



Relocation Assistance

Your Rights and Benefits
Under the Relocation
Assistance Program



Commonwealth of Kentucky Transportation Cabinet
Division of Right of Way & Utilities

INTRODUCTION

An unavoidable consequence of a modern highway system is the displacement of a small percentage of people for the greater good of the community. The Commonwealth sincerely regrets the inconvenience these displacements cause.

It is a Kentucky Transportation Cabinet (KYTC) policy that displaced persons receive fair and humane treatment and not suffer unnecessarily as a result of their displacement.

If you are required to move as a result of a highway construction project, you may be eligible for relocation assistance advisory services and payments.

You are cautioned not to move from the property you are now occupying without contacting a relocation agent. Your cooperation with the Cabinet's relocation agent will help in determining your needs and the payments to which you may be eligible.

Although this brochure explains the relocation assistance program in general, you undoubtedly will have additional questions regarding your eligibility for benefits. A relocation agent will gladly explain the benefits to which you may be eligible.

See the last pages of this brochure for the address and telephone number of the district highway office you should contact.

NOTE: *While every effort has been made to assure the accuracy of this booklet, it should be understood that it does not have the force and effect of law, rule, or regulation governing the payment of benefits. Should any difference or error occur, the law will take precedence.*

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DEFINITIONS

DISPLACED PERSONS: Any person (individual, family, corporation, partnership or association) who moves from real property, or moves personal property from real property (including those who occupy real property prior to its acquisition but do not meet length of occupancy requirements for a replacement housing payment) as a direct result of:

>>A written notice of intent to acquire, the initiation of negotiations for, or the acquisition of such real property in whole or in part;

>>A written notice of intent to acquire or the acquisition (in whole or in part) of other real property on which the person conducts a business or farm operation. (Eligibility under this paragraph applies only to relocation advisory services and certain moving expense payments.)

>>An alien not lawfully present in the United States shall not be eligible to receive relocation payments or any other assistance provided under 49 CFR Part 24.

BUSINESS: Any lawful activity (except a farm operation) conducted primarily:

For the purchase, sale, lease and rental of personal and/or real property, or for the manufacture, processing and/or marketing of products, commodities or any other personal property; or

>>For the sale of services to the public; or

>>For outdoor advertising display purposes when the display must be moved as a result of the project; or

>>By a nonprofit organization that has established its nonprofit status under applicable federal or state law.

SMALL BUSINESS: A business operating lawfully with no more than 500 employees working at the site being acquired or displaced by the project, where the site is the location of economic activity. Sites occupied solely by outdoor advertising signs, displays and devices do not qualify as a business for reestablishment expenses.

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

NONPROFIT ORGANIZATION: An organization duly registered with the Kentucky Secretary of State as a Corporation Not for Profit and exempt from paying federal income taxes under Section 501 of the Internal Revenue Code (26 U.S.C. 501).

KYTC: Kentucky Transportation Cabinet



As a displaced person, you can probably be classified in one or more of the following categories:

- >>An owner occupant of a residential property (including mobile homes).

- >>A tenant occupant of a residential property (including mobile homes).

- >>A sleeping room tenant.

- >>A business, farm, or nonprofit organization.

RESIDENTIAL OCCUPANTS

MOVING COST PAYMENTS: If you qualify as a displaced person, you are eligible for reimbursement of reasonable moving expenses. The various methods of moving and the types of payments are clearly explained below.

Displaced individuals and families may choose to be paid:

>>On the basis of actual, reasonable moving costs and related expenses, or

>>According to a fixed rate moving cost schedule.

To assure eligibility and prompt reimbursement of your moving expenses, contact a KYTC relocation agent before you move.

YOU CAN CHOOSE EITHER

Actual Reasonable Moving Costs Including:

Storage
Transportation
Moving Insurance
Other related costs

OR

Fixed Rate Cost Schedule

Based on the number of rooms of
furniture and/or personal
property to be moved

ACTUAL COST: Reasonable moving expenses will be paid when the move is performed by a commercial mover. Certain other expenses (such as transportation to the new location, storage of personal property, insurance while personal property is in storage or transit and other related costs) are also reimbursable if the KYTC determines they are necessary.

