

TAYLOR OAKS REHABILITATION PROJECT DRAFT RELOCATION PLAN

PREPARED FOR

**FOR THE FUTURE HOUSING
CAMPBELL, CA**

BY



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TABLE OF CONTENTS

INTRODUCTION.....	3
A. THE PROJECT	8
B. POST REHABILITATION	11
C. RELOCATION HOUSING RESOURCES.....	11
D. CONCURRENT RESIDENTIAL DISPLACEMENT	12
E. PROGRAM ASSURANCES AND STANDARDS	12
F. RELOCATION ASSISTANCE PROGRAM	13
G. PAYMENT OF RELOCATION BENEFITS.....	22
H. CITIZEN PARTICIPATION.....	23
I. IMMIGRATION STATUS	24
J. RELOCATION TAX CONSEQUENCES	24
K. APPEALS POLICY	25
L. EVICTION POLICY	25
M. NOTICES.....	26
N. PRIVACY OF RECORDS.....	27
O. PROJECTED DATES OF DISPLACEMENT.....	27
P. ESTIMATED RELOCATION COSTS.....	28
ATTACHMENTS.....	30

INTRODUCTION

'For the Future Housing' (the "Developer") is a development company established for the acquisition, rehabilitation and operation of affordable housing communities in the San Francisco Bay Area.

Property Description: The subject property of this Relocation Plan (Plan) is the 60 unit Taylor Oaks Apartment community, located at 2726 and 2738 Kollmar Dr. in San Jose, CA. The Developer proposes to eliminate one, two bedroom unit to create a community room reducing the post rehabilitation residential units to 59 as shown in Table 1 below.

Table 1: Unit Mix Post Rehab

Studios	16
1 BR	14
2 BR	28
MGR Unit	1
Total	59

The property is generally located south and east of Interstate 680, roughly near the intersection of Story Road and the East Capital Expressway in the eastern portion of San Jose. The area is generally comprised of mixed uses, including single-family residences, multi-family units and apartments, as well as commercial uses.

The Developer proposes to acquire, rehabilitate, and stabilize the property utilizing multiple layers of financing. The unit mix and projected rents are shown in Table 2 below.

Table 2: Post Rehabilitation Unit Mix and Rents

			Total	Gross		Net
Type of	No. of	Square	Square	Rent per	Utility	Rent per
Unit:	Units	Footage	Footage	Month	Allowance	Month
Studio 45%	10	388	3,880	815	36	779
Studio 30%	6	388	2,328	543	36	507
1 BR - 50%	14	480	6,720	970	45	925
2 BR 50%	28	605	16,940	1,165	54	1,111
Manager Unit	1	480	480	0	0	0
Total	59		30,348			

Overview of the Rehabilitation Project: For *all* units, it is expected that moderate rehabilitation will include but is not limited to the following interior and exterior improvements. The Developer would also create a community room from an existing two bedroom dwelling unit.

Interior: *New flooring, paint, bathroom fixtures including tub/shower, toilets and vanities, kitchen cabinets and appliances, AC units, replacing aluminum windows, new community room with computers for resident services programs.*

Exterior: *Paint, deck coating repair, stucco patching, downspouts, roof repairs and replacement as necessary, safety railings,, new paving, landscaping, and security cameras.*

Households are expected to be temporarily displaced approximately 10 units at a time and the total construction duration will last approximately 10-12 months. The start of displacement and construction would tentatively commence sometime around September 2011.

Pursuant to certification/vetting of income-eligible tenants, and in the event there is an insufficient number of vacant on-site units to support the aforementioned methodology,

there exists a remote possibility that temporary relocations will be a combination of on- and off-site displacements. The Developer commits to ensuring that sufficient funds will be available to appropriately relocate all displacee households.

Upon completion the proposed project will have realized the renovation and preservation of 58 of 60 (1 unit will be set aside for the manager and 1 for community space) existing units for use as affordable housing. The project shall comply with all pertinent General Plan guidelines and zoning requirements of the City of San Jose and be compatible with adjacent land uses. No negative impact on the surrounding neighborhood is foreseen.

Proposed Funding Sources: Proposed sources of funding for the Project include Neighborhood Stabilization II Program (NSP 2) funds through the Housing Trust of Santa Clara County (Housing Trust), Low Income Housing Tax Credits (LIHTC), Tax Exempt Bonds, developer equity, and ongoing operational cash-flow.

Income Targeting: The Developer proposes to target the income eligibility for residents at those households earning 50% or less of area median income.

Overview of Relocation Planning and Implementation: Overland, Pacific & Cutler, Inc. (OPC), a right-of-way consulting firm specializing in relocation assistance consulting services, has prepared this initial Plan, will prepare the Plan and will implement this Plan on behalf of the Housing Trust and the Developer. In compliance with statutory requirements, this Plan has been prepared to evaluate the present circumstances and replacement housing requirements of the original Project occupants.

For the purposes of this Plan's initial preparation, on-site interviews with project tenants were conducted in January of 2011 and in April and May of 2011. A follow-up interview will be conducted with all project households prior to the issuance of relocation eligibility notices.

The content of interviews consist of gathering information on all household occupants including demographic information (age, sex, and lawful presence), income and employment information (employer, income sources, employment type, hire date, and monthly income), housing unit information (number of rooms to be moved and condition of unit), rent and utility information, and criteria for replacement or temporary housing (location, amenities, and special facilities/features). During the interviews the general

relocation program will be explained including the rights of the tenants and benefits that maybe available to them.

The Plan sets forth policies and procedures necessary to conform to statutes and regulations of the Uniform Relocation Act (46 U.S.C. § 4600 et seq.), it's implementing regulations (49 C.F.R., Part 24), including Section 104(d), the California Relocation Assistance Law, California Government Code Section 7260 et seq. (the "CRAL"), the California Relocation Assistance and Real Property Acquisition Guidelines, Title 25, California Code of Regulations, Chapter 6, Section 6000 et seq. (the "Guidelines") for residential displacements.

As a result of the proposed rehabilitation and site improvements, eligible households qualifying to remain in the Project will be temporarily displaced. Vacant units on site will be used to house eligible occupants temporarily. Ineligible households needing to be permanently displaced may include: 1. "over-income" households, which have annual incomes exceeding fifty percent (50%) of median household income by family size for Santa Clara County; and/or, 2. "under-housed" households, to the extent that the current and future rehabilitated two-bedroom project cannot adequately accommodate their households because of the size of the household.

