apply whether it is required that the entire mortgage balance be paid.

Multi-use properties (residential or business) - The interest payment on multi-use properties shall be reduced to the percentage ratio that the residential or business value of the multi-use property bears to the before value.

Other highest and best use (residential only) - If a dwelling is located on a tract where the fair market value is established on a higher and better use than residential use (typically this is a commercial or industrial use) and if the mortgage is based on residential value, the interest payment should be computed as provided in the appropriate paragraphs above. If the mortgage is based on the higher use, the interest payment shall be reduced to the percentage ratio that the estimated residential value of the parcel has to the before value.



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**Real Estate Program Manual****Chapter Five: Relocation**

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## 5.5 RESIDENTIAL RELOCATIONS

This section describes general requirements for a replacement housing payment (RHP) to be made available to a person(s) displaced from a dwelling. A person is not required to relocate to the same owner or tenant occupancy status, but has other options as specified under this section. An agency will make one replacement payment for each dwelling unit, except in cases of joint occupancy of a single-family dwelling.

### 5.5.1 Replacement Housing Payment Eligibility

Persons who meet length of occupancy requirements as an owner or tenant occupant displaced from a dwelling are eligible for a replacement housing payment (RHP) if the person occupied the dwelling for not less than 90 days immediately before the initiation of negotiations as an owner or 90 days as a tenant. Owners/tenants that have occupied a dwelling for less than 90 days may qualify for a tenant replacement payment under hardship circumstances. These conditions are necessary:

- Displaced person is in occupancy when a notice of intent to acquire is issued by WisDOT, and said occupancy fulfills all requirements for a RHP.
- Displaced person is in occupancy on date of initiation of negotiations for partial or total acquisition of parcel.

Payment will be made to a displaced person who either rents or purchases and occupies a decent, safe and sanitary (DSS) replacement dwelling not later than one year after the later of:

- The required amount deposited with county circuit court for Award of Damages; or
- The final payment for the acquisition of the subject property; and
- The subject property is vacated.

A replacement dwelling is purchased when a person:

- Acquires an existing dwelling.
- Contracts to build or builds a new DSS dwelling on a site owned or acquired.
- Occupies a dwelling or site owned prior to acquisition of subject site, provided they occupy it within one year and dwelling is DSS. The current fair market value of replacement dwelling and land is used as actual cost in determining payment. See [Adm 92.04](#) for further discussion.
- Purchases a life estate interest in a retirement facility.
- Purchases or retains subject site and meets requirements of [Adm 92.70\(7\)](#).
- Relocates or rehabilitates a dwelling owned or acquired.

No person shall be denied eligibility for a replacement housing payment solely because the



person is unable to meet the occupancy requirements set forth in these regulations for a reason beyond his or her control, including:

- A disaster, an emergency, or an imminent threat to the public health or welfare, as determined by the President, the Federal Agency funding the project, or WisDOT; or
- Another reason, such as a delay in the construction of the replacement dwelling, military duty, or hospital stay, as determined by WisDOT.

All residential claims must be filed not later than two years from dates described above. A replacement payment may be deferred until occupancy; however, payment may be made to the displaced person before occupancy provided WisDOT is assured that occupancy will occur and approval is obtained from the BTS statewide relocation program coordinator.

### 5.5.1.1 Replacement Housing Standards

Standards for comparable replacement housing are:

Decent, safe and sanitary (DSS) - Prior to processing a RHP for an owner or tenant, the replacement dwelling must be inspected to determine if it meets standards for DSS housing as defined by [Adm 92.04](#) and [49 CFR Part 24.2](#). In Wisconsin, the Uniform Dwelling code is adopted on a statewide basis and is the standard for a DSS home inspection along with Adm 92.04. The relocation specialist completes the Inspection and Certification of Decent, Safe, Sanitary (DSS) Replacement Housing (RE1950). WisDOT may use services of a professional home inspector licensed in the state of Wisconsin. Where warranted, WisDOT may also use the services of another public agency ordinarily engaged in housing inspection to make the inspection.

Habitable - A habitable room is a room used for sleeping, living or dining, but excludes closets, pantries, bath or toilet rooms, service rooms, hallways, stairways, laundry area, storage spaces, cellars, utility rooms and similar spaces. Habitable floor space is further explained in [Adm 92.04\(2\)\(i\)](#), [\(3\)](#) and [\(5\)](#).

### 5.5.1.2 Persons Not Displaced

Situations may occur where a person(s) is given notice of a pending displacement and a notice of eligibility in writing, and subsequently WisDOT determines the site is not needed and gives notice that the dwelling and land will not be acquired. In such cases, the occupant(s) are notified in writing that they will not be displaced. No such notice shall be issued unless the person has not already moved and WisDOT agrees to reimburse the person for any expenses incurred to satisfy any binding contractual obligations for the purposes of relocating to another site. Expenses to be reimbursed shall be after the date of notice for relocation eligibility. For examples of persons not displaced, see Section 5.0 of this manual and [Adm 92.01\(14\)\(b\)](#).

### 5.5.1.3 Statement of Eligibility

When a displaced person qualifies for a RHP, upon the displaced person's request,

WisDOT will provide a statement of eligibility to any interested party, financial institution or lending agency that the displaced person is eligible for the payment of a specific sum provided they purchase and occupy a replacement site.

#### 5.5.1.4 Payment Application

Application for all RHPs and rent supplement payments must be in writing on a claim form to be provided by WisDOT. Claims must be filed within two years from the date of displacement, or the date final payment is received for the subject property, whichever is later. If requested, WisDOT may consider waiving this time period for good cause as determined by the BTS relocation program coordinator. The displaced person must get their dwelling certified that it meets standards for DSS housing and that they are eligible for the payments requested. WisDOT staff or other qualified personnel will inspect and certify the replacement dwelling is DSS.

Payments are made directly to the displaced person(s). Upon written instruction from the displaced person, payment may be made to both the displaced person and the lessor for rent (if a tenant), the moving company or other companies providing necessary services. See Section 5.9 of this manual for more on filing claims.

#### 5.5.1.5 Owner Occupant Electing to Rent

An owner occupant who has occupied their residence for not less than 90 days immediately before the date of initiation of negotiations for the acquisition of the property, who is eligible for a RHP, and who elects to rent, is eligible for a rent RHP. The RHP computation for rent purposes is capped at the amount computed for the owner/occupant to purchase comparable housing. See more below; also see [49 CFR Part 24.401\(f\)](#). All occupancy and other applicable procedures apply as described. An owner occupant who elects to rent remains eligible for any remaining unused balance of the RHP calculated for the purchase of a comparable replacement, less any amount previously dispersed.

#### 5.5.1.6 Base Payment for Tenant Replacement Housing

A tenant's present monthly rent payment is the base monthly rent for replacement housing as determined by WisDOT, and the lesser of:

- 30% of average gross monthly income (if qualifies under HUD limits).
- Amount designated for shelter and utilities by a public agency.
- Current rent.
- Economic rent.

To be considered eligible under the thirty (30) percent rule, the displaced persons household income must be under the Department of Housing and Urban Development's ([HUD](#)) annual survey of income limits for the county of the displacement. The household income must be less than or equal to the identified income limits. See FHWA's website for more information on low-income calculations:

Displaced persons refusing to provide appropriate evidence of income, and those who exceed income limits, will not be eligible under this provision. The term “household income,” means total gross income received for a 12-month period from all sources (earned and unearned) including wages; child support; alimony; unemployment benefits; workers compensation; social security; or, net income from a business. It does not include income from dependent children or full-time students under 18. Full-time students may be considered dependent unless the person demonstrates otherwise. For additional guidance on computing payments when a displaced person is receiving rent assistance through the HUD Section 8 program, contact the BTS statewide relocation program coordinator.

Economic rent (market rent) should be used if a tenant was not paying any rent or paying significantly lower rent amounts than what can be found in the current market, unless the use of economic rent would result in a hardship because of the person's income or other circumstances. This must be considered in order to account for an appropriate rental amount in calculating an RHP.

#### **5.5.1.7 Conversion of Rent Replacement Payment to Down Payment**

A tenant who has received a rent assistance computation for replacement housing may convert that amount to be used as a down payment for the purchase of a replacement dwelling. The entire amount must be used for the down payment. Any rent assistance payment that has been previously disbursed is deducted from the payment used for the purchase of a replacement site. The RHP and closing costs must be incurred and required to be paid at the time of closing; neither payment can be part of the mortgage loan.

#### **5.5.1.8 RHP Payment Upon Death**

A RHP is personal to the displaced person; upon their death, any undisbursed portion shall not be paid to the heirs or assignee, except as follows:

- Amount attributable to displaced person's period of actual occupancy of replacement site.
- Any payments necessary to satisfy legal obligations of an estate due to selection of a replacement dwelling by or on behalf of a displaced person who subsequently died.
- Any remaining payment is disbursed to family members in cases where remaining family members occupy replacement dwelling.

#### **5.5.1.9 Payments Acquired by Award of Damages or Litigation**

The amount of a RHP may be subject to appeal due to eminent domain litigation. Payment of such amount will therefore be subject to the owner's signature on the Relocation Claim - Application and Release (RE1527) indicating they agree with the terms and conditions as described in detail on the form.

#### **5.5.1.10 Insurance Proceeds**

To the extent possible and necessary to avoid duplicate compensation, any insurance proceeds received by a person in connection with a loss to the displacement dwelling due to a catastrophic occurrence is included in the acquisition cost of the displacement dwelling when computing the price differential.

#### **5.5.1.11 Check Delivery**

The relocation specialist will deliver all checks for payment of claims filed by a displaced person. Checks can also be remitted by mail; it is recommended, however, that mailings be by certified mail (with receipt). It is also recommended that a receipt or acknowledgement of payment be signed by the displaced person and retained; use Receipt of Relocation Assistance Package (RE1036).

#### **5.5.1.12 Multiple Occupancy of Dwellings**

One replacement payment is made for each dwelling unit, except in the case of joint occupancy of a single-family dwelling. If two or more occupants (singles or a family) are living in a single dwelling that was being maintained as one household, and they move into separate or multiple replacement dwellings, each will receive a prorated share of the total allowable relocation payment. WisDOT will determine joint occupancy when:

- A person rents a sleeping room within a dwelling.
- Two or more distinct family units share a dwelling.
- Two or more unrelated persons divide rent and expenses on a prorated basis while maintaining lifestyles independent and exclusive of one another.

The RHP is based on comparable quarters to the privately occupied areas of each displaced person or family, plus shared community rooms; however, the habitable area (square feet) shall not exceed the habitable area if they were relocated as one unit.

### **5.5.2 Replacement Housing Payment Options**

Replacement housing payments (RHP) in the form of a purchase, rent or down payment supplements must be offered to all eligible displaced persons. A tenant RHP may be used for the purchase of a replacement dwelling. The entire RHP amount must be used as a down payment supplement and applied to the down payment on a conventional loan when the comparable dwelling used by WisDOT is:

- Available on market at time RHP offer is made.
- Available within occupant's financial means.
- Decent, safe and sanitary (DSS).

For both an owner and/or tenant occupant, three comparable properties to the subject property are selected. Less than three comparables may be used provided the specialist assigned to the parcel documents as to the reason. Consideration of location is important and to the extent feasible, comparable dwellings should be selected from the neighborhood in which displacement dwelling is located. The selected comparables must be the most nearly

comparable to (equal to or better than) the subject property. One of the three comparables will be used to prepare the RHP computation calculations. The three comparables selected must take into consideration all of these factors:

- Availability on market.
- Functionally equivalent to subject site.
- In an area generally not less desirable than dwelling to be acquired specific to:
  - Being an equal or better neighborhood.
  - Public and commercial facilities.
  - Public utilities.
  - Reasonable accessible to displaced persons' place of employment.
- Substantially the same as subject site specific to:
  - Habitable living space.
  - Needs of displaced person(s).
  - Number and size of rooms and closets.
  - Size and utility of garage and outbuildings.
  - State of repair.
  - Type of construction.

### 5.5.2.1 Additional Considerations

Carve-out - When a comparable replacement dwelling used in computing the RHP is similar, except lacks major exterior appurtenances such as a garage or other outbuildings within the immediate area of the dwelling, the value of such attributes is subtracted from the acquisition cost of subject dwelling to establish a maximum RHP. This method is known as a carve-out for computation purposes.

Cost new – Although rare, if comparable housing is not available after a thorough market study and search, the estimated cost of a new functionally equivalent and comparable DSS dwelling, plus available vacant site could be used.

Focus of services - WisDOT focuses its services and payment on the replacement of the dwellings occupied by families and individuals.

Maximum RHP - Reimbursement is the amount computed for the RHP or the actual costs of replacement dwelling, whichever is less. (Spend it to get it.)

New construction - For an owner who constructs a new dwelling, the actual replacement housing value is determined as the actual cost of the site, plus the costs of the improvements and labor to construct.

Non-DSS replacement dwelling - When the displaced person purchases and rehabilitates a non-DSS replacement dwelling (fixer upper), the actual cost is the purchase price of the replacement home, plus the costs of rehabilitation to correct all DSS deficiencies. This amount is used as the basis for the release of the RHP. The DSS home inspection or the cost of a professional home inspection and [Adm 92](#) is the basis for determining those costs that can be added to the purchase price versus remodeling or redecorating costs.

Prior ownership - If the replacement site was previously owned by the displaced person, use current fair market value of the land and/or improvements (an assessment or fair market value may be used in place of an appraisal where appropriate). Costs to bring the dwelling to DSS or comparable standards may be included, if necessary.

**5.5.2.2 Revisions to Payment Amount**

If a displaced person requests an additional option in replacement housing, a comparable property must be offered that is available within the original offered amount. If an evaluation of the current market indicates there are no comparable properties available within the offered amount and WisDOT determines that a new comparable computation should be completed, the new amount is presented to the displaced person. In no event will the new RHP be less than the original computed amount.

**5.5.3 Computing Payments (Examples)**

The following examples are provided as the recommended methods for computing replacement housing payments (RHPs). For situations not specifically covered by these examples and those presenting unusual circumstances, specialists are encouraged to contact the BTS statewide relocation program coordinator for guidance.

*Example 1* - Partial acquisition of single-family dwelling (typical size lot); remainder is an economic unit. The owner receives an offer of what is needed for the project and an alternative offer to purchase the entire parcel. The maximum housing payment is determined by subtracting the acquisition value of the property from the listing price of a comparable dwelling on a lot typical for the area.

Scenario: Strip taking from front of property will affect residence.	Appraised Value	Appraisal Allocation	Computation
Appraised before value of entire property	\$110,000		
Value of strip from parcel acquired, including improvements		\$80,000	
Remainder		\$30,000	
Comparable replacement property			\$125,000
Before value			\$110,000
Replacement Housing Payment (RHP)			\$15,000

*Example 2* - Remainder is an uneconomic site. The maximum housing payment shall be determined as in the economic remainder, except for these situations:

- A computation based on scenario below is completed and presented to owner/displaced person at time of initiation of negotiations; however, if they elect to retain uneconomic remnant a second computation is completed and presented to owner/displaced person (see both computations in chart below).
- If owner elects to sell uneconomic remainder to WisDOT, the before value (or entire value of the parcel) is used in computing RHP.
- If owner elects to retain remainder land, the value of part taken (value of strip of land) is used in computing RHP.

- WisDOT must offer to purchase entire property from owner.

Scenario: Strip taking from front of property will affect residence.	Appraised Before Value	Appraisal Allocation	Computation
Appraised value of entire property includes improvements, land, severance damages, cost to cure, etc.	\$130,000		(#2) \$130,000
Value of strip taking from parcel acquired, including improvements		(#3) \$120,000	
Severance damage		\$5,000	
Remainder		\$5,000	
Comparable replacement property	\$150,000	(#3) \$150,000	(#2) \$150,000
Appraised value			\$130,000
Value of strip taking		\$120,000	
Replacement Housing Payment (RHP)		\$30,000	\$20,000

*Example 3 - Single family dwelling (larger size lot).* A carve-out should be made on a residential lot when the remaining portion can be sold as an economic unit on its own. When a person owns two adjacent lots that can be sold separately based on local zoning. When a lot or parcel is a little larger than surrounding lots (excess land in the before condition), a carve-out should not be done and is not necessary. The maximum RHP is determined by subtracting the acquisition price of acquired dwelling and the portion of the acquired land that represents a typical sized lot for the area from asking price of a comparable dwelling on a residential parcel typical in size for the area.

