

INVOLUNTARY ACQUISITION PROCESS

1.0 General Requirements for Acquisition & Relocation

As specified in the *Flexible Facilities Program (FFP) Grant Announcement* and award letter, and *Chapter 5: Acquisition & Relocation* of the *FFP Implementation Handbook*, FFP Grantees, subrecipients and any entity acquiring real property for the FFP project are subject to the *Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (49 CFR § 24*, also referred to as the URA). Real property acquisition (including easements) may only be completed after (i.e., the property purchase/closing cannot be finalized until) the *Grant Agreement* is fully executed and the *Environmental Report* is certified by DEHCR, to be an eligible cost paid (or reimbursed) with FFP funds. DEHCR recommends no acquisition for a FFP project to be completed until the *Grant Agreement* is fully executed and the *Environmental Report* (Attachment FFP-04-01 of Chapter 4 of the *FFP Implementation Handbook*) is certified by DEHCR, regardless of funding source. Contact the assigned DEHCR Project Representative to discuss exceptions for consideration.

Construction on the property cannot begin until the acquisition is complete/property closing and title/deed transfer is finalized.

Refer to *Chapter 5: Acquisition & Relocation of the FFP Implementation Handbook* for additional information on the applicable state and federal regulations, term definitions, conflicts of interest, and general standards for notices.

Important Reminder: A real property or easement acquisition may only be completed after (i.e., the property purchase/closing cannot be finalized until) the Grant Agreement is fully executed and the Environmental Review is certified by DEHCR to be an eligible cost paid (or reimbursed) with FFP funds. DEHCR recommends no acquisition for a FFP project to be completed until the Grant Agreement is fully executed and the Environmental Review is certified by DEHCR, regardless of funding source.

2.0 Criteria for Involuntary Acquisition

Any acquisition that does not meet the criteria for voluntary acquisition is considered an involuntary acquisition and must proceed following the requirements of involuntary acquisition, as listed here in this document (Attachment FFP-05-03 for Chapter 5: *Acquisition & Relocation* of the *FFP Implementation Handbook*).

[Note: Acquisition for which the buyer is an entity without eminent domain authority will never be classified as an involuntary acquisition.]

3.0 Relocation Applicability (Owners and Tenants)

Property owners and tenants both have relocation rights and may be eligible for relocation assistance for an involuntary acquisition. Owner-occupants and tenant-occupants are eligible for relocation assistance for an involuntary acquisition if deemed displaced persons. Federal funds

may be used towards eligible relocation costs for owners and tenants when the acquisition is involuntary.

For guidance on the relocation process and requirements, refer to the *Relocation Planning & Process* document (Attachment FFP-05-04 for Chapter 5 of the *Handbook*).

4.0 Involuntary Acquisition Process

The grantee/public agency must complete the processes presented below and should consult legal counsel to ensure all applicable state and federal laws are followed (the guidance below is not meant to be and should not be interpreted as legal advisement from DEHCR).

NOTE: The order in which steps listed are completed may vary, depending on when the grantee determines the property will be acquired and when the grantee becomes aware of tenants or displaced persons. Certain notices to the property owner(s) and tenant(s) may be combined.

Refer to the “General Standards for All Notices” section within Chapter 5 of the *Handbook* regarding specifications for notices and record keeping requirements.

IMPORTANT NOTICE:

Refer to the “General Standards for All Notices” section in Chapter 5: *Acquisition & Relocation* of the *FFP Implementation Handbook* regarding specifications for notices and record keeping requirements.

1. Notice to DEHCR

The DEHCR Project Representative must be notified prior to starting the acquisition/relocation process and the start of construction if acquisition and/or relocation will occur as part of a project. Grantees will be notified if a relocation plan is required. Complete and submit the *Notice of Acquisition/Relocation to DEHCR* (Attachment FFP-05-01 for Chapter 5 of the *Handbook*).

2. Relocation Order/Determination of Necessity of Taking

(if grantee/public agency intends to/may potentially use condemnation, if necessary)

If/when the grantee intends to exercise its eminent domain authority to embark upon condemnation proceedings, before an acquisition can occur, Wisconsin law requires either a “relocation order” or a “determination of necessity of taking.” A relocation order is required for any transportation facility or sewer project if relocation is involved. A determination of the necessity of taking is required for any other type of project if relocation is involved. Refer to *Wis. Stat. §. 32.07* for guidance on the determination of necessity of taking at <https://docs.legis.wisconsin.gov/statutes/statutes/32>.