Ineligible households, as described above, will be subject to permanent displacement from the site and will be fully compensated pursuant to Federal and/or State regulations.

Those households, which may currently be in receipt of Section 8 Housing Choice Voucher assistance, and which *continue* to qualify for same, will continue to pay no more than 30% of adjusted family income for rent. In exchange for Low Income Housing Tax Credits and other funds for which the Developer is applying, the project will remain as affordable housing for no less than 55 years. In addition, and subject to availability, the Developer will continue to accept Section 8 vouchers. Tenants already on the Section 8 waiting list may receive priority in new vouchers.

The definitive number of permanent displacements of current tenants will not be determined with any specificity until – for the purposes of qualification and relocation – interviews are *completely* conducted by OPC, and/or Developer personnel, and income and credit/security certification is completed. "Re-certification" of tenants will be conducted

(within the time-frame specified by the requirements of the Tax Credit allocation procedures). Upon completion of this re-certification process all over-income and over-housed households will be identified and any households not identified during the relocation planning process will receive the applicable relocation advisory services and will the appropriate notification for permanent displacement.

No mandatory displacement activities will take place prior to the required reviews and approval of this Plan unless circumstances arise requiring immediate displacement including 1) a major disaster; 2) a presidential declared national emergency; 3) other emergencies that constitute a substantial danger to the health or safety of the occupants or the public.

A. THE PROJECT

Population

For the purposes of this Plan's initial preparation, on-site interviews with project tenants were conducted; follow-up interviews were conducted in April and May of 2011. Of the total 60 residential dwelling units, four units are currently vacant based on the rent roll provided to OPC by the current property management company and tenant interviews completed in January 2011 and OPC's spring of 2011 on-site interview process.

There are approximately 252 occupants residing at the property. The average household size of the project is 4.5 persons per household. There are two units identified as being *led* by members 62 years of age or older. No households led by disabled or special needs persons were identified.

Should senior led and disabled households be permanently displaced, proximity to health care and other therapeutic and counseling providers will be a consideration in locating suitable, replacement housing.

Race and Ethnicity

Utilizing information provided by the property management company the mix of races and ethnicities is believed to be as show in Table 3 below,

Table 3: Initial Race and Ethnicity Distribution

Race/Ethnicity	% of Households
Hispanic	97%
Asian	2%
White	0%
Black	0%
Other	2%
Total	100%

Relocation services will be provided in the language with which displacee households are most proficient and feel most comfortable in communicating. Languages are expected to include Spanish and Vietnamese in addition to English.

Income

There are 56 households affected by this project. Of those 56 households, preliminary income information was available for all households. Income documentation will be collected from all households once they are interviewed. If required by the rules of a particular funding program income will be certified prior to any permanent displacements.

Relative to the HUD-derived income categories for households, as adopted June 17, 2010, by the State of California Housing and Community Development Department (HCD), Division of Housing Policy Development, for Santa Clara County (See: ATTACHMENT 1), and based on the income information available, the Table 4 below displays the tenant income distribution,

Table 4: Household Income Distribution (Based Upon Best Available Data)

Income Category	# of HH	%
Extremely Low	33	59%
Very Low	18	32%
Low	4	7%
Moderate	1	2%
Total Households	56	100%

Projected Displacement

Based upon the *income and household information* available, which at this time must be considered preliminary and anecdotal only, as it has not been verified such as would otherwise be required at the time of any displacement, there are possibly 19 households ineligible to continue residing in the renovated project or that cannot be accommodated on-site in a unit that meets the needs of their size households.

Five households are “over-income” (incomes greater than 50% of area median income); 14 households are under-housed (families currently exceeding projected occupancy standards) that will need to be permanently displaced.

The remaining 37 households would temporary displaced on-site to allow for the renovations to the units.

A description of the potential permanent and temporary displacement is shown in Table 5 below.

Table 5: Projected Displacements

Reason for Displacement	Number of Households
Over Income Households to Move Off-site	5
Under Housed Households to Move Off-site	14
Total Permanent Relocations	19
Total Temporary Relocations	37
Total Households Impacted	56

Permanent Displacements

For the over-income, on projected over-income, and three under-housed households, estimated relocation budgets have been developed utilizing comparable rents within the City of San Jose as of the date of this Plan, minus the base monthly rent being paid by the households, times 42 months, to establish a Rental Assistance Payment (RAP). In addition, the permanent displacees may be eligible to receive a one-time fixed moving payment for each household for five rooms of furnishings or an actual move payment based on the lowest most reasonable of two bids by a professional mover.

Temporary Displacements

Temporary displacements will involve up to two moves for each household - one move out of the resident's current unit during the rehabilitation phase and one move back into their original unit or a comparable unit on site post rehabilitation. All households who are qualified to remain at the property will be offered the opportunity to move directly into a rehabilitated unit should a rehabilitated unit be available. All households to be temporary displaced will receive moving assistance. During their temporary move from their current units, displacee housing costs will be limited to their current rent plus utilities, should there be additional out of pocket costs the Developer will either pay those cost directly or reimburse the tenant.

B. POST-REHABILITATION

Residents temporarily displaced will be offered the right to return to their original unit or a comparable unit in the same building or complex, if their original unit is not otherwise available due to rehabilitation (California Relocation Assistance Law, Section 7262.5) with their rent for the first 12 months subsequent to that return being the lesser of:

- Up to one hundred five percent (105%) of the tenant's rent that existed at the time of temporary displacement by the Developer; or
- Up to thirty percent (30%) of household income.

C. RELOCATION HOUSING RESOURCES

As of September 2, 2010, the Plan is anticipating potential permanent displacement of up to 41 households. Table 6 below shows the replacement housing units needed by bedroom size compared to the number of units identified.

A resource survey was conducted to identify available, comparable one, two, and three bedroom units in San Jose (downtown San Jose excluded), which are adequate in size and contain the required number of bedrooms for all potential permanent displacee households residing within the current project site(s).

Table 6: Replacement Housing Needs and Resources

Unit Size	# Needed	# Identified	Median Rent
1 BR	3	38	\$1,255
2 BR	6	64	\$1,660
3 BR	10	66	\$2,184
Total	38	168	

D. CONCURRENT RESIDENTIAL DISPLACEMENT

There are no projects now, or planned in the immediate future, which will impact negatively upon the efforts and ability of the Developer in relocating permanently displaced households. In addition, impact upon the San Jose housing market will be relatively minimal.

