

WISCONSIN DEPARTMENT OF TRANSPORTATION

RIGHT-OF-WAY ACQUISITION PROCESS

October 20, 2014

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Enhancing Partnerships & Creating New Opportunities

2014 Wisconsin Tribal Transportation Conference

Overview

- WisDOT's Right-of-Way Acquisition Process
- Need for early & consistent communication
- Real Estate timelines needed for effective acquisitions

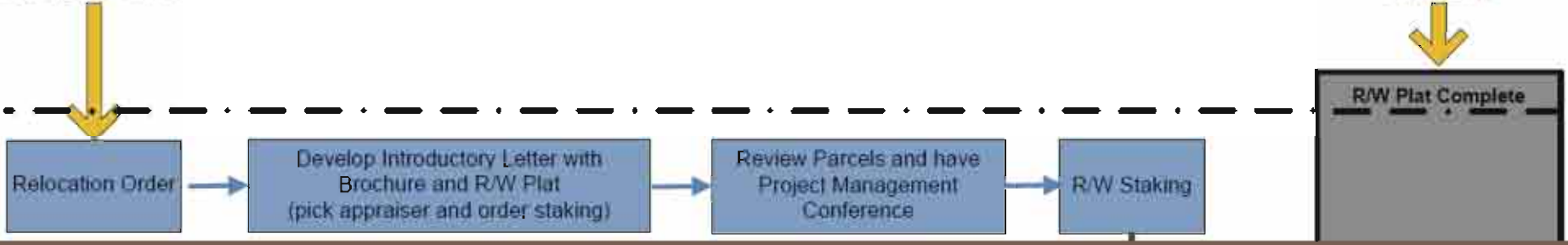


WisDOT Right-of-Way Acquisition Process

- The United States and Wisconsin Constitutions provide that no private property can be taken for a public use without just compensation.
- Both Wisconsin State Statutes and the Federal Uniform Relocation and Real Property Acquisition Act (URA) set forth detailed requirements for the appraisal and acquisition of property for highway projects.

