

HIGHWAYS and YOUR LAND

An aerial photograph of a complex highway interchange with multiple lanes and overpasses. Numerous cars are visible on the roads. The surrounding area includes commercial buildings, a motel with a sign, and parking lots. The entire image has a green tint.

Iowa Department
of Transportation

HIGHWAYS AND YOU

Usually highway engineering, design and right-of-way acquisition are not a matter of immediate concern to you. It is only when you own property through which a highway may be constructed that you begin to consider road building and right-of-way acquisition from a different and very personal viewpoint.

The State, because it is acting for the public and in the public interest, must acquire the property at a fair market price. This price is arrived at after a careful appraisal study of the property.

The procedure of right-of-way acquisition is divided into four main categories, each requiring special work by trained personnel. The steps involved are right-of-way design, appraisal, relocation advisory assistance and acquisition. These separate steps will be presented in the following pages.

COVER

U.S. 218 highway in Waterloo-Cedar Falls. New, well lighted, six lane, signalized facility with adjacent service roads vastly improves traffic flow while providing convenient and safe access to adjoining commercial and residential development.

STEPS IN PLANNING, DESIGN
AND ACQUISITION OF LAND
FOR A HIGHWAY

1. Traffic Surveys
2. Programming
3. Preliminary Engineering
4. Public Hearings
5. Final Road Design
6. Right-of-Way Process
7. Right-of-Way Design
8. Right-of-Way Appraisal
9. Right-of-Way Acquisition
10. Relocation Advisory Assistance
11. Eminent Domain
12. Construction
13. Benefits Available to Persons Transferring Land to the State for a Highway Project
 - A. Transfer Costs
 - B. Mortgage Balances
 - C. Farm Drain Tile Lines or Outlets
 - D. Retention of Buildings and Improvements
 - E. Uneconomic Remnants
 - F. Income Tax
 - G. Fair Housing

1. TRAFFIC SURVEYS

To help decide where highways will be built, information about highway travel is gathered by interviewers from thousands of motorists. Their starting points and destinations are analyzed and become part of an origin-destination survey. Other studies, including traffic surveys, road user benefit analyses and traffic corridor locations, provide the basis for the development of a road improvement project.

2. PROGRAMMING

To “program” a proposed highway construction project for the future means that both the Department of Transportation and the public must decide where the work is needed, what kind of improvement to build, when it should be started, and if construction funds will be available at the time that work is scheduled. The Division of Planning and Research makes project recommendations to the Department of Transportation each year. Based upon traffic studies and public input, the Department of Transportation then determines a Five-Year Primary Highway Construction Program.

3. PRELIMINARY ENGINEERING

In this phase of project development, the location engineer studies the terrain and determines the most feasible and economical route for the highway consistent with the effects on property, individuals and the environment. He must consider the displacement of people and the availability of replacement housing. He must consider the effects of the highway on public and private institutions, parks, recreational facilities and other resources and what economic, social and environmental effects the highway will have on the community. The Offices of Right of Way, Bridge Design and Road Design compile cost estimates for alternative routes.

Preliminary surveys are started to measure distances,

elevations and topography. They determine location of buildings, rise and fall of the land, drainage and many other topographical features. You may be contacted by the surveyor who will be collecting this type of information. The information is then turned over to the Design Engineer to prepare final plans.

4. PUBLIC HEARINGS

One or more public hearings, or opportunities for public hearings are offered on all highway projects. The purpose of a public hearing is to present to the public all the facts gathered to date about a proposed project, to explain the land acquisition and relocation assistance programs and to hear points of view on the project.

This is an opportunity to speak in favor of or against the project and to ask questions about the project and its effects.

Public input is a necessary part of the transportation planning process as it provides pertinent facts which aid in reaching a final decision on the proposed project.

After the hearing is held, a transcript of the proceedings is reviewed by the engineering staff and submitted to the Department of Transportation Commissioners whose approval is required before the project can move into the next stage. The hearing transcript is submitted to the Federal Highway Administration when federal approval is necessary.

5. FINAL ROAD DESIGN

After a corridor for the new highway has been selected, presented to the public, and approved by the Commissioners and the Federal Highway Administration, final design plans can be started. These plans will set out in detail how the contractor will build the highway and specify materials to be used.

6. RIGHT-OF-WAY PROCESS

When project road designs are complete, Office of Right of Way personnel begin the detailed job of right-of-way design, appraisal, relocation assistance and acquisition.