E. PROGRAM ASSURANCES AND STANDARDS

There shall be adequate funds budgeted to relocate all households, whether moving temporarily on-site or permanently for those households determined to be “over-income”, “under-housed” or otherwise ineligible to continue to reside within the rehabilitated project.

Services will be provided to ensure that displacement does not result in different, or separate treatment of households based on race, nationality, color, religion, national origin, sex, marital status, familial status, disability or any other basis protected by the federal Fair Housing Amendments Act, the Americans with Disabilities Act, Title VI of the Civil Rights Act of 1964, Title VII of the Civil Rights Act of 1964, Title VIII of the Civil Rights Act of 1968, the California Fair Employment & Housing Act, and the Unruh Act, as well as any otherwise arbitrary, or unlawful discrimination.

The relocation program to be implemented by the Developer shall conform to the standards and provisions set forth in the Uniform Relocation Act (46 U.S.C. § 4600 et seq.), its implementing regulations (49 C.F.R. Part 24), the HOME Final Rule (24 CFR Part 92) and, as applicable, the California Relocation Assistance Law, California Government Code Section 7260 et seq. (the “CRAL”) and the California Relocation Assistance and Real Property Acquisition Guidelines, Title 25, California Code of Regulations, Chapter 6, Section 6000 et seq. (the "Guidelines") for residential displacements.

The Developer and the Housing Trust anticipate entering into a binding Regulatory agreement that will require compliance with the regulations applicable to the funding approved for the project, ensuring the mandated longevity of certain affordability requirements.

Households which may be temporarily or permanently displaced will receive a minimum of a ninety (90)-day notice prior to their need to move, followed by a thirty (30)-day notice and a seven (7)-day notice.

F. RELOCATION ASSISTANCE PROGRAM

The Developer's Relocation Program is designed to minimize hardship, be responsive to unique project circumstances, emphasize maintaining personal contact with all affected individuals, and consistently apply all regulatory criteria to formulate eligibility and benefit determinations and conform to all applicable requirements.

The Developer has retained Overland, Pacific & Cutler, Inc. (OPC), a multi-lingual consulting firm, to administer the Relocation Program. OPC has worked on more than 3,000 public Agency and publicly funded acquisition and relocation projects over the past 30 years. Experienced Developer and Agency staff will monitor the performance of OPC and be responsible to approve or disapprove OPC recommendations concerning eligibility and benefit determinations and interpretations of the Developer's policy.

The relocation program consists of two principal constituents: Advisory Assistance and Financial Assistance.

1. ADVISORY ASSISTANCE

A comprehensive relocation assistance program, with technical and advisory assistance, will be provided to households being displaced. Close contact will be maintained with each household. Eligible individuals, who will need to move from existing homes, will receive advisory assistance. Advisory assistance services are intended to:

- inform displacees about the relocation program
- help in the process of finding appropriate replacement accommodations
- facilitate claims processing
- maintain a communication link with the Developer
- coordinate the involvement of outside service providers

To follow through on the advisory assistance component of the relocation program and assure that the Developer meets its obligations under the law, relocation staff will perform the following functions:

1. Distribute appropriate written information concerning the Developer's relocation program;
2. Inform eligible project occupants of the nature of, and procedures for, obtaining available relocation assistance and benefits. (See **Attachment 3**)
3. Determine the needs of each residential displacee eligible for assistance;
4. Provide residential displacees with at least one, and preferably three, referrals to comparable replacement housing within a reasonable time prior to displacement; Generally, a comparable replacement dwelling must satisfy the following criteria:
 - (a) *The unit is decent, safe and sanitary - electrical, plumbing and heating systems in good repair - no major, observable hazards or defects. The unit is adequate in size and is comparable to the acquired dwelling with respect to number of rooms, habitable living space and type and quality of construction, but not lesser in rooms or living space as necessary to accommodate the displaced person. The unit is functionally equivalent, including principle features.*
 - (b) *The unit is located in an area not subjected to unreasonable adverse environmental conditions from either natural, or man-made sources, and not generally less desirable with respect to public utilities, transportation, public and commercial facilities, including schools and municipal services and reasonably accessible to the displaced person's place of employment.*
 - (c) *The unit is available both on the private market and to all persons regardless of race, color, sex, marital status, religion or, national origin.*
 - (d) *The monthly rental rate is within the financial means of the displaced residential tenant*
5. Maintain an updated database of available housing resources, and distribute referral information to displacees for the duration of the Project;
6. Provide transportation to residential displacees, if necessary, to inspect replacement sites within the local area;
7. Offer special assistance to help elderly or disabled tenants find housing near friends, relatives, medical facilities, and services and convenient transportation;
8. Supply information concerning federal and state programs and other governmental programs providing assistance to displaced persons;

9. Assist each eligible residential occupant in the preparation and submission of relocation assistance claims;
10. Provide additional reasonable services necessary to successfully relocate residents;
11. Make benefit determinations and payments in accordance with applicable law and the Developer's adopted relocation guidelines;
12. Assure that no occupant is required to move without a minimum of 90 days written notice to vacate;
13. Inform all persons subject to displacement of the Developer's policies with regard to eviction and property management;
14. Establish and maintain a formal grievance procedure for use by displaced persons seeking administrative review of the Developer's decision with respect to relocation assistance; and,
15. Provide assistance that does not result in different or separate treatment due to race, color, religion, national origin, sex, marital status or other arbitrary circumstances.

A representative from OPC is available to assist any displaced household having questions in regard to relocation and/or assistance in relocating. Relocation staff may be contacted by calling **510.638.3081** during the hours of 9:00 a.m. to 6:00 p.m., Monday through Friday.

The relocation offices are located at:

**Overland, Pacific & Cutler, Inc.
7901 Oakport Street, Suite 4800
Oakland, CA 94621-2089**

2. RELOCATION BENEFIT CATEGORIES

Benefits will be provided in accordance with the URA, the CRAL, the Guidelines, and all other applicable regulations and requirements. Benefits will either be paid directly by the Developer for any temporary on-site displacements, or upon submission of required claim

forms and documentation in accordance with approved procedures, for permanently displaced tenants. The Developer will provide appropriate benefits for all eligible households as required by the above laws and requirements.