*Example 4 - Single family dwelling (larger size lot) / carve-out and computation.* Adjacent or excess lot(s) can be sold separately based on local zoning, based on a six-acre lot.

Step 1: Determine value of subject site based on appraisal allocation.

Before Value	Carve-out	Remainder
Total acquisition price	\$127,500	
Residence/site improvements	\$50,000	
Land, 5 acres at \$10,000/acre		**\$50,000
Typical lot for area/1 acre \$25,000	\$25,000	
Machine shed on 5 acres outside residential yard		**\$2,500
Carve-out total	\$75,000	
Remainder total		\$52,500
**Valuation of excess land/5 acres and machine shed are removed or subtracted from parcel, leaving residence and residential lot.		

Step 2: Use values from Step 1.

Computation	Carve-out	Computation
*Comparable replacement dwelling		\$100,000
Subject site - residence, land (typical lot)	\$75,000	-\$75,000
Replacement Housing Payment (RHP)		\$25,000
* comparable sale based on market survey/study.		

*Example 5 - Adjacent or excess land is slightly larger and cannot be sold separately.*

Step 1: Determine value of subject site based on appraisal allocation.

	Before Value	Appraisal Allocation
Total acquisition price	\$125,000	
Residence		\$75,000
Land – ¾ acre		\$47,500
Machine shed		\$2,500
Total value to be used		\$125,000

Step 2: Use appraised total value from Step 1.

	Total Appraised Value	Computation
*Comparable replacement site ½ acre		\$135,000
Total appraised value	\$125,000	\$125,000
Replacement Housing Payment (RHP)		\$10,000
* comparable sale based on market survey/study.		

The value of a typical lot for the area or subdivision is not used in second example because the lot size of the subject site is only slightly larger and cannot be used or sold separately from the rest of the site. If the above acquisition did not encompass the entire area of a typical sized residential lot, but was a 30 ft. strip acquisition from the front of the property, the acquisition value used for the valuation and carve-out computation would be that of a typical sized lot in the area. Under this method, purchase of the remaining typical sized lot is offered to the owner, but not required if the owner elects to retain land.

*Example 6* - Single family dwelling (larger size lot) / acquisition by condemnation. When an acquisition price on a parcel larger than normal is subject to court judgment, and the final ruling does not allocate the awarded amount, the percentage ratio of the improvements, land, damages and other improvements to the total acquisition price is the basis for allocating the judgment award, plus damages to the remainder, if any. This situation occurs infrequently. Consult with management and the BTS statewide relocation program coordinator in determining what the allocation is and the amount of the RHP and if the amount is impacted by the court judgment.

*Example 7* – Single family dwelling with major exterior attribute. When the displacement dwelling has a major exterior attribute, such as an outbuilding, detached oversized garage, barn, swimming pool, etc. and the comparable replacement site does not have this attribute, the value of the exterior attribute is deducted or removed from the approved offering price of the displacement dwelling for computing the RHP. Subject displacement has a large machine shed that is not on the comparable replacement site.

Step 1: Review appraisal and site/determine components of subject site.

Step 2: Complete market study/select comparable replacement site (comparable does not have a machine shed).

Step 3: Carve-out value of subject site (deduct value of machine shed from subject site appraisal/approved offering price).



Subject Site	Appraised Value	Carve-out Value
Dwelling/improvements	\$90,000	\$90,000
Land/1 acre	\$20,000	\$20,000
20' x 60' machine shed	\$6,000	0
Carve-out value of subject site		\$113,000
Appraised value/approved offering price	\$119,000	

Step 4: Computation.

Value/comparable replacement site	\$120,000
Carve-out value of subject site	\$113,000
Replacement Housing Payment (RHP)	\$7,000

*Example 8* - Single family dwelling on land with higher and better use. The maximum RHP is determined by:

- An older single-family residence located in a business district (lot zoned commercial).
- Approved offering price is \$200,000 based on the highest and best use as commercial; the value is primarily in the land with little or no value to the dwelling. The ½ acre is valued at \$199,000; allocated value to the residence / improvements is \$1,000. A market study of the area indicates ½ acre lots are typical for dwellings in this area.

Step 1: Review appraisal for the allocation of land and dwelling.

	Approved Offering Price	Appraisal Allocation
Subject site	\$200,000	
Land 1/2 acre		\$199,000
Dwelling/improvements		\$1,000

Step 2: Complete market study for residence. Do market study to determine a typical sized lot for area.

Step 3: Determine comparable replacement site. Market study indicates ½ acre lot is typical for area.

	Sales Price	Allocation
Comparable replacement site	\$125,000	
Dwelling		\$80,000
Garage/improvements		\$10,000
Land ½ lot		\$35,000

Step 4: Complete computation.

Comparable replacement site	\$125,000
Subject site	\$200,000
Replacement Housing Payment (RHP)	\$0

*Example 9* - Multiple occupancy of owner-occupied single-family dwelling (also see REPM/Section 5.1). If two or more eligible families occupy the same single-family dwelling, WisDOT will make one RHP available. If no replacement site/house is available that will

accommodate the two families (and is DSS), a RHP may be made to the two families separately. Payments are based on housing comparable to that area occupied by each family, plus shared areas. The acquisition price used to calculate the RHP is the amount each person (family) receives from the total property acquisition payment based on a 50/50 split or the amount each receives based on another agreement. If two or more individuals occupy the same dwelling, they are to be considered as one family for the purpose of the RHP. Payment to each individual is based on a pro rata share of the RHP, usually 50/50. If the relocation specialist determines they are maintaining separate households, they may be paid individually and separate for the purposes of the RHPs and move payments. In either case, they must qualify for all provisions. The RHP is based on the determination that all individuals will be relocated in the same ownership as they had at the time of initiation of negotiations.

*Example 10 - Joint residential/business use (mixed-use).* Where a displaced person occupies living quarters on the same premises as a business, farm or non-profit organization, the displaced person’s living quarters and business should be separated for the purpose of determining their eligibility for relocation payments. Note: If the tract of land that the joint residential and business property is located on is smaller than a tract typical for residential use, a percentage based on ratio of the living quarters to the total building improvement should be calculated; this percentage should also be used to establish the acquisition price of the residential land. The comparable dwelling should be the same as that acquired; comparable living quarters in a joint residential/business use property (mixed-use site). If a joint residential and business use property is not available, a lower density duplex dwelling would be used as a comparable. If a duplex unit is not available, a single-family dwelling would be used. The business replacement payment and benefits are determined in accordance with REPM/Section 5.6.

Step 1: Review appraisal (should visit site).

Approved offering price	\$150,000
Appraisal allocation	
Improvements	\$115,000
Paved parking	\$5,000
Land	\$30,000

Step 2: Carve-out separate values for living quarters and tavern based in above.

	Living Quarters	Business
Improvement	\$40,000	\$75,000
Paved parking lot	\$1,000	\$4,000
Land	\$10,200	\$19,800
Total carve-out value	\$51,200	\$98,800

Step 3: Locate comparable replacement site, preferably a tavern with living quarters.

Selected Comparable replacement site - business		Appraisal Allocation	Living Quarters	Business
List price	\$190,000			
Improvements		\$140,000	\$60,000	\$80,000
Parking lot		\$10,000	\$1,000	\$9,000
Land		\$40,000	\$19,000	\$30,000

Total carve-out value			\$71,000	\$119,000
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Step 4: Computation.

Computation	Living Quarters	Business
Comparable site	\$71,000	\$119,000
Subject site	\$51,200	\$103,800
Replacement Housing Payment (RHP)	\$19,800	\$20,200

*Example 11* - Owner occupied multi-family dwellings. Assuming both units are equal; the procedure for computing the RHP for an owner occupant of a multi-family dwelling is:

- Amount of claim - If the owner purchases another income producing property and occupies it, only the value of the owner-occupied unit shall be used when filing a claim for the RHP.
- Basis for calculation - The value of the owner’s unit is carved-out as the base for the RHP determination, not the entire approved offering price of subject property.
- Comparability - The comparable dwelling should be the same as acquired property (i.e., comparable should be a triplex if subject site is a triplex). If a comparable is not available with the same number of units, then structures of the next lowest density must be used. If there are no available comparable multi-family structures, then comparison of the owner’s unit would be to a single-family residence. A higher density structure should not be used as a comparable.
- Payment determination - The RHP computation is the difference between the value of the owner’s unit and the value of one living unit in the most comparable available property. See definitions in REPM/Section 5.1.

Step 1: Allocate value of duplex based on appraisal.

Subject Site/Duplex		Unit 1	Unit 2
Approved offering price	\$200,000		
Allocation			
Improvements	\$150,000	\$75,000	\$75,000
Land	\$50,000	\$25,000	\$25,000
Value of each unit		\$100,000	\$100,000

Step 2: Complete market study, locate comparable duplex and allocate values based on sales price.

Replacement Site/Duplex		Unit 1	Unit 2
Sales price	\$220,000		
Allocation			
Improvements	\$160,000	\$80,000	\$80,000
Land	\$60,000	\$30,000	\$30,000
Value of each unit		\$110,000	\$110,000

Step 3: Computation.

Comparable duplex/value of one unit	\$110,000
Subject site/owner's unit value	\$100,000
Replacement Housing Payment (RHP)	\$10,000

This example assumes the tenant will be relocated separately under the procedure for tenant occupants. If the acquired dwelling (duplex in this example) is located on a parcel of land larger than normal, the basis (acquisition price) of the owner's dwelling unit would be made up of the value of the owner's unit plus the value of the parcel typical in size for the area. If applicable, also apply this provision to the comparable dwelling (duplex). The landlord owner occupant may be eligible for move and reestablishment expenses but will not be eligible for a replacement payment. See Section 5.7 of this manual.

*Example 12 - Owner retention of dwelling.* If an owner elects to retain their dwelling and move it back on their current site or move it to another site, the following procedures should be followed. The retention value (or buyback purchase price) is determined by WisDOT and should be available as soon as possible after the initiation of negotiations or after the owner's request to purchase the improvement. Retention value should normally be established by property management personnel through a comparative analysis of improvements sold at public sale or other appropriate valuation method. Other factors to consider when considering this option for owner retention include:

- Condition of dwelling.
- Intent and owner's willingness to follow through on completing tasks.
- Necessity to move the dwelling.
- Timing of project and if this can be accomplished prior to PS&E let date.

It is important for owners contemplating retaining their dwelling to fully understand these provisions and procedures, so they can make an informed decision on whether they can accomplish the many tasks called for to move their current dwelling. The amount calculated as the RHP is the maximum payment an owner may receive under this option. [Adm 92.70\(7\)](#). The RHP must be calculated as explained earlier.

If subject dwelling is DSS (in before condition), to claim RHP, use:

- Current fair market value of remaining site, or a previously owned site.
- Other expenses incidental to retaining, moving and restoring dwelling to a comparable condition before move.
- Reasonable cost of developing a new site.
- Retention value of dwelling.

If subject dwelling is not DSS (in before condition):

- Payment is computed as above, except costs to cure DSS and building code deficiencies are included in costs to relocate and restore dwelling.
- Release of RHP must be withheld until the displaced person occupies the dwelling; the one-year period to complete their transaction applies to owner retention of improvements.

### 5.5.4 Owner Occupant Payment with Less 90 Days Occupancy

An owner occupant who has occupied a subject dwelling for less than 90 days, who elects to purchase or rent, may be eligible to receive an amount not to exceed \$8,000 as a RHP. They are also eligible to receive expenses incidental to the purchase and move. In addition, an owner occupant may elect to change their status to tenant; rent assistance payment shall not exceed \$8,000. WisDOT will assist the owner to accomplish their request and will provide relocation services as required. This does not include any payment above the minimum to provide for housing of last resort.

### 5.5.5 Tenant Occupant Payment with Not Less than 90 Days Occupancy

All tenants are assured of receiving relocation assistance benefits and services to which they are entitled and are provided sufficient time to purchase or lease a replacement property. A tenant to be displaced is eligible for a rent RHP, based on one or more of these requirements:

- Has received a notice of intent to acquire by WisDOT.
- Is in occupancy at the initiation of negotiations for the acquisition of the site or real property and that such occupancy has been for not less than 90 consecutive days immediately prior to the initiation of negotiations.
- Is issued an order to vacate even though the property is not acquired, except that a tenant who after receiving a notice of relocation eligibility is notified in writing that he/she would not be displaced from the project. No notice is given unless the person has not moved and WisDOT agrees to reimburse the persons for any expenses incurred to satisfy any binding contractual relocation obligations entered into after the date of the notice of relocation eligibility.
- Qualifies as a displaced person under [Adm 92.01\(14\)\(a\)1](#).
- Rented and occupied a DSS dwelling or apartment not later than one year after the date the tenant vacated the subject site.

### 5.5.6 Tenant Replacement Housing Payment

WisDOT calculates the RHP for a tenant by:

- Analyzing rental market.
- Calculating payment based on comparable.
- Selecting one of three as most comparable.
- Selecting three comparable apartments or dwellings (whichever is appropriate).

For determination of the base monthly rent, see above. The payment is calculated as follows:

Base monthly rent - Comparable rent x 48 months = Replacement Housing Payment (RHP)

*Example:* Calculation.

Comparable site rent	\$500	
Utilities	\$100	
Total		\$600
Base rent at subject site	\$350	
Utilities	\$100	
Total		\$450
Difference		\$150
x 48 months (rent assistance payment)		\$7,200

Release of the RHPs for tenants is made based on the actual rent paid at the replacement site or the amount computed as the RHP, whichever is less. Below, see release of tenant RHP based on actual rent paid by tenant.

Rent 'less' than computation	
Site selected and occupied by tenant	\$450
Utilities	\$60
Total	\$510
Base rent & utilities (from above)	\$450
Difference	\$60
x 48	\$2,880
Amount of computation released	\$2,880
Rent 'greater' than computation	
Site selected and occupied by tenant	\$600
Utilities	\$100
Total	\$700
Base rent & utilities (from above)	\$450
Difference	\$250
x 48	\$12,000
Amount of computation released (capped at original computation)	\$7,200

Disbursement of the RHP for a tenant is based on the concept of the above chart and the following paragraph, provided the displaced tenant rents a replacement site meeting the standards for DSS housing. Such disbursement will be in two installments if necessary. The full amount vests immediately, regardless of whether there is any later change in the person's income or rent, or in the condition or location of the person's housing. It is WisDOT's policy to make two installments for RHP amounts over \$8,000. One check is disbursed at the time of rental and occupancy of the replacement site, and the balance (if any) is disbursed at the end of the six-month period provided the tenant is still occupying DSS housing. The first check is in an amount up to and including \$8,000 or the amount of the computation should it be less. The balance of the RHP (if any) will be disbursed in six months.

A copy of the lease and a copy of a rent payment check must be provided for reimbursement of the RHP in each installment.

If a comparable rental is not available within the monetary limits established (tenant RHP \$8,000), this limit may be exceeded, and a greater payment calculated which provides comparable replacement housing. Also, see last resort housing.

### 5.5.7 Tenant Who Elects to Purchase

A tenant occupant for not less than 90 days eligible for relocation benefits and services who

elects to purchase a replacement dwelling can use the benefits calculated for the rental of a replacement dwelling to purchase a replacement dwelling. They are also eligible for incidental, closing and moving expenses to purchase a replacement dwelling. Time requirements for purchase of a replacement dwelling are the same as the rental of a replacement dwelling and have been covered elsewhere. The tenant must apply the full amount of the computed RHP toward the down payment. A down payment will be limited to the amount required to purchase a comparable replacement property (i.e., should an amount less than the amount computed for the RHP be put down on a purchased replacement site, only that amount will be eligible for release by WisDOT). For information on incidental expenses, reference REPM/Section 5.4.

Tenant purchases replacement dwelling			
Amount of RHP computed	\$8,000		
Actual down payment		\$5,000	
Purchase of dwelling			\$75,000
Amount of RHP released		\$5,000	

### 5.5.8 Payment to Tenant of Sleeping Room

A tenant of a sleeping room, for not less than 90 days, who is displaced and is eligible for a RHP, may receive a payment for four years, not to exceed \$8,000, for the rental or purchase of replacement housing. Such RHP is calculated in accordance with the procedure for calculating rent replacement payments. If after moving to a DSS dwelling within one year, a tenant then moves to a dwelling with a higher rent cost, the tenant may present another claim for the remaining amount of the original RHP not already claimed (see example above). The combined claim shall not exceed the total original RHP computed by WisDOT.

