

## ***Acquisition and Relocation Of Homeless Shelter***

Requested By: State of Kentucky

Survey Deadline: July 17, 2012

**The Commonwealth of Kentucky will be acquiring and relocating a large homeless shelter on a state Mega-project and has posed the following question relative to this issue:**

**Do any other states other states have experience in handling this type of situation?  
If so, were the standard Acquisition and Relocation Procedures used, or did anyone use  
procedures that were “outside the box”?**

### **ALABAMA**

### **ALASKA**

### **ARIZONA**

The Arizona Department of Transportation does not have any experience in acquiring and relocating a homeless shelter. It appears that this case would be treated as an acquisition and relocation of a business enterprise / non-profit organization with the associated relocation benefits for these types of entities as provided by the federal Uniform Act. In such a case the occupants of the shelter would be relocated along with the “business” and not be considered as tenant displacees eligible for individual relocation entitlements.

### **ARKANSAS**

The Arkansas State Highway and Transportation Department has no experience in handling this type of situation.

### **CALIFORNIA**

District 10 had some dealings with a homeless shelter/soup kitchen, but it didn’t involve a displacement. They have a shelter that is within the airspace. It started as a soup kitchen and required legislation to allow for a \$1 lease rate. Eventually, the soup kitchen (Run by St. Mary's Church) expanded their use and leased a larger area to include a shelter.

In the case of the relocation of the shelter for the Commonwealth of Kentucky, it seems that they have a possibility to create a win-win situation by taking a functional replacement perspective. They may be able to consider other resources that are available to keep the homeless shelter in operation, such as utilizing airspace or excess land.

Mark L. Weaver, Acting Chief  
Division of Right of Way and Land Surveys

## COLORADO

Colorado DOT has not acquired a homeless shelter. We have acquired many very low income daily and weekly rental motels used as primary residences. We relocated each person or family based on the length of their residency as tenants.

## CONNECTICUT

## DELAWARE

Delaware Department of Transportation relocated a homeless shelter in Wilmington, Delaware, in the early 90's. It was handled by Wayne Rizzo, Chief of Real Estate for Delaware DOT, but he has retired. If I remember correctly we followed the standard relocation procedures but retained full control of all payments. We did this to make sure all tenants were properly relocated as several of them had addiction problems. It was a very time consuming with all of the tracking of the monthly payments.

Eric Savage, FHWA

## DISTRICT OF COLUMBIA

## FLORIDA

A survey of Florida Department of Transportation (FDOT) relocation staff was conducted to see if there has been experience with relocating a homeless shelter. The result of the survey is that there is no known experience relocating a homeless shelter at FDOT; however, we have received a few responses from the consultant community regarding experiences that they have had with this topic. An e-mail string is listed below detailing this experience.

Joshua D. Eaton, State Administrator, Relocation Assistance  
Office of Right of Way, Florida Department of Transportation  
Phone: (850) 414-4585

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From: "Bridger, Glenn W." <[Glenn.Bridger@hdrinc.com](mailto:Glenn.Bridger@hdrinc.com)>  
Date: July 11, 2012 11:54:54 AM EDT  
To: "Bellinger, Carol" <[Carol.Bellinger@hdrinc.com](mailto:Carol.Bellinger@hdrinc.com)>, "Thomas, Brad" <[Brad.Thomas@hdrinc.com](mailto:Brad.Thomas@hdrinc.com)>  
Subject: RE: Request: Knowledge/Experience Relocating Homeless Shelter

First, Carol's experience is, to me, on target and a great way to make the relocation a success. We have both the "business" to relocate, and the residents to relocate. Solving the business reestablishment can provide resolution to the relocation of the people.

Second, I would look to what commitments were made in the Environmental Document. This is an Environmental Justice issue that is a part of the document, and is a place where highway fund financial commitments to innovative solutions can be made on behalf of the funding agencies that approve that document.

Let me add that challenging relocation cases keep reappearing. One of the early challenges of the relocation program when it started with the 68 Highway Act was how to handle the displacement of a Salvation Army Shelter on the edge of Center City Philadelphia for then I 76. And, as I recall, the solutions have not changed markedly from Carol's experience of taking care of keeping the service provider in operation at a new location, and then perhaps some small moving payment (dislocation payment) for the occupants. I have not seen an expectation of

moving each occupant into private DSS housing with associated Last Resort payments as being the appropriate solution over the intervening years. I would suggest that dialogue with the funding agencies may be appropriate to reaffirm that they are on board with your proposed solution.

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From: Bellinger, Carol

To: Thomas, Brad; Relocation Assistance Best Practices

Subject: Re: Request: Knowledge/Experience Relocating Homeless Shelter

The Tacoma Rescue Mission was relocated using URA benefits and local community block grant funds. The combination of the 2 allowed them to build new and expand services.

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From: Thomas, Brad

To: Relocation Assistance Best Practices

Subject: FW: Request: Knowledge/Experience Relocating Homeless Shelter

Hi group - If anyone has any information, experience or knowledge to be able to respond to the following request it would be greatly appreciated. This is another "out of the box" relocation situation that we can all gain from. Thank you in advance everyone.

Brad Thomas, R/W-RAC, Relocation Program Manager

HDR - ONE COMPANY | Many Solutions | 123 Second Avenue South | P.O. Box 1569 | Edmonds, WA | 98020

Phone: 425.921.1017 | Fax: 425.744.1400

#### GEORGIA

GDOT has no experience with this type of relocation.

#### HAWAII

From Hawaii DOT's engineering design perspective, we have no prior experience in this situation.

#### IDAHO

#### ILLINOIS

#### INDIANA

#### IOWA

We have not had to deal with this situation yet here in Iowa.

#### KANSAS

#### KENTUCKY

#### LOUISIANA

We here at LaDOT have not relocated a homeless shelter.

**MAINE**

Sorry - MaineDOT does not have any experience concerning this issue.

