

NON-FEDERAL SPONSOR LAND ACQUISITION

In Non-Federal Cooperation Projects, land acquisition is the responsibility of the Sponsor. Although the Project Manager has the responsibility for overall coordination of the project, coordination is required between the Sponsor and the Real Estate Division because of the interrelationship between the project design and real estate requirements. The close coordination is to assure that the Sponsor completes all real estate acquisitions to meet the milestones established by the Project Manager.

The cost-sharing provisions contained in the Project Cooperation Agreement (PCA) between the Corps of Engineers and the Sponsor are required by the Water Resources Development Act of 1986 (Public Law 99-662), as amended. For structural flood control projects, "The Non-Federal Sponsor shall provide all lands, easements, and rights-of-way, and suitable borrow and dredged or excavated material disposal areas that the Government determines the Non-Federal Sponsor must provide for the construction, operation, and maintenance of the Project, and shall perform or ensure performance of all relocations that the Government determines to be necessary for the construction, operation, and maintenance of the Project."

The Sponsor must contribute at least 35 percent of the total project costs, of which at least 5 percent must be in cash. The Sponsor receives credit for the fair market value of the real estate interests as of the time it is made available to the project. The amount of credit is determined by an appraisal obtained by the Sponsor. In addition, for real estate interests acquired by the Sponsor within a 5-year period prior to the date the PCA is signed, or any time after the agreement is signed, the credit will also include the costs of acquisition, such as closing and title costs, appraisal costs, survey costs, attorney's fees, mapping costs, plus necessary and reasonable indirect costs. In addition, the costs of providing relocation assistance to persons and businesses displaced by the project are creditable.

If the Sponsor wishes to begin the acquisition process prior to the execution of a PCA, all actions taken would be at its own risk with no guarantees of credit or reimbursement.

STEPS TOWARD LAND ACQUISITION

A. Feasibility

1. *Rights of entry* obtained for project area to complete necessary studies
2. Sponsor and Corps Real Estate (RE) Division personnel coordinate real estate requirements for project design
3. Cost estimates complete
4. Informational landowner meetings conducted by Sponsor and RE
5. Determine Sponsor's acquisition capabilities
 - a. Quick Take and/or condemnation authority
 - b. Staffing available for acquisition
 - c. Contract services available in geographic area
 - d. Proposed acquisition *Milestones* setup
6. Sponsor sets up separate account for project administrative costs

B. Land Acquisition Steps

1. *Project Cooperation Agreement signed*
2. *Work limit drawings from Corps RE Division personnel*
 - a. Estates required for project identified by Corps
 - b. Corps issues authority for Sponsor to acquire lands for project
3. *Tract ownership data - Sponsor*
 - a. Survey project – Engineering firm
 - b. Identify landowners through courthouse research
 - c. Legal descriptions and individual tract maps prepared by Engineering firm
 - d. General project map prepared by Engineering firm
 - e. Individual tract files
4. *Title (any one of the following) - Sponsor*
 - a. Abstract from Abstract Company
 - b. Title commitment from title company or attorney
 - c. Attorney's opinion
5. *Appraisals – Sponsor/Corps*
 - a. Staff or contract with appraiser approved by Corps
 - c. Appraisals completed by appraiser
 - d. Corps reviews and approves appraisals
6. *Negotiations - Sponsor*
 - a. Acquisition Brochure available upon request
 - b. Negotiate fair market value with owners
 - c. Prepare narrative negotiation report
 - d. If settlement above approved appraisal, submit justification for approval from Corps prior to acceptance of contract (if approval not obtained, credit not given for additional costs)
 - e. Signed purchase agreement
7. *Closings – Sponsor's Attorney*
 - a. Deed signed
 - b. Closing sheet
 - c. Make payment for interests acquired
 - d. Record deed
 - e. Prepare 1099 tax form if over \$600 (damages are nontaxable)

C. Condemnations - Sponsor

1. Prepare narrative negotiation report
2. Attorney submits court documentation with approved appraisal compensation into District Court
3. Record declaration of taking
4. Judge/jury/commission determine just compensation due landowner

D. Relocations - Sponsor

1. Market study of displaced housing and available housing
2. Available housing comparisons and register developed
3. Replacement housing payments calculated for each displaced unit
4. Moving costs calculated
5. Relocation Benefits Brochure and copy of regulations available upon request
6. Relocation benefits nontaxable

E. Certification of Project - Sponsor

1. Sponsor issues Right of Entry to all lands required for project purposes
2. Attorney's certification that all necessary interests were obtained for project purposes

F. Submit Acquisition Claims for Credit with Copies of Documents (60 days after certification or ASAP) - Sponsor

1. Claim signed by Sponsor representative
2. Engineering fees (bill and voucher)
3. Title work (bill and voucher)
4. Appraiser's fees (bill and voucher)
5. Recorded deed or Court award document (acquisition credit will be for approved negotiated settlement or court award)
6. Recording fees
7. Notary fees
8. Payroll registers for administrative fees
9. Miscellaneous project-related costs

G. Submit Relocation Credit Claims with Copies of Documents - Sponsor

1. Owner occupants

- a. Sponsor signed claim
- b. Moving expense executed claim (if actual expenses, receipts required)
- c. Replacement housing executed claim (purchase agreement or deed)
- d. Closing costs (closing sheet)

NOTE: Replacement housing differential + closing costs shall not exceed \$22,500.

2. Tenant occupants

- a. Sponsor signed claim
- b. Moving expense executed claim (if actual expenses, receipts required)
- c. Rental housing or downpayment assistance executed claim (lease or purchase agreement)
- d. If downpayment, closing costs may also be covered (closing sheet)

NOTE: Rental housing payment or downpayment assistance + closing costs shall not exceed \$5,250.