### 5.5.9 Housing of Last Resort

Housing of last resort is a mechanism using extraordinary funding or other actions to provide comparable, DSS housing. It is essential that all such action be conducted in a cost-effective manner and conforms to sound business practices. All funds expended under this provision are to be used only for the intended purpose for which they are made available to the displaced person. Whenever a highway project cannot proceed on a timely basis because comparable replacement dwellings are not available for owners or tenants under the provisions for RHPs, the Uniform Act, [49 CFR Part 24 - Regulations](#) / [Subpart E-Replacement Housing Payments](#); provides for replacement housing in these situations:

- A handicapping condition exists with a displaced person that may require modification to a replacement dwelling to accommodate the handicapping condition.
- Comparable replacement housing is available for displaced person(s), but the computed RHPs exceed the maximum amounts. Established RHPs maximums are \$31,000/owners, and \$8,000/tenants.
- Comparable replacement housing is not available for a displaced person(s).
- The occupants have resided in the dwelling less than 90-days who cannot be relocated to a comparable replacement dwelling within their financial means.
- There is little, if any, comparable replacement housing available to displaced persons within an entire program or project area and the project cannot be advanced to completion in a timely manner without such assistance.

Any decision to provide housing of last resort must be adequately justified and such justification shall be documented. Using housing of last resort effectively requires planning. During the RE project development phase, relocation specialist should obtain information about the needs, preferences and intentions of the displaced person through in-depth interviews. This information should be included in the Conceptual Relocation Plan – Interview Addendum, along with suggested or estimated solutions for last resort housing.

There may be several possible solutions to comparable replacement housing for each displaced person. All possible solutions should be explored with the displaced person. Work to assist them in the decision-making and planning process for the replacement dwelling. Relocation specialist should consider a variety of housing solutions to meet the individualized needs of the displaced resident. Financial considerations are important, but also other issues such as timing and other long-term needs.

Consideration of a displaced person's long-term housing needs may include assistance in obtaining financing to purchase a home. Coordination with other public housing and social services agencies may be helpful and the opportunity for cooperative agreements should be explored. When a replacement dwelling has been offered to the displaced person under the procedures for housing of last resort, WisDOT has an obligation to ensure that at least one comparable replacement dwelling is made available to the displaced person. Methods for providing housing of last resort are:

- Assistance in obtaining public housing.
- Change in occupancy status of the displaced person from tenant to homeowner when it is more cost effective to do so.
- Construction of a replacement dwelling.
- Rehabilitation and moving of an existing replacement dwelling.
- Removal of barriers to the disabled. There are many variations and combinations of techniques that can be used under this provision. This tool invites innovation in solving unique or complex replacement housing problems.
- RHPs more than Wisconsin's statutory limits as noted above.

Consistent with the definition of a comparable replacement dwelling, modified methods of providing replacement housing of last resort permit consideration of replacement housing, based on space and physical characteristics different from those in the displacement dwelling, including upgraded, but smaller replacement housing that is DSS and adequate to accommodate individuals or families displaced. In no event, shall a displaced person be required to move into a dwelling that is not functionally equivalent.

When techniques other than exceeding the RHP are to be used, the BTS statewide relocation program coordinator must be consulted to provide direction and approval prior to relocation of the displaced person.

## **Payment**

Housing of last resort is a category of RHP payments that exceed \$8,000 tenant RHP or



\$31,000 owner RHP. Should a tenant elect to purchase a dwelling to meet their needs, the entire amount of the tenant RHP payment must be applied toward the down payment and purchase price of the house.

A rent differential payment for a residential tenant under last resort housing is provided in two installments under WisDOT policy. The two installments include the initial payment of \$8,000 made at the time the displaced person occupies a qualified replacement dwelling and the remaining benefit amount is paid six months later.

For the second installment, the relocation specialist must verify that the tenant is in good standing with the landlord. If necessary, the specialist may request confirmation of tenancy such as canceled rent checks or payment verification.



## 5.6 NONRESIDENTIAL RELOCATIONS - BUSINESS, FARM and NON-PROFITS

WisDOT provides advisory services and relocation benefits to nonresidential displaced persons under Wisconsin Statutes s. 32.19 - 32.27; Adm 92; the federal Uniform Act, and 49 CFR Part 24. WisDOT's relocation assistance program establishes uniform procedures to implement requirements of these laws and codes. The purpose of this section is to provide policies and procedures and policy for the relocation services of nonresidential relocations.

The term 'business' refers to a nonresidential displaced person which may be a business, farm or non-profit organization. Landlords are considered a business; however, a landlord is not eligible for the business replacement payment under s. 32.19 (4M), Wis. Stats. The fundamental basis for an approval of a relocation claim is the expense item must be first considered eligible under the state and federal laws and codes, and all claims must be actual, reasonable and necessary.

There are several categories of benefits that a business may be eligible for including advisory services; actual moving costs including search expenses and reestablishment expenses; incidental expenses; and business replacement payment which includes reasonable project costs. This section, REPM Section 5.6, introduces general planning for business relocations and considerations for assisting businesses. REPM Section 5.7 reviews the Business Replacement Payment (BRP) policies and procedures and REPM 5.8 outlines the Business Move policies and procedures.

### 5.6.1 Business Replacement Payment Eligibility

A displaced business is eligible to file BRP claims when the displaced business:

- Purchases or rents a replacement business or farm operation within two years of the date the person vacates or receives final payment for the acquired property, whichever is later.
- Constructs a new comparable structure on a site that displaced business owns or acquires. Eligible costs shall include:
  - Improvements and infrastructure on a site;
  - Labor furnished by a self-help business; and
  - Value of the land at the time it was acquired.
- Relocates and/or rehabilitates a property that the displaced person owns or acquires. If the replacement property has code deficiencies and/or needs physical changes to render the property comparable, the cost of correcting the code deficiencies and physical changes is eligible for reimbursement as part of the BRP for owners and in addition to the rent differential payment for tenants. Such costs remain capped at the approved business replacement computation for owner businesses.

Improvements and upgrades beyond the comparable replacement will not be eligible for reimbursement.

All claims must be filed no later than two years after WisDOT takes physical possession of the

entire subject property and/or vacate date, whichever is later.

### 5.6.1.1 Refinancing Payment

A business or farm operation may qualify for a refinancing payment if the mortgage on the replacement property bears a higher rate of interest than that of the present mortgage. To qualify, the displaced person must have had a mortgage or land contract valid for at least one year prior to initiation of negotiations by the condemnor for the purchase of the business or farm. The refinancing payment will be an amount that reduces the mortgage balance on the replacement business to an amount that could be amortized with the same monthly payment for principal and interest as was being paid on the acquired property.

### 5.6.1.2 Closing and Related Costs

The closing cost expense payment is the amount necessary to reimburse the owner for the actual costs incurred incidental to the purchase of a comparable replacement business. Such costs may include these items if normally paid by the buyer:

- Application fee.
- Appraisal fee.
- Code compliance, when required by governmental agency.
- Credit report.
- Escrow specialist's fee, if necessary.
- Legal, closing and related costs including title search, preparing conveyance contracts, surveys, preparing drawings or plats and recording charges.

No fee, cost, charge or expense is reimbursable as an incidental expense if it is determined to be a part of the debt service or finance charges under [15 USC 1631-1641 and Regulation Z](#) issued by the Board of Governors of the Federal Reserve System. Prepaid expenses such as insurance, taxes and interest are not eligible for reimbursement.

## 5.6.2 Planning for Nonresidential Relocations

Relocation planning for the agency begins in the environmental review analysis in the Conceptual Relocation Plan (CRP) and is detailed further in the Conceptual Relocation Plan – Interview Addendum (CRP-IA). Businesses are interviewed for the CRP-IA, however the actual relocation process for a business does not start until the initiation of negotiations and/or when relocation benefits are presented to the business. For more information on the relocation planning process, see REPM 5.2.

Relocation specialists must begin the planning process early with displaced businesses so that potential issues can be identified early and plans to address and resolve those issues can be considered. The process of purchasing or renting a replacement property and moving a business operation poses significant challenges for businesses. Local planning and zoning requirements and approvals, the physical move, and other details takes time and patience on the part of the business and agency. A typical business relocation from the CRP-IA to initiation of negotiations to vacancy can take two years or more. Additional time may be necessary based on the complexity

of the relocation issues. Approvals for local zoning, building permits, and occupancy permits all require significant time for the business.

It is common for the agency's relationship with a displaced business to include four or more years from the CRP-IA's interview to a business' end claim date. Developing a relationship built on trust between the business owner and the relocation specialist is important to a successful business relocation. A business owner needs to depend on the relocation specialist to advise them in the relocation process and provide clear communication on the requirements, timing and claim process. The relocation specialist must fully inform a business of their relocation rights as well as the responsibilities that the business itself needs to undertake to accomplish their relocation. This communication and coordination continue throughout the entire relocation from planning to the end claim date.

### 5.6.3 Interviewing Businesses

The relocation specialist is required to conduct a personal interview with each business as part of the development of the CRP-IA. For further guidance, see [49 CFR 24.205](#). The following issues should be discussed with the displaced business during the interview at a minimum:

- The anticipated challenges for finding a replacement property.
- The estimated time the business needs to plan and move to a new property from the subject property.
- Determining the need for professionals required to assist in planning the move, assistance in the actual move and reinstallation of machinery and/or other personal property.
- Identify and resolve realty and personal property issues prior to or at time of appraisal.
- FFE appraisal is required to be prepared. It should be discussed that the FFE appraisal will assist the relocation specialist and displaced business in making a property inventory of personal property to aid in determining what the business will move to a replacement site.
- Replacement site requirements, current lease terms and other contractual obligations and financial capacity of business to accomplish the move.
- Possible financial constraints for moving the business.

### 5.6.4 Considerations in the Appraisal Process

Early coordination between the project team is important in the project development process. The project appraisal scope of work must consider the relocation properties in the planning stage. The appraisal is an important tool within the relocation process. It is referenced in the replacement payment computation, as well as what will be considered personal property under the relocation benefits.

If an acquisition is expected to displace a business on a property, regardless of whether it is an owner or a tenant business, the relocation specialist is required to accompany the appraiser on the scheduled appointment to review the subject property.

WisDOT will make every effort to schedule a coordinated visit to the subject property. A key issue is determining items that will be appraised as part of the real property and items considered personal property that will not be valued but will be moved under the provisions of the relocation

program. Common business considerations include items such as a built-in freezer, on-premise signage, and tenant owned improvements such as built-in shelving. These examples, depending on the situation, may be considered real or personal property.

Business Personal Property Inventory - The relocation specialist must determine what personal property and equipment owned by a business requires special movers or contractors to uninstall at the subject property and reinstall at a new location. A complete personal property inventory, that includes all equipment, machinery and fixtures and other personal, moveable property must be completed by the relocation specialist. Photos to document these items and the furniture, fixtures and equipment appraisal will be helpful tools in inventorying the business' personal property. More information on the inventory can be found in REPM 5.7.8 Business Inventory.

Complex Acquisitions and Potential Relocation Issues - Complex relocation situations may require discussions with experts from other areas of WisDOT. Referral and discussion with project managers and others must take place prior to completing the appraisal and relocation interviews so that all the issues can be adequately addressed to accomplish any relocations in a timely manner.

For example, in some businesses such as farms and truck stop operations, the appraiser and relocation specialist should carefully review issues of circuitry of travel and other access changes during the appraisal process to determine the effect on the business operation. A specialized circuitry of travel study may be necessary to determine the project's effects on the business operation. Discussions should also include RE management, project management and engineering staff. More information regarding the appraisal process can be found under REPM Chapter 2.



## 5.7 BUSINESS REPLACEMENT PAYMENT

The Business Replacement Payment (BRP) is an uncapped category of benefits provided to business tenants or owners under s. 32.19 (4M), Wis. Stats. Section 5.7 of the REPM provides the BRP eligibility, discusses the calculations in the computation and reviews the policies for applying BRP's reasonable project costs and the relocation claims. Administrative rules for establishing a BRP can be found in [Adm 92.90](#), however, these rules do not include information on reasonable project costs. The BTS statewide relocation program coordinator should be consulted in the preparation of the BRP computation especially related to the reasonable project cost considerations and claim reviews.

### 5.7.1 Eligibility

An important step in preparing a relocation package for a business is determining whether a business is eligible for a BRP and the amount eligible. A BRP is an uncapped payment which provides eligible business with a payment based on a computation comparing the subject with what is available in the market, based on actual reasonable and necessary conditions to meet comparability of the subject.

Although it is an uncapped payment, the relocation standard of basing payments on actual, reasonable and necessary review and meeting the requirements found in the statutes as they apply to any BRP payments. The agency has an obligation to review BRP claims to ensure the payments are fair not only to the recipient, but also fair to the taxpayers. Ensuring compliance with the actual, reasonable and necessary standard for expenses reasonably incurred is a standard designed to protect against waste, fraud and abuse.

A key concept is that the agency is only providing what is needed to ensure the business can relocate and reestablish to a comparable business location, not to provide an approval to achieve other business goals. These goals may include expansion plans or higher quality buildings surroundings. These are valid goals, but the state must be consciously making decisions that provide uniform benefits to all.

Under Adm 92.90(1) Eligibility Requirements, an agency shall make a replacement payment to a displaced business or farm operation provided:

- [Adm 92.90\(1\)\(a\)](#) The property is subsequently acquired, a tenant is affected by displacement, or a notice to vacate is issued;
- [Adm 92.90\(1\)\(b\)](#) The person owns and occupies a business conducted on the real property acquired or affected by displacement, for not less than one year before initiation of negotiations;
- [Adm 92.90\(1\)\(c\)](#) The person purchases or rents a replacement business operation within 2 years of the date the person vacates or receives final payment for the acquired property, whichever is later.

**Adm 92.90(1)(d)** A replacement business property is purchased when a person:

- [Adm 92.90\(1\)\(d\)1.](#) Acquires an existing property as a replacement for the business

- [Adm 92.90\(1\)\(d\)2](#). Relocates or rehabilitates a property owned or acquired. The cost to achieve comparable standards and to correct code deficiencies shall be included in the actual cost of purchasing a replacement property when it is not comparable or in code compliance.
- [Adm 92.90\(1\)\(d\)3](#). Contracts to or constructs a building or structure for a new business operation on a site owned or acquired. The cost of construction is limited to that necessary to construct a comparable replacement. The cost shall include the value of the land at the time it was acquired. The cost of constructing a replacement structure shall include the value of labor furnished by a self-help builder.

**Adm 92.90(1)(e)** The entire business or farm operation shall be displaced to qualify for a replacement payment. However, a business or farm operation is considered eligible for a replacement payment when:

- Adm 92.90(1)(e)1. The property remaining after the acquisition is not an economic unit or would result in a significant reduction in net earnings for the same type of business or farm operation, as determined by an agency;
- [Adm 92.90\(1\)\(e\)2](#). The acquisition substantially changed or interfered with the principal operation or the nature of the business or farm operation so as to constitute a displacement.

## 5.7.2 Landlords

A landlord is a person whose sole business at the displacement property is the rental of such property to others. [https://docs.legis.wisconsin.gov/document/administrativecode/Adm\\_92.01\(14\)\(b\)10](https://docs.legis.wisconsin.gov/document/administrativecode/Adm_92.01(14)(b)10)[https://docs.legis.wisconsin.gov/document/administrativecode/Adm\\_92.52](https://docs.legis.wisconsin.gov/document/administrativecode/Adm_92.52)

Landlords are eligible for actual moving expenses including searching expenses and reestablishment expenses. To file a claim for reimbursement of expenses, a landlord must acquire a replacement site for the purpose of continuing to lease.

Landlords may also be eligible for reasonable net rent losses under Wis. Stat. 32.195(6). A claimant must provide information that rent loss is directly attributable to a public improvement project and not related to a long-term vacancy at the unit. "Directly attributable" is interpreted to mean the project caused the direct and permanent displacement of a tenant and as a result, the owner may lose the net rental amount when a tenant vacates prior to the acquisition of the property.

The amount of rent loss payments is based on actual verified rent paid by a relocated tenant(s) and does not include utilities or late payment fees. A signed Rent Loss Agreement (template available in READS) is required prior to any payment of rent loss claims. The payment of rent losses must be pre-approved by the BTS statewide relocation program coordinator prior to agreement. The net rental loss amounts are reimbursed after the rental month has occurred and can be paid for multiple months past. Under no circumstances can rent loss payments be used for the purpose of allowing landlords to remove tenants from rental properties prior to initiation of negotiations or date of relocation order which would result in precluding relocation benefits and services to tenants.

