

Appendix D Summary of Relocation Benefits

10.07.00.00

MOBILE HOMES

10.07.01.00 Applicability [49 CFR 24.501]

This section describes the requirements for relocation payments to a person displaced from a mobile home and/or mobile home site who meets basic eligibility requirements. Except as modified by this section, such a displaced person is entitled to a moving expense payment of their personalty in accordance with 10.04.02.00. Replacement housing payments should be paid in accordance with the same requirements as persons displaced from conventional dwellings.

10.07.02.00 Moving and Related Expenses [49 CFR 24.502]

The owner of a mobile home that is not acquired by the Department is eligible for the actual, reasonable, and necessary expenses to relocate that mobile home to another site.

The owner of the mobile home who occupies the unit, is also eligible for RHPs described further in this section. However, if the mobile home is not acquired, but the homeowner-occupant obtains a RHP under one of the circumstances described in 10.07.03.00, the owner is not eligible for payment for moving the mobile home. The owner-occupant may also be eligible for a payment for moving personal property from the mobile home.

The following rules apply to payments for actual moving expenses under 49 CFR §24.301:

1. A displaced mobile homeowner, who moves the mobile home to a replacement site, is eligible for the reasonable cost of disassembling, moving, and reassembling any attached appurtenances, such as porches, decks, skirting, and awnings which were not acquired, anchoring of the unit, and utility "hook-up" charges.
2. If a mobile home requires repairs and/or modifications so it can be moved and/or made decent, safe, and sanitary, and the Department determines that it would be economically feasible to incur the additional expense, the reasonable cost of such repairs and/or modifications is reimbursable.
3. A non-returnable mobile home park entrance fee is reimbursable to the extent it does not exceed the fee at a comparable mobile home park, if the person is displaced from a mobile home park or

the Department determines that payment of the fee is necessary to effect relocation.

Exhibit 10-EX-21 shows moving cost methods that displacees may select. The two basic cases are shown in the following table.

Criteria	Method
Mobile home is purchased and is not relocated.	Displacees may be paid to move their contents based on actual cost or Moving Expense Schedule A or B (10.04.02.03).
Mobile home is not purchased by the State but is relocated.	<p>Payment for the move may be based on actual cost or self move. If the mobile home and household goods are moved to separate locations, actual cost method must be used for both the mobile home and household goods.</p> <p>Occupants of mobile homes may be paid for moving their personal property in the mobile home by any of the three methods described in 10.04.02.02. A payment for moving the mobile home itself is made on an actual cost basis.</p>

10.07.02.01 Actual Cost of Mobile Home Moves

Displacee shall obtain two bids and submit them to the District for approval prior to the move. If necessary, the District may assist displacee in obtaining the required bids. Upon approval of the bids, the District will inform displacee to proceed with the lowest bidder. Prior to approval the District must carefully review the bids with special attention to:

- Disconnecting and reconnecting utilities and appliances.
- Providing an additional axle and/or brakes if necessary to comply with State requirements.
- Alternative of shipping the unit on a lowboy trailer.
- Need to rent wheels and/or tires.

- Temporarily protecting separated doublewide units.
- Resealing the roof, especially for older units.
- Dealing with floor material when units are split.
- Replacing items such as awnings, skirting, and steps to bring them up to code.
- Setting up on replacement pad, which includes leveling and fitting skirting to the new contour.

10.07.02.02 Moving Expenses for Personalty

The occupant of a mobile home unit is entitled to moving expenses for their personal property contained in and around the mobile home unit. Moving expenses can be paid for either an actual move, an MSA, or a Fixed Moving Schedule payment.

If the mobile home unit is moved to a replacement site, some of the personal property may be moved as part of the unit. The RAP Agent should ensure that items moved with the mobile home unit are not included in the calculation of a Fixed Moving Schedule.

The non-occupant owner of a mobile home unit may also be entitled to moving expenses for personal property. These items might include the appliances in the mobile home or yard fixtures that were not acquired. The basis for the payment can be an actual move, a self-move, or a Fixed Moving Schedule. Again, the RAP Agent should ensure that items moved with the mobile home unit (e.g., appliances) are not included in the calculation of a Fixed Moving Schedule.