Specific eligibility requirements and benefit plans will be detailed on an individual basis with all displaced households. In the course of personal interviews and follow-up visits, each displaced household will be counseled as to available options and the consequences of any choice with respect to financial assistance.

Relocation benefits will be paid to eligible displacees upon submission of required claim forms and documentation in accordance with the Developer's administrative procedures. The Developer will process advance payment requests to mitigate hardships for residential tenants who do not have access to sufficient funds to pay move-in costs such as first month's rent and/or security deposits. Approved requests will be processed expeditiously to help avoid the loss of desirable, appropriate replacement housing.

To the extent that federal HOME funds become applicable to the Project, the provisions of the federal Housing and Community Development Act of 1974, sub-Section 104(d), may have applied to any 'lower income' (i.e., at, or below 80% of median income, by household size), permanently displaced person, if in implementing the rehabilitation project were plans for:

- the demolition of any dwelling unit; or
- The "conversion" of any low/moderate-income dwelling unit to a use other than a low/moderate-income dwelling in connection with an assisted activity.

'The term "low/moderate-income dwelling" unit means a dwelling unit with a market rent (including average utility costs) that does not exceed the applicable Fair Market Rent (FMR) for Section 8 existing housing established under 24 CFR Part 888.' (HUD Handbook 1378, Chapter 7, Section 7-9).

However, because neither demolition nor the conversion of any low/moderate unit is proposed as part of the Project, Section 104(d) guidelines do not apply to this Project. (In the unanticipated event of demolition or conversion of any low/moderate-income dwelling units, eligibility and Rental Assistance Payments will be recalculated based on Section 104(d) guidelines.)

Residential Moving Expense Payments

All residential occupants to be relocated may be eligible to receive a payment for moving expenses. Moving expense payments will be made based upon the actual cost of a professional move or a fixed payment based on a room-count schedule. Moving expenses will be based on one of the following options:

1. **Fixed Payment** – A fixed payment for moving expenses based on the number of rooms containing furniture or other personal property to be moved. The fixed payment is a one-time, all inclusive allowance that does not require back-up documentation.

The fixed moving payment will be based upon the most recent Federal Highway Administration (FHA) schedule adopted and maintained by the California Department of Transportation, as indicated in Attachment 2.

- OR -

2. **Actual Reasonable Moving Expense Payments** – The displaced tenants may elect to have a licensed, professional mover perform the move; if so, the Developer will pay for the *actual* cost of the move as follows.

The payment will be made *directly* to the mover *or* as reimbursement to the displaced tenant, and may include:

- (a) Transportation of the displaced person and personal property. Transportation costs for a distance beyond 50 miles are not eligible, unless the Developer determines that relocation beyond 50 miles is justified.
- (b) Packing, crating, unpacking, and uncrating of the personal property.
- (c) Disconnecting, dismantling, removing, reassembling, and reinstalling relocated household appliances and other personal property.

- (d) Storage of the personal property for a period not to exceed 12 months, *unless* the Developer determines that a longer period is necessary.
- (e) Insurance for the replacement value of the property in connection with the move and necessary storage.
- (f) The replacement value of property lost, stolen, or damaged in the process of moving (though not through the fault or negligence of the displaced person, his or her agent, or employee) where insurance covering such loss, theft, or damage is not reasonably available.
- (g) Other moving-related expenses that are *not* listed as ineligible under § 24.301(h), as the Developer determines to be reasonable and necessary.

Temporary Relocation

Those households, that may be required to move temporarily to accomplish the rehabilitation activities, will have their residential moving payments paid directly to professional movers by the Developer. During their temporary move, the tenants housing costs in on-site temporary units will be limited to their current rent plus utilities. Due to the temporary nature of such moves, accommodation will also be made for storage of personal property, *if necessary*.

If tenants are required to move *off-site* temporarily, all reasonable out-of-pocket expenses will be paid by the Developer, including, but not limited to, increased housing costs and moving costs. OPC staff will also assist the tenants with identifying off-site DS&S temporary housing.

Permanent Relocation

Rental Assistance

To be eligible to receive the rental assistance benefits, the displaced tenant households must rent or purchase and occupy decent, safe, and sanitary replacement dwellings within one year from the date they move from their displacement dwellings.

Based upon the available data regarding Project displacees, the displaced households may qualify for, and may be eligible to apply for, relocation benefits under URA provisions. Except in the case of Last Resort Housing situations, the potential payment to the household will be payable over a 42-month period and limited to a maximum of \$5,250 as stated the under URA guidelines. The relocation program is explained in detail in the informational brochure to be provided to each permanently displaced household (see **Attachment 4**).

Rental Assistance payment amounts are equal to 42 times the difference between the base monthly rent and the lesser of:

- (i) The monthly rent and estimated average monthly cost of utilities for a comparable replacement dwelling; or
- (ii) The monthly rent and estimated average monthly cost of utilities for the decent, safe, and sanitary replacement dwelling actually occupied by the displaced person.

The base monthly rent for the displacement dwelling is the lesser of:

- (i) The average monthly cost for rent and utilities at the displacement dwelling for a reasonable period prior to displacement, as determined by the Developer. For owner-occupants or households, which paid little or no rent, fair market rent will be used as a substitute for actual rent; or
- (ii) Thirty percent (30%) of the displaced person's average, monthly gross household income, if the amount is classified as "low income" by the U. S.

Department of Housing and Urban Development's (HUD) Annual Survey of Income Limits for the Public Housing and Section 8 Programs. (HUD's Survey is shown as Attachment 1) If a displacee refuses to provide appropriate evidence of income or is a dependent, the base monthly rent shall be determined to be the average monthly cost for rent and utilities at the displacement dwelling; or

- (iii) The total of the amount designated for shelter and utilities if receiving a welfare assistance payment from a program that designated the amounts for shelter and utilities.

Based upon the monthly housing need over a 42 month period, Table 7 below shows how monthly need is determined.