DESIGN PHASE

TIMELINE

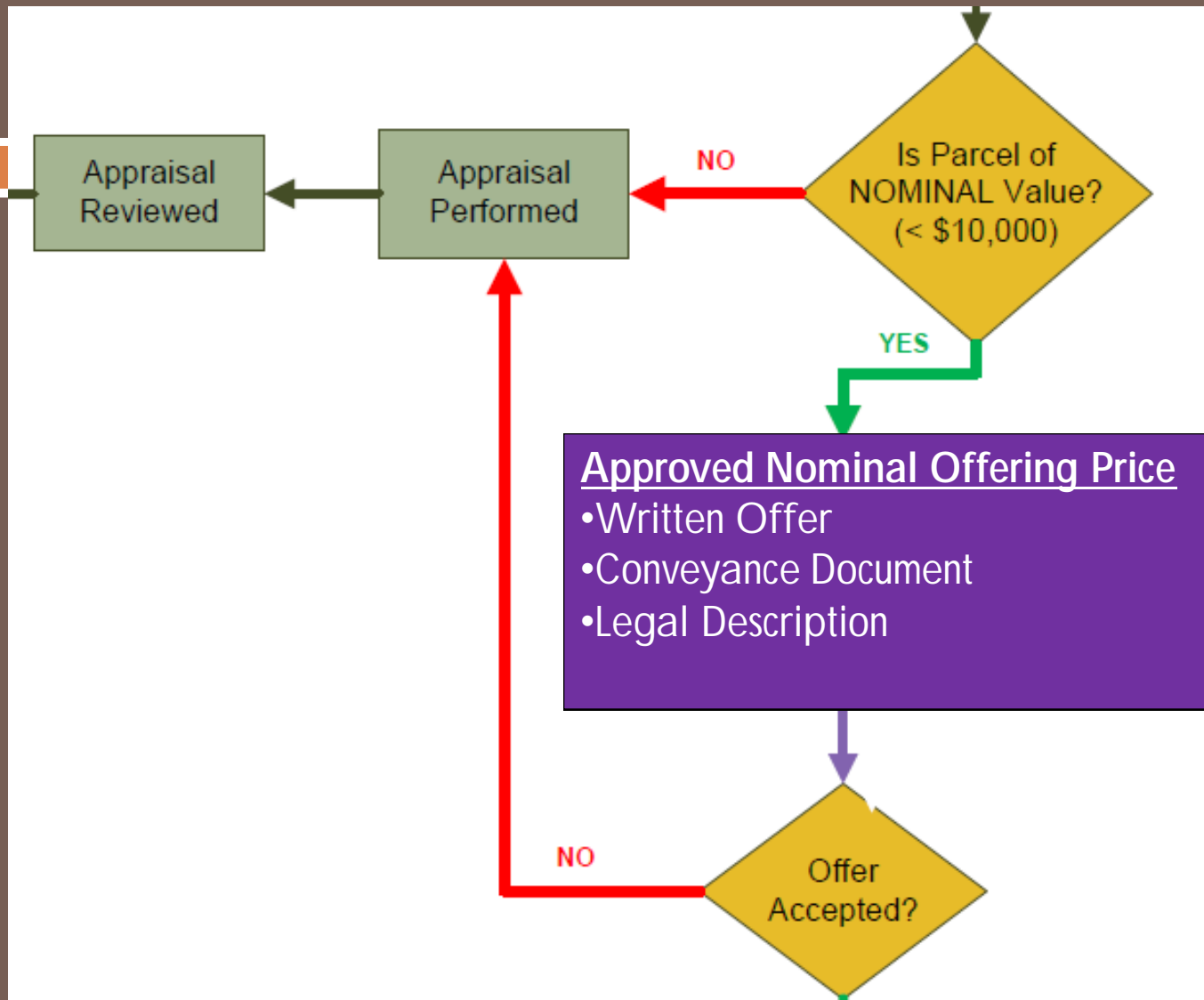


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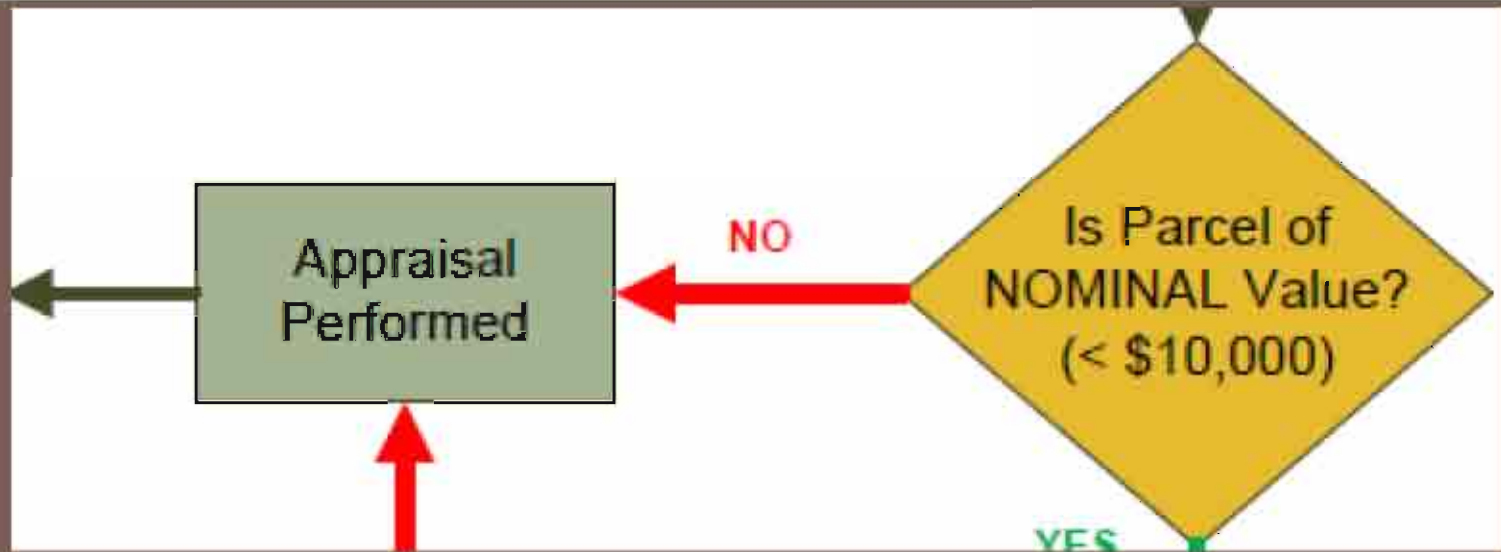