10.07.02.03 Additional Actual Costs

Allowances for food and lodging required during move and set-up time for mobile home relocation are paid in accordance with the appropriate procedures in 10.04.02.01. The RAP Agent shall predetermine the number of rooms and meals and incidental allowances based on size and composition of the displaced family.

When a mobile home is moved to an individual site, the RAP Agent must predetermine that the mobile home meets code requirements for placement on the site.

Payment for acceptable miscellaneous mobile home moving costs (such as painting or waxing, skirting, awnings, landscaping, and minor work to hide

protuberances) is made only to achieve the move where alternatives are:

- To buy the unit and pay a PD that exceeds the total move cost.
- To indefinitely postpone the move.

These items must be required in available comparable parks. A statement of landscaping requirements should be obtained in advance of the move.

The standard 50-mile limit applies to mobile home moves.

10.07.03.00 Replacement Housing Payment for 180-Day Mobile Home Owner-Occupants [49 CFR 24.503]

A displaced owner-occupant of a mobile home is entitled to a RHP if the person both owned and occupied the mobile home on the displacement site for at least 180 days prior to the FWO, and all the other basic eligibility requirements are met.

To be eligible for benefits, the Department must either:

- Acquire the mobile home and the mobile home site, or
- Determine that the mobile home that is not to be acquired, cannot be moved because:
 - It is not and cannot economically be made decent, safe, and sanitary; or
 - The unit would incur substantial damage or unreasonable cost; or
 - There is no available comparable replacement site (and is not capable of being moved); or
 - It does not meet mobile home park entrance requirements.

A 180-day owner-occupant who is displaced from a mobile home on a rented site may be eligible for a PD based on a comparable mobile home available for purchase, plus a RD based on a comparable mobile home site available for rent. The 180-day owner-occupant who rents the mobile home site may be eligible for a DP in lieu of the RD if a replacement site is purchased. All basic eligibility requirements must be met.

10.07.03.01 Price Differential (PD)

A PD is paid when the Department purchases the mobile home.

The District must make a market value appraisal of the mobile home as soon as it qualifies for purchase. The PD is the difference between the amount paid for the unit and the probable cost of the most comparable replacement dwelling, which could be another mobile home set-up or a conventional residential property.

Payment may be released when transfer of title is complete. As with other replacement housing entitlements, spend-to-get applies. The cost of awnings, carports, skirting, landscaping, and installation may be added, but incidental expenses should not be included in the PD calculation.

Site purchase differentials apply when the Department acquires a mobile home site from the owner-occupant and displacee purchases and occupies a replacement property.

10.07.03.02 Purchase of Replacement

If a replacement unit is purchased from a dealer, displacee must open an escrow account with an authorized escrow agent. Escrow instructions must prohibit the release of funds prior to satisfactory installation of the mobile home and passage of title. Between private parties the transaction may be handled by escrow or the funds held in the District until completion of the transaction. For assignments and verification of occupancy, Exhibits 10-EX-22, 10-EX-23, and 10-EX-24 may be used. Either way the transaction is handled, other RAP payments due the claimants may be deposited into escrow to reduce the need for purchase financing.

10.07.03.03 Suitable Replacement Sites

The requirements for comparable replacement dwellings apply to the selection of replacement sites. Displacee should be given as many choices of suitable replacement sites as are available at the time of relocation.

Where many units must be relocated and only a small number of sites can be found, it is not required that all vacancies are filled before authorizing purchase. Generally, the vacancy rate should be less than ten percent of need before authority to purchase and pay a RHP is granted.

The reason for purchasing mobile homes even though there are some vacancies available is so displacees will not have to draw straws to decide who must move into the few available vacant spaces and who can wait for the RHPs offered to those who cannot find a space.

10.07.03.04 Incidental Expenses

There are some variations in the eligible items discussed in 10.04.13.00. The major ones are:

- Sales tax or use tax payments - reimbursement is based on the calculated replacement cost or the actual taxes paid, whichever is less. The sales taxes paid on necessary added improvements are also eligible.
- DMV title transfer fees.
- Permit fees - such as charges for building and transportation permits, if not part of the moving expenses.

10.07.03.05 Mortgage Differential Payment

Mobile home loans typically have shorter terms and higher interest rates. Interest rates may be obtained from local institutions that provide mobile home financing. The displacee must have a loan on the displacement property (conventional dwelling, mobile home unit, mobile home site), to qualify for a MD payment.

