

**Sample Notice of Eligibility for Relocation Assistance  
For Business, Non Profit or Institution  
(USE LETTERHEAD)**

Date:

NAME  
ADDRESS  
CITY, STATE, ZIP CODE

**Re: Project Name:**

**Project Number:**

**Case No:**

Dear \_\_\_\_\_ :

This is to notify you of your eligibility for relocation assistance. As you were previously notified, it will be necessary for you to move if, as has been proposed, the California State University (CSU) [acquires, rehabilitates, or demolishes] the property at [property address] for the planned [name of CSU project]. As a business occupant of the property, you may be entitled to certain benefits under the State of California Relocation Guidelines (*California Code of Regulations, Title 25*) implementing the Uniform Relocation Assistance Program. These benefits are outlined below. *It is important that you understand the conditions described below that must be met before any payments can be made.*

**Please be advised that you are NOT requested or required to move as a result of this notice. In the event that the CSU project goes forward, you will be given at least 90 days written notice before you will be required to move.**

As the business occupant of the property, you may be entitled to:

**Relocation Advisory Assistance**

CSU will help you search for a new place to conduct your business. Information on maps of available properties, typical real estate purchase and rental costs, and the services offered by other agencies in the area are also available. If you want assistance, please contact the relocation consultant listed below.

**Moving and Related Expenses**

Businesses may be paid on the basis of actual reasonable moving and related costs and reestablishment expenses as CSU determines to be reasonable and necessary. The following moving expenses may be considered by CSU:

- A. Transportation of personal property limited to 50 miles or less. Distances beyond 50 miles are not eligible, unless CSU determines that relocation beyond 50 miles is justified.

- B. Packing, crating, unpacking, and uncrating of personal property.
- C. Disconnecting, dismantling, removing, reassembling, and reinstalling relocated machinery, equipment, and other personal property, and certain substitute personal property. This includes connection to utilities available nearby. It also includes modifications to the personal property necessary to adapt it to 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. (Expenses for providing utilities from the right of way to the building or improvement are excluded.)
- D. Storage of the personal property not to exceed 12 months, unless CSU determines that a longer period is necessary.
- E. Insurance for the replacement value of the personal property in connection with the move and necessary storage.
- F. Any license, permit, or certification required of your business at the replacement location. However, the payment shall be based on the remaining useful life of your existing license, permit, or certification.
- G. The replacement value of property lost, stolen, or damaged in the process of moving (not through the fault or negligence of your own, your agent, or your employee) where insurance covering such loss, theft, or damage is not reasonably available.
- H. Professional services necessary for:
  - 1) planning the move of the personal property,
  - 2) moving the personal property, and
  - 3) installing the relocated personal property at the replacement location.
- I. Re-lettering signs and replacing stationary on hand at the time of displacement that is made obsolete as a result of the move.
- J. Actual direct loss of tangible personal property incurred as a result of moving or discontinuing the business. The payment shall consist of the lesser of:
  - 1) The fair market value of the item for continued use at the displacement site, less the proceeds from its sale. (To be eligible for payment, you must make a good faith effort to sell the personal property, unless CSU determines that such effort is not necessary. When payment for property loss is claimed for goods held for sale, the fair market value shall be based on the cost of the goods to be business, not the potential selling price.); or
  - 2) The estimated cost of moving the item, but with no allowance for storage. (If the business or operation is discontinued, the estimated cost shall be based on a moving distance of 50 miles.)
- K. The reasonable cost incurred in attempting to sell an item that is not to be relocated.

- L. Purchase of substitute personal property. If an item of personal property that is used as part of a business is not moved, but is promptly replaced with a substitute item that performs a comparable function at the replacement site, you will be entitled to payment for the lesser of:
- 1) The cost of the substitute item, including installation costs at the replacement site, minus any proceeds from the sale or trade-in of the replaced item; or
  - 2) The estimated cost of moving and reinstalling the replaced item, based on the lowest acceptable bid or estimate obtained by CSU for eligible moving and related expenses, but with no allowance for storage.
- M. Searching for a replacement location. A displaced business is entitled to reimbursement for actual expenses, not to exceed \$1,000 as CSU determines to be reasonable, which are incurred in searching for a replacement location including:
- 1) Transportation
  - 2) Meals and lodging away from home.
  - 3) Time spent searching, based on reasonable salary or earnings.
  - 4) Fees paid to a real estate agent or broker to locate a replacement site, exclusive of any fees or commissions related to the purchase of such site.
- N. Other moving related expense as CSU determines to be reasonable and necessary.

**CAUTION:** In order to qualify for reimbursement of the above-described expenses, you **MUST**:

- Provide CSU with a certified list or inventory of the items to be moved at least thirty (30) days in advance of the start of your move; and
- Notify CSU at least fifteen (15) days in advance of the date of the start of your move or disposition of your property; and
- Permit CSU to monitor the move; and
- Permit CSU to make reasonable and timely inspections of the personal property at both the displacement and replacement sites.