Table 7: Example Computation of Monthly Housing Need and Rental Assistance		
1. Rent of Displacement Unit	\$500	Displacement Rent plus Utility Costs
or		
2. Ability to Pay	\$445	30% of the Gross Household Income*
3. Lesser of lines 1 or 2	\$445	
Subtracted From:		
4. Actual New Rent	\$550	Actual New Rent including Utility Allowance
or		
5. Comparable Rent	\$575	Determined by Agency; <u>includes</u> Utility Allowance
6. <u>Lesser</u> of lines 4 or 5	\$550	
7. Yields Monthly Need:	\$105	Subtract line 3 from line 6
Rental Assistance	\$ 4,410	Multiply line 7 by 42 months

*If tenant household is "Low Income"

Downpayment Assistance

The displaced household may opt to apply the entire rental assistance benefit amount for

which they are eligible toward the purchase of a replacement unit (Guidelines 49 CFR 24.402(b) and HUD 1378).

A displaced household, who chooses to utilize up to the full amount of their rental assistance eligibility (including any Last Resort benefits) to purchase a home, will have the funds deposited in an open escrow account, provided that the entire amount is used for the downpayment and eligible, incidental costs associated with the purchase of a decent, safe, and sanitary replacement home. A provision shall be made in the escrow arrangements for the prompt return of the Developer funds, in the event escrow should fail to close within a reasonable period of time.

Final determination about the type of relocation benefits and assistance for which the household is eligible will be determined upon verification of the household's occupants and income.

Last Resort Housing

Based on data derived from the surveys and analyses of the occupants in the Project area and costs of replacement housing resources, it is anticipated that "comparable replacement housing" will not be available as required. Specifically, for renters, when the computed replacement housing assistance eligibility exceeds \$5,250 or replacement dwelling monthly rental costs (including utilities and other reasonable recurring expenses) exceeds 30% of the person's average monthly income, Last Resort Housing will have to be provided.

Therefore, if the Project is to go forward, the Developer will authorize its funds or funds authorized for the Project to provide housing of last resort. Funds will be used to make payments in excess of the monetary limit specified in the statute (\$5,250); hence, satisfying the requirement that "comparable replacement housing" is available.

A displaced tenant household will be entitled to consideration for supplementary benefits in the form of Last Resort Housing assistance when the computed replacement housing assistance eligibility exceeds \$5,250 or replacement dwelling monthly rental costs (including utilities and other reasonable recurring expenses) exceed 30% of the person's average monthly income (financial means) or when a tenant fails to meet the 90-day occupancy requirement and comparable replacement rental housing is not available within

the displaced person's financial means. Calculations of Last Resort rental assistance benefits for tenants who fail to meet the 90-day occupancy requirement will be based solely on household income. Non 90-day qualifiers must meet basic eligibility requirements applied to all other displacees.

The Agency, at its discretion, may opt to pay Last Resort Housing payments in installments or in a lump sum. Recipients of Last Resort rental assistance, who intend to purchase rather than re-rent replacement housing, will have the right to request a lump sum payment of all benefits in the form of downpayment assistance. Tenant households receiving periodic payments will have the option to request a lump sum payment of remaining benefits to assist with the purchase of a decent, safe and sanitary dwelling.

G. PAYMENT OF RELOCATION BENEFITS

Particularly in the case of permanent displacees, affected households will not be displaced until "comparable" housing is located as defined above. Relocation staff will inspect any replacement units to which referrals are made to verify that they meet all the standards of decent, safe, and sanitary housing as defined in 24.2 (8) of the URA.

Relocation benefit payments will be made expeditiously. Claim forms and supporting documentation for relocation benefits must be filed with the Developer within 18 months from the date the claimant moves from the acquired property.

The procedure for the preparation and filing of claims and the processing and delivery of payments will be as follows:

1. Claimant(s) will provide all necessary documentation to substantiate eligibility for assistance.
2. Assistance amounts will be determined in accordance with the provisions of applicable Relocation Law.
3. Required claim forms will be prepared by relocation personnel in conjunction with claimant(s). Signed claims and supporting documentation will be submitted by relocation personnel to the Developer.

4. The Developer will review and approve claims for payment, or request additional information.
5. The Developer will issue benefit checks which will be available at its offices for receipt, unless circumstances dictate otherwise.
6. Final payments will be issued after confirmation that the Project area premises have been completely vacated, and actual residency at the replacement unit is verified.
7. Receipts of payment will be obtained and maintained in the relocation case file.

H. CITIZEN PARTICIPATION

Resident meetings will be held to explain the project and the relocation program. Agendas for these meetings will be distributed to the residents at least 7 days in advance.

Copies of this Plan will be available to the residents for a period of thirty (30) days to promote review and participation.

The Developer will ensure the following:

1. Provide affected tenants with full and timely access to documents relevant to the relocation program;
2. Encourage meaningful participation in reviewing the relocation plan and monitoring the relocation assistance program; including the Project area occupants, neighborhood groups and community organizations forming a relocation committee;
3. Provide technical assistance necessary to interpret elements of the Relocation Plan and other pertinent materials;
4. Issue a general notice concerning the availability of the Plan for public review, as required, 30 days prior to its proposed approval;

5. Include written or oral comments concerning the Plan and the Developer's response as an attachment when it is forwarded to the appropriate governmental body for approval.

I. IMMIGRATION STATUS

Federal legislation (PL105-117) prohibits the payment of relocation assistance benefits under the Uniform Act to any alien not lawfully present in the United States unless such ineligibility would result in an exceptional and extremely unusual hardship to the alien's spouse, parent, or child any of whom is a citizen or an alien admitted for permanent residence. Exceptional and extremely unusual hardship is defined as significant and demonstrable adverse impact on the health or safety, continued existence of the family unit, and any other impact determined by the Developer to negatively affect the alien's spouse, parent or child.

In cases where households are comprised of persons not lawfully present, those households will receive benefits under the California Relocation Assistance Law, California Government Code Section 7260 et seq. (the "CRAL"), the California Relocation Assistance and Real Property Acquisition Guidelines, Title 25, California Code of Regulations, Chapter 6, Section 6000 et seq. (the "Guidelines") for residential displacements

In order to track and account for relocation assistance and benefit payments, relocation staff will be required to seek immigration status information from each displacee 18 years and older by having them self-certify as to their legal status.

It must be noted, that with certain narrow exceptions, federal funds *cannot* be used for payment of relocation benefits to any displaced person who is an alien not lawfully present in the United States.

