

### Department of Transportation and Public Facilities

NORTHERN REGION
Design & Engineering Services
Right of Way

2301 Peger Road Fairbanks, AK 99709-5388 Main: 907-451-2273 Fax: 907-451-5411 TDD: 907-451-2363 dot.alaska.gov

March 29, 2023

The Honorable Bryant Hammond, Mayor of Nome City of Nome P.O. Box 281 Nome, Alaska 99762

Re: Northern Region ADA Improvements-Nome Steadman Street 0002 (502)/NFHWY00505

LETTER OF OFFER TO PURCHASE (PARCELS 5, 8, 11, 14 and TCP-6)

Dear Mayor Hammond:

The State of Alaska, Department of Transportation and Public Facilities, in cooperation with the Federal Highway Administration, is preparing a project to reconstruct Steadman Street in downtown Nome.

The purpose of the project is to improve safety and pedestrian access by constructing American with Disabilities Act compliant sidewalks with curb ramps and driveways on both sides of Steadman Street. Work will include regrading and resurfacing the existing roadway to improve drainage and address embankment settlement issues.

Construction of this project requires the purchase of parcel interests from the City of Nome by DOT&PF in order to accommodate the reconstruction of the roadway. Please see the enclosed consolidated parcel document for descriptions of the individual parcels.

This parcels have been examined by a qualified State employee who has considered all of the elements that contribute to the value of the parcels. The market value of Parcels 5, 8, 11, and 14 encumbering a total of 2,552 square feet, has been determined to be \$10,400.00 for the proposed acquisitions. Please consider this letter to be DOT&PF's official offer to purchase these real property interests for that amount. A copies of the value estimate is enclosed for your review.

If you believe the market value determination does not accurately represent the value of the interests as if they were available on the open market and/or require additional conditions in order to reach an agreement you are welcome to submit a counter offer in response with documented support for your claims. Approval of any counter offer is subject to a review by the DOT&PF Right of Way Chief.

2

The design of this project also includes a Temporary Construction Permit (TCP) over a portion of your property along Steadman Street. A TCP will allow us onto your property to match the grade of your driveway with the newly paved roadway. It is referenced as TCP-6 on the attached plat. This permit is considered to be mutually beneficial, voluntary, and revocable at will so there is no compensation included in exchange for it. If you choose not to sign the permit the project work will be limited to the existing right of way and may result in a lesser, but functional product.

All documents necessary to complete the purchase are enclosed. A Federal Highways Administration (FHWA) brochure is also enclosed to provide additional information about right of way acquisition procedures.

Finally, I would like to note that prior to executing any documents I will need to have documented authority for the signatory to convey this real estate on behalf of the City of Nome, for example, a copy of a city resolution or ordinance approving the conveyance.

Once you have reviewed the documents, please contact me with any questions or comments. I can be reached by phone at 907-451-5470 or via email at <a href="mary.dianoski@alaska.gov">mary.dianoski@alaska.gov</a>. I look forward to speaking with you more about this project.

Sincerely,

Mary Dianoski

State of Alaska DOT, Northern Region Right of Way Agent II 2301 Peger Road Fairbanks, Alaska 99709 (907) 451-5407

Enclosure

Waiver Valuations
Warranty Deed (Parcels 5, 8, 11 & 14)
Temporary Construction Permit (TCP-6)
Memorandum of Agreement
Purchase Voucher
W-9
Brochure



P.O. BOX 1467 - JUNEAU, ALASKA 99802

DOCUMENT NO
WARRANT NO.
DATE PAID
PAYEE MUST SIGN THE CERTIFICATION BELOW AND RETURN THIS VOUCHER TO THE DEPARTMENT OF TRANSPORTATION

#### **PURCHASE VOUCHER**

NAME OF PAYEE: City of Nome

ADDRESS OF PAYEE: P.O. Box 281, Nome, AK, 99762

Date of Agreement	Project Number NFHWY00505	<b>Parcel Number</b> 5, 8, 11, & 14	Type of Document WD	Amount
	Payment for right of way a	equisition as shown on Memo	orandum of Agreement:	
	- FMV per Review Apprai 2/27/2023. (Parcel 5)	ser's Recommendation of Jus	st Compensation approved	\$2,000.00
	- FMV per Review Apprai 2/27/2023. (Parcel 8)	ser's Recommendation of Jus	st Compensation approved	\$4,600.00
	- FMV per Review Apprai <u>2/27/2023</u> . (Parcel 11)	ser's Recommendation of Jus	st Compensation approved	\$1,500.00
	- FMV per Review Apprai <u>2/27/2023</u> . (Parcel 14)	ser's Recommendation of Jus	st Compensation approved	\$2,300.00
		RETURN WAR	RANT REQUESTED	
GRAND TOTAL (LESS	DEDUCTIONS)			\$10,400.00
PAYEE'S CERTIFICATIONS City of Nome	: I certify that the above bill is	correct and just and that paym	ent therefor has not been recei	ved:
John K. Handeland, M	ayor		Date	
(PARTNERSHIP, COMPA	NY OR INDIVIDUAL)		SIGNATURES MUST BE IN INK OR	INDELIBLE PENCIL
APPROVED BY:	RIGHT -OF -WAY (	NEGOTIATOR)		

#### ACCOUNTS TO BE CHARGED

ACCOUNT CODE	DEBIT CREDIT		AMOUNT
NFHWY00505 - T03016 - 120P - TPJ001 - 5002	\$10,400.00		\$10,400.00
I certify that the above services were performed or expenses incurred as stated; that they were necessary and proper; that the amounts claimed are just and reasonable; that no part thereof has been paid.	GRAND TOTAL (NET)		\$10,400.00
	PREPARED BY: MLD	AP	PROVED FOR PAYMENT
	CHECKED BY:	REGIONAL CHIEF	RIGHT-OF-WAY AGENT



#### **MEMORANDUM OF AGREEMENT**

PROJECT NAME: Northern Region ADA
IMPROVEMENTS- NOME STEADMAN STREET

STATE PROJECT #: NFHWY00505

FEDERAL-AID PROJECT #: 0002(502)

PARCEL #: \_5, 8, 11, 14, AND TCP-6

AGREEMENT has been reached this designated parcel or parcels and the DEPARTMEN parcel or parcels. The amount to be paid, and other	NT OF TRANSPORT	TATION AND PUBLIC FACILIITI	ES, for the purch	ase of said
Fixtures and Improvements purchased:  Cost-To-Cure:		2,552	Sq. ft. \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	10,400.00
Damages are a consideration: ☐ yes ☒ no Retention Value:			\$	( )
		Total Con	npensation \$	10,400.00
Other Conditions: None				
1. Taxes and Special Assessments, if any, delin payable, shall be paid by the vendor or vendor.  2. This Memorandum embodies the whole Agree conditions or obligations referring to the sub.  3. The vendor or vendors hereby agree that the interests of their life tenants, remaindermen, outstanding and said vendor or vendors agree.  4. THIS AGREEMENT shall be deemed a CON executors, administrators, legal representative Regional Chief Right-of-Way Agent on behat of the total amount of compensation hereinabove a and sufficient: ☑ Warranty Deed ☐ Easement ☐ amounting to \$ -\$0- shall be paid upon compliance.  Disbursement of funds will be made in the following Vendor or Vend	pers.  eement between the par ject matter hereof, othe compensation herein preversioners, liens and e to discharge the same. NTRACT extending to e, successors and assignlif of the Department.  Ingreed upon, the sum Temporary Const.  by the vendor or vering manner:	ties hereto as it pertains to the real estate than as contained herein. ovided to be paid includes full compens lessees, and any and all other legal and cand binding upon the parties hereto and as of the parties, only when the same share of \$10,400.00 shall be paid upon exercise Easement and/or Other, and the doors with the terms hereof.	e, and there are no ation for their inte- equitable interest the upon the respectivall have been appro-	promises, terms, rest and the nat are or may be e heirs, devisees, oved by the  ivery of a good compensation,
The Vendor or Vendors certify that there are no kn	own hazardous mate	rials on the property.		
The terms of this Agreement are understood a The Vendor occupants will be allowed a thirty be required to vacate the premises without at l	y-day rent-free peri	od after receipt of the warrant a		
DEPARTMENT OF TRANSPORTATION & PUBI	LIC FACILITIES	Vendor a	nd Vendors	
REGIONAL PRE-CONSTRUCTION ENGINEER Note: Regional Pre-Construction Engineer or Designee of construction consideration is involved	Date nust sign when		f Nome	Dete
BY:		John K. Handeland, Mayor		Date
Right-of-Way Agent	Date			
APPROVED FOR PAYMENT AS ABO	VE			
REGIONAL CHIEF RIGHT-OF-WAY AGENT Northern Region	Date			



# State of Alaska Department of Administration

### Substitute Form W-9

Questions? Email DOA.DOF. Vendor. HelpDesk@alaska.gov

#### **RETURN COMPLETED FORM TO:**

Department of Administration Division of Finance P.O. Box 110204 Juneau, AK 99811-0204 Or FAX to: (907) 465-2169

DO NOT send to IRS

### Taxpayer Identification Number (TIN) Verification

The Internal Revenue Service requires the State of Alaska to issue 1099 forms when payments to individuals, partnerships or limited liability companies for rents, services, prizes, and awards meet or exceed \$600.00 for the year. An IRS Form 1099 is not required when payments are specifically for merchandise or made to some types of corporations.