The following instructions cover the two basic relocation situations:

- Conventional Dwelling to Mobile Home - The maximum rate to be applied is the current prevailing loan rate in effect for conventional dwellings when displacee obtains the financing commitment.
- Mobile Home to Mobile Home or Conventional Dwelling - The maximum rate to be applied is the current prevailing interest rate applicable to the type of replacement dwelling displacee purchases and occupies.

10.07.04.00 **Replacement Housing Payment for 90-Day Mobile Home Occupants [49 CFR 24.504]**

A displaced 90-day occupant of a mobile home is eligible for a RHP if the person:

- (a) Owned and occupied the mobile home on the displaced mobile home site for at least 90 days prior to the FWO, but less than 180 days, or
- (b) Rented and occupied the Mobil home on the displaced mobile home site for at least 90 days prior to the FWO.

And:

- (c) Meets all the other basic eligibility requirements.

10.07.04.01 **Rent Differential (RD)**

Rent Differential payments for the mobile home tenant may be combined with other benefits to which displacees are entitled (10-EX-21). The Department only has to acquire the site from the tenant in order for the tenant to be eligible for a RD payment.

There may be circumstances when the displacee owns the mobile home and rents the site (and vice versa). The displacee's tenure as a tenant or an owner is determined by their status in the mobile home unit, not the mobile home site.

Example: Owns the mobile home, rents the site. Treat them as an owner (all other eligibility requirements must be met).

Example: Rents the mobile home, owns the site. Treat them as a tenant (all other eligibility requirements must be met).

10.07.04.02 **Down Payment (DP)**

An eligible 90-day tenant may convert the RD to a DP of at least \$5,250. The full amount of the DP must be applied to the purchase price of the replacement dwelling (e.g., mobile home, mobile home site, conventional dwelling) and related incidental expenses.

Down Payments are done in the same manner as conventional dwellings (See Section 10.04.25.00 for details) except:

- Escrow requirements are the same as mobile home PD.

- The RD can be based on just the mobile home, the mobile home site, or both.
- The Department needs to acquire only the site to qualify displacee for payment.
- 180-day mobile home owner-occupants who formerly rented their site can qualify for a DP on a replacement site up to the amount of the RD.

10.07.05.00 **Replacement Housing Payment Based on Dwelling and Site [49 CFR 24.505(a)]**

Both the mobile home and mobile home site must be considered when computing a RHP. For example, a displaced mobile home occupant may have owned the displacement mobile home and rented the site or may have rented the displacement mobile home and owned the site. Also, a person may elect to purchase a replacement mobile home and rent a replacement site, or rent a replacement mobile home and purchase a replacement site. In such cases, the RHP shall consist of a payment for a dwelling and a payment for a site. However, the total RHP shall not exceed the maximum payment (either \$22,500 or \$5,250) permitted under the section that governs the computation of the dwelling before last resort housing payment provisions must be applied.

10.07.05.01 **Cost of Comparable Replacement Dwelling [49 CFR 24.505(b)]**

If a comparable replacement mobile home and/or mobile home site is not available, the RHP shall be computed on the basis of the reasonable cost of a conventional comparable replacement dwelling.

A mobile home site in a rural area should never be compared to a mobile home site in a mobile home park. If the mobile home unit will be moved, then the RHP for the mobile home site should be based on a comparable replacement site as to size and amenities. If necessary, the cost of site preparations necessary to accommodate a mobile home (e.g., pad, utilities, ground preparation) should be included in the calculation of the RHP.

If the Department determines that it would be practical to relocate the mobile home, but the owner-occupant elects not to do so, the Department may determine that, for purposes of computing the PD the cost of a comparable replacement dwelling is the sum of:

- The value of the mobile home; and
- The cost of any necessary repairs or modifications; and
- The estimated cost of moving the mobile home to a replacement site.

10.07.06.00 **Initiation of Negotiations**
[49 CFR 24.505(c)]

If the mobile home is not actually acquired, but the occupant is considered displaced under this part, "initiation of negotiations" is the date the offer is made to acquire the land, or, if the land is not acquired, the written notification that he or she is a "displaced person".

10.07.07.00 **Person Moves Mobile Home**
[49 CFR 24.505(d)]

If the owner is reimbursed for the cost of moving the mobile home under this part, he or she is not eligible to receive a replacement housing payment to assist in purchasing or renting a replacement mobile home. The person may, however, be eligible for assistance in purchasing or renting a replacement site.

