

Chapter 7

Relocation and Displacement

7.1 Introduction

This chapter discusses how to analyze impacts related to relocation and displacement as part of the community impact assessment process. Transportation projects that are intended to benefit the general public sometimes require new right-of-way, which may result in the acquisition of land, homes, or businesses resulting in the displacement and relocation of residents, businesses, farms, or nonprofit organizations.

Relocation impacts are among the most sensitive community-related effects associated with transportation improvements because they may involve modifying relationships between people and their homes and neighbors. The forced removal of families from neighborhoods or businesses from their existing locations affects not only those being relocated, but also those who remain in the affected neighborhood and those who live in the new areas where the relocated residents or business will be. It is the policy of Caltrans that displaced persons shall not suffer unnecessarily as a result of programs designed to benefit the public as a whole.

The analysis of relocation impacts in the community impact assessment provides information that the community needs to offer meaningful input during the public involvement process. Often neighborhood sensitivities about potential displacements are not apparent until the public becomes informed and involved in the transportation planning process. The earlier this involvement occurs, the more likely it is that the community's concerns can be addressed in a meaningful way without incurring delays or added costs for the project.

The community impact assessment technical report should provide a summary of the potential relocation impacts on residences, businesses, and community facilities for each project alternative. The summary should be easy to understand and as specific as possible so that affected stakeholders can clearly see how they may be affected by the project.

Relevant Regulation and Policies

Caltrans' Relocation Assistance Program (RAP), as established by federal and state law, provides help to individuals, families, businesses, and others that are required to relocate as a result of a public improvement project. Its primary objective is to assist all project displacees so that they do not suffer disproportionate injury as a result of projects constructed for the benefit of the public.

Federal and state laws ([the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended](#), also known as the Uniform Relocation Act or just Uniform Act, and [California Government Code, Chapter 16, Section 7260, et seq.](#)) require that relocation assistance be provided to any person, business, farm, or nonprofit operation displaced because of the acquisition of real property by a public entity for public use. Compliance with the federal act is required by any public agency where federal funds are to be used in the acquisition or construction of the proposed project. It is not considered mitigation, per se, but an entitlement because compensation is required by other than environmental laws, and is, of course, provided regardless of magnitude of impact.

The Caltrans Relocation Assistance Program (RAP) specifies that before any project that involves the displacement of people can be undertaken a Replacement Housing Study (final relocation impact document) must be completed to determine the needs of relocatees and the availability of replacement housing. These studies serve to assure that orderly relocation can be accomplished and that realistic and adequate plans are developed for the relocation of all displaced persons. The information contained in these studies can also assist the environmental planner in determining whether, under CEQA, the social impacts are significant.

The Federal Uniform Relocation Assistance Act of 1970 (as amended) and the California Relocation Assistance Act both require that, within a reasonable period of time prior to displacement, comparable replacement housing will be available or provided for each displaced person. Such assurance is part of the RAP study process and must be specifically given on every project requiring residential displacement.

If relocations are anticipated, a relocation impact document should be prepared according to the guidance for relocation assistance provided by the Caltrans [Right-of-Way Manual, Chapter 10](#). Depending on the number and complexity of relocations, either a relocation impact memorandum, relocation impact statement, or relocation impact report may be appropriate. The community impact assessment technical report should assess all potential relocation impacts that could result from each project alternative, both positive and negative, and incorporate the appropriate relocation impact document (RID) as an appendix. This chapter describes potential relocation impacts associated with residential, business, and community facilities and suggests assessment techniques and mitigation strategies for addressing those potential impacts.

7.2 Analyzing Relocation Impacts

There are three aspects to displacements:

- number and characteristics of families, businesses, and community facilities displaced;
- probability that comparable decent, safe, and sanitary relocation sites can be found for those affected; and
- psychological and economic impacts associated with the relocation process.

The analysis of relocation impacts in the community impact assessment technical report should include a discussion of the characteristics of the existing housing stock and business establishments in the affected area; housing policies and programs; development trends in the study area and larger regional context; and characteristics, attitudes, and special needs of those residents, and others who are being displaced.