All expenses must be reasonable and supported by receipted bills. Reimbursement is also limited to a 50 mile moving distance in most cases.

FIXED RATE SCHEDULE: When you choose this method of moving, the relocation agent will determine the amount of your payment based on the number of rooms of furniture and personal property to be moved. Fixed rate moving schedules are prepared to provide adequate reimbursement for your moving expenses. If you choose this option, your expenses need not be supported by receipted bills. Under this option, you will not be eligible for reimbursement of related expenses.

TENANT OCCUPANTS OF MOBILE HOME: Have the option of taking the fixed rate move schedule payment or the actual cost method.

OWNER OCCUPANTS OF MOBILE HOME: Payment will be based on the actual reasonable cost of moving the mobile home and have the option of taking the fixed rate move schedule payment or the actual cost method for the move of furniture and/or personal property.

REPLACEMENT HOUSING PAYMENTS

Replacement housing payments can be better understood if you become familiar with the definition of the following terms:

Comparable:

A comparable dwelling is one which is:

>>Decent, safe and sanitary (DS&S);

>>Functionally equivalent to the dwelling acquired (in that it performs the same function and utility, and is capable of contributing to a comparable style of living);

>>Adequate in size to accommodate the occupants;

>>In a area that is not subject to unreasonable adverse environmental conditions;

>>Is not generally less desirable than the location of the displaced person's dwelling with respect to public utilities and commercial and public facilities, and is reasonably accessible to the person's place of employment;

>>On a site that is typical in size for residential development with normal site improvements;

>>Is currently on the market and available to the displaced person;

>>And is within their financial means.

Decent, Safe and Sanitary

A decent, safe and sanitary (DS&S) dwelling is one which meets all the following minimum requirements:

>>Meets state and local housing and occupancy codes and ordinances;

>>Is structurally sound, weather tight and in good repair;

>>Contains a safe electrical wiring system adequate for lighting and other electrical devices;

>>Contains a heating system capable of sustaining a temperature of approximately 70 degrees (except in those areas where local climate conditions do not require such a system);

>>Is adequate in size with respect to the number of rooms and living space needed to accommodate the displaced person;

>>There shall be a separate, well lighted and ventilated bathroom that provides privacy to the user and contains a sink, bathtub or shower stall, and a toilet, all in good working order and properly connected to appropriate sources of water and to a sewage drainage system;

>>In the case of a housekeeping dwelling, there shall be a kitchen area that contains a fully usable sink properly connected to potable hot and cold water and to a sewage drainage system and adequate space and utility service connections for a stove and refrigerator;

>>Contains unobstructed egress to safe, open space at ground level.

>>For a displaced person with a disability, be free of barriers that would preclude reasonable ingress, egress or use of the dwelling by such displaced person.



KYTC DOES NOT WARRANT ANY PROPERTY THAT IT INSPECTS. DS&S INSPECTIONS ARE MADE SOLELY TO DETERMINE ELIGIBILITY FOR A PAYMENT.

Replacement housing payments are separated into three basic types. . .

- >> Purchase Supplement
- >> Rent Supplement
- >> Down Payment Assistance

The type of payment for which you may be eligible depends on whether you are an owner occupant or a tenant occupant, how long you have lived in the property being acquired prior to the initiation of negotiations, and whether you purchase or rent a permanent replacement dwelling.

>>Purchase Supplement for owner occupant of 90 days or more – *See page 10.*

>>Rent Supplement for owner occupant of 90 days or more and tenant occupants of 90 days or more - *Owners see page 13. Tenants see page 15.*

>>Down Payment Assistance for tenants of 90 days or more – *See page 16.*

Length of Occupancy Requirements . . .

There are two basic lengths of occupancy requirements which determine the type of replacement housing payment you are eligible to receive. Length of occupancy simply means counting the number of days that owners and tenants actually occupied dwelling before the initiation of negotiations by the KYTC for the purchase of the property.

The term initiation of negotiations means the date the KYTC makes the first personal contact with the owner of the real property (or their representative) to give a written monetary offer for the property to be acquired.

