



The Carousel Mall Closure Project

DRAFT RELOCATION PLAN

Prepared for:

City of San Bernardino
300 North D Street, 6th Floor
San Bernardino, CA 92401
(909) 663-2279

Prepared by:

Overland, Pacific & Cutler, Inc.
1 Jenner, Suite 200
Irvine, CA 92618
(949) 951-5263

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INTRODUCTION

The City of San Bernardino (the “City”) has authorized the preparation of a Relocation Plan to be undertaken in connection with the planning of the proposed mall closure called the Carousel Mall Closure Project (the “Project”). The City owns the property located at 295 Carousel Mall, San Bernardino, CA 92401 (the Mall Office). All site addresses owned by the City are: 120-290 Carousel Mall, San Bernardino, CA 92401 (enclosed Mall & Ward’s Building); 322-344 North “E” Street, San Bernardino, CA 92401 (“E” St. business spaces); and 707 3rd Street, San Bernardino, CA 92401 (Ward’s Auto Center Building), all of which are commonly known as the Carousel Mall (the “Mall”).

The Mall is now obsolete and economically insolvent. The cost of keeping the Mall’s doors open now significantly exceeds the revenue it generates. As a consequence, the City is unable to subsidize its operation and has decided to close the Mall and plan for the future reuse of the site.

At this time, the Mall is only being closed, and all existing tenants will be permanently relocated. Once all of the tenants have been relocated, the Mall property will be secured, except for the parking structure, which serves certain adjoining or nearby business operations. Although it is anticipated the Mall’s improvements will be demolished one day, the City has not committed any funding for demolition and does not have any schedule for such demolition. There are no developer agreements in place, and the ultimate specific reuse of the site is unknown, at this time. The City will utilize local funds for costs associated with the Mall closure and tenant relocations.

All current Project occupants will need to be permanently relocated. The needs and characteristics of the occupants to be displaced, available relocation resources, and the City’s program to provide assistance to each affected person are general subjects of this Relocation Plan (the “Plan”). This Plan conforms to the requirements of California Government Code 7260 and Title 25 of the California Code of Regulations.

The Plan is divided into five sections:

1. Project description (**SECTION I**);
2. Assessment of the relocation needs of persons subject to displacement (**SECTION II**);
3. Assessment of available replacement commercial sites within the City of San Bernardino (**SECTION III**);
4. Description of the City’s relocation program (**SECTION IV**);
5. Description of the City’s outreach efforts, Project timeline and budget (**SECTION V**).

I. PROJECT DESCRIPTION

A. REGIONAL LOCATION

The Project is located in the City of San Bernardino within San Bernardino County. San Bernardino is located approximately 60 miles east of Los Angeles and is easily accessible by Interstates 215 and 10 and Highway 210. Adjacent communities include Rialto, Redlands, Highland, Loma Linda and Colton. (See Figure 1: Regional Project Location)

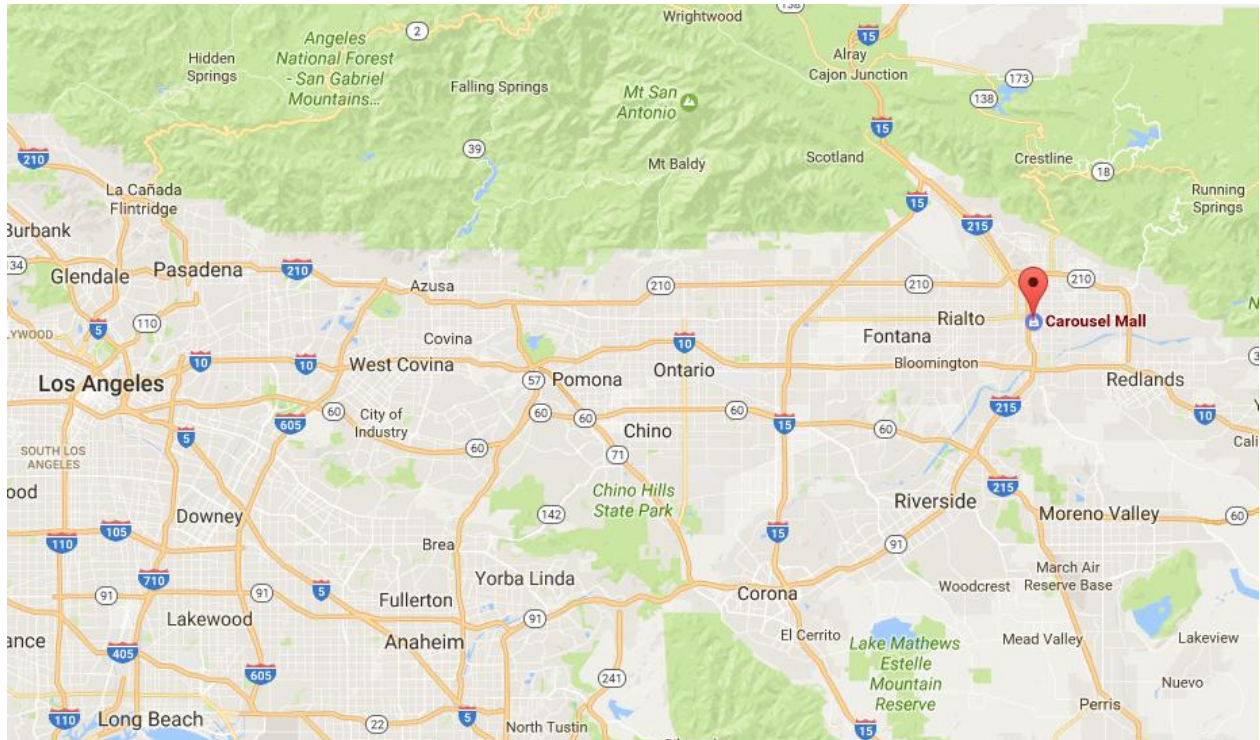


Figure 1: Regional Project Location

B. PROJECT SITE LOCATION AND DESCRIPTION

The Project site is located at 295 Carousel Mall, San Bernardino, CA 92401 and is generally bordered by W. 2nd Street to the south, N. “G” Street and “H” Street to the west, W. 4th Street to the north and N. “E” Street to the east. (See Figure 2: Project Site Location)

