

# Basic Acquisition Policies

## The Cost of that Free Federal Money



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# *Right of Way Acquisition:*

## THE **DO** LIST

*Image: The-Do-List-2014-horizontal-01*

**... for engineers, project managers, public works directors, lawyers, elected officials, consultants, and anyone else involved the R/W process**



*Image: blog.relayrides.com*

# Training Objectives

- Overview of basic acquisition policies section - **49CFR 24.102– The Do List**
- Overview of federal aid requirements checklist
- Where to find and how to use available federal/state resources
- Agency oversight responsibilities
- Basic understanding of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (aka URA or UA)



# Do - Use Available Resources

- [23 CFR 635.309](#)
- [23 CFR 710](#)
- [49 CFR Part 24](#)
  - [Non-Regulatory Supplements](#)
  - [Uniform Act FAQ's](#)
- [WSDOT LAG Manual Chapter 25](#)
- [WSDOT ROW Manual](#)
- [FHWA Project Development Guide](#)
- [Local Programs ROW Services Site](#)

**Do - Follow the rules for federally funded projects.**

*Local Agency Guidelines (LAG) – Chapter 25  
Right of Way (ROW) Manual  
Uniform Relocation Assistance and Real Property  
Acquisitions Policies Act of 1970, as amended  
49 CFR Part 24  
23 CFR Part 710  
RCW 8.26  
WAC 468-100*



# Do - Follow agency's Approved ROW Procedures.

**Local Agency Guidelines – LAG 25.1**  
**Forms – LPA-001 & LPA-003**  
**23 CFR 710.201(h)**



Image: [www.artworldsalon.com](http://www.artworldsalon.com)



Image: mytay.mobi

**Do** - Provide agency oversight of consultants hired to perform ROW activities.

*23 CFR 710.201(a),(b) & (h) and LAG 25.2*

*Note: Includes Agency Administrators & members of the executive branch*



**Do** - Use the Federal Aid Requirement Checklist.

*Local Agency Guidelines (LAG) – Chapter 25  
Appendix 25.178*



**Do** - Acquire expeditiously;  
and  
Provide notice to owner.

*\*49 CFR 24.102(a) & (b)*



**Do** - Appraise the real property and have the appraisal reviewed (unless waived) prior to the initiation of negotiations with the property owner.

**\*49 CFR 24.102(c)(1) & 49 CFR 24.108**  
*(including any discussion of money/value)*



Image: [tsiappraisal.glogspot.com](http://tsiappraisal.glogspot.com)



Image: [printinreviewed.co.uk](http://printinreviewed.co.uk)

**Do** - Invite property (and tenant) owners to accompany the appraiser during the inspection.

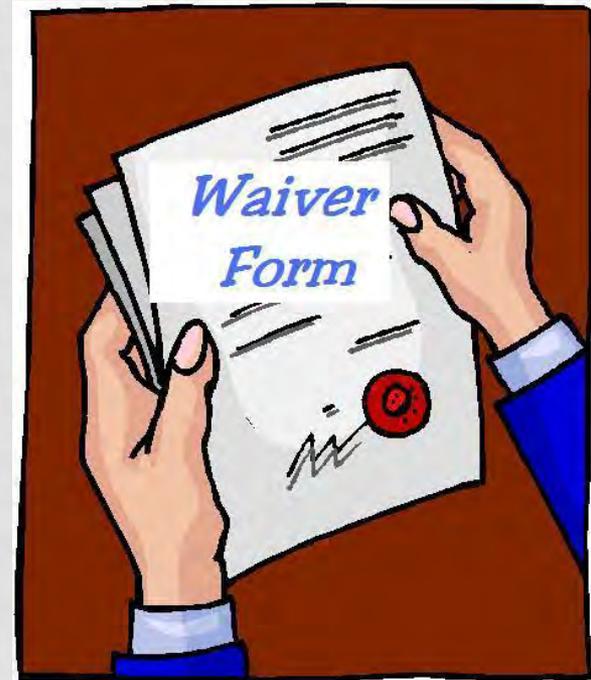
**\*49 CFR 24.102(c)(1)**



Image: [www.eryri-npa.gov.uk](http://www.eryri-npa.gov.uk)

# An appraisal is not required if:

1. Owner donates & waives appraisal
2. Appraisal Waiver (AOS)
  - Uncomplicated
  - Under \$25,000
  - Qualified AOS preparer



**\*49 CFR 24.102(c)(2) & 49 CFR 24.108**

**Do** - Inform property owners of their right to an appraisal in accordance with the agency's approved ROW procedures when an Administrative Offer Summary (AOS) is prepared.

