

**Relocation  
Assistance Program for  
Businesses, Farms and  
Non-Profit Organizations**



**State of Colorado  
Department of Transportation**

## A Message from the Chief Engineer

Dear Fellow Coloradan,

Colorado's roads and streets are the basic framework of our transportation system, and will continue to be even though modes of transportation may change as our state and country continue to progress.

Like any other facility that receives heavy usage, roads and streets need modernization as conditions change.

In many cases highway projects require right of way for construction and to allow for incorporation of the latest safety features into the construction. At this point the property owner or tenant is contacted by the highway right-of-way representative.

This booklet will explain your rights as an owner or tenant, and show how the Department of Transportation will help you protect your interests. Since there are so many and complex variations in the Relocation Program, this brochure is intended to provide a general explanation of the provisions. You will be contacted by your Relocation Agent who will answer questions, explain details, and assist you in every way possible.

Very truly yours,

Pamela Hutton  
COLORADO DEPARTMENT OF TRANSPORTATION  
Chief Engineer

## Table of Contents

---

Declaration of Policy.....	1
Important Terms.....	2-3
Relocation Assistance and Advisory Services.....	4
Business, Farm, and Non-profit Organization Assistance.....	4
Moving Cost Reimbursement.....	5-8
Reestablishment Expenses.....	9
Fixed Payment (In-Lieu).....	10
Filing a Relocation Claim.....	10
Relocation Payments Not Considered Income.....	10
Right to Appeal.....	11
Regional Map and Contact Information.....	12



Telluride Sidewalks  
Transportation  
Enhancement for a  
Local Agency

## Declaration of Policy

---

Uniform Relocation Assistance and Real Property Acquisition Policies of 1970, as amended by the Surface Transportation and Uniform Relocation Assistance Act of 1987.

### Sec. 201 Declaration of Policy

"The purpose of this title is to establish a uniform policy for fair and equitable treatment of persons displaced as a result of federal and federally assisted programs in order that such persons shall not suffer disproportionate injuries as a result of programs designed for the benefit of the public as a whole."



## **Important Terms Used in This Brochure**

---

### **AGENCY**

For purposes of this brochure, "Agency" shall refer to the Colorado Department of Transportation (CDOT) primarily, but the requirements apply to any governmental or non-governmental organization or private party using federal financial assistance for a program or project that acquires real property or displaces a person.

### **ALIEN NOT LAWFULLY PRESENT**

An alien present in the United States who has not been admitted or paroled into the United States pursuant to the Immigration and Nationality Act (*8 USC 1101 et seq.*) and whose stay in the United States has not been authorized by the United States Attorney General; and an alien who is present in the United States after the expiration of the period of stay authorized by the United States Attorney General or who otherwise violates the terms and conditions of admission, parole or authorization to stay in the United States. Public Law 105-117 prohibits any person who is not lawfully present in the United States from receiving any relocation benefits or assistance.

### **BUSINESS**

Any lawful activity, except a farm operation, that is conducted primarily for the purchase, sale, and/or rental of personal and/or real property, and/or for the manufacture, processing, and/or marketing of products, commodities, and/or any other personal property; or primarily for the sale of services to the public; or primarily for outdoor advertising display purposes, when the display must be moved as a result of the project; or by a non-profit organization that has established its non-profit status under applicable federal or state law.

### **CONTRIBUTE MATERIALLY**

A business or farm operation which, during the two taxable years prior to the taxable year in which displacement occurs, had average annual gross receipts of at least \$5,000; or had average annual net earnings of at least \$1,000; or contributed at least 33 and 1/3 percent of the owner's or operator's average annual gross income from all sources.

### **DISPLACED PERSON**

A person who must permanently move or must move personal property from real property as a direct result of a written Notice of Intent to Acquire or the Initiation of Negotiations for the acquisition of real property for a federal or federal-aid program or project.

**FARM**

Any activity conducted solely or primarily for the production of one or more agricultural products or commodities, including timber, for sale and home use, and customarily producing such products or commodities in sufficient quantity to be capable of contributing materially to the operator's support.

**INITIATION OF NEGOTIATIONS**

The date on which the first written offer of just compensation to purchase real property for a project is delivered to an owner.

**NOTICE OF ELIGIBILITY FOR RELOCATION ASSISTANCE**

A written notice furnished to a person to be displaced that establishes eligibility for relocation benefits before the initiation of negotiations.

**NON-PROFIT ORGANIZATION**

An organization that is incorporated under the applicable laws of a state as a non-profit organization, and exempt from paying federal income taxes under Section 501 of the Internal Revenue Code (26 USC 501).

