



## Module 2

Real Estate Acquisition  
Management Plan (RAM)  
and Relocation Plan



## Learning Objectives

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- Discuss the Real Estate Acquisition Management Plan and explain why it is required by the FTA
- Describe a Relocation Plan and explain why it is required by the FTA



Key Message: Real Estate Acquisition Management Plans (RAMPs) are the grantee's planning tool.

Notes:

Real Estate Acquisition Management Plans (RAMPs) are part of the Project Management Plan (PMP) which is part of a grantee's Grant Agreement. RAMPs are the grantee's planning tool. If done correctly, they will identify schedule issues, difficult parcels, the need for expanded advisory assistance, and staffing issues. For example:

- FTA relies on the RAMP to understand how a grantee intends to pursue a project
- The RAMP is used to understand the issues that affect the feasibility of a project

Where appropriate, RAMP requirements are becoming a part of FTA Circulars and Standard Operating Procedures (SOPs). For example, the recently updated FTA Circular 5010.1D, Grant Management Requirements (November 1, 2008), Chapter IV, Section 2(h) (RAMP), added a paragraph explaining the requirement for a RAMP. The updated Circular also added an outline of a RAMP in the Appendix. A Relocation Plan is a vital part of the RAMP. It may be combined into a single document or a separate but related plan.



## Real Estate Acquisition Management Plan

- Planning document for the Agency
- Control document for FTA
- Critical part of Risk Assessment Process
- Working document



Key Message: FTA relies on the RAMP to understand how the grantee intends to run the project.

Notes:

A RAMP is required for all major capital projects as part of the Project Management Plan (PMP) under 49 CFR Part 633.25 and in accordance with 49 Part 24.

A full RAMP is not required for other capital projects; however, all capital projects must be in compliance with 49 CFR Part 24 if real estate acquisition or relocation assistance is involved.

As a planning document the RAMP will be an early identifier of potential project problems. The RAMP should be a snapshot of the status of the grantee's real estate component of the project.

As a control document, FTA relies on the RAMP to understand how the grantee intends to pursue the project.

The RAMP is a critical part of the project's Risk Assessment. If properly researched the RAMP will identify areas of the project that are at risk of causing the project to miss schedules and to be over budget.

As a working document the RAMP should change when the project changes.



## Purpose

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A RAMP guides the assessment and acquisition of real estate needed for a capital project.

- Timing
- Staffing
- Law issues
- Policy issues



**Key Message:** The RAMP guides the assessment and acquisition of the real estate needed to complete a major capital project.

**Notes:**

The purpose of the RAMP is to guide the assessment and acquisition of the real estate needed to complete a major capital project.

When preparing the RAMP it is important to keep the following topics in mind:

- How much time is allotted to acquire the real estate needed for the project?
- Does the project sponsor have the proper staff to meet the timing deadlines?

Law and policy issues can result in budget constraints and delays. For example, as a matter of policy, FTA does not participate in relocation payments that may exceed the statutory limits. Some states permit this practice, however, FTA does not participate in payments above the statutory limit.

The idea is to think ahead and prepare for the worst situations.

## Sample Table of Contents for Real Estate Acquisition Management Plan

Real Estate Acquisition Management Plan Elements	In AA and/or Requesting Entry to PE	In PE, Advanced PE, and/or Requesting entry to FD	In FD and/or Requesting Full Funding Grant Agreement	In Bid / Award and / or Construction
Introduction	•	○		
Agency's Real Estate Policies and Procedures referring to applicable statutes, regulations, policies	▲	•	○	
Real Estate Team Organizational Structure	•	○		
Staff and Contractor functions/resumes/description of roles and responsibilities for Acquisition and Relocation	•	○		
Lines of Authority	•	○		
Document Control	•	○	○	
Property Management Plan	▲	•	○	
Disposition Plan	▲	•	○	
Acquisition Process	▲	•	○	
Acquisition Plan	▲	•	○	
Ownership and Title Information	▲	•	○	
Acquisition Schedule, include critical path from Project Schedule	▲	•	○	
Pre NEPA ROD: Draft Agreements w/RE Third Parties	▲	•	○	
Post NEPA ROD: Executed Agreements w/RE Third Parties		▲	•	○
Cost				
Estimate	▲	•	○	
Appraisals	▲	•	○	
Negotiations/ Offers of Just Compensation	▲	•	○	
Final Costs			•	○
Closing / Escrows	▲	•	○	
Condemnation	▲	•	○	
Relocation Process	▲	•	○	
Relocation Plan – Owner, Tenant information	▲	•	○	
Relocation Schedule, include critical path from Project Schedule	▲	•	○	
Cost				
Estimate	▲	•	○	
Negotiations/Final Costs			•	○
Appeals			•	○

NOTE: ▲ – Preliminary information required; • – Element to be completed; ○ – Element to be modified or augmented with additional information as necessary.

