mississippi development authority

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ACQUISITION

Policy and Procedures Manual

Community Incentives Division

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INTRODUCTION

As a recipient of federal funds from the U.S. Department of Housing and Urban Development (HUD), and the Appalachian Regional Commission (ARC) the Community Incentives Division (CID) must ensure compliance with the Uniform Relocations Assistance and Real Property Acquisition Policy Act (URA) of 1970, as amended and implementing regulations at 49 CFR Part 24. All CDBG/ARC federally funded projects that involves acquisition or relocation/displacement must comply with the URA requirements.

The purpose of this manual is to consolidate basic statutory and regulatory requirements, and HUD policy guidance on acquisition and relocation under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA) and certain relocation requirements in one place. These requirements and policies are to be followed when acquiring real property or displacing persons for a project or program with HUD financial assistance. In order to provide a one-stop resource for practitioners, key statutes and regulations are cited in this Handbook. The Appendices to this handbook contain practical guidance materials (model claim forms, notices, and other useful documents) which comply with the URA and HUD regulations and policy.

29 CFR Part 12 Uniform Relocation Assistance and Real Property Acquisition for Federal and Federally Assisted Programs

Title 29 —**Labor**
Subtitle A —Office of the Secretary of Labor
Part 12 Uniform Relocation Assistance and Real Property Acquisition for Federal and Federally Assisted Programs

§ 12.1 Uniform relocation assistance and real property acquisition.
PART 12—UNIFORM RELOCATION ASSISTANCE AND REAL PROPERTY ACQUISITION FOR FEDERAL AND FEDERALLY ASSISTED PROGRAMS

Authority: Section 213, Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, Public Law 91-646, 84 Stat. 1894 (42 U.S.C. 4601) as amended by the Surface Transportation and Uniform Relocation Assistance Act of 1987. title IV of Public Law 100-17, 101 Stat. 246-256 (42 U.S.C. 4601 note).

§ 12.1 Uniform relocation assistance and real property acquisition. Regulations and procedures for complying with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (Pub. L 91-646, 84 Stat. 1894, 42 U.S.C. 4601), as amended by the Surface Transportation and Uniform Relocation Assistance Act of 1987 (title IV of Pub. L. 100-17, 101 Stat. 246-255, 42 U.S.C. 4601 note) are set forth in 49 CFR part 24.

If CDBG and/or ARC financial assistance is used in any part of a project, the URA is applicable, even if local funds were used to pay the acquisition costs.

OVERVIEW

The Uniform Relocation and Real Property Acquisition Policies Act of 1970 (URA or sometimes Uniform Relocation Act for short) applies to displacement (temporary or permanent) and acquisition activities. URA imposes requirements on displacement that results from acquisition, demolition or rehabilitation for HUD-assisted projects carried out by public agencies, nonprofit organizations, private developers or others; AND, real property acquisition for HUD-assisted projects (whether publicly or privately undertaken) must adhere to URA-established provisions.

Grantee/Subgrantees must assure that they have taken all reasonable steps to minimize the displacement of persons (defined as families, individuals, businesses, nonprofit organizations and farms) as a result of activities assisted with CDBG/ARC. This manual covers:

- **URA**: CDBG/ARC projects involving acquisition, rehabilitation, or demolition may be subject to the provisions of the Uniform Relocation Act (URA). The explanation of this law is broken into three parts: Acquisition, Relocation, and Business Relocation.

- **Section 104(d) Requirements:** Section 104(d) of the Housing and Community Development Act of 1974 (also known as the "Barney Frank Amendments") requirements may be triggered by demolition or conversion of residential units with CDBG/ARC funds.

Laws and Regulations

- The regulatory provisions that cover relocation and acquisition for CDBG/ARC are found in three locations.

  - 49 CFR Part 24 Uniform Relocation Assistance and Real Property Acquisition for Federal and Federally-Assisted Program

  - 24 CFR 570.488 and 24 CFR 570.606 CDBG/ARC program-specific regulations

  - 24 CFR Part 42 Subpart C Requirements under Section 104(d) of the Housing and Community Development Act of 1974.