Additional relocation processes may occur at this time, as well. Refer to #3 (Notices) and #7 (Relocation Plan & Processes) below and the Relocation Plan & Process document (Attachment 05-04 for Chapter 5 of the *Handbook*) for additional guidance regarding relocation notices and processes.

3. Notices

The URA and state laws require multiple acquisition and relocation notices to be provided to real property owners and potentially displaced persons.

Notices may be combined when the sequence of activities occur simultaneously, e.g., Notice to Owner (the initial notice of interest in the property to the owner prior to negotiations for involuntary acquisition) and Notice of Intent to Acquire (notice of relocation rights to the owner(s) and tenant(s), if the grantee knows displacement will occur for the project at the time of issuing the Notice to Owner). However, review the notice requirements and guidance in this section and chapter regarding the purpose and sequence for notices, and implications when issuing certain notices at the same time. The Wisconsin state acquisition and relocation brochures also serve as tools for informing owners and tenants of their rights under Wisconsin state law and the URA.

Federal Acquisition Notice Requirements

The URA requires that specific notices be issued to eligible persons providing important information about the project, the affected persons' rights and protections, as well as their eligibility for relocation assistance and payments. These notices must be issued at the appropriate time.

- *Initial Informational Notice to Owner:* As soon as the grantee has identified properties that it is interested in acquiring for a Treasury-funded project, the grantee must notify the owner(s) in writing of its interest in acquiring the property and the basic protections applicable under the URA. The grantee may modify the *Voluntary Acquisition Informational Notice to Owner* template (Attachment FFP-05-05 for Chapter 5 of the *Handbook*), changing the language to indicate the criteria that were not met for voluntary acquisition (e.g., the specific property is required for the FFP project; and/or the property is part of a planned development for multiple properties in the area with a specific time limit for the development, etc.); specify that the buyer has eminent domain authority; and specify whether the grantee intends to use its eminent domain powers to acquire the property if negotiations fail, or reserves the right but does not intend to use such powers to acquire the property.

If the grantee does not want to trigger a person's eligibility for relocation assistance at the time of this notice, it must ensure that the notice is not confused with a *Notice of Intent to Acquire* (which is specifically used to establish relocation eligibility prior to the initiation of negotiations).

- *Notice of Intent to Acquire:* A *Notice of Intent to Acquire* is a displacing grantee's written communication that is provided to a person to be displaced and which establishes eligibility for relocation assistance prior to the initiation of negotiations and/or prior to the commitment of federal financial assistance.
- *General Information Notice:* This notice informs the affected persons of the project and of possible displacement by the project. It must be provided as soon as possible, typically provided to tenants at the same time as the *Initial Notice to Owner*.
- Additional notices are required per the URA/federal regulations that pertain to relocation associated with the acquisition. Refer to *Relocation Planning & Process* document (Attachment FFP-05-04 for Chapter 5 of the *Handbook*) and the *State Relocation website* for the owner and tenant notices required for relocation.

A grantee may meet most of the general information and initial notice requirements required by the URA by furnishing the applicable Wisconsin state acquisition and relocation booklets/brochures referenced in #4 (Brochures) in this document.

State Acquisition Notice Requirements

In addition to the federal acquisition notice requirements, grantees must comply with the state acquisition notice requirements. The state notices may overlap with the federal notice requirements and acquisition notice letters to owners should be prepared with consideration for all the requirements. grantees must provide the following state acquisition notices (as applicable):

- *Information before initiation of negotiation:* A grantee with eminent domain power, must before initiation of negotiations, furnish the applicable state acquisition brochure(s) referenced in #4 (Brochures) in this document.
- *Written Offer to Purchase:* An offer to purchase a property must be in writing and must establish the date of initiation of negotiations. However, the date of a verbal monetary offer to purchase authorized by the acquiring grantee must/public agency be considered as initiation of negotiations to establish eligibility for a relocation benefit.