J. RELOCATION TAX CONSEQUENCES

In general, relocation payments are not considered income for the purpose of Division 2 of the Internal Revenue Code of 1954, which has been re-designated as the Internal Revenue Code of 1986 (Title 26, U. S. Code), or for the purpose of determining the eligibility or the extent of eligibility of any person for assistance under the Social Security

Act (42 U. S. Code 301 et seq.) or the Personal Income Tax Law, Part 10 (commencing with Section 17001) of the Revenue and Taxation Code, or the Bank and Corporation Tax Law, Part II (commencing with Section 23001) of Division 2 of the Revenue and Taxation Code. The above statement on tax consequences is not intended as tax or legal advice by the Developer, its Employees, Agents, Consultants or Assigns. Displacees are responsible for consulting with their own tax advisors or legal counsel concerning the tax consequences of relocation payments.

K. APPEALS POLICY

The appeals policy will follow the standards described in Section 6150 et seq. of the Guidelines. Briefly stated, any displaced tenants will have the right to ask for review when there is a perceived grievance regarding any of their rights to relocation and relocation assistance, such as a determination as to eligibility, the amount of payment, or the failure to provide a comparable replacement housing referral.

L. EVICTION POLICY

1. Eviction will cause the forfeiture of a displacee's right to relocation assistance or benefits. Relocation records will be documented to reflect the specific circumstances surrounding any eviction action.
2. Eviction may be undertaken for one, or more of the following reasons:
 - (a) Failure to pay rent, except in those cases where the failure to pay is due to the owner's failure to keep the premises in habitable condition; is the result of harassment or retaliatory action; or, is the result of discontinuation, or a substantial interruption of services;
 - (b) Performance of a dangerous, and/or illegal act in the unit;
 - (c) A material breach of the rental agreement, and failure upon notification to correct said breach within 30 days of Notice;
 - (d) Maintenance of a nuisance, and failure to abate such nuisance upon notification within a reasonable time following Notice;
 - (e) Refusal to accept one of a reasonable number of offers of replacement dwellings; and/or,

- (f) A requirement under State, or local law or emergency circumstances that cannot be prevented by reasonable efforts on the part of the Developer.

M. NOTICES

Each notice, which the Developer is required to provide to a Project site occupant, shall be personally delivered or sent by certified or registered first-class mail, return receipt requested and documented in the case file. Each notice will be written in plain, understandable language. Each notice will indicate the name and telephone number of a person who may be contacted for answers to questions or other needed help.

There are three principal notices:

- 1) The General Information Notice,
- 2) The Notice of Relocation Eligibility, and
- 3) The Ninety-Day Notice.

The General Information Notice (GIN) is intended to provide potential relocatees with a general written description of the Developer's relocation program and basic information concerning benefits, conditions of eligibility, noticing requirements and appeal rights. The GIN is issued as early as is feasible in the initial stages of a Project, preferably, the planning stage. A GIN is required upon the Initiation of Negotiations (ION). The GIN is either delivered by Certified Mail with documentation of return receipt or hand-delivered, signed by the tenant, and witnessed in writing by a third party if the tenant is not present and/or does not sign the document signifying their receipt of it.

A GIN was delivered to original tenants in August of 2010 via certified mail with a return receipt and first class mail.

A Notice of Relocation Eligibility (NOE) will be distributed to each residential relocatee. The NOE to the residential relocatee contains a determination of eligibility for relocation assistance and a computation of a maximum entitlement based on information provided by the affected household and the analysis of comparable replacement properties undertaken by relocation staff. The NOE will be issued to any eligible permanent displacee, once the property has been secured by the Developer and the Project funding is in place.

No lawful occupant will be required to move without having received at least 90 days advance written notice of the earliest date by which the move will be necessary. The 90-day notice will either state a specific date as the earliest date by which the occupant may be required to move or state that the occupant will receive a further notice indicating, at least 60 days in advance, the specific date of the required move. The 90-day notice will not be issued to any residential displacee before a comparable replacement dwelling has been made available.

In addition to the three principal notices, Developer staff will issue timely written notification in the form of a Reminder Notice, which discusses the possible loss of rights and sets the expiration date for the loss of benefits to those persons who:

- 1) Are eligible for monetary benefits,
- 2) Have moved from the acquired property, and
- 3) Have not filed a claim for benefits.

Reminder Notices will be issued periodically throughout the qualification period. An attempt shall be made to make written contact with all non-responsive relocatees no later than within the last six months prior to the filing expiration date.

N. PRIVACY OF RECORDS

All information obtained from displacees is considered confidential and will not be shared without the consent of the displacee or the Developer. Developer staff will comply with federal regulations concerning the safeguarding of relocation files and their contents.

O. PROJECTED DATES OF DISPLACEMENT

Households will receive, progressively, a 90-, 30- and seven-day Notice-to-Vacate, if required to move temporarily *or* permanently. Eligible residents will be given a minimum of a seven-day Notice to *return* to their replacement apartment, as applicable.

Construction is anticipated to commence September of 2011 and continue for a total period of approximately 12 months. First '90-day Notices-to-Vacate' should begin to be issued approximately 30 days pursuant to receipt of all funding and environmental approvals.

Based on an anticipated need to have units vacated a projected schedule of noticing is as follows,

- 90 Day Notice to Vacate – June 2011
- 60 Day Notice to Vacate – July 2011
- 30 Day Notice to Vacate – August 2011

- 7 Day Notice to Vacate – 7 Days Prior to Move Out Commencing in September of 2011 running through duration of project
- 7 Day Notice to Return - 7 Days Prior to Move back running through duration of project

P. ESTIMATED RELOCATION COSTS

As noted previously, it appears that, based upon income information provided by *tenants* during the interview period, up to five households are “over-income” relative to the requirements of the financing program(s) for the project and will consequently be permanently displaced from the site of the Project.

There are, however, a further 19 households which, due to the *size* of their respective *household populations* will also be relocated permanently as they cannot be accommodated in two-bedroom units.

The estimated relocation costs, for the *total* nine households which might be permanently displaced, has been generally developed utilizing their individual, *actual* base monthly rent *relative to* the median, open-market rates for two-, three-, four-, and five-bedroom units within San Jose, calculated over a 42 month period, plus moving costs based upon the Federal D.O.T. fixed-payment moving schedule applicable in the state of California.

The relocation costs, for those eligible households who will be entitled to *remain* within the project site post-rehabilitation, have been developed on the basis of two “on-site” moves only – once *from* the unit, and once returning to the unit post re-hab – and will be paid directly by the Developer.

