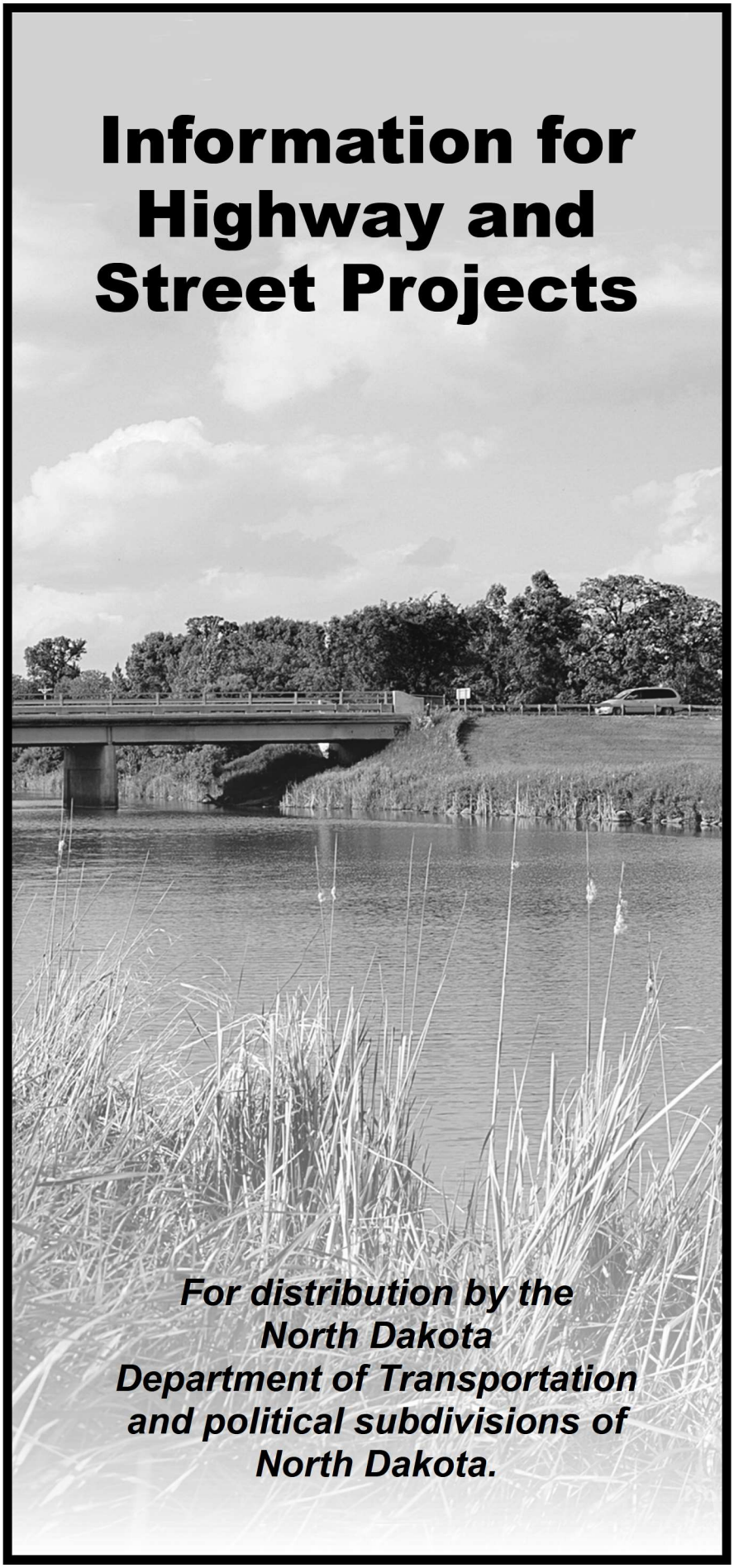
Information for Highway and Street Projects



For distribution by the North Dakota Department of Transportation and political subdivisions of North Dakota.

NDDOT
North Dakota
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Steps in Highway Planning, Design, and Construction

TRAFFIC SURVEYS

Traffic surveys are studies of the traffic flow from which engineers can determine the numbers and types of vehicles using a specific length of highway on any given day or hour.

Surveys are taken by means of mechanical counters and personal interviews. This information, along with maintenance cost records and safety issues, is the basis for determining the need for a new or improved highway or street.

PROGRAMMING

After highway or street improvement needs are established, they are presented to planning engineers and are included in a long-range highway or street program. Each proposed improvement is then considered, along with other improvements, and is given a priority and placed in the program.

PRELIMINARY ENGINEERING

Preliminary engineering covers all studies and surveys necessary to plan and design a highway or street.

The location engineer, through the use of aerial photographs and on-site inspection, studies the terrain in the area, selects the most feasible routes, and presents them to engineers in other specialized fields for study. The engineer prepares a cost estimate and analyzes the advantages and disadvantages of each route.

The final route is selected after public meetings/hearings. Surveys are then completed including laying out a centerline and measuring elevation and drainage. The exact location of all buildings, fences, power poles, dams, wells, corrals, and other improvements is also documented.