Refer to the *Voluntary Acquisition Process* (Attachment FFP-05-02 for Chapter 5 of the *Handbook*) and *Relocation Planning & Process* document (Attachment FFP-05-04 for Chapter 5 of the *Handbook*) for the notice requirements for a buyer without the power of eminent domain.

4. Brochures

The grantee must determine the applicable Wisconsin state brochures that must be provided to the owner(s) and tenant(s) (if applicable). The brochure(s) may be sent with the initial informational notice to the property owner(s) and tenant(s) (recommended) or provided separately but must be provided prior to the initiation of negotiations. The case file must indicate the manner in which the brochure(s) for owner(s), and tenant(s) if applicable, were/was delivered (e.g., certified mail, return receipt requested, signed confirmation of delivery from owner for other in-person delivery method) and the date of delivery.

The grantee must consult with the property owner to make the determination of whether any persons will qualify as “displaced tenants” who must be provided with relocation rights brochure(s) and notices listed in this attachment. The applicable Wisconsin state brochures are to be provided to potential sellers and tenants during the acquisition/relocation process.

Acquisition

Regardless of the type of funds used (federal, state, local) at any stage of a publicly funded project, a displacing grantee with eminent domain authority in Wisconsin is required to provide the applicable state acquisition brochure(s) listed below (in addition to the applicable relocation brochures listed in this attachment:

Transportation [Wis. Stat. § 32.05(2)(a)] Projects:

- *The Rights of Landowners Under Eminent Domain Law – Procedures Under §. 32.05, Wisconsin Statutes brochure;* or

Other than Transportation [Wis. Stat. § 32.06(2a).] Projects:

- *The Rights of Landowners under Eminent Domain Law – Procedures under § 32.06 Wisconsin Statutes brochure; or*

Relocation

If a homeowner, residential tenant, business (including non-profit organizations and farms) or business tenant *will or potentially will* be displaced as a result of the acquisition or associated project, then the grantee is required to provide the applicable state relocation brochure(s) to the affected persons prior to the initiation of negotiations for the acquisition:

- *Wisconsin Relocation Rights Residential*
- *Wisconsin Relocation Rights for Businesses, Farm and Nonprofit Organizations*

The state acquisition and relocation brochures are provided in English, Spanish, and Hmong languages on the [State Relocation website](https://doa.wi.gov/Pages/AboutDOA/RelocationAssistance.aspx) [<https://doa.wi.gov/Pages/AboutDOA/RelocationAssistance.aspx>], managed by DOA Legal Services.

Refer to the [State Relocation website](https://doa.wi.gov/Pages/AboutDOA/RelocationAssistance.aspx) and the *Relocation Planning & Process* document (Attachment FFP-05-04 for Chapter 5 of the *Handbook*) for guidance on the state relocation brochure and notice requirements.

Refer to the *Voluntary Acquisition Process* (Attachment FFP-05-02 for Chapter 5 of the *Handbook*) and *Relocation Planning & Process* document (Attachment FFP-05-04 for Chapter 5 of the *Handbook*) for the brochure requirements for a buyer without the power of eminent domain.

5. Appraisals

For involuntary acquisition, the real property to be acquired must be appraised by a licensed appraiser before the initiation of negotiations, unless it is determined that an appraisal is not required. Refer to the “*Exceptions to Appraisal Requirement*” further below in this section for the exceptions.

The URA defines an appraisal as: “*A written statement independently and impartially prepared by a qualified appraiser setting forth an opinion of defined value of an adequately described property as of a specific date, supported by the presentation and analysis of relevant market information.*” (49 CFR § 24.1)

The property owner, or the owner’s designated representative, must be given an opportunity to accompany the appraiser during the appraiser’s inspection of the property. The appraiser must make all reasonable attempts to contact the owner regarding the appraisal, including sending a certified letter if necessary. During the appraisal inspection, enough information must be recorded so that it can be later used to prepare a full before and after appraisal. It is very important to record real property and personal property at the time of the appraisal.

Appraisal Format:

Appraisers must adhere to URA appraisal requirements and be in compliance with other appraisal requirements, including the Uniform Standards of Professional Appraisal Practice (USPAP), to the extent appropriate. The USPAP contains a jurisdictional exception provision, which states that if any part of USPAP is contrary to the law or regulation of any jurisdiction, then the conflicting part only of the USPAP is void and of no force or effect in that jurisdiction.