7. RIGHT-OF-WAY DESIGN

The next step in the right-of-way process is known as title search and consists of finding the correct and legal ownership of all properties affected by the project. A record title search is made and ownership is certified by a local abstractor. Project design requirements are reviewed and right-of-way designers establish right-of-way lines that are most compatible with present and future land use. A certified surveyor's plat and description is prepared for each parcel from which right-of-way must be purchased.

All of this information is put into a file. Each property has its own file which is kept separate from other properties on the project. All properties affected by the highway improvement are shown on right-of-way plans which show the area that will be needed for right-of-way and details such as drainage structures, farmsteads, roads, buildings, etc.

8. RIGHT-OF-WAY APPRAISAL

The amount of compensation (money) offered for the purchase of needed right-of-way will be based on an appraisal of the property involved. This appraisal will be prepared by professional appraisers who are specialists in their field. They have extensive experience in the market analysis of real estate which may include farm, residential, commercial, industrial, or other classes of properties. The appraiser may be a member of the Highway Division's appraisal staff or may be a private contracting appraiser.

The appraiser will make a written appraisal report on each property involved in the highway project in order to estimate

the amount of compensation due each owner or lessee when right-of-way is acquired. That estimate of compensation will include the market value of any land and improvements to be purchased and any reduction in the value of remaining property should its value be adversely affected.

The appraiser will contact you for permission to inspect and study your property. He will also ask to interview you since you are the person most knowledgeable about that property. You can inform him about its use and operation and your opinion of any adverse effect of the new project.

The appraiser will submit his written report to the Highway Division Headquarters. All of the appraisal reports are then analyzed by qualified review appraisers before right-of-way acquisition begins. The purpose of this review is to assure that all elements affecting the value of your real estate have been properly considered.

9. RIGHT-OF-WAY ACQUISITION

You will be contacted by an Acquisition Agent from the Office of Right of Way. The amount offered by the Acquisition Agent is the amount of the approved appraisal. This appraisal estimate is offered as just compensation as required by the Constitution as interpreted by the courts. Just compensation is defined as the highest price, estimated in terms of money, which a property will bring if exposed for sale in the open market allowing a reasonable time to find a purchaser who buys with knowledge of all the uses to which it is adapted or for which it is capable of being used.

When the Acquisition Agent calls on you, he will answer questions which might arise concerning the project design, drainage, tile lines, buildings, crops on land needed for the project, grade changes, etc. In most cases, right-of-way is acquired by agreement. After agreement is reached, a contract is approved and signed for the Department of Transportation. Where title conditions permit, a partial

payment of the purchase price is available within 45 days after signing the contract.

Reasonable time will be allowed for you to vacate property acquired. You will not be required to move sooner than 90 days from the date the State makes the first offer to acquire your property. Written notice specifying the date the property must be vacated will be given you at least 30 days prior to the required vacation date. The 30 day written notice will not be issued until you have received payment from the State as agreed, or the money has been deposited by the State as prescribed by law.

The Acquisition Agent will arrange payment at the earliest possible date. If an abstract of title is required, the owner can expedite the payment by early delivery of the abstract to a local abstractor with instructions that it be brought up to date and delivered to the Title Unit, Office of Right of Way, Iowa Department of Transportation, Ames, Iowa 50010.

10. RELOCATION ADVISORY ASSISTANCE

The Highway Division of the Department of Transportation provides a Relocation Advisory Assistance Program for all persons displaced by a highway project. It is the intent of this program to insure that those persons being displaced do not suffer disproportionate injuries as a result of highway programs.

If you are required to vacate your home, a State Relocation Assistance Agent will help you find another. Once relocated, your relocation assistance payment will be available promptly after you submit a claim.

The program assists owners and tenants being displaced by the highway project to find decent, safe and sanitary housing. It offers payments to landowners, tenants, businesses, farm operators and non-profit organizations for various moving expenses. It offers additional payments to owner-occupants

of homes and residential tenants where necessary to relocate them into comparable decent, safe and sanitary housing. Owner-occupants of homes and residential tenants are also eligible for certain incidental closing and transfer costs incurred in the purchase of replacement housing.

A business or farm operator is eligible for actual, reasonable moving expenses and actual or direct losses of tangible personal property as a result of moving. He may receive actual, reasonable expenses in search for a replacement location. Non-profit organizations are entitled to receive payment for their actual reasonable moving expenses.

A business or farm operator, under certain conditions, may elect to receive a fixed payment in lieu of actual, reasonable moving expenses based upon his past earnings.

The Highway Division's Relocation Assistance Program is staffed with full-time field agents to assist with relocation problems.