Print or Type	Please	e see attachment or reverse for complete instructions
egal Name (as shown on your income tax return)		State of Alaska Vendor Number (if known)
Business Name (if different from above) (use if doing business as (DBA) or enter business na	ume of Sole Proprietorship)	Entity Designation (check only one type) Individual / Sole Proprietor Partnership
Primary Address (for 1099 form) PO Box or Number and Street, City, State, Zip + 4		General Corporation  Medical Corporation  Legal Corporation  Limited Liability Company – Individual  Limited Liability Company – Partnership  Limited Liability Company – Corporation  Government Entity
Remit Address (where payment should be mailed, if of PO Box or Number and Street, City, State, Zip + 4	different from Primary Address)	Estate / Trust Organization Exempt from Tax - Nonprofit (under Section 501 (a)(b)(c)(d))  Exemption (See Instructions)  Exempt payee code (if any)  Exemption from FATCA Reporting
Taxpayer Identification Number (TIN) Prov	ida Only One (If sale on	Code (if any)
Social Security Number (SSN)		r Identification Number (EIN)
If Change of Ownership or Entity Designation	ion Date of C	Change:
Previous Owner / Business Name	Previous	Taxpayer Identification Number (TIN)
Under penalties of perjury, I certify that:  1. The number shown on this form is my co 2. I am not subject to backup withholding I	orrect taxpayer identification no because (a) I am exempt from subject to backup withholding onger subject to backup withh	backup withholding, or (b) I have not been notified by the g as a result of a failure to report all interest or dividends, or
4. The FATCA code(s) entered on this form	·	pt from FATCA reporting is correct.
Printed Name	Printed Title	Telephone Number
Signature	Date	Email Address

Revised 11/07/2018

# Instructions for Completing Taxpayer Identification Number (TIN) Verification (Substitute W-9) -- Page 1

#### Legal Name

As registered with the Internal Revenue Service (IRS)

- Individuals: Enter First Name MI Last Name
- Sole Proprietorships: Enter First Name MI Last Name
- LLC Single Owner: Enter owner's First Name MI Last Name
- All Others: Enter Legal Name of Business

#### **Business Name**

- Individuals: Leave blank
- Sole Proprietorships: Enter Business Name
- LLC Single Owner: Enter LLC Business Name
- All Others: Complete only if doing business as a DBA

#### **Primary Address**

Address where 1099 tax form should be mailed.

#### **Remit Address**

Address where payment should be mailed. Complete only if different from primary address.

#### State of Alaska Vendor Number

Your vendor number is an eight character alphanumeric code assigned to your company in the State of Alaska's accounting system. You may contact us at the email address listed on the form if you do not know your vendor number.

#### **Entity Designation**

Check ONE box which describes the type of business entity.

#### **Taxpayer Identification Number**

LIST ONLY ONE: Social Security Number OR Employer Identification Number. See "What Name and Number to Give the Requester" at right.

If you do not have a TIN, apply for one immediately. Individuals use federal form SS-05 which can be obtained from the Social Security Administration. Businesses and all other entities use federal form SS-04 which can be obtained from the Internal Revenue Service.

#### Change of Ownership or Entity Designation

This information is requested to allow taxable income to be reported correctly for both the new and old entities.

#### **Certification**

You must cross out item 2 if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN.

#### **Privacy Act Notice**

Section 6109 of the Internal Revenue Code requires you to furnish your correct TIN to persons who must file information

returns with the IRS to report interest, dividends, and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of secured property, or contributions you made to an IRA. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. You must provide your TIN whether or not you are required to file a tax return. Payers must generally withhold 24% of taxable interest, dividend, and certain other payments to a payee who does not furnish a TIN to a payer. Certain penalties may also apply.

What Name and Number to Give the Requester

For this type of account:	Give name and SSN of:
Individual	The individual
Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account <sup>1</sup>
Custodian account of a minor (Uniform Gift to Minors Act)	The minor <sup>2</sup>
The usual revocable savings trust (grantor is also trustee)	The grantor-trustee <sup>1</sup>
So-called trust account that is not a legal or valid trust under state law	The actual owner <sup>1</sup>
Sole proprietorship or Single- Owner LLC	The owner <sup>1</sup>
For this type of account:	Give name and EIN of:
Sole Proprietorship or Single- Owner LLC	The owner <sup>3</sup>
A valid trust, estate, or pension trust	Legal entity <sup>4</sup>
Corporation or LLC electing corporate status on Form 8832	The corporation
Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
Partnership or multi-member LLC	The partnership
A broker or registered nominee	The broker or nominee
Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district or prison) that receives agricultural program payments	The public entity

<sup>&</sup>lt;sup>1</sup> List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

**Note:** If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

<sup>&</sup>lt;sup>2</sup> Circle the minor's name and furnish the minor's SSN.

<sup>&</sup>lt;sup>3</sup> You must show your individual name, but you may also enter your business or "DBA" name. You may use either your SSN or EIN (if you have one).

<sup>&</sup>lt;sup>4</sup>List first and circle the name of the legal trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.)

# Instructions for Completing Taxpayer Identification Number (TIN) Verification (Substitute W-9) -- Page 2

#### **Exemptions**

If you are exempt from backup withholding and/or Foreign Account Tax Compliance Act (FATCA) reporting, enter in the Exemptions box any code(s) that may apply to you. See **Exempt payee code** and **Exemption from FATCA reporting code** below.

#### Exempt payee code

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends. Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.

**Note.** If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

The following codes identify payees that are exempt from backup withholding:

- 1. An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2)
- 2. The United States or any of its agencies or instrumentalities
- 3. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities
- 4. A foreign government or any of its political subdivisions, agencies, or instrumentalities
- 5. A corporation
- 6. A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States
- 7. A futures commission merchant registered with the Commodity Futures Trading Commission
- 8. A real estate investment trust
- 9. An entity registered at all times during the tax year under the Investment Company Act of 1940
- 10. A common trust fund operated by a bank under section 584(a)
- 11. A financial institution
- 12. A middleman known in the investment community as a nominee or custodian
- 13. A trust exempt from tax under section 664 or described in section 4947

#### Exemption from FATCA reporting code

The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements.

- A. An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)
- B. The United States or any of its agencies or instrumentalities
- C. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities
- D. A corporation the stock of which is regularly traded on one or more established securities markets, as described in Reg. section 1.1472-1(c)(1)(i)
- E. A corporation that is a member of the same expanded affiliated group as a corporation described in Reg. section 1.1472-1(c)(1)(i)
- F. A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state
- G. A real estate investment trust
- H. A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940
- I. A common trust fund as defined in section 584(a)
- J. A bank as defined in section 581
- K. A broker
- L. A trust exempt from tax under section 664 or described in section 4947(a)(1)
- M. A tax exempt trust under a section 403(b) plan or section 457(g) plan



#### TEMPORARY CONSTRUCTION PERMIT

(Corporate/Partial Property)

PROJECT NAME: Northern Region ADA Improvements – Nome Steadman

<u>Street</u>

STATE PROJECT #: NFHWY00505

FEDERAL-AID PROJECT #: 0002(502)

PARCEL#: TCP-6

The GRANTOR, City of Nome, whose mailing address is P.O. Box 281, Nome, AK, 99762, for and in consideration of mutual benefits, and other valuable consideration, in hand paid, conveys and warrants to the GRANTEE, STATE OF ALASKA, DEPARTMENT OF TRANSPORTATION & PUBLIC FACILITIES, whose mailing address is 2301 Peger Road, Fairbanks, Alaska 99709, its agents or contractors, during the period of construction of the above-referenced project, permission to enter upon the following-described tract of land:

See attached parcel plat;

for the purpose of making the following alterations and changes:

To match grade of the Grantor's property with that of the newly constructed project improvement.