In addition, the displaced person must occupy the property on the date negotiations are initiated for the purchase of the property to be acquired.

OWNER OCCUPANTS

Owners who are in occupancy 90 days or more prior to the initiation of negotiations may be eligible for:

- >>A purchase supplement of \$0 to \$31,000 or
- >>A rent supplement of \$0 to \$7,200.

Owners who are in occupancy less than 90 days prior to the initiation of negotiations, and those who occupy the property after the initiation of negotiations, may be eligible for:

- >>Moving costs
- >>Relocation advisory services
- >>Under special circumstances, a supplemental payment provided under the Last Resort Housing Program.

CHECK WITH YOUR RELOCATION AGENT FOR DETAILS REGARDING ELIGIBILITY REQUIREMENTS.

Purchase Supplement for Owner Occupants of 90 Days or More

If you are an owner occupant and have occupied your home for 90 days or more immediately prior to the initiation of negotiations, you may be eligible for a replacement housing payment (RHP), which consists of a purchase supplement, increased interest cost and incidental expenses. Your RHP may range from \$0 to \$31,000. This payment, when added to the fair market value payment for your home, is intended to meet all reasonable costs necessary to purchase a comparable decent, safe and sanitary (DS&S) replacement dwelling.

The KYTC will compute the maximum payment you are eligible to receive as illustrated on the next page. To receive this payment

you must purchase and occupy, as your permanent place of residence, a DS&S replacement dwelling within one year after the later of:

>>The date you received final payment for the purchase of your home;

>>The date the full estimate of just compensation is deposited in the courts (in condemnation cases);

>>The date you are informed of the availability of a comparable replacement dwelling.



Relocation payments are in addition to the acquisition price paid for your property which is determined by the appraisal process.

Any change in the acquisition price may result in a change to the replacement housing payment.



Computation of a Purchase Supplement

Assume the KYTC purchased your property for \$100,000. After a thorough study of all available DS&S dwellings on the open market which are comparable to yours, a determination is made that a replacement property will cost you \$115,000. The KYTC will pay you a maximum purchase supplement of \$15,000 if you purchase and occupy a DS&S replacement property costing \$115,000 or more.

EXAMPLE

Comparable Replacement Property	\$115,000
Acquisition Price of Your Property	<u>\$100,000</u>
Maximum Purchase Supplement	\$ 15,000

If your purchase price exceeds \$115,000, you must pay the difference in excess of \$15,000. For example, if you purchased a replacement property for \$120,000, you would receive a purchase supplement of \$15,000 and you pay the remaining \$5,000.

Purchase Price of Replacement	\$120,000
Acquisition Price of Your Property	\$100,000
Maximum Purchase Supplement	\$ 15,000
Comparable Replacement Property	<u>\$115,000</u>
Balance Paid By You	\$5,000

However, if you purchased and occupied a replacement property for \$110,000, you would only be eligible for a purchase supplement of \$10,000 on the basis of actual cost. Your purchase supplement cannot exceed the actual cost difference or the amount determined by the KYTC, whichever is less.

Comparable Replacement Property	\$115,000
Acquisition Price of Your Property	<u>\$100,000</u>
Maximum Purchase Supplement	\$ 15,000

Purchase Price of Replacement	\$110,000
Acquisition Price of Your Property	<u>\$100,000</u>
Eligible Purchase Supplement	\$ 10,000

In addition to the purchase supplement, the KYTC will reimburse you for other eligible costs that may be involved in the purchase of a replacement dwelling. However, according to the law your total payment, including the purchase supplement, increased interest cost and incidental expenses cannot exceed \$31,000.

The purchase supplement and other incidental costs are payments in addition to the purchase price for the dwelling acquired from you.

Increased Interest Costs

You may be eligible for reimbursement of increased interest costs when the mortgage on your replacement dwelling bears a higher rate of interest than the mortgage on your present home. To be eligible, the acquired dwelling must have been encumbered by a bona fide mortgage which was a valid lien for at least 90 days prior to the initiation of negotiations, and you must obtain a mortgage on your replacement dwelling.