Relocation impacts should be assessed in collaboration with Caltrans Right-of-Way Program staff, because these units typically collect most of the critical information needed for an analysis. [Chapter 10, Section 10.05.00.00](#) of the [Caltrans Right-of-Way Manual](#) is an important reference for the type of information collected by Right-of-Way staff, which can also be beneficial for preparing a community impact assessment. The analysis of relocation impacts should begin with the preparation of the appropriate RID. The data gathered in the preparation of the RID will

support the preparation of the relocation chapter of the community impact assessment technical report.

7.2.1 Relocation Impact Documents

The RID is prepared in support of the environmental document and will be completed at two intervals during the planning stage of the project: prior to the draft environmental document and prior to any route selection or acquisition activities. The RID format depends on the complexity of the project as determined by the number of displacements and the availability of replacement property.

Analysis Techniques

A relocation impact memorandum (RIM) is prepared if there are fewer than ten displacements and there is ample replacement property. A relocation impact statement (RIS) is prepared if there are ten or more displacements and ample replacement property is available. The relocation impact report (RIR) is prepared if there are complex relocations because of available replacement property, special considerations for displaced persons, or major impacts to minorities, the elderly, large families, and/or persons with disabilities.

The standard formats and directions for completing these documents can be found in [Chapter 10](#) Section 10.02 of the [Right-Of-Way Manual](#).

Generally, a draft RID that is prepared for the draft environmental document will require a final RID when the project alternative has been selected and the final environmental report is prepared. Listed below are the minimum requirements for each RID.

- Identification of the project (Co., Rte., KP [PM], and description), including a general location map
- Identification of the displacement area and the potential replacement area, by alignment
- Number and type of occupants that may be displaced by each alignment
- Availability of replacement property by type, and a statement of its affordability
- List of all sources of information, including interviews with potential displaces (usually conducted for final documents only)
- Statement of how relocation will occur in a manner that minimizes the hardships on the displaces
- Project map showing the alignment

The RID should also contain helpful data, including the information listed below.

- Relocation advisory services information
- Proposed actions to remedy insufficient relocation housing, including commitments to last resort housing

- Summary of discussion with businesses, groups, and social agencies related to impacts on remaining businesses, potential sources of funding and other incentives that will be furnished to assist businesses and relocation impacts on special populations

Data Sources

Much of the information required for completing the RID will have been gathered in the preparation of the community profile, which is discussed in Chapter 3 of this volume. Additional information needed to complete the RID includes specific data on the number and type (owner vs. renter) of persons being displaced, information on the availability of replacement property, and cost of replacement property. Possible sources of information include studies prepared by Caltrans Right-of-Way staff, internet real estate sites and multiple listing services, and field surveys.

7.2.2 Residential Relocation Impacts

The severity of displacement impacts varies greatly depending on the people involved, and impacts are often related to demographic characteristics. If a person is highly mobile and has had a history of changing residences frequently, the impact may be only a minor inconvenience. If on the other hand, the community is stable and cohesive, and residents have been in their homes for many years, many of those displaced may have a difficult time adjusting to new homes and neighborhoods because they have a strong attachment to their existing home and neighborhood.

Improved financial assistance has helped to offset the adverse economic impacts of residential relocation. The adverse psychological and social impacts of relocation have understandably been more difficult to mitigate. Certain population groups such as senior citizens, low-income residents and non-English speaking people often have strong community ties and depend on primary social relationships and important support networks that can be severed upon relocation. Households with school age children may consider relocation especially disruptive if school transfers would be involved. Disabled people and those without automobile transportation often have special relocation problems.

Residential relocations have physical, financial, and psychological effects. The physical effects include finding and moving into suitable replacement housing or possibly the construction of replacement housing. For persons with special needs, such as the elderly or disabled, these physical impacts can be daunting.

Adverse financial impacts may include moving expenses, increased living expenses, increased commute to work costs, or increased property taxes. Negative financial impacts related to residential relocation are identified in the relocation impact report (RIR) and are handled in accordance with [the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as Amended](#).

In certain circumstances the financial impacts of relocation may be positive, such as selling property that may have otherwise been difficult to sell, relocating closer to work or to a less expensive area, or relocating to a better home or to a more desirable neighborhood.

