

# RIGHT OF WAY MANUAL DIRECTIVE

#### **RWMD NUMBER:**

25-02

#### **ISSUANCE DATE:**

05-08-2025

#### **EFFECTIVE DATE:**

**Immediately** 

#### **APPROVED BY:**

MARK A. ZGOMBIC Chief (Acting), Office of Project Delivery Division of Right of Way and Land Surveys

#### **SUBJECT:**

Chapter 8 and 10 Updates Related to the Uniform Act Final Rule

#### **PURPOSE:**

Updates to manual guidance on new federal rules related to Chapters 8 and 10. These updates regard amendments in 49 CFR 24 and related appendices (hereafter called the Final Rule). The Final Rule was published on May 3, 2024, and went into effect on June 3, 2024.

The RWMD will ensure that Districts are using the most updated monetary and process procedures required under the Final Rule during the acquisition of real property and the relocation of persons affected by said acquisition.

#### **REFERENCE:**

- <u>49 CFR 24</u> (the Final Rule)
- Right of Way Manual Chapter 8, Sections 8.01 and 8.02
- Right of Way Manual Exhibit 8-EX-12 (external link) (internal link)
- Right of Way Manual Chapter 10, Sections 10.01-10.10

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#### **BACKGROUND:**

49 CFR 24.1 states:

The purpose of this part is to promulgate rules to implement the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. 4601 et seq.) (Uniform Act), in accordance with the following objectives:

- (a) To ensure that owners of real property to be acquired for Federal and federally assisted projects are treated fairly and consistently, to encourage and expedite acquisition by agreements with such owners, to minimize litigation and relieve congestion in the courts, and to promote public confidence in Federal and federally assisted land acquisition programs;
- (b) To ensure that persons displaced as a direct result of Federal or federally assisted projects are treated fairly, consistently, and equitably so that such displaced persons will not suffer disproportionate injuries as a result of projects designed for the benefit of the public as a whole; and
- (c) To ensure that agencies implement the regulations in this part in a manner that is efficient and cost effective.

Changes to the Federal regulations were presumably made in the spirit of items 49 CFR 24.1(a)-(c). These regulations largely form the backbone of the acquisition and relocation programs at the Department.

#### **EXISTING POLICY OR PROCEDURE:**

In acquisition, the conflict-of-interest monetary amounts were previously set at \$10,000. This monetary limit was reflected across several sections and Exhibit 8-EX-12. The waiver valuation limits were set at \$10,000. The conflict-of-interest and waiver valuations have been adjusted to \$15,000 in the upcoming manual updates. Caltrans acquisition discussions previously dealt with the owners, their attorneys or third parties. This area of the manual has been expanded and updated to include designated representatives for both owners and tenants.

Acquisition allowed first written offers to be made in person or by mail. Acquisition also allowed revised offers by email and fax. This has been updated to allow email offers pursuant to 49 CFR 24.5 (offers by fax is being removed from the manual).

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While the preferred method for the Relocation Assistance Program (RAP) was inperson, RAP documents could be mailed when it was at the request or for the benefit of the grantor/displacee. This has expanded to email offers and signatures for some items in RAP pursuant to 49 CFR 24.5.

Other changes to Chapter 10 of the Right of Way Manual are numerous and will appear throughout Chapter 10.

# **NEW POLICY OR PROCEDURE:** CHAPTER 8:

- Additional information by acquisition by Mail, Electronic Mail, or Fax in response to changes under 49 CFR 24.5.
- Offers and Documents Delivered to Owner removed reference to "fax."
- Separation of Acquisition and Appraisal Functions revised to increase conflict of interest limits from \$10,000 to \$15,000 pursuant to <u>49 CFR</u> <u>24.102(n)(3)</u>.
- Revised to reflect the increase in waiver valuation limit from \$10,000 to \$15,000 pursuant to 49 CFR 24.102(c)(2)(ii).
- Renamed to "Negotiating with an Owner's or Tenant's Designated Representative, an Attorney, or Third Party."
- Revised to update and clarify the Department's protocols when negotiating with an owner's or tenant's designated representative, based on the new definition per final rule – 49 CFR 24.2(a).

#### **CHAPTER 10:**

- Updates on terminology and numbering, especially as it relates to the definitions.
- Additional information on Decent, Safe, and Sanitary (DS&S) Housing.
- Clarifications on when storage is appropriate.
- Expansions and clarifications on the relocation rights of temporary displacees.
- Expansion of the definition and regulations around voluntary acquisitions and relocations.
- Clarification that temporary shelters do not require relocation of their clients (and conditions for possible exceptions).
- Agency can have qualified staff personnel develop a move estimate for moves under \$5,000 for any displacement (residential, nonresidential, or mobile home).
- Additional clarification related to moves from a residence and mobile home.

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- Information on how comparable replacement dwellings were determined must be disclosed to displacees.
- Comparable replacement dwellings in determining the replacement housing valuation must be inspected for DS&S conditions.
- Additional guidance on electronic notices and signatures.
- Displaced tenants are entitled to reasonable reimbursement, up to \$1,000 for rental replacement application fees and/or credit reports.
- Nonresidential search fees increased to \$5,000, or a one-time payment of \$1,000 with little or no documentation.
- Additional information and examples related to reverse mortgages, both in the regulations and in the related <u>Appendix A</u>.
- Adjustment from reporting on acquisition and RAP activities from every 3 years to annually.
- Increase purchase differentials from a maximum of \$31,000 to \$41,200.
- Increase rental differentials from \$7,200 to \$9,570.
- Expansions on the definitions of Government Housing Assistance and regulations in agency interactions with displacees in Government Housing Assistance.
- Adjustments to the final language that must be included in the final decision of an appeal by the agency.
- Allowance for the adjustment of some maximum limits by the Department based on the Consumer Price Index.
- Expansion of "project" to include rehabilitation and/or demolition.
- Appropriate circumstances to deduct relocation payments (under advance payments only).
- Adjustment to language and verification process for those not lawfully present in the U.S., and examples for splitting benefits when some members in a household are lawfully present and others are not.
- Exclusion of cosmetic changes and construction of a new building, except under <u>Appendix A</u>, from eligible reestablishment expenses.
- Under <u>Appendix A</u>, expansion of items that can be paid under re-lettering signs and replacing stationery.
- Under Appendix A, additional information on obtaining a value in place.
- Under <u>Appendix A</u>, seasonal residence payments (fixed move or actual move expenses only).
- Examples of businesses that might require a one-time heavy impact usage fee (under Appendix A).
- Clarification under <u>Appendix A</u> that the fixed payment for any nonresidential (also called in-lieu) is a full and final payment.

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- Under <u>Appendix A</u>, updated examples for Last Resort Housing, accounting for the new monetary limits.
- Under Appendix A, additional information on major exterior attributes.
- Under <u>Appendix A</u>, discussion of the economic value of the remainder to the owner and examples on how it affects relocation payments.

#### **RESPONSIBILITIES:**

Districts shall:

- Ensure they understand the new policies for acquisition and relocation.
- Implement the new policies immediately.
- Forward any questions to HQ for clarification.

#### HQ Office of Project Delivery shall:

- Amend the manual regarding changes in the Federal Regulations.
- Work with the Districts in implementing new procedures.

### LINKS/RESOURCES:

- Right of Way Manual Chapters 8 and 10
- 49 CFR 24 and related Appendices

#### **DISTRIBUTION LIST:**

- Project Delivery Functional Council
- Right of Way Management Board
- Subscribers to the Right of Way Manual update list