

A. INTRODUCTION

This chapter discusses potential direct and indirect displacement effects that may result from construction of the build alternatives. To develop the 50th Street facility in Alternative B, C, or Preferred Alternative D, private properties must be acquired. These property acquisitions would result in the direct displacement of several businesses and one apartment. A description of the businesses and residence located in these buildings is provided below, followed by a discussion of the potential impacts of the acquisition on the affected businesses and surrounding area. The chapter then describes the compensation and relocation assistance for owner-occupants and tenants needing to be relocated that would be provided by the Metropolitan Transportation Authority (MTA) in accordance with applicable state and federal laws.

The chapter also describes the potential for businesses in nearby buildings to be adversely affected by the presence of the 50th Street facility in each of the alternatives. Potential impacts during construction activities on the site are described in Chapter 15, “Construction Impacts,” of this revised Supplemental Environmental Assessment (EA). This chapter concludes that the presence of a new East Side Access ancillary facility on East 50th Street would not adversely affect nearby businesses.

B. EXISTING CONDITIONS**PROJECT SITE**

This section describes the existing businesses and residence located in the four buildings that would be displaced by Alternative B and the fifth additional building that would be displaced in Alternative C and Preferred Alternative D.

Field surveys were conducted in 2003 and 2004 to identify businesses and residences that would be affected. The number of persons employed by the potentially displaced businesses was estimated assuming standard factors commonly used in estimating employees in environmental assessments in New York City—an average of 1 employee per 400 square feet for retail space, 1 employee per 200 square feet for restaurant space, and 1 employee per 250 square feet for commercial space. Based on the results of the field surveys, the five buildings that may be affected are as follows:

- *44 East 50th Street (Block 1285, Lot 46)*—44 East 50th Street is a five-story building, with the ground floor occupied by a deli and liquor store, the second floor by a nail salon, and the third floor by a psychic astrologer. The fourth and fifth floors are vacant. The tenants are small businesses occupying 1,600 square feet or less of space each. The estimated number of employees in the building is 10–12.
- *46 East 50th Street (Block 1285, Lot 45)*—The first three floors of this five-story building are occupied by a restaurant. The restaurant is approximately 4,400 square feet and is

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estimated to employ approximately 22 people. The top two floors of the building contain a duplex apartment. The average household size reported in the 2000 U.S. Census for the census tract that includes the project site (Tract 102) is 1.71 persons per household.

- *48 East 50th Street (Block 1285, Lot 44)*—This five-story building is vacant.
- *50 East 50th Street (Block 1285, Lot 43)*—This six-story building is occupied on the first four floors by a restaurant. The restaurant occupies approximately 5,750 square feet and is estimated to employ approximately 29 people. The building's fifth floor is used for storage and the sixth floor contains a real estate office. An estimated 35 people work in this building.
- *45 East 49th Street (Block 1285, western portion of Lot 36)*—This two-story building is located on the western part of the lot containing the 25-story Colgate-Palmolive building. The site contains the ING Café, a café that also provides banking information, internet access, and other office support services for commercial workers. Up to 10 employees are estimated at the ING Café.

In addition, all build alternatives would require a permanent underground easement beneath a portion of 300 Park Avenue for a portion of the shafts and freight corridor between the 50th Street facility and the concourse at Grand Central Terminal. Preferred Alternative D would also require a permanent easement agreement with 300 Park Avenue for a pipe chase on the building's façade and for use of rooftop space for a cooling tower.

STUDY AREA

The project site is located in the East Midtown Central Business District (CBD), which is the high-density commercial center of Manhattan. Commercial uses in the study area are primarily office uses located in high-rise buildings, with retail uses supporting the commercial structures located in the ground floors of buildings. Typical retail uses include banks, caterers, and restaurants.