**PROGRAM OR PROJECT**

Any activity or series of activities undertaken by a federal agency or with federal financial assistance received or anticipated in any phase of an undertaking in accordance with the federal funding agency guidelines.

**SMALL BUSINESS**

A small business is a business having not more than 500 employees working at the site being acquired or displaced by a program or project, which site is the location of economic activity. Sites occupied solely by outdoor advertising signs, displays, or devices do not qualify as a business.

## Relocation Assistance and Advisory Services

A relocation agent will contact you and offer relocation assistance and advisory services if it is determined that you are an eligible displaced person. Any business, farm, or non-profit organization displaced by a federal or federally assisted program shall be offered relocation assistance services for the purpose of locating a suitable replacement property. Relocation services are provided by qualified relocation agents. It is their goal and desire to be of service to you, and assist in any way possible to help you successfully relocate.

Remember, your relocation agent is there to help and advise you, so please be sure to make full use of their services. Do not hesitate to ask questions and be sure you fully understand all your rights and benefits. Individuals with disabilities will be provided the assistance needed to locate and move to a replacement dwelling or site. You should notify your relocation agent of any special requirements for assistance.

Once the acquisition and relocation process begins for the property that you now occupy, you will receive a notice from the Agency giving an assurance that you will not have to move for at least 90 days. A final notice to vacate will be issued at least 30 days prior to the date you will be required to move.

### **Business, Farm, and Non-profit Organization Assistance**

The relocation agent will contact and interview you and discuss your needs and replacement site requirements and estimate the time needed to accomplish the move. Relocation services and payments will be explained in accordance with your eligibility. It is important to explain to the agent any anticipated problems. During the initial interview you will be asked questions pertaining to your business operation to determine the need for outside specialists to plan, move, and reinstall personal property, and to determine the need for assistance from other local, state, and federal agencies.

You and your relocation agent will identify and resolve any issues, clarifying what is real estate and what is personal property. In addition, as needed, the agent will provide you with listings of commercial properties and farms available in your area.

The goal is to achieve a successful relocation back into the community.

## Moving Cost Reimbursement

---

If your operation qualifies as a displaced business, farm, or non-profit organization, you are entitled to reimbursement of your moving costs and certain related expenses incurred in moving. There is no limit to the distance you may move, but reimbursement of moving costs is usually limited to a move up to 50 miles from your exiting location.

Personal property, as determined by an inventory from a business, farm or non-profit organization, may be moved by one or a combination of the methods listed below. However, to assure your eligibility for benefits and prompt payment of your moving expenses, be sure to contact your relocation agent before you move.

### Method 1: Commercial Move

The reimbursement amount for a commercial move is based on the lower of two bids or estimates prepared by a commercial mover, for the actual, reasonable, and necessary expenses in moving your personal property. Payments for an uncomplicated move under \$3,000 may be based on a single bid or estimate.



### Method 2: Self Move

If you elect to take full responsibility of your move, the reimbursement amount for a self-move is based on one or a combination of the following options:

- Option 1) the lower of two bids or estimates prepared by a commercial mover or qualified agency staff. Payments for an uncomplicated move under \$3,000 may be based on a single bid or estimate. If this option is chosen, you are not required to support your actual costs for the move; or
- Option 2) if this option is chosen, it must be supported by receipted bills for actual, reasonable, and necessary labor and equipment. Hourly labor rates should not exceed the rates paid by a commercial mover to employees performing the same activity and equipment rental fees should be based on the actual rental cost of the equipment but not to exceed the cost paid by a commercial mover.



### Eligible Actual Moving Expenses:

- Transportation of the displaced person and personal property;
- Packing, crating, unpacking, and uncrating personal property;
- Disconnecting and reconnecting machinery, equipment, and substitute personal property; connection to utilities available within the building, modifications to the personal property (including those mandated by code or ordinance) necessary to adapt it to the replacement building, site, or available utilities; and modification to adapt utilities at the replacement site to the personal property;
- Storage of personal property, if necessary and pre-approved, generally not to exceed 12 months; insurance to cover loss or damage to personal property in transit or storage;
- Insurance for the replacement value of the property in connection with the commercial move and necessary storage;
- Replacement value of property lost, damaged or stolen through no personal fault where insurance was not available;
- Any license, permit, fees, or certification required of the displaced person at the replacement location. However, the payment may be based on the remaining useful life of the existing license, permit, fees or certification;
- Professional services determined by the Agency to be reasonable and necessary for:
  - 1) Planning the move of the personal property;
  - 2) Moving the personal property;
  - 3) Installing the relocated personal property at the replacement location;
- Modification of signs to be used at new location;
- Replacing stationary on hand at the time of displacement that are made obsolete by the move;
- Payment for actual direct loss of tangible personal property incurred as a result of moving or discontinuing the business, farm or non-profit organization shall be the lesser of:
  - 1) The fair market value of the item(s), as is, for continued use, less the proceeds from its sale. To be eligible for payment, you must make a good faith effort to sell the item(s). When payment for property loss is claimed for goods held for sale, the market value shall be based on the cost of the goods to the operation, not the potential selling price of the goods; or
  - 2) The estimated cost of moving the item as is, but not including any allowance for storage; or for reconnecting a piece of equipment if the equipment is in storage or not being used at the acquired site;