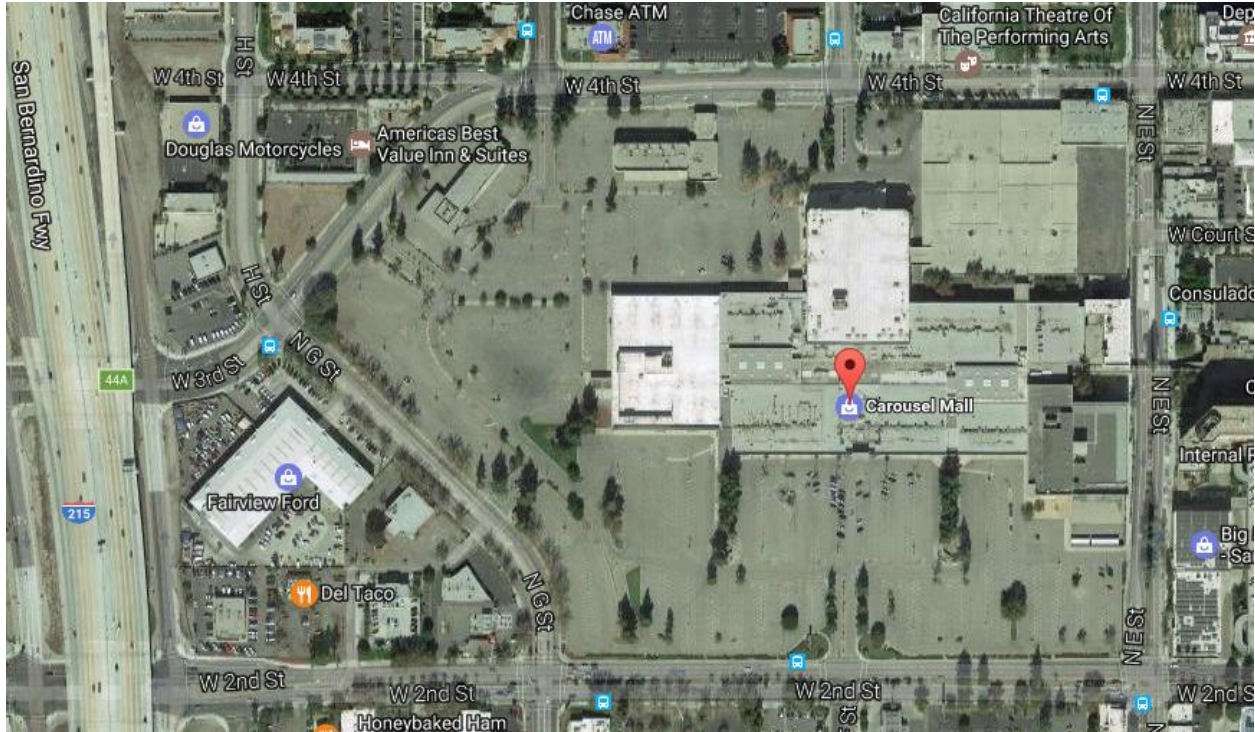


Figure 2: Project Site Location

The City-owned portion of the Project area is 11 parcels, totaling approximately 39.84 acres and is improved with eight commercial buildings and one parking structure. An additional three parcels (3.98 acres) and three buildings (the former Penney’s and its Auto Center and Harris Company buildings) are part of the overall site but are not owned by the City. In addition, the Anderson Building, located at 320 N. E Street, is privately owned and is not a part of the Mall.

C. GENERAL DEMOGRAPHIC CHARACTERISTICS

According to the 2010 U.S. Census, the population of the City of San Bernardino is 209,924 and the population of the impacted Census Tract 57.01 is 2,216 (see **Table 1.**)

Table 1: 2010 Census Population – City of San Bernardino & Impacted Tract				
Population	Tract 57.01	%	City	%
Total Population	2,216	100.0%	209,924	100.0%
White	885	39.9%	95,734	45.6%
Black or African American	269	12.1%	31,582	15.0%
American Indian or Alaska Native	64	2.9%	2,822	1.3%
Asian	151	6.8%	8,454	4.0%
Native Hawaiian or Other Pacific Islander	1	0.0%	839	0.4%
Some Other Race	751	33.9%	59,827	28.5%
Two or More Races	95	4.3%	10,666	5.1%
Hispanic or Latino (of Any Race)	1,314	59.3%	125,994	60.0%

Source: U.S. Census Bureau, DP-1. Race, Hispanic or Latino, and Age: 2010

II. ASSESSMENT OF RELOCATION NEEDS

A. SURVEY METHOD

To obtain information necessary for the preparation of this Plan, personal interviews with the business owners to be permanently displaced were conducted in December 2016 and January 2017 by OPC staff. Based on information provided by the property owner and collected via on-site inspections and interviews, there are 15 business tenants on the Project site to be relocated. (Three additional tenants are storing personal property remaining from businesses previously operating on the site.)

The interviewer was successful in interviewing all but three of the tenants. (The tenants storing personal property on site did not respond to multiple attempts to interview them in person and via written requests.) The data in this section of the Plan are based solely on the unsubstantiated responses of the individuals who participated in the survey.

Inquiries made of the commercial occupants included: the type and description of the business, number of employees, annual revenues, specialty equipment, permits and licenses, hours of operation, special needs related to the relocation of the business and preferred area to relocate.

B. FIELD SURVEY DATA - COMMERCIAL

1. Current Occupants

There are 15 commercial occupants on the Project site with operating businesses, and there are three additional tenants who store personal property on site. Seven of the tenants are service-oriented businesses; seven businesses sell goods; two businesses sell goods and services; one tenant holds meetings for local members of a political party; and one tenant is a restaurant.

Current rental rates for the units range from \$260 - \$2,700/mo. and \$0.08/SF - \$0.91/SF on the Project site. The occupied unit space sizes range from 500 SF – 9,000 SF. All tenants are currently on month-to-month leases.

Statistics provided by the business owners indicate the total number of full-time employees and part-time employees impacted by the Project is 24 and 11, respectively.

Special replacement site requirements for the businesses stated by the owners include proximity to major arterials, street frontage, high visibility, secure parking, proximity to existing customers, and accessibility to foot traffic. In addition, one business owner requires specific zoning allowing a pawn business. Many of the business owners expressed an interest in relocating within San Bernardino, although several are also considering Redlands, Colton, Riverside and Highland.

III. RELOCATION RESOURCES

A. METHODOLOGY

For potential, replacement, commercial sites, a resource survey was initially conducted to identify available units for rent within a five-mile radius from the Project site and then expanding throughout San Bernardino. The following sources were utilized:

- Contacts with real estate/property management companies serving the community
- Internet sources for rental opportunities, including the Multiple Listing Service
- Classified rental listings from local newspapers and *For Rent* publications

B. REPLACEMENT COMMERCIAL SITES AVAILABILITY

The businesses that are to be displaced should be able to relocate in the San Bernardino area or surrounding communities. When searching for replacement locations, zoning and other regulatory issues must be considered carefully.

Table 3 below provides a sample of the **46** retail spaces and **21** office spaces available in San Bernardino as of the date of this Plan.

Table 3: Available Commercial Replacement Sites		
Property Type	Square Feet	Rent
Retail	500 – 2,700 (30)	\$0.40 - \$2.40/SF
Retail	4,000 – 9,000 (16)	\$0.65 - \$3.65/SF
Office	2,500 – 3,500 (19)	\$1.10 - \$2.15/SF
Office	8,500 – 9,500 (2)	\$0.85 - \$1.80/SF

At the time of displacement, ongoing referrals to the business owners will be provided through contacts with local newspapers, property management companies, the multiple listing service and commercial real estate brokers. One business owner also indicated a desire to possibly purchase a replacement site. When relocation assistance is initiated, referrals to replacement sites will be customized to the type and location desired by the business owner.

IV. THE RELOCATION PROGRAM

The City's Relocation Program is designed to minimize hardship, respond to unique project circumstances, maintain personal contact with all affected individuals, apply all regulatory criteria to formulate eligibility and benefit determinations and conform to all applicable requirements.

The City has entered into a contract with Overland, Pacific & Cutler, Inc. ("OPC") to administer the Relocation Program. OPC has worked on more than 4,000 public acquisition and relocation projects over more than 37 years. Additionally, OPC has an extensive resume of redevelopment and public works projects undertaken in the City of San Bernardino and other Southern California communities. Experienced City 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 City's policy.

OPC Relocation Staff can be contacted at **(800) 400-7356** from 8:00 AM to 5:00 PM Monday through Friday, and they are also available via voicemail and/or cellular phones after hours. The OPC Relocation Office is located at **2280 Market Street, Suite 200, Riverside, CA 92501**.

The Relocation Program consists of two principal constituents: Advisory Assistance and Financial Assistance.

