MILLER STARR REGALIA

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California High-Speed Rail - What You Need To Know

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Project Overview
The California High-Speed Rail Authority ("HSR") plans to build an 800-mile high-speed rail system stretching from San Francisco to Los Angeles/Anaheim and eventually to Sacramento and San Diego. The California Legislature recently approved the first round of funding for the initial 130-mile span of track through the Central Valley, from Madera to Bakersfield. In order to construct the high-speed rail line, the HSR will need to condemn various parcels of farmland and commercial and residential properties in Merced, Madera, Fresno, Kings, Tulare and Kern counties. The HSR has begun notifying property and business owners that their interests will be impacted by the project and need to be condemned.

What are your rights?
Although the High Speed Rail Authority has the power to take privately owned property by eminent domain, you as a property owner, business owner and/or farmer have substantial rights, including the following:

? **Your Right to an Independent Appraisal of Your Property Interest:** As a property owner or occupant of the property being acquired, you can expect the HSR to contact you and request access to the property in order to conduct an appraisal. The law allows you to hire your own independent appraiser to determine the value of your property interest, and the HSR is obligated to pay for the cost of that appraisal, up to $5,000.

? **Your Right to Relocation Assistance:** If you will have to move because your property is being taken, the HSR must offer relocation assistance. The HSR is required to pay the reasonable expenses of moving your business or your personal property. You may be entitled to up to $10,000 in reestablishment costs for setting up your business in a new location. These costs may include new phone lines, advertising, new cable or internet connections, and new signage.

? **Your Rights Regarding Early Possession of Your Property:** If you and the HSR do not reach agreement as to the value of your property interest, then the HSR may file an eminent domain lawsuit. Under certain circumstances, the HSR may obtain possession of your property before the lawsuit is finished. If the HSR is not scheduled to use your property within two years, the HSR must offer you a one year lease at fair market rent so you can continue to use your property in the interim.

? **Your Right to Just Compensation and Damages:** If the HSR files an eminent domain lawsuit seeking to take your property, you are entitled to compensation for the market value of the real and personal property taken. Also, businesses, including farms, may be entitled to compensation for any damage to goodwill of the business as a result of the take.

? **Your Right to a Jury:** You have the Constitutional right to have a jury determine the amount of compensation owed to you.

Frequently Asked Questions
Q. Do I have to sell my property?
A. The government has a right to purchase property it needs for public projects. If the government agency follows the procedures correctly and if the property is being taken for a public project, then the government has the right to buy the property.

Q. How much does the government have to pay?
A. The government must pay the fair market value of the property it takes, plus damages caused by the condemnation or project to the owner's remaining property or to a business operated on the property. The government may also have to pay relocation expenses if a business is moved. The fair market value of the property is the highest price that would be agreed to between a willing buyer who is interested but does not have to buy, and a willing seller, who is interested but does not have to sell. The government must hire a licensed real estate appraiser to determine the amount of the fair market value, which is the amount it will offer to pay for the property. If you can't reach agreement with the government on how much it will pay, you have the right to have a jury decide that question.

Q. Space I lease for my business is being taken. Am I entitled to compensation?
A. If you have to relocate your business, you will be entitled to certain moving expenses. If your business has lost value because of the condemnation or project, you may be entitled to be compensated for lost business goodwill.

Q. How do I know if the government's initial offer is fair?
A. A property owner has a right to obtain an independent appraisal from a licensed real estate appraiser, and the government must pay the cost of that appraisal up to $5,000. Most property owners should take advantage of this opportunity and obtain an independent appraisal. If the government is taking part of a larger parcel, the government's appraiser must consider not only the value of the property the government is buying, but also whether the value of the remaining property has been reduced.

Q. Do I need a lawyer?
A. Whether you need a lawyer depends on whether you believe the government's offer is fair and whether you are comfortable negotiating the sale of your property without the assistance of someone who understands the eminent domain law. If a business operates on the property and its operations will be impacted, or if the government is only taking a portion of the property and the part of the property remaining will be less desirable than it was before, or if you have to go to court, legal advice from a lawyer experienced in eminent domain may be helpful.

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