- The reasonable cost incurred to sell an item that is not to be relocated;
- Purchase of substitute personal property - if an item is not moved but promptly replaced with a substitute item performing the same function, payment is the lesser of:
  - 1) The cost of the substitute item, including installation costs, 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 but with no allowance for storage; and
- Other related moving costs that are considered by the Agency to be reasonable and necessary.

**Eligible Site Searching Expenses:**

In searching for a replacement site, a business, farm operation, or a non-profit organization is entitled to reimbursement for actual, reasonable, and necessary expenses, as determined by the Agency, incurred up to \$2,500:

- Transportation;
- Meals and lodging away from home;
- Time spent searching, based on a reasonable salary or earnings;
- Fees paid to a real estate agent or broker to locate a replacement site (excluding commission fees);
- Time spent in obtaining permits and attending zoning hearings based on a reasonable salary or earnings; and
- Time spent negotiating the purchase of a replacement site based on a reasonable salary or earnings.

**Eligible Related Moving Expenses:**

The following expenses, if determined to be actual, reasonable and necessary, shall also be reimbursed by the Agency:

- Connection to available nearby utilities from the right of way to improvements at the replacement site;
- Professional services performed prior to the purchase or lease of a replacement site to determine the site's suitability for the displaced operation (i.e. soil testing, feasibility and marketing studies, etc. - excluding commission fees); and
- Impact fees or one time assessments for anticipated heavy utility usage.

**Ineligible Moving and Related Expenses:**

- The cost of moving any structure or other real property in which the displaced person reserved ownership;
- Interest on a loan to cover moving expenses;
- Loss of goodwill, profits or trained employee;
- Additional operating expenses incurred because of operating at the new location (except as provided under the reestablishment payment, explained on the following pages);
- Personal injury;
- Any legal fee or other cost for preparing a claim for a relocation payment or for representing the claimant before the Agency;
- Physical changes to the replacement real property at the new location (except as provided under the reestablishment payment);
- Costs for storage of personal property on real property already owned by the displaced person; and
- Refundable security and utility deposits.



## Reestablishment Expenses

---

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

### **Eligible Expenses:**

- Repairs or improvements to the replacement real property as required by federal, state or local law, code or ordinance;
- 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 soiled or worn surfaces at the replacement site, such as paint, paneling, or carpeting;
- Advertisement of replacement location;
- Estimated increased cost of operation during the first 2 years at the replacement site, for such items as lease or rental charges, personal or real property taxes, insurance premiums, and utility charges, excluding impact fee; and
- Other items that the Agency considers essential to the reestablishment of the operation.

### **Ineligible Expenses:**

- 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 the business operation;
- Interest on money borrowed to make the move or purchase the replacement property; and
- Payment to a part-time business in the home which does not contribute materially to the household income.

## Fixed Payment (In-Lieu)

---

Displaced businesses, farms and non-profit organizations may be eligible for a fixed payment in place of (in lieu) actual moving expenses, personal property losses, searching expenses, and reestablishment expenses. This payment may not be less than \$1,000 and not more than \$20,000. Specific criteria must be met in order for a business to be eligible for this payment. At your request, your relocation agent will provide you with additional information on this payment.

## Filing a Relocation Claim

---

You should file a relocation claim as soon as possible after the move and expenses have been incurred. Your relocation agent will furnish you with claim forms for this purpose. You should receive payment within 30 days after your claim is approved.

## Relocation Payments Not Considered Income

---

**You do not have to pay income taxes on relocation payments.**

Relocation payments for displaced persons are not considered as income for the purpose of the Internal Revenue Code of 1954, which has been re-designated as the Internal Revenue Code of 1986 (Title 26, US Code). No relocation payment received will be considered income for the purposes of determining eligibility or the extent of eligibility of any person for assistance under the Social Security Act (42 US Code 301 et seq) or any other federal law, except for any federal law providing low income housing assistance.

## Right to Appeal

---

You may file a written appeal with the Agency in any case which you believe that the Agency has failed to properly determine eligibility for or the amount of a relocation payment. Payment limitations which have statutory maximums such as site search expenses or reestablishment expenses can not be appealed.