On the project block, high-rise office buildings are located immediately east and west of the project site, as well as on the north side of 50th Street and the south side of 49th Street. The main entrances to those buildings are on Park and Madison Avenues. The Palace Hotel is located on the north side of 50th Street, on the project block. According to information provided by the hotel, the Palace Hotel has 1,000 employees and provides sleeping accommodations for up to 2,000 guests per night. The hotel also has restaurant, meeting, and banquet facilities that serve as many as 1,500 visitors per day. The main entrance to the hotel, including the location for taxi and black car drop-offs and pick-ups, is on 50th Street close to Madison Avenue.

In addition to the office uses and hotel, the blocks of East 50th and East 49th Streets between Park and Madison Avenues also have two restaurants (in addition to the restaurants and retail space on the project site, described above). One of these is on the north side of 50th Street directly across from the project site, and the other is on the south side of 49th Street, directly across from the site that would be affected by the through-drive alternative.

The project site is located within Census Tract 102, which has a small residential population of 269 people. A portion of Census Tract 94 also falls within the study area. This tract also has a very small population of 51 people. The area within 400 feet of the project site includes four residential buildings. Based on New York City Real Property Assessment Data, the residential population within the study area's four residential buildings is 62 people.

C. ALTERNATIVE A (NO ACTION ALTERNATIVE)

Alternative A, the no action alternative, which was the design analyzed in the East Side Access Final Environmental Impact Statement (FEIS), placed the 50th Street ventilation equipment underground, with air intakes through sidewalk grates along 49th Street and exhaust through sidewalk grates along 50th Street. Warm air would be continuously exhausted through these grates. The other functions proposed for the 50th Street facility were proposed to be located elsewhere. This alternative would not require demolition of the existing midblock buildings on 49th and 50th Streets or displacement of businesses or tenants in those buildings. An eye institute planned for the building at 48 East 50th Street could proceed. Vacant portions of the other buildings could be occupied with new commercial uses, although there are no known plans for such projects at this time.

D. PROBABLE IMPACTS OF BUILD ALTERNATIVES

ALTERNATIVE B (50TH STREET FACILITY WITHOUT THROUGH DRIVE)

DIRECT DISPLACEMENT

Alternative B would require acquisition of four buildings on East 50th Street. Approximately seven businesses, with an estimated 70 employees, would be directly displaced. In addition, one apartment would also be directly displaced. The planned eye institute at 48 East 50th Street could not proceed, and would need to seek another location. In addition, an underground easement beneath 300 Park Avenue would be required for a portion of the shafts and freight corridor between the 50th Street facility and the concourse at Grand Central Terminal.

Owners and tenants of affected properties would be provided compensation and relocation assistance, in compliance with state and federal law. Owners of properties that would be acquired would be compensated at fair market value and relocation benefits would be provided for displaced businesses. With such assistance, businesses and tenants that would be displaced as a result of the construction of the 50th Street facility in Alternative B would likely be able to relocate close to their existing locations with minimal disruption to business activity and minimal loss of employment. Considering the limited number of displaced businesses, and the amount of space these tenants require, and comparing that with the available inventory of vacant retail space in Midtown Manhattan, it is likely that suitable relocation opportunities would be available. Therefore, businesses at 44, 46, and 50 East 50th Street would likely be able to relocate in the vicinity of the existing location, retaining existing employees and resulting in no loss of employment. (See “Compensation and Relocation Assistance,” below, for more details on the assistance to be provided under federal and state law.)

For residential displacement, MTA would also provide relocation assistance and compensation in accordance with applicable state and federal regulations (see “Compensation and Relocation Assistance,” below). Relocation alternatives are likely to be available within the neighborhood of the affected property, or, if not within the neighborhood, within the borough. With such compensation and relocation assistance, no significant adverse impacts related to direct displacement is expected to result.

Without assistance, smaller businesses, such as those located in the affected properties, may find relocation problematic as a result of business disturbance and difficulties inherent in setting up a new operation, from establishing a new clientele to publicizing a new telephone number. Two of

the businesses that would require relocation are restaurants. Restaurants are particularly sensitive to the effects of relocation, since their business is, in part, dependent on pedestrian traffic flows, neighborhood demographics, as well as repeat clientele—all of which are highly sensitive to the location of the business. A restaurant that relocates near its original location is more likely to retain its existing customer base while a restaurant that relocates far from the existing location enters a new market and must establish a new clientele.