Incidental Expenses

You may also be reimbursed for other expenses such as reasonable costs incurred for title search, recording fees and certain other closing costs. If you had a mortgage on the acquired property, you may also be eligible for reimbursement of purchaser points and/or a loan origination fee if such fees are normal to real estate transactions in your area.

However, prepaid expenses such as real estate taxes and property insurance are not eligible for reimbursement.

Owner Occupants of 90 Days or More Who Rent

If you have owned and occupied your home for at least 90 days immediately prior to the initiation of negotiations, you may be eligible to receive a rent supplement payment.

To determine the amount of your payment, you must advise the KYTC of your desire to rent, rather than purchase a permanent replacement dwelling, and provide the relocation agent with the amount of your average monthly gross household income.

First, the KYTC must determine the "fair market rent" (plus monthly utility costs) for the dwelling you presently occupy. Fair market rent is based on the rent someone is paying for a dwelling similar to yours.

Second, the KYTC will determine the monthly rental rate (plus monthly utility costs) of a comparable DS&S dwelling, which is available for rent on the open market.

The maximum amount of the rent supplement, if any, will be determined by subtracting the fair market rent and utilities of your home from the rental amount and utilities of the comparable DS&S dwelling. The difference will then be multiplied by 42 months. The resulting figure represents the maximum amount you may be eligible to receive. This type of payment cannot exceed \$7,200. (See page 17 for an example of how a rent supplement is computed.)

In addition, you must occupy the replacement dwelling within one year after the later of:

- >>The date you received final payment for the purchase of your home;

- >>The date the full estimate of just compensation is deposited in the courts (in condemnation cases);

- >>The date you are informed of the availability of a comparable replacement dwelling.

The rent supplement will be paid in a lump sum unless the KYTC determines it should be paid in installments.

TENANT OCCUPANTS

Displaced tenants who have been in occupancy 90 days or more immediately before the initiation of negotiations begin with the owner for the purchase of the property, may be eligible for:

- >>A rent supplement payment of \$0 to \$7,200 or

- >>A down payment assistance of \$0 to \$7,200

Tenant Occupants of 90 Days or More Who Rent

If you choose to rent a DS&S replacement dwelling and the rent is higher than you have been paying, you may be eligible for a rent supplement payment not to exceed \$7,200. A rent supplement

payment is an allowance paid to eligible displaced persons to help them rent a DS&S replacement dwelling for a 42 month period.

In order to determine the amount of your payment, the average monthly rental and utility costs of your present dwelling must first be established. If the average monthly costs you presently pay are not reasonably equal to market rentals for similar dwellings, the fair market rent must be determined. (Fair market rent is based on the rent someone is presently paying for a dwelling similar to yours.)

Your payment, if any, will be determined by subtracting your present monthly rent (or the fair market rent of your dwelling, whichever is applicable) from the rental amount of the DS&S comparable dwelling, and multiplying this amount by 42 months. The resulting figure represents the maximum amount you may receive.

In order to receive this amount, you must rent and occupy a replacement dwelling within the required time limit. (See page 17 for an example of how a rent supplement is computed.)

In addition to the occupancy requirements, you must rent and occupy a DS&S replacement dwelling within one year from the date you moved from the displacement dwelling.

The rent supplement will be paid in a lump sum, unless the KYTC determines it should be paid in installments.

Tenant Occupants of 90 Days or More Who Purchase

If you choose to purchase a DS&S replacement dwelling, you may be eligible for a down payment to assist in your purchase. You may also be reimbursed for other expenses such as reasonable costs for a title search, recording fees, certain other closing costs, and (if such fees are normal to real estate transactions in your area) purchaser points and/or loan origination fees. However, prepaid expenses such as real estate taxes and property insurance are not eligible for reimbursement.

Your total payment, including incidental expenses, cannot exceed \$7,200.

You must purchase and occupy a DS&S dwelling within one year from the date you move from the displacement dwelling.

Tenant and Owner Occupants of Less Than 90 Days and Those Who Occupy the Property After the Initiation of Negotiations

You may be eligible for:

>>Moving Costs

>>Relocation Advisory Services

>>And, under certain circumstances, a supplemental payment provided under the Last Resort Housing Program.