10.07.08.00 **Partial Acquisition of Mobile Home Park**
[49 CFR 24.505(e)]

The acquisition of a portion of a mobile home park property may leave a remaining part of the property that is not adequate to continue the operation of the park. If the Department determines that a mobile home located in the remaining part of the property must be moved as a direct result of the project, the owner and any tenant shall be considered a displaced person who is entitled to relocation payments and other assistance.

10.07.09.00 **Part Ownership of a Mobile Home**
[49 CFR 24.503]

The occupant of a mobile home who owns a partial interest in the unit, should be treated as an owner of the mobile home unit. The Department is not required to provide persons owning only a fractional interest in the displacement dwelling with a greater level of assistance to purchase a replacement dwelling than would normally be required if the person was the sole owner of the property.

The partial interest owner may be entitled to receive a RHP based on the difference between the asking price of a comparable mobile home site and the total acquisition price of the displacement site - not their

fractional interest or share. If no mobile home sites are available for purchase within the displacee's financial means, then the fractional interest owner may be entitled to a RD.

10.07.10.00 **Mobile Home DS&S Inspections**

Decent, safe, and sanitary requirements are generally the same as those for conventional dwellings, except a mobile home must have an HCD approval decal. The mobile home must be placed in a fixed location on real property in accordance with local laws and ordinances.

A RAP Agent should inspect a mobile home prior to purchase since it may lack qualifying DS&S features.

10.07.11.00 **Rental of Vacant Spaces**

Situations have arisen in the acquisition of mobile home parks where displacees, by reason of occupancy at the time of the offer, relocated before the Department acquired the park. The owner of the mobile home park re-rented the vacant spaces to Non-Tenured occupants. When the Department attempted to vacate the mobile home park, ineligible displacees were unable to relocate their mobile homes since:

- The mobile homes were not acceptable in other mobile home parks in the area because they were of substandard size or condition, or
- No replacement housing of any type was available in the replacement area.

The lack of sufficient spaces to relocate eligible tenants has also caused problems. This has resulted in project delays and the implementation of LRH payments, at a substantial cost to the State, to relocate these persons.

Two potential solutions to these problems are available:

- Rental of spaces in the park to be acquired to prevent Non-Tenured occupants from moving into the right of way.
- Rental of spaces in probable replacement mobile home parks to secure future spaces for eligible displacees who could not otherwise relocate.

The Acquisition function may rent vacant mobile home spaces in replacement parks, as noted above, using an appropriate agreement with the owner. This

procedure is implemented only if absolutely necessary since its effect on the replacement housing market could be significant and politically sensitive. It should be the last possible use of normal relocation benefits short of proceeding with LRH.

Rental of spaces in other mobile home parks must be discussed and justified in the RID. All other means of providing solutions to relocation problems must be explored before rental of spaces can be recommended. The RID must discuss type and location of replacement parks and their ability to accommodate displacees.

10.07.12.00 **Mobile Home as Replacement for Conventional Dwelling**

A mobile home may be used as a replacement for a conventional dwelling provided it satisfies DS&S requirements. Eligibility and benefits under the various occupancy and replacement combinations are covered in 10-EX-21.

Most owner-occupants, whether long-term or short-term, who move from conventional housing to mobile homes will not qualify for RHPs (PD or RD).

Because mobile homes are generally less expensive than conventional dwellings, they will not meet the spend-to-get requirement. This is particularly true where an owner-occupant moves from conventional dwelling and purchases a mobile home and rents the site, or vice versa. The result is that displacee simply purchases a replacement dwelling for less than the price paid for the acquired property or rents a displacement dwelling for less than the economic rent of the acquired dwelling.

Where the RAP Agent knows that owner-occupants of conventional dwellings are considering mobile homes as replacement housing, the RAP Unit must notify the owner-occupants in writing that they may not qualify for any replacement housing payment. The RAP Agent should carefully consider each case on its own merits because the value of the acquired property may be low enough, or the cost of the mobile home high enough, that the owner-occupant could qualify for payment. Claims not meeting spend-to-get requirements shall be denied.

However, 90-day occupant-owners may be eligible for a DP of \$5,250.