30 – 120 Days *
Relocation Order
thru last Appraisal
Approved and all
Nominals Acquired

**This depends on the type of project, complexity of project, and number of parcels in project*

**Number of days represents an average WisDOT Project*



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Owner's Perception - Appraisal Inspection

"The Castle"

7



WisDOT Right-of-Way Acquisition Process

□ Appraisal Process

- Describes property to be acquired
- Provides documented conclusion of fair market value
- Provides information on damages to remaining property
- Appraisal report must contain appraiser's rationale for determining damage estimate
- Information in report must be based on market data contained in appraisal

WisDOT Right-of-Way Acquisition Process

□ Appraisal Process

- Appraisers must value property based on highest and best use
- Appraisers not to consider increase or decrease in value prior to proposed public improvement

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Before and After Valuation Method

BEFORE = \$100,000

AFTER = \$ 90,000

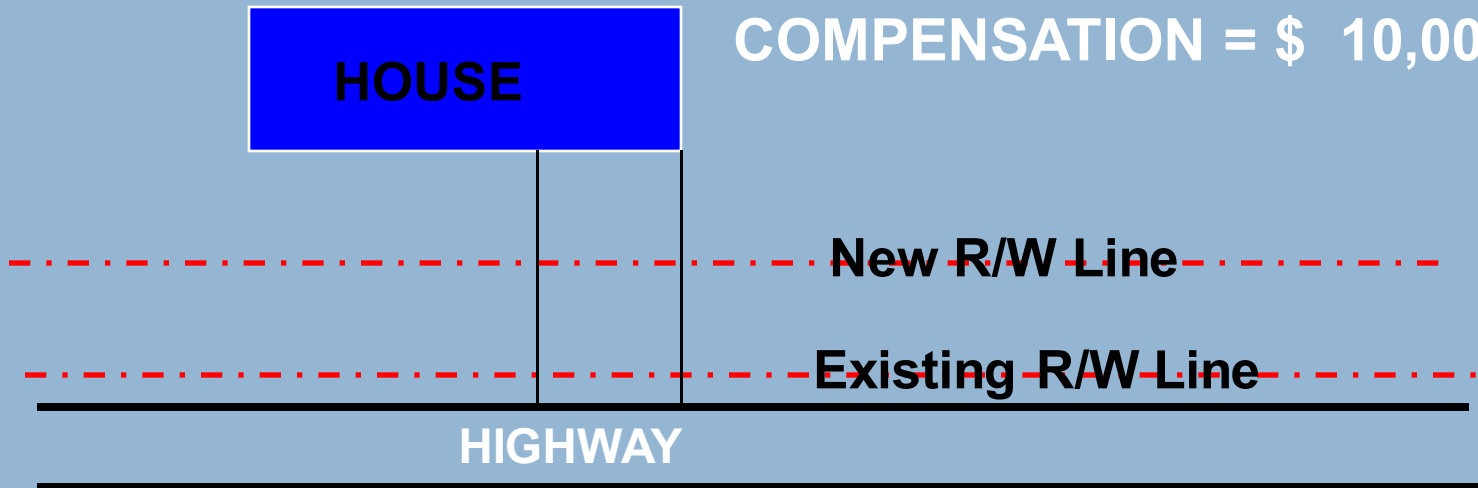
COMPENSATION = \$ 10,000

HOUSE

New R/W Line

Existing R/W Line

HIGHWAY



Complex Appraisal Issues

Change in Grade

Proximity

Access

Change in Grade - Before



Change in Grade - After



Change in Grade - After



Proximity



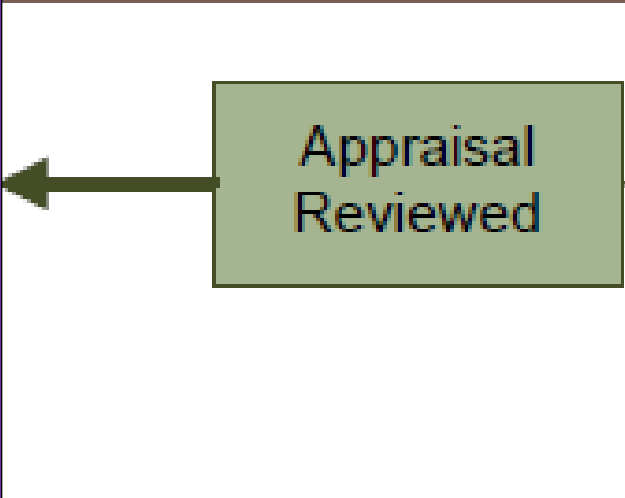
CHANGE IN ACCESS



Approved Offering Price

- Written Offer
- Conveyance Document
- Legal Description
- Appraisal
- Owner's Appraisal Guidelines