**MARYLAND**

**MASSACHUSETTS**

Unfortunately, MassDOT has no experience in relocating a homeless shelter.

Thomas P. Gray, Esq., Massachusetts Right-of-Way Bureau Director

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I have been involved with a relocation of a transition house before but there was nothing that was out of the ordinary about it because all the residents went from the original location to the replacement location and the movers did move their belongings. Since there was no rent being paid by the residents, there was no supplement to calculate. It was a pretty standard acquisition and moving process.

Dawn Paddock Horan, Right-of-Way Program Manager, FHWA, Massachusetts Division

**MICHIGAN**

The Michigan Department of Transportation (MDOT) has not relocated a homeless shelter. Many years ago we did relocate a halfway rehabilitation house, where the property owner did rebuild. The occupants of the house were given moving payments, but not a rental assistance payment.

Teresa R. Vanis, Local Agency Coordinator/Relocation Specialist  
MDOT - Development Services Division, Real Estate Section

**MINNESOTA**

**MISSISSIPPI**

**MISSOURI**

**MONTANA**

Montana does not have any experience with a situation such as this.

**NEBRASKA**

The Nebraska Department of Roads has not had this type of acquisition/relocation.

**NEVADA**

Unfortunately the Nevada Department of Transportation does not have any experience with this type of relocation.

**NEW HAMPSHIRE**

## NEW JERSEY

We in New Jersey have not experienced similar relocation situation. Sorry, I don't envy you.

## NEW MEXICO NEW YORK

I don't believe NY has experience in this area and has not acquired such a property.

## NORTH CAROLINA

## NORTH DAKOTA

North Dakota has not yet encountered this type of problem.

## OHIO

The Ohio Department of Transportation has no experience in acquiring or relocating a homeless shelter.

## OKLAHOMA

We're not dealing with a homeless shelter, but we have a drug/alcohol recovery center that we're displacing. We're loaning them capital funds to build new then will displace any current tenants similarly to a dorm room move. We're taking the risk on repayment, though we will have a contract. Otherwise, we'd potentially have current tenants in the recovery program without a suitable replacement site.

Kurt A. Harms, Chief, Right-of-Way and Utilities  
Okla. Dept. of Trans., R/W and Utilities Division  
(405) 521-2661 Office

## OREGON

## PENNSYLVANIA

Sorry, but we do not have any experience with this situation here in PA.

Mark J. Chappell, P.E. | Chief  
PA Department of Transportation, Bureau of Project Delivery | Utilities and Right-of-Way Section

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You may want to check with Illinois DOT about the Rockford Illinois West State Street Project. I am [attaching a powerpoint](#) which was developed by one of our retired realty officers from Illinois regarding an EJ/ROW situation. The project impacted community facilities that were critical to the community and needed to be reestablished within the community to mitigate adverse impacts. These were not homeless shelters, but nonetheless, steps were taken to mitigate negative impacts to the human environment per EO 12898 and NEPA. The powerpoint refers to Executive Order 12898, 23 CFR 710.513(a) environmental mitigation, and 49 CFR 24 relocation benefits.

I am attaching a link about a homelessness program associated with HUD which may be helpful.  
<http://portal.hud.gov/hudportal/HUD?src=/topics/homelessness>

Christian Christoffers, Right-of-Way Officer  
FHWA, Pennsylvania Division

**PUERTO RICO**

As per your request the answer for Puerto Rico is negative, no mega projects.

**RHODE ISLAND**

Rhode Island does not have any experience with this type of relocation.

**SOUTH CAROLINA**

We have not encountered the relocation of a homeless shelter in South Carolina to date. Sorry we cannot be of assistance in this matter.

**SOUTH DAKOTA**

**TENNESSEE**

The Tennessee Department of Transportation has not encountered this type of relocation.

**TEXAS**

Sorry - no experience from Texas.

**UTAH**

**VERMONT**

**VIRGINIA**

Haven't encountered this in Virginia either.

**WASHINGTON**

**WEST VIRGINIA**

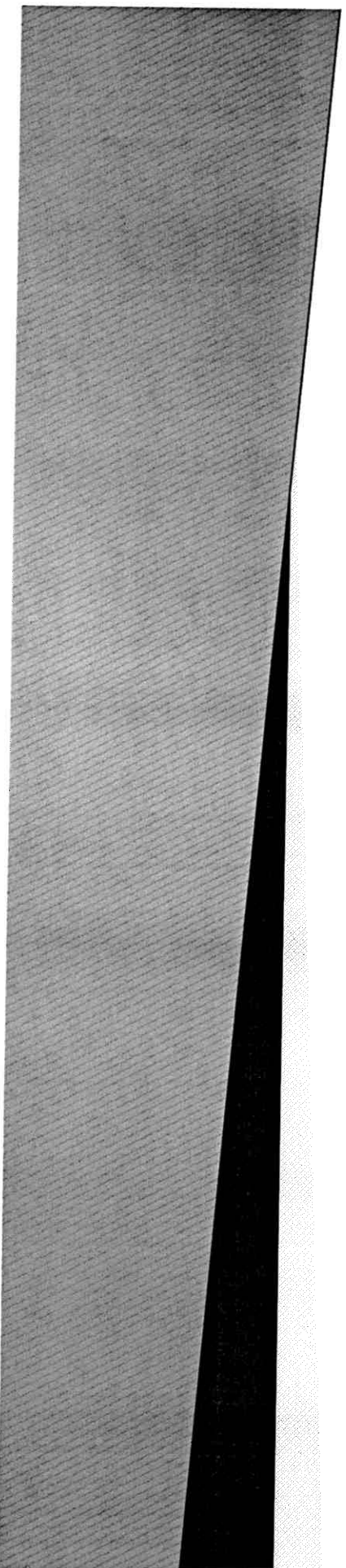
The West Virginia Division of Highways has not acquired nor relocated a homeless shelter.