Per Adm 92.52 a landlord is not a displaced person. [Adm 92.52](#) The owner of a rental property (sole proprietor or other business entity) in which the business does not physically occupy the real property to be acquired for public use is ineligible for a business replacement payment (BRP) under [s. 32.19\(4m\)](#), Wis. Stats. (City of Milwaukee v. Roadster LLC, 2003 WI App 131). Landlords are not eligible for a business replacement payment, and therefore are ineligible for reimbursement of reasonable project costs and are not eligible for a fixed payment under Wis. Stat 32.19(3)(b)2. A landlord requiring all real property changes may be considered unreasonable and/or unnecessary if the market considerations show other properties are available without substantial building/construction requirements.

A common relationship is a tenant business-owner which rents from another legal entity but includes the same individual(s) in both businesses. Each entity is considered separate businesses under the relocation program, with one landlord business and one tenant business. The tenant business owner is eligible for a BRP, if it has met all other eligibility requirements and determined eligible for a payment under the agency's BRP computation. However, the landlord entity is not eligible for a BRP, unless it can be shown that the landlord is operating as a separate business entity on site under criteria found in [Adm 92.66](#). **Adm 92.90(7)(g)** *Joint business and investment use*. A person who owns and occupies a business and also rents out a residence or business facility on the same property, shall receive a replacement payment based only on that portion of the space and that portion of the acquisition price utilized by the business.

### 5.7.3 Changing Ownership/Rental Status in the Replacement

A displaced business owner may elect to rent a replacement property, converting an owner payment to a rental payment. However, the amount of payment may not exceed the amount the owner displaced person is eligible to receive as an owner. The economic rent of the acquired property shall be used to compute the payment.

Similarly, a displaced business tenant may purchase a property rather than rent, however, the payment is based on the computed rent differential amount as a down payment plus reasonable project costs (described below). See Wisconsin Statutes s. 32.19(4M)(a) and (b). WisDOT will pay a person otherwise eligible under s. [Adm 92.96](#), an amount for a down payment on the purchase of a replacement, and reimbursement for actual expenses incidental to the purchase. The payment may not exceed the amount necessary to rent a comparable replacement as specified under s. [Adm 92.96](#).

As specified under Adm 92.98(d), WisDOT requires that the full amount of the down payment assistance payment be applied to the purchase price of the replacement property and related incidental expenses. Consult the BTS statewide relocation program coordinator for more information on conversions.

### 5.7.4 Business Replacement Payment - Owner Occupied Business

Under s. 32.19(4M)(a), Wis. Stats. for an owner-occupied business, WisDOT shall make a payment to an owner displaced person who has owned and occupied the business operation, for at least one year prior to the initiation of negotiations for the acquisition of the real property on which the business operation lies, and who actually purchases a comparable replacement business for the acquired property within two years after the vacate date from the subject or receives payment from the condemner, whichever is later. For eligible business owner occupant



may elect to receive the tenant-occupant business payment, but the amount of payment may not exceed the amount the owner-occupied displaced person is eligible to receive.

A “comparable replacement business” means a replacement business which, when compared with the business premises being acquired by the condemnor, is adequate for the needs of the business, is reasonably similar in all major characteristics, is functionally equivalent with respect to condition, state of repair, land area, building square footage required, access to transportation, utilities and public service, is available on the market, meets all applicable federal, state or local codes required of the particular business being conducted, is within reasonable proximity of the business acquired and is suited for the same type of business conducted by the acquired business at the time of acquisition.

The BRP shall include the following amounts:

[32.19\(4m\)\(a\)1.](#)

1. The amount, if any, which when added to the acquisition cost of the property, other than any dwelling on the property, equals the reasonable cost of a comparable replacement business for the acquired property, as determined by WisDOT. This is known as the price differential.
2. The amount, if any, which will compensate such owner displaced person for any increased interest and other debt service costs which such person is required to pay for financing the acquisition of any replacement property, if the property acquired was encumbered by a bona fide mortgage or land contract which was a valid lien on the property for at least one year prior to the initiation of negotiations for its acquisition. WisDOT will not likely know the actual expenses for these amounts at the time of computation, and may revise the computation for these costs at the eligible replacement location.
3. Reasonable expenses incurred by the displaced person for evidence of title, recording fees and other closing costs incident to the purchase of the replacement property, but not including prepaid expenses. WisDOT will not likely know the actual expenses for these amounts at the time of computation, and may revise the computation for these costs at the eligible replacement location.
4. Any reasonable project costs incurred or to be incurred by the displaced person. As the agency must have some assurance of the project ongoing, WisDOT will consider reimbursement of reasonable project costs “to be incurred” provided the items will be completed within the two-year claim period and under active contract by the displaced business and a valid contractor to complete eligible work. In addition to the purchase differential payment, the available funds will be determined based on computation and those costs to ensure that the replacement is comparable. There may be instances in which the amounts may be adjusted.

See 5.7.6 for policy implementation for reasonable project costs.

### **5.7.5 Business Replacement Payment - Tenant Occupied Business**

Under s. 32.19(4M)(b), Wis. Stats., for a tenant-occupied business WisDOT shall make a payment to any tenant displaced person who has owned and occupied the business operation, or owned the farm operation, for not less than one year prior to initiation of negotiations for the acquisition of the real property on which the business or farm operation lies and who actually rents or purchases

a comparable replacement business for the displaced business within two years after the date the person vacates the acquired property.

At the option of the tenant displaced person, such payment shall be either:

[32.19\(4m\)\(b\)1.](#)

1. The amount that is necessary to lease or rent a comparable replacement business operation for a period of 4 years, plus any reasonable project costs incurred or to be incurred by the tenant displaced person. As the agency must have assurance of the project ongoing, WisDOT will consider reimbursement of reasonable project costs “to be incurred” provided the items will be completed within the two-year claim period and under active contract by the displaced business and a valid contractor to complete eligible work.

The rental payment shall be computed by determining the average monthly rent paid for the property from which the person was displaced for the 12 months prior to the initiation of negotiations and the monthly rent of a comparable replacement business and multiplying the difference by 48; or

2. Or if converting from a tenant occupied business to owner occupied business: If the tenant displaced person elects to purchase a comparable replacement business, the amount of the payment is determined from the calculation and reasonable project costs plus closing costs.

### 5.7.6 Reasonable Project Costs

As introduced above, 2018 Act 243 added the category of eligible items under the BRP called “reasonable project costs”. Reasonable project costs are defined under s. 32.19(2)(hm) and are allowable under the framework of the BRP in s. 32.19 (4M)(a)(4) and s. 32.19 (4M)(b)(1), Wis. Stats. An important aspect of determining what are allowable reasonable project costs is that the improvements are actual, reasonable and necessary, and are related directly to making a property “comparable”, or reasonably similar in all major characteristics to the subject. The agency’s computation provides the framework for the selection of an available property comparable to the subject.

The process of selecting a comparable business location is the agency’s responsibility. A business may or may not choose one of the comparable properties that the agency provided. However, the agency is not required to cover all costs incurred by the business for its selection under reasonable project costs. Refer to the definition of a “comparable replacement business”.

If the agency selects a comparable that does not require a particular eligible item under reasonable project cost, reimbursement will be provided up to the computed BRP amount as an eligible cost. Tenants should not be incurring typical costs of property owners; as such, certain reasonable costs expenses should not apply. The agency will consider the expenses for comparability with the subject tenant property and determine whether these costs are reasonable and necessary.

Reasonable project costs definition or further requirements are not found under Adm 92 as the

code has not been updated for these provisions. However, the framework of Adm 92 is followed for eligibility and procedural purposes.

### 5.7.6.1 Documentation for Reimbursement

Eligible reasonable project costs and minimum required documentation include the following:

1. 32.19(2)(hm)1. Capital costs, including the actual costs of the construction of improvements, new buildings, structures, and fixtures. Required documentation includes paid invoices/receipts for work completed during two-year claim period, detailed description of improvements and work completed (including plans, documents, etc.); a copy of approved BRP claim with memo clarifying that claims under this item are not a duplicated payment of any other claim; pictures of improvements made, before and after improvements.
2. The demolition, alteration, remodeling, repair or reconstruction of existing buildings, structures, and fixtures. Required documentation includes paid invoices/receipts for work completed during two-year claim period, detailed description of improvements and work completed (including plans, documents, etc.); a copy of approved BRP claim with memo clarifying that claims under this item are not a duplicated payment of any other claim; photos of improvements made, before and after improvements.
3. The removal or containment of, or the restoration of soil or groundwater affected by, environmental pollution. Paid invoices/receipts for work completed are required. Description of work completed (including plans, documents, etc.) and photos of the improvements made under this item are also required before and after work completed.
4. The clearing and grading of land. Paid invoices/receipts for work completed are required. Description of work completed and photos of the improvements made under this item are also required both before and after work is completed.
5. 32.19(2)(hm)2. Financing costs, including all interest paid to holders of evidences of indebtedness issued to pay for project costs and any premium paid over the principal amount of the obligations because of the redemption of the obligations prior to maturity. 32.19(2)(hm)3. Documentation requires a copy of mortgage documents for the subject that was acquired with prepayment penalty highlighted and a copy of the statement where prepayment penalty was paid by business owner occupant (not the landlord business).

These costs may or may not be known at the time of the BRP computation. Relocation specialists should inquire with the business owner at the time of the interview. These costs may be paid as actual costs, once documentation is provided by the displaced business to satisfy the requirements.

6. Professional service costs, including costs incurred for architectural, planning, engineering, and legal advice and services. Detailed paid invoices/receipts for work completed and documentation of individuals, company, dates and hours worked with explanation of specific tasks completed at a specified hourly rate must be provided.

These costs may or may not be known at the time of computation, however, it will be

important to follow the requirements for comparability with the property used in the computation. For example, if modifications are required to the comparable selected, these costs should be estimated in the additional amount. Providing detailed explanation on the comparable will be needed. If these costs are reasonable for the replacement property as selected by the displaced business, these will be eligible amounts.

7. Administrative costs, including reasonable charges for the time spent by the owner or tenant in connection with the implementation of the replacement property's project. 32.19(2)(hm)5. Administrative costs include the owner's time to complete the replacement property's project. WisDOT policy is the hourly rate reasonable is not to exceed \$30.00 per hour, unless documentation of hourly wage (paystub, taxes) is provided. Only the owner of the business may receive reimbursement for this benefit, not employees/spouses/family members. These costs may not be known at the time of the computation. These costs may be paid as actual costs, once documentation is provided by the displaced business to satisfy the requirements.
8. Costs related to the construction or alteration of sewerage treatment plants, water treatment plants or other environmental protection devices, storm or sanitary sewer lines, water lines, or amenities on streets; the relocation of utility lines or other utility infrastructure, including any lines or infrastructure related to an electric utility, natural gas utility, or telecommunications utility; the installation of infrastructure necessary to provide utility service to the property, (includes electric utility, natural gas utility, or telecommunications utility); or the rebuilding or expansion of streets if required by the municipality and are not paid for by the municipality. Utility move costs are also covered under 24 CFR 24. For this item, detailed descriptions, paid invoices/receipts for work completed must be submitted. A copy of any approved actual move claim with memo certifying that claims made under this item are not a duplicate payment and pictures of the improvements made under this item are also required.

Construction of a new building - While there is a broad eligibility of reasonable project costs permissible under the law, the total costs of the construction of a new building would not likely be reimbursed if the department has identified a comparable replacement business property and provided a computation that may include repairs and modifications with the costs for the difference in the acquisition and the comparable. However, the agency has identified in the marketplace a comparable and set a payment amount to achieve comparability.

An instance where the costs of a new building may be eligible would be in a case where the department could not identify a comparable property available on the market and building a new building is the only option.

The Reasonable Project Cost Worksheet (See online forms for relocation.) for categories of costs must be provided as part of the claim process. Depending on the replacement property being constructed or repaired/remodeled, additional documentation may be required by WisDOT to assure the review of the expense as actual, reasonable and necessary.

A business ultimately decides where it wishes to relocate.

### 5.7.7 Other Considerations

*Business owner occupants* who did not utilize their maximum allowable replacement business payment, as computed by the agency, in the purchase (or conversion to a rental) of a replacement business property are eligible to receive reasonable project costs up to the maximum calculated allowable payment. Exceptions are some of the unknown costs which will be based on actual costs. These may include administrative costs, financing costs, professional service costs.

*Business tenant occupants* are eligible for reimbursement of reasonable project costs in addition to the replacement business payment received by WisDOT.

*All expenses must be determined by WisDOT BTS as actual, reasonable and necessary before approving a claim.* The items claimed must be supported by satisfactory documentation including invoices, paid receipts, cancelled checks, and other documents, such as plans, municipal approvals, documents, by the displaced business. Additional documentation may be requested to support a claim. Reasonable project costs must have occurred during the two-year claim period of the displaced business and have been paid for by the displaced business.

*No duplication of payments* will be provided if the displaced business previously received payments for items claimed under reasonable project costs, either as an acquisition or relocation costs. Betterments, upgrades based on the comparability characteristics of the subject property are also not reimbursable. Examples of betterments would be changes in finishes, additions and other square footage increases beyond what was found in the subject property and building. The approved WisDOT appraisal shall be used to identify condition, square footage and price per square footage, and other aspects of the subject property/building. However, the relocation specialist will also provide an inspection of the subject to document room finishes, flooring, condition, useable building square footage, and other characteristics of comparability.

### 5.7.8 Physical Changes – Considerations of Identified Comparables

When calculating the Business Replacement Payment, costs of necessary physical changes to make comparable properties “comparable” are considered a reasonable project cost, a category

of the Business Replacement Payment. The relocation agent must provide estimates of physical changes by a licensed contractor for all three comparables provided in the Business Replacement Payment computation.

### 5.7.9 Partial Acquisition of Business

There are acquisitions in which the entire subject property may not be purchased or a building in which a business is in operation is not affected. A business will not be eligible for a BRP unless WisDOT has determined that the project actions will displace the business. The entire business operation (other than a farm) must be displaced to qualify for a BRP; however, a business operation is considered eligible for a BRP when:

- Acquisition substantially interfered with the principal operation or nature of the business operation to constitute a displacement.

- Property remaining after acquisition is not an economic unit or would result in a significant reduction in net earnings for same type of business operation, as determined by WisDOT.

It is the responsibility of WisDOT to determine when a business is displaced. An alternative offer to purchase the entire site must be made when the remainder land/building is determined to be an uneconomic remnant.

### **5.7.10 Mixed-Use Properties**

When an owner-occupied business property acquired by WisDOT includes space unrelated to the business being conducted (a business use and a residential use), or if the owner occupies a portion of the premises for business purposes, but leases the remainder to other businesses, the owner occupant is entitled to a business BRP based only on its business' occupied space.

When a business operation includes a residential property, the value of the residential unit is excluded as a carve out from the computation of the BRP. The residential occupants may be entitled to a Residential Housing Payment (RHP). A mixed-use property may be used as the replacement site for calculation purposes, if available, however it is not required.

### **5.7.11 Multiple Businesses on Site**

In determining whether more than one business entity exists on a single site, Adm 92.66 provides direct guidance. These factors shall all be considered when determining whether there is more than one business at the same location:

1. The same facilities and equipment are shared;
2. Substantially identical or interrelated business or farm functions are carried out and financial affairs are commingled;
3. The entities are held out to the public, and to those customarily dealing with them, as one operation;
4. The same person, or closely related persons own, control or manage the affairs of the entities.

### **5.7.12 Relocation of Farms**

In determining whether a farm operation has been displaced, relocation specialists must determine if a farm to be displaced is operated as a business and contributes materially to a person's income or it is a hobby. BRPs and other eligible payments can be made only to operations that have been determined to be a business. A farm operation means an activity conducted mainly to produce one or more agricultural products or commodities or timber, for sale or home use, and customarily producing these in sufficient quantity to contribute materially to a person's income.

#### **Partial Acquisitions**

In the case of a partial acquisition of a farming operation, the owner or tenant displaced person of the farm may be considered displaced if:

- Acquisition caused a substantial change in the principal operation or nature of the existing farm operation as to constitute a displacement.
- Acquisition caused a farm operator to be displaced from his/her residence on the farm when the residence is an essential part of the operation on the remaining land; or, a strip taking removes buildings on the farming site, and the owner indicates a desire to relocate those buildings in another location on the site.
- Property remaining after the acquisition is no longer an economic unit for the same type of farming operation.