***\*49 CFR 24.102(c)(2)(C)  
& LAG 25.5.52  
Form LPA-003***



**Do** - Establish just compensation prior to initiating negotiations with the property owner.

**\*49 CFR 24.102(c)(2)(C)&(d); 23 CFR 710.201(j) & LAG 25.7**

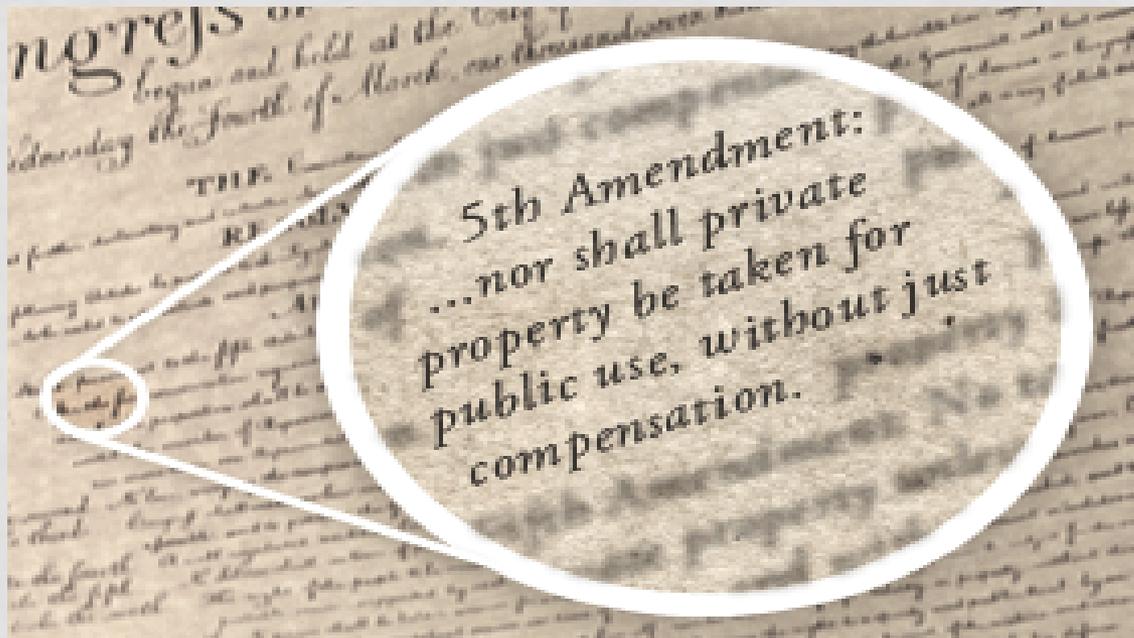


Image: [ownerscounsel.com](http://ownerscounsel.com)

# AGENCY APPROVAL OF JC

## Review Appraisal Determination of Value (DV)

### ACQUIRING AGENCY CONCURRENCE AND AUTHORIZATION:

The \_\_\_\_\_ (Name of Agency) does hereby indicate the concurrence with the estimate of Just Compensation discussed above and does authorize further action by (Agency) to proceed with the acquisition of the designated property according to established procedures. ***(Optional: I concur that the remainder may be of little or no utility or value to the owner and am declaring it an uneconomic remnant with a value of \$\*\*\*\*\*)***

\_\_\_\_\_  
(date)

\_\_\_\_\_  
Title, (Name of Agency)

## Administrative Offer Summary (AOS)

1. I have no present or prospective interest in the property that is the subject of this report and I have no personal interest or bias with respect to the parties involved.
2. My compensation is not contingent on an action or event resulting from this report.
3. I affirm that the valuation problem is uncomplicated. I concur in the value estimate herein. I authorize an Administrative Offer be made in said amount as Just Compensation.