**WISCONSIN**

**WYOMING**

# **Environmental Justice Mitigation Plan for the Rockford, Illinois West State Street Project**

**Don R. Keith, Division Right of Way Mgr.  
Illinois Division Office, FHWA, USDOT**



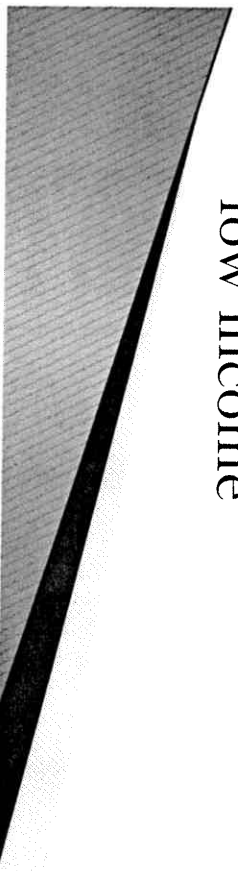
# Environmental Justice (E.J.) Mitigation Plan for Rockford West State St./U.S. 20

- ▶ In 1999 the Illinois Department of Transportation (IDOT) announced plans to allocate funding.
- ▶ Planning finalized in 2002.
- ▶ Since 2002 the City has worked with IDOT to implement the corridor project.
- ▶ Prior to 2002 the City had acquired via voluntary transactions blighted properties to revitalize and renew the corridor.
- ▶ In April of 2006 IDOT prepared a project Environmental Assessment (EA.)
- ▶ Our FHWA review of the EA disclosed two significant issues relative to right of way acquisition and relocation impacts.



# The West State Street Project and Right of Way Requirements:

- ▶ Add lanes in the two mile corridor to provide 2, 12 foot lanes in each direction with a 22 foot landscaped barrier median, with a 10 foot bike/ped facility adjacent to the highway
- ▶ 49 acres of new right of way
- ▶ 482 parcels to be acquired
- ▶ 82 residential displacements
- ▶ 11 business displacements
- ▶ 4 churches
- ▶ Large percentage of those displaced are African American and low income



# EA Issues and Right of Way Impacts

- ▶ The EA disclosed disproportionate adverse impacts to low income and minority groups.
- ▶ But the EA did not discuss Executive Order (E.O.) 12898 or any measures to mitigate the disproportionate adverse impacts.
- ▶ We recommended that the EA address E.O. 12898 and proposed mitigation measures.
- ▶ Also the proposed project right of way limits included properties previously acquired by Rockford for urban renewal.
- ▶ The highway right of way limits had to be redefined to include only property needed for the proposed add lanes and bike/ped facilities.



# Background: Rockford, Illinois

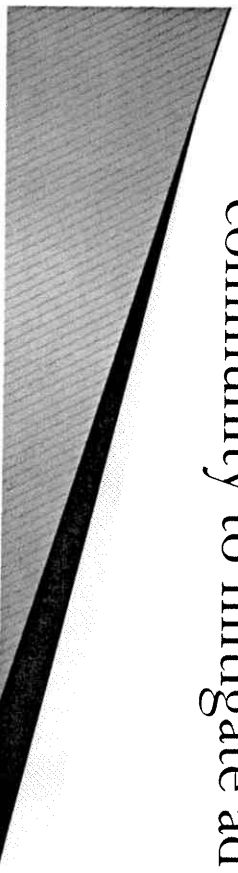
- ▶ Current unemployment rate highest in Illinois at 18%
- ▶ Third largest city (population) in Illinois
- ▶ Major highways I-90, US 20 and I-39 provide accessibility to Chicago, Madison and Milwaukee
- ▶ Business Rte 20/West State Street corridor is the western gateway entrance to the City
- ▶ City plans to reconstruct 2 miles of Business 20 from Kilburn Ave. to Pierpoint Ave.
- ▶ Corridor is some of the most economically depressed areas of the City