### 5.7.13 Calculating Business Replacement Payments

A relocation specialist will determine the cost of a comparable replacement business operation by conducting a market study and analyzing three or more comparable replacement businesses and selecting one to base a BRP calculation from. Fewer comparable properties may be used, however one comparable is required for the calculation. The comparable business properties identified in the comparison chart must be reasonably similar in all major characteristics of the business premises being acquired.

The cost of modifications and improvements necessary to meet comparable standards in the selected properties will be included in the owner BRP computation. For more information on Reasonable Project Costs, see section 5.7.6.

#### Owner Occupant Electing to Purchase

The maximum differential amount released to the displaced person is calculated by using Comparable A less the acquisition amount. The Reasonable Project Costs are not considered part of the pricing differential category of the Business Replacement Payment.

Example Computation: Owner to owner. A selected comparable with reasonable project costs.

	Amount
Price of comparable business location	\$300,000
Subject site – Acquisition Amount	\$225,000
Price Differential (difference between comparable price and subject acquisition)	= \$75,000
Reasonable Project Costs (improvements needed at comparable property to meet local code compliance)	+ \$25,000
<b>Total</b>	<b>\$100,000 plus other actual RPC costs not included in the calculated amount</b>

Note, under the Reasonable Project Cost category, there may be other costs incurred that are not part of this calculation. For more information, see 5.7.6. If the owner of the business spends less on the replacement property, the eligibility of the price differential will decrease.

**Owner Occupant Electing to Rent**

An owner occupant may elect to rent a replacement site will be paid a rental assistance payment. The calculation is the same as a tenant occupant who rents (see below), except that relocation specialist must calculate an economic rent for the subject site.

**Rent Differential Payment - Tenant Occupant Electing to Rent or Purchase**

This payment may be either a rental assistance payment or a down payment on the purchase of a comparable replacement site, at the displaced person’s option. The payment is computed by determining the average monthly rent paid for the property from which the person was displaced for the 12 months prior to the initiation of negotiations for the parcel acquired and the monthly rent of a comparable replacement business, this difference should be multiplied by 48. This amount may be used to either rent or purchase a replacement site.

**Tenant Occupant Rent Differential Payment**

The differential BRP for a tenant business who elects to rent, is the difference between the amount of the comparable replacement property less the amount of the subject rent. Reasonable project costs are provided in addition to the rent differential payment. As noted in the previous sections, there are limitations to what is considered eligible as reasonable project costs.

Example Computation:

Computed Amount	Amount
Comparable replacement site rent (triple net)	\$5,100
Subject site rent (triple net)	\$3,500
Price Differential (difference between comparable price and subject acquisition)	\$1,600
Multiplied by 48 months for rent differential payment	\$76,800
Reasonable Project Costs (improvements needed at comparable property to meet local code compliance required to be provided by tenant)	\$10,000
<b>Total</b>	<b>\$87,800</b>

Note, under the Reasonable Project Cost category, there may be other costs incurred that are not part of this calculation. For more information, see 5.7.6.



### **5.7.14 Owner Retention of Improvements/Real Property**

The owner may elect to retain improvements from the subject property (i.e., the building or outbuildings and move to the same site or another site). Provisions of owner retention apply except the maximum amount available and payable to a business is the amount calculated for the BRP owner occupant.

For filing claims under this provision, payment is calculated as follows: value of the retained improvements or realty as determined by WisDOT; current fair market value of the site when purchased; reasonable costs of developing the site; other expenses incidental to the move of the building or improvement; and, restoring the improvement to a comparable condition. If the improvements need additional work to meet building codes, those costs can be included in a BRP claim.

The BRP is released once the displaced person occupies the relocated buildings for business purposes. The two-year period to perform and apply for the BRP applies to the owner retention of improvements.

### **5.7.15 Advanced Payments in Condemnation Cases**

Under Adm 92.90(6), WisDOT may provide an advance BRP payment in a condemnation case. An advance payment shall be made when WisDOT determines the acquisition payment will be delayed because of condemnation proceedings. WisDOT's offer shall be used as the acquisition price for calculating the payment.

The payment shall be contingent on a displaced business authorized person signing an affidavit of intent that 1.) the agency shall recalculate the replacement payment using the acquisition amount, set by the court; and 2.) the business shall refund the excess amount from the judgment when the amount awarded as acquisition amount plus the advance payment exceeds the amount paid for a replacement or the agency's determined cost of a comparable replacement. A person is not required to refund more than the advance payment.

The payment shall be made after the condemnation proceedings are completed when a person does not sign an affidavit.

Relocation specialist should contact the litigation coordinator assigned to a region to coordinate the advanced payment.



## 5.8 BUSINESS MOVE EXPENSES

WisDOT shall not require any business, farm or non-profit organization occupying real property acquired for the construction of a highway improvement project to move without at least 90 days written notice. Policies and procedures for all business moving costs are described in this section. Businesses, farms and non-profit organizations must relocate and file claims within the two-year period as described in REPM/Section 5.6.

### 5.8.1 Planning Business Moves

Planning for a business move to a replacement site within the timeframe of a highway project can be challenging. It requires planning and cooperation on the part of the relocation specialist and the business. Developing a partnership with the business is essential and will help in completing the relocation in a timely and cost-effective manner.

Planning a move with the business should start as soon as possible. At the interview for the Conceptual Relocation Plan – Interview Addendum, the relocation specialist should start working with the business to plan the move to minimize down time of the business. During the interview, time should be set aside to take inventory of all personal property and equipment to be moved. It is important to stress to each business that cooperation is essential and will not diminish their benefits in any way, and in fact will assist us to provide the maximum benefits allowed.

When the inventory is complete, take into consideration: removal and installation requirements for equipment, power needs, approximate timeframes, telephone, computers and moving inventory. Other issues to consider during the planning stage are:

- What are the estimates needed for special moves?
- Is there a landlord and tenant business that is the same individual?
- Is there equipment that cannot be moved?
- Will equipment be purchased as part of the real estate?
- What personal property is at site?
- Will outside expertise be needed for planning, preparing inventory, or for estimates?
- Will rent loss be considered if there is a landlord/tenant relationship?
- Is there an on-premise sign that will be moved?

Relocation specialists are encouraged to discuss as many details as possible with the business and continue to work through any issues with the business prior to the move process. Once information has been obtained from the business, it is important to consult with the BTS statewide relocation program coordinator to work through any unique situations and determine what procedural steps are needed. Early discussions with BTS may also assist in identifying the types of specialized moves that may need pre-approval from BTS.

### 5.8.2 Inventory Lists and FFE Appraisal

A written inventory of personal property to be moved to the replacement property is required for all business relocations. This includes the preparation of an inventory and personal property list or

report prepared by the relocation specialist, and a Furniture, Fixtures and Equipment (FFE) appraisal prepared by the fixture appraiser. It is the relocation specialist's job to contract the FFE appraiser. Any property classified as realty, real property or fixtures, and is purchased as part of the acquisition, is not eligible for reimbursement as a moving expense under the business move and should not be included in the inventory.

The purpose of having a proper inventory of all personal property is to aid in the move and reestablishment of the business. A good moving inventory is a complete list of all personal property that includes the business' product inventory, furniture and equipment to be moved, accompanied by pictures of each item in the inventory. The inventory should be sufficiently detailed to be able to easily identify all items to be relocated. These are general recommendations for performing and developing an acceptable inventory list:

- Ask questions about unfamiliar items or intentions of business.
- Do not rely on inventory maintained by business for tax purposes.
- Itemize details and quantities as much as possible.
- Note condition of items or special circumstances relevant to move method or cost, such as installation of machinery, display racks owned by others and specialized equipment that may require special handling.
- Perform inventory in cooperation with business owner and/or moving company.
- Review list of personal property items that will be physically moved with business owner.
- Review the appraisal and fixture appraisal for items that may have been acquired.
- Sketch a layout or floor plan.
- Take photos to accompany the personal property move inventory.

If moving specifications are necessary, prepare the specifications based on your conversations with the business owner and the completed inventory. If the planning phase of the business move has not indicated all the issues to be resolved for the move to occur, the inventory should help in determining which items of equipment or personal property will need special movers, handling, dismantling and reinstallation.

As discussed in REPM Section 5.6.3, an FFE appraisal is required to be prepared for all businesses. The FFE appraisal aids the relocation specialist in the preparation of a complete list of all personal property. It also provides the displaced business with a visual list to aid in their determination of what items they need to replace due to age and updated code requirements and what items they will be moving to the new location. This report is an essential tool in order for tangible loss or substitute use payments to be calculated and provides the appropriate supporting documentation for claims.

If an FFE doesn't appear to be necessary at the time of the relocation interview because there are limited furniture, fixtures and equipment at the subject owned by the business, this needs to be discussed with the BTS statewide relocation program coordinator and it should be well documented that it was determined by the relocation specialist and BTS that a FFE appraisal was not necessary to aid in the relocation of that business.

### **5.8.3 Business Move Policies**

These are general policies specific to a business move:

Deduction from other costs - The cost of moving personal property shall not be offset or deducted from other payments made to a business.

Distance of move - WisDOT will reimburse all business moves only within a 50-mile radius, unless it is determined that the relocation of the business cannot be accomplished within the 50-mile radius.

Lawful occupancy - Moving payments may only be made for the move of personal property items of displaced persons in lawful occupancy.

Length of occupancy - Requirements for the business replacement payment (BRP) have no bearing on the eligibility for moving payments.

Multiple moves - WisDOT will generally not participate in more than one move of a business; however, if it is shown to be necessary, the BTS statewide relocation program coordinator must provide pre-approval. The BTS statewide relocation program coordinator should be consulted early in the relocation process if multiple moves are being considered.

Realignment of personal property - A displaced person may be reimbursed for relocating personal property onto the remaining lands not acquired for a highway project or other lands currently owned by the displaced person.

Receiving payment - Businesses are eligible to receive payments for the reasonable moving expenses incurred when moving personal property provided one or more of these conditions are met:

- A notice of intent to acquire has been provided to the business by WisDOT.
- The business is in occupancy at initiation of negotiations.
- The business moved after a Jurisdictional Offer (JO) was issued.
- The business moved after a written order to vacate was issued.

#### **5.8.4 Actual and Reasonable Expenses**

Occasionally a displaced business may decide to consolidate or reorganize operations in conjunction with a move. Not all costs attributable to the company's continuing business and reorganization are eligible for reimbursement. All costs under either actual or self-move shall be actual, reasonable and necessary. If the RE section or relocation specialist needs additional data to make this determination, they shall obtain additional estimates or consultant experts in the field for cost verification or timeframes needed for the move or other information that may be needed. General considerations specific to actual and reasonable move expenses are:

- A bona fide effort must be made to secure two move bids by relocation specialist and person electing a commercial move. If bids cannot be easily obtained, consideration may be given to hiring a move consultant to oversee obtaining bids.
- Amount paid to displaced business for either a commercial or self-move is a fixed amount not to exceed lower of two bids.
- An inventory of all personal property to be relocated must be made 30 days in advance of move.

- Prior to move (preferably 30 days), the specialist must obtain two “not to exceed” estimates that reflect a move only for items on inventory. When an estimate cannot be obtained, WisDOT shall pay a person for actual and reasonable expenses, supported by evidence of expense. These expenses may be included:
  - Gas and oil when a vehicle or equipment owned is used in move;
  - Insurance for move (provided cost be actually incurred);
  - Moving truck and equipment;
  - Wages for persons who assist in move based on hours worked, not to exceed hourly rate paid by commercial movers in the area; and,
  - Wages for supervisory personnel who are regular employees for time spent in overseeing the move.

Commercial Moves - The owner of a business may be paid the reasonable cost of a move by a licensed commercial mover based on policies as stated in this section. Commercial moves must be based on the lower of two bids, unless it is shown that a licensed mover has a specific expertise in a certain area necessary to complete the move and no other movers that can provide the expertise.

Self-Moves - A displaced business may be authorized a self-move subject to these conditions:

- A business that self-moves must certify that items listed were actually moved. The inventory of items moved may not deviate to any appreciable extent from the original inventory. Any increase or decrease in the inventory must be noted and a corresponding decrease or increase in the payment will be made.
- A self-move, combined with an actual move for certain specialized costs.
- Agreed upon amount to be paid for a self-move should not include specialized moving costs performed by others (i.e., telephone, computer, fire, burglar alarms etc.). Costs for specialized moves, which may include specialized installation operations, must be itemized separately and documented for reimbursement following completion of work.
- Specialized moves to be completed by others must be documented with actual invoices or receipts.

### 5.8.5 Eligible Expenses for Actual and Self-Moves

These items are considered eligible if determined by WisDOT to be actual, reasonable and necessary for the business move:

- Transportation of the displaced person and personal property up to 50 miles from the subject property. Reimbursement for locations over a 50-mile radius are ineligible, unless WisDOT determines that relocation beyond 50 miles is justified. BTS statewide relocation program coordinator pre-approval is required for relocation actual move reimbursements beyond 50 miles.
- Packing, crating, unpacking, and uncrating of the personal property.
- Disconnecting, dismantling, removing, reassembling, and reinstalling relocated personal

property including machinery, equipment, substitute personal property, and connections to utilities available within the building; it also includes modifications to the personal property, including those mandated by federal, state or local law, code or ordinance, necessary to adapt it to the replacement structure, the replacement site, or the utilities at the replacement site, and modifications necessary to adapt the utilities at the replacement site to the personal property. Prior approval from BTS statewide relocation program coordinator is recommended.

- Storage of the personal property for a period not to exceed 12 months, unless the WisDOT determines that a longer period is necessary. Prior approval from BTS statewide relocation program coordinator is required for storage.
- Insurance for the replacement value of the property in connection with the move and necessary storage.
- The replacement value of property lost, stolen, or damaged in the process of moving (not through the fault or negligence of the displaced person, his or her specialist, or employee) where insurance covering such loss, theft, or damage is not reasonably available.
- Any license, permit, fees or certification required of the displaced person at the replacement location. Payment is based on the remaining useful life of the existing license, permit, fees or certification.
- Actual, reasonable and necessary professional services for:
  - Installing relocated personal property at replacement location;
  - Moving personal property; and,
  - Planning move of personal property.
- Re-lettering and replacing business forms and stationery. All such costs shall be for replacement of existing supply. Relocation specialists need to obtain an inventory and samples of present naming stationary.
- Impact fees or one-time assessments for anticipated heavy utility usage.
- Actual direct loss of tangible personal property incurred because of moving or discontinuing the business operation.
- The reasonable cost incurred in attempting to sell an item that is not to be relocated.
- Purchase of substitute personal property.
- Searching for a replacement location, not to exceed \$2500.
- Low value/high bulk personal property.
- Connecting to nearby public utilities from right of way to replacement building or site.
- Professional services performed prior to the purchase or lease of a replacement site to determine its suitability for the displaced person's business operation including but not limited to, soil testing, feasibility and marketing studies (excluding any fees or commissions directly related to the purchase or lease of such site).
- Amount actually paid for services in documenting and preparing a move claim, up to \$500, one time reimbursement per parcel.

Additional descriptions of eligible move costs are listed below:

Professional services: Should the business require suitability studies, soil testing, feasibility and/or marketing studies in order to purchase a replacement property, prior approval from BTS statewide relocation program coordinator is required in making professional services available to displaced businesses.

The relocation specialist must obtain two "not-to-exceed" estimates from qualified individuals or

firms capable of providing either the planning or taking of the move inventory. The relocation specialist and the owners should jointly develop criteria for the inventory. The owner should be authorized in advance to contract with the low bidder.

Eligible expenses include professional services performed prior to the purchase or lease of a replacement site to determine its suitability for the displaced person's business operation including but not limited to soil testing, feasibility and marketing studies. Any professional provided or services used under this provision should be limited to within a 50-mile radius of the current business site, unless it is determined by WisDOT that this is not feasible. Exclude any fees or commissions directly related to the purchase or lease of such site (e.g., broker's commissions or attorney's fees).

Public utilities: Public utility lines, such as water, sewer, electric, and gas are eligible for reimbursement under moving expenses. Specifically, the cost of extending public utility lines from the R/W line (or property line) to the building or major improvement is an allowable

moving expense. This does not include the cost of installing the service connections within the building(s), these connections typically include items such as water meters, gas meters and main electrical service panels that are typical for the type of building involved. These service connections are real property improvements and the values associated with them become part of the real estate. This is also true of a building's necessary utility lines located within the building, such as overhead lighting, wiring and outlets.