The ease of relocation for the seven businesses would be affected by the fluctuations of the marketplace and the availability of suitable replacement space. IGDNYC Inc., a major retail real estate firm in Manhattan, reports that in 2004 there were approximately 230,000 square feet of vacant retail rental space in Midtown Manhattan, representing a vacancy rate of less than 5 percent. In Manhattan as a whole the vacancy rate for retail space is slightly higher, at 5.7 percent. In such “tight” market conditions, alternative locations may not be available in the right spot at the right time and without assistance, new space may be difficult to find. Nevertheless, the condition of particular sectors of the real estate market at the time of construction cannot be forecasted. If the market is slack in a given sector, new space would become easier to find.

EFFECTS OF FACILITY ON SURROUNDING AREA

The 50th Street facility in Alternative B would replace existing ground-floor retail uses on one block of East 50th Street with a commercial building similar in appearance to one of the modern office buildings nearby. This facility would have a ground-floor loading dock, like the loading docks immediately to its east and west and across 50th Street. As described in Chapter 3, “Land Use, Zoning and Public Policy, and Social Conditions,” the 50th Street facility would be a compatible land use and would not result in significant adverse effects to the character of the block or surrounding area. The facility has been designed using high-quality materials and finishes, so that it would be visually compatible with the surrounding area. The facility would not result in significant noise levels or pollution, and the limited number of trucks arriving at and departing from the loading dock each day (approximately 23, as detailed in Chapter 7, “Traffic and Transportation”) would not change the character of the street or result in significant adverse impacts to traffic or pedestrian conditions.

The 50th Street facility would house approximately seven employees. These employees would operate the chiller plant and loading dock and provide building maintenance and other duties. This small number of workers would not result in any significant changes to the socioeconomic profile of the immediate area.

The presence of the 50th Street facility in Alternative B would not adversely affect the other businesses in the immediate area, including the offices in high-rise buildings around the project site, the Palace Hotel, or the ground-floor restaurant on the north side of 50th Street. The 50th Street block currently has a busy commercial setting, with numerous different parking and loading bays on both sides of the street, including adjacent to the restaurant. The facility would add a use that would have a similar loading dock and limited truck traffic and would not be inconsistent with the surrounding area. Trucks would back in to the loading dock from 50th Street, as they do today at the other loading docks on the same block. No significant adverse impacts to traffic conditions would occur, so deliveries and drop-offs at the other businesses on the block, including the Palace Hotel and the restaurant across the street, would not be adversely affected. Moreover, the restaurant’s location in a central Midtown location adjacent to a major hotel and several large office buildings would continue to provide the visibility needed to sustain

a service business. Finally, similar ventilation buildings are located at many sites throughout the city.

Based on the analysis presented above, Alternative B would not result in any significant adverse socioeconomic impacts.

ALTERNATIVE C (50TH STREET FACILITY WITH THROUGH DRIVE)

DIRECT DISPLACEMENT

Alternative C, a 50th Street facility with drive-through access from East 49th Street, would require acquisition of the same four buildings on 50th Street as Alternative B. For both alternatives, approximately seven businesses with an estimated 70 employees, as well as one apartment, would be relocated. Alternative C would also require the acquisition of one additional building on 49th Street. This would require relocation of one additional business with an estimated 10 employees. In addition, as in Alternative B, an underground easement beneath 300 Park Avenue would be required for a portion of the shafts and freight corridor between the 50th Street facility and the concourse at Grand Central Terminal.

As with Alternative B, businesses and tenants that would be displaced as a result of the construction of Alternative C would likely be able to relocate close to their existing locations with minimal disruption to business activity and minimal loss of employment, with the relocation assistance to be provided by the MTA. As described above, the residents of the apartment that would be displaced on 50th Street would also be provided with relocation assistance and payments to ameliorate the financial burdens of displacement. Relocation alternatives are likely to be available within the neighborhood of the affected property, or, if not within the neighborhood, within the borough. Therefore, no significant adverse impacts related to direct displacement of residents or businesses are anticipated with Alternative C.