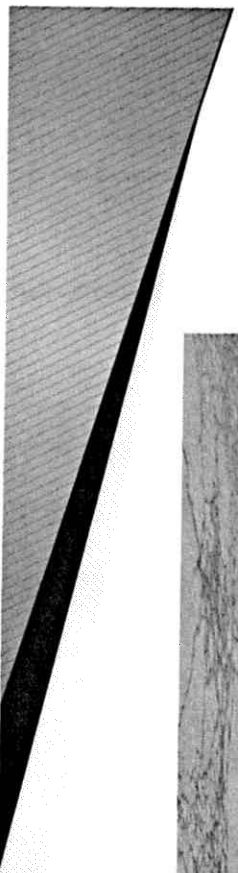
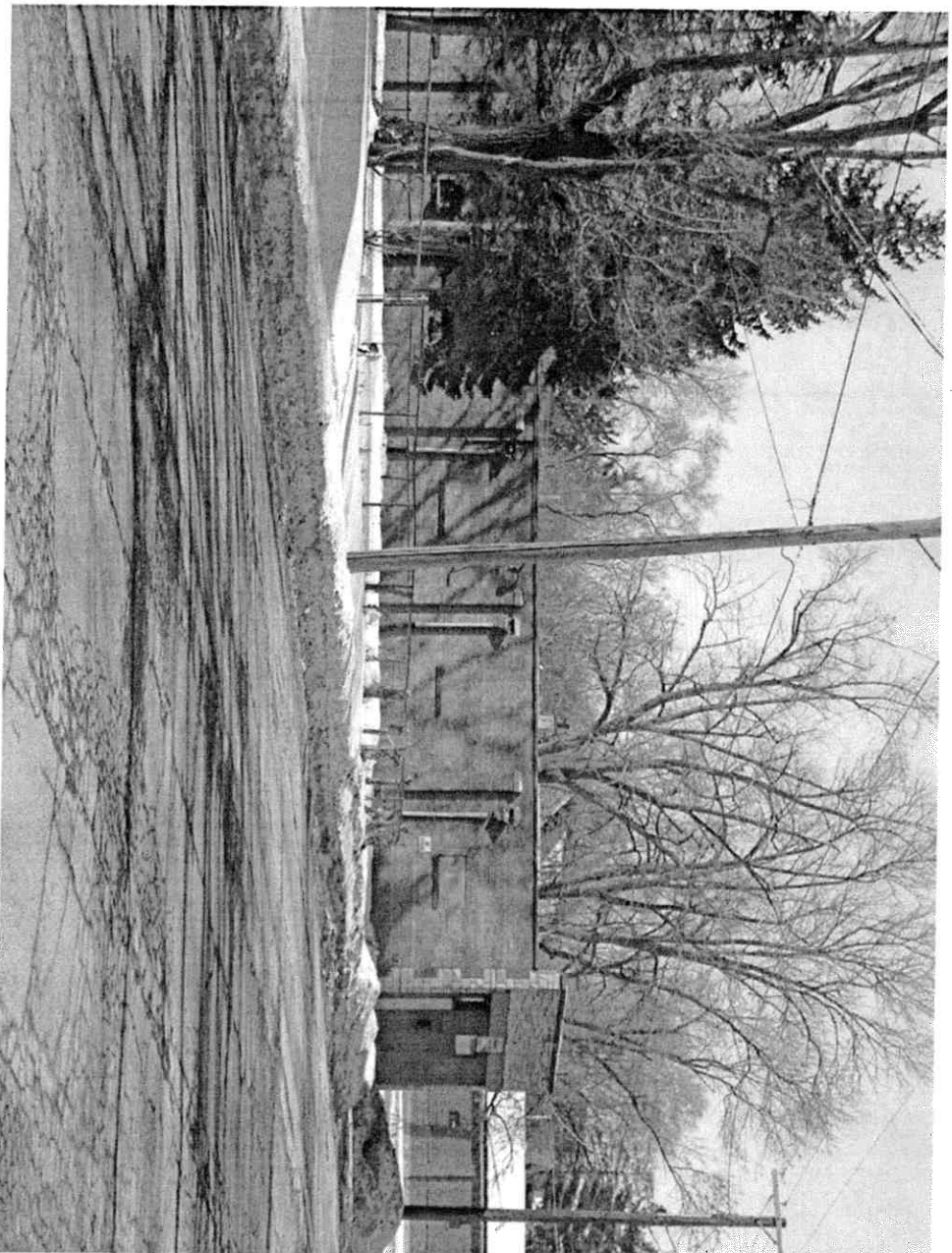
# Critical community facilities displaced:

- ▶ New St. John Church of God in Christ, 2406 W. State St.
- ▶ First Hispanic Church of God, 2411 W. State St.
- ▶ Carl E. Ponds Funeral Home, 2429 W. State St.
- ▶ Fountain of Life Church of God, 2717 W. State St.
- ▶ Deliverance Crusader's Church, 2827 W. State St.

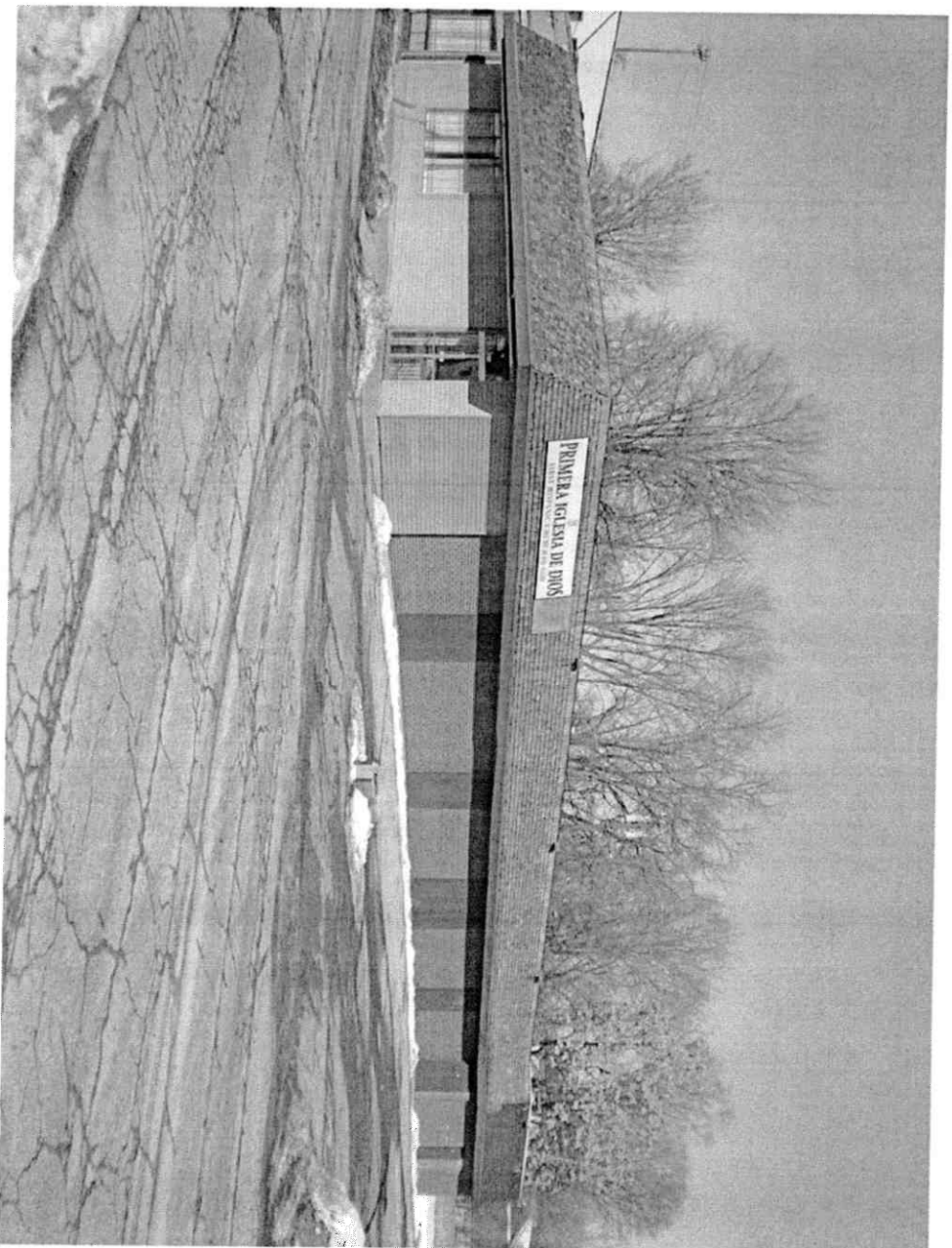
- ▶ In the EA and Finding of No Significant Impact (FONSI) it was determined that there were no adequate replacement facilities within the project corridor community, and it was critical that these community facilities reestablish within the community to mitigate adverse impacts to this community.