- HUD issues and maintains an important manual called "**HUD Handbook 1378" that** provides HUD policy and guidance on implementing the URA and 49 CFR Part 24 for HUD funded programs and projects. This handbook is the primary source for HUD real estate acquisition and relocation policy and procedures when implementing HUD funded programs.

- Additional information concerning URA is also available at the Federal Highway Administration website found at www.FHWA.dot.gov

WHEN DOES THE UNIFORM ACT (URA) APPLY

Property acquisition under the URA begins with the Applicant and/or Subgrantee decides to acquire property or properties whether funded in whole or in part with CDBG and/or ARC funds. The URA Act applies to the following types of project acquisitions:

- Permeant and temporary easement necessary for the project.
- Fee simple title and Donations
- Long-term leases of 50 years or more
- Right of ways

VOLUNTARY AND INVOLUNTARY ACQUISITIONS

When a **voluntary** sale occurs, there can be no threat of eminent domain or condemnation. The property owner must be informed of certain facts about the acquisition, but the sales price may be negotiated.

When an **involuntary** sale occurs, the use of eminent domain or condemnation may be required. Typically, involuntary transactions occur when a Subgrantee with the power of eminent domain MUST acquire property for a project involving a public benefit and there are no other alternatives (i.e. the project must happen and there is only one site where the project can happen).

VOLUNTARY ACQUISITION PROCEDURES (UNDER URA)

*Please note that these requirements apply to all Real Property voluntarily acquired by an Subgrantee. According to the U.S Department of Housing and Urban Development's Handbook 1378, a Subgrantee may be a State, a State Subgrantee, or a person who has the authority to acquire property by eminent domain under State law. This definition includes local units of government but does not include persons who do not have the power of eminent domain. Certain steps regarding acquisition of property are necessary to meet Federal and State requirements. The steps for the voluntary purchase of property, and the order in which the steps should occur, are outlined below:

STEP 1: DETERMINE OWNERSHIP – OWNERSHIP MUST BE DETERMINED. The first step in the process is to obtain title evidence, that is, the deed and the legal description of the property. Review the county register of deeds' records to determine the actual property owner and review the deed and legal description of the property to determine any existing easements or liens. A title search to determine ownership is often necessary. CDBG/ARC acquisition funds may not be used to remove liens or to perfect title ownership. Title defects must be cleared at the expense of the property owner(s).

Step 2: Determine the Value of the Property (Appraisal or waiver valuation)

According to the URA, a voluntary acquisition does not require a formal appraisal to determine the property's value. However, if CDBG/ARC will be funding the acquisition, an appraisal may be required to verify cost reasonableness. If an appraisal is not conducted, a waiver valuation must be prepared. A waiver valuation is a statement of the property's value.

The waiver valuation must include: the property to be acquired, a description of the property, the method used to determine the property's value, the estimated market value of the property, the name of the person making the valuation, and any other notes or conditions applicable to the analysis. The Subgrantee must ensure the person performing the waiver valuation has sufficient understanding of appraisal principles and the local real estate market.

Step 3: Send the Voluntary Acquisition Notice

A Voluntary Acquisition Notice must be sent to the property owner. The Notice must include the market value of the property and include a statement that the buyer does not have, or will not use, the power of eminent domain. The Subgrantee must send all notices, letters, and other documents by certified or registered mail, return receipt requested, or hand delivered with receipt documented.

If the property owner does not read or understand English, the Subgrantee must provide translations and assistance. Each notice must give the name and telephone number of a person who may be contacted for further information. In addition, this letter should inform the property owner that he or she is not entitled to any relocation assistance. Note, however, that if the property is tenant-occupied and the tenant will be required to vacate, the tenant is eligible for relocation assistance.