#### Other provisions:

	State of Alaska, shall leav been completed.	ve said premises in a clean and presentable condition who	en said
Dated this	day of	, 2	
ATTEST:		City of Nome	
		By:	

#### CERTIFICATE OF ACCEPTANCE

The State of Alask	a, Department of	Transportation	& Public	racinues, nereby	accepts this	periiii oi	n unis
day of _		, 2					

#### DEPARTMENT OF TRANSPORTATION & PUBLIC FACILITIES

By:		
	For the Commissioner	•



#### **WARRANTY DEED**

(Corporate/Total Property)

PROJECT NAME: <u>Northern Region ADA</u> <u>Improvements – Nome Steadman Street</u>

STATE PROJECT #: NFHWY00505

FEDERAL-AID PROJECT #: 0002(502)

PARCEL #: 5, 8, 11, and 14

The GRANTOR, City of Nome, whose mailing address is P.O. Box 281, Nome, AK, 99762, for and in consideration of ten dollars (\$10.00) and other valuable consideration, in hand paid, conveys and warrants to the GRANTEE, STATE OF ALASKA, DEPARTMENT OF TRANSPORTATION & PUBLIC FACILITIES, whose mailing address is 2301 Peger Road, Fairbanks, Alaska 99709, the following-described real estate, located in the State of Alaska:

#### **PARCEL 5:**

Lot 17A, Block 51A of a replat of Nome Townsite, according to the plat filed October 27, 1983 as Plat No. 83-32; Records of the Nome Recording District, Second Judicial District, State of Alaska.

**AND** 

#### **PARCEL 8:**

A portion of Lot 30A, Block 65A, Nome Townsite, according to the plat filed October 21, 1983 as Plat No. 83-29; Records of the Nome Recording District, Second Judicial District, State of Alaska, more particularly described as follows:

Commencing at the northeastern corner of Lot 28A, Block 65A; thence along the easterly boundary of Block 65A South 21°47′18" West a distance of 70.01 feet along said boundary to the TRUE POINT OF BEGINNING; thence South 21°47′18" West a distance of 39.18 feet along same boundary; thence South 22°14′49" West a distance of 27.42 feet; thence away from said boundary North 69°28′21" West a distance of 18.56 feet; thence North 24°53′10" East a distance of 67.86 feet; thence South 65°21′56" East a distance of 15.13 feet to the Eastern most boundary of Block 65A and the TRUE POINT OF BEGINNING.

**AND** 

#### PARCEL 11:

A portion of Lot 29A, Block 65A, Nome Townsite, according to the plat filed October 21, 1983 as Plat No. 83-29; Records of the Nome Recording District, Second Judicial District, State of Alaska, more particularly described as follows:

Commencing at the northeastern most corner of Lot 28A, Block 65A; thence along the easterly boundary of Block 65A South 21°47'18" West a distance of 45.00 feet to the TRUE POINT OF BEGINNING; thence along same boundary South 21°47'18" West a distance of 25.00 feet; thence away from said boundary North 65°21'56" West a distance of 15.13 feet; thence North 24°53'10" East a distance of 24.92 feet; thence South 65°35'30" East a distance of 13.77 feet to the Eastern most boundary of Block 65A and the TRUE POINT OF BEGINNING.

**AND** 

#### PARCEL 14:

A portion of Lot 28A, Block 65A, Nome Townsite, according to the plat filed October 21, 1983 as Plat No. 83-29; Records of the Nome Recording District, Second Judicial District, State of Alaska, more particularly described as follows:

Commencing at the northeastern most corner of Lot 28A, Block 65A, the TRUE POINT OF BEGINNING; thence along the easterly boundary South 21°47'18" West a distance of 45.00 feet; thence away from said boundary North 69°35'30" West a distance of 13.77 feet; thence North 24°53'10" East a distance of 44.73 feet to a brass cap on the northerly boundary of Block 65A; thence South 65°18'30" East a distance of 11.34 feet to the TRUE POINT OF BEGINNING.

Dated this	day of	, 2	
ATTEST:		City of Nome	
		By:	
		John K. Handeland, Mayor	

#### CORPORATE ACKNOWLEDGMENT

STATE OF ALASKA	) : ss
SECOND JUDICIAL DISTRICT	)
in and for the State of Alaska, perso known to me to be the identical ind acknowledged to me that they exec	, 2 before me, the undersigned, a Notary Public onally appeared John K. Handeland, Mayor of the City of Nome, lividual(s) who executed the foregoing instrument, and they uted the same as the free and voluntary act of said company, with full owledge of its contents, for the uses and purposes therein mentioned.
IN WITNESS WHEREOF, year above written.	, I have hereunto set my hand and affixed my official seal the day and
[NOTARY SEAL]	
	Notary Public in and for the State of Alaska My Commission Expires:
C	ERTIFICATE OF ACCEPTANCE
TRANSPORTATION & PUBLI	at the STATE OF ALASKA, DEPARTMENT OF IC FACILITIES, Grantee herein, acting by and through its or public purposes the real property, or interest therein, described to the recordation thereof.
IN WITNESS WHEREOF, 2	, I have hereunto set my hand this day of,
DE	EPARTMENT OF TRANSPORTATION & PUBLIC FACILITIES
Ву	
	For the Commissioner
Filed for Record at the Request of and R State of Alaska DOT&PF – Right of Way Dept. 2301 Peger Road, MS 2553 Fairbanks, AK 99709-5399	eturn to:



#### WAIVER VALUATION

PROJECT NAME: NORTHERN REGION ADA
IMPROVEMENTS NOME: STEADMAN STREET

IRIS PROGRAM #: NFHWY00505

FEDERAL-AID PROJECT #: 0002(502)

PARCEL #: 5

For acquisitions of \$25,000 or less for a federal-aid highway project, \$10,000 or less for a federal aviation project, and \$50,000 or less for a state-funded project.

Name of Owner: <u>City of Nome</u>
Location of Property: NHN Steadman Street, west side of Steadman Street north of Third Ave. (Tax ID 001.232.03)
Present Use: Vacant
Date of Inspection: 2021 Name of Inspector: DOT&PF
Zoning: Residential
Highest & Best Use: Residential
ACQUISITION AREA:
Fee X Easement Temporary Construction Easement
Property Size (before): 492 sq. ft.
Area to be Acquired: 492 sq. ft.
Area of Remainder: 0 sq. ft.

**Description of Acquisition:** Parcel 5 is a small, rectangle parcel of land which is legally described as the Lot 17A, Block 51A, Nome Townsite. Plat 83-32. This property is small in shape, essentially level and at-grade, and has good visibility and access via Steadman Street. A fee simple interest is being acquired for the purpose of constructing and maintaining road improvements. There appear to be no improvements located in the acquisition area.

Value Analysis: The subject is valued as raw, vacant land available for the highest and best use. The direct sales comparison approach is the preferred method for estimating the market value of land when sufficient sales are available. A search of comparable sales was conducted and land sales with similar use, size and location were analyzed. The comparable sales selected are representative of market activity in the Nome area involving properties with characteristics similar to those of the subject property. The indicated range of value for land with characteristics, such as size and land use of the subject is most similar to the sales ranging from \$3.57/sq. ft. to \$6.60/sq. ft. Among these, the subject is most similar to the sales in the lower side of the range. Therefore, the indicated market value of the subject is estimated to be \$4.00/sq. ft.

**Calculations:** Fee Simple: 492 sq. ft. X \$4.00/sq. ft. = \$1,968.00

ESTIMATED VALUE OF ACQUISITION (minimum: \$1,000): \$2,000.00 (rd.)

We certify that we have no direct, indirect, present, or prospective interest in this property; that we have no personal interest or bias with respect to any party involved; and that we will not benefit in any way from the acquisition of this property.

Date of Estimate:	February 8, 2023	Estimator: Crystal Haman, ROW Agent III
Date Approved:	2/27/2023	Northern Region ROW Chief: Barry Hooper, P.E.



#### PHOTOGRAPHIC SHEET

PROJECT NAME: NORTHERN REGION ADA
IMPROVEMENTS NOME: STEADMAN STREET

IRIS PROGRAM #: NFHWY00505

FEDERAL-AID PROJECT #: 0002(502)

PARCEL #: 5



Description: Parcel 5, far side of road behind sidewalk, West 3rd in front, Steadman to right.

Direction: Looking north along Steadman St Photos Taken By: DOT&PF Date: 2021



Description: Parcel 5, right side of road behind sidewalk, Steadman St. to left.