The Developer pledges to appropriate the necessary funds, on a timely basis, to ensure the successful completion of the project. Any and all required financial assistance will be provided.

On the following page, in Table 8 is a breakdown of the anticipated relocation costs for the prospectively, “over-income” and “under-housed” households. It is anticipated that the remaining households (subject to income certification and further vetting) are eligible to remain within the post-rehabilitation units, based upon the total of 42 households.

The contingency, at 10% of anticipated relocation costs, is proposed to be flexibly available across all three individual sites of the proposed development to the extent that, as noted above, all income information provided by tenants is considered anecdotal at the time of Plan preparation. Actual income certification and additional vetting (i.e., credit, and other background checks of existing tenants) has not yet been conducted - all of which may result in further permanent displacements beyond those noted in this Plan.

These prospective, *further* permanent displacements – should they be required at all – may not necessarily be realized in equivalent percentage amounts across all three sites. Therefore, the Developer requires the flexibility to apply the contingency over any one, or up to all three sites.

Table 8: Relocation Cost Estimate

Rental Assistance Payments	\$732,885
Fixed Move Payments	\$21,625
Temporary Onsite Relocations	\$111,000
Sub-Total Relocation Benefits	\$865,510
Contingency (10%)	\$87,751
Total Estimate	\$953,261

ATTACHMENT 1: HUD INCOME LIMITS SANTA CLARA COUNTY (2010)

The following figures are approved by the United States Department of Housing and Urban Development (H.U.D.) for use in the County of Santa Clara, California, to define and determine housing eligibility by income level.

SANTA CLARA COUNTY, CALIFORNIA – MEDIAN FOUR-PERSON HOUSEHOLD INCOME: \$103,500					
Household Size	Extremely Low Income	Very Low Income	Lower Income	Median Income	Moderate Income
1 Person	\$21,750	\$36,250	\$56,550	\$72,450	\$86,950
2 Person	\$24,850	\$41,400	\$64,600	\$82,800	\$99,350
3 Person	\$27,950	\$46,400	\$72,650	\$93,150	\$111,800
4 Person	\$31,050	\$51,750	\$80,700	\$103,500	\$124,200
5 Person	\$33,350	\$55,900	\$87,200	\$111,800	\$134,150
6 Person	\$36,050	\$60,050	\$93,650	\$120,050	\$144,050
7 Person	\$38,550	\$64,200	\$120,050	\$128,350	\$154,000
8 Person	\$41,000	\$68,350	\$144,050	\$136,600	\$163,950

Effective: June 17, 2010

ATTACHMENT 2: RESIDENTIAL FIXED MOVING PAYMENT SCHEDULE

FIXED MOVING SCHEDULE (CALIFORNIA)			
Occupant owns furniture		Occupant does NOT own furniture	
1 room	\$ 625.00	1 room	\$400.00
2 rooms	\$ 800.00	each additional room	\$ 65.00
3 rooms	\$1,000.00		
4 rooms	\$1,175.00		
5 rooms	\$1,425.00		
6 rooms	\$1,650.00		
7 rooms	\$1,900.00		
8 rooms	\$2,150.00		
each additional room	\$ 225.00		

ATTACHMENT 3: INFORMATIONAL STATEMENT FOR FAMILIES AND INDIVIDUALS

INFORMATIONAL STATEMENTS FOR FAMILIES AND INDIVIDUALS

- I. GENERAL INFORMATION**
- II. ASSISTANCE IN LOCATING A REPLACEMENT DWELLING**
- III. MOVING BENEFITS**
- IV. REPLACEMENT HOUSING PAYMENT - TENANTS AND CERTAIN OTHERS**
- V. QUALIFICATION FOR AND FILING OF RELOCATION CLAIMS**
- VI. LAST RESORT HOUSING ASSISTANCE**
- VII. RENTAL AGREEMENT**
- VIII. APPEAL PROCEDURES - GRIEVANCE**
- IX. TAX STATUS OF RELOCATION BENEFITS**
- X. ADDITIONAL INFORMATION AND ASSISTANCE AVAILABLE**

I. GENERAL INFORMATION

The building in which you now live has been proposed for rehabilitation by 'For the Future Housing' ("The Developer"); a private, non-profit housing developer. As the project schedule proceeds, it will be necessary for you to move – no less than temporarily – from your dwelling. You will be notified in a timely manner as to the date by which you must move.

Please read this information as it will be helpful to you in determining your eligibility for and the amount of your relocation benefits under the federal and/or state law. We suggest you save this informational statement for reference.

The Developer has retained the services of Overland, Pacific & Cutler, Inc., a qualified professional relocation consulting firm, to assist you. The firm is available to explain the program and benefits. Their address and telephone number is:

**Overland, Pacific & Cutler, Inc.
7901 Oakport Street, Suite 4800
Oakland, CA 94621
Telephone (Toll-free): 877.972.8908**

Spanish speaking representatives are available. **Si necesita esta información en español, por favor llame a su representante a 510.638.3081.**

PLEASE DO NOT MOVE PREMATURELY. THIS IS NOT A NOTICE TO VACATE YOUR DWELLING. Most tenants in your building will move only temporarily and “on-site” to vacant units. A small number of tenants may – subject to their adjusted, annual incomes – be required to relocate permanently due to tenant income restrictions *or*, other qualifying criteria (e.g., credit checks, etc.) established by The Developer. If you are determined to be a permanent displacee and, if you desire to move sooner than required, you must contact your representative with Overland, Pacific & Cutler, Inc., so you will not jeopardize any benefits to which you might be otherwise eligible. This is a general informational brochure only, and is not intended to give a detailed description of either the law, or regulations pertaining to The Developer’s relocation assistance program.

Please continue to pay your rent to the current property owner – or, upon transfer of the ownership of the property, to THE DEVELOPER – *otherwise you may be evicted and jeopardize the relocation benefits to which you may be entitled to receive.*

II. ASSISTANCE IN LOCATING A PERMANENT REPLACEMENT DWELLING

The Developer, through its relocation representatives, will assist permanent displacees in locating an alternate, comparable replacement dwelling by providing referrals to appropriate, and available housing units. You are encouraged to actively seek such housing yourself.