Step 4: Negotiate, Prepare Documents, and Complete the Sale

The sales price is negotiated. Following successful negotiations the sales contract is prepared; the Statement of Settlement Costs (HUD Form 1) or an alternative Closing Statement or similar document is prepared; the closing is completed; the deed (or other ownership interest) is transferred; and the deed (or other ownership interest) is recorded at the County.

Step 5: Record Keeping

A separate acquisition case file including the below documents must be established for each voluntary acquisition which should include:

- Title search/Clearance of Title
- Waiver Valuation or an Appraisal Report, if required
- Voluntary Acquisition Notice and documentation of receipt by property owner
- Contract of Sale
- Statement of Settlement Costs (HUD-Form 1), Closing Statement or similar document
- Recorded document as evidence of payment and property ownership

INVOLUNTARY ACQUISITION PROCEDURES [UNDER URA]

PROPERTY OWNER'S BASIC RIGHTS UNDER URA

When involuntary transactions are required as part of a CDBG/ARC project, the property owner must be informed of his/her rights under the Uniform Act. Those basic rights include:

- The right to receive a Notice of Uniform Act Requirements provided by the Subgrantee formally explaining the property owner's rights. This is usually accomplished by providing the property owner with a Preliminary Acquisition Notice and the applicable US Department of Housing and Urban Development (HUD) Uniform Act Booklet.

- The right to an Appraisal and a Review Appraisal if the value of the property is greater than $10,000 or if certain conditions exist. The right to accompany the appraiser during the appraisal of their property.

- The right to Just Compensation based on an appraisal or a waiver valuation.

The steps involved with an involuntary transaction are as follows:

STEP 1: DETERMINE OWNERSHIP

The first step in the process is to obtain title evidence, that is, the deed and the legal description of the property. Review the county register of deeds' records to determine the actual property owner and review the deed and legal description of the property to determine any existing easements or liens. A title search to determine ownership is often necessary. CDBG/ARC acquisition funds may not be used to remove liens or to perfect title ownership. Title defects must be cleared at the expense of the property owner(s).

STEP 2. SEND THE INVOLUNTARY PRELIMINARY ACQUISITION NOTICE AND BOOKLET

An Involuntary Preliminary Acquisition Notice must be sent to the property owner. The Subgrantee must send all notices, letters, and other documents by certified or registered mail, return receipt requested, or hand delivered with receipt documented.

If the property owner does not read or understand English, the Subgrantee must provide translations and assistance. Each notice must give the name and telephone number of a person who may be contacted for further information. The Preliminary Acquisition Notice:

- Explains the property owners' rights under the URA, including the right to an appraisal;
- Explains that the notice is not a notice to vacate;
- Does not establish eligibility for relocation payments or assistance;
- Must be accompanied by the booklet, When a Public Agency Acquires Your Property or for permanent and temporary easements, When a Public Agency is Interested in Acquiring an Easement

Step 3: Determine the value of the property by an Appraisal and Review Appraisal (if required) or Waiver Valuation

An appraisal is not required if:

1. The property owner offers to donate the property; or
2. The property's market value is less than $10,000 and it is an uncomplicated valuation.

Note -when an appraisal is required, a review appraisal will automatically be required.

When an appraisal is not required, a waiver valuation must be prepared. A waiver valuation is a statement of the property's value. The waiver must include: the property to be acquired, a description of the property, the method used to determine the property's value, the estimated market value of the property, the name of the person making the valuation, and any other notes or conditions applicable to the analysis. The Subgrantee must ensure the person performing the waiver valuation has sufficient understanding of appraisal principles and the local real estate market.

The following conditions will trigger an appraisal:

1. The value of the property is estimated to be more than $10,000;
2. The property owner wants an appraisal;
3. Possible damages exist to the remaining property;
4. Questions exist on the highest and best use;
5. The use of eminent domain is anticipated;
6. Hazardous material/waste may be present; or
7. For other reasons the Subgrantee determines an appraisal is required.