Removal and reinstallation of equipment:

- Connecting utilities and modifications necessary to adapt or provide necessary utilities for relocated personal equipment or personal property.
- Disconnecting, dismantling, removing, reassembling and reinstalling relocated machinery, equipment and other personal property and substitute personal property.
- Modifying personal property necessary to adapt to replacement structure or replacement site provided such costs do not exceed reasonable replacement cost.

Non-Reimbursable Expenses

- Additional operating expenses of a business at replacement site.
- Interest on loans to cover moving expenses.
- Loss of business and/or profits.
- Loss of good will.
- Loss of trained employees.
- Modifying personal property to adapt it to replacement site that exceeds actual and reasonable expense as determined by WisDOT. Such costs will be evaluated based on what a prudent person exercising good judgment and employing best business practices would pay.
- Moving any structure or real property either acquired by WisDOT or that displaced business retained ownership.

- Moving cost shall not equal or exceed replacement cost of item moved or a comparable item.
- Personal injury, annoyance or discomfort.
- Physical changes to real property at replacement site, not because of the installation of personal property, even if changes are required by law.
- Storage of personal property on real property originally owned or leased by displaced person.
- Refundable security and utility deposits.
- Legal fees under [49 CFR Part 24.301\(h\)\(8\)](#).

### 5.8.6 Monitoring Business Moves

To assure compliance that all moving expenses are actual, reasonable and necessary, relocation specialists will provide surveillance and monitor business moves. The amount of time and effort in monitoring should be consistent with the complexity of the move. The goal of monitoring a move is to protect WisDOT's interests while assisting the displaced business.

For the displaced business to be eligible for payments, they must:

- Provide WisDOT reasonable, advanced notice of the approximate date of the start of the move or disposition of the personal property and an inventory of the items to be moved.
- Permit WisDOT to make reasonable and timely inspections of the personal property at both the displacement and replacement sites and to monitor the move.

Use diary notes to document monitoring activities. If it is necessary and requested, a written report noting the arrival item of the movers, level of labor, breaks, lunchtime should be prepared from the notes. As a general guide for monitoring a move, any changes or deviations from original specifications and bids should be noted and specialist's report should provide facts and observations necessary for WisDOT to make necessary cost adjustments, should that be necessary. Monitoring should be active, not passive. The WisDOT representative should make their presence known to displaced owner and person in charge of move. Specialists familiar with move and agency requirements should perform monitoring. On the day of the move, arrive at site prior to movers; document displaced business/company personnel involved; if necessary, monitor both origin and destination (would require two staff); note unusual occurrences or items that might cause a significant change in costs; and, track arrival and departure times of moving company personnel.

### 5.8.7 Requirements for Payment

Estimates/Bids - WisDOT requires moving estimates or firm bids (in the case of a self-move) to determine reasonable cost for all business moves and any itemized move costs, such as specific equipment moves. Estimates or bids should be obtained with "not to exceed" language for all moves of business property. This practice allows WisDOT to determine reasonable and necessary



costs of a move in an efficient manner; and, helps to accommodate the timeline a business desires for its business move.

WisDOT will pay to obtain moving estimates or bids from licensed commercial movers. WisDOT will not routinely pay for more than two estimates or bids. If, however, the first two estimates or bids are not compatible or vary widely in price, a third estimate or bid may be obtained. Payment for all estimates or bids is based on the standard of actual reasonable and necessary.

Filing a moving claim(s) - Documentation of all claims filed for actual business move categories include but are not limited to paid bills and invoices which correlate with the "not to exceed" estimate received for the move. These claims are a reimbursement of monies spent by the business entity that are actual, reasonable and necessary. Claims will not be approved prior to the completion of a move. Failure to fully document and justify this procedure may jeopardize the reimbursement of the moving claim(s).

All claims must be filed according to REPM/Section 5.10. The displaced person may request in writing that WisDOT pay the mover directly. In certain circumstances, this may be the best method of handling moving claims. Because of strict time requirements for paying vendors under the state of Wisconsin purchasing rules, both the moving company and the business should be named on the check. Request a return receipt for payment and upload a copy into the READS relocation log. The relocation log must include evidence to document claims in the form of paid invoices and bills.

Insurance - WisDOT requires all business moves to be insured.

- Commercial moves. Insurance premiums covering loss and damage of personal property in storage and transit are eligible for reimbursement and must be included in all bids obtained from moving companies. Insurance coverage shall be for the replacement value of personal property. If insurance is not available, the reasonable value of property lost, stolen or damaged in the process of a move is reimbursable. Losses caused by the negligence of the displaced person will not be reimbursed.
- Self-moves. If a business elects to self-move personal property, replacement cost insurance coverage must be included in the two bids for moving costs. Businesses electing to take the self-move option will be required to sign a self-move agreement acknowledging costs of obtaining insurance and that WisDOT is not responsible for personal property loss or damage.

### 5.8.8 Communications and Computerized Systems

Costs associated with moving communications and computerized data systems are reimbursable. If the business can relocate its existing system to the replacement location, but chooses to purchase/lease a more elaborate system, the procedures for substitute use or tangible loss of personal property should be followed. If a new system is the only alternative for the business, the relocation specialist should obtain two estimates to document the reasonableness of the charges for both the moving/installation costs and the telecommunications system. All costs associated with communications and computerized data systems must be actual, reasonable and necessary costs, including:

- Dedicated computer and data communications lines, if necessary.

- Long distance service transfer fees.
- Reconnection of existing system

These items, at a minimum, should be noted in the inventory of current phone system:

- Brand names, models, and any special features or equipment.
- Names of reps for the company that sold and/or installed equipment at subject site.
- Number of, type and special features of phones (note special features such as hold, call forward, teleconferencing capabilities). Some telecommunications systems and installations may require special handling.

These items, at a minimum, should be noted in the inventory of current computer system:

- Brand names, models, capacity of system, and any special equipment.
- Network capabilities.
- Pertinent varying equipment necessary for system as installed at subject site.
- Wiring/connections.

### 5.8.9 Low Value/High Bulk

Personal property located on a subject site that is of “low value and high bulk” as noted under 49 CFR 24.301(g)(18), may cost more to move the personal property than it is valued. WisDOT may determine and provide a cost payment under this provision. The payment must be shown not to exceed the lesser of the amount that would be received if the property were sold at the site or the replacement cost of a comparable quantity delivered to the new location. Personal property covered by this provision includes, but is not limited to: gravel; metals; minerals; stockpiled sand; and, other similar items as determined by WisDOT. When a relocation specialist determines that purchasing the personal property under this provision is cost effective, provided the owner agrees the relocation specialist must take steps to work with property managers at the region either sell or move the items from the site.

See REPM/Section 6.1 Site Clearance for details. WisDOT is responsible for removing the personal property from the site under this provision, in the event the property has little or no salvage value.

### 5.8.10 Tangible Loss of Personal Property and Substitute Use

#### Tangible Loss of Personal Property

This payment provides a monetary benefit to a displaced business for personal property they own and possess which is not moved and reinstalled at the replacement location. This provision may also be used when a displaced business discontinues their business and the equipment is considered a direct loss.

A payment calculated for direct loss of tangible personal property is the *lesser of*:

- **Fair market “value in place as is”** - The owner must attempt to sell the item(s), unless WisDOT determines that the item is obsolete and/or cannot be sold. If it is not sold, the item is considered abandoned and WisDOT will take possession of the item.

**OR**

- **Estimated cost to move and reconnect, as is** - If the business is discontinued, the estimated cost of moving the item is based on a moving distance of 50 miles.

In place fair market value (FMV)	\$10,000
(-) <i>minus</i> proceeds from sale	- (\$7,000)
Calculated remaining FMV Total	\$3,000
Estimate received to move item and reconnect “as is”	\$2,500
Actual direct loss of tangible personal property payment ( <i>lesser of</i> )	\$2,500

The phrase “*value in place as is for continued use...*” means the depreciated value of the item as it is installed at the displacement site as of the date of the acquisition. This value does not include costs that reflect code or other requirements that were not in effect at the acquired site that would be required at the replacement location.

To determine the depreciated value of personal property for a business, a relocation specialist must obtain a furniture, fixtures and equipment (FFE) appraisal for the displaced business. A FFE appraisal will also support relocation specialists by assisting in developing a personal property moving inventory list.

Coordination is important between the acquisition and the relocation of personal property fixtures. The acquisition appraiser, the FFE appraiser and the relocation specialist should inspect the property at the same time of the appraisal inspection with the business. This will minimize discrepancies between the appraisals such as whether a particular item is considered a fixture included in the acquisition appraisal or as personal property in the FFE appraisal. When a fixture is identified as real property in the appraisal and included in the acquisition, no relocation benefits are eligible for that fixture, including moving costs or actual direct loss of tangible personal property benefits.

Eligible costs include:

- Reconnection costs including an estimate to install items in a new location as currently exists at the acquired site.
- Transporting machinery or equipment to new site up to a maximum 50-mile radius.
- Costs associated with conducting the sale of the personal property.

Ineligible costs include:

- Increased costs to meet code or other requirements if the item(s) were actually relocated to a replacement site.
- Installation for machinery or equipment that is inoperable or not currently installed at the acquired (subject) site.
- Moving costs shall not exceed a 50-mile limit.
- Any storage costs.
- If the equipment is currently in storage or not being used at the acquired site, the estimated cost to move cannot include a cost to reconnect the item at the replacement site.

The estimated cost to move and reconnect an item "as is" at the replacement site may not include upgrades for code requirements. If the item is in storage or not being used at the acquired site, the estimated moving costs may not include any cost to reconnect.

The relocation file/log in READS must be documented with a copy of the FFE report; a list of all items included in a tangible loss/substitute use worksheet; determination of the value in place as is for continued use; bids for moving/reconnecting the item; and receipts of ownership of the item including the sales price.

The relocation specialist must convey to the business that in order to receive reimbursement for any sales' related costs, documentation must support the actual, reasonable costs of advertising and conducting the sale of personal property. This documentation may include: copies of bills of sale or similar documents; copies of advertisements and paid invoices; offers to sell; auction records; and other items supporting the bona fide nature of the sale.

When personal property is abandoned with no effort made by the owner to dispose of such property by sale or other means, WisDOT will obtain a transfer of ownership for all such items; WisDOT shall sell or dispose of such items. All commercial leases should address the personal property remaining at the subject site and that abandoned items will become the property of WisDOT unless specific arrangements for either the removal or disposal of such items are made with the owner. The owner will not be entitled to moving expenses or losses for the items.

Exclusions: Leased or shared ownership of an item of personal property disqualifies the item for this benefit. Any items acquired as part of the subject property's acquisition does not qualify for any reimbursement of relocation costs, including tangible loss benefits.

## Substitute Use

If a business will be reestablished and an item of personal property, used in connection with the business, is not moved but promptly replaced with a comparable item at the new location, the item may qualify for a relocation payment through the purchase of substitute personal property. The purchase of substitute personal property as a replacement item may be either new or used, however it must perform a comparable function to the replaced item.

Reimbursement shall be the *lesser of*:

- The cost of the substitute item, including installation costs (-) *minus* net proceeds of the sale (trade-in value may be substituted when applicable).

**OR**

- Estimated cost of moving and reinstalling the replaced item to the replacement site (within 50 miles of the subject property).

Cost of substitute item	\$10,000
Cost of installation of substitute item	\$1,000
(-) minus the proceeds from sale	- (\$2,500)
Calculated Total	\$8,500
<hr/>	
Estimated cost to move and reinstall replaced (old) item	\$12,500
<hr/>	
Payment for substitute personal property ( <i>lesser of</i> )	\$8,500

The estimated cost to move and reinstall the replaced item does not include any allowance for storage. The payment for substitute personal property is intended to pay for an item that will not be moved, but will be promptly replaced at the replacement site.

When personal property is abandoned with no effort made by the owner to dispose of such property by sale or other means, WisDOT will obtain a transfer of ownership for all such items; WisDOT shall sell or dispose of such items. All commercial leases should address the issue of abandoned personal property at the subject site and that abandoned items will become the property of WisDOT unless specific arrangements for either the removal or disposal of such items are made with the owner. The owner will not be entitled to moving expenses or losses for the items.

Exclusions: Leased or shared ownership of personal property does not qualify the item for this provision. Any items acquired as part of the subject property's acquisition do not qualify for any reimbursement of relocation costs. New items purchased and installed at the replacement location do not qualify for relocation benefits, including substitute personal property provisions.

**5.8.11 Searching Expenses**

Non-residential, displaced persons are eligible for reimbursement of the actual, reasonable and necessary expenses in searching for a replacement site up to \$2,500 (maximum amount). [Adm 92.56](#). Eligible searching expenses can include:

- Fees paid to real estate brokers to locate a replacement site, exclusive of any fees or commissions related to purchase of such sites.
- Meals and lodging away from home.
- Reasonable value of time spent in searching. Hourly rate may not exceed \$30.
- Time spent negotiating purchase of a replacement site. \*
- Time spent obtaining permits and attending zoning hearings (not including actual cost of permit, which is eligible in other benefit categories). Hourly rate may not exceed \$30.
- Transportation. The calculated reimbursement for search expenses are provided at the

updated federal reimbursement rate for mileage.

Attorney fees to prepare a lease, purchase agreement or closing cost are not reimbursable under searching expenses.

It is important to provide an explanation memo regarding the situation of the traveling persons especially when more than one individual business partner is traveling together along with form RE1960 (found online or in READS). This includes explanation of mileage claims.

### **Meals and Lodging**

Under Adm 92.56(3), meals and lodging are only eligible for the business owner when searching outside of the subject business' location or "home" municipality. Any allowable meals claimed must be accompanied by paid receipts and a billing statement from a business credit card account or business bank account, accounting for the meal amounts.

Receipts for meals should be separated between the business owner/partners and others who may be in attendance. Providing "separate checks" and payment documentation is useful when explaining whether the expense is actual, reasonable and necessary.

As this is a business expense, WisDOT will not reimburse individuals who pay individually for their meal outside of a business expense. The claim must prove to be actual, reasonable and necessary in order for a claim to be considered for approval. For a business that identifies that they paid for a meal in cash or is not able to provide an acceptable receipt or business account statement, reimbursement may only be considered up to the maximum federal reimbursement rates which can be found at <https://www.gsa.gov/travel/>.

## **5.8.12 Reestablishment Expenses**

In addition to the moving payment described in this section, a business may be eligible to receive a payment, not to exceed \$25,000, for expenses actually incurred in relocating and reestablishing a business at the replacement site under Adm 92.67. The federal Uniform Act under 49 CFR 24.303 provides eligibility for these costs as uncapped business moving expenses, instead of reestablishment expenses:

- Impact fees or one-time assessments for anticipated heavy utility usage.
- Professional services in connection with purchase or lease of a replacement site.
- Utilities from right of way to improvements on replacement site.

### **Eligible Reestablishment Expenses**

These items are eligible for reimbursement under reestablishment expenses based on the concept of actual, reasonable and necessary:

1. Repairs or improvements to the replacement real property as required by applicable local, state or federal codes.
2. Modifications to the replacement property to accommodate the business operation or to make the replacement structure suitable for conducting the business.

3. Feasibility survey, soil testing and market studies when not paid as part of moving expenses (Adm 92.67(2)(g)).
4. Increased costs of operation during the first two years at the replacement site for items, such as:
  - Lease or rental charges.
  - Personal or real property taxes.
  - Insurance premiums.
  - Utility charges.
5. Redecoration or replacement of soiled or work surfaces at the replacement site.
6. Construction and installation of costs for exterior signing to advertise business.
7. Licenses, fees and permits when not paid as part of moving expenses (Adm 92.67(2)(f)).
8. Advertisement of the replacement location.
9. Other items WisDOT considers essential for reestablishment of the business

### Ineligible Reestablishment Expenses

These items are not eligible for reimbursement under reestablishment expenses:

- Interest on money borrowed to make the move or purchase the replacement property.
- Interior or exterior renovations at the replacement site for aesthetic purposes, except as noted in #5 above.
- Payment to a part-time business in the home that does not contribute materially to the household income.
- Purchase of capital assets, such as: office furniture, filing cabinets, and machinery or trade fixtures.
- Purchase of manufacturing materials, such as: production supplies, product inventory or other items used in normal course of business operations.

### Reestablishment of Rental Property/Landlord

A business whose sole activity at the acquired site is leasing or renting space to others is eligible for a reestablishment payment. All requirements of this section about filing claims apply. To file a claim for reimbursement of these expenses, a landlord must acquire a replacement site for purpose of continuing to lease business space. Lessees who sublease space are not eligible for a reestablishment expense payment for business of leasing space. Personal property moves shall be reimbursed as an actual move only.