At the time negotiations begin, a written offer to pay relocation benefits will be made. This amount is in addition to the offer for the purchase of right-of-way.

Any person dissatisfied with a determination as to eligibility or amount of relocation payment may have his application reviewed by a review board.

11. EMINENT DOMAIN

If the State's acquisition offer is rejected, fair market value will be determined in the course of eminent domain proceedings (commonly referred to as condemnation). Eminent domain is an inherent power, based upon the sovereignty of the State, over all property within its domain, required for public purposes and is necessary to assure that the public welfare is best served.

A court appointed compensation commission will determine the amount of money to be paid for the land and improvements being acquired and damages to the remainder. Their award is final unless, within thirty days of the mailing of the notice of the award by the Sheriff, either party appeals to the District Court.

The State will deposit the amount of the compensation commission's award with the Sheriff of the county in which the land is located. With this deposit the State obtains the right of possession and may proceed with the highway project.

In the event that an owner-occupied property or a "dwelling" is located within the right-of-way, physical possession may not be taken until all damages have been determined and paid, or until 180 days after the date of the filing of the award of the compensation commission with the Sheriff.

12. CONSTRUCTION

All right-of-way must be acquired before construction contracts can be advertised for bids. Once the right-of-way is acquired, contractors may bid on the work at public lettings. Results of the lettings are presented to the Department of Transportation which awards the construction contract for the work to be done.

Many separate contractors may have agreed to do work on a single project. Building bridges and culverts, grading, paving and erosion control are all specialized segments of a highway construction project. Each requires the special skills and experience of various contractors.

13. BENEFITS AVAILABLE TO PERSONS TRANSFERRING LAND TO THE STATE FOR A HIGHWAY PROJECT

A. TRANSFER COSTS: The Office of Right of Way will

reimburse landowners for fair and reasonable expenses necessarily incurred for the transfer of land to the State. These expenses include recording fees, mortgage release payments (except principle and interest), transfer taxes, abstract continuation costs and similar expenses necessary and incident to the transfer of the land to the State.

Penalty costs for pre-payment of any pre-existing recorded mortgage entered into in good faith are considered costs incident to your transfer of land to the State. All such costs will be reimbursed or paid by the State.

B. MORTGAGE BALANCES AND LEINS: Payments will be made in the form of State Comptroller's Warrants. Payment of mortgage balances may be arranged out of the proceeds of the sale if desired by the owner, or required by the mortgage holder. The State may include mortgagees, leinholders, encumbrancers and taxing bodies as payees on warrants for acquisition payments.

The Veterans' Administration recognizes that a sale of property for highways is not of one's own choosing. G. I. Privileges can be restored and made available for coverage on another property.

C. FARM DRAIN TILE LINES OR OUTLETS: Farm drain tile lines or outlets which are located within the area of the new highway will be protected, repaired or replaced.

D. RETENTION OF BUILDINGS AND IMPROVEMENTS: Owners may, at their election, retain their buildings, improvements and fixtures per the terms of the negotiated agreement.

E. UNECONOMIC REMNANTS: If only a part of the property is needed for the highway project, the landowner may elect to sell only that part needed or to sell any remaining uneconomic remnants. Uneconomic remnants are remaining parts of land which are of little or no utility or

value to the owner after the land needed for the project is acquired.

If an owner elects to sell the uneconomic remnants, he will be paid their fair and reasonable market value. If an owner elects to sell only that part of the property that is needed, he will be paid for the part needed and for any damages caused to the remainder.

F. INCOME TAX: The sale of land and improvements to the State is considered by the Internal Revenue Service as an "involuntary conversion". It is not necessary to pay income tax or capital gains tax if the money received is invested in similar property within a specified period. (Check with your nearest Internal Revenue Office, Tax Consultant, or your attorney.)

Relocation assistance benefit payments are not considered income for either State or Federal income tax purposes.

G. FAIR HOUSING: All replacement housing shall be fair housing and open to all persons regardless of race, color, religion, sex or national origin.

The information in this brochure is primarily intended to acquaint property owners and tenants, and the public with the procedures involved in the acquisition of right-of-way for a public highway.

Although not intended to supply complete technical definitions or any form of legal advice, it is hoped that the material in this booklet will provide the reader with useful information pertaining to right-of-way acquisition.

Further questions in these areas may be directed to the Office of Right of Way, Highway Division, Iowa Department of Transportation, Ames, Iowa 50010, Phone 515-296-1216.

