

FEDERAL REQUIREMENTS

- The project's environmental clearance should identify the expected real estate acquisitions.
- With certain exceptions that are unlikely to apply to this project, if it is anticipated that the value of the property interest to be acquired exceeds \$10,000, an appraisal is required for that interest. FTA generally requires one appraisal and a review appraisal.
- Appraisers must be licensed by the Texas Appraiser Licensing and Certification Board and should be familiar with all aspects of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (the Uniform Act).
- An appraisal must be independently prepared and in writing. In addition, the appraisal must:
 - Comply with the requirements cited in 49 CFR Section 24.103;
 - Consider and evaluate any "uneconomic remnant;" and
 - Consider the impact of contamination or the presence of hazardous materials on the market value of the property being appraised.
- The property owner has a right to accompany the appraiser during the inspection of the property.
- An appraisal that is more than six months old *generally* should be updated before the acquiring entity determines "just compensation" or seeks FTA concurrence, as described below.
- An appraisal must be reviewed by a qualified review appraiser.
- Before initiating negotiations, the acquiring entity must establish the amount it believes is "just compensation" for the property to be acquired. That amount must not be less than the approved appraisal.
- Prior FTA concurrence is required if (i) the recommended offer of "just compensation" exceeds \$500,000 or (ii) a property appraised at \$500,000 or more must be condemned.
- Administrative settlements that exceed the estimated current fair market value by \$50,000 or more require prior FTA concurrence.
- Relocation of personal property is reimbursed based upon the actual, reasonable, and necessary costs, which often cannot be determined until after the move is complete. Relocation activities must comply with the Uniform Act.
- If approved by FTA, grantees may use in-kind contributions of real property as part of the local matching share so long as the property to be donated is needed to carry out the scope of the approved project. Appraisals for property being donated, regardless of appraised value, must be submitted to the FTA regional or metropolitan office.