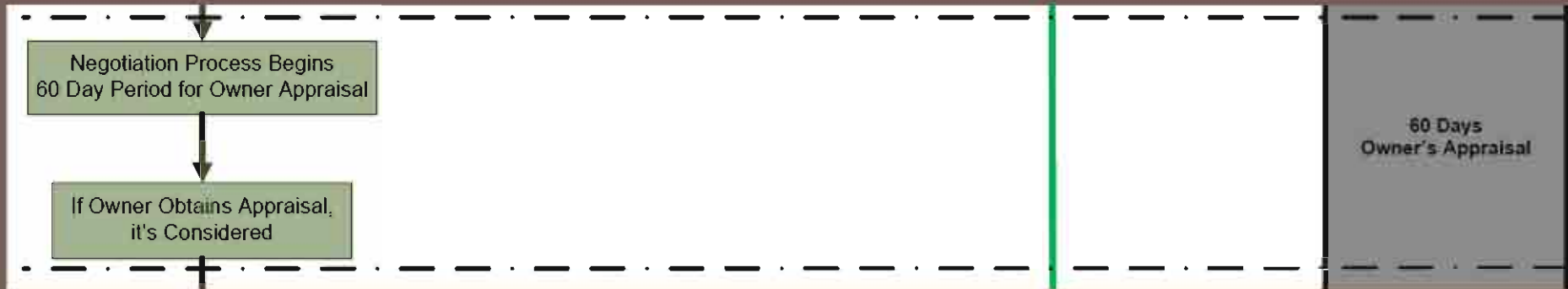
Appraisal
Reviewed



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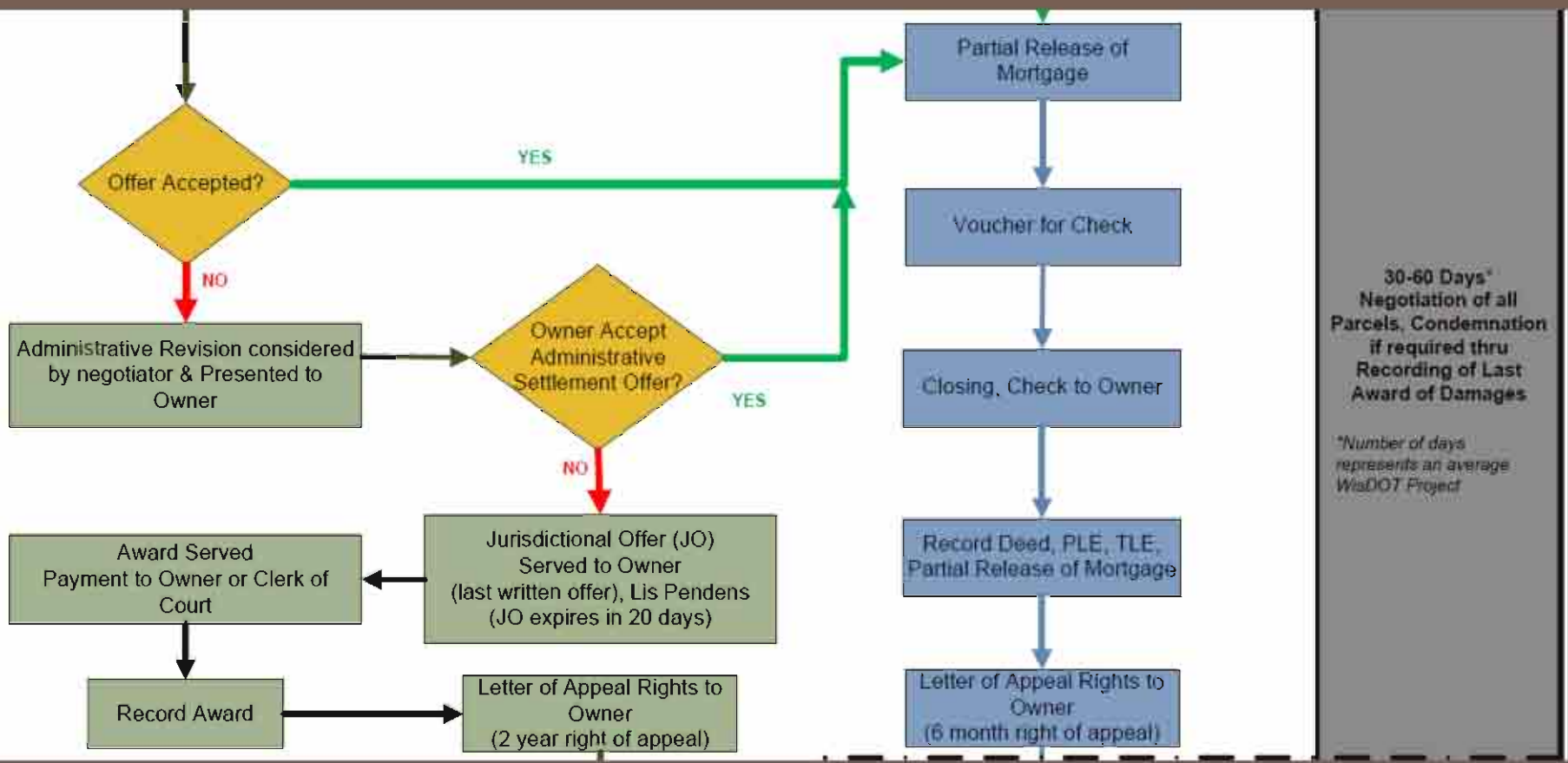
WisDOT Right-of-Way Acquisition Process

