

Resolution # 315 - Fayette County Right of Way Policy

The following policy is established by the Fayette County Board of Supervisors (Board) regarding the purchase of Right of Way (ROW) and subsequent damages to real property on County roads within Fayette County.

The purpose of the policy is to provide uniform treatment of landowners in the purchase of Right of Way and to provide compliance with the provisions of the 1970 Uniform Relocation Assistance and Land Acquisition Policies Act.

Iowa DOT Instructional Memorandum 3605 provides addition guidance for a Local Public Agency (LPA) to acquire right-of-way for State or Federally funded transportation projects.

Herewith, the Board designates the County Engineer and/or his designee as their agent in ROW negotiations.

General:

New Right of Way will be acquired by road easement or fee title (deed). Whenever practicable, new permanent Right of Way will be obtained by deed when a corridor is being widened along a paved or future paved route. When new ROW acquired by fee title abuts existing right of way held by road easement, the underlying fee of said easement will be converted to fee title for the consideration of \$1.00.

If the Landowner elects not to convert the road easement to fee title at the time of purchase of the adjacent ROW but requests conversion of the underlying fee at a later date, all future costs of conversion will be borne by the requesting party. The County is under no obligation to accept this conversion.

NOTE: This request would likely arise at the sale or transfer of title of the main property.

This policy shall not be construed to restrict the County from making mutual benefit agreements where the landowner may contribute ROW, borrow, fence moving, etc. in order to promote a safer and more efficient road system. If requested, landowners will be given a letter of donation from Fayette County for a value calculated per the methodology in this policy.

Land Prices:

Land and building value will be determined by a compensation estimate or appraisal. Appraisals will be done for complicated parcels or where the landowner requests an appraisal. The appraised value will be used to determine just compensation even if lower than the compensation estimate. This appraisal will be based on the fair market value of the property. Unique or special items of property will be individually appraised.

NOTE: On locally funded ROW purchases not associated with future federal aid construction projects, Fayette County may use compensation estimates up to \$25,000.00 per parcel when meeting the requirements for appraisal waivers set forth in 49CFR 24.102. For all other parcels meeting the appraisal waiver requirements, compensation estimates may be used up to \$10,000.00.

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Compensation estimates may be prepared using recent comparable sales, the Assessor's Method (Factor Method), or other approved methods to determine fair market value.

When the Factor Method is used, the Board of Supervisors must approve the multiplication factor annually. The multiplication factor will be determined by: taking the average market value per acre (calculated using data from the Iowa land sales report for Fayette County) and dividing by the average assessed value per acre (calculated using data from the Fayette County Assessor's current abstract of assessment that is sent to the Department of Revenue). The multiplication factor calculated by the Assessor for fiscal 2016 is 3.38.

Recognizing that applying the Factor Method alone will provide the average market value for property in the County and that the market value is a range above and below this average market value; Fayette County elects to add \$500.00 per acre to the offer when computing Fair Market Value using the Assessor's Method.

Offers using the Assessor's Method for fiscal 2016 would be calculated by the following formula:

$(\text{Assessed Value} \times \text{Multiplication Factor of } 3.38) + \$500 \text{ per acre} = \text{Value Offered per acre}$

Notes:

- Assessed Value for a parcel may be calculated using the current \$/CSR factor for the County times the CSR points (currently \$31.20 / CSR point for 2016).
- The Offer for a Rural Residential strip of land along a road may be calculated using the Factor Method by using adjacent Ag Land CSR points when the use of the strip for road purposes will not substantially and negatively impact the overall property use.

For parcels where fair market value is determined using compensation estimates, a \$200.00 *non-appraisal payment* will be added to the offer for the parcel. This results from the cost savings of not hiring an appraiser. These savings are shared with the Landowner. In cases where appraisals are required or requested by the Landowner this will not be paid.

Standard Schedules for Improvements:

The price paid to the landowner by the County shall be a fair market price for the proposed right of way required to improve a county road. Improvements to the land for fences, trees, etc. will be calculated according to the following schedules when applicable:

- **Flowage Easements for On - Road Impoundment Structures**

In accordance with Fayette County's On-Road Structure Policy for water retention structures dated December 22nd, 2014; Perpetual Flowage Easements may be purchased at 5% of fair market value for all property within the FEMA flood Zone A and at 10% of fair market value for all other property. Flowage Easements for On-Road Impoundment Structures will be voluntary.

- **Temporary Borrow:**

Temporary easements for borrows will be purchased at \$1,600.00 per acre. Payment shall be made after the final measurements have been taken and the final area is calculated. Agreement will also be

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made for the replacement of existing topsoil (12", if possible) (As per Section 314.12, Code of Iowa). \$100.00 per acre for fertilizer allotment to be paid if applied prior to topsoil being replaced.

- **Fence:**

The price paid for fence is to be full compensation for all labor and materials needed for the removal and reconstruction of fence. The amount of cross fence to be moved shall be added to the total length to be moved. Any fence that will not contain livestock will be negotiated at a lower price. Landowner is free to install a more expensive fence than the existing fence; however, compensation will only be based on the existing fence. If a Landowner elects to install a less expensive fence than the existing fence, compensation will be based on the fence installed. Construction payments are payable only if owner replaces the fence within approximately 1 year of signed easement/warranty deed.

- A.) 3 Board Fence:

Removal only	=	\$ 4.00 per rod
Erecting on new ROW line	=	\$160.00 per rod

- B.) Woven Wire Fence:

Removal only	=	\$ 4.00 per rod
Erecting on new ROW line	=	\$53.00 per rod

- C.) 5 Barb - Wire Fence:

Removal only	=	\$ 4.00 per rod
Erecting on new ROW line	=	\$37.00 per rod

- D.) Corner Posts:

Removal and re-constructing on new ROW	=	\$50.00 Each
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If the landowner elects to have the County Remove the fence, the County will retain any salvaged materials and the landowner will be paid \$3.00 per rod for Fence Damage in lieu of the Removal only compensation.

- **Trees:**

- A.) Nut trees over 6 inches in diameter and fruit trees will be compensated at up to \$50.00 each depending on the condition of the tree.

- B.) Large yard trees contributing to the resale value of the property will be compensated at up to \$50.00 each depending on the condition of the tree.

- C.) Mature grove trees will be compensated at \$5.00 per tree.

- D.) Hardwood trees with substantial commercial value will be compensated based on logged value.

- **Tile line in ROW:**

- A.) All legal tile outlets or tile crossings damaged in the construction of the project will be repaired at no cost to the landowner.

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- **Crop Damage:**

A.) Any crop damaged on the proposed ROW will be compensated at the following rates:

Corn or beans	\$450.00 per acre
Oats	\$225.00 per acre
Alfalfa	\$130.00 per acre or \$45.00 per acre for each remaining cutting, whichever is less.

Note: Cropland that is idled due to County operations will be compensated at the rate of \$130.00 per acre. Pasture will be compensated at the rate of \$65.00 per acre.

- **Buildings, wells, and other improvements on the proposed ROW or other damages:**

A.) To be considered on an individual basis and negotiated.

- **Compensation for Abstract Update:**

A.) \$100.00 (Not to be considered a complete update for abstracting expenses).

- **Tenant Rights:**

A.) Release of Tenant Rights will be compensated at \$75.00 per parcel.

This policy will remain in effect until amended by the Fayette County Board of Supervisors.

Dated this 4th day of January, 2016.




Jeanine Tellin, Board Chair



Vicki Rowland, Board Member



Darrel Dolf, Board Member



Attest: Lori Moellers
Fayette County Auditor