When a suitable replacement dwelling unit has been found, your relocation consultant will carry out an inspection and advise you as to whether the dwelling unit meets decent, safe and sanitary housing requirements. A decent, safe and sanitary housing unit provides adequate space for its occupants, proper weatherproofing and sound heating, electrical and plumbing systems. Your new dwelling must pass inspection before relocation assistance payments can be authorized.

III. MOVING BENEFITS

If you must move *permanently* as a result of displacement by The Developer, you will receive a payment to assist in moving your personal property. There are two types of moving payments. You have the option of selecting either one of the following types of moving payments:

A. Fixed Moving Payment

A Fixed Moving Payment is based upon the number of rooms you occupy and whether or not you own your own furniture. The payment is based upon a Federal Highway Administration schedule adopted by the State of California and, approved by The Developer, and ranges, for example, from \$400 for one (1) room furnished by the *owner(s)* of the unit, to \$2,150 for eight (8) rooms in an otherwise *unfurnished* dwelling which is furnished by the *tenant*. (For details see the Table below). Your relocation representative will inform you of the amount you are eligible to receive if you choose this type of payment.

FIXED MOVING SCHEDULE - CALIFORNIA (effective June 2005)			
Occupant owns furniture		Occupant does NOT own furniture	
1 room	\$625.00	1 room	\$400.00
2 rooms	\$800.00	each additional room	\$65.00
3 rooms	\$1,000.00		
4 rooms	\$1,175.00		
5 rooms	\$1,425.00		
6 rooms	\$1,650.00		
7 rooms	\$1,900.00		
8 rooms	\$2,150.00		
each additional room	\$225.00		

If you select a *fixed* payment, you will be responsible for arranging your own move and The Developer will assume *no* liability for any loss or damage of your personal property.

B. Actual Moving Expense (Professional Move)

If you wish to engage the services of a licensed commercial mover and have The Developer pay the bill, you may claim the ACTUAL cost of moving your personal property up to fifty (50) miles. Your relocation representative will inform you of the number of competitive moving bids (if any) which may be required, and assist you in developing a scope-of-services for The Developer approval.

IV. REPLACEMENT HOUSING PAYMENT - TENANTS AND CERTAIN OTHERS

You may be eligible for a payment of up to \$5,250 to assist you in renting or purchasing a comparable replacement dwelling. In order to qualify, you must be a tenant who has occupied your present dwelling for at least 90 days *prior to* The Developer entering into an agreement with the owner of the property for acquisition/rehabilitation of the property.

A. Rental Assistance

If you qualify, and **wish to rent** your replacement dwelling, your rental assistance benefits will be based upon the difference, over a forty-two (42) month period between the rent you must pay for a comparable replacement dwelling and the *lesser of* your current rent *or*, 30% of your gross monthly household income. You will be required to provide your relocation representative with monthly rent and household income verification prior to the determination of your eligibility for this payment;

- Or -

B. Down-payment Assistance

If you qualify, and **wish to purchase** a home as a replacement dwelling, you can apply up to the total amount of your rental assistance payment towards the down-payment and non-recurring incidental expenses. Your relocation representative will clarify procedures necessary to apply for this payment.

V. QUALIFICATION FOR AND FILING OF RELOCATION CLAIMS

To qualify for a Replacement Housing Payment, you must rent or purchase and occupy a comparable replacement unit **within one year from the later** of the following:

1. For a tenant, the date you move from the displacement dwelling; or,
2. The date The Developer fulfills its obligation to make available comparable replacement dwellings.

All claims for relocation benefits must be filed with The Developer **within 18 months** from the date on which you receive final payment for your property, or the date, on which you move, whichever is later.

VI. LAST RESORT HOUSING ASSISTANCE

If comparable replacement dwellings are not available when you are required to move, or if replacement housing is not available within the monetary limits described above, The Developer will provide Last Resort housing assistance to enable you to rent, or purchase a replacement dwelling on a timely basis. Last Resort housing assistance is based on the individual circumstances of the displaced person. Your relocation representative will explain the process for determining whether or not you qualify for Last Resort assistance.

If you are a tenant, and you choose to *purchase* rather than rent a comparable replacement dwelling, the entire amount of your rental assistance and last resort eligibility *must* be applied toward the down-payment escrow of the home you intend to purchase, refundable to The Developer in the event the acquisition escrow does not close.

VII. RENTAL AGREEMENT

Except for the causes of eviction set forth below, no person lawfully occupying property to be acquired/rehabilitated by The Developer will be required to move without having been provided with at least ninety (90)-days written notice from The Developer. Eviction will be undertaken only in the event of one or more of the following infractions:

- A. Failure to pay rent; except in those cases where the failure to pay is due to the Lessor's failure to keep the premises in habitable condition; is the result of harassment or retaliatory action; or, is the result of a discontinuation or substantial interruption of services;
- B. Performance of dangerous and/or illegal act in the unit by lessee, its guests or invitees or, any combination thereof;
- C. Material breach of the rental agreement and failure to correct breach within 60 days of notice;
- D. Maintenance of a nuisance and failure to abate within a reasonable time following notice;
- E. Refusal to accept one of a reasonable number of offers of replacement dwellings; or
- F. The eviction is required by State or local law and cannot be prevented by reasonable efforts on the part of The Developer.

VIII. APPEAL PROCEDURES - GRIEVANCE

Any person aggrieved by a determination as to eligibility for a relocation payment, or the amount of a payment, may have his/her claim reviewed or reconsidered in accordance with The Developer's appeals procedure. Complete details on appeal procedures are available upon request from The Developer.

IX. TAX STATUS OF RELOCATION BENEFITS

Relocation benefit payments are not considered as income for the purpose of the Internal Revenue Code of 1986 or the Personal Income Tax Law, Part 10 (commencing with Section 17001) of Division 2 of the Revenue and Taxation Code, or the Bank and Corporation Tax law, Part 11 (commencing with Section 23001) of Division 2 of the Revenue and Taxation Code. This information is not presented as legal advice; please consult with your own independent tax adviser or attorney.

X. ADDITIONAL INFORMATION AND ASSISTANCE AVAILABLE

Those responsible for providing you with relocation assistance hope to assist you in every way possible to minimize the hardships involved in relocating to a new home. Your cooperation will be helpful and greatly appreciated. If you have any questions at any time during the process, please do not hesitate to contact your relocation representative.