Right-of-Way Procedures for Local Public Agency Projects
Part III

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[Editor's Note — This paper, like the preceding Parts I and II, is addressed to the Local Public Agency officials and other county road officials.]

Following are the highlights of the problems that I most often see. I am the person who usually checks your R/W documentation and ascertains that the project is clear for letting.

There are several items of a general nature I would like to cover first. Most all of the R/W now in process should have been started after the first of July 1985. This means that you must follow the new regulations as set out in your LPA Manual. We have sent one manual to each Local Public Agency (LPA) and one to each consultant. We ask that you make copies if you need more. Please make sure that the person you designate to handle this phase has a manual.

The forms that you will need are provided in the back of your manual as Exhibits. These are to be typed and dated on your letterhead for submission with the proper project number, parcel number, etc.

Title work is now required on all projects whether there are federal funds in the right-of-way or only in construction. A documented 20-year search prepared by a professional abstractor is required for each parcel to be acquired along with one of the following:

a. An examination of title by an attorney.

b. Guaranty of Title Certificate in the minimum amount of $5,000.00.

c. Title Insurance Binder in the minimum amount of $5,000.00.

Each title search must be up-dated and title work issued at the time of parcel acquisition.

There are only two exceptions to this: If the parcel is a minimum payment appraisal the last deed of record is all that is required. The other exception is temporary R/W. There is no title work required but the LPA will want to ascertain that the owner of record has conveyed the property.

The most prevalent problem area is the appraisal process. It actu-
ally begins with obtaining two appraisers — one to do the appraisals and one to review and do the appraisal problem analysis. The qualifications for these people are in your manual. All I'm going to say about qualifications is that the review appraiser should be as qualified or more so than the appraiser.

The first step in the appraisal process is the appraisal problem analysis — we’ll call it the analysis for ease of communication because it analyzes the appraisal problem. The analysis is done by the review appraiser for each parcel. It actually determines what type of appraisal should be performed by the appraiser. There are four types of appraisals — minimum payment, value finding, short form, and long form. These are also explained in your manual. This is a part of the new regulations designed to save the LPA money. But that will only work if you become knowledgeable. There is no reason to pay for a short form if you can use a minimum payment or value finding. So the second step is the appraisals performed by the appraiser.

The third step is the review of the appraisal done by the review appraiser. If the review differs from the appraisal, the review appraiser must explain the reasons for the difference. Therefore, it is actually the review appraiser who determines the fair market value of a parcel.

The fourth and final step in the appraisal process is the Statement for Basis of Just Compensation form.

This form is to be given to the property owner in lieu of the appraisal. This breaks down what is paid to them in the form of land, improvements, and damages. The statement for the basis of just compensation should be prepared by the review appraiser and given to the property owner by the buyer along with the offer letter. This is not new but a part of P.L. 91-646.

Yesterday I heard Stan Yoder say that over 56 million dollars will be spent on local projects this year. The work load in our R/W section has increased due to the escalation in the number of projects as well as the new regulations. Carol & I have spent a considerable amount of time in processing the manual and conducting training sessions. One of us is almost always available to answer questions and provide assistance because our goal is to get these projects to letting.

Sometimes a project is scheduled for letting before the R/W is complete, submitted, and checked. In fact I have a list of 16 projects scheduled for the June letting and most of them are not clear and there are several where I have received nothing as yet as far as R/W is concerned.

We will help you as much as we can and in some cases work miracles, but we need time. Your project deserves as much consideration as the county’s or city’s next to yours.