Property Acquisition Handbook for Local Communities

A summary for States

How This Handbook Came to Be

Across the nation, more and more flood-inundated communities are choosing property acquisition as a hazard mitigation option. Besides being a permanent solution to a hazard-related problem, property acquisition achieves many other objectives, such as protecting critical habitat, providing opportunities for recreation, providing flood storage, or enhancing other natural or cultural resources.

Since the devastating floods of 1993, Hazard Mitigation Officers from flood-inundated States and FEMA Regions have developed guidelines to assist communities through the property acquisition process. Hundreds of acquisition projects have tested the effectiveness of those guidelines.

The Property Acquisition Handbook for Local Communities brings together into one document the best practices from States that have successfully fostered property acquisition projects. FEMA and its cadre of Region, State, and local subject-matter experts and potential users designed the handbook to:

- ❑ Bring as much nationwide uniformity as possible to the property acquisition process, while respecting each State's and FEMA Region's diversity.
- ❑ Make the process more user-friendly for the communities, regardless of their size, expertise, and human and technical resources.

- Reduce the amount of time between the disaster and the receipt of a check by the property owner by streamlining the process to the greatest extent possible.The Handbook's Mission

The handbook's goal is to empower communities with knowledge and best practices that will enable them to:

- Determine if property acquisition is the most viable mitigation alternative for them before investing too much time and too many resources.
- Plan property acquisition projects so the projects are well directed from the beginning.
- Develop sub-grant applications that have the best possible chance of being approved and funded.
- Submit applications that are right the first time, precluding the need for revision cycles that can slow the process.
- Manage property acquisition projects efficiently.
- Administer sub-grant funds according to laws and regulations, general accounting principles, and good business practices.
- Use acquired properties in ways that make sense for the community.
- Maintain acquired properties as open space.

THE CHALLENGE

Our biggest challenge was writing guidance that would be meaningful to thousands of communities, all of which face their own unique challenges. Consequently, we have taken care to describe generic procedures and advise communities to seek specific guidance from their States. For the benefit of all communities, but especially for those that have limited resources, we have provided a Toolkit containing further guidance and forms to assist communities throughout the property acquisition process.

CONTENTS OF THE HANDBOOK

We provide each State with hard copies of the Property Acquisition Process poster and Property Acquisition Handbook for Local Communities to distribute to their communities. A three-ring binder contains:

- ❑ Property Acquisition Handbook for Local Communities.
- ❑ Property Acquisition Handbook Toolkit, Part 1 of 2, Tools.
- ❑ Property Acquisition Handbook Toolkit, Part 2 of 2, Forms.
- ❑ Poster.

The subsections below explain the poster and the binder's contents in detail.

POSTER

The wall poster presents a "road map" for communities considering and implementing property acquisition projects. It depicts the four phases of the process, using a distinct color for each, and the major steps of each phase, using an icon and a short caption for each. The handbook is divided into sections according to the phases, icons, and captions on the poster.

The icons appearing on the poster also appear in the margins of the handbook where the steps are fully explained. For example, each phase has at least one town meeting, which is represented by an icon of a building with a banner reading "town meeting." A community's project staff will soon associate that picture with a town meeting and know "at a glance" when within the process town meetings should be held and where within the handbook they can learn how to prepare for and conduct town meetings.

The poster also uses "road signs" such as "stop" and "wait" to guide project staff through contingencies. In addition, it provides space for staff to note important dates, such as the deadline for submitting applications to the State.

The steps identified on the poster and the order in which they are presented represent generic property acquisition steps and a logical progression for completing them.

Note

We understand that many of you already have in place procedural steps that might vary from the steps depicted on the poster. If a certain step does not apply to your State or if your State requires an additional step, simply explain those differences to your communities.

The arrows between the icons show the progression or "flow" of the steps. Where the arrows separate into two "paths" those steps can be performed concurrently. For example, in Phase I, the arrow leading from "Identify Project Team" divides into two arrows, one leading to "Outline Project Strategy" and the other to "Prioritize Target Properties." The placement of these icons indicates that the local community can accomplish those steps concurrently. For example, a community can outline its project strategy as it prioritizes target properties to acquire, or can assign certain members of the project team to do one, while other members do the other.

CONVENTIONS USED WITHIN THE HANDBOOK

The handbook uses the following conventions to present information in a user-friendly format.

- ❑ Shaded text boxes, which are used to present general notes and supplemental information that warrant emphasis or do not easily fit into the main body of text. The note above is an example. Shaded text boxes also present "Good Ideas," which are practices successfully used by communities around the country, and case studies, which are success stories from around the country.