EFFECTS OF FACILITY ON SURROUNDING AREA

Alternative C was developed in response to public comments, as an alternative that would minimize the effects of the new loading dock on traffic congestion. The effects of this alternative on the surrounding area would in general be similar to those of Alternative B, except that Alternative C would bring less traffic to 50th Street and would not introduce a new loading dock that requires trucks to back in to the loading bays. These design changes would improve the overall effect of the project in terms of urban design.

This alternative, like Alternative B, would be designed using high-quality materials so that it is visually compatible with the modern office buildings in the surrounding area. The 50th Street facility would not result in significant adverse impacts to land use or neighborhood character. No significant adverse noise or air quality impacts would occur, either. With drive-through access for the loading dock from 49th to 50th Street, trucks would no longer have to back in to the new loading dock; rather they could enter head-in on 49th Street and exit on 50th Street. This would reduce the visibility of the loading dock operations on nearby uses.

The restaurant on East 49th Street has outdoor seating along the sidewalk during warm weather. Alternative C would bring approximately 23 trucks per day to 49th Street, which would turn to enter the new midblock driveway. This would be consistent with similar uses already located on the block, such as the loading entrance located directly west of the outdoor restaurant. East 49th Street is a busy street in Midtown Manhattan, which serves as a bus route and has truck traffic

servicing the high-rise buildings. The addition of the trucks entering the project site via the driveway would not significantly change the character of the street and would not be expected to adversely affect the nearby restaurant.

Based on the analysis presented above, Alternative C would not result in any significant adverse socioeconomic impacts.

PREFERRED ALTERNATIVE D (50TH STREET FACILITY WITH THROUGH DRIVE AND PUBLIC OPEN SPACE)

DIRECT DISPLACEMENT

Preferred Alternative D, a 50th Street facility with public open space, would require the same property acquisition as Alternative C. As in Alternatives B and C, an underground easement beneath 300 Park Avenue would be required for a portion of the shafts and freight corridor between the 50th Street facility and the concourse at Grand Central Terminal. In addition, this alternative would require a permanent easement agreement with 300 Park Avenue for a pipe chase on the building's façade and for use of rooftop space for a cooling tower.

As with the other build alternatives, businesses and tenants that would be displaced as a result of the construction of Preferred Alternative D would likely be able to relocate close to their existing locations with minimal disruption to business activity and minimal loss of employment, with the relocation assistance to be provided by the MTA, and residents of the apartment that would be displaced on 50th Street would also be provided with relocation assistance and payments to ameliorate the financial burdens of displacement. Therefore, no significant adverse impacts related to direct displacement of residents or businesses are anticipated with Preferred Alternative D.

EFFECTS OF FACILITY ON SURROUNDING AREA

Preferred Alternative D was developed in response to public comments made on the January 2005 EA, and incorporates modifications that address specific public concerns. With drive-through access to the loading dock, a smaller 50th Street facility that contains fewer project elements, ventilation louvers directed away from the nearest buildings, a relocated cooling tower atop a nearby office building, and a new public open space at the project site, new Preferred Alternative D would be compatible with nearby businesses, including the office buildings at 437 Madison Avenue and 300 Park Avenue and the Palace Hotel across 50th Street.

This alternative, like the larger build alternatives described above, would be designed using high-quality materials so that it is visually compatible with the modern office buildings in the surrounding area. The 50th Street facility would not result in significant adverse impacts to land use or neighborhood character. No significant adverse noise or air quality impacts would occur. With drive-through access for the loading dock from 49th to 50th Street, trucks would no longer have to back in to the new loading dock; rather they would enter head-in on 49th Street and exit on 50th Street. This would reduce the visibility of the loading dock operations on nearby uses.

Since the facility would not result in significant adverse impacts to the neighborhood character of the surrounding area, it is therefore not anticipated that it would have a significant adverse impact on property values or rental income for adjacent properties. Moreover, Preferred Alternative D's open space would bring a benefit to the project site.