If you have a grievance, you will be given a prompt and full opportunity to be heard. You will also have the right to be represented by legal counsel or other representation in connection with the appeal, but solely at your own expense. The Agency will provide assistance as needed in completing the appeal form, and will explain the appeal process to you.

Filing an appeal is a two-step process as follows:

- A written appeal must be submitted to the Agency which will conduct an informal review of the case. The appeal must be filed no later than 60 days from the date you received written notification of the Agency's initial determination.

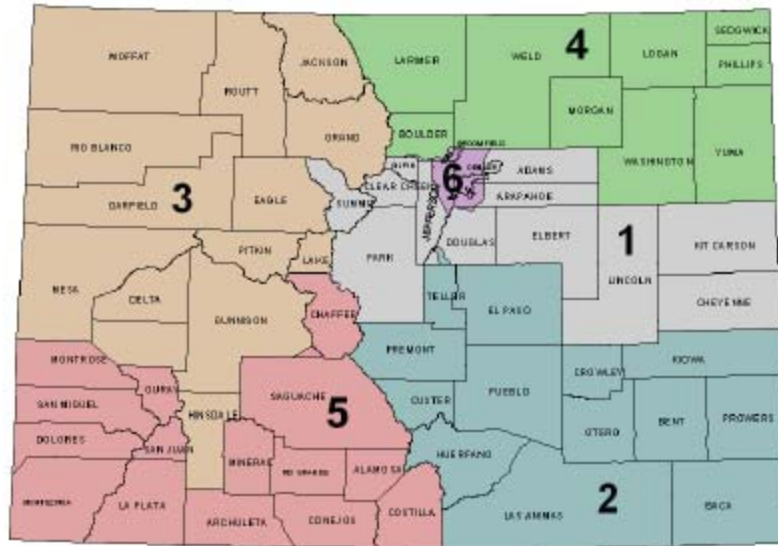
If the appeal is denied:

- A written appeal must be submitted to:  
Chief Engineer, CDOT  
4201 East Arkansas Avenue  
Denver, Colorado 80222



CDOT  
Headquarters  
Building in  
Denver

## Regional Map and Contact Information



<b>Headquarters Central Office</b> 4201 E. Arkansas Ave. 4 <sup>th</sup> Floor Denver, CO 80222 303-757-9331	The Headquarters Central Office, located in Denver, is responsible for facilitating the provisions of statewide policies and guidelines, conducting quality assurance, providing training and development and technical assistance to the Regions in support of their responsibilities for program delivery.
<b>Region 1</b> 18500 E. Colfax Ave. Aurora, CO 80011 303-757-9114	Counties: Adams (Portion), Arapahoe (Portion), Boulder (Portion), Broomfield (Portion), Cheyenne (Portion), Clear Creek, Douglas (Portion), Elbert, Gilpin, Jefferson (Portion), Kit Carson, Lincoln, Park (Portion), Summit.
<b>Region 2</b> 905 Erie Ave. PO Box 536 Pueblo, CO 81002 719-546-5400	Counties: Baca, Bent, Cheyenne (Portion), Crowley, Custer, Douglas (Portion), El Paso, Fremont (Portion), Huerfano, Kiowa, Las Animas, Otero, Park (Portion), Prowers, Pueblo, Teller.
<b>Region 3</b> 222 South Sixth St. Room 317 Grand Junction, CO 81501 970-683-6230	Counties: Delta, Eagle, Garfield, Grand, Gunnison, Hinsdale, Jackson, Lake, Mesa, Moffat, Montrose (Portion), Pitkin, Rio Blanco, Routt.
<b>Region 4</b> 1420 2nd St. Greeley, CO 80631 970-350-2152	Counties: Boulder (Portion), Broomfield (Portion), Larimer, Logan, Morgan, Phillips, Sedgwick, Washington, Weld, Yuma.
<b>Region 5</b> 3803 N. Main Ave. Suite 300 Durango, CO 81301 970-385-1400	Counties: Alamosa, Archuleta, Chaffee, Conejos, Costilla, Dolores, Fremont (Portion), La Plata, Mineral, Montrose (Portion), Montezuma, Ouray, Rio Grande, Saguache, San Juan, San Miguel.
<b>Region 6</b> 2000 S. Holly St. Denver, CO 80222 303-757-9212	Adams (Portion), Arapahoe (Portion), Boulder (Portion), Broomfield (Portion), Denver, Douglas (Portion), Jefferson (Portion).









ATTACH CDOT  
BUSINESS CARD HERE



I-25 Maintenance  
During Blizzard of 2007