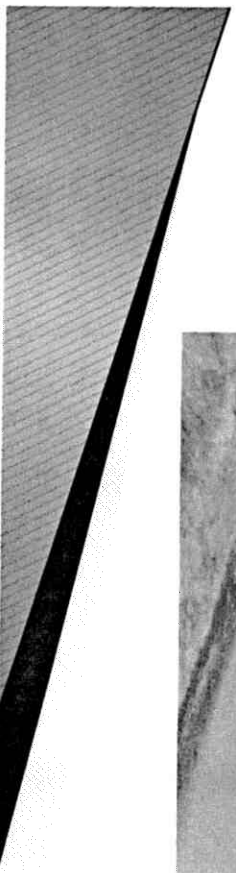
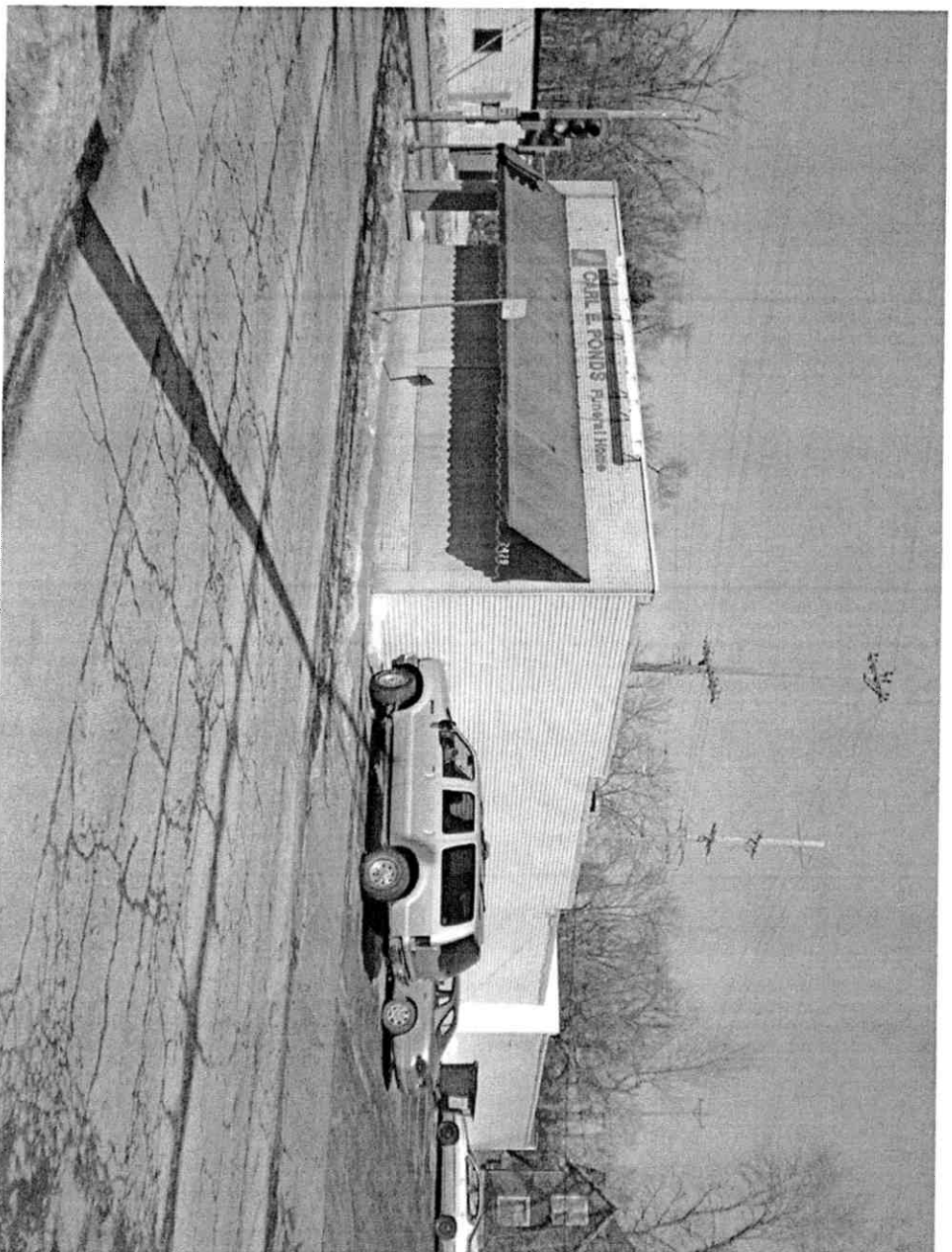
# New St. John Church of Christ