Computation of a Rent Supplement

Assume your actual (or fair market) rent with utilities is \$650 a month, while rent and utilities for a comparable DS&S replacement unit is \$750. The maximum rent supplement payment you may be eligible to receive in this case is \$100 per month for a 42 month period, or \$4,200. The payment amount is calculated by subtracting \$650 from \$750 and multiplying the difference (\$100) by 42 months.

EXAMPLE

Comparable Replacement Rental	\$750
Your Current Rent	- \$650
Difference in Monthly Rent	<u>\$100</u>
Times 42 Months	x 42
Maximum Rent Supplement	<u>\$4,200</u>

If you rent a replacement dwelling for \$800 per month, despite the availability of a comparable unit that rents for \$750 per month, you must pay the additional \$50 per month out of your own pocket.

Actual Rent for Replacement Unit		\$800
Your Current Rent	\$650	
Maximum Monthly Rent Supplement	\$100	
Comparable Replacement Rental	<u> </u>	<u>-\$750</u>
Balance to be Paid by You		\$ 50

On the other hand, if you occupy a replacement dwelling that rents for more than your present rent but less than the amount of the comparable DS&S unit, you will be paid on the basis of actual cost.

Let’s assume you select a unit that rents for \$700 per month. On the basis of actual cost, you will be eligible for a payment of \$50 per month for 42 months, or \$2,100.

Your rent supplement cannot exceed the actual costs difference or the amount determined by the KYTC, whichever is less.

TO ALL RESIDENTIAL DISPLACEDS

One of the most important things to remember is that the replacement dwelling you select must meet basis “decent, safe and sanitary” standards. DO NOT execute a sales contract or a lease agreement until a KYTC representative inspects the dwelling you propose to purchase or rent to determine if it meets DS&S standards. The purpose of this inspection is to determine eligibility for a payment. The inspection does not guarantee against other deficiencies that may exist or develop in the future.

Relocation Assistance Services

Any person, family, business or farm displaced by a state or federally assisted highway project shall be offered advisory assistance services for the purpose of locating a suitable replacement property. Relocation Services are provided by qualified KYTC personnel who will assist in any way possible to help you successfully relocate. Remember, KYTC personnel are available to help and advise you – be sure to make full use of their

services. Do not hesitate to ask questions, and be certain you understand fully all relocation benefits and payments available to you.

A Relocation Agent will Contact You

A KYTC relocation agent will personally contact you to explain the services and payments to which you may be eligible. During the initial interview the agent will gather information to assist in determining your housing needs and desires, as well as your need for his services. The relocation agent can be of great help to you during this period of transition, so please do not turn down the agent's offer for assistance. Also, you will be provided current listings of comparable replacement housing which is within your financial means.

Your relocation agent is also familiar with services provided by other public and private agencies in your community. If you have a special problem, your agent will make every effort to secure the services of those organizations which are professionally equipped to help you. So please make your needs known to your relocation agent.

Planning Your Move

You will have a reasonable amount of time to plan and complete your move. You will not be asked to move for at least 90 days after negotiations begin for purchase of the property you now occupy.

You will not be required to move until at least one comparable replacement dwelling has been made available to you.

(A comparable dwelling is defined on Page 6.)

Furthermore, you will be given specific notice at least 30 days in advance of the exact date you will be required to move.

The relocation agent will maintain listings of available residential properties in the area. Information will also be available concerning federal and state housing programs, disaster loan programs

and other federal and state agencies offering assistance to displaced persons.

Every displaced residential owner or tenant will be offered assistance in order to minimize hardships encountered in searching for and locating DS&S replacement property. Your relocation agent will provide you with assistance based on your needs. You will be assisted in completing application or claim forms for payments, and all pertinent financial information concerning replacement housing will be explained.

Payments Not Considered Income

Relocation payments made by the KYTC will not be considered as income for purposes of the Internal Revenue Code of 1954, or for the purpose of determining eligibility (or the extent of eligibility) of any person for assistance under the Social Security Act or any other federal law.

Relocation payments will have no adverse effects on:

- >>Social security eligibility
- >>Welfare eligibility
- >>Other assistance
- >>Income taxes
- >>Etc.