OWNER'S APPRAISAL

- Landowner right to obtain his/her own appraisal by a qualified appraiser and to be reimbursed
 - Section 32.05(2)(b), Wis. Stats., states in part: "... The owner may obtain an appraisal by a qualified appraiser of all property proposed to be acquired, and may submit the reasonable costs of the appraisal to the condemner for payment. The owner shall submit a full narrative appraisal to the condemner within 60 days after the owner receives the condemner's appraisal..."

WisDOT Right-of-Way Acquisition Process

- Acquiring agency must offer to acquire uneconomic remnants
 - ▣ Defined as "... the property remaining after a partial taking... of such size, shape, or condition as to be of little value or of substantially impaired economic viability."
 - ▣ Up to property owner to decide to sell uneconomic remnant



30-60 Days*
 Negotiation of all
 Parcels. Condemnation
 if required thru
 Recording of Last
 Award of Damages

**Number of days
 represents an average
 WisDOT Project*

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Summary of READS Standard Report
Litigation Appeals - Performance Measurement
 For Calendar Years 2010 - 2013

Calendar Year	2010	2011	2012	2013
<u>Parcels Acquired</u>	1187	1350	1473	1372
<u>Parcels Acquired by Condemnation</u>	196	192	184	205
<u>Award</u>	38	41	24	18
<u>Deed</u>	20	8	17	11
<u>Inverse Condemnation</u>	1	1	0	0
<u>Other</u>	1	2	1	0
<u>Right to Acquire</u>	0	0	3	8
Total Appeals	60	52	45	37
Appeals as a Percent of Parcels Acquired**	5.1%	3.9%	3.1%	2.7%

Notes

* **Award** - *appeal from an award of damages* - appeal for damages or loss in value of the property due to the acquisition.

Deed - *appeal from a deed* - appeal of reduced rights or claim to land due to the acquisition.

Inverse Condemnation - condemnation of property near a parcel so as to cause the parcel to lose much of its value. In such a case the parcel is, in effect, condemned and just compensation must be paid to the owner.

Right to Acquire - owner challenges WisDOT's right to acquire their property by commencing an action in circuit court.

