

BUSINESS RELOCATION INFORMATION

Landlord

As the landlord of a property being purchased due to a highway improvement project, your landlord business may be eligible for relocation benefits, payments and services through the Wisconsin Department of Transportation (WisDOT). This informational brochure outlines these services and benefits.

RELOCATION ADVISORY SERVICES

A relocation specialist will be assigned to you to discuss your business relocation and eligibility for various benefits. Your relocation specialist will provide information about the general relocation process during several personal visits and review the timeframe you may remain at your current location. He/she will be available throughout the relocation process to answer questions and assist you in your relocation efforts. At a minimum, you will be provided at least 90 days' notice prior to the date you will be required to move.

Interview and Market Study

As a first step, your relocation specialist will interview you about your business as a landlord and relocation needs for the purposes of a project-wide, relocation plan. During the interview, your relocation specialist will review project timelines and possible relocation benefits and will provide you with their contact information.

A relocation specialist will also contact the tenants in your building(s) to discuss their relocation needs and eligible benefits. Tenants will be advised not to move prior to the initiation of negotiations or they may jeopardize their rights to relocation benefits.

Legal Citizen Certification

Under federal law, in order to qualify for relocation services and payments, you must certify that you are a legal citizen or lawfully present in the United States. Your relocation specialist will review this policy with you and ask you to sign a WisDOT certification form. Any person (or corporation) who is not lawfully present in the U.S., is not eligible for relocation advisory services and payments, unless ineligibility would result in exceptional and unusual hardship to a qualifying spouse, parent or child. Please contact your relocation specialist for further information.

Relocation Package

Once an appraisal of the property has been approved, WisDOT will initiate negotiations for the purchase of the parcel you own by providing you with a written financial offer. At this time (or soon afterwards), you will be provided a relocation package that includes a summary of all relocation benefits available in the program. This package will include a 90-day notice letter indicating the date your landlord business will be expected to vacate the premises along with other important relocation related information. You will be asked to sign the form acknowledging that you have received this information.

Rent Loss

Reasonable net rental losses may be reimbursed under Wisconsin Statutes § 32.195(6), if:

- The losses are directly attributable to the public improvement project.
- AND
- The losses are shown to exceed the normal rental or vacancy experience for similar properties in the area.

Rent loss payments are based on actual, verified rent paid by a relocated tenant(s) and does not include the cost of utilities or late payment fees. Verification is required such as a current, signed rental agreement; cancelled rent checks from the tenant to the landlord (property owner); and/or landlord's bank statements identifying regular rent payments. Rent loss payments are considered taxable under Wis. Stat. § 32.196.

A signed rent loss agreement between the landlord and WisDOT will be required prior to reimbursement of any rent loss claims. Any rent loss unit(s) must remain vacant until acquisition. Rent loss payments will not be made to any landlord who removes a tenant(s) from rental properties prior to the initiation of negotiations.

RELOCATION BENEFITS

Actual and Reasonable Moving Costs

As discussed above, your relocation package will identify the date you will need to have moved your personal property. At a minimum, you are provided 90 days to relocate your personal property after the date of the initiation of negotiations. You will be notified of the required date when all personal property must be removed and the premises "broom cleaned."

You are eligible to receive compensation for the actual, reasonable cost of moving personal property. Your relocation specialist will work with you to prepare an inventory of personal property items that will be moved. He/she will contact at least two commercial movers to provide moving estimates based on this inventory. Reimbursement is provided, once you have vacated the premise, in a lump sum based on the lower of the two moving estimates.

You will have the choice of either receiving reimbursement for your moving costs by using a commercial mover or a self-move, provided you have personal property at the site.

- *Commercial move* – Reimbursement is provided for the actual and reasonable costs incurred in moving the business to a replacement business site when the move is accomplished by a licensed commercial mover in an amount up to the lower of the two estimates received.
- *Self-move* – This option allows a business to conduct its own move utilizing owned or leased equipment; employees, relatives or other persons hired specifically for the move; supervised by himself/herself and/or a working foreman. Or, a business owner can choose to move their business with a self-move combined with a partial commercial move. Any self-move requires a signed agreement between WisDOT and you, as the landlord, and the agreement must be completed before the move takes place and reimbursement is provided.

