

FTA

FEDERAL TRANSIT ADMINISTRATION

FTA Real Estate Workshop

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U.S. Department of Transportation
Federal Transit Administration

Relocation Negative Equity and MAP-21 Uniform Act Amendments

- Relocation Negative Equity
- Moving Ahead for Progress in the 21st Century (MAP 21) – Uniform Act Amendments

Relocation Negative Equity

- FTA Administrator approved the policy on March 30, 2012
- FHWA waiver of the regulations on the methodology of calculating replacement housing payments for negative equity
- FTA adopted a similar waiver
- Grantees must have proper procedures in place

Relocation Negative Equity

- Any request should go to the FTA regional office
- Headquarters Real Estate Specialist and Region will work to determine, if approved
- Homeowner can not be in default and monthly payments must be current

Example - Relocation Negative Equity

Normal RHP Payment Determination

Mortgage Amount Owed	\$200,000
Comparable Replacement Dwelling	\$170,000
Just Compensation Offer	-150,000
RHP Eligibility	20,000

\$50,000 (Increase Administrative Settlement) is greater than the \$20,000 (RHP Eligibility) resulting in a \$0 RHP Payment.

Example - Relocation Negative Equity

Waiver RHP Payment Determination

Mortgage Amount Owed	\$200,000
Comparable Replacement Dwelling	\$170,000
Just Compensation Offer	-\$150,000
Administrative Settlement (Increase)	\$ 50,000

50,000 is greater than \$20,000 (RHP Eligibility) so the waiver allows a \$20,000 RHP Payment.

Relocation Negative Equity Conclusion

Just Compensation Offer	\$150,000
Administrative Settlement	\$ 50,000
Payoff the Mortgage	\$200,000
Comparable Replacement Dwelling	\$170,000
RHP Eligibility	- 20,000
New Mortgage	\$150,000

Map 21 Uniform Act Amendments

- Sec.3 Effective Dates
 - Other Uniform Act Provisions – Effective 1 year from the date of enactment, October 1, 2013
 - Duties of the Lead Agency
 - Agency Coordination
 - Adjustment of Payments
 - Uniform Act Statutory Limits – Effective 2 years from the date of enactment – October 1, 2014

Map 21 - Uniform Act Amendments

- Sec. 1301(4)(C) Relocation Streamlining

Demonstration Program

“Establishing an demonstration program to streamline the relocation process by permitting a lump-sum payment for acquisition and relocation if elected by the displaced occupant”.

Map-21 Uniform Act Amendments

- Section 1521 (d) and (e)
Uniform Act Amendments
- Duties of Lead Agency
- Adjustments of payments
- Agency Coordination

Map-21 Uniform Act Amendments

- Duties of Lead Agency

Each Federal agency that has programs or projects requiring the acquisition of real property or causing a displacement from real property is subject to this provision...Annual Summary Report by Agencies subject to the Uniform Act

- Enhanced Reporting requirements:

- Uniform Act activities conducted by Agency
- Real Estate Acquisition under the URA
- Relocation Assistance

Map-21 Uniform Act Amendments

- Sec. 1521(d)

Adjustment of Payments

Legislation adds this new section that allows the Lead Agency to adjust statutory benefits levels by regulation for RHP, in Lieu and Re-establishment payments ...changes can be due to cost of living, inflation or other factors

Map-21 Uniform Act Amendments

- Agency Coordination
 - Improving Federal Agency Capacity – each federal agency responsible for funding or carrying out relocation and acquisition activities should have adequately trained personnel...
 - Interagency Agreements
 - Interagency Payments

MAP 21 - Uniform Act Amendments

- Increased Statutory Limits
 - Business re-establishment
\$10,000 to \$25,000
 - Payment in Lieu, Business
\$20,000 to \$40,000
 - Homeowners
\$ 22,500 to \$31,000
 - Tenants
\$ 5,250 to \$ 7,200

MAP-21 Uniform Act Amendments

- Modify Homeowner's Occupancy Requirements – less than 180 days to 90 days

Thank you Questions?

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Map-21 Uniform Act Amendments

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