A. ADVISORY ASSISTANCE

Individuals who will need to relocate existing businesses and/or personal property 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 City
- coordinate the involvement of outside service providers

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

1. Distribute appropriate written information concerning the City's relocation program;

2. Inform eligible project occupants of the nature of, and procedures for, obtaining available relocation assistance and benefits (See **Exhibit A**);
3. Determine the needs of each displacee eligible for assistance;
4. Provide referrals to available commercial sites for the business tenants;
5. Maintain an updated database of available commercial resources, and distribute referral information to displacees for the duration of the Project;
6. Supply information concerning federal and state programs and other governmental programs providing assistance to displaced persons;
7. Make benefit determinations and payments in accordance with applicable law and the City's adopted relocation guidelines;
8. Assist eligible occupants in the preparation and submission of relocation assistance claims;
9. Assure that no occupant is required to move without a minimum of 90 days written notice to vacate;
10. Inform all persons subject to displacement of the City's policies with regard to eviction and property management;
11. Provide additional reasonable services necessary to successfully relocate occupants;
12. Inform the displacees of the City's formal grievance procedure for use by displaced persons seeking administrative review of the City's decisions with respect to relocation assistance; and
13. Provide assistance that does not result in different or separate treatment based on or due to an individual's sex, marital status, race, color, religion, ancestry, national origin, physical handicap, sexual orientation, and/or domestic partnership status.

B. COMMERCIAL RELOCATION BENEFITS

As a function of a comprehensive relocation assistance program, OPC Relocation Staff will provide the displaced business owners with required technical and advisory assistance and distribute all required notices and the informational statement (**Exhibit A**). Close contact will be maintained with the business owners.

The City will provide relocation benefits in accordance with California Government Code 7260 and Title 25 of the California Code of Regulations. The City will pay benefits to the claimants upon submission of required claim forms and documentation in accordance with the City's approved procedures.

Eligible businesses will have two options with respect to claims for relocation assistance benefits:

- 1) compensation for actual reasonable and necessary moving and related expenses (including a self-move); or
- 2) a fixed payment in lieu not to exceed \$20,000.

1. Payment for Actual Reasonable and Necessary Moving and Related Expenses

Any business, which qualifies as a displaced person, is entitled to payment for such actual moving expenses, as the City determines to be reasonable and necessary, including expenses for:

- a. Transportation of persons and property from the present location to the replacement location (transportation costs for a distance beyond 50 miles are not eligible, unless the City determines that relocation beyond 50 miles is justified);
- b. Packing, crating, uncrating and unpacking personal property;
- c. Disconnecting, dismantling, removing, reassembling and installing relocated and substitute machinery, equipment and other personal property, including connection to utilities available nearby and modifications necessary to adapt such property to the replacement structure or to the utilities or to adapt the utilities to the personal property;
- d. Storage of personal property for a period not to exceed 12 months, unless the City determines that a longer period is necessary;
- e. Insurance of personal property while in storage or transit and the replacement value of property lost, stolen, or damaged (not through the fault or negligence of the displaced person) in the process of moving, where insurance is not readily available for the displacee;
- f. Any license, permit, or certification required by the displaced business, to the extent that the cost is necessary for reestablishment at the replacement location (these costs may be pro-rated based on the remaining useful life of any existing license, permit or certification);
- g. Reasonable and pre-authorized professional services, including, but not limited to, architects', attorneys', engineers' fees, and consultants' charges) necessary for

planning the move of the personal property, moving the personal property or installing the relocated personal property at the replacement location;

- h. The purchase and installation of substitute personal property limited to the lesser of: (1) an amount equal to the reasonable expenses that would have been required to relocate the property, as determined by the City, subject to certain limitations, or, (2) the replacement cost, less any proceeds from its sale or trade in;
- i. The modification of machinery, equipment or other personal property necessary to adapt these to the replacement location or to utilities available at the replacement location;
- j. Relettering signs and replacing stationary on hand at the time of displacement that is made obsolete, as a result of the move;
- k. Actual direct losses of tangible personal property resulting from moving or discontinuing a business or non-profit organization, not-to-exceed the lesser of: (1) the fair market value of the property for continued use at its location prior to displacement, less any proceeds from sale of the property; or (2) an amount equal to the reasonable expenses that would have been required to relocate the property, as determined by the City, subject to certain limitations;
- l. Actual and reasonable expenses incurred in searching for a replacement business or non-profit organization location, not-to-exceed \$1,000, and including compensation for transportation expenses; time spent searching for a reasonable location and meals and lodging associated therewith; real estate broker or agent fees; time spent in obtaining permits and attending zoning hearings; and time spent negotiating the purchase of a replacement site;
- m. Low Value/High Bulk: when the personal property to be moved is of low value and high bulk, and the cost of moving the property would be disproportionate to its value in the judgment of the City, the allowable moving cost payment shall not exceed the lesser of: (1) the amount which would be received if the property were sold at the site or (2) the replacement cost of a comparable quantity delivered to the new business location. Examples of personal property covered by this provision include, but are not limited to, stockpiled sand, gravel, minerals, metals and other similar items of personal property, as determined by the City;
- n. A Reestablishment allowance of up to \$10,000, available to farms, nonprofit organizations and small businesses with no more than 500 employees.

Reestablishment allowance payments are made in addition to compensation provided for actual, reasonable and necessary moving expenses. Reestablishment allowance expense categories include but are not limited to the following:

- 1) Repairs or improvements to the replacement property as required by Federal, State or local law, code or ordinance;
- 2) Modifications to the replacement property to accommodate the business operation or make replacement structures suitable for conducting business;
- 3) Construction and installation costs for exterior signage to advertise the business;
- 4) Redecoration or replacement of soiled or worn surfaces at the replacement site, such as paint paneling or carpeting;
- 5) Advertisement of replacement location;
- 6) Estimated increased costs of operation during the first two years at the replacement site for items such as:
 - a. Lease or rental charges.
 - b. Personal or real property taxes.
 - c. Insurance premiums, and
 - d. Utility charges, excluding impact fees.
- 7) Connection to available nearby utilities from the right-of-way to improvements at the replacement site;
- 8) Impact fees or one-time assessments for anticipated heavy utility usage;
- 9) Professional services performed prior to the purchase or lease of a replacement site; and
- 10) Other items essential to the reestablishment of the business.

2. Self-Moves

If the displaced business elects to take full responsibility for the move of the business, the City will make a payment for the business's moving expenses in an amount not to exceed the lower of two acceptable bids or estimates submitted to the City. At the City's discretion, a payment for a low cost or uncomplicated move may be based on a single bid or estimate.

3. A Fixed Payment in Lieu of a Payment for Actual Reasonable Moving and Related Expenses

The option to claim a fixed payment enables both for-profit and non-profit businesses to receive relocation assistance compensation without providing documentation of bids and actual expenses. The payment amount available to any individual business is based on an average of annual net earnings over a two year period. For businesses which have not been in operation for two years, income figures can be annualized. The method for establishing income is through tax returns and/or certified financial statements. The payment to an eligible business may not be less than \$1,000 or more than \$20,000.

To qualify for this payment, it must be determined that, a displaced business:

- owns or rents personal property, which must be moved in connection with such displacement and, for which, an expense would be incurred in such move;
- is not operated at the displacement site solely for the purpose of renting the dwelling or site to others;
- cannot be a part of a commercial enterprise having at least three other establishments which are not being acquired by the City and which is under the same ownership and engaged in the same or similar business activities;
- must not be able to relocate without substantial loss of patronage; and
- contributed materially, as defined by the City, to the income of the displaced person during the two taxable years prior to displacement.

4. Personal Property Move Only (Storage)

Eligible displaced persons include those that must relocate personal property from the Project site. The owner of the personal property is entitled to reimbursement for expenses related to the relocation of the personal property as described in B (1) (a- e) above.