The psychological effects of relocation are primarily related to the change in a person's living conditions. People become attached to their homes and communities and are often unwilling to

move. Psychological impacts may be especially serious for elderly and disabled persons, families with children in school, long-term residents, and mobile home residents.

Analysis Techniques for Relocation Impacts on the Elderly and Disabled

Relocation typically affects senior citizen and physically disabled residents more seriously than other groups. Some older people move to be closer to family and some move to a better climate, but most want to stay put. According to a telephone survey conducted by the American Association of Retired Persons, 78% of those polled indicated they do not want to leave their own homes. Older Americans often rely on others for emotional support, and are frequently dependent on community services and local access to stores.

The analyst should look at the services older people may use in their current residential location and should consider the following kind of questions.

- Is basic convenience shopping (food, pharmacy, dry cleaning) available nearby?
- Is there an emergency health care facility or full-service hospital nearby?
- Is the neighborhood considered safe?
- How close does available public transportation come?
- How likely is it that these amenities will change with implementation of the project?

When members of these age groups are displaced, the relationships providing such assistance are often lost and not always re-established. Be aware, too, that older persons are not homogeneous. For instance, studies show that the “young” elderly, aged 65 to 74, are relatively healthy. Those aged 75 and over are more likely to be disabled. Hence relocation impacts may vary in degree.

Analysis Techniques for Relocation Impacts on Mobile Home Residents

Displacement of mobile home park residents may involve impacts not typically encountered by residents of more traditional houses or apartments. First, the term “mobile home” is now somewhat of a misnomer because most units only move from the factory to a permanent site. The term “manufactured housing” is becoming more common, especially when applied to models constructed in the past quarter-century or so. Mobile home parks often occupy an unfavorable position in community planning and zoning due to their low tax base and because conventional residential owner-occupants rarely want them to be located nearby because they feel they may affect their neighborhood’s overall property values. Manufactured housing still suffers from financing and zoning barriers arising out of old attitudes towards mobile homes. Consequently, new parks that could be built to accommodate displaced mobile home owners are difficult to establish in some parts of California.

When mobile home park occupants must relocate, the mobile home is often sold in place due to the relatively high cost of moving the home. Some parks charge a fee when a home remains, but this is usually less than the cost of transporting it. Also, an old mobile home may be considered obsolete or unattractive and so may not be allowed in other or newer parks. Therefore, changes in occupancy do not always result in vacant spaces, and this limits the supply of spaces available to accommodate displacees. In cases where a vacant space does become available, the space is often filled as a result of a continuing agreement between the park management and local mobile

home dealers who have what is tantamount to an option on the vacant site for their customers. Often the rental rate for the mobile home space is raised to “market levels” for a new owner.

Normally, new parks will accept only new or nearly new manufactured housing units. When used units are accepted, park management often requires painting, new skirting and awnings, landscaping, and such. New parks are generally designed to accept “double-wide” units (the average size of new mobile homes is 1,210 square feet). This eliminates them as a source for more affordable “single-wide” units.

Because of these special characteristics, it is often difficult to locate mobile home residents near their former area or with their neighborhood friends and relatives. This exacerbates the other relocation impacts such as loss of support groups, commute time increases, and so forth.

Residents in mobile home parks often live in a “community within a community.” Many parks have organized community activities for seniors set up around a recreation center. Planners should contact the park manager to determine whether or not there are organized activities.

Analysis Techniques for Affordable Housing

A loss of a substantial number of houses affordable to people with low and moderate incomes may have an effect on the community’s stock of affordable housing. This decrease in supply of housing could have the effect of creating an imbalance between supply and demand for housing in a given sector of the market, bidding up the cost of that housing if the market supply is constrained and thereby disproportionately affecting certain income groups. The U.S. Housing and Urban Development Department (HUD) has developed methods for calculating affordability and definitions of low- and moderate-income households. Caltrans Right-of-Way may have this information and can provide information on the numbers of affordable houses subject to removal and the number of affordable houses in the community. Also, be aware that, in some instances, units in older motels may be leased for several months or longer and constitute regular and permanent residential units for the low-income and migrant worker families, rather than just serve overnight customers.