Your Right of Appeal

Federal and state laws prohibit that any displaced person who does not agree with the determination of their eligibility for a payment (or the amount of a payment) may appeal to the head of the agency for a review of the determination.

If you are dissatisfied, your relocation agent will instruct you in the proper procedure to initiate a formal appeal. You will be given the full opportunity to be heard, a prompt decision will be made, and you will be notified of the decision.

Appeals must be filed within 60 days from the date of a written notice denying a claim.

To ensure no loss of benefits, do not move until you have been authorized by your KYTC relocation agent.

BUSINESS / FARM / NONPROFIT ORGANIZATION OCCUPANTS

If the property occupied by your business, farm or nonprofit operation is purchased by the KYTC for construction of a public project, you may be eligible to receive:

>>Assistance in locating to a replacement site; and

>>Reimbursement for moving and certain related expenses. (Under certain circumstances, you may be paid a fixed payment in lieu of moving and related expenses.)

To qualify, displaced business, farm and nonprofit organization operators must legally occupy the property when negotiations are initiated for purchase of the property. The amounts to be paid must be approved prior to your move.

A Relocation Agent Will Contact You

A KYTC relocation agent will contact you to explain the program and to answer your questions. The agent can advise you of requirements for receipt of each payment type. Please rely on your agent, who is prepared to guide you and to ensure there will be no loss of benefits.

The relocation agent will maintain listings of commercial properties and farms whenever business, nonprofit organizations and farms are displaced. Steps will be taken to minimize economic harm and to increase the likelihood of their being able to relocate back into the affected community. Your agent will explore and provide advice as to possible sources of funding and assistance from other local, state and federal agencies.

Moving Cost Payment

Moving expenses include the cost of moving your personal property by use of a commercial moving company or by utilizing your own employees and equipment to perform the move. Also included are additional expenses such as those incurred by you in searching for a replacement site, actual direct loss of tangible personal property you do not move, storage, and reestablishment expenses. In some cases, moving expense reimbursements may also include insurance premiums to cover loss and damage of personal property while in transit.

To assure eligibility and prompt payment for moving expenses, contact your relocation agent prior to your move.

Do not commence your move without authorization, or you will lose your eligibility for relocation benefits.

Two Ways to Move

>>**Commercial Moves** – You may be paid the actual reasonable costs of your move provided through the services of a qualified commercial mover. All expenses must be supported by receipted bills to ensure prompt payment of your moving cost claim.

After an inventory has been compiled and a replacement site has been selected and prepared, your relocation agent will obtain detailed bids from qualified moving companies and you will be authorized to commence your move.

Upon completion of your move, your relocation agent will inspect both your original site and new location to assure that all items of personalty listed on the inventory have been moved.

Following the post move inspection, and upon receipt of a bill, your relocation agent will assist in submission of your claim for payment.

>>Self Moves – If you decide to move yourself you may be paid an amount which does not exceed the lower of the detailed bids prepared by independent, qualified moving firms. Normally you will use your own employees and equipment. However, you may also hire additional help (such as electricians, plumbers, etc.) to perform specific parts of the move. This type of move, even though additional help is hired, will remain a self move.

After an inventory has been compiled and a replacement site has been selected and prepared, your relocation agent will obtain detailed bids from qualified moving companies and you will be authorized to commence your move.

Upon completion of your move, your relocation agent will inspect both your original site and new location to assure that all items of personalty listed on the inventory have been moved.

Following a satisfactory post move inspection, your relocation agent will assist in submission of your claim for payment.

Actual Direct Loss of Tangible Personal Property

Payment may be made for losses of tangible personal property when you decide not to move such property, but a payment of this type may be allowed only after you have made a bona fide effort to sell the item(s).

Payment for direct losses of tangible personal property cannot exceed the estimated cost of moving such personal property.

Your relocation agent will explain this procedure in detail and the eligibility requirements.

Searching Expenses for Replacement Property

Displaced businesses, farms or nonprofit organizations may be reimbursed for actual, reasonable expenses (not to exceed \$2,500) related to searching for replacement property. (Searching expenses are not available for residential displaces.)