\_\_\_\_\_  
(Authorized Signatory)

\_\_\_\_\_  
(Date)

**Do** – Ensure damages and benefits to the remainder property are included in the:

- Just Compensation
- Offer Letter
- Valuation (AOS, Appraisal & Review)

**\*49 CFR 24.102(d),(e)(1), 24.103(a)(2)(iv) & LAG 25.91**



**Do – Provide owner with a written statement of the basis for just compensation.**

***\*49 CFR 24.102(e) & LAG 25.91***

**Identify in writing all property rights acquired *individually*:**

<b>1,000 SF of land in fee:</b>	<b>\$10,000</b>
<b>500 SF permanent easement:</b>	<b>\$ 2,500</b>
<b>Improvements-fencing:</b>	<b>\$ 500</b>
<b>Damages-cost to cure fencing:</b>	<b>\$ 5,000</b>
<b>Total:</b>	<b>\$18,000</b>

**Do** - Offer to acquire buildings, structures or other improvements (including tenant's).

*\*49 CFR 24.102(e)(3) , 24.105 & LAG 25.6*



**Do** – Acquire an equal interest in all buildings, etc. located upon the real property acquired.

**\*49 CFR 24.105**



*Image: [www.iconarchive.com](http://www.iconarchive.com)*

**Do** – Make all reasonable efforts to contact and discuss offer with the property owner.

***\*49 CFR 24.102(f) & 24.106***



**Do** - Negotiate in good faith and allow the property owner a reasonable amount of time to consider the offer without coercive action.

**\*49 CFR 24.102(f)(h)**



Image: [www.financialhelper.co.uk](http://www.financialhelper.co.uk)

**Do** – Pay the property owner any transaction-related fees for the purchase of their property.

***\*49 CFR 24.102(f) & 24.106***



**Do** – Notify the property owner of the availability of a statutory evaluation allowance (SEA) not to exceed \$750 for offers made under the threat of eminent domain to help defray owner's expense actually incurred in evaluating the agency's offer.

***RCW 8.25.020  
& LAG 25.96***



**Do** - Update the offer of just compensation when things change.

- Material change to character/condition of the property;
- Change is presented by owner (such as owner's appraisal); or
- Significant delay since time of appraisal.