Analysis Techniques for Disproportionate Impacts

In addition to affordable housing impacts, the demographic characteristics of the residents subject to relocation should be investigated to determine whether any groups (low income, minority, senior citizens, disabled, etc.) would be disproportionately affected by the proposed project. Occasionally, advocacy groups will argue that a project’s proposed alignment was determined primarily on the basis of the economic (low) cost of land and housing, so it is important to document that early planning took into account and took steps to ameliorate potential impacts on the housing stock of any particular social or economic group. In analyzing impacts of relocation, it is important to identify which groups, if any, would benefit and which would be disadvantaged by a highway project. (See Chapter 8 for a discussion on community participation, environmental justice, and Title VI considerations.)

Data Sources

Sources of information to determine how many elderly and disabled, mobile home residents, and residents in affordable housing would be affected by a project are various and include the following.

- Caltrans Right-of-Way staff may have such information and can provide information on the numbers of affordable houses subject to removal and the number of affordable houses in the community.
- Local planning departments
- County Assessor's parcel information
- Community organizations
- Field studies, including driving tours of the route alternatives

7.2.3 Business Relocation Impacts

When a business is displaced, the impacts are generally financial, but in certain circumstances the effects may be more complicated. Depending on the nature of the business, the ability to find a suitable site for relocation may be difficult. Some businesses, such as ethnic restaurants and minority-owned businesses that depend on local clientele, could suffer a significant loss in business if separated from their client base. Businesses that require specialized equipment or that use hazardous substances may be difficult to relocate due to their particular needs and the inability to find a location where they would be welcome. Other impacts related to business relocation could include a loss of employment base for the local community or the loss of a readily available source of employees for the business. Impacts on small businesses tend to be more severe than impacts on larger nationally based businesses because small businesses often have a localized customer base and are less able to afford the cost to promote a new location.

Analysis Techniques for Employment Impacts

Relocation of business firms and industries can result in unemployment and associated financial impacts. If the firms relocate within the community and remain viable, the unemployment effect may be temporary. A more serious impact will occur if the firms cannot relocate or if they relocate outside the region.

The size of the firm may determine the importance of the employment impact on the community. The physical removal of a city's major employer could result in multiplier effects to related businesses. The loss of a small business, however, is likely to have a lesser effect on employment in the community because of the fewer numbers of households affected. Employment impacts are less severe when the employer has sufficient lead time to become established at a new location prior to closing the existing facility.

Should the effects of business displacements be so severe as to result in degradation of the community leading to urban decay, or blight, the impact could be considered "significant" under CEQA. Recent court cases highlight the need to consider these potential effects in the environmental document (see *Bakersfield Citizens for Local Control v. City of Bakersfield*, No. F044943, 04 C.D.O.S. 10918, 2004 DJDAR 14768. Filed December 13, 2004, and *Anderson First Coalition v. City of Anderson*, 130 Cal. App. 4th 1173 [2005]).

Loss of key employees may occur when some businesses are displaced and workers are not willing to relocate or travel to the new area. This could affect the firm's ability to re-establish itself in the new location. The severity of this impact varies with the type of business, the

distance to and attractiveness of the new location, as well as the employees' interest in continued employment with the firm.

Analysis Techniques for Loss of Clientele

Firms are often profitable because they have built up a loyal clientele over time. Relocation to a new area may require time to re-establish customers. This time period may be short for well-known firms such as nation-wide fast food franchises or service stations. For those without national or regional name recognition, however, the time period required to re-establish clientele may be long enough to affect the economic survival of the firm.

Local residents may depend on certain firms for needed goods and services. People without automobile transportation may be affected if a nearby grocery store or senior citizens' center is moved out of the neighborhood. Analysis of relocated businesses should, therefore, include an assessment of any special characteristics of their clientele.

Analysis Techniques for Business Relocation Impacts

The discussion of business impacts in the technical report should encompass the following information.

- Describe the size (in square footage if possible) and types of businesses (i.e., retail, wholesale, manufacturing, service, government, or nonprofit) subject to relocation.
- Determine the percentage of the city, county, or region's businesses that are subject to relocation.
- Estimate the number of years such firms have been in operation. (Caltrans architectural historians should be able to help in this regard).
- Determine whether the businesses are established, declining, or new.