C. GENERAL INFORMATION REGARDING THE PAYMENT OF RELOCATION BENEFITS

Claims and supporting documentation for relocation benefits must be filed with the City no later than 18 months after the date of displacement. 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. OPC Relocation Staff will review all necessary documentation including, but not limited to, tax returns, invoices, lease documents and escrow material before reaching a determination as to which expenses are eligible for compensation;

3. Required claims forms will be prepared by OPC Relocation Staff and presented to the claimant for review. Signed claims and supporting documentation will be returned to OPC Relocation Staff and submitted to the City;
4. The City will review and approve claims for payment or request additional information;
5. The City will issue benefit checks to claimants as securely and expeditiously as possible;
6. Final payments to displacees will be issued after confirmation that the Project premises have been completely vacated; and
7. Receipts of payment and all claims materials will be maintained in the relocation case file.

D. 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 redesignated as the Internal Revenue Code of 1986 (Title 26, U.S. Code), or for the purpose of determining the eligibility or 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 Revenue and Taxation Code. The above statement on tax consequences is not intended as tax advice by the City or OPC. Displacees are responsible for consulting with their own tax advisors concerning the tax consequences of relocation payments.

E. PROGRAM ASSURANCES AND STANDARDS

There are adequate funds to relocate the businesses. Services will be provided to ensure that displacement does not result in different or separate treatment of displacees 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 VIII of the Civil Rights Act of 1968, the California Fair Employment & Housing Act and the Unruh Act, as well as any other arbitrary or unlawful discrimination.

V. ADMINISTRATIVE PROVISIONS

A. NOTICES

Each notice, which the City is required to provide to a Project tenant, 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. Persons who are unable to read and understand any notice will be provided with appropriate translation and counseling. 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 Information Statement,
- 2) the Notice of Relocation Eligibility, and
- 3) the 90-Day Vacate Notice.

The Informational Statement is intended to provide potential relocatees with a general written description of the City's relocation program and basic information concerning benefits, conditions of eligibility, noticing requirements and appeal rights (see **Exhibit A**).

A Notice of Relocation Eligibility (NOE) will be distributed to each relocatee (see **Exhibit B**). The NOE to the commercial tenants includes a description of the benefits categories for which the business owners are eligible. The NOE will be issued to any eligible permanent displacee once the Project has been approved and Project funding is in place.

No lawful tenant 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 (see **Exhibit C**). The 90-day notice will state either a specific date as the earliest date by which the tenant may be required to move or that the tenant will receive a further notice indicating, at least 30 days in advance, the specific date of the required move. (The pawn shop will require at least a 120-day notice to vacate per applicable regulatory requirements).

In addition to the three principal notices, City 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 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.

B. PRIVACY OF RECORDS

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

C. GRIEVANCE PROCEDURES

A person who is dissatisfied with a determination as to eligibility for benefits, a payment amount or the City's property management practices may file a Relocation Assistance Appeal Form or any other written form of appeal with the City and have the right of administrative review. The City's appeal policies will follow the standards described in Article 5, Section 6150 et seq., Title 25, Chapter 6, State of California, Department of Housing and Community Development Program (HCD) guidelines.

An appeal of the City's determination regarding relocation assistance may be filed within 90 days of written notice to the aggrieved party of the City's decision. The administrative appeals process consists of the following two steps, as may be necessary:

1. If an aggrieved party wishes to appeal the determination made by the applicable relocation advisor assigned to the aggrieved party's case, the aggrieved party may appeal to the affected City Department Head or in the absence thereof, to the designated acting department head. The hearing office for the administrative appeal process is located at 201 N. E Street, Suite 301, San Bernardino, CA 92401 (or such other location as may be designated by the City); and
2. If the aggrieved party is not satisfied with the determination of the affected City Department Head or acting department head, then the matter may then be appealed to the City Manager, or designee, which shall constitute the final administrative appeal.

If the aggrieved party is not satisfied with the determination of the City Manager, then the aggrieved party may appeal the matter to the superior court in accordance with applicable laws. The grievance procedure is more particularly described in resolution No. 2016-199 of the City's Mayor and Common Council, a copy of which is attached as **Exhibit D**.

An aggrieved party may obtain the forms and receive assistance in the appeals process from OPC Relocation Staff. The City will adhere to the timelines for appeals set forth in federal and state law.

All requests for review will receive written responses from the City within three weeks of their receipt. If an informal appeal is denied, appellants will be entitled to file a written request for a formal hearing before an impartial and independent hearing officer.

Although the City recommends that an appellant exhaust the City's administrative grievance procedure prior to seeking relief from other appropriate authorities, an appellant is not required to do so. In that regard, an appellant may seek relief from the superior court or the California Department of Housing and Community Development ("HCD") at any time.

Further, any person and/or organization directly affected by the relocation plan may petition the HCD to review the relocation plan. The HCD is located at 2020 West El Camino Avenue, Sacramento, California 95833.

More details concerning the appeals process will be provided upon request. Appellants will retain their appeal rights for up to 18 months following the date of displacement from the Project premises or receipt of final payment for relocation benefits, whichever is later.

D. EVICTION POLICY

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.

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) A requirement under State, local law or emergency circumstances that cannot be prevented by reasonable efforts on the part of the City; or
- (f) A failure to vacate by the end of the 90-Day notice period.

E. CITIZEN PARTICIPATION

A community meeting with the current Mall tenants was held on November 17, 2016 to discuss the proposed Mall closure and to introduce OPC Relocation Staff. The overall relocation process and types of benefits and assistance available to the tenants were discussed at the meeting.

As the process for considering the Project moves forward, the City will observe the following protocol:

1. Provide affected tenants with full and timely access to documents relevant to the relocation program (all tenants were provided with Informational Brochures regarding the relocation program and provided access to the Relocation Plan).
2. Encourage meaningful participation in reviewing the relocation plan and monitoring the relocation assistance program (all business owners received an Advisory Notice indicating where to submit comments or questions related to the Relocation Plan and/or to request assistance in understanding the contents of the Relocation Plan), including the Project tenants, neighborhood groups and community organizations forming a relocation committee, if applicable (a relocation committee was not formed, because there will be no residential displacements).
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 as an attachment (**Exhibit E**), when it is forwarded to the City of San Bernardino's Mayor and Common Council for approval.

F. PROJECTED DATE OF DISPLACEMENT

The City anticipates that date specific Notices to Vacate will not be issued prior to **mid-March 2017**. No tenant will be required to vacate without a minimum of 90 days' notice. However, a tenant may choose to vacate prior to a vacate notice being issued, once they have received their Notice of Eligibility, and be assured they will receive any relocation assistance to which they may be entitled.

G. ESTIMATED RELOCATION COSTS

The total budget estimate for relocation-related payments, including a 10% contingency, is **\$558,000**.

This estimate should not be interpreted as firm, "not to exceed," or actual entitlement costs. The estimate is based on the data obtained through the tenant interviews, current project scope, replacement site availability, moving costs, reestablishment costs and the judgment and experience of OPC staff. The estimate **does not** include any payments related to property acquisition, leasehold interests, loss of business goodwill or any compensation for improvements pertaining to realty. In addition, the budget does not consider the cost of any services necessary to implement the Plan and complete the relocation element of the Project.

If the Project is to be implemented, and circumstances arise that should change either the number of displaced tenants, or the nature of their activity, the City will authorize any additional compensable funds that may need to be appropriated. The City pledges to appropriate, on a timely basis, the funds necessary to ensure the successful completion of the Project.

EXHIBIT A
INFORMATIONAL STATEMENT

**Relocation Assistance
Informational Statement
For Business, Farm & Nonprofit**

(CA State)

Displacing City:

City of San Bernardino

Project Name:

Carousel Mall Closure Project

Displacing City Representative:



**Overland, Pacific & Cutler, Inc.
2280 Market Street, Suite 200
Riverside, CA 92501
Phone: (800) 400-7356**

Spanish speaking agents are available. Si necesita esta información en español, por favor llame a su agente.