Direction: Looking south along Steadman St Photos Taken By: DOT&PF Date: 2021

### STATE OF ALASKA DEPARTMENT OF TRANSPORTATION & PUBLIC FACILITIES RIGHT OF WAY REQUIRED 0002(502)/NFHWY00505 NORTHERN REGION ADA IMPROVEMENTS NOME: STEADMAN STREET ÉAST TOBUK ALLEY K.R. M. SEC. 25 & 26 SEC. 35 & 36 KING PLACE 4TH EAS KING' PLACE EAS STATE OF ALASKA RIGHT OF WAY REQUIRED FOR DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES NORTHERN REGION ADA IMPROVEMENTS NOME: STEADMAN STREET **EXHIBIT A** PROJECT NO. 0002(502)/NFHWY00505 DRAWING

AREA \_\_\_

SCALE\_\_\_

<u>1\_\_</u>0F\_<u>\_2</u>

DATE

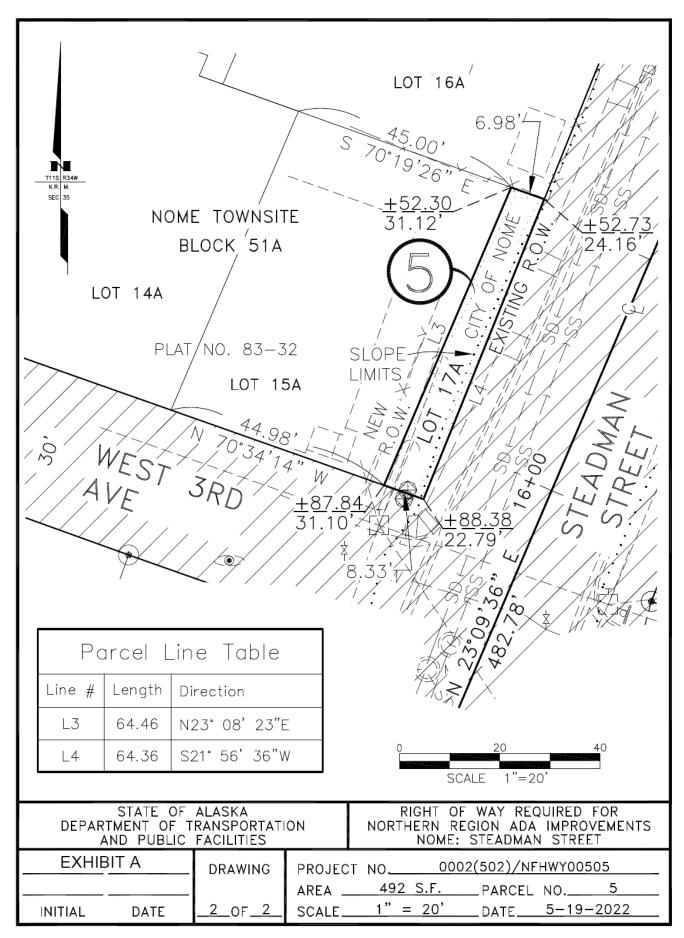
INITIAL

Steadman Street	t - Parcel 5	

492 S.F. PARCEL NO.\_\_\_\_

1" = 200' DATE 5-19-2022

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#### **WAIVER VALUATION**

PROJECT NAME: NORTHERN REGION ADA
IMPROVEMENTS NOME: STEADMAN STREET

IRIS PROGRAM #: NFHWY00505

FEDERAL-AID PROJECT #: 0002(502)

PARCEL #: 8

For acquisitions of \$25,000 or less for a federal-aid highway project, \$10,000 or less for a federal aviation project, and \$50,000 or less for a state-funded project.

Name of Owner: <u>City of Nome</u>
Location of Property: NHN Steadman Street, west side of Steadman Street north of King Place
Present Use: <u>Vacant</u>
Date of Inspection: 2021 Name of Inspector: DOT&PF
Zoning: Residential
Highest & Best Use: Residential
ACQUISITION AREA:
Fee X Easement Temporary Construction Easement
Property Size (before): 1,135 sq. ft.
Area to be Acquired: 1,135 sq. ft.
Area of Remainder: 0 sq. ft.

**Description of Acquisition:** Parcel 8 is a small, rectangle parcel of land which is legally described as Lot 30A, Block 65A, Nome Townsite. Plat 83-29. This property is small in shape, essentially level and at-grade, and has good visibility and access via Steadman Street. A fee simple interest is being acquired for the purpose of constructing and maintaining road improvements. There appear to be no improvements located in the acquisition area.

**Value Analysis:** The subject is valued as raw, vacant land available for the highest and best use. The direct sales comparison approach is the preferred method for estimating the market value of land when sufficient sales are available. A search of comparable sales was conducted and land sales with similar use, size and location were analyzed. The comparable sales selected are representative of market activity in the Nome area involving properties with characteristics similar to those of the subject property. The indicated range of value for land with characteristics, such as size and land use of the subject is most similar to the sales ranging from \$3.57/sq. ft. to \$6.60/sq. ft. Among these, the subject is most similar to the sales in the lower side of the range. Therefore, the indicated market value of the subject is estimated to be \$4.00/sq. ft.

**Calculations:** Fee Simple: 1,135 sq. ft. X \$4.00/sq. ft. = \$4,540.00

ESTIMATED VALUE OF ACQUISITION (minimum: \$1,000): \$4,600.00 (rd.)

We certify that we have no direct, indirect, present, or prospective interest in this property; that we have no personal interest or bias with respect to any party involved; and that we will not benefit in any way from the acquisition of this property.

Date of Estimate: _	February 8, 2023	Estimator: Crystal Haman, ROW Agent III
Date Approved:	2/27/2023	Northern Region ROW Chief: Barry Hooper, P.E.



#### PHOTOGRAPHIC SHEET

PROJECT NAME: NORTHERN REGION ADA IMPROVEMENTS NOME: STEADMAN STREET

IRIS PROGRAM #: NFHWY00505

FEDERAL-AID PROJECT #: 0002(502)

PARCEL #: 8



Description: Parcel 8, left side of road behind sidewalk. Steadman St. at right.

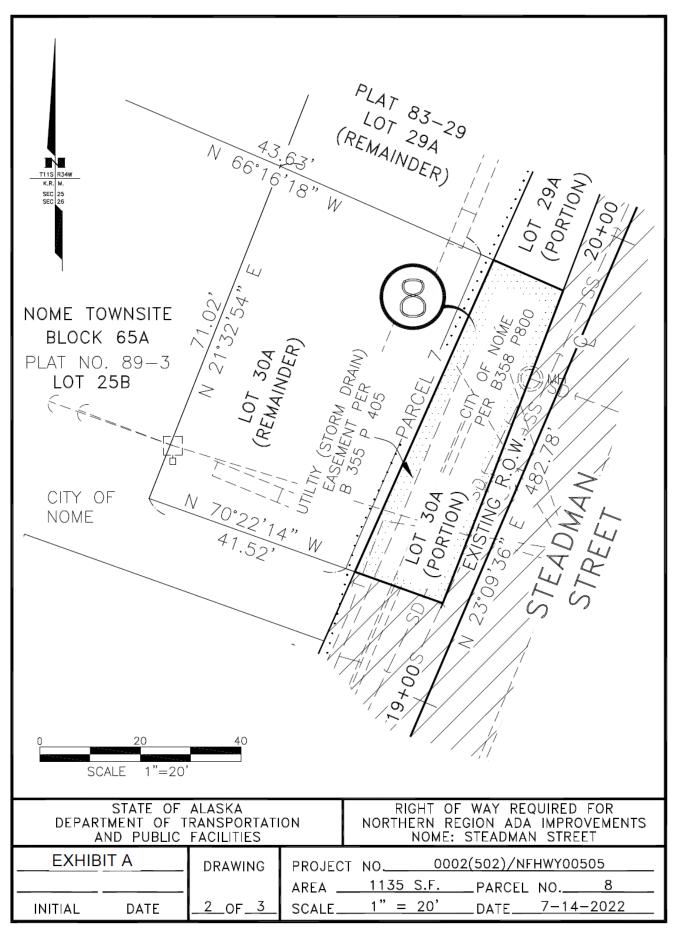
Direction: Looking north along Steadman St Photos Taken By: DOT&PF Date: 2021