Your relocation agent will explain this procedure in detail and the eligibility requirements.

Reestablishment Expenses

In addition to move payments already mentioned, a small business (not more than 500 employees), farm operation or nonprofit organization may receive payment (not to exceed \$25,000) for expenses actually incurred in relocating and reestablishing such operation at a replacement site. Eligible expenses must be reasonable and necessary, as determined by the KYTC. They may include, but are not limited to, increased cost of operation for the first two years, advertising of replacement location, exterior signage, repairs or improvements to the replacement property as may be required by law, etc.

Your relocation agent will explain this procedure in detail and the eligibility requirements.

Fixed Payment In Lieu of Moving Payment

Instead of reimbursement of moving expenses, actual direct loss of tangible personal property, searching expenses and reestablishment expenses, displaced businesses, farm operations and nonprofit organizations may be eligible for a fixed in lieu of payment. The fixed payment may not be less than \$1,000 or more than \$40,000.

Except for payment to a nonprofit organization, the fixed payment is based on the average annual net earnings for the two taxable years immediately preceding the taxable year during which the business is relocated (or that two year period deemed more representative by the KYTC).

EXAMPLE: Year of Relocation 2012

2011 Annual Net Earnings	\$25,000
2010 Annual Net Earnings	+ \$18,000
TOTAL	\$43,000

Average Net Earnings for 2 Year Period (\$43,000/2)	\$21,500
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Fixed Payment **\$21,500**

A part time individual or family occupation in the home is not eligible for a fixed payment if the occupation does not contribute materially to the income of the displaced owner.

Determining Eligibility of Businesses

For the owner of a displaced business to be eligible for a fixed payment, the KYTC must determine that:

>>The business owns or rents personal property which must be moved in connection with its displacement and for which an expense would be incurred in such a move; and the business vacates or relocated from its displacement site;

>>The business cannot relocate without a substantial loss of its existing patronage;

>>The business is not part of an enterprise having more than three other similar businesses not being acquired;

>>The business is not operated at a displacement dwelling or site solely for the purpose of renting such dwelling or site to others; and

>>The business contributes materially to the income of the displaced person.

Determining Eligibility of Farms

For the owner of a displaced farm operation to be eligible for a fixed payment, in the case of a partial acquisition, the KYTC must determine that:

>>The purchase of part of the land caused the farm operator to be displaced from the farming operation on the remaining land, or caused a major change in the farm operation.

Determining the Eligibility of Nonprofit Organizations

For displaced nonprofit organizations to be eligible for a fixed payment, the KYTC must determine that:

>>The organization must vacate or relocate from its displacement site;

>>The organization cannot be relocated without a substantial loss of its existing patronage.

Planning Your Move

You will have a reasonable amount of time to plan and complete your move. You will not be asked to move for at least 90 days after negotiations begin for purchase of the property you now occupy.

Furthermore, you will be given specific notice at least 30 days in advance of the exact date you will be required to move.

The relocation agent will maintain listings of available farms, commercial properties and locations for displaced businesses whenever those type displacements occur. Steps will be taken to minimize economic harm and to increase the likelihood of your being able to relocate back into the affected community. Your relocation agent will also explore and provide advice as to possible sources of funding and other assistance from other local, state and federal agencies.

Time to File a Claim

You will be assisted in completing applications or claim forms for payment. You must file your claim for payment within 18 months of the later of:

>>The date the displacee moves from the real property or moves their personal property from the real property; or

>>The date of final payment for the acquisition of the real property, closing or final judgment date.

ADVERTISING SIGNS

The owner of a displaced advertising sign is eligible to receive a payment for actual reasonable moving expenses as outlined in the Business, Farm & Nonprofit Organizations Moving Cost Payment Section of this brochure. *(See page 22)*

Exceptions are:

>>The owner of an advertising sign is not eligible for the Fixed Payment Method or the Reestablishment Expense payment.

>>Actual direct loss of tangible personal property for an advertising sign is the lesser of (A) the depreciated reproduction cost determined by the KYTC, less the proceeds from its sale; or (B) the estimated cost of moving the sign, but with no allowance for storage.