Step 4: Establish Just Compensation

After valuation of the property, just compensation must be established. The amount determined to be just compensation cannot be less than the market value as determined by the Appraisal/Review Appraisal. Establishment of the amount believed to be just compensation must be made by an appropriate official of the Subgrantee's, Council or Board approval is suggested but not required.

Step 5: Send the Written Offer to Purchase

The Subgrantee must send the property owner a written Offer to Purchase or similar document, along with the written Statement of Just Compensation or similar document. As with all notices, the written Offer to Purchase must be sent certified or registered mail, return receipt requested or hand delivered with evidence of receipt. If the property is tenant-occupied and the tenant will be required to vacate, the tenant is eligible for relocation assistance.

Step 6: Complete Acquisition, or Decide Not To Acquire

Depending upon whether the Subgrantee and the property owner can reach an agreement on an acquisition price, the Subgrantee will complete the acquisition process, initiate condemnation proceedings, or decide not to acquire the property.

- ***Negotiate, Prepare Documents, and Complete the Acquisition Process***
  The sales price is negotiated. The property owner may accept the market value and enter into an agreement. However, the property owner must be provided an opportunity to discuss the offer, propose a higher value and document that higher value. There may be occasions when a property owner proposes or insists on more than the market value. If this occasion arises, contact CID to proceed with a purchase price higher than the market value or obtain a new valuation.

Following successful negotiations, the sales contract, the Statement of Settlement Costs or Closing Statement or similar document must identify all settlement costs regardless of whether they are paid at, before, or after closing. The Statement of Settlement Costs or the Closing Statement or similar document must be dated and certified as true and correct by the closing attorney or other person handling the transaction.

The Subgrantee must reimburse the property owner to the extent deemed fair and reasonable for incidental costs associated with transfer of title (i.e., recording fees, transfer taxes, penalty cost or other charges for prepayment of any pre-existing recorded mortgages, etc.). In all cases, the closing is completed; the deed (or other ownership interest) is transferred; and the deed (or other ownership interest) is recorded at the County. Documentation of negotiation proceedings should be placed in the project acquisition file.

Step 7: Record Keeping

A separate Involuntary acquisition case file including the below documents must be established for each acquisition:

- Record of Personal Contacts or similar document
- Title Search/Clearance of Title
- Involuntary Acquisition Notice
- HUD Brochures
- Evidence of Invitation to Accompany Appraiser
- Written Statement of Just Compensation
- Written Offer to Purchase and Evidence of Receipt
- Contract of Sale
- Statement of Settlement Costs (HUD-Form 1) or an alternative Closing Statement
- If Donation, Waiver of Relocation Benefits
- If Acquisition Terminated, Notice of Intent Not to Acquire
- Recorded document as evidence of payment and property ownership

APPRAISALS UNDER THE UNIFORM ACT

SELECTING APPRAISERS

The Subgrantee must select an independent appraiser. The appraiser should have no interest in the property or be related to, or in business with, anyone having any interest in the property to be acquired. The appraiser should be qualified, reputable and professional. Look for appraisers who have had experience doing the types of appraisals needed. An appraiser who usually establishes values for vacant, unimproved land may not be appropriate to establish accurate values of houses. State-certified or licensed real estate appraisers eligible to perform appraisals for federally related transactions are now listed on the Internet.

PROCURING APPRAISAL SERVICES

Again, since appraisals are typically conducted prior to the Grant Agreement using non-CDBG/ARC funds, the Subgrantee should follow its local procurement requirements but may want to request statements of qualifications from a number of local appraisers, review those qualifications, and employ only qualified appraisers. A minimum of one appraisal is required; however, if the project is potentially controversial (as with an unwilling property owner or a conflict of interest involving a public official) or where property values exceed $100,000, the SUBGRANTEE may want to have two independent appraisals conducted. A review appraisal must be prepared for each appraisal conducted.