### 5.8.13 Fixed Payment for Moving Expenses

A displaced business may be eligible to choose a fixed payment *in lieu* of actual moving, searching and related expenses. The fixed payment is calculated using the displaced business' average of IRS reported annual net earnings for the two years immediately preceding the displacement utilizing either Business Fixed Payment Worksheet – Two Years or More (RE1028) or Business Fixed Payment Worksheet – Under Two Years (RE1029). This payment is computed according to this section with a minimum payment of \$1,000 and maximum payment of \$40,000. A business who chooses the fixed payment must understand that this payment is in lieu of all other types of actual moving expenses. If a business, farm or non-profit organization has already been reimbursed for moving costs later decides to receive a fixed payment, the amount of moving

expenses previously paid must be deducted from the fixed payment for moving expenses entitlement.

A displaced business is eligible for a fixed move payment if WisDOT determines that the business:

- Cannot be relocated without a substantial loss of existing patronage (clientele or net earnings). A business is assumed to meet this test unless WisDOT determines that it will not suffer a substantial loss of its existing patronage.
- Contributed materially to income of displaced person during two taxable years prior to displacement.
- Is not operated at a displacement dwelling or site solely for purpose of renting such dwelling or site to others. Landlords are not eligible for a fixed payment.
- Is not part of a commercial enterprise having more than three other entities that are not being acquired by WisDOT, and that are under the same ownership and engaged in same or similar business activities.
- Owns or rents personal property which must be moved in connection with such displacement and for which an expense would be incurred in such move, and business vacates or relocates from its displacement site.

#### **5.8.13.1 Multiple Occupancy of Site**

In determining whether two or more displaced legal entities constitute a single business that is entitled to only one fixed move payment, all pertinent factors are considered, including the extent to which:

- Entities are held out to public, and to those customarily dealing with them, as one business.
- Same person or closely related persons own, control, or manages affairs of entities.
- Same premises and equipment are shared.
- Substantially identical or interrelated business functions are carried out and business and financial affairs are commingled.

#### **5.8.13.2 Fixed Payment Calculation – Averaging Annual Net Earnings**

The fixed payment is calculated using the displaced business' average of IRS reported annual net earnings for the two years immediately preceding the displacement. If the two taxable years immediately preceding displacement are not representative of the average annual net earnings of the business, the relocation specialist with concurrence from the BTS statewide relocation program coordinator may approve the use alternate tax years for a more representative two-year period. Alternate tax years may be considered when WisDOT determines that the proposed construction causes the business to lose net income and earnings as a direct result of the project. Other factors, such as competition, decline in public demand for the business inventory or services offered do not justify use of alternate tax years. The use of alternate tax years by a business must be justified by providing certified tax returns

for the two tax years immediately preceding and the alternate years, and any other years that



document the decline. If a business has not been in operation for two years immediately preceding the displacement, net earnings will be based on the actual period of operation projected to an annual rate.

Business operations - Average annual net earnings include any compensation the business (either a sole proprietorship, partnership or limited liability corporation) paid to the owner, spouse or dependents during the past two-year period. For a corporate owner of a business, earnings will include any compensation paid to the spouse or dependents of the owner of an interest in the corporation. For determining ownership, stocks held by a husband or wife and their dependent children are treated as one unit. Compensation paid to the owner is not limited to wages and may include contributions the business makes to pension or profit-sharing plans on the owner's behalf. The displaced business must provide copies of the certified IRS tax returns for the relevant two years prior to the year of the displacement to verify that the criteria are met under [49 CFR 24.305](#) and [Adm 92.56](#) for items such as annual net earnings and number of entities of a commercial enterprise.

Non-profit operations - For non-profit organizations, the fixed payment is equal to the average annual difference between gross revenues and administrative expenses for the two (2) year period before displacement. Certified IRS tax returns are acceptable methods of providing evidence of income.



## 5.9 MOBILE HOME RELOCATIONS

Mobile homes present one of the most complex situations that WisDOT encounters in the relocation program. This section describes the provisions and procedures governing the different types of relocation assistance payments available. Owner and/or tenant occupants of mobile homes who are displaced by a highway construction project may be eligible for different types of relocation payments depending on varying situations relating to ownership and occupancy of the mobile home and the site on which it is located. These situations present WisDOT with additional decisions, complexities and determinations, such as the need for additional time preparing both market study and computations for various situations; increased complexity in determining relocation payments for the displaced person(s); and, whether to acquire or move mobile home from subject site. In addition, mobile home relocations may have a disproportionate number of low-income residents, elderly residents, and/or other occupants who will need additional services under last resort housing to move successfully, and assistance in obtaining financing.

### 5.9.1 General Provisions

Unless modified by the procedures in this section, a person displaced from a mobile home and/or mobile home site would be entitled to moving expense payments according to REPM/Section 5.4; and, would be entitled to a replacement housing payment (RHP) according to REPM/Section 5.5. Eligibility and payments would be essentially the same as to a person displaced from a conventional dwelling, except those additional procedures as described in this section apply.

#### 5.9.1.1 Occupancy Status

The length of occupancy on the site will determine the occupant's status as either a 90-day occupant, or less than 90-day occupant. The ownership or tenancy of the mobile home determines the occupant's status as owner or tenant. The ownership or tenancy of the site determines the status as an owner or tenant. There are four different combinations of ownership/tenancy mobile homes:

1. Owner of mobile home/owner of land
2. Owner of mobile home/tenant of land
3. Tenant of mobile home/owner of land
4. Tenant of mobile home/tenant of land

#### 5.9.1.2 Park Entrance and Exit Fees

[Wisconsin Adm Code ATCP 125.04\(1\)](#) - Rental agreement; limitations, prohibits either an entrance or an exit fee charge for mobile home parks.

#### 5.9.1.3 Partial Acquisitions

The acquisition of a portion of a mobile home park may leave a remainder that is not adequate to continue operation as a viable mobile home park. If WisDOT determines that a mobile home located in the remainder portion of the property must be moved as a direct

result of the project, the occupant of the mobile home is considered a displaced person who is entitled to relocation payments and other assistance under this section. If the mobile home can be relocated, the owner is eligible for reimbursement for the cost of moving the mobile home. If the owner of the mobile home moves the mobile home and is reimbursed for that move, they will not be eligible for a replacement housing payment for the mobile home. The owner occupant may be eligible for a replacement housing payment for a replacement site if they also own the land or site the mobile home is located on under the procedure in REPM/Section 5.5.

## 5.9.2 Purchases Affected by Highway Projects

If the mobile home cannot be relocated, WisDOT will make an offer to purchase it. Acceptable reasons why a mobile home cannot be relocated are:

- The home cannot be economically repaired to meet decent, safe and sanitary requirements.
- No available comparable sites are available for the mobile home to be moved to.
- The relocation specialist may determine other conditions prohibit the physical relocation of the mobile home.
- Structural condition of the mobile home is such that it cannot be moved without substantial damage or unreasonable costs.
- Substantial damage or unreasonable costs apply if cost to relocate and reestablish home on a new site would equal or exceed entitlement calculated in replacement housing payment computation.
- The current home does not meet comparable mobile home park eligibility requirements.

The acquisition is based on the fair market value of the mobile home and will be made regardless of the owner or tenant occupant's length of occupancy. A person qualified to appraise mobile homes or determine the values of a mobile home in the subject area will establish the fair market value. The value is used as a basis for determining a replacement housing payment for a mobile homeowner occupant. If the mobile homeowner does not agree to sell for the offer amount, WisDOT may negotiate to either pay a higher amount, and document the reason for any increase in the purchase price or decline to purchase. If the mobile home is not purchased, and the displaced person is an owner occupant of the mobile home, the replacement housing payment is calculated as described in REPM/5.9.5.

### 5.9.2.1 Evidence of Purchase/Required Documentation

WisDOT's purchase of a mobile home is evidenced by a bill of sale and title for the mobile home. The relocation specialist must forward the bill of sale and title to BTS/Property Management as soon as possible or within ten (10) working days from the date of execution by the mobile homeowner. Note: The title may show financing and/or other liens and the acquisition agent should carefully review such documents prior to purchase.

### 5.9.2.2 Purchases/Moves Under Certain Conditions (Non-DSS)

If a mobile homeowner occupant retains and reoccupies a mobile home that WisDOT determines cannot be relocated because it does not meet decent, safe and sanitary (DSS) standards, and the owner agrees with this procedure, the costs necessary to move it and bring it up to these standards may be claimed from the available replacement housing payment. The total amount claimed for moving and bringing the home to DSS standards may not exceed the amount computed in the replacement housing payment computation. This procedure can be utilized only in circumstances where DSS standards and moving can be met within the replacement housing payment. The BTS statewide relocation program coordinator must pre-approve the use of this procedure.

*Example* - WisDOT's fair market value offer to purchase the displaced person's non-DSS mobile home is \$5,000. The cost of a comparable DSS mobile home is \$12,000; therefore, the displaced person is eligible for a maximum \$7,000 supplement. The displaced person elects instead to keep his mobile home for personal and financial reasons and relocates it to a replacement site. The actual cost of the move is \$2,000 and the costs to make the necessary DSS repairs are \$2,500. The displaced person may be reimbursed for the total of \$4,500 since it does not exceed the calculated \$7,000 RHP. The mobile homeowner occupant may also be eligible for a rental assistance payment or a down payment supplement for the replacement site.

If the mobile home is not purchased, but the occupant is considered displaced under these procedures, the initiation of negotiations is:

- The date that negotiations to acquire land began; or
- If the land is not acquired, the date that the occupant receives written notification from WisDOT that they are a displaced person.

### 5.9.3 Comparable Replacement Dwelling(s)

Conventional dwelling - A comparable conventional dwelling should be similar to the subject mobile home in size and utility, unless a larger dwelling is necessary to meet decent, safe and sanitary housing standards.

Mobile home - If a used replacement mobile home comparable is not available, the replacement housing payment calculation will be based on a comparable new replacement mobile home. If no mobile homes are available, the replacement housing payment will be based on the reasonable cost of a conventional comparable replacement dwelling.

Recreational vehicle - A recreational vehicle that is capable of providing living accommodations may be considered a replacement dwelling if this criteria is met: as sited, the unit meets all local, state and federal requirements for a decent, safe and sanitary dwelling; on the date of WisDOT inspection, it is located on a purchased or leased site and is connected to or has available all necessary utilities for functioning as a housing unit; and, was purchased and occupied as the primary place of residence.

### 5.9.4 Moving and Eligibility for Expenses

A tenant, owner occupant, or seasonal residential occupant displaced from a mobile home or mobile home site is entitled to reimbursement for the cost of moving personal property from the acquisition area on an actual cost or fixed cost basis in accordance with the procedure outlined in REPM/Section 5.4. If the mobile home is not acquired or purchased by WisDOT, it is treated as personal property and the owner is eligible for reimbursement of the actual reasonable cost to move the mobile home.

If an owner is provided a replacement housing payment as described in REPM/5.8.5, they are not eligible for payment for moving the mobile home. The owner occupant of a displaced mobile home that has been classified as personal property and not acquired or purchased by WisDOT

may be reimbursed for moving expenses in accordance with REPM/Section 5.4. A displaced mobile homeowner who moves mobile home to a replacement site may also be eligible for reasonable cost of disassembling, moving and reassembling any attached appurtenances that were not acquired (e.g., awnings, decks, porches, and skirting), anchoring of unit, and utility hook up charges.

### 5.9.5 Replacement Housing Payments

#### 90-Day Occupant

A displaced owner occupant of a mobile home is entitled to a replacement housing payment not to exceed \$31,000 as described under REPM/Section 5.5, provided they meet the following criteria:

- Owned the displaced mobile home and occupied it on displacement site for at least 90 days immediately prior to initiation of negotiations;
- Meets other basic eligibility requirements of REPM/Section 5.5;

*And*, WisDOT either:

- Acquires home site and/or acquires or purchases mobile home or home is not acquired or purchased, but owner is displaced from home because of one of the reasons cited in this section.

If the mobile home is owned by the displaced person, and the mobile home site is rented, the displaced person is entitled to a payment computed as described in REPM/Section 5.8.6. This payment may be used to lease a replacement site; may be applied to the purchase price of a replacement site; or may be applied, with any replacement housing payment attributable to the mobile home, to the purchase of a replacement mobile home or conventional DSS dwelling.

If the mobile home is not acquired or purchased, but the relocation specialist determines that it is not reasonable to relocate it, the purchase supplement described in REPM/Section 5.5 is:

- The lesser of (<) purchase price of DSS replacement mobile home actually purchased and occupied by the displaced person or reasonable cost of a comparable replacement

- mobile home;
- Minus higher of (-) salvage value or trade-in value;
- Equals (=) replacement housing payment.

This procedure is most effective where mobile homes have little or no salvage or trade in value.

### **Less than 90-Day Occupant**

A displaced tenant or owner occupant of a mobile home, when the length of occupancy of the mobile home on the site is less than 90 days prior to the initiation of negotiations, may be eligible to receive a replacement housing payment in accordance with housing of last resort provisions discussed in REPM/Section 5.5 when all criteria are met.

Payment computation for the eligible less than 90-day mobile home occupant will be made in accordance with REPM/Section 5.5. All displaced persons who are less than 90-day mobile home occupants are eligible to receive advisory assistance and move cost reimbursement in accordance with REPM/Sections 5.2 and 5.4.

## **5.9.6 Computing Replacement Housing Payments**

The replacement housing payment is computed in accordance with the applicable provisions of REPM/Section 5.5. Status and length of occupancy for both the mobile home and mobile home site must be considered when computing a payment. If the status of the mobile home and the mobile home site differs (for example, one is owned or will be purchased and the other is or will be rented), the total replacement housing payment will consist of a payment for a replacement mobile home and a payment for a site, or a combined payment. If the total amount of the replacement housing payment claimed for the mobile home, plus the replacement housing payment claimed for the mobile home site exceeds the amount in the original replacement housing payment eligibility computation (using comparables), reimbursement is limited to the amount in the original replacement housing payment computation. If the rent supplement portion of a combined payment to a 90-day owner who is a tenant on the site exceeds \$8,000, the payment will not be considered last resort housing unless the combined total of the replacement housing payments for the mobile home and the site exceeds \$31,000.

*Example* - A mobile homeowner who has been a tenant on the site for over 90 days is offered a replacement housing payment in the relocation package consisting of: \$6,000 for a replacement mobile home; \$9,500 as a rent supplement for a replacement site; and, incidentals are estimated to be \$600 (there was no mortgage). Even though the rent supplement portion exceeds \$8,000, since the total RHP is less than \$31,000, this is not a last resort housing situation. The displaced person purchases a decent, safe and sanitary mobile home and site, the displaced person claims a \$5,000 RHP (spent \$1,000 less than the price of the first comparable) and a \$10,500 rent supplement (they rented a more expensive site than the comparable site used in the RHP computation). The displaced person's payment entitlement, based on the above data, would be \$15,500 plus incidentals.



## 5.10 RELOCATION RECORDS, REPORTS AND CLAIMS

This section discusses requirements for maintaining relocation records, documentation and reports, and filing relocation claims. The official relocation files are maintained through READS in the relocation tab under the correct project, parcel and unit. The hard copy relocation files are considered convenience files and should contain all the original documents. The regional RE office is responsible for the initial setup and maintenance of project and parcels in READS. A READS relocation “file” must be started as soon as a project has been developed and the Conceptual Relocation Plan – Interview Addendum (RE2238) is written. READS files should be established and maintained according to [Adm 92.20](#); REPM requirements; and, WisDOT Records Retention/Disposition Authorization (RDAs). REPM requirements; and, WisDOT Records Retention/Disposition Authorization (RDAs).

The READS relocation tab and relocation log must provide all contents of a relocation file and all fill-able data tabs should be completed. The relocation specialist will complete a review of the relocation file using the READS Relocation Checklist upon successful completion of the relocation, or at the time of relocation claim period ends to ensure the file is complete.

### 5.10.1 Relocation Log

The relocation log shall contain all items on the READS Relocation Checklist, in order. In addition to all items on the checklist, the relocation log shall include the following:

- Copies of all signed letters, email correspondence, WisDOT forms and/or other documents utilized throughout the relocation process.
- Claim submittals and approvals including memo for claim submittal and all other necessary supporting documentation.
- Dates payments were made for all claims entered into the diary; Copies of letters, checks and receipts or evidence of payments uploaded to the relocation log.
- Provide clear documentation when an offer of assistance and services was declined or accepted (diary entry and letter) or from other appropriate documentation.
- Other pertinent information as may be relevant and necessary.