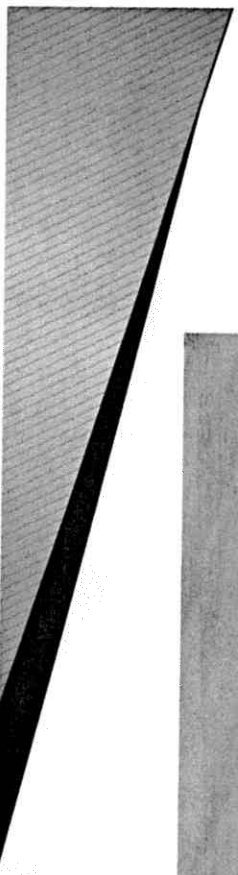
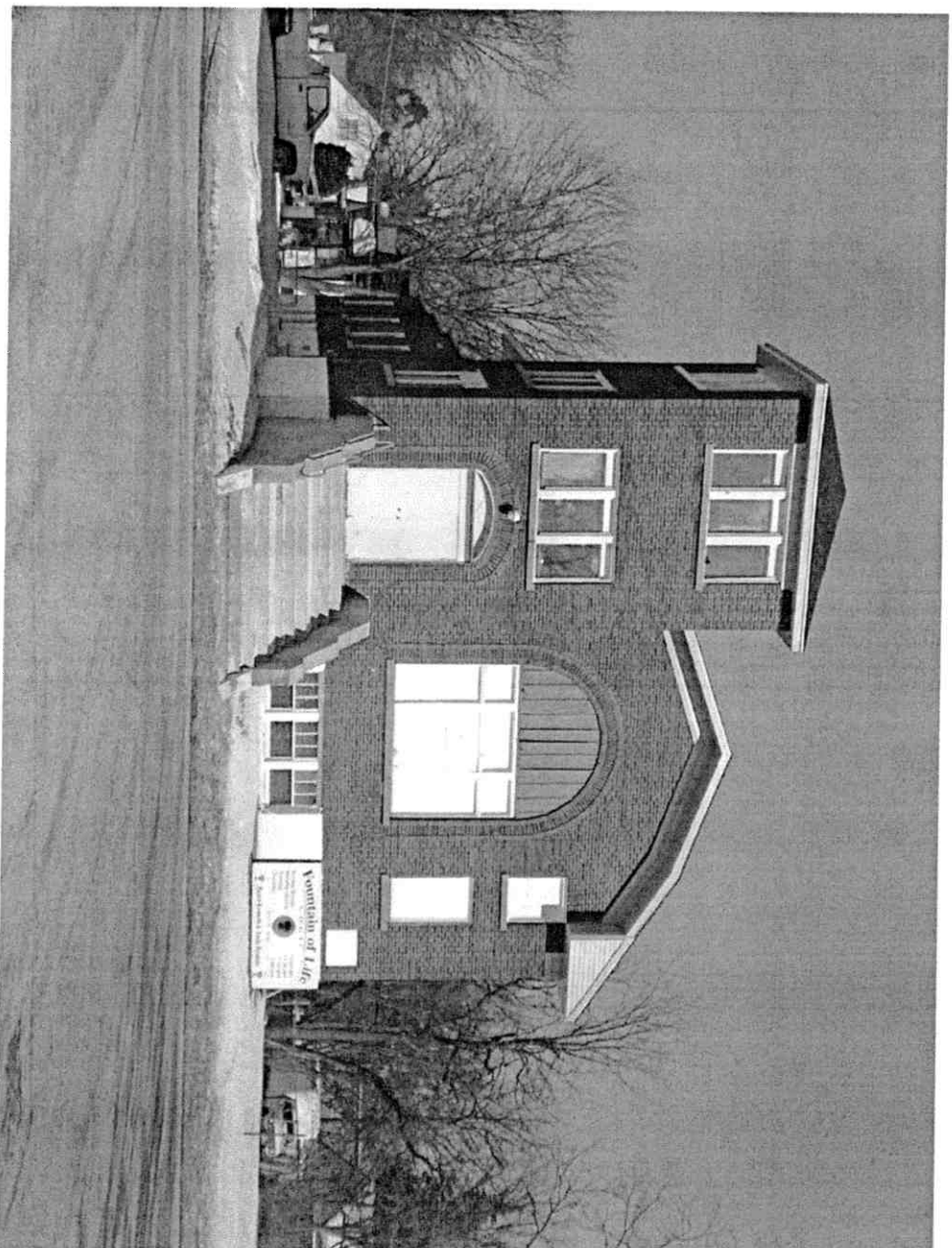
# First Hispanic Church of God