OWNER INVITATION

Before the first appraisal is undertaken, the Subgrantee must formally invite the property owner to accompany the appraiser during inspection of the property. This notice should be in writing and a copy placed in their property acquisition file along with evidence of receipt by the owner. For the review appraisal, the requirement to invite the property owner to accompany the appraiser is optional.

THE REVIEW APPRAISAL

A review appraisal must be obtained once an appraisal has been completed. The review must be done by a qualified staff appraiser or an independent fee appraiser. The review must be written, signed and dated. It should assess the adequacy of the appraiser's supporting data, the appraisal procedures used, and the soundness of the appraiser's opinion of fair market value. As needed, the review appraiser shall, prior to acceptance, seek necessary corrections or revisions to the initial appraisal. If the review appraiser is unable to recommend an appraisal as an adequate basis for the establishment of the offer of just compensation, and it is determined by the acquiring Subgrantee that it is not practical to obtain an additional appraisal, the review appraiser may, as part of the review, present and analyze market information in conformance with state appraisal standards to support a recommended value.

Please be reminded that Subgrantees are encouraged to provide outreach to qualified Minority and Women-Owned Enterprises (MBE/WBE) when procuring for appraisal services.

Acquiring Property without an Appraisal

42 USC 4651 (2); 49 CFR 24.102 (c) (2) states: If the Subgrantee can determine that the valuation of a parcel of land or servitude is uncomplicated and that fair market value of the property does not exceed $10,000, and if the owner does not desire an appraisal, then an offer can be made to the owner(s) of the property without a formal appraisal but a waiver valuation will be required.

Donations

No provision of the Uniform Act regulations prevents a person, after being fully informed of their right to just compensation based on a review of available data or an appraisal of their real property, from donating their property or easement to the Subgrantee for a project. They must be informed of their right to accompany the appraiser during the appraisal. Because a property owner is entitled to just compensation under the Uniform Act, a donation should never be assumed.

The Waiver of Just Compensation form should be prepared by the Subgrantee when the property owner agrees to donate their easement or parcel of land. It should clearly state that the property owner understands that they cannot be required to donate the property or to sell it to the Subgrantee at less than the amount of the appraised value unless the property owner voluntarily agrees to donate. The waiver should clearly show the property owner's intent to voluntarily release the Subgrantee of its Uniform Act obligation to determine just compensation based upon an appraisal after being fully informed of their rights under the Uniform Act. Because a property owner is entitled to an appraisal before making a decision to donate, it is incumbent on the Subgrantee to document that the property owner was made aware of that right before obtaining the signed waiver. A waiver signed by each property owner must be kept in each property owner's acquisition file.

In summary, a Subgrantee must provide the following for a property donation:

- Involuntary Preliminary Acquisition Notice
- HUD brochure titled When a Public Subgrantee Acquires Your Property or When a Public Subgrantee is Interested in Acquiring an Easement;
- Signed Waiver of Rights of Just Compensation, and Right to an Appraisal, from the property owner, if applicable;
- Documentation to indicate how "market value" was determined if the market value of the
  property or the easement is determined to be $10,000 or less; If right to an appraisal was not waived, the Subgrantee must appraise property and use the sample waiver of Right of Just Compensation and provide the amount of the market value on that sample waiver form;
- Recorded property deeds and easements and evidence of payment of recording fees.

RELOCATION AND DISPLACEMENT CONSIDERATIONS

The federal requirements for displacement and relocation of households or businesses are intended to discourage the displacement of low and low-moderate income persons due to CDBG/ARC funded project. Displacement and relocation require advanced notices, identifying replacement housing for occupants, reimbursement of moving cost, one to one replacement of low-to-moderate income housing, and additional housing allowance for low-to-moderate income households.

CDBG/ARC Subgrantees are strongly encouraged to design their programs so as to avoid actual or potential displacement or relocation as part of their CDBG/ARC projects. Grantees who foresee or contemplate a displacement or relocation action as part of their project should contact CID for further guidance and the HUD handbook 1378 found online at:
http://www.hud.gov/offices/cpd/library/relocation/policyandguidance/handbook1378.cfm

SAMPLE

(Agencies with Eminent Domain Authority but will not use.)