Federal Appraisal Requirements

The URA requires the following:

- An appraisal of real property before the initiation of negotiations;
- Determination of the just compensation amount for the acquisition before the initiation of negotiations;
- A valuation of uneconomic remnants;
- The opportunity for the owner or a designated representative to accompany the appraiser on property inspection;
- A valuation of tenant owned buildings, structures, or other improvements; and
- Record of real property and personal property.

Wisconsin Appraisal Requirements

Wisconsin has specific appraisal requirements including the following:

- An appraisal of all property to be acquired;
- Discussion with one of the owners or their personal representative regarding the appraisal, if reasonably possible;
- Providing the owner with an appraisal;
- Offer to acquire uneconomic remnants concurrently with the required purchase;
- Compliance with the standards governing the determination of just compensation in [Wis. Stat. § 32.09](#); and
- State licensed or certified appraisers.

Appraisal Formats

Various appraisal formats are required depending on the complexity and price of the acquisition. The grantee should refer to the federal and state appraisal requirements and consult legal counsel as necessary to determine which appraisal format to utilize in the acquisition process.

URA Appraisal Report Requirements

The URA appraisal report requirements include the following:

- An adequate description of the physical characteristics of the property being appraised;
- A statement of the known and observed encumbrances, if any, title information, location, zoning, present use and analysis of highest and best use, and at least a five-year sales history of the property;
- All relevant and reliable approaches to value consistent with state and federally assisted program appraisal practices;
- A description of comparable sales, including a description of all relevant physical, legal, and economic factors such as parties to the transaction, source and method of financing and verification by a party involved in the transaction;
- A statement of the value of the real property to be acquired and, for a partial acquisition, a statement of the value of the damages and benefits, if any, to the remaining property; and

- The effective date of valuation, date of appraisal and signed certification of appraisal.

Exceptions to Appraisal Requirement:

An appraisal is not required for the acquisition of property under the URA in the following circumstances:

- The acquisition qualifies as voluntary acquisition; or
- The owner is donating the property and releases the grantee/public agency from its obligation to appraise the property; or
- The grantee/public agency determines that an appraisal is unnecessary because the valuation problem is uncomplicated and the anticipated value of the proposed acquisition is estimated at \$15,000 or less, based on a review of available data.*

**The grantee/public agency may request from DEHCR (which would proceed with a request to Treasury) an exception to exceed the \$15,000 threshold, up to a maximum of \$35,000, if the grantee/public agency acquiring the real property offers the property owner the option of having the grantee/public agency appraise the property. If the property owner elects to have the buyer appraise the property, and the exception regarding the \$15,000 threshold is approved by DEHCR and Treasury, then the grantee/public agency shall obtain an appraisal and not use procedures described in Chapter 5 of the [Handbook](#).*

When an appraisal is not required, the FMV must still be determined and the owner must be informed of the FMV (in the initial notice to the owner), but the grantee/public agency may obtain a determination of the FMV from a person with knowledge of/expertise in the current local real estate market in lieu of obtaining an appraisal. The “assessed” value of property based on a tax assessment is not necessarily the FMV. The value must be based on current real estate market information. The source and method of the FMV determination records must be maintained in the project file.

Donation of Property: When property is donated, the grantee/public agency must obtain from the property owner a signed statement in which the property owner acknowledges being informed of their rights under the URA and Wisconsin state law, receiving the applicable federal and/or state acquisition brochures (stating the brochure(s) received), and waiving their rights to an appraisal and the current FMV of the property, without undue influence or coercion.

The *Waiver of Appraisal and FMV Template* (Attachment FFP-05-08 for Chapter 5 of the [Handbook](#)) may be used in preparing a waiver of appraisal and/or waiver of the FMV.

Waiver Valuation for Property Value of \$15,000 or Less: When an appraisal is determined to be otherwise unnecessary, the grantee/public agency must prepare a waiver valuation. The person performing the waiver valuation must have sufficient understanding and expertise in the local current real estate market to be qualified to make the waiver valuation.

The *Waiver Valuation Template* (Attachment FFP-05-07 for Chapter 5 of the [Handbook](#)) may be used in preparing a waiver valuation.

