



Introduction to the Right of Way Acquisition Process

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Presentation Overview

- Legal basis
- Acquisition process and schedule
- Staffing
- Annual workload, facts and data
- Reconveyance of surplus land

Legal Basis

- U.S. Constitution (Fifth Amendment)
- MN Constitution (Article 1 Sec 13)
- MN Statutes (Sec 161.20 Subd 2 & Chapter 117)
- The Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, called the Uniform Act
- Federal Regulations (49 CFR part 24)
- Mn/DOT Right of Way Manual

Highway Project Development

- Corridor study/plan
- Preliminary environmental study
- Preliminary roadway design
- Final environmental documents
- Local agency approval
- Start final highway plans
- Start right of way acquisition
- Complete design and acquire right of way
- Award contract & start construction

General Principles in R/W Acquisition

- Determine the owner(s) of a parcel
- Determine the type and size of the land needed
- Determine the value of the land needed + damages to the remaining land

Typical Process & Timeline for a Simple Acquisition



10 Step Process

1. Highway plan development & approval
2. R/W acquisition limits established
3. Owner/title search
4. Initial contact with owners to review existing property conditions
5. Prepare legal description of land & plat
6. Prepare appraisal

10 Step Process (cont)

7. Make offer (includes copy of the state's appraisal and written offer)
8. Settle or negotiate a settlement
9. If property owner accepts offer, closing documents are prepared
10. If property owner rejects offer, eminent domain (condemnation) proceedings begin

Appraisals

- Appraisals compute fair market value
- Owner can accompany appraiser
- All appraisals are reviewed and certified
- Land owner will be reimbursed for obtaining their own appraisal up to \$1,500
- FHWA regulations allow minimum damage assessments to take the place of appraisals for land acquisitions less than \$10,000 (30-40% of acquisitions)
- Appraisals must follow industry standards (USPAP)

Appraisers

- Appraisers are licensed by the MN Department of Commerce
- Approximately 65% of all 2004 appraisals were completed by consultants
- Approximately 95% of appraisals used in condemnation are done by a consultant
- 55 firms are on Mn/DOT's prequalified list and 27 different firms were used last year

Offer & Negotiations

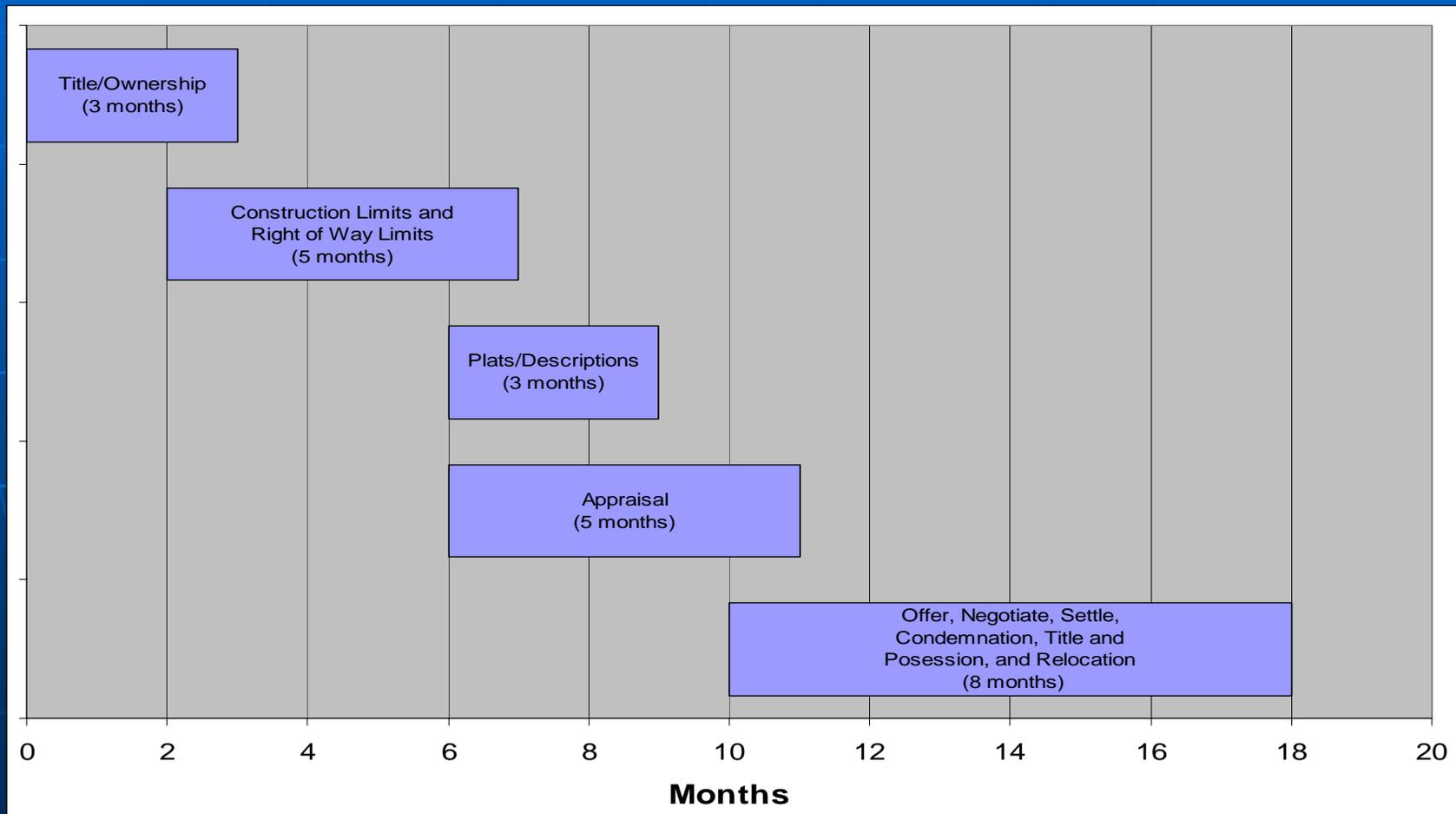
- Property owner has at least 30 days to consider offer and negotiate settlement
- Property owner has at least 60 days to obtain their own appraisal
- 70-85% of all parcels are acquired through negotiations and settlement
- 30% start eminent domain process – approximately half settle before hearing
- A recent customer survey reports an 85% satisfaction rate among owners who settle with Mn/DOT