VOLUNTARY ACQUISITION

INFORMATIONAL NOTICE

_____
(Date)

Dear _____:
(Property Owner)

_____,(Town/City/Company/Business/Entity) is interested in acquiring property (or easement) you own at _____ Development Block Grant program.

Please be advised that, _____(Town/City/Company/Business/Entity) possesses eminent domain authority to acquire property (or easement), however, in the event you are not interested in selling your property (or easement), or if we cannot reach an amicable agreement for the purchase of your property (or easement), we will not pursue its acquisition under eminent domain.

Your property (or easement) is not a necessary part of the proposed project and is not part of an intended, planned, or designated project area where substantially all of the property within the area is to be acquired.

In accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA), owner-occupants who move as a result of a voluntary acquisition are not eligible for relocation assistance.

If you have any questions about this notice or the proposed project, please contact:
_____ (Name)
_____ (Title)
_____ (Address)
_____ (Phone)

Sincerely,
_____ (Name)
_____ (Title)
_____ (Date)

SAMPLE

(Agencies Without Eminent Domain Authority)
VOLUNTARY ACQUISITION

INFORMATIONAL NOTICE

_____
(Date)

Dear _____:
(Property Owner)

_____ (Subgrantee), is interested in acquiring property (or easement) you own at _____ (Address/Legal Description) for a proposed project which may receive funding assistance from the U.S. Department of Housing and Urban Development (HUD).

Please be advised that _____ (Subgrantee)does not have authority to acquire your property (or easement) by eminent domain. In the event we cannot reach an amicable agreement for the purchase of your property (or easement), we will not pursue this proposed acquisition.

In accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA), owner-occupants who move as a result of a voluntary acquisition are <u>not</u> eligible for relocation assistance.

If you have any questions about this notice or the proposed project, please contact:

_____ (Title)
_____ (Address)
_____ (Phone)

Sincerely,
_____ (Name)
_____ (Title)
_____ (Date)

SAMPLE

VOLUNTARY ACQUISITION

VOLUNTARY OFFER NOTICE

_____
(Date)

Dear _____:
(Property Owner)

_____,(Town/City/Company/Business/Entity), is interested in acquiring property (or easement) you own at _____ (Address/Legal Description) as identified in our previous letter dated _____ (Date).

We are prepared to offer you $_____ (Dollars) to purchase your property (or easement). This amount represents the current market value of your property, as supported by (the appraisal or other valuation method).

This offer is based on the following terms and conditions (if applicable):

_____

If you have any questions about this notice or the proposed project, please contact:
_____ (Title)
_____ (Address)
_____ (Phone)

Please contact us at your convenience, if you are interested in selling your property.

Sincerely,
_____ (Name)
_____ (Title)
_____ (Date)

SAMPLE

(Use of Eminent Domain is an Option.)

INVOLUNTARY ACQUISITION NOTICE

_____
(Date)

Dear _____:
(Property Owner)

_____,(Town/City/Company/Business/Entity), at _____
Development (HUD) under the Community Development Block Grant program.

The purpose of this notice is to inform you of your rights under a federal law known as the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA). Enclosed is a HUD brochure entitled "When A Public Subgrantee Acquires Your Property". This brochure provides useful information about the public acquisition of real property (real estate) under the URA. At this stage, your property is only under consideration for acquisition. This notice is not a contractual offer or commitment to purchase your property.

If your property is selected for acquisition, under the URA, you will have the right to receive just compensation for your property. In order to determine the amount of just compensation to be offered to you, an appraisal of your property would be required. In such a case, an appraiser will contact you to provide you an opportunity to accompany him or her on the inspection of your property. It would be in your best interest to accompany the appraiser during the property inspection so that you can point out any unique features of your property which should be considered in the valuation process and so that you can also answer any questions the appraiser may have.

