



## Property Acquisition and Payment of Property

Sept. 18, 2006



**Question: How does the Corps determine the amount of property needed for a project?**

Answer: Only the minimum amount of real estate required for the levee projects will be acquired. If the property needed includes a house, the Corps will acquire the house.

**Question: How is the payment for property used for federal projects such as the U.S. Army Corps of Engineers work on levees in Plaquemines and Orleans parishes determined?**

Answer: Payment for property used for federal projects is governed by the Fifth Amendment of the U.S. Constitution which states "...nor shall private property be taken for public use, without just compensation."

**Question: What is "just compensation"?**

Answer: Just compensation is fixed at the fair market value for the land as of the date the property was given to use for use of the project unless Congress has given us specific authority to do otherwise.

**Question: What does this mean to property owners and tenants affected by Hurricane Katrina?**

Answer: Since both the effective date of taking and the start of the projects happened after Katrina, payment is based upon post-Katrina property values, therefore payments are fixed by law.

**Question: What is the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA)?**

Answer: An act enacted by Congress to ensure the fair and equitable treatment of homeowners and tenants whose homes are taken for public projects. To determine the limits of relocation assistance benefits available to the displaced homeowners and tenants, the Corps bases its assessment upon a value averaging for three "like" houses in the same type of neighborhood if possible.

**Question: What are some of the other rights of homeowners under the URA legislation?**

Answer: Under URA legislation, affected homeowners are entitled to certain remedial benefits over and above the payment they receive as just compensation under the Fifth Amendment. These benefits include, a replacement housing payment intended to enable homeowners to buy a home that is comparable to the home that was acquired by the Corps when combined with the money that is received from the Corps as just compensation. The replacement housing payment generally is the amount by which the cost of a comparable, decent, safe, and sanitary replacement home exceeds the cost of the home acquired.

**Question: What are other provisions of the URA?**

Answer: Displaced homeowners are guaranteed a comparable, decent, safe, and sanitary home. Accordingly, the URA can provide additional benefits to those homeowners whose residences are acquired. These benefits will be determined on a case by case basis, considering the availability of "comparable, decent..." homes in southeast Louisiana.

**Question: Is there any adjustment regarding the mortgage with these payments?**

Answer: With both the just compensation and URA, homeowners whose property is acquired for use by the Corps of Engineers will see parity between what they receive and what they would have received had the just compensation been based upon pre-Katrina values. In other words, they will be in a similar house, with a similar mortgage for a similar length of time.

**Question: Are there other government programs available to Louisiana residents in regard to replacing their homes?**

Answer: Yes, The HUD Road Home Program: Louisiana residents may receive up to \$150,000 to rebuild or sell houses severely damaged by the storms, using grants to cover repair costs above what was covered by insurance policies and FEMA grants.

The FEMA Hazard Grant Mitigation Program: Communities may offer homeowners who agree to participate in a buy-out project up to the fair market value of the home before the disaster struck. Communities also pay the costs associated with the real estate transaction. Lands purchased under this program are converted to green space and may not have any structure placed upon them including levees.