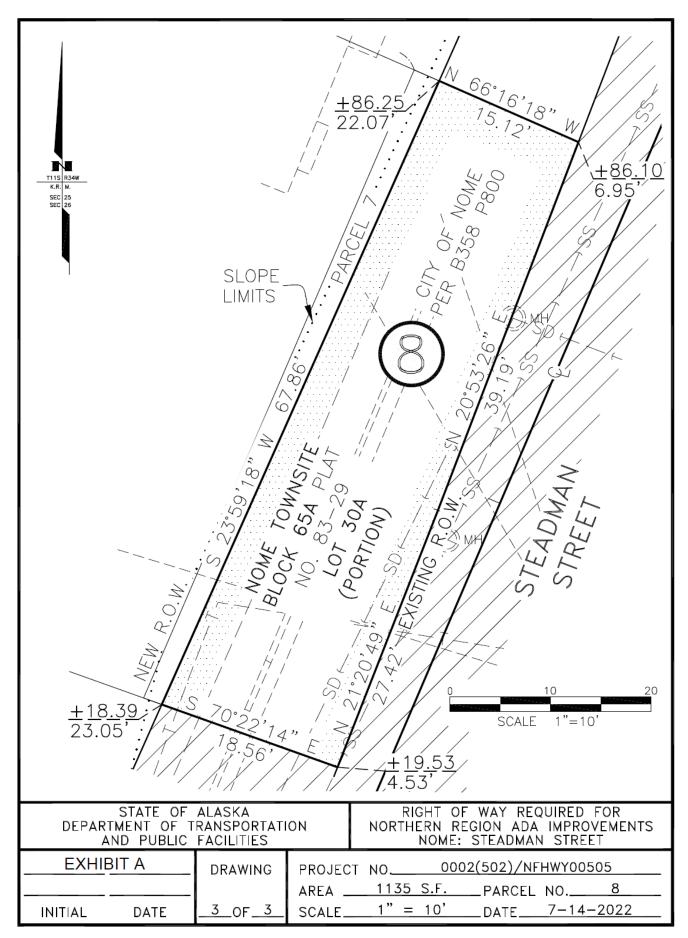


Description: Parcel 8, far side of road behind sidewalk, Steadman St. in front.

Direction: Looking west along Steadman St Photos Taken By: DOT&PF Date: 2021

### STATE OF ALASKA DEPARTMENT OF TRANSPORTATION & PUBLIC FACILITIES RIGHT OF WAY REQUIRED 0002(502)/NFHWY00505 NORTHERN REGION ADA IMPROVEMENTS NOME: STEADMAN STREET EAST TOBUK ALLEY-K.R. M. SEC. 26 & 25 SEC. 35 & 36 KING PLACE 4TL EAS KING' PLACÉ EAS STATE OF ALASKA RIGHT OF WAY REQUIRED FOR DEPARTMENT OF TRANSPORTATION NORTHERN REGION ADA IMPROVEMENTS AND PUBLIC FACILITIES NOME: STEADMAN STREET **EXHIBIT A** PROJECT NO\_\_\_\_\_0002(502)/NFHWY00505 DRAWING 1135 S.F. PARCEL NO. 8 AREA \_\_\_ 1" = 200' DATE 7-14-2022SCALE\_ INITIAL DATE <u>1\_or\_3</u>







#### WAIVER VALUATION

PROJECT NAME: NORTHERN REGION ADA
IMPROVEMENTS NOME: STEADMAN STREET

IRIS PROGRAM #: NFHWY00505

FEDERAL-AID PROJECT #: 0002(502)

PARCEL#: 11

For acquisitions of \$25,000 or less for a federal-aid highway project, \$10,000 or less for a federal aviation project, and \$50,000 or less for a state-funded project.

Name of Owner: <u>City of Nome</u>
Location of Property: NHN Steadman Street, west side of Steadman Street north of King Place
Present Use: <u>Vacant</u>
Date of Inspection: 2021 Name of Inspector: DOT&PF
Zoning: Residential
Highest & Best Use: Residential
ACQUISITION AREA:
Fee X Easement Temporary Construction Easement
Property Size (before): 361 sq. ft.
Area to be Acquired: 361 sq. ft.
Area of Remainder: 0 sq. ft.

**Description of Acquisition:** Parcel 11 is a small, rectangle parcel of land which is legally described as the Lot 29A, Block 65A, Nome Townsite. Plat 83-29. This property is small in shape, essentially level and at-grade, and has good visibility and access via Steadman Street. A fee simple interest is being acquired for the purpose of constructing and maintaining road improvements. There appear to be no improvements located in the acquisition area.

**Value Analysis:** The subject is valued as raw, vacant land available for the highest and best use. The direct sales comparison approach is the preferred method for estimating the market value of land when sufficient sales are available. A search of comparable sales was conducted and land sales with similar use, size and location were analyzed. The comparable sales selected are representative of market activity in the Nome area involving properties with characteristics similar to those of the subject property. The indicated range of value for land with characteristics, such as size and land use of the subject is most similar to the sales ranging from \$3.57/sq. ft. to \$6.60/sq. ft. Among these, the subject is most similar to the sales in the lower side of the range. Therefore, the indicated market value of the subject is estimated to be \$4.00/sq. ft.

**Calculations:** Fee Simple: 361 sq. ft. X \$4.00/sq. ft. = \$1,444.00

ESTIMATED VALUE OF ACQUISITION (minimum: \$1,000): \$1,500.00 (rd.)

We certify that we have no direct, indirect, present, or prospective interest in this property; that we have no personal interest or bias with respect to any party involved; and that we will not benefit in any way from the acquisition of this property.

Date of Estimate:	February 8, 2023	Estimator: Crystal Haman, ROW Agent III
Date Approved:	2/27/2023	Northern Region ROW Chief: Barry Hooper, P.E.



#### PHOTOGRAPHIC SHEET

PROJECT NAME: NORTHERN REGION ADA
IMPROVEMENTS NOME: STEADMAN STREET

IRIS PROGRAM #: NFHWY00505

FEDERAL-AID PROJECT #: 0002(502)

PARCEL #: 11



Description: Parcel 11, left side of road behind sidewalk. Steadman St. at right.

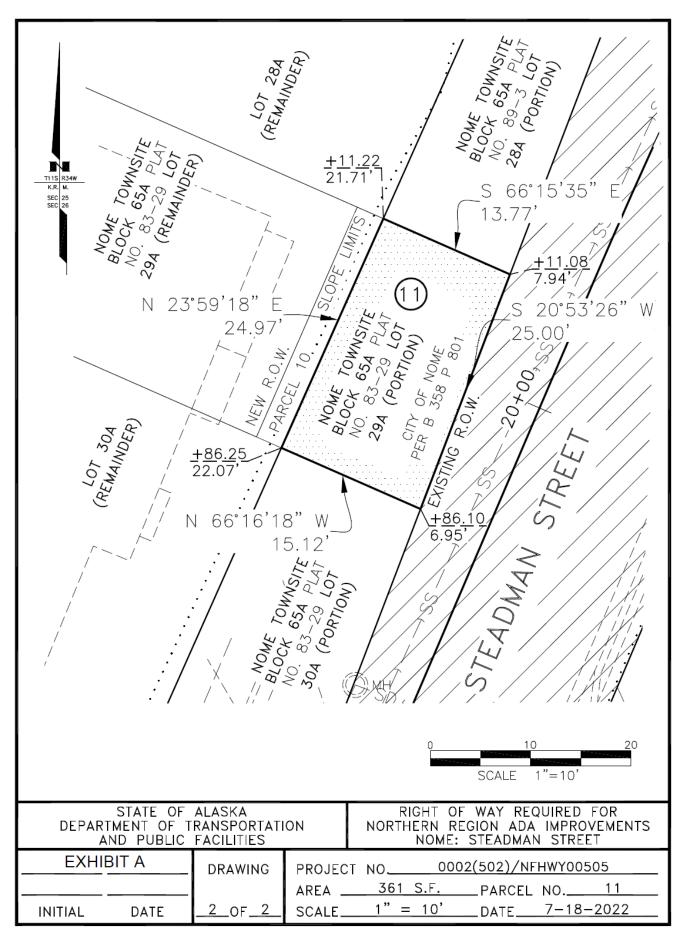
Direction: Looking north along Steadman St Photos Taken By: DOT&PF Date: 2021



Description: Parcel 11, far side of road behind sidewalk, Steadman St. in front.

Direction: Looking west along Steadman St Photos Taken By: DOT&PF Date: 2021

### STATE OF ALASKA DEPARTMENT OF TRANSPORTATION & PUBLIC FACILITIES RIGHT OF WAY REQUIRED 0002(502)/NFHWY00505 NORTHERN REGION ADA IMPROVEMENTS NOME: STEADMAN STREET ÉAST TOBUK ALLEY K.R. M. SEC. 26 & 25 SEC. 35 & 36 KING EAST PLACE 4TH EAS 3KD KING' PLACE EAS RIGHT OF WAY REQUIRED FOR STATE OF ALASKA DEPARTMENT OF TRANSPORTATION NORTHERN REGION ADA IMPROVEMENTS AND PUBLIC FACILITIES NOME: STEADMAN STREET **EXHIBIT A** PROJECT NO. 0002(502)/NFHWY00505 DRAWING 361 S.F. PARCEL NO. 11 AREA \_ 1" = 200'.DATE\_\_\_\_7-18-2022 <u>1\_0F\_2</u> SCALE\_ INITIAL DATE





#### WAIVER VALUATION

PROJECT NAME: NORTHERN REGION ADA
IMPROVEMENTS NOME: STEADMAN STREET

IRIS PROGRAM #: NFHWY00505

FEDERAL-AID PROJECT #: 0002(502)

PARCEL #: 14

For acquisitions of \$25,000 or less for a federal-aid highway project, \$10,000 or less for a federal aviation project, and \$50,000 or less for a state-funded project.

