

Redwood Marine Terminal II Nordic Aquafarms

Draft Tenant Relocation Plan

May 8, 2020

In compliance with California Relocation Assistance Law (California Government Code §7260 et seq.) and corresponding regulations set forth in the California Code of Regulations, Title 25, Chapter 6.

I. Executive Summary

The Humboldt Bay Harbor, Recreation, and Conservation District (the “Harbor District”) is planning for the development of a new approximately 600,000 square foot recirculating aquaculture facility at its Redwood Marine Terminal II property located at 364 Vance Avenue (APN 401-112-021). Phase I of the recirculating aquaculture project involves the demolition of a portion of the shops and stores building and the entire machine building identified on the following Site Map.



Purpose of Relocation Planning

The purpose this *Draft* Relocation Plan (“Draft Plan”) is to assist the Harbor District in planning for the recirculating aquaculture project. The Draft Plan is a tool used by the Harbor District to identify the needs of the affected business occupants of the Subject Property, assess the availability of potential replacement sites for the businesses, and to put forth the Harbor District’s commitment to provide relocation assistance to displaced businesses in accordance with the Harbor District’s Relocation Assistance Program for locally funded projects (Relocation Program).

The Harbor District’s Relocation Program is outlined in Section IV of the Draft Plan and a copy of the Harbor District’s Non- Residential Relocation Assistance Brochure is included as Appendix Item C. The Harbor District’s Program complies with California Relocation Assistance Law (California Government Code §7260 et seq.) and corresponding regulations set forth in the California Code of Regulations, Title 25, Chapter 6.



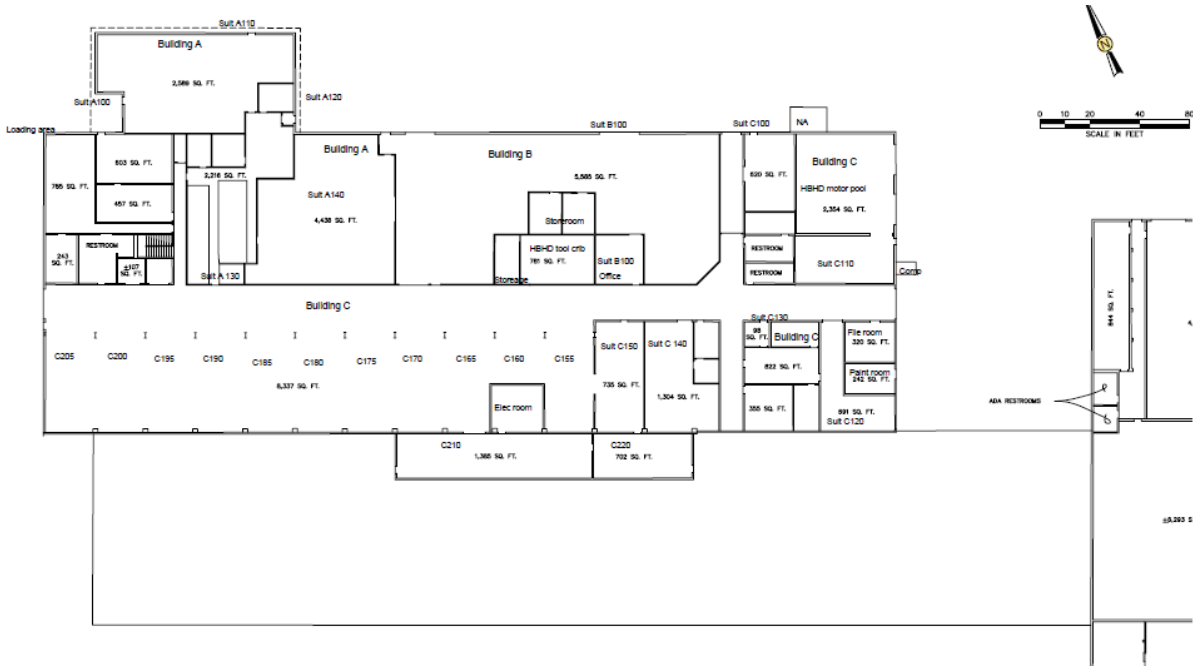
Shops and Stores



Offices



Machine Building



Summary of Impact

The Subject Property is comprised of several buildings which are slated for demolition. All the buildings except for the Shops and Stores building and one 384 square foot small portable office building and approximately 14,400 square feet of exterior yard space is vacant and unutilized. As depicted in the photographs above, the Shops and Stores Building is a three story, multi-tenant commercial office, warehouse, and shops and stores mixed-use, building which was formally part of a larger pulp mill complex. The “Shops and Stores” building is approximately 44,000 square feet. The floor plan of the Shops and Stores Building which includes the location of each of the existing tenants is illustrated in the floor plan above.

The following table outlines the current tenants, space number, use, square foot and lease term, and option to extend term. The types of businesses currently in occupancy include cleaning service, office equipment repair, manufacturing, office, distributor of bulk liquified petroleum products, research, and warehouse. If the recirculating aquaculture project proceeds, the building would be demolished, and tenants would need to vacate.