6. Appraisal Review

The purpose of the appraisal review process is to ensure that the factual data, assumptions and techniques within each appraisal are reasonable and sufficient to support the appraiser’s

conclusion as well as verify that the appraisal meets all applicable state and federal requirements. After review, the review appraiser must designate each appraisal report as:

- Recommended;
- Accepted; or
- Not Accepted.

If the review appraiser is unable to recommend (or approve) an appraisal as an adequate basis for the just compensation offer, there are several ways to alleviate the review appraiser's concern and ultimately gain approval. Once the appraisal is approved, the review appraiser must recommend the just compensation amount.

Property Owner Appraisals

Owners must be informed of their right to obtain their own appraisal by a qualified appraiser. This appraisal may be reimbursed if the appraisal report is delivered to the grantee within 60 days from receipt of the grantee's appraisal. The condemning grantee and the review appraiser must consider this appraisal when determining just compensation. The owner's appraisal must meet these three criteria before being reimbursed for the cost of the appraisal:

- All appraisal requirements are met;
- Analysis and presentation are documented with logical and reasonable conclusions of value; and
- Fees are reasonable and charges are typical for the type of appraisal.

7. Relocation Plan & Processes

For involuntary acquisition, owner-occupants and tenant-occupants who will or potentially will be displaced as a result of the acquisition or the associated project may be entitled to relocation assistance and must be so informed. The relocation processes may fall earlier in the acquisition process. The grantee is to proceed with the Relocation Plan and relocation processes as soon as it is known that the owner(s) and/or tenant(s) (or their possessions) are on the property to be acquired and the owner(s) and/or tenant(s) will or potentially will experience displacement as a result of the acquisition or project.

In accordance with state law, if the involuntary acquisition or associated project will result in the displacement of owners and/or tenants, the grantee/buyer must file a Relocation Plan and receive approval in writing from DOA Division of Legal Services before proceeding with the initiation of negotiations. The grantee/buyer must also complete the required relocation processes for owner-occupants and tenant-occupants who will or potentially will be displaced. Refer to the *Relocation Planning & Process* document (Attachment FFP-05-04 for Chapter 5 of the *Handbook*) and the [State Relocation website](#) for guidance on the Relocation Plan and relocation processes and requirements.

8. Just Compensation and Offering Price

Before the initiation of negotiations, the grantee must establish an amount which it believes is just compensation for the real property. The amount must not be less than the approved appraisal* of the current FMV of the property. This will be the (initial) offering price. Also refer the State requirements in [Wis. Stat. § 32.09](#).

**Exception: Refer to #5, under "Exceptions to Appraisal Requirement," in this document.*

9. Notice of Intent to Acquire (if Relocation is required)

If relocation is required, a Notice of Intent to Acquire must be issued to trigger relocation eligibility. Refer to the *Relocation Planning & Process* (Attachment FFP-05-04 for Chapter 5 of the *Handbook*) and the *State Relocation website* for guidance on actions required for relocation rights/assistance for persons who will be displaced as a result of the acquisition or associated project. This notice may be combined with the initial informational notice or other notices associated with relocation.

10. Negotiations

A written offer to purchase generally serves as the initiation of negotiations. However, the date of a verbal monetary offer to purchase authorized by the acquiring grantee must be considered as initiation of negotiations to establish eligibility for a relocation benefit.

The URA requires that a written offer establishing just compensation is provided prior to initiation of negotiations. This may seem to contradict the requirements of the state law. However, a written offer of just compensation differs from the jurisdictional offer. The grantee must provide the written offer of just compensation, along with the summary statement, prior to beginning negotiations. The written offer of just compensation must clearly state that it is not a jurisdictional offer to purchase. The jurisdictional offer to purchase must be provided if negotiations fail and the condemnation process must begin.

Negotiations are part of the eminent domain process outlined in *Wis. Stats. §§ 32.05(2a)* and *32.06(2a)*. Negotiations must be attempted prior to the public acquisition of private property by exercise of eminent domain. When the condemnor enters negotiations, the condemnor is establishing a jurisdictional step necessary to the acquisition of the property by eminent domain providing an agreed price cannot be achieved. If negotiations are successful, displaced persons are still eligible for relocation payments. If the negotiations are not successful, then a jurisdictional offer is made.