Based on the analysis presented above, Preferred Alternative D would not result in any significant adverse socioeconomic impacts.

CONCLUSIONS

The 50th Street facility under any of the build alternatives would not result in significant adverse impacts to the neighborhood character of the surrounding area and it is therefore not anticipated that it would have a significant adverse impact on property values or rental income for adjacent properties. The presence of the 50th Street facility would not adversely affect the other businesses in the immediate area. Moreover, Preferred Alternative D's open space would bring a benefit to the project site. The 50th Street facility would house approximately seven employees, distributed in different shifts throughout the day. This small number of workers would not result in any significant changes to the socioeconomic profile of the immediate area.

All three build alternatives would require permanent acquisition of private property and of easements on private property. Owners of properties would be compensated at fair market value, and relocation benefits would be provided for displaced businesses. For residential displacement, MTA would provide relocation assistance and compensation in accordance with applicable state and federal regulations.

E. COMPENSATION AND RELOCATION ASSISTANCE

The East Side Access Project will result in substantial economic benefits to the metropolitan region. It will, however, require acquisition of private property. As described above, four or five (depending on the alternative) private properties would be acquired by MTA pursuant to the New York State Eminent Domain Procedure Law, and relocation assistance would be provided to displaced occupants pursuant to the federal Uniform Relocation Assistance and Real Property Acquisitions Policies Act of 1970, as codified in Title 42, Section 4601 *et seq.* of the United States Code, and the applicable implementing regulations set forth in Title 49, Part 24 of the Code of Federal Regulations (collectively, the "Uniform Act"). Owners, tenants, and parties with compensable interests in the properties to be acquired would be compensated in accordance with the Eminent Domain Procedure Law. Displaced residents, business owners, and commercial tenants would receive relocation benefits and assistance as required under the Uniform Act. The rights of owners and tenants of real property acquired to implement the proposed project are protected under the Uniform Act. MTA will adhere to the federal regulations of the Uniform Act, which covers the appraisal and acquisition of real property, relocation services, moving payments, replacement housing payments, and other allowable expense payments related to commercial and residential moving costs and displacement.

Preliminary information would be obtained to ascertain the owners of record and legal descriptions of the parcels. The parcels would then be certified as needed for the project and the acquisition process initiated. Once the general property needs have been defined for the project, the MTA Real Estate and Legal Departments are responsible for acquiring right-of-way and other real estate interests necessary to complete the project. The Real Estate and Legal Departments would be assisted by the right-of-way coordinator from the East Side Access team. The acquisition process would consist of the following seven steps: identification of required real estate once design information is available; appraisal of required property interests; preparation of detailed property acquisition maps and metes-and-bounds descriptions of the property interests to be acquired; procurement of title reports to identify owners, lessees, mortgages, lien holders, and any parties with compensable interests in the property to be

acquired; acquisition, either through negotiation or eminent domain; settlement or litigation of any claims for additional compensation or property damage; and relocation of occupants if necessary.

PROTECTION UNDER THE EMINENT DOMAIN PROCEDURE LAW

With respect to property acquisition, MTA would adhere to the requirements of the New York State Eminent Domain Procedure Law (the “Eminent Domain Procedure Law”). Among other things, the Eminent Domain Procedure Law requires the condemnor to hold a public hearing (for all potential acquisitions other than “de minimis” and emergency acquisitions); inform the public and affected parties about the public use, benefit, and purpose of the proposed acquisitions, the reasons for selecting those locations, and the general impacts of the acquisition on the surrounding area; issue a determination and findings within 90 days after the close of the public hearing; make written offers in the full amount of MTA’s highest approved appraisal; advise condemnees that, subject to proving title and clearing title objections, the offer may be accepted as payment in full for the property interests to be acquired, or in the alternative, accepted as advance payments with a continuing right on the owners’ part to file claims for additional compensation; and if the compensation offer is not accepted, to file a petition with the New York State Supreme Court to acquire the necessary property interests by condemnation. Compensation for real property generally is determined on the basis of fair market or fair rental value and, in the case of partial takings, diminution (if any) to the value of the remaining property. Compensation for tenant-owned trade fixtures is determined on the basis of “sound value,” which under New York law generally constitutes a fixture’s reproduction cost less depreciation.