PUBLIC MEETINGS/HEARINGS

Public meetings/hearings provide the public an early opportunity to comment on projects. Public meetings/hearings are held in the locale of most projects. Notices of scheduled meetings/hearings are published in local newspapers and press releases are sent to media.

All available facts are gathered and presented at these meetings/hearings. The public is invited to present their views. Everyone is urged to attend and will be given the opportunity to comment and ask questions concerning the proposed route. You may be able to provide useful information that the North Dakota Department of Transportation (NDDOT) or the political subdivision can use as it makes a final decision on the proposed project.

FINAL DESIGN

Final design of the project begins as soon as the exact project location is decided.

Design plans will describe in detail how the highway or street will be built. This includes grades, drainage, slopes, and other details, as well as the limits of the necessary right of way which must be acquired for construction.

VALUATIONS

Highway or street construction projects will, at times, require additional right of way from adjoining properties. Depending upon a project's specific design requirements, private property may have to be acquired partially or in total; either permanently (i.e. in fee, or by easement), temporarily (e.g. temporary construction easement), or a combination thereof.

Before right of way is acquired, NDDOT will first establish and submit to the property owner a written offer of the amount believed to be just compensation. Depending upon the complexity of the acquisition, this offer will either be based upon a Waiver Valuation or an approved appraisal. Both methods employ

the Sales Comparison Approach, one of the most common methods of property valuation. Regardless of the method used, the same basic valuation principles used nationwide are employed by NDDOT to ensure that the property's market value estimate is developed objectively and impartially. This provides the best assurance that NDDOT's offer will be fair and reasonable to both the property owner and the general public.

If NDDOT or the acquiring local public agency believes the acquisition of the property is uncomplicated, and a review of available data supports a fair market value that is $10,000 or less, a Waiver Valuation will be prepared as the basis for the agency's offer.

An appraisal will be prepared when the acquisition is complex or otherwise does not meet Waiver Valuation criteria. The appraiser will offer you, the property owner, the right to be present during the inspection of the property. If you are unable or don't wish to be present during the inspection, you may appoint a representative to be present in your place. It is to your benefit to accompany the appraiser on the inspection, as it is an opportunity to point out any features of the property that you believe may be relevant to its valuation. A thorough appraisal provides the best assurance of a satisfactory settlement.

The appraiser will personally inspect the property and will review the details of the proposed acquisition with you or your representative. If only part of the property is to be acquired, the appraiser will also explain how the acquisition will affect the remaining property. The appraiser will consider all information pertinent to the value of your property, including (but not limited to) recent sales of comparable property, construction costs, rental values, etc.

When only part of the property is acquired, the appraiser will evaluate the effects of the acquisition on the property remaining, taking into consideration any damages that accrue from the acquisition, such as a separation of the remaining property into two

or more parcels; the cost of moving or constructing new fences; or restrictions on access to and from the highway or street. Special benefits, which result in an increase in the value of the remaining property, are also considered.

After completing the investigation, the appraiser prepares a written report describing in detail the basis for the appraisal. The completed appraisal report is then submitted to NDDOT for critical review. As part of the review process, the Review Appraiser may view your property and recommend additions or corrections to the original appraisal. The review will consider whether the work provides a credible basis for the appraiser's opinion, while meeting minimum standards of professional appraisal practice. Only after a thorough review concludes that the work meets these criteria will the appraisal be approved as a basis for the Agency's offer. Should the review conclude that the work is not acceptable, a new appraisal will be obtained and the review process will begin anew. The appraisal and review processes are a system of "checks-and-balances," designed to ensure an objective, impartial, and credible valuation.

If, for some reason, you do not wish to have your property appraised, another option is available. Property owners may waive the right to an appraisal, choosing instead to donate all or part of the property interest needed for the project. Donations are a common practice when the acquisition is small in size and the value is minimal.

NEGOTIATION

All real estate transactions are the result of discussions between two parties. These discussions are called negotiations and are essential in reaching an agreement satisfactory to both parties.

An acquisition agent, representing NDDOT or the political subdivision, will meet with you to give you a firm offer, in writing, for the necessary right of way.

The agent's primary duty is to advise and assist you in every possible way as to the process of selling

your property to NDDOT or the political subdivision.

It is the agent's obligation to be knowledgeable about the highway or street system and real estate transactions. The agent:

- Can answer many of the questions you may ask about the effect of the proposed improvement on your property.
- Can answer most questions about mortgages, liens, taxes, legal documents, and many other topics.
- Will have all the necessary documents, and will be willing to explain them to you.
- Can help you arrange a release of a mortgage or lien if necessary.
- Must inform you of your rights in eminent domain and, when applicable, your reimbursement rights for moving personal property as well as your possible eligibility for the Relocation Assistance Program.
- A voucher copy of the transaction will be provided when you receive payment.

NDDOT and the political subdivision recognize that some property owners do not care to sell, and at times there will be some inconvenience connected with the sale. It is intended, however, that when negotiations are complete, you can say that you have been treated courteously and fairly.