ADDITIONAL INFORMATION

Miscellaneous Moves

If you do not have to move but have miscellaneous personal property in the right of way that must be moved, a payment will be authorized by your relocation agent, provided you meet eligibility requirements.

Deductions from Relocation Payments

The KYTC may deduct from any relocation payment due a displaced person, any rent owed to the Cabinet by the displaced person.

Payments Not Taxable

Relocation payments made by the KYTC will not be considered as income for purposes of the Internal Revenue Code of 1954, or for the purpose of determining eligibility (or the extent of eligibility) of any person for assistance under the Social Security Act or any other federal law.

Your Right of Appeal

Federal and state laws prohibit that any displaced person who does not agree with the determination of their eligibility for a payment (or the amount of a payment) may appeal to the head of the agency for a review of the determination.

If you are dissatisfied, your relocation agent will instruct you in the proper procedure to initiate a formal appeal. You will be given the full opportunity to be heard, a prompt decision will be made, and you will be notified of the decision.

Appeals must be filed within 60 days from the date of a written notice denying a claim.

DEPARTMENT OF HIGHWAYS DISTRICT OFFICE CONTACT INFORMATION:

District 1

(Ballard, Calloway, Carlisle, Crittenden, Fulton, Graves, Hickman, Livingston, Lyon, Marshall, McCracken, and Trigg Counties)

Department of Highways
5501 Kentucky Dam Road
Paducah, KY 42003
(270) 898-2431

District 2

(Caldwell, Christian, Daviess, Hancock, Henderson, Hopkins, McLean, Muhlenberg, Ohio, Union, and Webster Counties)

Department of Highways
1840 North Main Street
Madisonville, KY 42431
(270) 824-7080

District 3

(Allen, Barren, Butler, Edmonson, Logan, Metcalfe, Monroe, Simpson, Todd, and Warren Counties)

Department of Highways
900 Morgantown Road
Bowling Green, KY 42101
(270) 746-7898

District 4

(Breckinridge, Grayson, Green, Hardin, Hart, LaRue, Marion, Meade, Nelson, Taylor, and Washington Counties)

Department of Highways
634 East Dixie Highway
Elizabethtown, KY 42701
(270) 766-5066

District 5

(Bullitt, Franklin, Henry, Jefferson, Oldham, Shelby, Spencer, and Trimble Counties)

Department of Highways
8310 Westport Road
Louisville, KY 40242
(502) 210-5400

District 6

(Boone, Bracken, Campbell, Carroll, Gallatin, Grant, Harrison, Kenton, Owen, Pendleton, and Robertson Counties)

Department of Highways
421 Buttermilk Pike
Covington, KY 41017
(859) 341-2700

District 7

(Anderson, Bourbon, Boyle, Clark, Fayette, Garrard, Jessamine, Madison, Mercer, Montgomery, Scott and Woodford Counties)

Department of Highways
763 New Circle Rd
Lexington, KY 40512
(859) 246-2355

District 8

(Adair, Casey, Clinton, Cumberland, Lincoln, McCreary, Pulaski, Rockcastle, Russell, and Wayne Counties)

Department of Highways
1660 South US 27
Somerset, KY 42502
(606) 677-4017

District 9

(Bath, Boyd, Carter, Elliott, Fleming, Greenup, Lewis, Mason, Nicholas and Rowan Counties)

Department of Highways
822 Elizaville Avenue
Flemingsburg, KY 41041
(606) 845-2551

District 10

(Breathitt, Estill, Lee, Magoffin, Menifee, Morgan, Owsley, Perry, Powell and Wolfe Counties)

Department of Highways
473 Highway 15 South
Jackson, KY 41339
(606) 666-8841

District 11

(Bell, Clay, Harlan, Jackson, Knox, Laurel, Leslie and Whitley Counties)

Department of Highways
603 Railroad Avenue
Manchester, KY 40962
(606) 598-2145

District 12

(Floyd, Johnson, Knott, Lawrence, Letcher, Martin and Pike Counties)

Department of Highways
109 Loraine Street
Pikeville, KY 41501
(606)433-7791



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