Informational Statement for Business, Farm & Non-Profit

(CA State)

Introduction

The property on which you now conduct your business is in an area to be closed by the Displacing City. If and when the project proceeds, and it is necessary for you to move from the property, you may be eligible for certain benefits. 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 and the amount of the relocation benefits you may receive under the law. You will need to provide adequate and timely information to determine your relocation benefits. The information is voluntary. But if you do not provide it, you may not receive the benefits for which you are eligible, or it may take longer to pay you. We suggest you save this informational statement for reference.

The Displacing City entered into a contract with the professional firm of **Overland, Pacific & Cutler, Inc. (OPC)** to provide relocation assistance to you. OPC is available to explain the program and benefits. Their address and telephone number is listed on the cover.

PLEASE DO NOT MOVE PREMATURELY. THIS IS NOT A NOTICE TO VACATE THE PROPERTY. However, if you desire to move sooner than required, you must contact your agent at OPC, so you will not jeopardize any benefits. This is a general informational brochure only, and it is not intended to give a detailed description of either the law or regulations pertaining to the Displacing City's relocation assistance program.

Please continue to pay your rent, otherwise you may be evicted and jeopardize the relocation benefits to which you may be entitled to receive.

Summary of Available Relocation Assistance:

- A.** Advisory assistance to explain the relocation process, the related eligibility requirements and the procedures for obtaining reimbursement for moving expenses and to provide referrals to suitable replacement locations.
- B.** Payment for your moving expenses. You may receive one of the following options:
 - Option 1: A Payment for Actual, Reasonable Moving and Related Expenses;** or
 - Option 2: A Fixed Payment In Lieu of a Payment for Actual Moving and Related Expenses.**
- C.** Other help to reestablish your business and minimize the impact of the move including help in preparing claim forms to request relocation payments.

If you disagree with the Displacing City's decision as to your right to a relocation payment, or the amount of the payment, you may appeal that decision.

GENERAL RELOCATION QUESTIONS

1. How will I know I am eligible for relocation assistance?

If you were an occupant of Carousel Mall on the date of the first tenant meeting on November 17, 2016, you may be eligible subject to a written Notice of Eligibility. Therefore, you should not move before receiving a notice of eligibility without pre-authorization from the Displacing City. If you do, you may not be eligible for relocation assistance.

2. How will the Displacing City know how much help I need?

You will be contacted at an early date and personally interviewed by an agent of the Displacing City, OPC Relocation Staff. The interviewer will want to get information about your current operation, as well as identify movable personal property and non-movable improvements, determine your needs and preferences for a replacement location, estimate the time required to vacate the premises and your need for advance payments. During the interview, you may want to discuss other issues relative to your move. It is to your advantage to provide as much information as possible so that the Displacing City, through its relocation agent, can assist you in moving with a minimum of hardship. The information you give will be kept in confidence.

3. How Soon Will I Have to Move?

Every reasonable effort will be made to provide you with sufficient time to find a suitable replacement location and reestablish your business. If possible, a mutually agreeable date for the move will be worked out. Unless there is an urgent need for the property (e.g., your occupancy would present a health or safety emergency), you will not be required to move without at least 90 days advance written notice. It is important, however, that you keep in close contact with OPC Relocation Staff, so that you are aware of the time schedule for carrying out the project and the approximate date by which you will have to move.

4. Will I Have to Pay Rent to the Displacing City Before I Move?

Yes, you will be required to pay rent and other lease-required payments to the Displacing City until you move. Your rent and the terms of your tenancy will be the same as in the prior arrangement.

5. How Will I Find a Replacement Location?

OPC Relocation Staff will provide you with current and continuing information on available replacement locations that meet your needs. You will also be provided with the names of local real estate agents and brokers who can assist you in finding the type of replacement location you require. However, you are urged to take an active role in identifying, and relocating to, a location of your choice. No one knows your needs better than you do. You will want a facility that provides sufficient space for your planned activities. You will also want to ensure that there are no zoning or other requirements which will unduly restrict your planned operations. Your relocation agent will explain which kinds of moving costs are eligible for reimbursement and which are not, which will enable you to carry out your move in the most advantageous manner.

6. What Other Assistance Will Be Available to Help Me?

In addition to help in finding a suitable replacement location, OPC Relocation Staff will help you secure the services of outside specialists, as necessary, to plan the move, as well as provide assistance during the actual move and in the reinstallation of machinery and/or other personal property. The range of services depends on the needs of the business being displaced. You should ask OPC Relocation Staff to tell you about the specific services that will be available to you.

7. I Have a Replacement Location and Want to Move. What Should I Do?

Before you make any arrangements to move, notify OPC Relocation Staff, in writing, of your intention to move. This should be done at least 30 days before the date you begin your move. OPC Relocation Staff will discuss the move with you and advise you of the relocation payment(s) for which you may be eligible, the requirements to be met, and how to obtain a payment.

8. I Plan to Discontinue My Business Rather than Move. What Should I Do?

If you have decided to discontinue your business rather than reestablish it, you may still be eligible to receive a payment. Contact OPC Relocation Staff and discuss your decision to discontinue your business. You will be informed of the payment, if any, for which you may be eligible, the requirements to be met, and how to obtain your payment.

9. What Kinds of Payments for Moving Expenses Will I Receive?

Every business is eligible for a relocation payment to cover the reasonable cost of moving. Assuming you meet certain eligibility criteria, you may choose one of the following options:

Option 1: A Payment for Actual, Reasonable Moving and Related Expenses; or

Option 2: A Fixed Payment In Lieu of Moving and Related Expenses.

These payment options are described below:

Option 1: Payment for Actual, Reasonable Moving and Related Expenses

If you choose a Payment for Actual, Reasonable Moving and Related Expenses, you may claim the cost of:

1. Transportation of personal property from your present location to the replacement location. (Generally, transportation costs are limited to a distance of 50 miles. If you plan to move beyond 50 miles, discuss your planned move with OPC Relocation Staff).
2. Packing, crating, uncrating and unpacking personal property.
3. Disconnecting, dismantling, removing, reassembling, and reinstalling relocated machinery, equipment, and other personal property, and certain substitute personal property. This includes connection to utilities available within the building. It also includes modifications to the personal property, including those mandated by Federal, State or local law, code or ordinance, necessary to adapt it to the replacement structure, the replacement site, or the utilities at the replacement site and modifications necessary to adapt the utilities at the replacement site to the personal property.

4. Storage of the personal property determined to be necessary by the Displacing City, not to exceed 12 months, unless the Displacing City determines that a longer period is warranted.
5. Insurance for the replacement value of the personal property in connection with the move and necessary storage.
6. The replacement value of property lost, stolen or damaged in the process of moving (not through 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 to the displacee.
7. Any license, permit, fees or certification required of your business at the replacement location. However, the payment may be based on the remaining useful life of the existing license, permit, fees or certification.
8. Reasonable and preauthorized professional services, the Displacing City determines to be necessary for (i) planning the move of the personal property, (ii) moving the personal property and (iii) installing the relocated personal property at the replacement location.
9. Re-lettering signs and replacing stationary on hand at the time of displacement that is made obsolete, as a result of the move.
10. Actual direct loss of personal property incurred, as a result of moving or discontinuing your business. The payment will consist of the lesser of:
 - (i) The fair market value in place of the item, as is for continued use at the displacement site, less the proceeds from its sale. (To be eligible for payment, you must make a good faith effort to sell the personal property, unless the Displacing City determines that such effort is not necessary. When payment for property loss is claimed for goods held for sale, the fair market value will be based on the cost of the goods to the business, not the potential selling price.), or
 - (ii) The estimated cost of moving the item, as is, with no allowance for storage, or for reconnecting a piece of equipment if the equipment is in storage or not being used at the Project site. (If you elect to discontinue your business, the estimated cost will be based on a moving distance of 50 miles).
11. Purchase of substitute personal property. If an item of personal property which is used as part of your business is not moved but is promptly replaced with a substitute item that performs a comparable function at the replacement site, you will be entitled to payment for the lesser of:
 - (i) The cost of the substitute item, including installation costs at the replacement site, minus any proceeds from the sale or trade-in of the replaced item, or
 - (ii) The estimated cost of moving and reinstalling the replaced item but with no allowance for storage. At the Displacing City's discretion, the estimated cost for a low cost or uncomplicated move may be based on a single bid or estimate.
12. The reasonable cost incurred in attempting to sell an item that is not relocated.