ALTERNATIVE TO SETTLEMENT

When, for some reason, the necessary right of way cannot be acquired by a negotiated settlement, the representatives of NDDOT or the political subdivision have the right to take the needed right of way through the laws of eminent domain. These are laws under which NDDOT and nearly all political subdivisions, as well as certain utility companies, have the right to take private property for the benefit of the public. These laws also protect the rights of the

property owner by requiring that fair market value be paid for all property acquired.

This action, more commonly known as “condemnation,” is undertaken in North Dakota in accordance with pertinent statutes under Article 1, Section 16, of the North Dakota Constitution. It is used only when necessary.

When condemnation becomes necessary, NDDOT or the political subdivision place a monetary deposit with the clerk of court of your county. This deposit must be a reasonable offer for the damages incurred. NDDOT and the political subdivision may have the right to immediate possession of the condemned property, depending on their specific charters, bylaws, etc.

The property owner is notified by the clerk of court of the action and the amount deposited. At this point the property owners may either accept the offer and withdraw the total amount deposited or file an appeal with the district court for determination of damages. This appeal must be filed within 30 days after receiving the notice from the clerk of court. Property owners who withdraw the deposited payment still may appeal, as may others with an interest in the property.

Although it is not legally required as part of eminent domain proceedings, NDDOT or the political subdivision also sends a notice to each party having an interest in the property. This informs the property owner of the action and advises that when condemnation is undertaken; all improvements including buildings, fences, dams, wells, etc., on the condemned right of way become the property of the state, county, or city. The improvements cannot be removed without written approval from NDDOT or the political subdivision.

RELOCATION ASSISTANCE

Under state and federal laws, all persons who are required to move or relocate their family or business as a result of the taking of right of way for highway

or street purposes are entitled to certain rights and compensations. These are explained in detail in another brochure given to all persons forced to relocate. In most cases, an agent from NDDOT will help with the relocation assistance process.

CONTRACTS LET (BID)

Nearly all construction projects are let to competitive bids. Public bid lettings, at which contractors are invited to offer bids, are held periodically. Results of these bids are then considered and contracts are awarded to the lowest bidder capable of handling each project. All right of way must be acquired or condemned before construction contracts are advertised for bids.

FREQUENTLY ASKED QUESTIONS

When can I expect payment?

Generally, payment for right of way can be expected within 30 days following transfer of title. Titles clouded by mortgages, judgements, liens, etc., will probably take somewhat longer.

What about the mortgage on my property?

Representatives from NDDOT and the political subdivision generally make arrangements with mortgagees for release of mortgaged property. Payment for mortgaged property is usually made to the owner and the mortgagee jointly, and arrangements for division of the payment must be worked out between them.

What about my buildings?

Owners of right of way involving buildings are generally given a choice of plans for consideration in negotiated settlements. First, NDDOT or the political subdivision offers to purchase the buildings outright along with the land, in which case the buildings are later sold at public auction or by sealed bids. Second, the property owner may choose to retain the improvements at a predetermined salvage value.

The salvage value will be deducted from the overall purchase price. Third, consideration will be given to payment for the cost of moving the buildings.

NDDOT and the political subdivisions have the responsibility to make sure, in all transactions involving the moving of buildings, that the cost to move the buildings does not exceed the value of the buildings in place. This would be an unwise expenditure of public funds.

How soon will I have to move?

Every effort will be made to give occupants enough time to relocate. Ordinarily at least 90 days from the date of acquisition will be allowed.

Additional comments and answers to relocation questions most often asked are covered in the relocation brochure.

Must I pay income tax on the money received?

The sale of your property for highway or street purposes is considered by the Internal Revenue Service (IRS) as an “involuntary conversion.” It is not necessary to pay income tax or capital tax if the money you receive is similarly reinvested within a given time. You should, however, check with the IRS or a local tax consultant for answers to your questions.

Where can I get additional information?

The acquisition agent who contacts you to purchase your property can usually provide any information requested, or will find it and report back to you.

FOR MORE INFORMATION ON:

County and City Projects

Contact the local public agency or municipality in which the project is located.

You may also contact:

- NDDOT, Local Government Division
  Office 701-328-2540

State Highway Projects

- Project Design Issues, NDDOT, Design Division
  Office 701-328-2555

State Highway Projects

- Right of Way and Relocation Assistance issues
  NDDOT, ETS Division
  Office 701-328-2590
  Toll-Free: 866-785-1596
  Fax 701-328-0310
  TTY. . . . . .711 or 1-800-366-6888

Reasonable Accommodations

- NDDOT, Civil Rights Division
  Office 701-328-2978
  Email . . . . . .civilrights@nd.com
  TTY. . . . . .711 or 1-800-366-6888

The NDDOT will consider every request for reasonable accommodation to provide:

- An accessible meeting facility or other accommodation for people with disabilities.
- Language interpretation for people with limited English proficiency (LEP).
- Translations of written material necessary to access NDDOT programs and information

To request accommodations, contact
Civil Rights Division
North Dakota Department of Transportation
701-328-2978 or civilrights@nd.gov
TTY users may use Relay North Dakota at
711 or 1-800-366-6888.