Area	Building	Space	Tenant	Lease End Date	Option End Date	Unit / Identifier	Sq. Ft
A	1	A110	Vacant Office			office	1,800
A	1	A120	Restif Office	1/20/2024	1/20/2026	office	980
A	1	A130	Restif Shop Space	1/20/2024	1/20/2026	warehouse	1,450
C	1	C195-C205	Restif Warehouse	1/20/2024	1/20/2026	warehouse	3,200
A	1	A140	Alternative Business Concepts	01/31/20201	.	office	750
A	1	A140	Alternative Business Concepts	1/31/2021	1/31/2023	warehouse lower	2,400
A	1	A140	Alternative Business Concepts	1/31/2021	1/31/2023	warehouse upper	2,400
B	1	B	Vacant Shop Space				4,100
B	1	B100	CPR Inc.	9/30/2020	9/30/2021	warehouse	4,100
B	1	B100	CPR Inc.	9/30/2020	9/30/2021	office	400
A	1	A100	HSU Sea Grant	7/30/2020	7/30/2024	office	486
A	1	A100	HSU Sea Grant	7/30/2020	7/30/2024	Shops & stores lab	600
C	1	C100	Pacific Flake	M to M		Shops & stores	600
C	1	C Pad	Pacific Flake	M to M		outside area	800
C	1	C110 -C130	Harbor District			warehouse	7,000
C2	1	C140	Coastal Business Systems			warehouse	1,300
C	2	C150 - C175	Vacant Shop			warehouse	4,200
C	1	C180 - 185	Suk-Choo Kim			Office	1,600
C	3	Lab	Vacant			Lab / Office	4,641
Shops & Stores Subtotal							42,807

Project Scheduling

Harbor District Board has directed staff to lease the area to the recirculating aquaculture company (Nordic Aquafarms California). As required, the Harbor District will also notify occupants of the Subject Property of their potential eligibility for non-residential relocation assistance benefits under the Harbor District’s Relocation Assistance Program (“Relocation Program”). The Harbor District will, within a reasonable period of time, attempt to meet with each business owner and present a Letter of Eligibility as well as a handbook detailing the Program. Relocation advisory assistance will be provided to help occupants better understand the Program, their rights and benefits, assistance in searching for replacement sites and help to secure reimbursement of eligible moving and related expenses from the Harbor District.

It is anticipated that the demolition will begin in the summer of 2021. The business occupants will be permitted to remain on the property at least through the end of April 2021 in order to allow them ample time to secure a replacement site and relocate.

Project Assurances

The business occupants would not be displaced without receiving written notice of the available relocation assistance, advisory services and at least a written 90-Day Notice to Vacate. As part of the lease agreement Nordic Aquafarms California has provided the Harbor District with a deposit of funds and a commitment to pay the full cost of relocation to four of the seven tenants outlined in the table below. The Harbor District would provide relocation assistance to the remaining tenants. The Nordic Aquafarms California deposit is meant to provide assurance that there are sufficient funds set aside to provide monetary assistance to the businesses that are eligible for relocation assistance as outlined by the Relocation Program.

Tenant	Use	Sq. Ft.	Current Lease Term	Lease Option Period	Responsible for Relocation
Restif Office	Office / Shop	5,630	1/1/2024	1/1/2026	NAF
Alternative Business Concepts	Office / Shop	5,550	1/1/2021	1/1/2023	NAF
CPR Inc.	Shop	4,500	7/1/2020	7/1/2021	NAF
HSU Sea Grant	Office / Lab	1,086	6/1/2020	6/1/2024	NAF
Coastal Business Systems	Warehouse	1,300	6/1/2020	NA	HD
Suk-Choo Kim	Warehouse	1,600	6/1/2020	NA	HD
Refined Hydrocarbon	Outside storage/office	3,384	8/31/2022	8/31/2024	NAF

Basis of Findings

In order to assess the Project’s potential impact and the feasibility of relocating the business occupants into the surrounding community, the Harbor District will contact real estate professionals, commercial property management companies, and commercial property owners to prepare a Draft Plan. This Draft Plan will be circulated for a 30-day public review and comment period. At the conclusion of that time period Harbor District will incorporate comments received into the Draft Plan. The Final Draft Plan will then be submitted the Harbor District Board for consideration.

In May and June 2020, the Harbor District intends to gather information about each business and its replacement site needs, present the proposed project scope to the business owners, toured the facility to better understand the Project’s potential impact (where permitted by the business owner) and provided information concerning the Harbor District’s Relocation Program.

Estimate of Project Relocation Costs

The following estimates are for budgeting purposes only. These figures should not be interpreted as firm, “not to exceed” or actual entitlement costs. These figures are based on the data obtained through the occupant interviews, current project scope, replacement site availability, review of Furniture, Fixture and Equipment appraisals (FF&E) provided by Harbor District and the judgment and experience of the Consultant. The estimates do not include payments to consultants or to contractors.

Total Estimate Range	
Most Probable	High
\$36,750	\$147,000

The Recirculating aquaculture project will utilize no State or federal funding.

II. Relocation Impact

Description of Current Occupants

The Harbor District will contact each business (in person and by mail) to schedule a formal interview as part of the preparation of this Draft Plan. Appendix Item B includes a copy of the interview sheet and sample letter from the Harbor District will deliver to each business occupant identified at the Subject Property.

Information about the business types and structure, site characteristics, lease information and client base will be collected as part of the preparation of the Draft Plan. Copies of the existing leases will also be reviewed. The net rentable area is estimated to be 42,807 square feet with approximately 28,066 square feet are leased under term leases or on a month-to-month basis. In reviewing the leases, rents range from \$0.15 to \$0.70 per square foot.

III. Replacement Site Resources

A preliminary survey was conducted of commercial properties for lease in the Samoa Peninsula, Eureka, and Arcata area in order to ascertain the availability of replacement sites. As the market conditions regularly change, the commercial property survey will be regularly updated until all tenants are successfully relocated. The general categories of space surveyed included: General Office, shop, and warehouse. A summary of the potential available sites in and around the Harbor District is shown below.