**\*49 CFR 24.102(g)**



**Do** - Prepare an administrative settlement memo when you strike a deal for more than your initial offer.

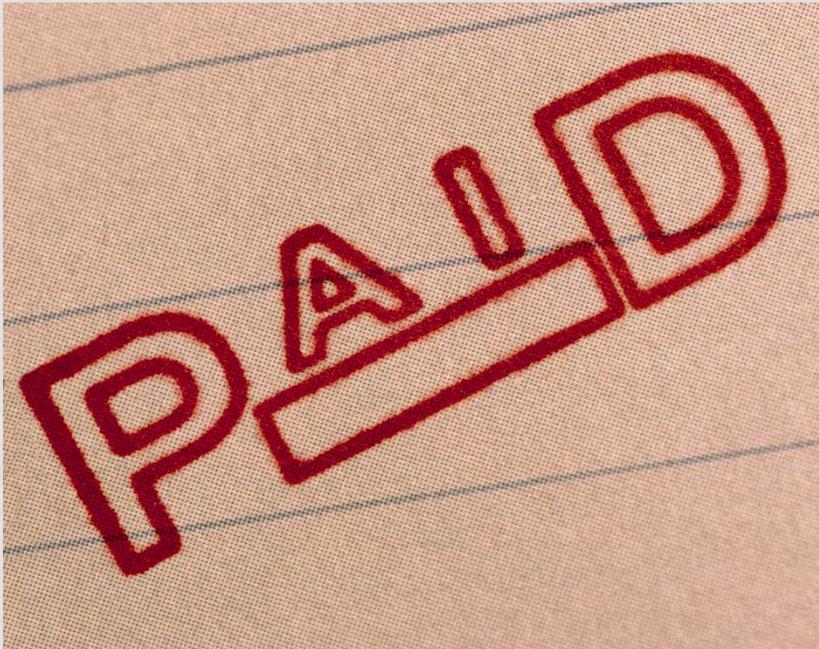
***\*49 CFR 24.102(i) & LAG 25.11***



**Do** – Make payment to the owner before your agency claims possession.

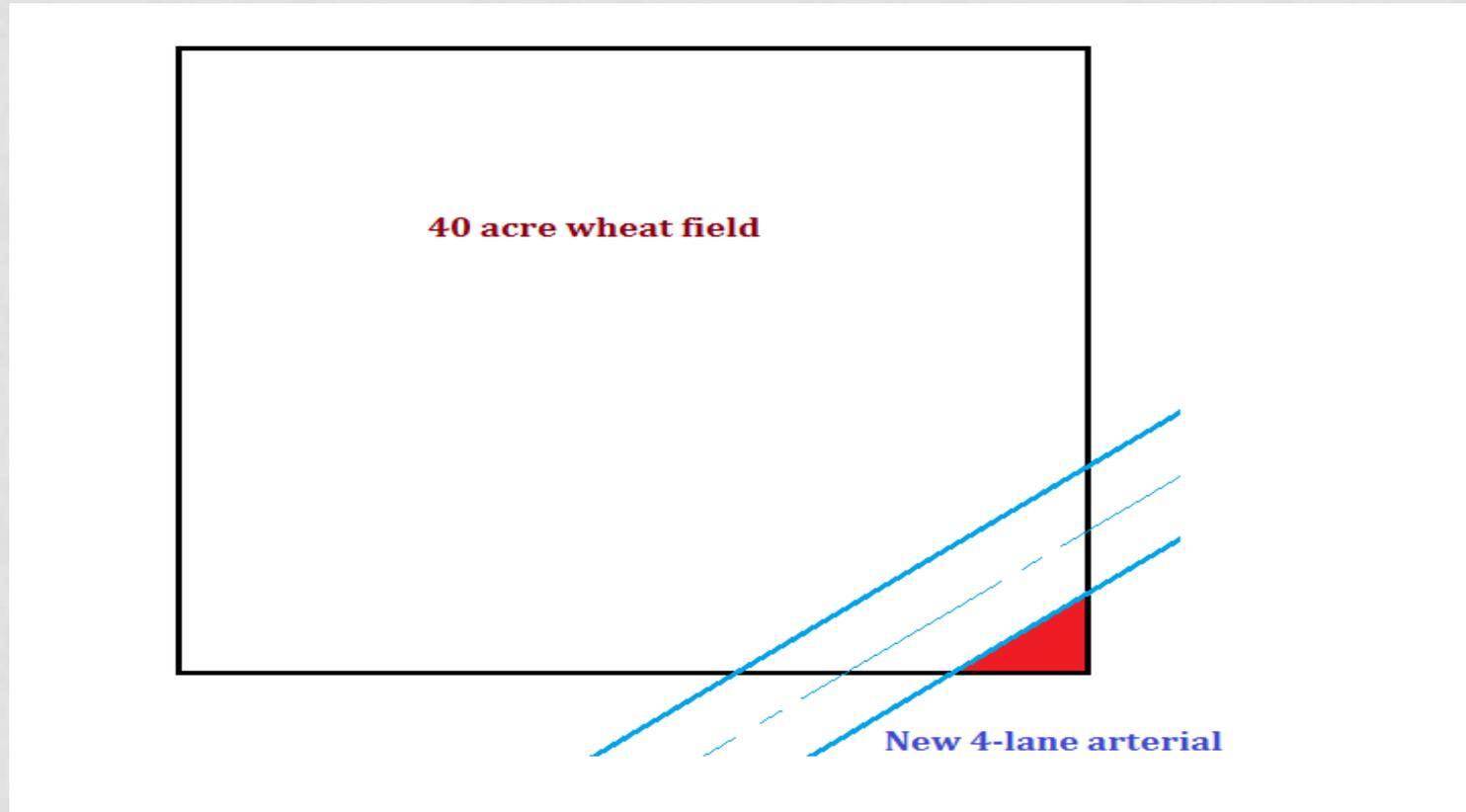
**(Exception: Withholding for salvage value of improvements & emergency ROE situations)**