Review

# Real Estate Cost Estimate Template and Supporting Questions

Cost Estimate Template		Desc/number of parcel	Cost	Subtotal	Total
<b>LAND</b>					
	Fee Acquisitions		\$		
	Full Takes		\$		
	Partial Takes		\$		
	Easement Acquisitions		\$		
	Other Rights		\$		
	<b>TOTAL LAND COST</b>			\$	
	Administrative Settlement Rate of ___ x Administrative Increase ___ = ___%			\$	
	Condemnation Rate of ___ x Excess Award ___ = ___%			\$	
	<b>TOTAL LAND/SETTLEMENT</b>				\$
<b>RELOCATION</b>					
	Residential (Owners)		\$		
	Residential (Tenants)		\$		
	Business (Owners and Tenants)		\$		
	Others (Personal Property Moves)		\$		
	Last Resort Housing		\$		
	<b>TOTAL RELOCATION</b>				\$
<b>SERVICES</b>					
	Title Work (Reports, Insurance, Closings)		\$		
	Appraisals		\$		
	Appraisal Reviews		\$		
	Other Services related to acquisition, relocation, property management, etc.		\$		
	Legal (Pre-condemnation)		\$		
	Legal (Condemnation)		\$		
	<b>TOTAL SERVICES</b>				\$
<b>GRAND TOTAL</b>					\$



## Authority for RAMP Requirement

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- Grant Agreement
- Project Management Plan (PMP) Title 49, Chapter VI, Section 633
- FTA Circular 5010.1D – Grant Management Requirements Chapter IV, Project Management
- PMO Guidance
- FTA Website <http://www.fta.dot.gov>



Key Message: Key references to the RAMP.

Notes:

The FTA website has a complete listing of FTA Laws, Regulations, Circulars and Guidance that pertain to real estate. The website is <http://www.fta.dot.gov>.



## RAMP Contents

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- |                                    |                              |
|------------------------------------|------------------------------|
| 1. Introduction                    | <b>6. Relocation Process</b> |
| <b>2. Organizational Structure</b> | 7. Document Control          |
| <b>3. Acquisition Schedule</b>     | 8. Property Management       |
| <b>4. Real Estate Costs</b>        | 9. Excess Property Plan      |
| 5. Acquisition Process             |                              |



Key Message: A RAMP should discuss each of the nine areas.

Notes:

There are at least nine topics that should be covered in the RAMP. The degree to which they are covered depends on the complexity of the project.

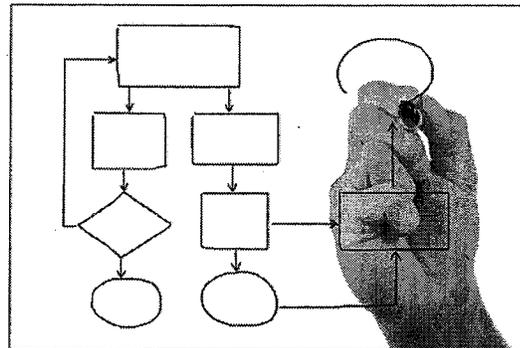
An outline of what a RAMP should consist of is reviewed in detail in Learning Activity 2a.

All areas of the RAMP are important; however, the four (4) areas listed below carry more weight than the others due to their probability of causing the project to go over budget and behind schedule:

- Organizational Structure
- Acquisition Schedule
- Relocation Plan
- Real Estate Cost

## Key Areas of the RAMP

- Organizational Structure
- Acquisition Schedule
- Real Estate Costs
- Relocation Plan



Key Message: Certain areas of the RAMP carry more weight than others.

Notes:

**Organizational Structure:** In order to document technical capability and capacity, the organizational structure must reflect how, when, and by whom the appraisal, acquisition, and relocation functions will be handled.

- The RAMP must reflect names of staff personnel and their experience.
- The RAMP should also include the names of all consultants and the real estate experience of their personnel.

**Acquisition Schedule and Project Real Estate Costs:** These two areas have consistently ranked as “high risk” in causing the project to be behind schedule and over budget. Some of the problems causing the high risk factor might be:

- Scheduling
- A failure to factor in required notices
- Short lead time
- Plan changes requiring additional parcels
- Condemnation actions

**Costs examples:** Unknown factors such as a sharp increase in property values; plan changes requiring additional land and structures; court awards.