WisDOT is available to assist you in every aspect of your move. You are strongly encouraged to work closely with your assigned relocation specialist in planning for your business move. Prior to proceeding with a move, you must notify your relocation specialist of your intention to move, including the date, location of the replacement property, and approximate time required to accomplish the move. Failure to inform you relocation specialist prior to a move or specialized move can negatively impact your eligibility for reimbursement of moving costs incurred by your business.

Business Re-Establishment Expenses

You may be eligible to receive reimbursement, up to \$25,000, for expenses incurred in reestablishing your business at a replacement site. Reimbursable items must be actual, reasonable and necessary, as determined by WisDOT, and may include:

- Repairs or improvements to the replacement property as required by applicable federal, state or local codes and ordinances.
- Modifications to the replacement property to accommodate the business operation or make replacement structures suitable for conducting the business.
- Construction and installation costs for exterior signing to advertise the business.
- Redecoration or replacement of worn surfaces at the replacement site, such as paint or carpeting.
- Advertisement of the replacement location.
- 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; and, utility charges, excluding impact fees.
- Licenses, fees and permits, when not paid as part of moving expenses.
- Other items that the agency considers essential for re-establishment of the business.

Generally, items ineligible for reimbursement under re-establishment expenses include (nonexclusive list):

- Purchase of capital assets, such as office furniture, filing cabinets, machinery, or trade fixtures.
- Purchase of manufacturing materials, production supplies, product inventory or other items used in the normal course of business operations.
- Interest on money borrowed to make the move or purchase the replacement property.
- Interior or exterior renovations at the replacement site, which are for aesthetic purposes.

REQUESTING REIMBURSEMENT FOR ELIGIBLE ITEMS – RELOCATION CLAIMS

The relocation program is a reimbursement program with many requirements, statutory provisions and eligibility standards. You are encouraged to work closely with your relocation specialist prior to incurring an expense regarding your potential eligibility for reimbursement. Documentation is very important – make sure you keep all documentation for moving and reestablishment expenses, such as paid invoices, receipts and photos.

To receive reimbursement for eligible relocation items, WisDOT will review your claim (a signed claim form, plus supporting documentation) and determine whether the request is reasonable and necessary. WisDOT claim forms will be provided in your relocation package. While you may submit a claim to WisDOT, it is not a guarantee that reimbursement will be provided.

Reimbursement depends on many factors including:

- Eligibility under state and federal laws, codes and WisDOT policies.
- WisDOT considers the claim for reimbursement of incurred costs to be actual, reasonable and necessary.
- Adequate documentation that verifies payment and provides details of the type of service/item, copies of business taxes, paid invoices/receipts and photographic documentation. Estimates are not considered a verification of payment.

Wisconsin Department of Transportation

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Legal fees are generally ineligible for reimbursement in the relocation program. A one-time reimbursement for up to \$500 may be paid for service fees to prepare and document a claim for a business relocation payment or loan application.

Your relocation specialist will assist you to file relocation claims for reimbursement including identifying the necessary documentation. You have two years from the date you vacate from the subject site to file claims for reimbursement of relocation benefits.

APPEAL RIGHTS

Under Wis. Stat. § 32.20, you have the right to appeal a WisDOT decision that you disagree with, including a claim denial or a reduction from your claimed amount. There are three different ways to appeal a WisDOT decision.

1. You may appeal directly to WisDOT's Statewide Relocation Facilitator, who will review the specific request and facts of the situation. The agency may be able to work with you directly to resolve issues.
2. You may appeal to the Wisconsin Department of Administration for an informal review outlined in Wisconsin Administrative Code Chapter Adm § 92.18.
3. You may file an appeal to the Circuit Court of the county where the displacement took place.

Information on the appeals process will be provided by your relocation specialist with any claim denial or reduction.

RELOCATION PROGRAM GOAL

Through your assigned relocation specialist, WisDOT will work closely with you to ensure your relocation issues are addressed. Our goal is to assist you in relocating your business and to ensure the process goes as smoothly as possible.

We want you to be fully aware of the relocation process and the benefits you are eligible to receive. Your relocation specialist will also identify the supporting documentation needed to secure eligible benefits and assist you in preparing your relocation claim submittal.

Please contact your relocation specialist with any questions.