Name of Owner: <u>City of Nome</u>
Location of Property: NHN Steadman Street, west side of Steadman Street north of King Place
Present Use: <u>Vacant</u>
Date of Inspection: 2021 Name of Inspector: DOT&PF
Zoning: Residential
Highest & Best Use: Residential
ACQUISITION AREA:
Fee X Easement Temporary Construction Easement
Property Size (before): <u>564 sq. ft.</u>
Area to be Acquired: 564 sq. ft.
Area of Remainder: 0 sq. ft.

**Description of Acquisition:** Parcel 14 is a small, rectangle parcel of land which is legally described as the Lot 28A, Block 65A, Nome Townsite. Plat 83-29. This property is small in shape, essentially level and at-grade, and has good visibility and access via Steadman Street. A fee simple interest is being acquired for the purpose of constructing and maintaining road improvements. There appear to be no improvements located in the acquisition area.

**Value Analysis:** The subject is valued as raw, vacant land available for the highest and best use. The direct sales comparison approach is the preferred method for estimating the market value of land when sufficient sales are available. A search of comparable sales was conducted and land sales with similar use, size and location were analyzed. The comparable sales selected are representative of market activity in the Nome area involving properties with characteristics similar to those of the subject property. The indicated range of value for land with characteristics, such as size and land use of the subject is most similar to the sales ranging from \$3.57/sq. ft. to \$6.60/sq. ft. Among these, the subject is most similar to the sales in the lower side of the range. Therefore, the indicated market value of the subject is estimated to be \$4.00/sq. ft.

**Calculations:** Fee Simple: 564 sq. ft. X \$4.00/sq. ft. = \$2,256.00

ESTIMATED VALUE OF ACQUISITION (minimum: \$1,000): \$2,300.00 (rd.)

We certify that we have no direct, indirect, present, or prospective interest in this property; that we have no personal interest or bias with respect to any party involved; and that we will not benefit in any way from the acquisition of this property.

Date of Estimate:	February 8, 2023	Estimator Crystal Haman, ROW Agent III
Date Approved:	2/27/2023	Northern Region ROW Chief: Barry Hooper, P.E.



#### PHOTOGRAPHIC SHEET

PROJECT NAME: NORTHERN REGION ADA
IMPROVEMENTS NOME: STEADMAN STREET

IRIS PROGRAM #: NFHWY00505

FEDERAL-AID PROJECT #: 0002(502)

PARCEL #: 14



Description: Parcel 14, far side of road behind sidewalk, Steadman St. in front 4th Ave, to ri.

Direction: Looking west along Steadman St Photos Taken By: DOT&PF Date: 2021

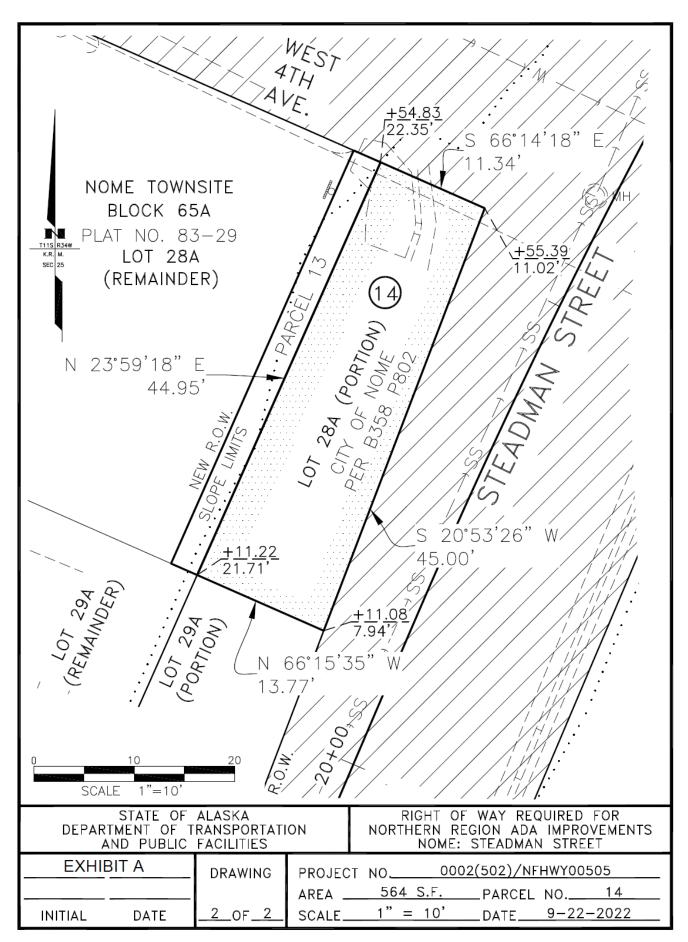


Description: Parcel 14, far side of road 4th Ave. in front, Steadman St. to left.

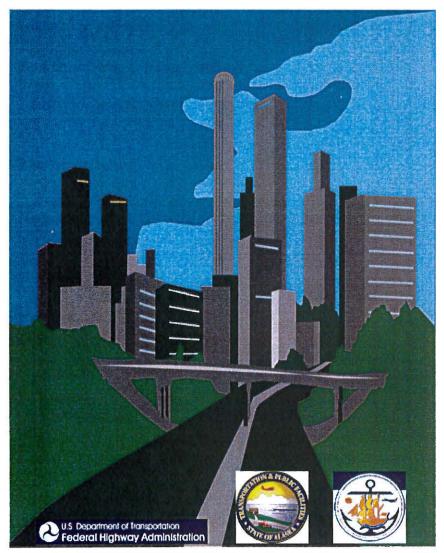
Direction: Looking south along 4<sup>th</sup> Ave. Photos Taken By: DOT&PF Date: 2021

25A-R430 (Rev 03/10/03) Steadman Street - Parcel 14 Page 3 of 5

### STATE OF ALASKA DEPARTMENT OF TRANSPORTATION & PUBLIC FACILITIES RIGHT OF WAY REQUIRED 0002(502)/NFHWY00505 NORTHERN REGION ADA IMPROVEMENTS NOME: STEADMAN STREET ÉAST TOBUK ALLEY T11S R34W K.R. M. SEC. 26 & 25 SEC. 35 & 36 KING EAST PLACE 4TH EAS 3RD KING' PLACE EAS RIGHT OF WAY REQUIRED FOR STATE OF ALASKA DEPARTMENT OF TRANSPORTATION NORTHERN REGION ADA IMPROVEMENTS AND PUBLIC FACILITIES NOME: STEADMAN STREET **EXHIBIT A** PROJECT NO 0002(502)/NFHWY00505 DRAWING 564 S.F. AREA \_ \_\_\_PARCEL\_NO.\_\_\_\_\_<u>14</u> 1" = 200' .DATE\_\_\_\_9-22-2022 <u>1\_0F\_2</u> SCALE\_ INITIAL DATE



# Acquiring Real Property for Federal and Federal-Aid Programs and Projects



Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 as Amended. Modified specifically for Alaska. Revised June 2005

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### INTRODUCTION

Government agencies often need to acquire private property for public programs or projects. This kind of acquisition has long been recognized as a right of organized government and is known as "the power of eminent domain." However, our governments cannot abuse this power. The Fifth Amendment of our Constitution states that private property shall not "be taken for public use, without just compensation." The Fourteenth Amendment provides comparable protection against abuse by State governments.

This brochure explains the rights and benefits of property owners whose real property is to be acquired, in whole or in part, for a federally funded program or project.

The Fifth and Fourteenth Amendments were written when our country had a largely rural population and most of the land affected by public improvement projects was undeveloped. The picture has changed dramatically today. Large urban regions with highly developed land areas and extremely dense populations are now the rule and not the exception.

Since 1971, the acquisition of land for a variety of government programs and projects has been subject to the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (the Uniform Act). The Uniform Act provides for fair and equitable treatment of persons whose property will be acquired or who will be displaced because of programs or projects financed with Federal funds. Congress amended and updated the Uniform Act in 1987.