Questions arising during the actual construction of the highway project should be directed to the nearest District Office. The District Map on page 12 will help you determine which district you are located in.

DISTRICT OFFICES

District 1

Don Anderson-District Engineer
1020 S. 4th St.
Ames, Iowa 50010
Phone: 515-296-1556

District 3

James Bump-District Engineer
2800 E. Gordon Drive
Sioux City, Iowa 51100
Phone: 712-276-1451

District 5

Robert Percival-District Engineer
307 West Briggs
Fairfield, Iowa 52556
Phone: 515-472-4171

District 2

Robert Bortle-District Engineer
1420 Fourth St. S.E.
Mason City, Iowa 50401
Phone: 515-423-7584

District 4

Van Snyder-District Engineer
East Highway 6
Atlantic, Iowa 50022
Phone: 712-243-3355

District 6

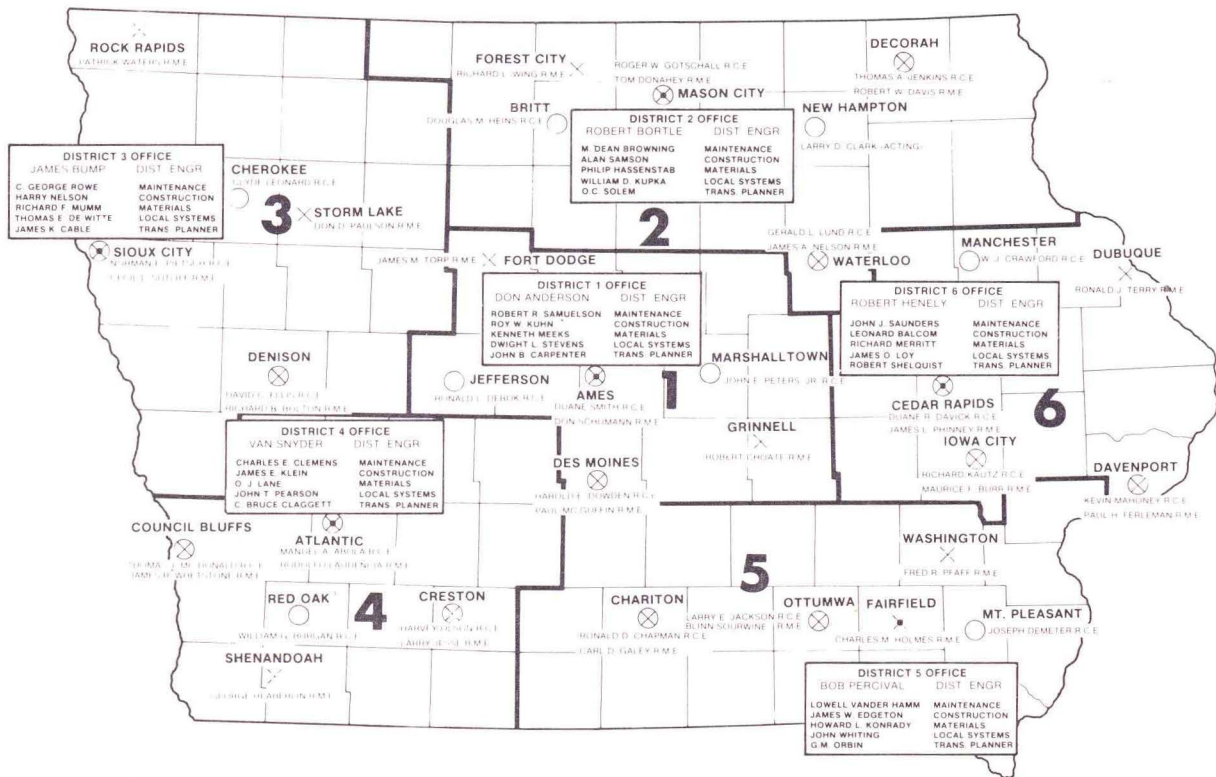
Robert Henely-District Engineer
430 Sixteenth Avenue S.W.
Cedar Rapids, Iowa 52400
Phone: 319-364-0235

or

IOWA DEPARTMENT OF TRANSPORTATION
HIGHWAY DIVISION
Ames, Iowa 50010
Phone: 296-1101

IOWA DEPARTMENT OF TRANSPORTATION HIGHWAY DIVISION DISTRICTS

FEBRUARY 1, 1977



● DISTRICT OFFICE (R.C.E.) ○ RESIDENT CONSTRUCTION OFFICE (R.M.E.) ✕ RESIDENT MAINTENANCE OFFICE



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