11. Determine Final Offer

Generally, no more than the current FMV should be offered when using FFP funds. Any value above the FMV must be paid by the grantee using non-FFP funds. The grantee may offer the higher value for the property, contingent upon the grantee paying for the higher cost using non-FFP funds.

12. Official Determination/Approval To Acquire

The grantee must make an official determination to acquire the property and approve the just compensation/jurisdictional offer. Record of the grantee's actions must be in the acquisition file for the FFP project.

13. Written Offer of Just Compensation/Jurisdictional Offer to Purchase

The federal written offer of just compensation and the state jurisdictional offer to purchase, including when each should be provided, are discussed above under #11 (Determine Final Offer) above. Greater detail on what these offers must include is provided in the paragraphs that follow.

Federal

Under the URA, the grantee must make a written offer to the owner to acquire the property for the full amount believed to be just compensation. The owner must be given a written statement

of the basis for the offer of just compensation called the summary statement. The summary statement must include:

- A statement of the amount offered as just compensation;
- A description and location identification of the real property and the interest in the real property to be acquired; and
- The identification of the buildings, structures and other improvements that are included as part of the offer of just compensation.

The grantee must make all reasonable efforts to contact the owner or the owner's representative and discuss its offer to purchase the property and explain its acquisition policies and procedures, including its payment of incidental expenses. The owner must be given reasonable opportunity to consider the offer and present material which the owner believes is relevant to determining the value of the property. If the acquisition of only a portion of a property would leave the owner with an uneconomic remnant, the grantee must offer to acquire the uneconomic remnant along with the portion of the property needed for the project.

State

The written offer at the state level is called the *Jurisdictional Offer to Purchase*. The condemner must send to the owner, or one of the owners of record, and to the mortgagee, or one of the mortgagees of each mortgage of record, a notice:

- Briefly stating the nature of the project, with reference to the relocation order if required, and that the condemner in good faith intends to use the property sought to be condemned for such public purpose;
- Describing the property and the interest therein sought to be taken;
- Stating the proposed date of occupancy regardless of the date of taking;
- Stating the amount of compensation offered;
- Stating that the appraisal or one of the appraisals of the property on which condemner's offer is based is available for inspection at a specified place by persons having an interest in the lands sought to be acquired;
- Stating that the owner has 20 days from date of completion of service upon the owner of the offer in which to accept or reject the offer;
- Stating that if the owner has not accepted such offer the owner has 40 days from the date of completion of service upon the owner of the offer to commence a court action to contest the right of condemnation -- provided that the acceptance and retention of any compensation resulting from an award made prior to the commencement of such an action must be an absolute bar to such action; and
- Stating that the owner will have two (2) years from the date of taking the property by award in which to appeal for greater compensation without prejudice to the right to use the compensation given by the award.

14. Administrative Settlement

When negotiations result in a purchase price exceeding the grantee's estimate of just compensation, it is called an administrative settlement. Administrative settlements may be approved if considered to be reasonable, prudent and in the best interest of the public. Grantee

files must include proper documentation to justify and support the decision for an administrative settlement, which is subject to DEHCR and Treasury review. Refer to #11 (Determine Final Offer) in this document regarding limitations for paying above the FMV when using FFP funds for the acquisition.

15. Condemnation Proceedings

If negotiations fail, the grantee/public agency may consider acquiring the property through eminent domain, pursuing legal action through the court system using condemnation proceedings to take title of the owner's property. Consult legal counsel for this process. FFP regulations restrict grantees from taking property for a FFP funded project using its eminent domain authority, except for the acquisition of property for public use. Contact DEHCR immediately if the grantee seeks to pursue condemnation proceedings.

16. Purchase Agreement and Title Transfer

Upon finalizing negotiations and settlement, if required, a written agreement for the purchase of property with the purchase terms and amount must be executed, signed by the seller and buyer. The purchase agreement must be in writing and include details of the property and purchase amount. Provide a copy of the executed purchase agreement to the seller. The signed purchase agreement and records of the financial transaction and title transfer must be maintained in the acquisition file for the FFP project. [Note: If the acquisition is to be paid/reimbursed with any FFP funds, the Grant Agreement must be fully executed, and the Environmental Review must be certified by DEHCR prior to the acquisition purchase being completed/closed. Construction cannot begin on any property until the acquisition is complete (purchase completed and title transferred).]