13. Searching for a replacement location. Your business is entitled to reimbursement for actual expenses, not to exceed \$1,000 as the Displacing City determines to be reasonable, which are incurred in searching for a replacement location including:
- Transportation expenses;
 - Time spent searching for a replacement location, based on a reasonable salary or earnings;
 - Reasonable fees paid to real estate agents or brokers to find a replacement location (not fees related to the purchase of a site); or
 - Meals and lodging away from home.

OPC Relocation Staff will explain all eligible moving costs, as well as those which are not. You must be able to account for all costs that you incur, so keep your receipts. OPC Relocation Staff will inform you of the documentation needed to support your claim.

You may minimize the amount of documentation needed to support your claim, if you elect to "self-move" your property. Payment for a self-move is based on the amount of an acceptable low bid or estimate obtained by you or OPC Relocation Staff, if requested. If you self-move, you may move your personal property using your own employees and equipment or a commercial mover. If you and the Displacing City cannot agree on an acceptable amount to cover the cost of the self-move, you will have to submit full documentation in support of your claim.

You may elect to pay your moving costs yourself and be reimbursed by the Displacing City or, if you prefer, you may have the Displacing City pay the mover directly. In either case, let the Displacing City know before you move. Select your mover with care. OPC Relocation Staff can help you select a reliable and reputable mover.

When a payment for "actual direct loss of personal property" or "substitute personal property" is made for an item, the estimated cost of moving the item may be based on the lowest acceptable bid or estimate obtained by you or OPC Relocation Staff, if requested. If not sold or traded-in, the item must remain at the old location and ownership of the item must be transferred to the Displacing City before you may receive the payment.

In addition to the reimbursable expenses described above, a small business, farm or non-profit organization may be eligible to receive a payment of up to \$10,000 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 Displacing City. They may include but are not limited to the following:

1. Repairs or improvements to the replacement real property as required by federal, state or local law, code or ordinance.
2. Modifications to the replacement property to accommodate the business operation or make replacement structures suitable for conducting the business.
3. Construction and Installation costs for exterior signage to advertise the business.
4. Provision of utilities from right-of-way to improvements on the replacement site.

5. Redecoration or replacement of soiled or worn surfaces at the replacement site, such as paint, paneling or carpeting.
6. Licenses, fees and permits where not paid as part of moving expenses.
7. Feasibility surveys, soil testing and marketing studies.
8. Advertising of replacement location.
9. Professional services in connection with the purchase or lease of a replacement site.
10. Estimated increased costs of operation during the first 2 years at the replacement site, for such items as:
 - Lease or rental charges;
 - Personal or real property taxes;
 - Insurance premiums;
 - Utility Charges (excluding impact fees).
11. Impact fees or one-time assessments for anticipated heavy utility usage.
12. Other items that the Displacing City considers essential to the reestablishment of the business.

The following is a non-exclusive listing of reestablishment expenditures not considered to be reasonable, necessary or otherwise eligible:

- Purchase of capital assets, such as, office furniture, filing cabinets, machinery or trade fixtures.
- Purchase of manufacturing materials, production supplies, product inventory or other items used in the normal course of the business operation.
- Interior or exterior refurbishment at the replacement site, except as otherwise provided for under the business reestablishment payment.
- Interest costs associated with any relocation expense or the purchase of replacement property.
- Payment to a part-time business in the home which does not contribute materially to the household income.

Option 2: Fixed Payment In Lieu of a Payment for Actual, Reasonable Moving and Related Expenses

A displaced business, non-profit organization or farm may be eligible to choose a fixed payment in lieu of the payments for actual moving and related expenses and actual, reasonable reestablishment expenses. The payment may not be less than \$1,000.00 or more than \$20,000.00. For a business or farm, the payment is based on the average annual net earnings before Federal, State and local income taxes during the 2 taxable years immediately prior to the taxable year in which it was displaced. For a non-profit organization, the payment is based on the average of 2 years annual gross revenues less administrative expenses.

In order to qualify for this payment, the Displacing City must determine that:

A displaced business:

1. Is not operated solely for rental purposes.
2. Cannot be relocated without a substantial loss of its existing patronage, based on a consideration of all pertinent circumstances including such factors as the type of business conducted, the nature of clientele, the relative importance to the displaced business of its present and proposed location, and the availability of a suitable relocation site.
3. Is not part of a commercial enterprise having no more than three (3) other establishments which are not being acquired for a project and which is engaged in the same or similar business activities.
4. Had average annual gross receipts of at least \$5,000.00 during the two taxable years prior to displacement; the business had average annual net earnings of a least 1,000.00 during the two taxable years prior to displacement; or the business contributed at least 33 1/3 percent of the total gross income of the owner(s) during each of the two taxable years prior to displacement.

A displaced nonprofit organization:

1. Cannot be relocated without a substantial loss of its existing patronage (the term "existing patronage" as used in connection with a nonprofit organization includes the membership, persons, community or clientele served or affected by the activities of the nonprofit organization); and
2. Is not a part of an enterprise having more than three (3) other establishments not being acquired, which is engaged in the same or similar activity.

For a qualified non-profit organization, gross earnings may include membership fees, class fees, cash donations, tithes and receipts from sales or other forms of fund collection that enables the non-profit organization to operate. Administrative expenses are those for administrative support such as rent, utilities, salaries, advertising and other like items as well as fund raising expenses. Operating expenses for carrying out the purposes of the non-profit organization are not included in administrative expenses. The monetary receipts and expense amounts may be verified with certified financial statements or financial documents required by public agencies.

OPC Relocation Staff will inform you as to your eligibility for this payment option and the documentation you must submit to support your claim. Remember, when you elect to take this payment option you are not entitled to reimbursement for any other moving expenses, i.e. **Option A** described above.

10. How do I File a Claim for a Relocation Payment?

You must file a claim for a relocation payment. OPC Relocation Staff will provide you with the required claim forms, assist you in completing them and explain the type of documentation that you must submit in order to receive your relocation payments. If you must pay any relocation expenses before you move (e.g., because you must provide a security deposit if you lease your new location), discuss your financial needs with OPC Relocation Staff. You may be able to obtain an advance

payment. An advance payment may be placed in "escrow" to ensure that the move will be completed on a timely basis.

If you are a tenant, you must file your claim within 18 months after the date you move. However, it is to your advantage to file, as soon as possible, after you move. The sooner you submit your claim, the sooner it can be processed and paid. If you are unable to file your claim within 18 months, the Displacing City may extend this period.

You will be paid promptly after you file an acceptable claim. If there is any question regarding your right to a relocation payment or the amount of the payment, you will be notified, in writing, of the problem and the action you may take to resolve the matter.