PROTECTION UNDER THE FEDERAL UNIFORM RELOCATION ACT

The rights of owners and tenants of real property acquired to implement the proposed project are protected under the Uniform Act, which provides for fair, uniform, and equitable treatment of persons displaced from their homes, businesses or farms by federal and federally assisted programs. (“Owner” refers to either the fee owner of the property or the tenant-owner of improvements on it.) The Uniform Act recognizes that displacement of businesses often results in their closure, and aims to minimize the adverse impact of displacement in order to maintain the economic and social well-being of communities. Overall, the Uniform Act is designed to ensure that individuals do not suffer disproportionate injuries as a result of programs and projects designed for the benefit of the public as a whole, and to minimize the hardship of displacement on such persons. As a federally funded project, East Side Access would be required to follow federal acquisition and relocation regulations. Entitlements for property owners under the law include the following:

- Just compensation for property, which may not be less than the acquiring agency's approved appraisal of the fair market value;
- Determination of just compensation by a court of law;
- The opportunity to accompany the appraiser who appraises their property;
- Written statement of, and summary of the basis for the amount established by the acquiring agency as just compensation;
- Payment of the agreed upon purchase price (or a deposit in the court) before being required to surrender possession of the property;

- Reimbursement for certain expenses incidental to transfer of title to the acquiring agency;
- Reimbursement for certain litigation expenses;
- At least 90 days written notice to vacate occupied property;
- Relocation services and payments, where applicable; these may involve housing supplements, moving costs, etc. for residential acquisitions, or reestablishment, moving costs, etc. for business, nonprofit, or farm acquisitions; and
- Written statement or brochure advising property owners of their rights and entitlements, and assurance that they receive all of the services and payments to which they are entitled under federal and state law and regulations.

As part of the procedure for preparing the acquisition stage relocation plan, all site occupants would be personally interviewed to determine their specific relocation needs, and would be given written information about benefits to which they may be entitled.

RELOCATION AND MOVING EXPENSES FOR BUSINESSES

In addition to the rights of owners, the Uniform Act provides entitlements to qualified businesses displaced as part of a federal and federally assisted program, including reimbursement for relocation expenses, including:

- Payment for actual reasonable moving and related expenses for nonresidential moves, including transportation of personal property up to 50 miles, disconnecting, dismantling, removing, packing, crating, reassembling, and reinstalling relocated machinery, equipment, and other personal property, including connection to utilities available nearby; storage of the personal property for a period not to exceed 12 months; insurance for the replacement value of the personal property in connection with the move and necessary storage; any license, permit, or certification required of the displaced business at the replacement location; replacement value of property lost, stolen, or damaged in the process of moving; and professional services necessary for planning, moving and installing the relocated personal property at the replacement location.
- Actual direct loss of tangible personal property incurred as a result of moving or discontinuing the business based on the fair market value of the item for continued use at the displacement site, less the proceeds from its sale.
- Purchase of substitute personal property, if an item of personal property which is used as part of a business or farm operation is not moved but is promptly replaced with a substitute item that performs a comparable function at the replacement site.
- Payment for expenses required to search for a replacement location, not to exceed \$1,000.
- Other moving-related expenses that are not listed as ineligible, as determined to be reasonable and necessary.

