

50 Ways to Lose Your Money

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Purpose of Presentation

- To ensure federal funds are not lost due to actions taken in noncompliance with applicable laws and regulations.



Presentation Objectives

- Identify at least 15 actions that could result in the loss of federal funding in a project.
- Describe the basic Uniform Act requirements and the need for adequate project resources (esp. staff and time) to meet those requirements.

“Are there *REALLY* 50 ways to lose my federal funds?”

- Yep – and actually, there are more than 50 ways.
Here’s the real problem:
 - You could lose PART of the funding for a particular property/parcel; you could lose ALL of the funding for a particular property/parcel; or, you could lose ALL of your project funds – EVEN IF THERE IS NO FEDERAL FUNDING IN ROW!!

Following are 50 great ways to
lose your federal funds:



Acquisition

1. Don't give the property owner an opportunity to accompany appraiser
2. Don't offer fair market value based on an appraisal
3. Don't give property owner written offer
4. Don't give property owner reasonable opportunity to consider offer
5. Don't offer to purchase uneconomic remnant from property owner

Acquisition continued

6. Don't reimburse property owner for incidental expenses (closing costs, etc.)
7. Don't offer to acquire buildings, structures, other improvements
8. Coerce property owner into signing
9. Allow the same person to appraise/negotiate over \$10,000
10. Don't negotiate in good faith with the property owner

Relocation Assistance

11. Don't give displacees 90-day assurance
12. Don't offer advisory services
13. Don't explain relocation eligibility
14. Don't explain relocation entitlements
15. Don't offer comparable replacement housing
16. Don't reimburse displacees for all eligible moving expenses

Relocation Assistance continued

17. Don't pay eligible RHPs
18. Don't provide inventories or monitor non-residential moves
19. Don't document "actual, reasonable" costs
20. Don't pay mortgage interest differential
21. Don't pay closing costs on replacement dwelling ("let's split 'em 50/50")
22. Don't do DSS inspection of replacement dwelling

Relocation Assistance continued

23. Don't allow tenant displacee to choose the down payment supplement option
24. Don't allow a residential displacee adequate time to purchase or lease a replacement dwelling
25. Don't explain move options to non-residential displacees (actual direct loss, in lieu of, substitute personal property, etc.)

Program Management

26. Fail to assure that local agencies follow approved procedures
27. Do early acquisition but fail to follow Uniform Act requirements
28. Fail to account for use of proceeds from sale and lease on other Title 23 projects
29. Dispose or lease ROW along the Interstate without FHWA approval

Program Management continued

30. Fail to keep ROW free of unapproved uses (encroachments)
31. Do a hardship acquisition without adequate supporting documentation
32. Be inadequately staffed and organized to carry out URA responsibilities.
33. Fail to allow adequate time to conduct ROW activities in accordance w/URA
34. Inadequate documentation (the “Almost Golden” rule)

The “Almost Golden Rule”

“If it ain’t documented, it didn’t happen!”



You'll Lose \$\$ IF ...

35.–40. You fail to comply with the
Uniform Relocation Act

You'll Lose \$\$ IF ...

41.—45. You fail to comply with 49
CFR Part 24 and 23 CFR

You'll Lose \$\$ IF ...

46.—50. You fail to comply with
your approved (by FHWA) R/W
Manual

The 51st Way!

- Cut corners to save money!
- Consider this sage advice:

**If you don't have the money to do it right,
you don't have the money to do it at all!**

QUESTIONS??

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