

Acquisition & Relocation



Acquisition & Relocation for transportation projects

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While improving transportation in the Portland metropolitan area, TriMet sometimes needs to acquire right-of-way or other property interests and move families and businesses. TriMet's goal is to serve all property owners and occupants fairly and equitably.

TriMet is empowered by the State of Oregon to acquire private property for public purposes. With this right comes the obligation to protect and comply with legal requirements. TriMet therefore has a dual responsibility:

- Recognition and protection of individuals who are affected by acquisition of property rights
- Competent and efficient service to the public, and use of taxpayer dollars

Your TriMet agent

When TriMet identifies property needed for its public projects, a property acquisition agent will be assigned to work with you. The agent can explain how the acquisition will affect your property. Maps and other data will help illustrate the impact to your property. TriMet's agents may be its own staff members; personnel of other public agencies acting on behalf of TriMet, such as Oregon Department of Transportation staff; or private consultants under contract to TriMet. Real property agents are required to offer you monetary values based on an appraisal of your property. They do not expect, and will not accept, any fee from you for any service rendered.

Inspection

You will be given 15 days' written notice of the appraiser's request to inspect your property. You and/or your agent will have the opportunity to accompany the appraiser and discuss your property with the appraiser during the property inspection. Complex appraisals involving large portions of the property, major buildings or improvements on the property and/or damages to the remaining part of the property may take a substantial period of time to evaluate.

Valuation

Owners of property needed for a TriMet project are offered "just compensation" for the required property or property interest. "Just compensation" is the estimated value of all the land and improvements within the needed area. If only a part of a property is to be acquired, "just compensation" will also include any measurable loss in value to the remaining property due to the partial acquisition.

"Just compensation" is based on TriMet's valuation of the needed property or interest and its estimation of any damages to the remaining property. State and federal laws and regulations guide TriMet's procedures. Valuation will be conducted either by an experienced and qualified employee of TriMet, or by an independent appraiser under contract with TriMet. The value will be determined by comparing with similar properties in the market that have recently sold; by consideration of costs and depreciation for any improvements to be acquired; and when applicable, by the property's income potential.

The final value estimate is reviewed for completeness and accuracy, and a review appraiser recommends "just compensation." In addition to this estimate of just compensation, TriMet will make an offer to purchase any remaining property determined through the appraisal to have little or no remaining economic value to the owner.

Under applicable laws and regulations, any increase or decrease in the value caused by the public project is disregarded in the valuation process.

Acquisition

After TriMet has determined "just compensation," you will receive:

- An offer to purchase, in writing
- An acquisition summary statement, which provides the basis for the offer
- A copy of the appraisal or an evaluation sheet

You will have a minimum of 40 days from the date of the offer letter to accept or reject TriMet's offer. With a clear title, you can receive payment for your property about 30 days after TriMet receives your signed deed, easement or other appropriate document transferring your property or property interest.

Under TriMet procedures and regulations governing acquisitions, the agent is not allowed to negotiate; the agent is required to offer the monetary values indicated by the appraisal. However, TriMet is willing to reconsider its position in light of any new evidence of value presented by you, which may include a documented professional appraisal.

You are not legally obligated to accept TriMet's offer or enter into an agreement you feel is unfair. A rejection is simply a disagreement between the two parties as to the value of the property.

If you and TriMet are unable to agree on the amount of just compensation, or if you cannot clear the title, a condemnation action would be filed in court and the offer amount would be deposited with the court for immediate withdrawal by the property owner to allow TriMet to proceed with the construction project. Discussions can continue even after the action is filed. The filing may be accompanied by a TriMet request for immediate possession.

TriMet will not take any action that would coerce you into accepting its offer. Prohibited actions include advancing the time of condemnation, deferring negotiations or condemnation, or postponing the deposit of funds in court for your use, if taken with the purpose of gaining a negotiation advantage.

Condemnation

If a condemnation action or an arbitration proceeding is necessary, you and TriMet will be required to share certain appraisal information before the actual trial or arbitration.

If condemnation becomes necessary, and the amount of the compensation claimed does not exceed \$20,000, the property owner may have the compensation determined by binding arbitration as governed by Oregon law. If the compensation exceeds \$20,000 but is less than \$50,000, the property owner may have the compensation determined by non-binding arbitration.

Buildings and improvements

When TriMet acquires land, it must acquire improvements located on the land being acquired. However, if buildings must be removed, TriMet may allow the owner to keep the improvements. If you are interested, you can discuss this with the acquisition agent.

Payment

If you concur with TriMet's offer of just compensation, you can sign the documents presented by TriMet's agent. The transfer of title and payment will then proceed to closing. As in a private sale, you are responsible for clearing encumbrances to the title such as unpaid taxes, assessments, mortgages, outstanding leases and other liens against your property. The agent will be available to assist you in clearing title. No payment can be made until a warranty deed conveying clear title to TriMet, or other document acceptable to TriMet, has been recorded in the appropriate county records. With no title problems, you can receive payment for your property in about 30 days after TriMet receives the signed document. If a third-party escrow closes the transaction, payment will be made at closing.