Use this information to analyze the ability of the firms to economically survive being relocated. If appropriate, an analysis of relocation impacts should include an assessment of the potential for businesses to relocate to economically viable areas. Availability of relocation sites will be affected by zoning restrictions, property values, accessibility or other special requirements of the business (e.g., a dog kennel, print shop, auto dismantling). Some may be non-conforming land uses.

Then the analyst should consider the following approach.

- Describe whether the businesses subject to relocation serve primarily through traffic or local customers.
- Determine whether the displaced firms would suffer a loss of clientele upon relocation. Firms catering primarily to through traffic, if relocated along a highway with adequate access, are typically less affected than those that serve a local clientele that has been built up over many years.
- Determine the number and type (professional, skilled or unskilled labor, etc.) of employees working for the firms subject to displacement.

- Make an assessment of the opportunity for the employees to continue to work for the relocated firms.
- Note whether the firms would likely have to relocate to a distant location that may require the employees to relocate or travel long distances to work.
- Mention if any businesses would close rather than relocate.
- Indicate whether any of the displaced firms are major employers in the community and discuss the potential for substantial layoffs.
- Indicate whether people are employed with firms that would close and their skill is one with limited job opportunities.

Data Sources

Sources of information to determine the number and type of businesses that would be affected by a project include:

- Caltrans Right-of-Way staff,
- County Assessor,
- Chambers of Commerce,
- Local planning and economic development agencies, and
- Field studies, which are essential for identifying specific businesses that may be affected and for understanding the severity of the relocation impact.

7.2.4 Community Facility Relocations

Impacts related to the relocation of community facilities such as schools, community centers, churches, and recreational facilities are likely to be mostly psychological, although financial impacts associated with loss of client base or memberships may occur for facilities that collect dues or user fees to support their operations. Much like a small business relocation, relocating a community facility away from the community that supports and uses it, such as a health care facility for the elderly or a substance abuse treatment center, may make the facility ineffective in achieving its mission.

The nature of school financing in California is discussed briefly here because it affects the way the environmental planner should look at anticipated impacts on public schools.

In 1972, the State enacted legislation which established a system of revenue controls that limited the maximum amount of general purpose state and local revenue that a school district could receive. The revenue limit formulas include both a base revenue limit—a basic education amount per unit of average daily attendance (often abbreviated ADA, but not to be confused with the American Disabilities Act)—that has been equalized over time and revenue limit adjustments that provide additional revenues for special needs, such as unemployment insurance.

Though the statutes remain on the books, since the passage of Proposition 13 in 1978, as well as through the results of court decisions, schools are no longer largely financed through local property taxes. As a result, losses in assessed property valuations due to removing property from

the tax rolls currently have no effect on revenues received by school districts. This is because any such reductions in local tax revenue distributed to a school district are automatically compensated by increased state aid in an equal amount. Instead, the current education financing system is driven by pupil enrollments, measured as average daily attendance. School districts have their total district revenue limit funds calculated based on ADA of the previous year.

In other words, with respect to impacts on school financing the analyst should consider not how many total properties are likely to be removed from the local tax rolls, but the following questions.

- How many displacements are likely to involve families with school age children?
- Are such families likely to be relocated within the same school district?

On the other side of the ledger, those enrollments that are drained from one school district must be assumed to shift to other school districts, with a corresponding increase in their respective revenue limits.

Data Sources

With projects that would include a sizable number of residential displacements, the planner should contact school district offices that serve the affected community to gather information to determine whether there would be any potential impacts associated with any reduced attendance related to the relocations.

7.3 Summarizing Relocation Impacts in the Community Impact Assessment Report

As noted earlier, the summary of relocation impacts for the community impact assessment should include a discussion of the characteristics of the existing housing stock, business establishments, and community services in the affected area; relevant housing policies and programs; development trends in the study area and larger regional context; and characteristics, attitudes, and special needs of those who are being displaced. The summary of residential displacements should describe the location (APN and address) and type (single-family, multi-family, apartment) of the affected properties and a description of the nature of the impact.