The Uniform Act has three parts or Titles. Title I contains general provisions and definitions. Title II has provisions for relocation assistance for persons displaced because of Federal and federally assisted programs. Title III, the Uniform Real Property

Acquisition Policy, has provisions for consistent treatment of owners when their property is acquired by the Government. This brochure explains the acquisition procedures required by Title III.

All Federal, State, and local public agencies (and others receiving Federal financial assistance for public programs and projects requiring the acquisition of real property) must comply with the policies and provisions set forth in the Uniform Act and its amendments. The rules for the Uniform Act were first published in the Federal Register of March 2, 1989. The rules are reprinted each year in the Code of Federal Regulations, Title 49, Part 24.

The rules provide uniform policy and procedures for the acquisition of real property by all Federal, State, and local government agencies (and by certain private persons) who receive financial assistance for any program or project from the United States Government. The acquisition itself does not need to be federally funded for the rules to apply. If Federal funds are used in any phase of the program or project, the rules of the Uniform Act apply. The rules encourage acquiring agencies to negotiate with property owners in a prompt and amicable manner so that litigation can be avoided.

This brochure is consistent with the rules of the Uniform Act for appraisal and acquisition. These rules assure property owners that their interests will be protected. All Agencies acquiring real property for federally funded projects and programs are required to ensure that you will be treated fairly and equitably. The information in this brochure should assist you in understanding the requirements that must be met by Agencies and your rights and obligations.

### **IMPORTANT DEFINITIONS**

ACQUISITION - The process of acquiring real property (real estate) or some interest therein. See the definition of real property.

AGENCY - A governmental organization (either Federal, State, or local) or a nongovernmental organization (such as a utility company, or a private person using Federal financial assistance for a program or project) that acquires real property or displaces a person.

APPRAISAL - The act or process of estimating the monetary value of an interest in property. The appraisal is to be independent and impartial and prepared by a qualified appraiser. It must set forth an opinion of defined value for an adequately described property. The value will be assigned as of a specific date and will be supported by the presentation and analysis of relevant market data. The term appraisal is also frequently used as a synonym for the written appraisal report.

CONDEMNATION - The legal process of acquiring private property for public use or purpose through the acquiring agency's power of eminent domain. Condemnation is usually not used until all attempts to reach a mutually satisfactory agreement through negotiations have failed. An acquiring agency then goes to court to acquire the needed property.

EASEMENT - In general, the right of one person to use all or part of the property of another person for some specific purpose. Easements can be permanent or temporary (i.e., limited to a stated period of time). The term may be used to describe either the right itself or the document conferring the right.

EMINENT DOMAIN - The right of a government to take private property for public use. In the United States, just compensation must be paid for private property acquired for federally funded programs or projects.

FAIR MARKET VALUE - The sale price that a willing and informed seller and a willing and informed buyer can agree to for a particular property.

INTEREST - A right, title, or legal share in something. People who share in the ownership of real property have an interest in the property.

JUST COMPENSATION - The price an Agency must pay to acquire real property. The price offered by the Agency is considered to be fair and equitable to both the property owner and the public. The Agency's offer to the owner is "just compensation" and may not be less than the amount established in the approved appraisal report as the fair market value for the property. If it becomes necessary for the acquiring Agency to use the condemnation process, the amount paid through the court will be just compensation for the acquisition of the property.

LIEN - A charge against a property in which the property is the security for payment of a debt. A mortgage is a lien. So are taxes. Customarily, liens must be paid in full when the property is sold.

NEGOTIATIONS - The process used by acquiring agencies to reach amicable agreements with property owners for the acquisition of needed property. An offer is made for the purchase of property in person or by mail, and the offer is discussed with the owner.

PERSON - Any individual, partnership, corporation, or association.

PERSONAL PROPERTY - In general, property that can be moved. It is not permanently attached to, or a part of, the real property. Personal property is not to be considered in the appraisal of real property.

PROGRAM OR PROJECT - Any activity or series of activities undertaken by a Federal Agency. Also, any activity undertaken by a State, local Agency, or individual where Federal financial assistance is used in any phase of the activity.

QUALIFIED APPRAISER - A person who, by education, experience, ability, and licensing or certification requirements is capable of preparing an appraisal of a particular piece of real estate.

REAL PROPERTY - The interest, rights, and benefits that go along with the ownership of real estate, which is the land and the improvements thereon.

### PROPERTY APPRAISAL AND THE DETERMINATION OF JUST COMPENSATION

#### PROPERTY APPRAISAL

An Agency normally determines what specific property needs to be acquired for a public project or program only after the project has been planned and government requirements have been met. The Agency will also review public records and other information about property in the area.

You, the property owner, will be notified as soon as possible of (1) the Agency's interest in acquiring your property, (2) the Agency's obligation to secure any necessary appraisals, and (3) any other useful information.

When a government agency begins to acquire private property for public use, the first personal contact with you, the property owner, should be no later than during the appraisal of the property.

An appraiser will then contact you to make an appointment to inspect your property. The appraiser is responsible for determining the initial fair market value of the property. The Agency will use the appraiser's report to establish the just compensation to be offered for the property.

You, or any representative that you designate, will be invited to accompany the appraiser when the property is inspected. This provides you an opportunity to point out any unusual or hidden features of the property that the appraiser could overlook. At this time, you should also advise the appraiser if any of the following conditions exist:

(1) There are other owners. (2) There are tenants on the property. (3) There are, on your property, items of real or personal property that belong to someone else.

It would also be helpful to tell the appraiser about other properties in your area that have recently sold

The appraiser will inspect your property and note its physical characteristics. He or she will review sales of other properties similar to yours in order to compare the facts of those sales with the facts about your property. The appraiser will analyze all elements that affect value.

By law, the appraiser must disregard the influence of the future public project on the value of the property. However, the appraiser must consider normal depreciation and physical deterioration that has taken place.

The appraisal report will describe your property and the Agency will determine a value based on the condition of the property on the day that the appraiser last saw it, as compared with other similar properties that have sold.

#### JUST COMPENSATION

Once the appraisal has been completed, a review appraiser from the Agency will review the report to ensure that all applicable appraisal standards and requirements were met. The review appraiser will give the Agency an approved appraisal to use in determining the amount of just compensation to be offered for your real property. This amount will never be less than the fair market value established by the approved appraisal.

If the Agency is only acquiring a part of your property, any allowable damages or benefits to the remaining property will be included in this amount. The Agency will prepare a written offer of just compensation to provide to you when negotiations begin.

#### **BUILDINGS, STRUCTURES AND IMPROVEMENTS**

Sometimes buildings, structures, or other improvements considered to be real property are located on the property to be acquired. If this is the case, the Agency must offer to acquire such buildings, structures, or other improvements if they must be removed or if the Agency decides that the improvements will be adversely affected by the public program or project. When an improvement can be considered real property (if owned by the owner of the real property on which it is located) then this improvement will be treated as real property.

### TENANT-OWNED BUILDINGS, STRUCTURES AND IMPROVEMENTS

Sometimes, tenants lease real property and build or add improvements for their use. Frequently, they have the right or obligation to remove the improvements at the expiration of the lease term. If, under State law, the improvements are considered to be real property, the Agency must make an offer to the tenants to acquire these improvements.

In order to be paid for these improvements, the tenant-owner must assign, transfer, and release to the Agency all right, title, and interest in the improvements. Also, the owner of the real property on which the improvements are located must disclaim all interest in the improvements.

Just compensation for an improvement will be the amount that the improvement contributes to the fair market value of the whole property, or its value for removal from the property (salvage value), whichever is greater.

A tenant-owner can reject payment for the tenant-owned improvements and obtain payment for his or her property interests in accordance with other applicable laws. The Agency cannot pay for tenant-owned improvements if such payment would result in the duplication of any other compensation otherwise authorized by law.

If improvements are considered personal property under State law, the tenant-owner may be reimbursed for moving them under the relocation assistance provisions. The Agency will personally contact the tenant-owners of improvements to explain the procedures to be followed. Any payments must be in accordance with Federal rules and any applicable State laws.

#### **EXCEPTIONS TO APPRAISAL REQUIREMENTS**

An appraisal is not required under the following circumstances: If you elect to donate the property and release the Agency from the obligation of performing an appraisal.

If the Agency determines that the acquisition is uncomplicated, and a review of available data supports a fair market value of \$10,000 or less. (In some States an approval has been given to use a fair market value of up to \$25,000.)

### **NEGOTIATIONS**

#### THE WRITTEN OFFER

The next step of the acquisition process is negotiations. The Agency will begin negotiations with you or your designated representative by delivering the written offer of just compensation for the purchase of the real property. If practical, this offer will be delivered in person by a representative of the Agency. Otherwise, the offer will be made by mail and followed up with a contact in person or by telephone. All owners of the property with known addresses will be contacted unless they collectively have designated one person to represent their interests.