Site	Office	Warehouse	GLA	Rate	Rate/ Ft
2326 3rd Street Eureka	1282	2678	3960	\$ 2,400.00	\$ 0.61
2950 California Eureka,	3300	0	3300	\$ 1,500.00	\$ 0.45
1220 5th Arcata	0	6000	6000	\$ 2,400.00	\$ 0.40
65 Ericson	730	1505	2855	\$ 2,300.00	\$ 0.81
7th & L Fortuna		4000	4000	\$ 2,750.00	\$ 0.69
164 Dinsmore Drive Fortuna	1600	2800	4400	\$ 5,500.00	\$ 1.25
1703 Guinto Arcata	2423	0	4736	\$ 2,011.00	\$ 0.83
1703 Guintoli Arcata	800	0	4736	\$ 800.00	\$ 1.00
1703 Guintoli Arcata	1513	0	4736	\$ 1,301.00	\$ 0.86

The result of the survey found at this time there **are** a sufficient number of available commercial properties for rent in the Samoa Peninsula, Eureka, Arcata and the immediately surrounding area that will allow for these different types of businesses relocate. It is important to provide an adequate amount of time and assistance for occupants to locate a secure replacement site. Allowing for a longer period of time between notification to the occupants of their eligibility for non-residential relocation assistance and the anticipated date the Harbor District needs the

property vacated is critical in easing the competition for available space for lease within the local real estate market. The Harbor District may use current staff or contract for outside consulting services to provide Relocation Advisors to work directly with the businesses and implement the Harbor District Relocation Program.

IV. Relocation Program

The California Relocation Assistance and Real Property Acquisition Guidelines (25 California Code of Regulations Section 6000 et. seq.), and such amendments that may follow, are the relocation rules and regulations for the purposes of implementing relocation benefits and administering relocation assistance for Harbor District projects or programs requiring relocation assistance and benefits under state laws. The information in this Section broadly summarizes the Harbor District's Relocation Program for Non- Residential Occupants and describes the principal provisions of relocation legislation concerning where and how to get assistance, eligibility for benefits, payments and requirements. Language assistance will be provided at no cost to displaced businesses.

The Harbor District assures that no person shall, on the grounds of race, color, national origin, age, gender, disability or religion as provided by the Civil Rights Act of 1964, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program, service or activity. If you have a complaint against the Harbor District or its third party contractors please call Chris Mikkelsen, Director of Facilities Management at (707) 443-0801.

Payment for loss of goodwill is considered a cost related to the acquisition of property. California law mandates that relocation payments cannot duplicate other payments, such as loss of business goodwill.

Benefit Eligibility

Every property owner or tenant who is displaced from property on which they operate their business, farm or non-profit organization, as a result of a Harbor District sponsored project, is protected under State of California legislation. Relocation legislation establishes strict eligibility and documentation requirements for owners and tenants. To receive payment for a particular benefit, they must satisfy all requirements for that particular benefit payment.

Summary of Relocation Assistance

Eligible displaced businesses are offered appropriate financial and advisory assistance to help relocate, including:

- A. **Advisory Assistance.** A Relocation Advisor to assist locating a replacement property either for sale or rent that is suitable in condition, price or rental range, and assistance to submit the documentation required to file the appropriate Program benefit claim

forms. Information on services offered by other agencies is also made available. The Relocation Advisor is the principal contact in all matters concerning the Harbor District's relocation programs and procedures. The Relocation Advisor will:

- Maintain contact with the business owner throughout the relocation process in order to determine the needs and preferences for a replacement location. Among other matters, requirements as to space, location, site configuration, zoning and cost will be taken into account.
- Assist in determining the need for outside specialists to plan, move and install personal property.
- Assist in identifying and resolving any issues regarding what is real estate and what is personal property to be moved.
- Assist in filing claim forms for the various types of relocation payments, including the type of documentation required to support the amount being claimed.
- Provide referrals to available replacement sites or provide the names of local real estate agents or brokers who can assist in finding the type of replacement location which appeals to the needs of the business. Explain which moving costs may be eligible for reimbursement and which are not eligible.
- Maintain strict confidentiality regarding all matters related to the business operation.
- Provide assurance that the business will not be required to move until Harbor District has provided at least 90 days advance written notice of the specific date by which the property must be vacated.

B. **Financial Assistance.** Property owners and tenants may be paid on the basis of actual, reasonable, and necessary moving costs and related expenses incurred in moving personal property up to a distance of 50 miles from the displacement location, or under certain circumstances, a fixed payment. Actual, reasonable moving expenses may be paid when the move is performed by a mover or when the business chooses a self-move. Some related expenses, such as personal property losses, expenses in finding a replacement site and reestablishment expenses may also be reimbursable.

- **All actual, reasonable and necessary moving expenses** must be supported by paid receipts or other evidence of expenses incurred, this is often referred to as "proof of payment". In addition to the cost of transporting the personal property to the replacement site (up to 50 miles). Moving payments are generally made after the move is completed and the premises are left clean and orderly. Payment typically takes four weeks to process from receipt of a signed claim form with required supporting documentation.

A business may choose to take full responsibility for all or part of the move operation (under a "Self-Move Agreement"), the Harbor District may approve a payment not to exceed the lower of two acceptable bids or estimates obtained

from qualified moving firms, moving consultants, or a qualified Harbor District representative.

Certain other expenses may also be reimbursable, such as:

- Packing and unpacking, loading and unloading of personal property
- Disconnecting and dismantling, reassembling and reinstalling machinery
- Temporary storage (with prior approval)
- Connection to utilities within the replacement site building
- Reprinting obsolete stationery
- Other eligible reimbursable costs may include:
 - Licenses, permits or certification caused by the move to the extent that the cost is necessary to its reestablishment at the replacement site.
 - The reasonable cost of professional services necessary for planning the move of the personal property, moving the personal property, or installing the relocated personal property at the replacement site.
 - Insurance of personal property in connection with the move and required storage (if any).
 - The reasonable cost of moving and reinstalling telephone, burglar, fire alarm and other specialty equipment or systems, if not purchased by the Harbor District as part of the real estate.
 - 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, the displaced business is entitled to the lesser of:
 - 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
 - The estimated cost of moving and reinstalling the replaced item, but with no allowance for storage.
 - Direct loss of tangible personal property if a person who is displaced from a place of business is entitled to relocate such property in whole or in part, but elects not to do so. Payment is computed on the basis of the lesser of:
 - The fair market value in place of the item, as is, for continued use, less the proceeds from the sale; or
 - The estimated reasonable cost of moving the item, as is,

but not including any allowance for storage or for reconnecting the piece of equipment, if the equipment is in storage or not being used at the acquired site.