RE-ESTABLISHMENT OF BUSINESSES

In addition to the above mentioned payments, a small business or nonprofit organization is entitled to receive a payment, not to exceed \$10,000, for expenses actually incurred in relocating and reestablishing such small business or nonprofit organization at a replacement site, including:

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- Repairs or improvements to the replacement real property as required by federal, state or local law, code or ordinance.
- Modifications to the replacement property to accommodate the business operation or make replacement structures suitable for conducting the business.
- Construction and installation costs, for exterior signing to advertise the business.
- Provision of utilities from right-of-way to improvements on the replacement site.
- Redecoration or replacement of soiled or worn surfaces at the replacement site, such as paint, paneling, or carpeting.
- Licenses, fees, and permits when not paid as part of moving expenses.
- Feasibility surveys, soil testing and marketing studies.
- Professional services in connection with the purchase or lease of a replacement site.

FIXED PAYMENT FOR MOVING EXPENSES FOR BUSINESSES

A displaced business may be eligible to choose a fixed payment in lieu of the payments for actual moving and related expenses, and actual reasonable reestablishment expenses as provided. Such fixed payment, except for payment to a nonprofit organization, shall equal the average annual net earnings of the business, as computed in accordance with the average annual net earnings of a business or farm operation as described in this section, but not less than \$1,000 nor more than \$20,000. The displaced business is eligible for the payment if it is determined, among other conditions, that the business cannot be relocated without a substantial loss of its existing patronage (clientele or net earnings). A business is assumed to meet this test unless it is determined that it will not suffer a substantial loss of its existing patronage.

RESIDENTIAL RELOCATION ASSISTANCE FOR PROPERTY OWNERS

As noted above, the Uniform Act provides relocation payments for displaced residents. These payments include moving expenses and replacement housing payments. The Uniform Act requires that housing resources meet the needs of displaced residents in terms of size, price, rental, location, and timely availability, and payments must be made to displaced residents at the time they are needed to obtain replacement housing. In addition to rights of owners outlined above, additional payment not in excess of \$22,500 shall be made to any displaced person who is displaced from a dwelling actually owned and occupied by such displaced person for at least 180 days prior to initiation of discussions for the acquisition of the property. Such additional payment shall include the following elements:

- The amount, if any, which when added to the acquisition cost of the dwelling acquired by the displacing agency, equals the reasonable cost of a comparable replacement dwelling.
- The amount, if any, which will compensate such displaced person for any increased interest costs and other debt service costs which such person is required to pay for financing the acquisition of any such comparable replacement dwelling. Such amount shall be paid only if the dwelling acquired by the displacing agency was encumbered by a bona fide mortgage which was a valid lien on such dwelling for not less than 180 days immediately prior to the initiation of negotiations for the acquisition of such dwelling.

- Reasonable expenses incurred by such displaced person for evidence of title, recording fees, and other closing costs incident to the purchase of the replacement dwelling, but not including prepaid expenses.

The additional payment authorized by this section shall be made only to a displaced person who purchases and occupied a decent, safe, and sanitary replacement dwelling within one year after the date on which such a person receives final payment from the displacing agency for the acquired dwelling or the date on which the displacing agency's obligation under section 205(c)(3) of the Uniform Act is met, whichever is later, except that the displacing agency may extend such period for good cause. If such period is extended, the payment under this section shall be based on the costs of relocating the person to a comparable replacement dwelling within one year of such date.

RESIDENT RELOCATION ASSISTANCE FOR TENANTS AND CERTAIN OTHERS

In addition to rights of owners outlined above, payment shall be made to or for any displaced person displaced from any dwelling not eligible to receive a payment under the above resident relocation section which dwelling was actually and lawfully occupied by such displaced person for not less than 90 days immediately prior to (1) the initiation on negotiations for acquisition of such dwelling, or (2) in any case in which displacement is not a direct result of acquisition, such other event as the head of lead agency should prescribe. Such payment shall consist of the amount necessary to enable such person to lease or rent for a period not to exceed 42 months, a comparable replacement dwelling, but not to exceed \$5,250. At the discretion of the head of the displacing agency, a payment under this subsection may be made in periodic installments. Computation of a payment under this subsection to a low-income displaced person for a comparable replacement dwelling shall take into account such person's income.

Any person eligible for payment under the previous paragraph may elect to apply such payment to a down payment on, and other incidental expenses pursuant to, the purchase of a decent, safe, and sanitary replacement dwelling. *