The complexity of business impacts necessitates the gathering of considerable detail about displaced businesses. Once it has been determined what the relocation impacts of the project will be, the analyst should determine whether there are appropriate relocation sites available for the displaced businesses. Caltrans Right-of-Way staff may have looked into this; check with them first. Often redevelopment agencies will develop plans for relocating displaced firms and these can be useful in determining the severity of relocation impacts. The summary of business impacts should include information similar to that for residential impacts and should also include the type of business being relocated.

Using a table similar to Table 7-1 below is a convenient way to summarize relocation impacts. More detailed information regarding the availability of replacement property and any unique circumstances related to specific relocations should be included in the discussion of impacts.

Table 7-1. Summary of Displacements

APN	Address	Tenant Owner/Renter	Number of Displaced Residents or Employees	Type of Unit	Description of Impact
111-22-333	123 Main Street	Owner	5	Multi-family duplex	Full parcel acquisition of a 3,000-sq ft residential duplex. Both units in the duplex are occupied.
444-55-666	456 Main Street	Renter	0	Single family	Partial acquisition, loss of frontage and landscaping, reduced setback
777-888-999	789 10 th Street	Owner	4	Commercial business	Full parcel acquisition of a gas station and convenience store.
123-456-789	10 Community Drive	Renter	2	Boys' and Girls' Club	Partial acquisition, loss of 3 parking spaces and landscaping.

It is desirable to distinguish between properties that are strictly “displacements” rather than “relocations.” There may be parcels that are vacant land that would be displaced by the project, or small portions of parcels that would be displaced, but that would not require any relocations. Additional detailed information should be provided for those properties where there would be a full acquisition resulting in the need for a relocation. This kind of information, characterizing the nature of the impact, should be inserted in the “Description of Impact” column.

7.4 Addressing Project Impacts

Using the FHWA approach to addressing a project’s adverse effects, the following are suggested approaches to avoid, minimize, mitigate, and enhance the relocation impacts of a transportation project.

- Avoid
 - Modify an alignment to avoid displacements and relocations.
 - Adjust the project profile to reduce the right-of-way requirements.
 - Reduce the scope of the project to reduce right-of-way requirements.
- Minimize
 - Modify the project to minimize the need for right-of-way acquisition.
 - Construct replacement facilities before demolishing the displaced facility.
- Mitigate
 - Provide financial compensation for property loss and relocation expenses, as outlined in the Uniform Relocation Act. Details regarding the principal benefits and services available to relocatees are discussed in Chapter 10 of the Caltrans Right-Of-Way Manual. See Appendix C for a discussion of the Caltrans relocation assistance program.

- Not all social impacts associated with displacement can be offset by financial compensation or physical relocation. The impacts on a person’s social attachment to a particular community or the loss of close proximity to customary services and recreation facilities may not be duplicated in another community.
- Engage local governments in developing a regulatory strategy to encourage development to replace lost housing, employment, and community facilities through measures such as revising zoning, providing tax incentives, and other financial incentives for developers.
- Provide “severance aid” to mitigate impacts on student enrollments (Education Code Article 16, section 41960 extract in Caltrans Statutes).
- Enhance
 - Provide improved replacement housing within the same neighborhood as the displaced housing when sufficient land is available.
 - Provide improved access to and/or replacement parking for businesses.
 - Provide trees, landscaping, sidewalks, public artwork, and street furniture as part of the project design.
 - Expand transit services and locations.
 - Provide a recreational opportunity such as a small park or a bicycle trail.

7.4.1 Additional Resources

- [42 U.S.C. 4601](#). Chapter 61--Uniform Relocation Assistance and Real Property Acquisition Policies for Federal and Federally Assisted Programs. 1970.
- [49 CFR, Part 24](#). Uniform Relocation Assistance and Real Property Acquisition for Federal and Federally Assisted Programs.
- Caltrans. [Context Sensitive Solutions Website](#).
- Caltrans. [Right of Way Manual](#). 2000.
- Caltrans. [Business Relocation Brochure](#) (pdf).
- Caltrans. [Mobile Home Relocation Assistance Program](#) (pdf).
- Caltrans. [Relocation Assistance for Residential Relocation](#) (English) (pdf).