***\*49 CFR 24.102(j)***



**Do - Offer to acquire any uneconomic remainder from the property owner.**

***\*49 CFR 24.102(k) & LAG 25.6 and 25.61***



**Do** - Make sure owners are not intentionally forced to institute legal proceedings to prove the fact of the taking of their property.

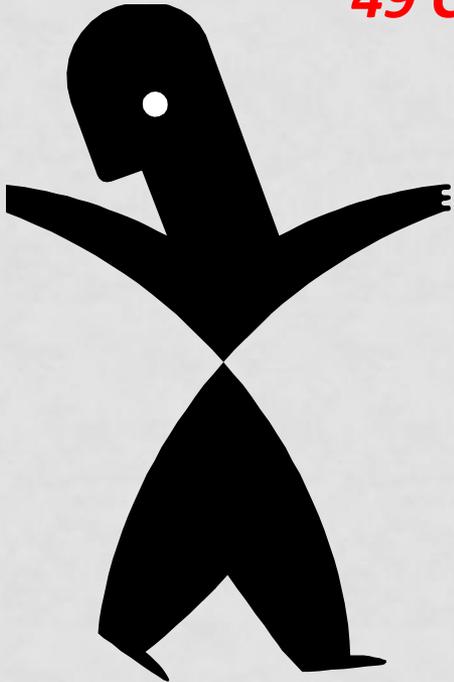
**\*49 CFR 24.102(I)**



Image:: [www.topeka.ogr](http://www.topeka.ogr)

**Do** - Charge fair market value for rental agreements with owners and tenants permitted to occupy the property subsequent to the acquisition – Avoid squeezing your tenants!

*\*49 CFR 24.102(m)*



**Do** - Plan to have different people 1) value the property and 2) negotiate the acquisition, unless estimated just compensation is \$10,000 or less.

***\*49 CFR 24.102(n) & LAG 25.9***



**Do** - Inform property owners who wish to donate property of their right to receive just compensation AND make sure they release the agency from its obligation to appraise the property.

***\*49 CFR 24.108 & 23 CFR 710.505***



Image: [www.realestatedonation.org](http://www.realestatedonation.org)

**Do** – Provide lawful occupants at least 90 days advance written notice of the earliest date they will be required to move.

**\*49 CFR 24.203(a)(3) & (c) & 24.204(a)**



*Image: Tjmdubai.com*



*Image: financesonline.com*

**Do** – Make sure the appraisal does not include consideration nor allowance for relocation assistance benefits (No duplication of payments).

**\*49 CFR 24.3 & 24.103(a)(2)(i)**



Important!!  
Items NOT  
included in  
appraisal

**Do – Keep a written log of right of way activities to show compliance with the Uniform Act.**

**\*49 CFR 24.9 & LAG 25.15**



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**Do – Make correct payments to property owners.**

***\*23 CFR 1.9(a) and 1.3***

**Your Organization's Name** 1001

PAY TO THE ORDER OF \_\_\_\_\_ DATE: \_\_\_\_\_

\_\_\_\_\_ \$  \_\_\_\_\_

\_\_\_\_\_ DOLLARS

MEMO \_\_\_\_\_ AUTHORIZED SIGNATURE(S) \_\_\_\_\_

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*Image: uilinternational.wordpress.com*