11. Non-Discrimination

No person shall on the grounds of race, color, national origin or sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under the Displacing City's relocation assistance program pursuant to Title VI of the Civil Rights Act of 1964, Title VIII of the Civil Rights Act of 1968, and applicable state and federal anti-discrimination laws. You may file a complaint if you believe you have been subjected to discrimination. For details contact the Displacing City.

12. Appeals

Any person aggrieved by a determination as to eligibility for, or the amount of, a payment authorized by the Displacing City's Relocation Assistance Program may have the appeal application reviewed by the Displacing City in accordance with its appeals procedure. Complete details on appeal procedures are available upon request from the Displacing City or OPC Relocation Staff.

13. Tax Status of Relocation Benefits

California Government Code Section 7269 indicates no relocation payment received shall be considered as income for the purposes of the Personal Income Tax Law, Part 10 (commencing with Section 170 01) 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. Furthermore, federal regulations (49 CFR Part 24, Section 24.209) also indicate that no payment received under this part (Part 24) shall be considered as income for the purpose of the Internal Revenue Code of 1954, which has been redesignated as the Internal Revenue Code of 1986. No federal dollars are anticipated for this project. Therefore, federal regulations may not apply and the IRS may consider relocation payments as income.

The preceding statement is not tendered as legal advice in regard to tax consequences, and displacees should consult with their own tax advisor or legal counsel to determine the current status of such payments.

(IRS Circular 230 disclosure: To ensure compliance with requirements imposed by the IRS, we inform you that any tax advice contained in this communication (including any attachments) was not intended or written to be used, and cannot be used, for the purpose of (i) avoiding tax-related penalties under the Internal Revenue Code or (ii) promoting marketing or recommending to another party any matters addressed herein).

14. Additional Information

If you have further questions after reading this brochure, contact OPC Relocation Staff and discuss your concerns with your relocation agent.

EXHIBIT B

NOTICE OF ELIGIBILITY



Notice of Eligibility

Business (CA State)

<<DATE>>, 2017

<<OWNER'S NAME>>
<<BUSINESS NAME>>
<<ADDRESS>>
San Bernardino, Ca 92401

Your OPC Relocation Agent	
Name:	Angie Luna
Phone:	951-801-6826
Your Case ID:	CBR-002

Dear <<OWNER'S NAME>>:

The **City of San Bernardino** (called here the "Displacing City") is proceeding with the project known as **Carousel Mall Closure Project** (the "Project"). To carry out this Project, it will be necessary for you to relocate from the property on which you conduct your business (called herein "business") at <<ADDRESS>>, **San Bernardino CA 92401**.

This is a notice of eligibility for relocation assistance. As an eligible tenant of the property, you are eligible for certain benefits in accordance with the California Relocation Assistance and Real Property Acquisition Guidelines and the Displacing City's Relocation Assistance Program.

The Displacing City has retained the firm of **Overland Pacific & Cutler, Inc. (OPC)** to provide you with assistance in reestablishing your business. **You will not be required to move without at least 90 days advance written notice of the day by which you must vacate.** However, you can contact us at any time for assistance with your move and to receive the benefits for which you are eligible.

The relocation program includes advisory services as well as reimbursement for either, actual moving and reestablishment expenses **OR** a fixed payment in lieu of a payment for actual moving and reestablishment expenses. These benefits are outlined below. It is important that you understand the conditions described below which must be met before any payments can be made.

1. **RELOCATION ADVISORY ASSISTANCE:**

OPC Relocation Staff will assist you in your relocation by providing information regarding available replacement sites and typical real estate purchase or rental costs. We will personally meet with you to discuss your needs and preferences regarding the details of your move, explain your rights and help you obtain the relocation payments for which you are eligible.

2. **PAYMENT FOR MOVING AND RELATED EXPENSES:**

Every business is eligible for a relocation payment to cover the reasonable cost of moving. Assuming you meet certain eligibility criteria, you may choose one of the following options:

- Option A:** A Payment for Actual, Reasonable Moving and Related Expenses, or
- Option B:** A Fixed Payment In Lieu of Moving and Related Expenses.

These payment options are described on the following page:

Option A - Payment for Actual, Reasonable Moving and Related Expenses

You are eligible for such actual moving expenses as the Displacing City determines to be reasonable and necessary, including expenses for:

- a. Transportation of personal property. Transportation costs for a distance beyond 50 miles are not eligible, unless the Displacing City 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 machinery, equipment, other personal property, and certain substitute personal property. This includes connection to utilities available within the building. It also includes modifications to the personal property, including those mandated by Federal, State or local law, code or ordinance, necessary to adapt it to the replacement structure, the replacement site or the utilities at the replacement site and modifications necessary to adapt the utilities at the replacement site to the personal property.
- d. Storage of the personal property for a period generally not to exceed 12 months, as determined by the Displacing City to be necessary in connection with relocation.
- e. Insurance for the replacement value of the personal property, in connection with the move and necessary storage.
- f. Any license, permit, fees or certification required of your business at the replacement location. However, the payment may be based on the remaining useful life of the existing license, permit or certification.
- g. The replacement value of property lost, stolen or damaged in the process of moving (not through the fault or negligence of your own, your agent or employee), where insurance covering such loss, theft or damage is not reasonably available.
- h. Reasonable and preauthorized professional services as the Displacing City determines to be necessary for: (i) planning the move of the personal property, (ii) moving the personal property and (iii) installing the relocated personal property at the replacement location.
- i. Re-lettering signs and replacing stationary on hand at the time of displacement that is made obsolete, as a result of the move.
- j. Actual direct loss of tangible personal property incurred, as a result of moving or discontinuing the business. The payment shall consist of the lesser of:
 - (i) The fair market value of the item, as is for continued use at the displacement site, less the proceeds from its sale. (To be eligible for payment, you must make a good faith effort to sell the personal property, unless the Displacing City determines that such effort is not necessary. When payment for property loss is claimed for goods

held for sale, the fair market value will be based on the cost of the goods to the business, not the potential selling price.); **or**

- (ii) The estimated cost of moving the item as is, with no allowance for storage; or for reconnecting a piece of equipment if the equipment is in storage or not being used at the acquired site. (If you elect to discontinue your business, the estimated cost will be based on a moving distance of 50 miles).
- k. Purchase of substitute personal property. If an item of personal property which is used as part of a business is not moved but is promptly replaced with a substitute item that performs a comparable function at the replacement site, you will be entitled to payment for the lesser of:
- (i) The cost of the substitute item, including installation costs at the replacement site, minus any proceeds from the sale or trade-in of the replaced item; **or**
 - (ii) The estimated cost of moving and reinstalling the replaced item but with no allowance for storage. At the Displacing City's discretion, the estimated cost for a low cost or uncomplicated move may be based on a single bid or estimate.
- l. The reasonable cost incurred in attempting to sell an item that is not to be relocated.
- m. Searching for a replacement location. A displaced business is entitled to reimbursement for actual expenses, not to exceed \$1,000 as the Displacing City determines to be reasonable, which are incurred in searching for a replacement location including:
- (i) Transportation.
 - (ii) Meals and lodging away from home.
 - (iii) Time spent searching, based on reasonable salary or earnings.
 - (iv) Fees paid to a real estate agent or broker to locate a replacement site, exclusive of any fees or commissions related to the purchase of such site.
- n. When the cost of moving any item of personal property of low value and high bulk (junkyards, stockpiles, sand, gravel, minerals, metals and similar property) would be disproportionate in relation to its value, the allowable reimbursement for the expense of moving such property shall not exceed the difference between the cost of replacing the same with a comparable item available on the market and the amount which would have been received for such property on liquidation.
- o. Other moving related expenses as the Displacing City determines to be reasonable and necessary.