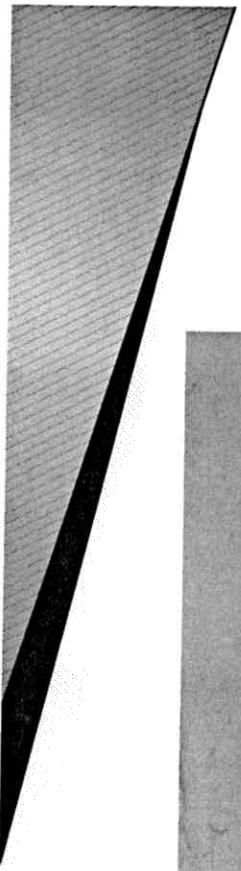
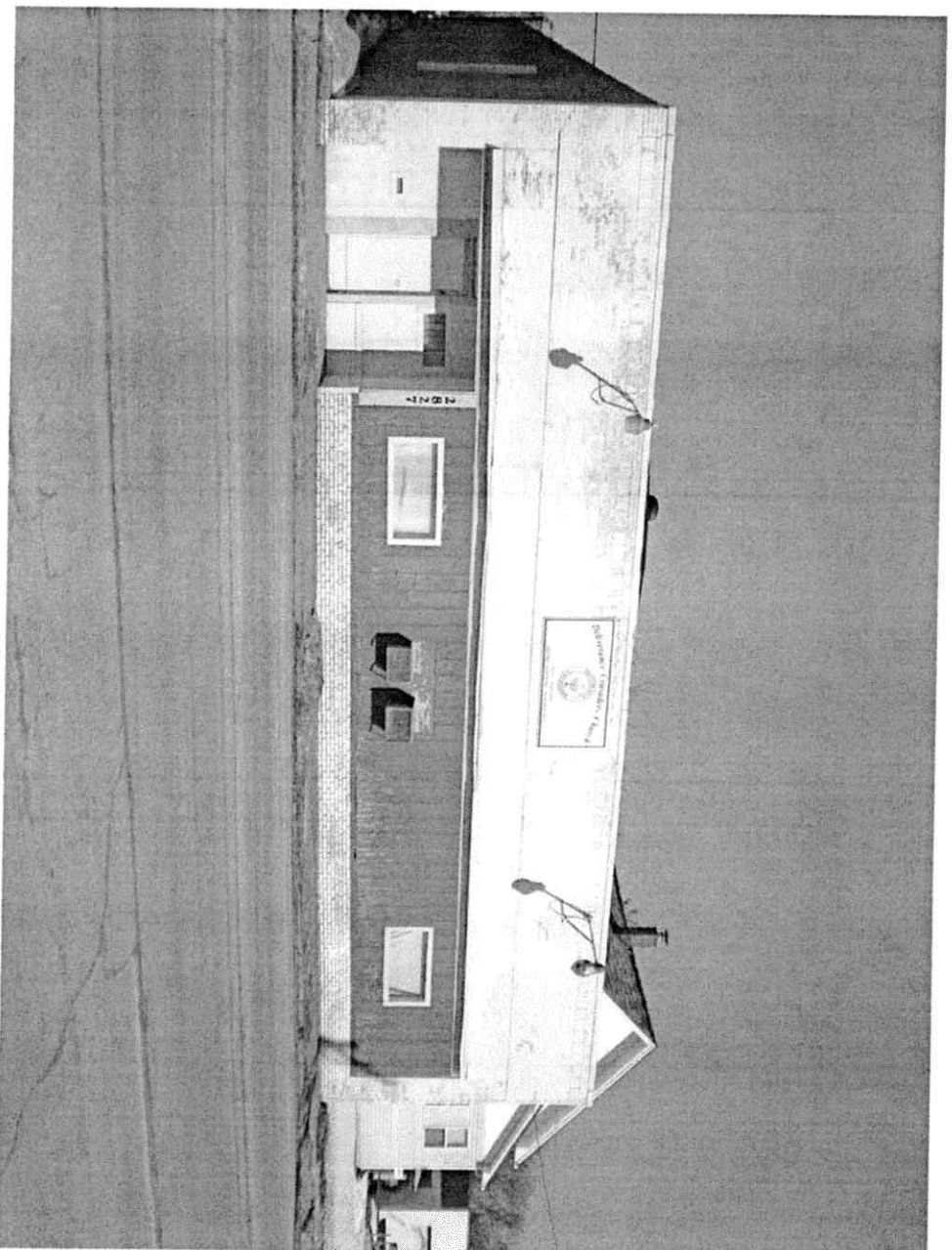
# Carl E. Ponds Funeral Home



# Fountain of Life Church of God

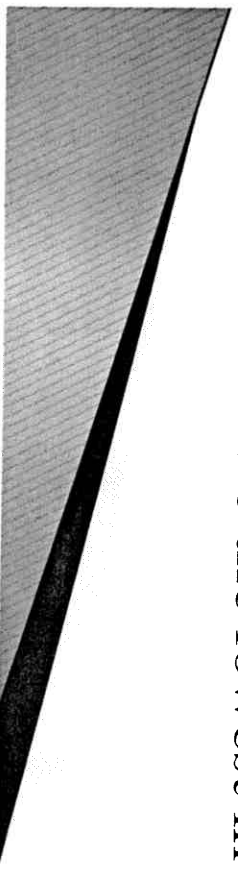


# Deliverance Crusader's Church



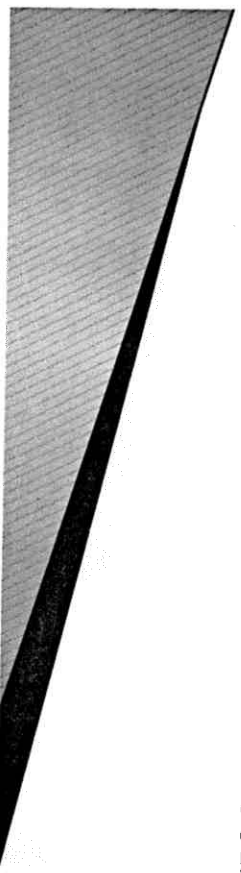
# Search of Rockford Realtor's Multiple Listing Service: Replacement Facilities

- ▶ Rockford found 17 properties available and listed for sale
- ▶ Properties (if extensively remodeled) could be utilized and serve as potential replacement properties
- ▶ All 17 properties were located 1 to 3 miles from the project and community corridor
- ▶ Ranged in listing price from \$95,000 to \$600,000 (exclusive of costs necessary for extensive remodeling to accommodate the displaced churches and funeral home)
- ▶ On average commercial property values in the West State St. corridor are the lowest in the City of Rockford