- The reasonable cost incurred in attempting to sell an item that is not to be relocated may also be reimbursable.
- If the Harbor District considers personal property to be of low value and high bulk, and moving costs are disproportionate to its value, the allowable reimbursement for the expense of moving such property cannot exceed the lesser of:
 - The amount which would be received if the property were sold at the site; or
 - 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.
- **Site Searching.** Reimbursement for actual reasonable expenses incurred in searching for a replacement property, in an amount not to exceed \$1,000. Such expenses may include mileage, meals and lodging away from home, time spent searching, fees paid to a real estate agent or broker to locate a replacement site (excluding fees or commissions related to the purchase of such sites), time spent in obtaining permits, attending zoning hearings, and negotiating purchase or lease of a replacement site.
- **Reestablishment Payment.** In addition to a payment for actual reasonable moving and related expenses, a small business may be eligible to receive a payment of up to \$10,000 for reasonable and necessary expenses actually incurred in re-establishing its operation at a replacement site.
 - Repairs or improvements to the replacement real property required by Federal, State or local laws, code or ordinance.
 - Modifications to the replacement real property to accommodate the business or make the structure(s) suitable for the operation.
 - Construction and installation costs of exterior advertising signs and advertising of the replacement location.
 - Redecoration or replacement of soiled or worn surfaces at the replacement site, such as paint, paneling or carpeting.
 - Estimated increased costs of operation at the replacement site during the first 2 years for items such as monthly lease or rental costs, personal or real property taxes, insurance premiums, or utility charges.

- Connection to available nearby utilities from the right-of-way to improvements at the replacement site.
 - Professional services performed prior to the purchase or lease of a replacement site to determine a sites' suitability for the business operation, including but not limited to soil testing, feasibility and marketing studies (excluding any fees or commissions directly related to the purchase or lease of the site).
 - Impact fees or one-time assessments for heavy utility usage as determined to be necessary by the Harbor District.
 - Other items which the Harbor District considers essential to the re-establishment of the business.
- **Fixed Payment "In Lieu of" Actual Moving & Related Expenses.** Under certain circumstances, eligible businesses may request a Fixed Moving Payment "in lieu of" (i.e., instead of) receiving a payment for actual, reasonable moving and reestablishment expenses. The minimum payment is \$1,000 and the maximum fixed payment is \$10,000. It is based on the average annual net earnings of the business or farm for the 2 years immediately prior to displacement. Proof of net earnings can be documented by income tax returns, certified financial statements, or other reasonable evidence acceptable to the Harbor District.
 - No relocation payment received will be considered income for the purposes of the Internal Revenue Code, Personal Income Tax Law, Part 10 (commencing with Section 17001) of Division 2 of the Revenue and Taxation Code. This statement is not tendered as legal advice in regard to tax consequences and displaced persons should consult with their own tax advisor or legal counsel to determine the current status.

Time to File. Tenants must file relocation cost reimbursement claims within eighteen (18) months of the date they vacate the displacement site. The property owner must file a claim within eighteen (18) months after the date they move, or the date they receive the final acquisition payment, whichever is later.

Appeal. Displaced businesses have to right to appeal, if they feel the Harbor District has failed to properly determine eligibility for relocation assistance or the amount of a relocation payment. The Relocation Advisor will provide information about the appeal procedure and help file an appeal in a timely manner. Appellants will be given a prompt and full opportunity to be heard and have the right to be represented by legal counsel or another representative in connection with the appeal (but solely at their own expense). The Harbor District will consider all pertinent justifications and materials submitted by and appellant and other available information needed to ensure a fair review. The Harbor District will a written determination resulting from the appeal with an explanation of the basis for the decision. If still dissatisfied with the relief granted, an appellant may seek judicial review. Please see Appendix D, for further information on the Harbor District's Relocation Program Appeals Procedure.

Appendices

Appendix A - Maps of Project Area

Appendix B - Business Survey Sheet

Appendix C - Non-Residential Relocation Assistance Handbook

Appendix D - Relocation Assistance Program Appeal Procedure

Appendix E - Public Comments Received During the 30-day Review and Comment Period

Appendix Item A

Current View

**Proposed
Project
Future
View**

Appendix Item B

Informational Survey

As you may be aware, we are in the process of drafting a Relocation Impact Study for the Harbor District related to their proposed recirculating aquaculture project. This project may impact the property your business occupies at 364 Vance Avenue Samoa Peninsula, California.

Below is a brief survey which we hope you will agree to complete and return to us. We would also greatly appreciate an opportunity to meet with you in person to discuss your business operation and its needs in greater detail.

<p>F (707)443-0800</p> <p>ax: cmikkelsen@humb oldtbay.org</p> <p>Em</p> <p>ail:</p>	<p>Mail: Humboldt Bay Harbor Recreation, and Conservation District 601 Startare Drive Eureka, CA 95502</p>
---	---

Business name:		DBA:	
Describe nature and type of business:			
Suite(s) occupied:	Est. square footage:	Number of employees:	
Number of years in business:	Years at this location:	Other locations:	
Hours and days of operation:		Seasonal business trends:	
<input type="checkbox"/>		<input type="checkbox"/>	
Any special utility needs:		ADA Requirements:	
<input type="checkbox"/>		<input type="checkbox"/>	
Require proximity to public transportation? Yes No			
Do you depend on truck/large deliveries? Yes No			
Other special access requirements for your business or customers:			
<input type="checkbox"/>			
<input type="checkbox"/>			

Any special features in your current suite that are specific to your business needs:

Do you sublease any portion of your suite(s) to others: Yes No

If “yes”, please provide sub-tenant’s contact information:

<i>If your business must relocate in the future, please provide information on the desired location and type of space you would be looking for.</i>	
General area, cities, location preferences:	
Space (square feet) desired:	Type (commercial, office, retail):
Physical layout:	Special utility needs:
Storage:	Parking requirements:
Lease or purchase: <input type="checkbox"/> Lease <input type="checkbox"/> Purchase <input type="checkbox"/> both	Target rent/price range:
Other replacement site requirements/preferences:	
Have you already been looking at sites? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Where:	

<i>Business Contact Information:</i>		
Owner(s) name(s):	Fax:	Phone:
	Email:	Alternate phone:
Mailing address:	Additional authorized contact person, if any, we may speak to at your business regarding this Project:	
Person's name completing this survey:	Signature and date:	

Appendix Item C

Relocation Assistance Handbook Available to Non-Residential Occupants (Business, Farms and Non-Profit Organizations)

Summarizing the California Relocation Assistance Act (Gov. Code Section 7260 et.seq.) and California Relocation Assistance and Real Property Acquisition Guidelines (25 California Code of Regulations Section 6000 et.seq.).

TABLE OF CONTENTS

INTRODUCTION.....	
1	
BENEFIT	
ELIGIBILITY.....	
1 SUMMARY OF RELOCATION ASSISTANCE.....	
2	
RELOCATION ADVISORY ASSISTANCE.....	
2	
FINANCIAL ASSISTANCE.....	
3	
ACTUAL REASONABLE AND NECESSARY MOVING EXPENSES.....	
3	
Estimated Cost Move.....	
4	
Purchase of Substitute Personal Property.....	
4	
Direct Loss of Tangible Personal Property.....	
4	
Low Value-High Bulk Personal Property.....	
5	
Searching Expenses for Replacement Property.....	
5	
RE-ESTABLISHMENT PAYMENT.....	
6	

INELIGIBLE RE-ESTABLISHMENT EXPENSES.....

7

FIXED PAYMENT "IN LIEU OF" ACTUAL MOVING & RELATED EXPENSES...

7

RELOCATION PAYMENTS NOT CONSIDERED TO BE INCOME...

8

FILING OF CLAIMS.....

8

YOUR RIGHT TO APPEAL.....

8

WHEN THE HARBOR DISTRICT BECOMES YOUR LANDLORD...

9

ANTI-DISCRIMINATION & LANGUAGE SERVICES...

9

ADDITIONAL INFORMATION.....

10

This page is left intentionally blank.

INTRODUCTION

The Harbor District Board adopted the California Relocation Assistance Act (Gov. Code Section 7260 *et seq.*) and California Relocation Assistance and Real Property Acquisition Guidelines (25 California Code of Regulations Section 6000 *et seq.*), and such amendments that may follow, as the Harbor District's own relocation rules and regulations for the purposes of implementing relocation benefits and administering relocation assistance for Harbor District projects or programs requiring relocation assistance and benefits under state laws.

This handbook broadly summarizes this Program and describes the principal provisions of relocation legislation concerning where and how to get assistance, eligibility for benefits, payments and requirements. Relocation regulations are complicated and difficult to interpret. Therefore, persons reading the handbook are urged not to form advance opinions as to the benefits and amounts to which they may be entitled. Strict requirements must be met before eligibility can be established and payment benefits determined. Premature action may jeopardize eligibility for a relocation payment.

BENEFIT ELIGIBILITY

Every owner or tenant who is displaced from property on which they operate their business, farm or non-profit organization, as a result of a Harbor District sponsored project, is protected under State of California legislation.

Relocation legislation establishes strict eligibility and documentation requirements for owners and tenants. To receive payment for a particular benefit, they must satisfy all requirements for that particular benefit payment. This handbook will explain the requirements and the process for obtaining financial and advisory relocation assistance services.

SUMMARY OF RELOCATION ASSISTANCE

As an eligible displaced person, you would be offered appropriate financial and advisory assistance to help you relocate, including:

- A. Payment for your moving expenses, which include either:
 - A payment for Actual Reasonable Moving and Related Expenses, or
 - A Fixed Payment in Lieu of a Payment for Actual Moving and Related Expenses
 - Advisory Assistance to explain the relocation process, the related eligibility requirements and the procedures for obtaining reimbursement for moving expenses.
- B. Other help as needed to reestablish your business, farm or non-profit organization to minimize the impact of the move.

If you disagree with the Harbor District's decision as to the amount of your payment or your eligibility for assistance, you may appeal that decision.

RELOCATION ADVISORY ASSISTANCE

A Relocation Advisor will help you find a replacement property either for sale or rent that is suitable in condition, price or rental range, and will help you submit the documentation required to file the appropriate benefit claim forms. Information on services offered by other agencies is also available. The Relocation Advisor is your principal contact in all matters concerning the Harbor District's relocation programs and procedures.

Your Relocation Advisor will:

- Maintain contact with the business owner throughout the relocation process in order to determine the needs and preferences for a replacement location. Among other matters, requirements as to space, location, site configuration, zoning and cost will be taken into account.
- Assist in determining the need for outside specialists to plan, move and install personal property.
- Assist in identifying and resolving any issues regarding what is real estate and what is personal property to be moved.
- Assist in filing claim forms for the various types of relocation payments, including the type of documentation required to support the amount being claimed.
- Provide referrals to available replacement sites or provide the names of

local real estate agents or brokers who can assist in finding the type of replacement location which appeals to the needs of the business.

- Explain which moving costs may be eligible for reimbursement and which are not eligible.
- Maintain strict confidentiality regarding all matters related to the business operation.
- Provide assurance that the business will not be required to move until Harbor District has provided at least 90 days advance written notice of the specific date by which the property must be vacated.