**Relocation Plan:** This depends upon the complexity of the relocation effort required. A much more in-depth discussion of the Relocation Plan will be discussed in the following slides.



## Relocation Plan

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- May involve a relocation survey or study
- Depends on the complexity of the displacements
- In the early stages of project development
- Recognizes problems associated with displacements



**Key Message:** Relocation planning must be done if individuals, families, businesses, or non-profit organizations are displaced as a result of a project.

**Notes:**

During the early stages of development, an agency shall plan Federal and federally-assisted programs or projects in such a manner that recognizes the problems associated with the displacement of individuals, families, businesses, farms, and nonprofit organizations and develop solutions to minimize the adverse impacts of displacement.

A relocation plan recognizes problems with displacements and offers solutions for resolution.

A relocation plan will minimize the adverse impacts on displacement the elderly, persons with disabilities, and low income tenants.

Planning is done during the early stages of the project. The level of the plan depends on the complexity of the relocatees being displaced. Elderly and low income tenants and people needing special help offer more of a challenge than other displacees.



## Relocation Plan

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### Requirements, §24.205 Relocation Planning

- Residential requirements
- Non-residential requirements



The Relocation Plan is broken into two parts; Residential and Non-residential.

Notes:

Planning, where appropriate, shall precede any action by an Agency which will cause displacement, and should be scoped to the complexity and nature of the anticipated displacing activity including an evaluation of program resources available to carry out timely and orderly relocations.

Residential includes individuals and families . Non-residential includes business, farms, and non-profit organizations.

49 CFR Section 24.205 – Relocation planning, advisory services and coordination.

## Relocation Plan Content

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- Description of project
- Discussion of characteristics and needs of displacees
- Inventory of available housing
- Discussion of non-residential displacee needs



Key Message: A relocation plan is broken into many parts.

Notes:

Each of the above topics are discussed in detail in 49 CFR Part 24.205(a)(b)(c) and (d), and in Appendix A of the Participant Workbook.

Projects requiring displacement of the elderly, persons with disabilities, and low income tenants will require additional assistance in finding replacement housing.

Available housing is often a big problem, especially decent, safe, and sanitary (DSS) rental housing.

## Relocation Plan Content

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- Inventory of Non-Residential Property
- Concurrent Displacement
- Analysis and Correlation
- Advisory Services
- Conclusion



Key Message: A relocation plan is broken into many parts. (Continued from previous slide).

Notes:

Non-residential properties (businesses, farms, and non-profit organizations) may become a problem due to the limited number of sites available.

Concurrent Displacement often involves coordination of assets with other projects that are ongoing in the area. grantees will be competing for available housing.

Analysis and correlation –The number of houses available at any time (2, 3, 4 bedroom, etc) must be determined and correlated with the dwellings being acquired. If the acquisition consists of more dwellings than what is available, a plan must be presented explaining how DSS housing is going to be provided to meet project needs.

Advisory Services- The services to be provided on the project should be detailed in this section. These must include all of the minimal services discussed in §24.205, as well as any other services needed based on the specific project requirements. For example, the agency may need to provide additional advisory services to address the inability of some potential displacees to qualify for mortgages.

Conclusion- The agency must determine whether there is adequate housing to proceed with the project on the stated schedule. If there is insufficient housing, then a solution to this problem must be found. There must be replacement housing actually available prior to requiring anyone to move. Other conclusions could discuss staffing for the relocation program, etc.

## Relocation Plan Summary

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- Regulatory requirement
- Control document for FTA
- Test of social feasibility



Key Message: A Relocation Plan is an important component of project planning.

Notes:

The Relocation Plan is a regulatory requirement as driven by the Uniform Relocation Act (UAR). It is broken into two parts: residential and business displacements.

The plan is further supported by FTA Circular 5010.1D, Chapter IV.

FTA uses the relocation plan as a control document to assess the technical capability and capacity of the Grantee.

The Relocation Plan is created in the early stages of the project in such a manner that recognizes the problems associated with the displacement of individuals, families, businesses, farms and nonprofit organizations.

It works to develop solutions to minimize the adverse impacts of displacement.