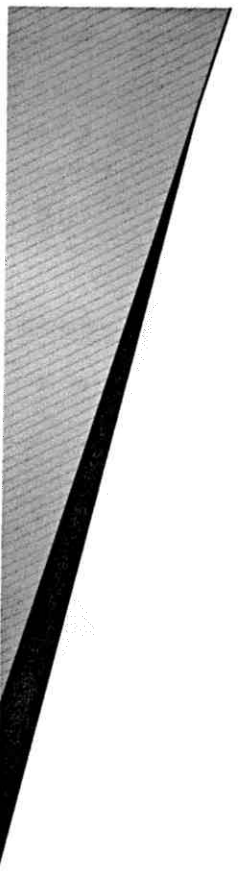
# Provision of the Uniform Act limited

- ▶ Provides for just compensation (FMV) for acquired property.
- ▶ Provides for actual cost to relocate personal property and limited reestablishment payments for churches and funeral home (\$10,000 limit for reestablishment costs for each displaced property.)
- ▶ The acquisition and relocation payments provided under the URA will not provide adequate recourse to allow relocation and reestablishment within the project corridor community.
- ▶ Under E.O. 12898 and 23 CFR 710.513(a) environmental mitigation, the limited relocation benefits provided by the Uniform Act will be supplemented with a “deferred mortgages” program/plan to help reestablish the displaced churches and funeral home within the community.



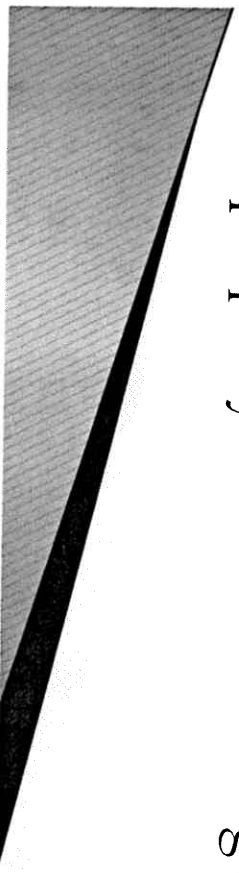
# The Recommended E.J. Mitigation Plan

- ▶ FONSI signed September 2008.
- ▶ FONSI contains a commitment via an E.J. Mitigation Plan for financial assistance for new construction of replacement properties.
- ▶ Financial assistance in the form of deferred mortgages up to \$150,000 for each displaced property/facility.
- ▶ Deferred mortgages will have a term of 15 years with a number of safeguards to protect this investment.



# 15 Year Deferred Mortgage Safeguards

- ▶ To be eligible the displaced facilities must be reestablished within the community.
- ▶ 15 year deferred mortgage is signed by the property owner/s and recorded just like any other mortgage.
- ▶ An amount equal to 1 / 15<sup>th</sup> or up to \$10,000 of the original dollar amount is forgiven each year.
- ▶ If the property is sold or title transfers any time during the 15 yr. term of the deferred mortgage, the balance is immediately due and payable.
- ▶ Like any mortgage there are requirements to keep the property insured and in good repair.



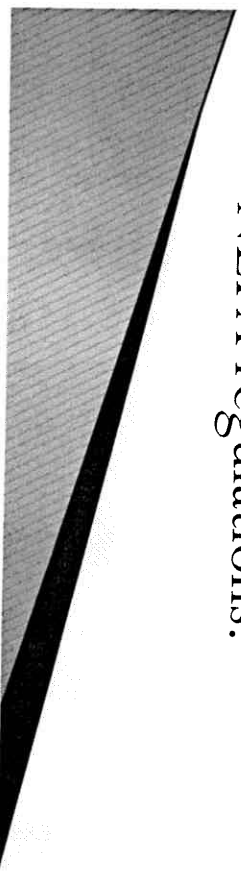
# 15 Year Deferred Mortgage Cont.

- ▶ If the mortgaged property is boarded up or vacant for an extended period of time (over a year), the balance is due and payable.
- ▶ A restricted use will be placed against the replacement property during the 15 year period of the deferred mortgage, i.e., the properties will have to continue operations under their current uses.



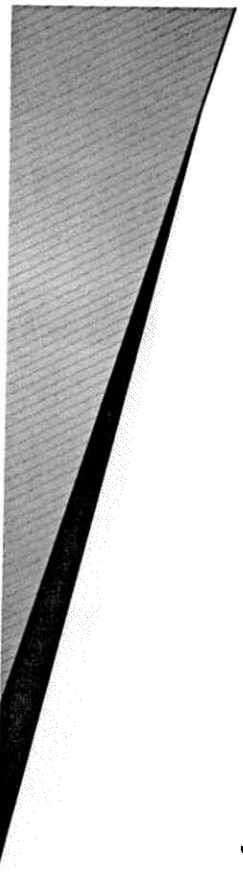
# Outcome of the E.J. Mitigation Plan and the Deferred Mortgages

- ▶ Will allow and provide for the displaced churches and funeral home to stay and reestablish in the West State Street corridor community.
- ▶ Will provide displaced churches and funeral home an incentive to remain in their replacement facilities long after the completion of construction.
- ▶ Will also assist the City of Rockford in their efforts to revitalize and rehabilitate this decaying gateway corridor community.
- ▶ Will mitigate the identified negative impacts to the human environment in accordance with the intent of E.O. 12898 and our NEPA regulations.



# Where we are now and next steps

- ▶ The project acquisition stage relocation plan has been prepared and approved in February of 2010 by IDOT, and the relocation plan has incorporated the additional relocation benefits of the E.J Mitigation Plan.
- ▶ The project will soon be authorized for full appraisal and acquisition activities.
- ▶ When the City is authorized to begin acquisition activities, relocation agents will explain and offer the relocation assistance and payments provided by the Uniform Act and the additional relocation assistance and payments provided by the E.J. Mitigation Plan's 15 year deferred mortgages.



# Next steps cont.

- ▶ During the acquisition of the right of way, FHWA and IDOT will closely monitor acquisition and relocation assistance progress to insure that the provision of the Uniform Act and the E.J. Mitigation Plan are being successfully implemented.
- ▶ If the displaced churches and funeral home successfully reestablish within the West State Street corridor community, the E.J. Mitigation Plan may be showcased as an exemplary human environment initiative.