FINANCIAL ASSISTANCE

Owners or tenants may be paid on the basis of actual, reasonable, and necessary moving costs and related expenses incurred in moving personal property up to a distance of 50 miles from the displacement location, or under certain circumstances, a fixed payment. Actual, reasonable moving expenses may be paid when the move is performed by a professional mover or when the business chooses a self-move. Some related expenses, such as personal property losses, expenses in finding a replacement site and reestablishment expenses may also be reimbursable.

The business owner must provide the Relocation Advisor and Harbor District with an inventory of the personal property to be moved and advance notice of the approximate date of the move, unless the Harbor District specifically informs you that these notices are not necessary.

The Harbor District has the right to inspect the personal property at the displacement and replacement sites and to monitor the move, as a condition of approval of claims under the Program.

ACTUAL REASONABLE AND NECESSARY MOVING EXPENSES

All actual, reasonable and necessary moving expenses must be supported by paid receipts or other evidence of expenses incurred, this is often referred to as “proof of payment”. In addition to the cost of transporting your personal property to your replacement site (up to 50 miles), certain other expenses may be reimbursable, such as:

- | | |
|---------------------------------------|---|
| ○ Packing, unpacking | ○ Temporary storage (with prior approval) |
| ○ Loading, unloading | ○ Connection to utilities within the building |
| ○ Removing and reassembling machinery | ○ Disconnecting, dismantling |
| | ○ Reinstalling relocated machinery |
| | ○ Reprinting obsolete stationery |

Other eligible reimbursable costs may include:

- Any license, permit or certification caused by the move to the extent that the cost is necessary to its reestablishment at the replacement site.
- The reasonable cost of any professional services necessary for planning the move of the personal property, moving the personal property, or installing the relocated personal property at the replacement site.
- Insurance of personal property in connection with the move and required storage (if any).
- The reasonable cost of moving and reinstalling telephone, burglar, fire alarm and other specialty equipment or systems, if not purchased by the Harbor District as part of the real estate.

Moving payments are generally made after the move is completed and the premises are left clean and orderly. Payment typically takes four weeks to process from receipt of a signed claim form with required documentation.

Estimated Cost Move

If you agree to take full responsibility for all or part of the move of your operation (under a "Self-Move Agreement"), the Harbor District may approve a payment not to exceed the lower of two acceptable bids or estimates obtained from qualified moving firms, moving consultants, or a qualified Harbor District representative. A low cost or uncomplicated move may be based on a single bid or estimate at the Harbor District's discretion. The advantage of this moving option is that it relieves you from documenting all moving expenses because the payment is limited to the amount of the lowest acceptable bid or estimate. The Harbor District may make this payment without additional documentation.

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, the displaced business is entitled to the **lesser** of:

- 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**
- The estimated cost of moving and reinstalling the replaced item, but with no allowance for storage.

Direct Loss of Tangible Personal Property

A business may claim payment for actual direct loss of tangible personal property as a result of moving or discontinuing a business operation. This payment cannot exceed the cost of moving the personal property.

Actual direct loss of personal property is allowed when a person who is displaced from a place of business is entitled to relocate such property in whole or in part, **but elects not to do so.**

Payment is computed on the basis of the **lesser** of:

- The fair market value in place of the item, **as is**, for continued use, less the proceeds from the sale, **or**
- The estimated reasonable cost of moving the item, **as is**, but not including any allowance for storage or for reconnecting the piece of equipment, if the equipment is in storage or not being used at the acquired site.

The reasonable cost incurred in attempting to sell an item that is not to be relocated is also reimbursable. The sales price, if any, and the actual reasonable cost of advertising and conducting the sale of personal property that is not to be relocated must be supported by a copy of the bills of sale or similar documents and by copies of any advertisements, offers to sell, auction records, or other data supporting the bona fide nature of the sale.

When personal property is abandoned with no effort being made by the business and/or owner to dispose of such property, the business and/or owner will not be entitled to claim moving expenses or losses for the items involved.

Low Value-High Bulk Personal Property

If the Harbor District considers personal property to be of low value and high bulk, and moving costs are disproportionate to its value, the allowable reimbursement for the expense of moving such property cannot exceed the **lesser** of:

- The amount which would be received if the property were sold at the site, **or**
- 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.

Please discuss this with your Relocation Advisor before incurring these costs to assure that they are reimbursable.

Searching Expenses for Replacement Property

Displaced businesses, farms and non-profit organizations are entitled to reimbursement for actual reasonable expenses incurred in searching for a

replacement property, in an amount not to exceed \$1,000. Such expenses may include mileage, meals and lodging away from home, time spent searching, fees paid to a real estate agent or broker to locate a replacement site (excluding fees or commissions related to the purchase of

such sites), time spent in obtaining permits, attending zoning hearings, and negotiating purchase or lease of a replacement site.

Receipted bills or other applicable documentation must support all expenses claimed. Payment for time spent searching must be based on a reasonable hourly wage for the person(s) conducting the search.

Please discuss this with your Relocation Advisor before incurring these costs to assure that they are reimbursable.

RE-ESTABLISHMENT PAYMENT

In addition to a payment for actual reasonable moving and related expenses, a small business, non-profit organization or farm may be eligible to receive a payment of up to \$10,000 for reasonable and necessary expenses actually incurred in re-establishing its operation at a replacement site. To qualify, the business must have not more than 500 employees working at the site.