### 5.10.2 Relocation Diary

The Relocation Assistance Diary (RE1043) is a key component to the relocation process and must be a written document that clearly explains every occurrence of the relocation to an auditor or legal counsel. Entries must be produced through READS. Diary entries are to be complete and detailed including the names of all persons the relocation specialist interacted with in each diary entry and the date the point of contact actually occurred. Each diary should include:

- Dates of all correspondence with displaced person or business and where applicable, their representative.
- Dates of notification of availability of all relocation payments and services.
- Dates when all documents, forms, letters, etc., were delivered.
- Description of every point of contact with all displaced person or business present

- whether by phone, email or in person.
- Description of displaced person or business's response to services or benefits offered.

### 5.10.3 READS Usage and Relocation Case Reports

Using READS for relocation work is required. The RE relocation specialist is responsible for maintaining and updating READS on a project and parcel basis including the payments to each displaced person. DOA requires an Individual Relocation Case Report be completed when the displaced person or business has been relocated. This DOA form can be generated directly from READS. All completed reports must be forwarded to the BTS statewide relocation program coordinator, who will send it to DOA. Based on the relocation information maintained in READS, the BTS statewide relocation program coordinator will prepare and submit an annual report to FHWA.

### 5.10.4 Relocation Claim Payments

WisDOT shall pay a claim in a timely manner and will promptly notify a displaced person when additional information is needed to support a claim. WisDOT has 90 days to review and approve a relocation claim under s. 32.20, Wis. Stats.

Advanced payments may be made at the discretion of the agency under Adm 92.08(5) and required prior approval from BTS statewide relocation program coordinator. An advanced payment is one that is delivered to a displaced person or business prior to all conditions normally required for payment disbursement being met. There is no obligation by the agency to provide advanced payments.

Advanced payments may be considered if the displaced person or business demonstrates the need to avoid or reduce a significant hardship. The relocation specialist must provide a written justification and supporting documentation to the BTS statewide relocation program coordinator in support of any advanced relocation payment. WisDOT may require additional conditions to ensure acceptable safeguards are placed on the advancement to prevent unacceptable situations. WisDOT will not require a person to relinquish a right to future claims as a condition of payment.

### 5.10.5 Relocation Claim Submittal Procedures

All claims and computations must be submitted to the assigned relocation specialist who will review documentation for completeness. The relocation specialist will prepare an explanation memo, upload the claim and/or computation to the READS relocation log and forward computations and claims with supporting documentation to the BTS statewide relocation program coordinator with a recommendation for approval/non-approval.

Prior to submittal to the BTS statewide relocation program coordinator, the relocation specialist will review entire claim for:

- Correct math.
- Documentation that is not acceptable.
- Documents that do not support amount claimed.



- Missing documentation.

It should be noted that spreadsheets should only be used in addition to support of the original documentation and to assist with the organization of complex claims. Proposals, estimates, checks, unexecuted leases, unexecuted tax returns and unexecuted agreement are not acceptable documentation to support a claim.

If the problems with a claim are extensive, it may be returned; if not returned, it may be approved on a partial basis only. See below for required documentation.

### 5.10.6 Completing Claims and Documentation Required

This section explains and describes items on relocation claims and the documentation that is required for claim submittal. The relocation specialist should assist the displaced person in completing their portion of the claim form and assure that they have been informed and understand that necessary supporting documentation must be provided for each item claimed to be considered for reimbursement as actual, reasonable and necessary.

The first page of the Relocation Claim – Application and Release (RE1527) should be completed with the following:

- Claimant name
- Replacement property address
- Subject property address
- Date the claim is submitted to WisDOT by the displaced person
- Relocation Specialist's name
- Actual vacate date

All boxes that apply to the displaced person must also be checked:

- Residential relocation, Nonresidential relocation or Outdoor advertising sign relocation
- Owner occupant, Tenant occupant or Landlord of the subject property
- Purchase or Rental for the replacement property
- Or Move Only Relocation; no displaced persons

Signature of the Claimant and Relocation Agent on the Relocation Claim – Application and Release form are required for processing.

The completion of this information is very important in filing and classifying claims for payment by BTS; claims will be delayed until all information is obtained. Missing or wrong information can cause significant delays in a payment that might be particularly important if the dollars are necessary or vitally needed by a displaced person or business. Generally, proposals and estimates for services are not adequate documentation for payment of a claim, and claims will not be approved on that basis. If documentation is unclear or does not adequately address the amounts and types of items being claimed, additional information or documentation may be requested by WisDOT/Finance.

The following offers explanation for the items claimed as numbered and listed on the second

page of the Relocation Claim-Application and Release (RE1527). Here, we detail what should/should not be included and documentation necessary to support a claim (complete supporting documentation must be attached to each claim and uploaded to the READS relocation log along with the memo and actual claim form).

Descriptions of items claimed are:

### Residential

1. Moving expenses – Actual: This item is to be used for actual cost moves of residential relocations. It is WisDOT policy for the displaced person to receive two estimates prior to hiring a moving company. WisDOT will reimburse the displaced person based on the lower of the two estimates. To submit this claim for reimbursement, a paid invoice needs to be received by the displaced person. If the displaced person is not able to pay the mover to be reimbursed for the move, arrangements can be made for WisDOT to pay the mover directly. In this instance, supporting documentation must include an agreement signed by the displaced person to pay the mover directly. The completed vacancy notice form RE1783 which includes the specialist's inspection with signature must be provided in the claim.
2. Moving expenses – Fixed Payment, Room Schedule: Supporting documentation for the fixed payment move option includes a breakdown of room count with the current FHWA room schedule. If the room counts appear to be excessive for a residential relocation, the memo must explain the excessive room count based on the concept of actual, reasonable and necessary and must include photographs.
3. Expenses incidental to property transfer
  - a. Recording fees, transfer taxes, and similar conveyances: This claim must include copies of all paid receipts or bills. For a displaced person to be eligible to make this claim, it must also be confirmed that recording fees were not paid by WisDOT as part of the acquisition when the displaced person closed with WisDOT. A copy of the closing statement showing the recording fees were in fact not paid as part of the acquisition is needed for approval of this claim. [s. 32.195\(1\), Wis. Stats.](#)
  - b. Mortgage prepayment penalty cost: This claim must include a copy of the mortgage at the subject site with the penalty clause highlighted along with a statement by the lender that the penalty is imposed. The paid statement, receipt or other evidence the displaced person has paid the penalty, or a signed agreement by the displaced person to make payment of the penalty to both the displaced person and lender are to be included to receive approval of the claim. [s. 32.195\(2\), Wis. Stats.](#)
  - c. Real estate taxes allocated to date of vesting: In order to make this claim, the displaced person must include a copy of tax bill along with the tax proration calculation. For a displaced person to be eligible to make this claim, it must also be confirmed that taxes were not prorated as part of the acquisition when the displaced person closed with WisDOT. A copy of the closing statement showing the taxes were in fact not prorated and paid as part of the acquisition is needed for approval of this claim. [s. 32.195\(3\), Wis. Stats.](#)
  - d. Realignment of personal property: To receive reimbursement, this claim must be able to be documented as an actual, reasonable and necessary cost. The memo submitted by the relocation specialist must provide a statement of what was moved, verification of the date(s) personal property was moved, and time involved in the move. A copy of the paid

bill(s), invoice or paid statement must accompany this claim to be considered for reimbursement. [s. 32.195\(4\), Wis. Stats.](#)

- e. Plans/specifications unusable from subject property: This claim must include a copy of the paid receipt, bill or invoice, original finished drawings, specifications and layouts (copies will not be accepted) accompanied by written explanation from the claimant or professional designee indicating why plans and specifications are of no value elsewhere. It must be clear that the plans must be specifically designed for property taken and not useable elsewhere. The relocation specialist's analysis, conclusions and recommendation regarding value and utilization of plans must also accompany this claim. [s. 32.195\(5\), Wis. Stats.](#)
  - f. Reasonable net rental losses: For this claim to be considered for reimbursement, the relocation specialist must have requested, and received pre-approval from the BTS statewide relocation program coordinator including documentation as explained in this paragraph. This claim is limited to the time when the parcel appears on right of way plat, to date parcel is acquired. Documentation must be provided supporting that the rent loss is directly attributable to the highway improvement project and that the rent loss exceeds normal rental or vacancy rates for similar properties in the area to be considered. A copy of the most recent executed lease and documentation for the tenant's vacancy must accompany this claim. [s. 32.195\(6\), Wis. Stats.](#)
  - g. Fencing cost: This claim must include all paid receipts, bills and/or statements that indicate the cost of materials, labor, etc. The cost of fencing acquired (may be in the WisDOT prepared appraisal or administrative settlement) must be deducted from the cost of the new fence. The claim must include pictures of before and after condition of the fence and/or area, if available. Items are limited to fencing necessary in reference to the right of way. See REPM/Section 5.4 for more guidance on fencing. [s. 32.195\(7\), Wis. Stats.](#)
4. Replacement Housing Payment: This item is designated for all replacement housing payment claims. If the displaced person needs this payment at closing of a purchase of the replacement property, the relocation specialist must submit the claim at least two to three weeks prior to closing date. All claims for replacement housing payments must include a copy of the approved computation which clearly identifies the maximum payment set by the computation as well as the completed Decent, Safe and Sanitary Inspection Certification (RE1950). Originals of all documents must be uploaded to the READS relocation log.

For replacement housing payment claims of an owner occupant to an owner occupant, and tenant occupant to owner occupant, the claim must also include the final signed accepted Offer to Purchase or Purchase Agreement. The lenders closing statement and signed Warranty Deed should be uploaded to the READS relocation log after closing.

For replacement housing payment claims of tenant occupants to tenant occupants and owner occupants to tenant occupants, the claim must include a copy of an executed lease which clearly states the new monthly rental rate.

5. Mortgage Interest Differential Payment: Documentation required for this item includes copies of both old and new mortgages indicating the balance of mortgage(s), date of mortgage, interest rate (APR), number of remaining periods. If the new mortgage is not available, a letter from lender stating all of above is acceptable. The calculation must also be completed and submitted as supporting documentation with this claim. This calculator is found on

FHWA's website. For more guidance on this calculation refer to REPM/Section 5.4.13.

6. Incidental expenses – Closing Costs and Related Expenses: For reimbursement of Closing Costs, a copy of the final signed HUD (lender) closing statement is necessary. If a hardship exists and the displaced person needs the closing costs to be available for payment at the closing, a good faith estimate from the lender is required, along with an agreement with the owner that provides a remedy and resolution either for an over or under payment at closing. For reimbursement of expenses related to the purchase of a replacement property such as the home inspection, radon inspection and appraisal fee, a copy of the report must be uploaded to the READS relocation log and the claim must provide a paid bill, invoice or receipt for approval.

### **Non-Residential**

7. Moving expenses – Actual: This item is to be used for any actual, reasonable and necessary move expense incurred by a non-residential relocation. The Business Actual Moving Expenses – Worksheet (RE1030) must be completed upon submittal of this claim along with a complete personal property inventory with indication of how each item was handled during the move. It is WisDOT policy for the displaced business to receive two estimates prior to hiring a moving company or specialty move company. A copy of the approved estimate is to be included in the supporting documentation along with the paid invoice for the work completed in the same amount. For searching expense claims, these claims must also be accompanied by the Searching Expenses Record (RE1960). For Tangible loss or substitute use claims, the Tangible Loss & Substitute Use – Relocation Worksheets (RE 1050) must accompany the claim. Additional supporting documentation for moving personal property, specialized moves and other services and reinstallations may include estimates of work to be completed, paid invoices, pictures and any other item which supports the claim may be necessary for consideration of reimbursement.
8. Reestablishment Payment: This item must include copies of all actual paid invoices along with documentation of the item used at the subject and the replacement item at the replacement property along with the completed Reestablishment Expenses – Worksheet (RE1034). Estimates and proposals will not be acceptable as documentation for reimbursement. See REPM/Section 5.8.12 for details on eligible expenses for reestablishment.
9. Fixed Payment In Lieu of Actual Moving Expenses: This item must include either the Business Fixed Payment Worksheet – Two Years or More (RE1028) or Business Fixed Payment Worksheet – Under Two Years (RE1029). Supporting documentation to this claim includes certified copies of Federal Income Tax Form 1040 for the past two consecutive years prior to submitting the claim. For more guidance on this calculation see REPM/Section 5.8.13.
10. Expenses incidental to property transfer (see item #3 under Residential for full explanation of each category under this claim).
11. Business Replacement Payment: Any claims made under this item must include a copy of the approved computation which clearly identifies the maximum payment set by the computation. If the displaced business needs this payment at closing of a purchase of the replacement property, the relocation specialist must submit the claim at least two to three weeks prior to closing date. Originals of all documents must be uploaded to the READS relocation log.

- a. Tenant to Tenant – rent differential payment (48 months): This claim must be accompanied by a copy of the fully executed lease, showing all terms etc.
- b. Tenant to Tenant – reasonable project costs (actual, reasonable, necessary): Any claims under this item must be accompanied by the Reasonable Project Costs – Worksheet and the appropriate documentation as outlined in the worksheet for that specific reasonable project cost. If the reasonable project cost is an administrative cost, the Administrative Cost Log must also accompany this claim.
- c. Tenant to Owner – conversion of rent differential to down payment on replacement and closing costs: This claim must also include the final signed accepted Offer to Purchase or Purchase Agreement. The lenders closing statement and signed Warranty Deed should be uploaded to the READS relocation log after closing and show that the full amount was applied as a down payment.
- d. Owner to Owner – includes purchase differential, increased interest, closing costs, and reasonable project costs at replacement property: This claim must also include the final signed accepted Offer to Purchase or Purchase Agreement. The lenders closing statement and signed Warranty Deed should be uploaded to the READS relocation log after closing. Owner to Tenant – includes rent differential payment (calculated using economic rent): This claim must be accompanied by a copy of the fully executed lease, showing all terms etc. including both the original Business Replacement Payment Computation and the conversion to a tenant computation complete with the economic rent study.
- e. Owner to Tenant – reasonable project costs where applicable: Any claims under this item must be accompanied by the Reasonable Project Costs – Worksheet and the appropriate documentation as outlined in the worksheet for that specific reasonable project cost. If the reasonable project cost is an administrative cost, the Administrative Cost Log must also accompany this claim. Since an owner receives reasonable project costs under the computed Business Replacement Payment, the memo submitted by the relocation specialist must include support that the item claimed is not covered under the original computation prior to conversion.

### **Move Only Payment – No displaced persons**

12. Personal Property Move Only Payment Schedule (Self Move): For this item, a copy of the fully executed Self-Move Agreement (RE2266) must accompany the claim along with a breakdown using the Move Only Payment Schedule found under REPM/Section 5.4.10. Documentation including pictures before and after the move must accompany the claim along with a fully executed Vacancy Notice in order for it to be approved for reimbursement.
13. Actual Move (includes Outdoor Advertisement Sign Move): For this item, the relocation specialist must include an inventory of the personal property including pictures of all items to be moved. Reimbursement will be made based on the lower of two estimates provided by a commercial mover.

### **5.10.7 Notice of Appeal Rights**

All displaced persons shall be furnished a written notice of their right to appeal as provided in REPM Section 5.3.6, which contains the procedure for making an appeal. RE1035 handout

provides this procedure for appeals to the agency. Such notice, which is contained in the relocation information, is given to the displaced person at the time of the initiation of negotiations. A person must file an appeal to WisDOT within 60 days after receiving a written notification of WisDOT's determination of a denied claim.

### **5.10.8 Written Notice of Claim Denial**

Under s. 32.20, Wis. Stats., claimants have the right to appeal WisDOT's relocation decisions such as claim denials, reductions, eligibility issues in which they are aggrieved. WisDOT shall promptly notify a claimant in writing of a determination of relocation claim denial including this information:

- Basis for determination of claim denial.
- How person may modify or further document a claim or file an appeal, when an agency denies a claim or it does not approve full claim amount.
- Notification that any appeal to WisDOT must be made within 60 days after receiving written notification of a claim that has been denied.

A claim denial letter outlining the reasons for denial and an appeal process handout (RE1035) must be provided to all claimants who have received a claim reduction, claim denial or eligibility in which they are aggrieved. This letter and handout must be copied into READS log.