** Appeals filed in a specific year as a percent of parcels acquired in the same year or earlier.

Relocation Process

- Residential Relocation Benefits
 - Replacement assistance available up to \$25,000 for owner, \$8,000 for tenant
 - Residential moving payment
 - Self-move via fixed-rate room count schedule or lowest of three professional moving estimates
 - Residential interest differential and closing cost

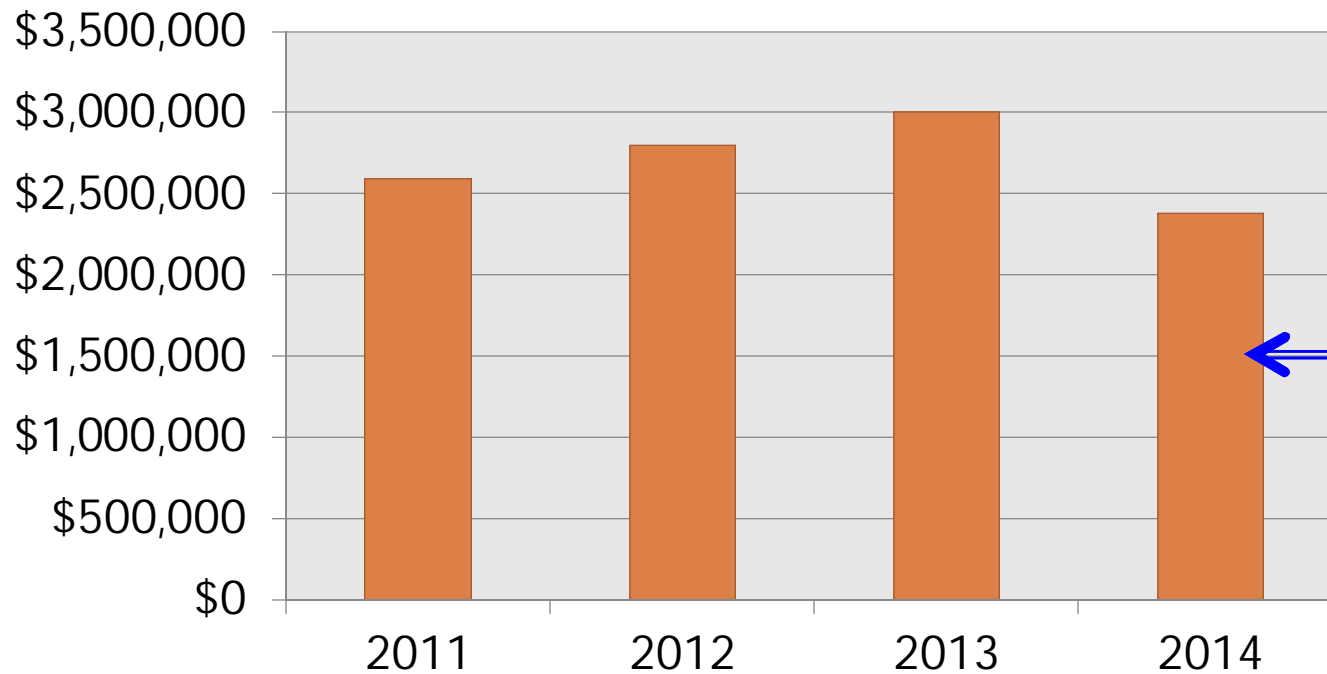


Relocation Process

- Business Relocation Benefits
 - Replacement assistance up to \$50,000 for Owner, \$30,000 for Tenant
 - Business moving payment is lowest of three estimates
 - Re-establishment payment up to \$25,000
 - Searching expenses up to \$2,500



Relocation Payments, 2011-14



Year 2014
is projected

Average annual Payments = \$2.7 million

PM Certifies Acquisitions & Relocations
Complete and Cleared

The diagram features a central flowchart on a white background. A green arrow points from the left into a blue rectangular box containing the text 'PM Certifies Acquisitions & Relocations Complete and Cleared'. A blue arrow points down from the top of this box, and a large yellow arrow points down from the bottom of the box towards the text 'CONSTRUCTION PHASE'. To the right of the flowchart is a grey rectangular box with a black border. It contains two sections of text: '28 Days Time for WIsDOT to Review' and 'Total 150-268 Days R/W Clear', separated by a horizontal line. The entire diagram is set against a brown background with orange and blue decorative bars at the top.

28 Days
Time for WIsDOT to
Review

Total
150-268 Days
R/W Clear

CONSTRUCTION PHASE

Property Management

- WISDOT Acquires Building in Purchase
 - DOT owns building and land
- Sell structures if time allows
- Purchaser moves structures or demolition
 - Asbestos inspections
 - Well and septic closures

Moving Acquired House



Questions?

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