Business reestablishment benefits may include but are not limited to:

- Repairs or improvements to the replacement real property required by Federal, State or local laws, code or ordinance.
- Modifications to the replacement real property to accommodate the business or make the structure(s) suitable for the operation.
- Construction and installation costs of exterior advertising signs and advertising of the replacement location.
- Redecoration or replacement of soiled or worn surfaces at the replacement site, such as paint, paneling or carpeting.
- Estimated increased costs of operation at the replacement site during the first 2 years for items such as monthly lease or rental costs, personal or real property taxes, insurance premiums, or utility charges.
- Connection to available nearby utilities from the right-of-way to improvements at the replacement site.
- Professional services performed prior to the purchase or lease of a replacement site to determine a sites' suitability for the business operation, including but not limited to soil testing, feasibility and marketing studies (excluding any fees or commissions directly related to the purchase or lease of the site).
- Impact fees or one-time assessments for heavy utility usage as determined to be necessary by the Harbor District.

- Other items which the Harbor District considers essential to the re-establishment of the business.

INELIGIBLE RE-ESTABLISHMENT EXPENSES

The following are not considered to be reasonable, necessary or otherwise eligible expenses:

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

FIXED PAYMENT “IN LIEU OF” ACTUAL MOVING & RELATED EXPENSES

Under certain circumstances, eligible businesses, non-profit organizations and farms are eligible to obtain a Fixed Moving Payment “in lieu of” (**i.e., instead of**) receiving a payment for actual, reasonable moving and reestablishment expenses.

The fixed payment for a business or farm operation is based on the average annual net earnings of the business or farm for the 2 years immediately prior to displacement; the fixed payment for a non-profit organization is based on average annual gross revenues for the 2 years immediately prior to displacement, less administrative expenses.

To be eligible, the business, non-profit organization or farm cannot be part of a commercial enterprise having more than three other similar establishments which are not being acquired for the project.

The minimum fixed payment is \$1,000 and the maximum fixed payment is \$20,000. You must provide Harbor District with proof of net earnings to support your claim. Proof of net earnings can be documented by income tax returns, certified financial statements, or other reasonable evidence acceptable to the Harbor District. Your Relocation Advisor will inform you as to your eligibility for this payment and the documentation you must submit to support your claim.

Example of Computation of a Fixed Payment

2011	2012	2013
Annual Net Earnings \$16,500	Annual Net Earnings \$18,500	Year Displaced
Average annual net earnings $\$16,500 + \$18,500 = \$35,000 / 2 = \$17,500$ Fixed Payment = \$17,500		

Remember, if an “in lieu” payment is selected, there is no entitlement to reimbursement for any other moving, related or reestablishment expenses.

RELOCATION PAYMENTS NOT CONSIDERED TO BE INCOME

No relocation payment received will be considered income for the purposes of the Internal Revenue Code, Personal Income Tax Law, Part 10 (commencing with Section 17001) of Division 2 of the Revenue and Taxation Code. This statement is not tendered as legal advice in regard to tax consequences and displaced persons should consult with their own tax advisor or legal counsel to determine the current status of relocation payments.

FILING OF CLAIMS

Your Relocation Advisor will assist you in completing the required relocation claims and explain the type of documentation that you must submit in order to receive payment.

If you are a tenant, you must file your claim within eighteen (18) months of the date you move. If you own the real property, you must file your claim within eighteen (18) months after the date you move, or the date you receive the final acquisition payment, whichever is later. However, it is to your advantage to file your claim as soon as possible after you move. The sooner you submit the claim, the sooner it can be processed and paid.

YOUR RIGHT TO APPEAL

You have to right to appeal, if you feel the Harbor District has failed to properly determine your eligibility for relocation assistance or the amount of a relocation payment. Your Relocation Advisor will provide you additional information about the appeal procedure, if you desire, and help you file your appeal in a timely manner. You will be given a prompt and full opportunity to be heard. You have the right to be represented by legal counsel or another representative in connection with the appeal (but solely at your own expense). The Harbor District will consider all pertinent justifications and materials submitted by you and other available information needed to ensure a fair review. The Harbor District will provide you with a written determination resulting from the appeal with an explanation of the basis for the decision. If you are still dissatisfied with

the relief granted, you may seek judicial review.

WHEN THE HARBOR DISTRICT BECOMES YOUR LANDLORD

If the Harbor District successfully acquires the property you occupy, you may become a tenant of the Harbor District. You will be asked to enter into a rental agreement with the Harbor District which specifies the rent to be paid, its due date and the property management policies which will apply to your tenancy.

No person eligible for relocation payments, who is lawfully occupying real property acquired for a Harbor District sponsored project, will be asked to move without first being given at least 90 days advance written notice.

However, you may be evicted for the following reasons:

- You received an eviction notice prior to the date the Harbor District made an offer to purchase the property and as a result of that notice you are later evicted;
- Serious or repeated violation of material terms of the rental agreement;
- Failure to pay rent, except for just cause acceptable to the Harbor District;
- Performance of a dangerous or illegal act on the premises;
- Maintenance of a nuisance and failure to abate within a reasonable time following notice;
- The eviction is required by State law or County ordinance and cannot be prevented by reasonable efforts on the part of the Harbor District.

ANTI-DISCRIMINATION & LANGUAGES SERVICES

The Harbor District assures that no person shall, on the grounds of race, color, national origin, age, gender, disability or religion as provided by the Civil Rights Act of 1964, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program, service or activity. If you have a complaint against the Harbor District or its third party contractors please call, Sharon Jones, Facilities and Real Property Manager at (510) 494-4715.

Should you need language assistance with the translation of documents or interpretation services, your Relocation Advisor can help you. Language assistance will be provided at no cost to you.

ADDITIONAL INFORMATION

This handbook is a general overview the Harbor District's relocation assistance program. It is not intended as a complete statement of all the State laws and regulations. You are encouraged to contact your Relocation Advisor with respect to all relocation questions in order to protect all of your benefits. Loss of eligibility may occur if you sell or move from your property without first contacting your Relocation Advisor.

While every effort has been made to assure the accuracy of this handbook, it should be understood that it does not have the force and effect of law, rule, or regulation governing the payment of benefits. Should any difference or error occur, the law will take precedence.