You are entitled to be reimbursed for fair and reasonable costs you incur in conveying your property to TriMet. Examples of such expenses include penalties for prepayment of any pre-existing recorded mortgage encumbering your property, mortgage release fees and TriMet's prorated portion of real property taxes for the year of the transfer.

Change of possession

No person shall be required to move from their home, farm or business location without at least 90 days' written notice. If you must move, or if personal property must be moved from a portion of your property, you will be given at least 90 days' written notice of the earliest date by which you may be required to move, when negotiations begin. If you are a displaced residential occupant, you will not be required to move earlier than 90 days after the date upon which a comparable replacement dwelling is made available.

You will again be notified 30 or more days before the date the property

must be vacated. The 30-day notice will not be given until the property owner has been paid for the property or an amount equal to TriMet's determination of just compensation has been deposited into the court.

If the acquisition does not require relocation or moving personal property from the area to be acquired, possession of the acquired property may be required on payment or deposit into court of the amount established as just compensation.

Relocation

TriMet knows that property owners and tenants need reasonable time for relocation. If your property is not needed for several months, your continued occupancy after acquisition by TriMet may be permitted on a short-term basis. The amount of rent TriMet may charge you or another tenant may not exceed the fair rental value of the property to a short-term occupier.

Relocation assistance

Some projects require TriMet to relocate residences or businesses. Relocation assistance differs for residential properties and businesses. TriMet policy requires that no family or individual occupying any dwelling will be required to vacate until finding—or being offered—comparable replacement housing.

All replacement housing offered will be fair housing open to all persons regardless of race, color, religion, sex or national origin.

In general, relocation payments are not federally taxable income and do not affect eligibility for Social Security assistance. However, they may affect eligibility for federal low-income housing assistance. You should verify this with your own tax advisor.

TriMet's Real Property Acquisition Office maintains information regarding replacement properties in the Portland area. Real property agents are available to assist displaced persons to the fullest extent.

If you have to relocate, it is best not to speculate about how much assistance you may receive. Your real property agent will have detailed information for you.

Eligibility

You are not eligible to receive any of the following assistance until you have received a written notice of eligibility from TriMet. Unless the claimant has established good cause, all claims for a relocation payment shall be filed with TriMet no later than 18 months after:

- The date of displacement (for tenants)
- The date of displacement or the date of the final payment for the acquisition of the real property, whichever is later (for owners)

Residential

Replacement housing

A displaced owner-occupant of a dwelling owned and occupied for 90 days or more immediately before the initiation of negotiations for such property may be eligible for additional assistance, the combined total of which may not exceed \$31,000.

The replacement payment is the amount, if any, that when added to the amount for which TriMet acquired the dwelling, equals the actual cost the owner is required to pay for a decent, safe and sanitary replacement dwelling—or the amount determined by TriMet as necessary to purchase a comparable dwelling, whichever is less. This payment includes compensation for increased interest costs for financing the replacement dwelling and actual closing costs incidental to the purchase of replacement housing.

A displaced tenant or owner-occupant who has occupied the displacement dwelling for at least 90 days before the initiation of negotiation may be eligible for additional payments, the combined total of which may not exceed \$7,200. This payment is the amount necessary to make a down payment on the purchase of a replacement dwelling and to reimburse the displaced person for the actual closing costs incidental to the purchase of a replacement dwelling. Necessary deposits for taxes and insurance are not considered as closing costs.

If the 90-day occupant chooses to rent instead of purchase a replacement dwelling, he or she may be eligible for a payment of up to \$7,200 to rent a decent, safe and sanitary dwelling. The rent payment

is the increase in rent necessary to rent an actual or comparable replacement dwelling (including utilities) for 42 months, whichever is less.

To be eligible for replacement housing assistance, the displaced occupant must purchase or rent and occupy a decent, safe and sanitary replacement dwelling within one year of the date of displacement. Claims for replacement housing payments must be made in writing on a TriMet form and must be filed no later than 18 months after the date of displacement.

Before payments for any replacement-dwelling assistance can be made, the replacement dwelling must be checked by TriMet to determine that it meets the decent, safe and sanitary standards established by the US Department of Transportation. This determination should be made before a commitment to rent or purchase a replacement dwelling. The “decent, safe and sanitary” inspection by TriMet is for the sole purpose of determining a relocatee’s eligibility for reimbursement of costs associated with the rental or purchase of a replacement dwelling.

Moving expenses

Any individual or family displaced by a TriMet project may be eligible to receive a payment for actual and reasonable expenses of moving personal property a distance not to exceed a 50-mile radius or to the nearest available and adequate site. Service charges for reconnecting utilities may be reimbursable as well.