In addition to the payments described above, a business with 50 employees or less may be eligible to receive a payment, not to exceed \$10,000, for expenses actually incurred in relocating and reestablishing its operation at a replacement site. Reestablishment expenses must be reasonable and necessary, as determined by the Displacing City. They may include, but are not limited to, the following:

- a. Repairs or improvements to the replacement real property as required by Federal, State or local law, code or ordinance.

- b. Modifications to replacement property to accommodate the business operation or make replacement structures suitable for conducting the business.
- c. Construction and installation costs for exterior signage to advertise the business.
- d. Provision of utilities from right of way to improvements on the replacement site.
- e. Redecoration or replacement of soiled or worn surfaces at the replacement site, such as paint, paneling or carpeting.
- f. Licenses, fees and permits, when not paid as part of moving expenses.
- g. Feasibility surveys, soil testing and marketing studies.
- h. Advertisement of replacement location.
- i. Professional services in connection with the purchase or lease of a replacement site.
- j. Estimated increased costs of operation during the first two years at the replacement site, for such items as:
 - 1) Lease or rental charges,
 - 2) Personal or real property taxes,
 - 3) Insurance premiums, and
 - 4) Utility charges, excluding impact fees.
- k. Impact fees or one time assessments for anticipated heavy utility usage.
- l. Other items that the Displacing City considers essential to the reestablishment of the business.

The following is a non-exclusive listing of reestablishment expenses **not** considered to be eligible for reimbursement:

- Purchase of capital assets, such as office furniture, filing cabinets, machinery or trade fixtures.
- Purchase of manufacturing material, production supplies, product inventory or other items used in the normal course of the business operation.
- Payment to a part-time business in the home which does not contribute materially to the household income.
- Interest on funds borrowed to accomplish the move.

CAUTION: In order to qualify for reimbursement of the above-described expenses, you **MUST:**

1. Provide OPC Relocation Staff with a list or inventory of the items to be moved at least thirty (30) days in advance of the start of your move;
2. Notify OPC Relocation Staff at least fifteen (15) days in advance of the date of the start of your move or disposition of your property;
3. Permit OPC Relocation Staff to monitor the move; and

4. Permit OPC Relocation Staff to make reasonable and timely inspections of the personal property at both the displacement and replacement sites.

Failure to comply with any of the above four (4) requirements may result in your losing part or all of your benefits.

As a matter of information, you should also be aware that you are **not** entitled to payment under the Relocation Assistance Program for:

- Cost of moving any structure or other real property improvement in which you reserved ownership;
- Interest on a loan to cover moving expenses;
- Loss of Goodwill;
- Loss of profits;
- Loss of trained employees;
- Personal injury; or
- Costs for storage of personal property on real property owned or leased by the displaced person.

You may move either by commercial mover or take full responsibility for all or part of the move. If you elect a "self-move," you or OPC Relocation Staff must first obtain at least two (2) acceptable bids or estimates.

- OR -

Option B - A Fixed Payment In Lieu of Moving and Related Expenses

If your business qualifies, you may choose a fixed payment **instead of** payment for actual moving and reestablishment expenses. You may elect to receive an amount equal to the average annual net earnings of your business, but not less than \$1,000 nor more than \$20,000. You may be eligible for this payment if the Displacing City determines that:

- a. Is not operated solely for rental purposes.
- b. Cannot be relocated without a substantial loss of its existing patronage, based on a consideration of all pertinent circumstances including such factors as the type of business conducted, the nature of clientele, the relative importance to the displaced business of its present and proposed location and the availability of a suitable relocation site.
- c. Is not part of a commercial enterprise having no more than three (3) other establishments which are not being acquired for a project and which is engaged in the same or similar business activities.
- d. Had average annual gross receipts of at least \$5,000.00 during the two taxable years prior to displacement; the business had average annual net earnings of a least 1,000.00 during the two taxable years prior to displacement; or the business contributed at least 33 1/3 percent of the total gross income of the owner(s), during each of the two taxable years prior to displacement.

The average annual net earnings of your business will be based on one-half of its net earnings before Federal, State and local income taxes, during the two taxable years immediately prior to the

taxable year in which you move. You must provide the Displacing City with proof of net earnings through income tax returns, certified financial statements or other reasonable evidence, as the Displacing City determines is satisfactory.

If you lease or rent from the Displacing City, failure to pay necessary rental payments to the Displacing City may reduce the relocation payment which you will receive.

If you are a tenant, you must file your claim within 18 months after the date you move. If you own the property, you must file within 18 months after the date you move or the date you receive the final acquisition payment, whichever is later. If you are unable to file your claim within 18 months, the Displacing City may extend this period.

If you owe rent to the Displacing City, the amount owed will be deducted from any relocation payment(s) for which you are eligible.

The Relocation Assistance Program is very complex. It is important that you carefully read and understand the matters explained in this notice and in the Informational Statement which was provided to you. Any person aggrieved by a determination as to eligibility for, or the amount of, a payment authorized by the Displacing City's Relocation Assistance Program may have the appeal application reviewed by the Displacing City in accordance with its appeals procedure. Complete details on appeal procedures are available upon request from the Displacing City.

If at any time you have questions or need assistance, please contact your OPC relocation agent:

Angie Luna
Senior Relocation Agent
Overland, Pacific & Cutler, Inc.
2280 Market Street, Suite 200
Riverside, Ca 92501
Phone 951-801-6826

Sincerely,

Hernando Avilez
Project manager
Overland, Pacific & Cutler, Inc.

ACKNOWLEDGMENT		
I was personally contacted by the Relocation Agent for the Displacing City. I have been given a copy of this notice and I have had the available services and entitlements explained to me. I have been advised that the Relocation Agent will be available to assist me if any questions arise or assistance is needed.		
Name:	Signature:	Date:

EXHIBIT C
NOTICE TO VACATE



90-Day Notice to Vacate

<<DATE>>, 2017

<<OWNER'S NAME>>

<<BUSINESS NAME>>

<<ADDRESS>>

San Bernardino, CA 92401

Your OPC Relocation Agent	
Name:	Angie Luna
Phone:	(800) 400-7356
Case ID:	

Dear <<OWNER'S NAME>>:

The City of San Bernardino (called here the "Displacing City") acquired the property which you occupy at <<ADDRESS>>, San Bernardino, CA (called here the "Premises"). The Displacing City has now determined that it will be necessary for you to vacate the Premises.

Notice is hereby given that the Displacing City elects to terminate your tenancy in ninety (90) days beginning <<DATE>>, 2017 and ending <<DATE>>, 2017 and you are hereby to quit and deliver up possession of the property you occupy on or before <<DATE>>, 2017. If you do not vacate the Premises by that date, the Displacing City will initiate legal proceedings to recover possession of the Premises, along with any rents and damages.

During this period, **Overland, Pacific & Cutler, Inc.** will be available to provide assistance with referrals to replacement sites, coordination with movers and other vendors, the processing of relocation benefit claim forms and other tasks to help facilitate your relocation. Please contact your relocation agent listed below if you have any questions regarding this notice or the relocation process. Upon vacating your unit, you are responsible for removing all of your personal property, delivering the Premises in satisfactory condition and turning in the keys to your relocation agent.

Sincerely,

Hernando Avilez
Project Manager
Overland, Pacific & Cutler, Inc.
3750 Schauffele Ave. Suite 150
Long Beach, CA 90808
Phone (800) 400-7356

Received by

Delivered on/by: _____/_____

X _____
Recipient's Signature

Posted on/by: _____/_____

Date

Mailed/receipt received on: _____/_____

EXHIBIT D

RESOLUTION NO. 2016-199

EXHIBIT E

PUBLIC COMMENTS & RESPONSES