For your information, _____, (Town/City/Company/Business/Entity) possesses eminent domain authority to acquire the property needed for this project, however, our goal is to attempt to negotiate amicable agreements for all property acquisitions prior to its use. If negotiations fail, acquisition under eminent domain may be considered. If you have any questions about this notice or the proposed project, please contact:

_____ (Name) _____ (Title)
_____ (Address) _____ (Phone)

Sincerely,

_____ (Name) _____ (Title)
_____ (Date)

Enclosure

SAMPLE

APPRAISAL REVIEW LETTER

_____
(Date)

Dear _____:
(Property Owner)

Re: Appraisal Review

I have reviewed the appraisal conducted by _____ (Appraiser), dated _____. Based on my review, it is my professional opinion that the subject appraisal was:

1) Consistent with the standards of the Uniform Standards of Professional Appraisal Practice (USPAP).

2) Met the five following requirements, as identified 49 CFR 24.103.

   - An adequate description of the physical characteristics of the property being appraised;
   - All relevant and reliable approaches to value consistent with established Federal and federally-assisted program appraisal practices;
   - A description of comparable sales;
   - A statement of the value of the real property to be acquired; and
   - Effective date of valuation, date of appraisal, signature, and certification of the appraiser.

3) The appraisal met the following definition. A written statement independently and impartially prepared by a qualified appraiser setting forth an opinion of defined value of an adequately described property as of a specific date, supported by the presentation and analysis of relevant market information.

SAMPLE

WRITTEN OFFER TO PURCHASE

_____
(Date)

_____ (Property Owner)
_____ (Mailing Address
_____ (Town/City/Zip), MS

Dear _____:
(Property Owner)

This letter serves as a written offer to purchase property (or easement) at _____ _____ (Address/Legal Description), dictate is owned by _____ (Property Owner). This property is to be used for _____ _____(describe the CDBG/ARC activity).

We have had the property appraised by a licensed appraiser and the appraisal process reviewed and have found the valuation method to be well supported. Based on the appraisal, the _____ (Name of Subgrantee), hereby makes you a firm offer in the amount of $_____ for the purchase of your property (or easement). In addition to the offered purchase price, _____ (Name of Subgrantee) will also reimburse you for reasonable closing cost associated with the transfer of the property.

Please contact _____ (Subgrantee's Representative) with your decision regarding the purchase of your property or if you have any questions.

Sincerely,

_____
Chief Elected Official

Enclosure: Appraisal

SAMPLE

Donation of Property by Owner

The _____(Town/City/Company/Business/Entity) has explained my/our rights and benefits as property owner(s) under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970; and I/we have received a copy of the Housing and Urban Development (HUD) pamphlet, When a Public Subgrantee Acquires Your Property. I/We have read this pamphlet and understand it.

I/We have offered to donate the _____ (Address/Legal Description/Property Description), to _____ _____ (Town/City/Company/Business/Entity) the on _____ (Day) of _____ (Month), 20___. I/We have discussed with a representative of the _____ (Town/City/Company/Business/Entity), the compensation and other assistance required under the Act. I/We understand that I/We cannot be required to donate or sell the _____ (Address/Legal Description/Property Description), to the _____ _____ (Town/City/Company/Business/Entity) for less that the appraised Fair Market Value and without other assistance to which I/we may be entitled to under the Act.

_____ _____

Property Owner's Signature Chief Elected Official

_____ _____

Date Date

SAMPLE

Appraisal Waiver Form for Donated Property

I, _____ (Property Owner/Print Name), hereby recognize I have a right to have my property appraised and hereby waive my right of appraisal for the property I own at (Complete Address/Legal Description/Property Description): _____ _____. This waiver permits me to sell, or donate, my property, or a portion of it, to _____ _____ (Town/City/Company/Business/Entity) for the purpose of _____ _____, and releases the acquiring party's legal responsibility to have the property appraised for fair market value. This agreement does not constitute an agreement to buy or sell.

_____ _____

Property Owner's Signature Date