Eminent Domain (Condemnation)

- Reasons for condemnation: disagreement on value or to clear the title
- Most eminent domain parcels are quick take
- Quick take process can be lengthy (approx. 6-18 months)
 - 90 day notice to owner
 - Hearing on petition in District Court & payment to owner
 - Title and possession transfer to state
 - Commissioners' hearing & viewings
 - Award
 - Appeal
 - Trial
 - Verdict

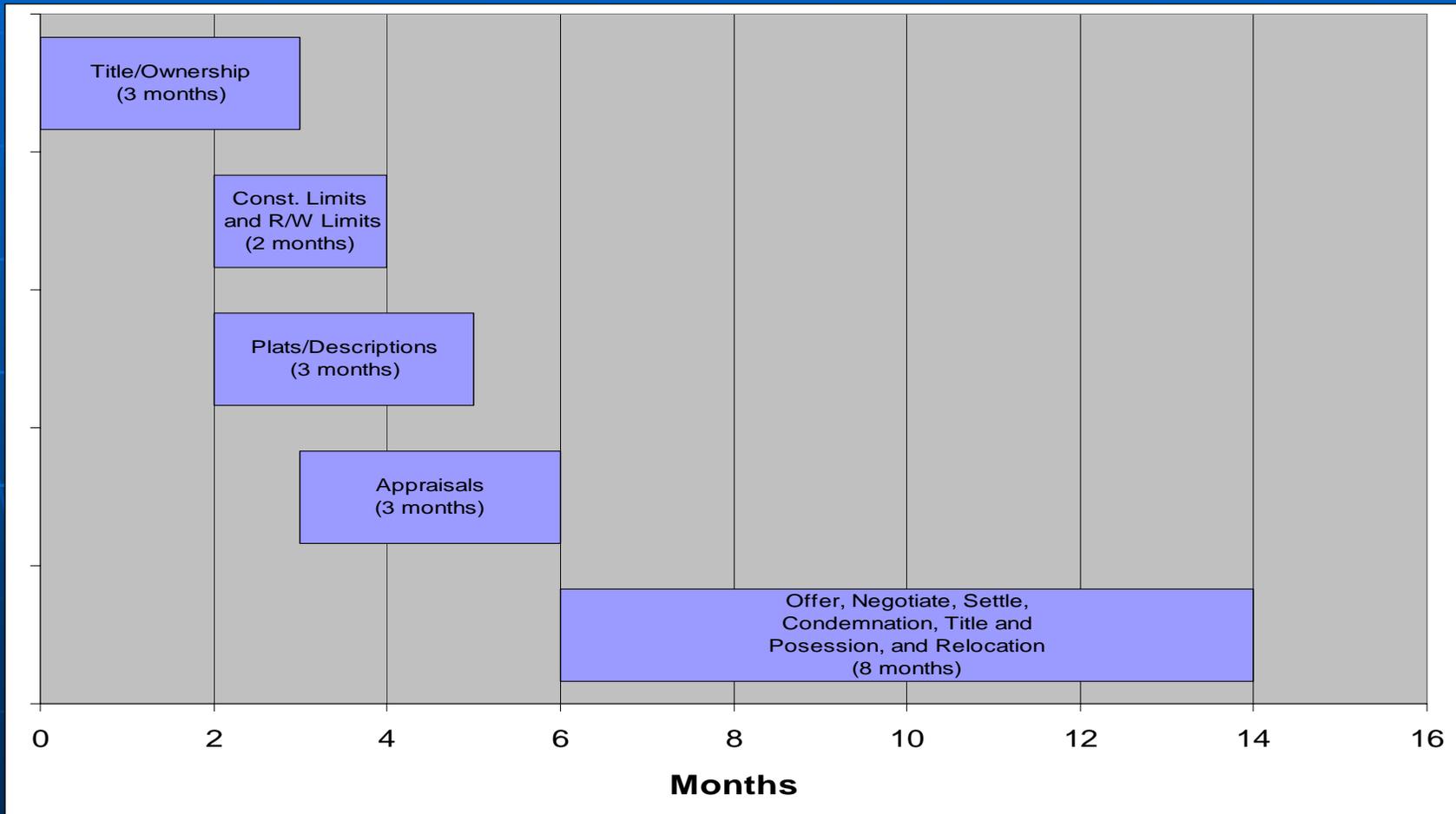
Typical Acquisition Timelines

Large Project Acquisitions (> 50 parcels)



Typical Acquisition Timelines

Small Project Acquisitions (< 50 parcels)



Questions