Payment for loss of goodwill is considered a cost related to the acquisition of property. California law mandates that relocation payments cannot duplicate other payments, such as loss of business goodwill.

If you have any questions which have not been adequately answered in this informational handbook, please contact your Relocation Advisor.

Appendix Item D

Harbor District Relocation Assistance Program Appeal Procedure

The Harbor District's guidelines, rules and regulations for Relocation Assistance are the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and its implementing regulations, as they may be amended from time to time, for projects with federal financial assistance, and the California Relocation Assistance Act and Guidelines, and its implementing regulations, as they may be amended from time to time, for all other projects. The process below implements the requirements of the federal and state relocation laws and regulations for appeals of relocation assistance claims.

Right of Review: Any claimant aggrieved by the Harbor District's determination as to relocation assistance eligibility, the amount of relocation assistance, the failure to provide comparable permanent or adequate temporary housing, or the Harbor District's property management practices, may file an appeal and request that the Harbor District review and reconsider the relocation assistance claim.

Notice of Appeal Time Limitations/Content: A claimant seeking an Informal Oral Presentation and/or Formal Review must notify the Harbor District in writing within eighteen (18) months following the date of the move from the property or the date the claimant receives final compensation, whichever is later. The notice must state the reasons the claimant believes an error or omission has occurred and the nature of the error or omission. If necessary, the Claimant's Relocation Advisor shall provide assistance to the claimant in preparing the written claim.

The request shall be
directed to:
Humboldt Bay Harbor, Recreation, and
Conservation District
Attention: Chris Mikkelsen, Director of Facilities
Management
601 Startare Drive
Eureka, CA 95502

Formal Review: Formal review and reconsideration of the Claimant's claims will be conducted by an authorized, impartial designee of the Harbor District's Executive Director ("Hearing Officer"). The claimant shall have the right to be represented by an attorney or another representative at their expense (if they choose, but this is not a requirement for an appeal proceeding), to present the appeal by oral or documentary evidence, to submit rebuttal evidence, and to conduct such cross-examination as may be required for a full and true disclosure of facts. Claimant's Relocation Advisor shall attend the hearing. Unless the Hearing Officer requests additional information or analysis, no additional information shall be considered after the hearing concludes. The Hearing Officer shall have the authority to revise the initial determination or the determination of a previous informal oral presentation.

Informal Oral Presentation: Prior to a Formal Review, a claimant may request an Informal Oral Presentation. Within 15 days of making a request for an Informal Oral Presentation, the claimant will have the opportunity to discuss the claim with an authorized designee of the Harbor District's Executive Director. The Informal Oral Presentation is optional and is NOT a condition to obtaining a Formal Review. The claimant may be represented at their expense by an attorney or other representative. A summary of the matters discussed in the oral presentation shall be included in the appeal file.

Determination on Review: The claimant shall receive a copy of the Hearing Officer's determination, including

an explanation of the basis upon which the decision was made once the Hearing Officer's Review is completed. The determination shall be provided within six weeks of the hearing date or the date the claimant, at the Hearing Officer's request submits the last material to the Hearing Officer for consideration.

Right to Judicial Review: The claimant has the right to seek judicial review upon exhaustion of all administrative remedies. A claimant's administrative remedies have been exhausted after the Hearing Officer's determination of the Formal Review.

Inspection of Materials: The claimant may inspect and copy materials pertinent to the appeal, except materials which the Harbor District classifies as confidential. The Harbor District also may impose reasonable conditions on claimant's right to inspect consistent with applicable laws.

Appendix Item E

(Held for insertion of public comment received during 30-day comment period.)

If any members of the public would like to make comments on the Draft Plan, they should contact the Harbor District:

To contact the Harbor District directly, please contact

Humboldt Bay Harbor, Recreation, and
Conservation District
Attention: Chris Mikkelsen, Director of Facilities
Management
601 Startare Drive
Eureka, CA 95502

Phone: (707) 443-0801
cmikkelsen@humboldtбай.org

Appendix Item F

General Information Notice

Dear Tenant:

On April 30, 2020, the Board of Directors of the Humboldt Bay Harbor, Recreation (Harbor District), and Conservation District approved a Letter of Intent to Lease to Nordic Aquafarms California, LLC a portion of our property located at 364 Vance Avenue on the Samoa Peninsula which you currently occupy. When the negotiations are completed and the lease is final, Nordic Aquafarms California, LLC intends to remove the structures / facilities you currently occupy and construct new facilities for their use. No State or Federal funding is projected to be part of the project and the Harbor District is providing no subsidy to the lease or development.

This notice is to inform you of your rights under California law. **THIS IS NOT A NOTICE TO MOVE.**

If the lease is approved and Coastal Development Permits are approved the property and you are displaced from the project, you may be eligible for relocation assistance under the law. However, do not move now. This is **NOT** a notice to vacate the premises. If development permits are approved for the Nordic Aquafarms LLC project and you are eligible for relocation assistance, you will be given advisory services, including referrals to replacement properties, and at least 90 days advance written notice of the date you will be required to move. You may also receive a payment for moving expenses and may be eligible for financial assistance to help you rent or other eligible costs. If anyone moves into this unit (subleases) after this notice, your assistance may be reduced.

You should continue to pay your monthly rent because failure to pay rent and meet your obligations as a tenant may be caused for eviction and loss of relocation assistance. You are urged not to move or sign any agreement to purchase or lease a new unit before receiving formal notice of your eligibility for relocation assistance. If you move before receiving notice, you may not receive any assistance. Please contact us before you make any moving plans.

The Harbor District will have a draft Relocation Plan available for public review and comment on its website <http://humboldtbay.org/> and the Harbor District Board will receive comments on the relocation Plan at its May 14th and May 28th Board meetings. If you have any questions or comments, please contact Chris Mikkelsen, Director of Facilities Management at (707)443-0801.

Sincerely

Larry Oetker
Executive Director