Failure to comply with any of the above four (4) requirements may result in your losing part or all of your benefits.

As a matter of information, you should also be aware that you are not entitled to payment, under the relocation regulations, for:

- The cost of moving any structure or other real property improvement in which you reserved ownership; or
- Interest on a loan to cover moving expenses; or

- Loss of goodwill; or
- Loss of profits; or
- Loss of trained employees; or
- Personal injury; or
- Costs for storage of personal property on real property owned or leased by the displaced person.

You may choose to move either by a commercial mover or take full responsibility for all or part of the move yourself. In either case, CSU must first obtain at least two (2) acceptable bids or estimates upon which to base payment. For a commercial move you will need receipts and/or other documentation for reimbursement or a direct payment to the mover. The “self-move” requires no further documentation (other than the bids) for payment.

**Re-Establishment Expenses**

In addition to the payments available above, a small business may be eligible to receive a payment, not to exceed \$10,000, for expenses actually incurred in relocating and reestablishing at a replacement site.

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

- A. Repairs or improvements to the replacement real property as required by Federal, State or local law, code or ordinance.
- B. Modifications to replacement property to accommodate the business operation or make replacement structures suitable for conducting the business.
- C. Construction and installation costs for exterior signage to advertise the business.
- D. Provision of utilities from right of way to improvements on the replacement site.
- E. Redecoration or replacement of soiled or worn surfaces at the replacement site, such as paint, paneling, or carpeting.
- F. Licenses, fees and permits when not paid as part of moving expenses.
- G. Feasibility surveys, soil testing and marketing studies.
- H. Advertisement of replacement location.
- I. Professional services in connection with the purchase or lease of a replacement site.
- J. Estimated increased costs of operation during the first two years at the replacement site, for such items as:
  - 1) Lease or rental charges,
  - 2) Personal or real property taxes,

- 3) Insurance premiums,
- 4) Utility charges, excluding impact fees.
- K. Impact fees or one time assessments for anticipated heavy utility usage.
- L. Other items that CSU considers essential to the reestablishment of the business.

As a matter of information, you should be aware that you are not entitled to payment under reestablishment regulations for any of the following:

- Purchase of capital assets, such as office furniture, filing cabinets, machinery or trade fixtures.
- Purchase of manufacturing material, production supplies, product inventory or other items used in the normal course of the business operation.
- Interior or exterior refurbishments at the replacement site which are purely aesthetic in purpose except as paid in "e." above.
- Interest on money borrowed to make the move or purchase the replacement property.
- Payment to a part-time business in the home which does not contribute materially to the household income.

**Fixed Payment In-Lieu of Payment for Actual Moving and Related Expenses and Re-Establishment Expense**

In lieu of a payment for actual moving and related expenses and reestablishment expenses, you may elect to receive an amount equal to your business' recent average annual net earnings in an amount not less than \$1,000 nor more than \$20,000. A displaced business is eligible for the payment if CSU determines that:

- A. The business 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 the business vacates or relocates from its displacement site.
- B. The business cannot be relocated without a substantial loss of its existing patronage (clientele or net earnings). A business is assumed to meet this test unless CSU determines that it will not suffer a substantial loss of its existing patronage.
- C. The business is not part of a commercial enterprise having more than three other entities which are not being acquired by CSU, and which are under the same ownership and engaged in the same or similar business activities.
- D. The business is not operated at a displacement dwelling solely for the purpose of renting such dwelling to others.
- E. The business is not operated at the displacement site solely for the purpose of renting the site to others.

- F. The business contributed materially to the income of the displaced person during the two taxable years prior to displacement.

If you lease or rent from CSU, failure to pay necessary rental payments to CSU may reduce the relocation payment you will receive.

If you are refused a relocation payment by CSU or believe the payment offered is not enough, you may appeal. No legal assistance is required. Additional information about the appeal procedure will be provided to you, if you desire.

Moving and related payments are not considered as income for the purposes of personal income tax laws. Furthermore, these payments are not considered income or resources to recipients of public assistance. Relocation payments are normally made within sixty (60) days of the date that your completed claim is received by CSU.

**YOU WILL BE GIVEN AT LEAST 90 DAYS WRITTEN NOTICE BEFORE YOU WILL BE REQUIRED TO MOVE FROM THE PROPERTY.**

It is important that you understand the matters explained above which relate to your eligibility. If at any time you want assistance, please contact \_\_\_\_\_, your Relocation Specialist at \_\_\_\_\_.

Sincerely,

Project Manager  
Consultant Firm  
On behalf of The California State University

Original Received: \_\_\_\_\_  
Date

By: \_\_\_\_\_

By: \_\_\_\_\_