- ❑ Marginal notes, such as references to the Code of Federal Regulation or to other FEMA publications.
- ❑ Icons, which correspond to the poster and direct the user to the place within the handbook where a step is explained in detail.

PROPERTY ACQUISITION HANDBOOK FOR LOCAL COMMUNITIES—MAIN TEXT

The first wire-bound book within the three-ring binder is the main body of text. It is the "how to" guidance. In addition to a table of contents and preface, it contains the following six tabbed sections:

- ❑ To Buy or Not to Buy
- ❑ Application
- ❑ Implementation
- ❑ Open Space Management
- ❑ Glossary and Acronyms
- ❑ Index

■ To Buy or Not to Buy

This part of the handbook describes Phase I of the property acquisition process. It provides general information and then guides the community through deciding whether or not property acquisition is an appropriate mitigation alternative. To Buy or Not to Buy is divided into an introduction, two chapters, and an appendix:

- ❑ **Introduction.** The Introduction briefly describes and contrasts the Hazard Mitigation Grant Program (HMGP) and Flood Mitigation Assistance Program, and identifies the contents of Phase I.
- ❑ **Chapter 1 – The Basics.** Chapter 1 is a tutorial on property acquisition and the HMGP. It explains—as far as possible in layperson's terms—the federal laws, regulations, and policies that drive the

property acquisition process. As a result, it builds the community's knowledge base and lays a foundation for the rest of the guidance. Chapter 1 also discusses the importance of managing the property owners' expectations, and building and maintaining lines of communication with the property owners. This chapter is divided into five major subsections:

- Criteria for Projects Funded under HMGP
- Money Matters
- Types of Property Acquisition
- Methods of Property Acquisition
- Property Acquisition and the Property Owner

- ❑ **Chapter 2 – Getting Started.** Chapter 2 is the beginning of the property acquisition process itself. At this point, the contents of both the poster and handbook are parallel. This chapter guides communities through the decision-making steps and is divided into 10 subsections:

  - Evaluate Your Mitigation Options
  - Determine Your State's Priorities and Procedures
  - Identify Project Team
  - Outline Project Strategy
  - Prioritize Target Properties
  - Conduct Town Meeting
  - Community Wants Buyout?
  - Examine Ability to Complete Project
  - Examine Project's Impact on Community
  - Community has Resources and Consensus to Proceed?

- **Appendix.** This Appendix is a brief explanation of federal regulations addressing floodplain management and wetland protection, and what those regulations mean to communities pursuing property acquisition. It is divided into two major subsections:
  - 44 CFR Parts 9 & 10
  - What do 44 CFR Parts 9 & 10 Mean to My Community?

Application

Phase II, guides the community through completing and submitting a property acquisition application that has the best possible chance of being approved by the State and FEMA.

This part is divided into an introduction and three chapters as follows:

- **Introduction.** The Introduction describes the contents of Phase II.
- **Chapter 1 – First Things First.** The first chapter guides communities through preliminary application-related tasks per the major subsections below. These tasks alert property owners and the State to a community's intention to submit an application and begin collecting the information required on the application.
  - Submit Notice of Pre-Application
  - Conduct Town Meeting
  - Start Project Planning
- **Chapter 2 – Ready, Set, Apply.** Chapter 2 leads communities through completing and submitting a property acquisition application and is divided into the two major subsections below. This chapter explains the detailed information required on an application, and suggests how to compile and present that information.
  - Complete Project Application
  - Submit Application to State

Note

This part uses a generic application to illustrate the minimum information and level of detail required by FEMA. We recognize that individual States might have their own forms and additional requirements, and caution communities to use their State's forms if they exist.

- ❑ **Chapter 3 – While You Wait.** For communities that are confident of funding, Chapter 3 describes what can be done to prepare for the receipt of grant funds. The chapter leads them though some activities to prepare for receipt of those funds, enabling them to quickly get their project started once funds are received. Individual communities can decide how much preparation they want to do before the implementation phase, and how much they want to delay until receipt of funds. This chapter is divided into two subsections, with emphasis on the second.
  - Follow Up
  - Prepare to Receive a Sub-Grant

Implementation

This part of the handbook explains Phase III of the property acquisition process. It guides communities through implementing property acquisition should their applications be approved and funded. It leads them through actually acquiring properties, and managing their sub-grant funds and files. This part comprises an introduction and five chapters as follows:

- ❑ **Introduction.** The Introduction identifies the contents of Phase III.
- ❑ **Chapter 1 – Before You Do Anything Else.** Chapter 3 of Phase II transitions into Chapter 1 of Phase III, and assumes the community's application is approved and funded. This chapter instructs communities to complete any preparation activities not yet completed, and to

familiarize themselves with their sub-grant and related documents. It is divided into three subsections:

- Complete Activities from Phase II, Chapter 3
- Carefully Review Your Sub-grant Agreement
- Gather copies of Applicable Regulations and Procedures

- [ ] **Chapter 2 – Set Up Your Sub-grant Administration System.** This chapter is a tutorial on sub-grant administration. It also helps communities set up a system for managing their sub-grant funds, records, and files. Chapter 2 is divided into three subsections:

  - Set Up Your Financial Record-Keeping System
  - Set Up Your Property Acquisition Project Filing System
  - Budget Your Administrative Costs

- [ ] **Chapter 3 – Finish What You Started.** Chapter 3 helps communities perform the tasks that earlier chapters have helped them prepare. It is divided into the following major subsections:

  - Implement Policies & Procedures
  - Submit Press Release & Conduct Town Meeting
  - Procure Necessary Services

- [ ] **Chapter 4 – Acquire Those Properties!** Chapter 4 "walks" communities through the interactions, real estate transactions, and inspections required for acquiring property. The major subsections, listed below, comprise a "to do list" for communities.

  - Meet with Property Owner
  - Conduct Title Search & Appraisal
  - Determine Duplication of Benefits
  - Make Offer to Property Owner
  - Request Funds from State

- Conduct Closing
- Clear & Inspect Land

- ❑ **Chapter 5 – Conduct Sub-grant Closeout.** This short chapter explains how to officially "close the books" once a community has completed its property acquisition project.

■ Open Space Management

This part, Phase IV of the process, summarizes some of the "best practices" used by communities throughout the country that have implemented property acquisition projects and converted acquired property into open space as required by law. It comprises an introduction and three chapters as follows:

- ❑ **Introduction.** The Introduction reiterates the federal law requiring all property acquired with HMGP funds to be forever maintained as open space and identifies the contents of the phase.

- ❑ **Chapter 1 – Open Space Use Questions & Answers.** Chapter 1 is a basic discussion of open space and its contribution to a community. The chapter's major subsections answers the following three questions.
  - How May We Use Our Open Space?
  - What is Prohibited on Open Space?
  - How Can Open Space Benefit My Community?

- ❑ **Chapter 2 – Planning.** Chapter 2 guides communities through basic open space planning activities. It is divided into these subsections:
  - Identify Open Space Workgroup
  - Involve Community
  - Prepare Open Space Concept Plan

- **Chapter 3 – Implementation & Long-term Management.** This chapter helps communities turn their open space plans into reality and maintain their open spaces for the long term. It is divided into these four major subsections:

  - Obtain Funding
  - Obtain Technical Assistance Resources
  - Implement Your Open Space Plan
  - Manage & Maintain Open Space Property

Glossary and Acronyms

The Glossary and List of Acronyms contains the meanings of words, terms, and acronyms used in the handbook, as well as other common words, terms, and acronyms that community project staff might hear or see as they interact with others involved in disaster recovery and hazard mitigation.

Index

The index enables community project staff to quickly find information on a specific subject (e.g., duplication of benefits) by identifying where related information is within the handbook and toolkit.

PROPERTY ACQUISITION TOOLKIT, PART 1 OF 2, TOOLS

The two-part Toolkit provides tools to help communities maneuver through the property acquisition process and complete activities. The first part of the Toolkit contains tools such as checklists, town meeting briefing tips, sample letters, etc. Tools provide information succinctly and simply, illustrate a point, or ease the community's workload. All tools are numbered sequentially according to the phase during which they are first mentioned (e.g., Tool I-1, Tool II-1, etc.) and are referenced in the margin of the handbook's main text.

PROPERTY ACQUISITION TOOLKIT, PART 2 OF 2, FORMS

The unbound reproducible forms found behind the wire-bound books in the binder comprise the second part of the Toolkit. These forms are templates communities may use “as is” or customize to State and community specifications. Like the Tools, they also are numbered sequentially (Form I-1, Form II-1, etc.) and are referenced in the margin. Forms are provided on disk as well as hard copy.

DISTRIBUTING & USING THE HANDBOOK

You may distribute the handbook right away to familiarize communities with property acquisition before the next disaster strikes; or, after a disaster as part of the recovery effort.

We provided a tab labeled "State" at the back of the binder to enable you to insert State-specific policies, procedures, and forms before distributing the handbook to your communities. The handbook cautions communities to refer to and use materials provided by their States. In several instances, it also directs communities to contact their State Hazard Mitigation Officers if they have questions or require further information.

The handbook is a flexible tool, and we encourage you to use it in the way that makes sense for you and your communities. If you have any questions, please call your FEMA regional office or FEMA's Hazard Mitigation Directorate in Washington, DC.