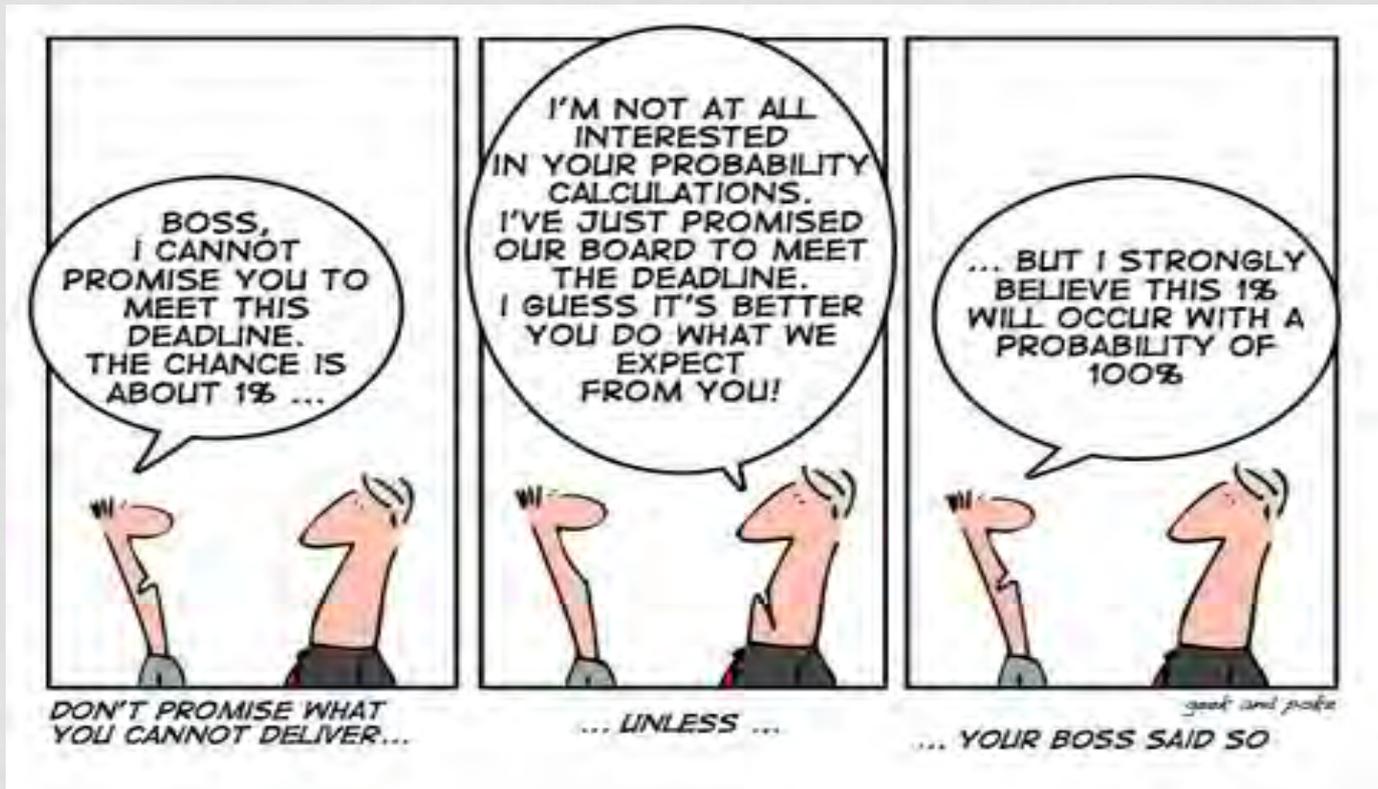
**Do** – Ensure your project can be certified prior to construction.

***23 CFR 635.309 & LAG 25.13***



**Finally, do** – Leave adequate time in your project schedule so your agency has enough time to acquire the right of way.

**\*Appendix A to Part 24 - 24.102(f)**





WE JUST CHANGE THIS  
REGULATION HERE... ADD  
MORE FINE PRINT OVER THERE...  
ISSUE AN UNREASONABLE RULING  
WITHOUT PRIOR NOTICE... THEY'LL  
NEVER GET CERTIFIED!!

MY TURN!  
MY TURN!

WSDOT  
Road  
Estate  
Services

LAG Chapter 25  
49 CFR 2A  
WAC 904.101  
RCW 8.26.500