To obtain a moving expense payment, a displaced person must file, within 18 months after displacement, a claim with TriMet on a form provided for that purpose. In some cases, where it is to the benefit of the displaced person, a written arrangement with TriMet will allow the displaced person to present an unpaid commercial moving bill, and TriMet will make payment directly to the mover. In most instances, if the residential displacee chooses, costs may be reimbursed according to a set schedule based on the number of rooms or the amount of furniture to be moved, as follows:

Residential moving schedule

Unfurnished (displacee owns furniture):

- \$600 (1 room)
- \$800 (2 rooms)
- \$1000 (3 rooms)
- \$1200 (4 rooms)

Plus \$200 for each additional room

Furnished (displacee does not own furniture):

- \$350 for first room, plus \$100 for each additional room

Businesses, farm operations and nonprofit organizations

Re-establishment payments

Displaced small businesses, farm operations and nonprofit organizations may receive up to \$25,000 for actual expenses to relocate and reestablish themselves at a replacement site.

Moving costs

Displaced businesses, farm operations and nonprofit organizations are entitled to receive actual, reasonable moving expenses for moving personal property a distance not to exceed a 50-mile radius or to the nearest available and adequate site. As an alternative for a self-move, the business, farm operation or nonprofit organization may be paid either an amount not to exceed the lower of two estimates secured by TriMet from qualified moving companies, or an amount supported by receipted bills for labor and equipment.

The actual and reasonable cost of searching for a replacement location may be claimed in an amount up to \$2,500 for a farm operation, nonprofit organization or business. Bills or other evidence of expenses incurred must support such payments.

Under certain conditions, businesses, farm operations and nonprofit organizations may receive payments for direct losses of tangible personal property resulting from the necessity to relocate.

Fixed payments

A displaced or discontinued business or farm operation may apply for a fixed payment equal to its average annual net earnings for the two tax years immediately preceding the year of displacement. The payment cannot exceed \$40,000 and will not be less than \$1,000. Those who choose the fixed payment are not eligible for any other relocation or re-establishment assistance payment.

The computation for nonprofit organizations differs in that the payment is computed on the basis of average gross revenues less administrative expenses for the two-year period specified above.

The amount of a payment for the direct loss of an advertising sign shall be the lesser of:

- The depreciated reproduction cost of the sign as determined by TriMet, or
- The estimated cost of moving the sign, but with no allowance for storage

Storage of personal property

Storage of personal property requires the prior written approval of TriMet and may not exceed 12 months except in unusual circumstances. Business, farm operations or nonprofit organizations that accept a fixed lump-sum payment instead of all other payments are not eligible to receive reimbursement for storage expenses.

Appeals

Any person who believes TriMet has failed to properly consider his or her application for assistance, including eligibility or the amount of a relocation-assistance payment, has the right to file a written appeal with TriMet. If you appeal TriMet's initial determination of your eligibility for or amount of relocation assistance, a hearings officer will correspond with you about the appeal process in accordance with TriMet's relocation policy. Appeals must be filed within 90 days after you receive written notice of TriMet's determination of your claim.

Any person making an appeal will be given full opportunity to be heard at an appeal hearing arranged to examine his or her complaint. A decision will be made, giving reasons in support of the determination.

General summary of relocation assistance

Residential

Owner-occupant of 90 days or more before the initiation of negotiations.

May be eligible for:	
	Replacement housing: up to \$31,000, including: <ul style="list-style-type: none">• Costs incidental to the purchase of a replacement dwelling• Increased interest cost on the replacement dwelling
Or:	Rent supplement: up to \$7,200
And:	Actual, reasonable, and necessary moving costs, based on one—or a combination—of the following methods: <ul style="list-style-type: none">• Commercial move—performed by a professional mover• Self move—performed by the displaced person and with cost determined by one or a combination of the following methods:<ul style="list-style-type: none">• Fixed Residential Moving Cost Schedule (see Residential Moving Schedule); or• Actual Cost Move—supported by receipted bills for labor and equipment, not to exceed the cost of a commercial mover
	Storage of personal property for up to twelve months, with prior written approval

To be eligible for assistance, the displaced occupant must purchase or rent and occupy a decent, safe and sanitary replacement dwelling within one year, as described. All claims for relocation assistance payments must be made in writing on a TriMet form and must be filed no later than 18 months after displacement.

Businesses, farm operations and nonprofit organizations

Owner-occupants and tenant-occupants are eligible to receive the same assistance payments.

May be eligible for:	
	Commercial move, based on the lower of two estimates prepared by a commercial mover
Or:	Self-move, based on the lower of two estimates prepared by a commercial mover or on receipted bills for labor and equipment, not to exceed the cost of a commercial mover
And:	<ul style="list-style-type: none">• Tangible personal property loss due to relocation• Reasonable cost of search for new site up to \$2,500• Storage of personal property for up to twelve months (requires prior written approval)• Re-establishment expenses at the replacement site up to \$25,000
Or:	
	A lump-sum payment <i>instead of all other payments</i> , based on the average of the previous two years' net earnings, with a minimum benefit of \$1,000 and a maximum of \$40,000. Requires TriMet approval.

All claims for relocation assistance payments must be made in writing on a TriMet form and must be filed no later than 18 months after displacement.

For more information

For any further information, please contact:

TriMet

Real Property Office

1800 SW 1st Ave., #300
Portland, OR 97201

Phone: 503-238-7433

Email: realproperty@trimet.org