## **Learning Activity 2a**

### **Model RAMP Outline Review**

#### **Introduction**

- Short history of pertinent elements of project
- Control agreements; intergovernmental contracts, pending solicitations, etc
- Legal requirements; Uniform Act, various state laws, local requirements, etc.
- Geographical description of project
- Physical description of proposed acquisitions; number of parcels, total acquisitions, partial acquisitions, anticipated number of relocations; etc.
- General outline of process; and authority to condemn

#### **Organizational Structure**

- Identification of staff functions
- Identification of contractual functions
- Identification of plan source; process for plan changes, corrections, modifications as a result of negotiations, etc.
- Party who can establish offer of just compensation
- Party who can authorize condemnation

#### **Acquisition Schedule**

- Set out the timeframe for acquisition and relocation; total length of time needed
- Date for initiation of negotiations for project
- Relationship of design to acquisition
- Difficulties and potential delays
- How will progress reporting be handled and who will receive this information
- Identification of a critical path for right of way

#### **Real Estate Costs**

- Background of estimate; when was it done; what was the basis of the estimate
- Need for any update of cost estimate
- How will estimate be compared to actual costs as project progresses

#### **Acquisition Process**

- Plans – who prepares, who can modify, what is process for considering property owner's request to modify, etc
- Ownership and title information – how is this gathered, what is the contractual requirements, are those contracts in place, what is the process to update and correct errors and omissions,
- Appraisal – who will do appraisals, what is the contracting requirements if necessary, what is the estimate duration of this task, how many copies of appraisals will be obtained, will appraisals be shared with property owners
- Appraisal Review process – who will do this task, what is the scope of the task in general, what is the turn around time for this work, will the review handle updates of

- appraisals, will review handle modification of appraisals based on owner claims, will review be used to support administrative settlements; FTA concurrence
- Establishment of offer of Just Compensation – who does this, what is the basis of this offer
  - Negotiations – who will negotiate, what is their authority, who must approve administrative settlements and other concessions to property owners, what is the documentation required of the negotiations process, who signs letter of offer, will negotiator also handle relocation payments, how is interface between negotiations and condemnation handled, what documents will negotiator be expected to provide to legal for settlement and condemnation, will negotiator be present at closing.
  - Administrative settlements -- who will handle these, how do they originate, who prepares document, who can approve settlement; FTA concurrence
  - Closing / Escrows – who will provide this service, how will it function, what is the estimated length of time to deposit funds to escrow for closing, what documents will be necessary, how will closings be conducted, what form of deeds will be used, how will property taxes be paid and exempted
  - Condemnation – who will authorize suits, who will file, what is relationship between grantee and its legal personnel, what authority does attorney have for settlement, what are progress reporting requirements; FTA concurrence

### **Relocation Process**

- Relocation -- how will the relocation function be staffed, who is authorized to compute payments, who will approve payments, what is the relocation process to be utilized in the project, what level of advisory services will be needed, who will provide advisory services, what is the claims payment process, what is the time to pay a relocation claim, what authority and controls will be needed for approval of claims, what documentation will be retained in the files, what forms will be used
- What is the anticipated extent of displacement, types of displacement, availability of replacement housing and business sites, contemplated problems associated with the displacements
- Appeals – what is the legal requirements for administrative appeals, how will the agency establish and staff an appeal function, who is the recipient of appeal requests, what is the appeal process

### **Other Components**

- Document Control – how are documents filed, what length of time will original paper documents be maintained, what is the organization of parcel files, condemnation files, etc. what is the contents of a typical file
- Property Management – who will perform property management, what is included in the scope of work for property management, who contracts for demolition,
- what are contracting requirements, what are reporting requirements, statement of policy regarding rental property for extended possession by tenants and owners, policy regarding rental of property not immediately needed for project
- Excess property inventory and utilization plan – who will prepare and track excess parcels, what is the process to evaluate these tracts, who will determine when to sell

excess, what is the disposition of proceeds, what are agency, state or local restrictions on the sale of public property

**Appendix Materials**

- Copies of internal procedures for various functions such as relocation and negotiations.
- Copies of acquisition and relocation brochures with a statement as to the need to update any of these documents.

## **FTA Experience**

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- Inadequate detail in RAMP
- Lack of insight into project complexities as discussed in RAMP and Relocation Plan
- Failure to keep current



Key Message: Over the years FTA through field and desk reviews has determined weaknesses in RAMPs.

Notes:

A RAMP should not be a “cut and paste” production; it should analyze the issues of a project and find ways to address them.

RAMPs are designed to change when the project changes. They should be updated with project changes that affect the real estate that must be acquired.

The RAMP should tell the reader the complete process the grantee will use to acquire the needed real estate. Project reviews have proven this is not being done.