17. Acquisition Financial Records to DEHCR

Using FFP Funds for Acquisition Costs:

If the grantee seeks to draw down FFP funds 'up front' to cover all or a portion of the acquisition transaction(s) cost, then submit the FMV determination record(s) and unexecuted purchase agreement (as the 'invoice') to DEHCR with a FFP payment request. The offer of just compensation or administrative settlement agreement if applicable, purchase agreement, title transfer record(s), and record(s) of payment to the owner(s) must be submitted on the next FFP Payment Request that follows the completion of the acquisition.

If the grantee seeks to draw down FFP funds as 'reimbursement' to cover all or a portion of the acquisition transaction(s) cost after the acquisition has occurred, submit the FMV determination record(s), offer of just compensation or administrative settlement agreement if applicable, executed purchase agreement (as the 'invoice'), record(s) of payment(s) to the owner(s), and title transfer record(s) to DEHCR with a FFP payment request.

Acquisition costs are to be recorded on the *FFP Disbursements Journal* (Attachment FFP-08-04 for Chapter 8 of the *Handbook*) if FFP funds are used to cover all or a portion of the acquisition costs, and/or recorded on the *Matching Funds Journal* (Attachment FFP-08-05 for Chapter 8 of the *Handbook*) if non-FFP funds (i.e., matching funds) are used to cover all or a portion of the acquisition costs.

IMPORTANT NOTE: Professional services for acquisition processes and activities provided by a third-party (versus the grantee's/buyer's own employees) must meet the procurement

requirements summarized in Chapter 3: *Procurement and Contracting* of the *FFP Implementation Handbook*, to be eligible to be paid using FFP funds.

Using Only Match/Non-FFP Funds for Acquisition Costs:

If the grantee is not using FFP funds for the acquisition and the acquisition occurs after the FFP Award, then the grantee must still submit the records of the acquisition transaction(s) and record the costs on the *Matching Funds Journal*. Submit the FMV determination record(s), executed purchase agreement (as the ‘invoice’), record(s) of payment(s) to the owner(s), and title transfer record(s) to DEHCR with a FFP payment request.

If the grantee is not using FFP funds for the acquisition and the acquisition occurs prior to the FFP Award, then the grantee is to maintain the records of the acquisition transaction(s) in the project file and provide them to DEHCR (and other regulating entities) only upon request. Do not record pre-award acquisition costs on the *FFP Disbursements Journal* or the *Matching Funds Journal*.

18. Records of Notices

Refer to the “General Standards for All Notices” section in Chapter 5 of the *Handbook* regarding specifications for notices and record keeping requirements. Note that in addition to all correspondence and records of communication with owners and tenants (and/or their designated authorized representative), the case file must include the records of the method of delivery of the required acquisition and/or relocation notice(s) [which must be via official certified or registered First Class mail, return receipt requested, or personal delivery, *unless* they voluntarily agree to receive notices electronically] to owners and tenants (and/or their designated authorized representative), as applicable; the date of delivery; and signed confirmation of receipt (e.g., signed official mail returned receipt or signed statement(s) of acknowledgement of receipt from the owner(s)/tenant(s) that specify(ies) the type/nature/title(s) of the document(s) received and date of receipt; or the electronic tracking information document(s) and electronic signature that are date- and time-stamped for electronic delivery). If additional optional notices are provided using other methods of delivery, the copies of the notices, method(s) of notice(s) (e.g., newspaper(s) or other publication(s), online/website publication(s), posting(s) at central location(s) within the community, etc.) and the date(s) of the notice(s) must also be in the case file. These additional methods of notices are allowed as supplemental optional efforts but *cannot* be *in lieu* of the required personal delivery or certified/registered mail delivery, or electronic delivery if voluntarily agreed upon by the intended recipient.

19. Recordkeeping in Project File

All documentation for the acquisition process must be maintained in the FFP project acquisition file. A separate file for each property acquisition and each relocation case must be maintained. Refer to *Wis. Admin. § 92.20* and *Acquisition/Relocation Monitoring Checklist* (Attachment FFP-05-11 for Chapter 5 of the *Handbook*) for further details on the documentation required to be maintained. Refer to Chapter 2: *Grant Administration* of the *Handbook* for guidance on recordkeeping and records retention requirements for the FFP project.