The Agency's written offer will consist of a written summary statement that includes all of the following information:

(1) The amount offered as just compensation. (2) The description and location of the property and the interest to be acquired. (3) The identification of the buildings and other improvements that are considered to be part of the real property.

The offer may also list items of real property that you may retain and remove from the property and their retention values. If you decide to retain any or all of these items, the offer will be reduced by the value of the items retained. You will be responsible for removing the items from the property in a timely manner. The Agency may elect to withhold a portion of the remaining offer until the retained items are removed from the property. The Agency should also explain its acquisition policies

and procedures in writing, by use of a brochure similar to this, or in person.

Any separately held ownership interests in the property, such as tenantowned improvements, will be identified by the Agency.

The Agency may negotiate with each person who holds a separate ownership interest, or, if appropriate, negotiate with the primary owner and prepare a check payable jointly to all owners.

The Agency will give you a reasonable amount of time to consider the written offer and to ask questions or to request clarification of anything that is not understood. If you believe that all relevant material was not considered during the appraisal, you may present such information at this time. Modifications in the proposed terms and conditions of the purchase may also be requested. The Agency will consider any reasonable requests that are made during negotiations.

#### PARTIAL ACQUISITION

Sometimes, an Agency does not need all the property you own. The Agency usually only purchases what it needs.

If the Agency intends to acquire only a portion of the property, the Agency must state the amount to be paid for the part to be acquired. In addition, an amount will be stated separately for damages, if any, to the portion of the property you will keep.

If the Agency determines that the remainder property will have little or no value or use to you, the Agency will consider this remainder to be an uneconomic remnant and will offer to purchase it. You will have the option of accepting the offer for purchase of the uneconomic remnant or of keeping the property.

#### AGREEMENT BETWEEN YOU AND THE AGENCY

When you reach agreement with the Agency on the offer, you will be asked to sign a purchase agreement, a deed, an easement, or some other form of conveyance document prepared by the Agency. Your signatures will affirm that you and the Agency are in agreement concerning the

acquisition of the property, including the terms and conditions of the acquisition.

If you do not reach an agreement with the Agency because of some important point connected with the acquisition offer and the Agency has exhausted all its opportunities to reach a settlement with you, the Agency will initiate condemnation proceedings.

The Agency may not take any action to force you into accepting its offer. Prohibited Agency actions include the following:

- (1) Advancing the condemnation process. (2) Deferring negotiations.
- (3) Deferring condemnation. (4) Delaying the deposit of funds for the owner's use with the court when condemnation is initiated. (5) Any other coercive action designed to force an agreement by an owner regarding the price to be paid for the property.

#### NEGOTIATIONS THAT DO NOT INVOLVE CONDEMNATION

Not all agencies have the power of eminent domain or elect to use it for all projects or programs. Therefore, the acquisition procedures that may lead to condemnation will not apply.

#### **VOLUNTARY TRANSACTIONS**

Voluntary transactions do not involve condemnation; however, these transactions must meet all the following conditions:

The Agency does not need to acquire a specific site or property. In this situation, the Agency may limit its search to a particular general area, but all owners are to be treated similarly. The Agency cannot condemn to acquire any site in the area if all other offers were made as voluntary transactions.

The property is not part of an intended, planned, or designated project area where all or substantially all of the property within the area is to be acquired within specific time limits.

The Agency will not acquire the property unless an agreement is negotiated. The Agency will inform the owner in writing of this fact.

Before making an offer for the property, the Agency will inform the owner of what it believes to be fair market value for the property.

#### AGENCIES WITHOUT EMINENT DOMAIN AUTHORITY

An Agency or person without eminent domain authority must tell owners that the Agency will be unable to acquire a property if negotiations fail to result in an amicable agreement. The Agency must give the owner this information before making an offer for a property. The Agency must also inform an owner of what it believes to be the fair market value of the property.

### PAYMENT AND POSSESSION

#### **PAYMENT**

The third step in the acquisition process is payment for your property. As soon as all of the necessary paperwork has been completed for transferring title of the property, the Agency will pay any liens that may exist against the property and pay your equity to you. Your incidental expenses will also be paid or reimbursed.

Incidental expenses are all those reasonable expenses incurred as a result of transferring title to the Agency such as:

Recording fees, transfer taxes, documentary stamps, evidence of title, surveys, legal descriptions of the real property, and other similar expenses necessary to convey the property to the Agency. The Agency, however, is not required to pay costs required solely to perfect your title (that is, to assure that the title to the real property is entirely without fault or defect).

Penalty costs and other charges for prepaying any preexisting recorded mortgage entered into in good faith encumbering the real property.

The pro rata share of any prepaid real property taxes that can be allocated to the period after the agency obtains title to the property or takes possession of it, whichever is earlier.

If possible, the Agency will pay these costs directly so that you will not need to pay the costs and then claim reimbursement from the Agency.

#### **POSSESSION**

The Agency may not take possession of your property unless both of these conditions have been met:

- (1) You have been paid the agreed purchase price. In the case of condemnation, the Agency must have deposited with the court an amount for your benefit that is at least the Agency's approved appraisal of the fair market value of the property.
- (2) All persons occupying the property have received a written notice to move at least 90 days in advance of the required move. In this context, the term "persons" includes residential occupants (both homeowners and tenants), businesses (including non-profit organizations), and farms.

An occupant of a residence cannot be required to move until at least 90 days after a comparable replacement dwelling has been made ready for occupancy. Only in unusual circumstances (such as when continued occupancy would constitute a substantial danger to the health or safety of the occupants) could vacation of the property be required in less than 90 days.

# SETTLEMENTS AND CONDEMNATION

#### **SETTLEMENTS**

The Agency will make every effort to reach an agreement with you during negotiations. You may provide additional information, and make reasonable counter offers and proposals for the Agency to consider. When it is in the public interest, most agencies may use the information provided as a basis for administrative and legal settlements, as appropriate.

#### CONDEMNATION

If an agreement cannot be reached, the Agency can acquire the property by exercising its power of eminent domain. It will do this by instituting formal condemnation proceedings with the appropriate State or Federal court.

If the property is being acquired directly by a Federal Agency, the condemnation action will take place in a Federal court and Federal procedures will be followed. If the property is being acquired by anyone else that has condemnation authority, the condemnation action will take place in State court and the procedures will depend upon State law.

In many States, a board of viewers or commissioners, or a similar body, will initially determine the amount of compensation you are due for the property. You and the Agency will be allowed to present information to the court during all proceedings. If you or the Agency are dissatisfied with the board's determination of compensation, a trial by a judge or a jury may be scheduled. The final amount of just compensation will be set by the court after it has heard all arguments.

#### LITIGATION EXPENSES

Normally, the Agency will not reimburse you for costs incurred as a result of condemnation proceedings. The Agency will reimburse you, however, under any of the following conditions:

- (1) The court determines that the Agency cannot acquire your property by condemnation.
- (2) The condemnation proceedings are abandoned by the Agency without an agreed upon settlement.
- (3) You initiate an inverse condemnation action and the court agrees with you that the Agency has taken your real property rights without the payment of just compensation, or the Agency elects to settle the case without further legal action.

The Agency may also be subject to State laws that require reimbursement for these or other condemnation costs.

### REQUIRED ASSURANCES OR CERTIFICATIONS

Any Agency receiving Federal financial assistance for a program or project must assure or certify to the Federal Agency providing funds that in acquiring real property it agrees to the following:

The Agency will comply with the land acquisition policies in the regulations governing real property acquisitions (49 CFR PART 24) to the greatest extent practical under State law. Nearly all the States can comply with all of the regulations.

The Agency will pay or reimburse property owners for the incidental expenses needed to transfer real property to the Agency. In addition, the Agency will pay a property owner's litigation expenses if:

(1) there is a court judgment that an Agency cannot acquire the owner's real property by condemnation, (2) the Agency abandons condemnation proceedings, or (3) the court rules in favor of the owner in an inverse condemnation proceeding.

The requirement for assurances or certification guarantees that you will be treated fairly and equitably by Agencies acquiring real property for federally funded projects and programs. The information in this brochure should assist you in understanding the requirements that must be met by Agencies, and your rights and obligations.

### A FINAL WORD

This brochure explains your rights and entitlements as an owner of real property to be acquired for a federally funded project or program. The Relocation Assistance regulations covering persons that must move from a property as a result of acquisition are explained in a brochure entitled Your Rights and Benefits as a Displaced Person Under the Federal Relocation Assistance Program. This brochure, or one like it, should be available from the Agency.

Should you have additional questions about acquisition or relocation assistance, please contact the Agency responsible for the federally funded project or program in your area.