

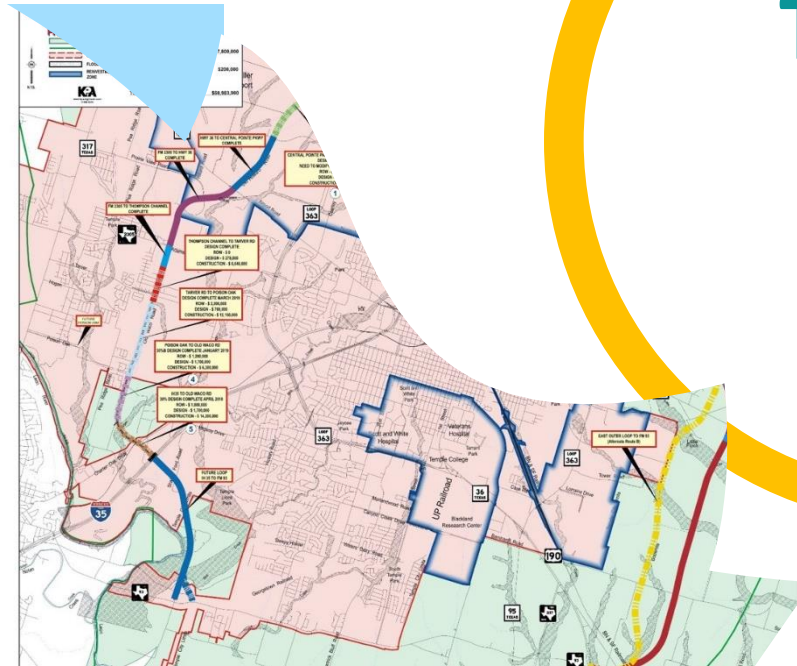


# Implementing an Effective Right-of-Way, Acquisition, and Land Development Program



Kayla Landeros  
Naman, Howell, Smith & Lee PLLC

# City of Temple: A Short History





# Right-of-way and Easement Acquisitions



**2015**

Responsibility for  
ROW acquisitions  
moved to CAO



**2015**

Since January 2015,  
approximately 220  
tracts and/or easements  
have been acquired



**2015**

Since January 2015,  
City has spent over  
\$25M on ROW and  
easement acquisitions



**2016**

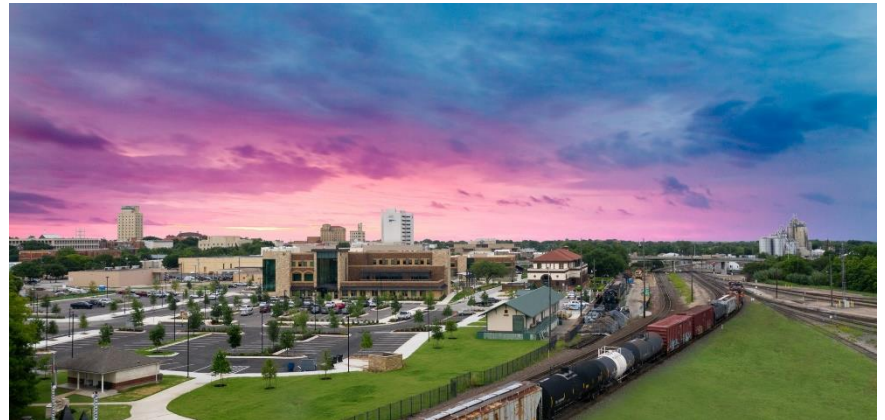
March 2016 was the first time  
Council authorized ED in  
several years.

## Completed Projects:

- 5 road
- 1 drainage
- 4 wastewater
- 2 parks

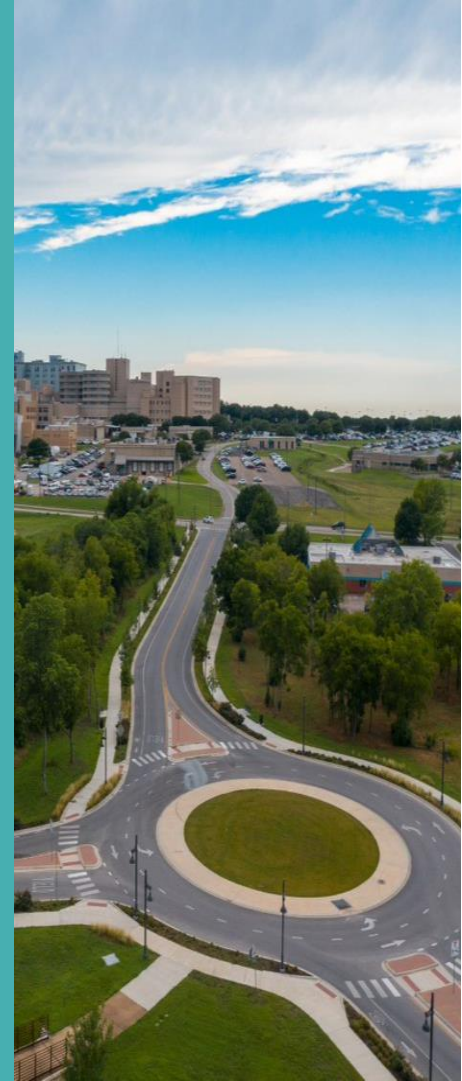
## Ongoing Projects:

- 7 road
- 1 water
- 1 drainage



# Funding sources:

- **Transportation Capital Improvement Program**
- **Utility Capital Improvement Program**
- **Tax Increment Financing Reinvestment Zone #1**
- **Parks GO bond**



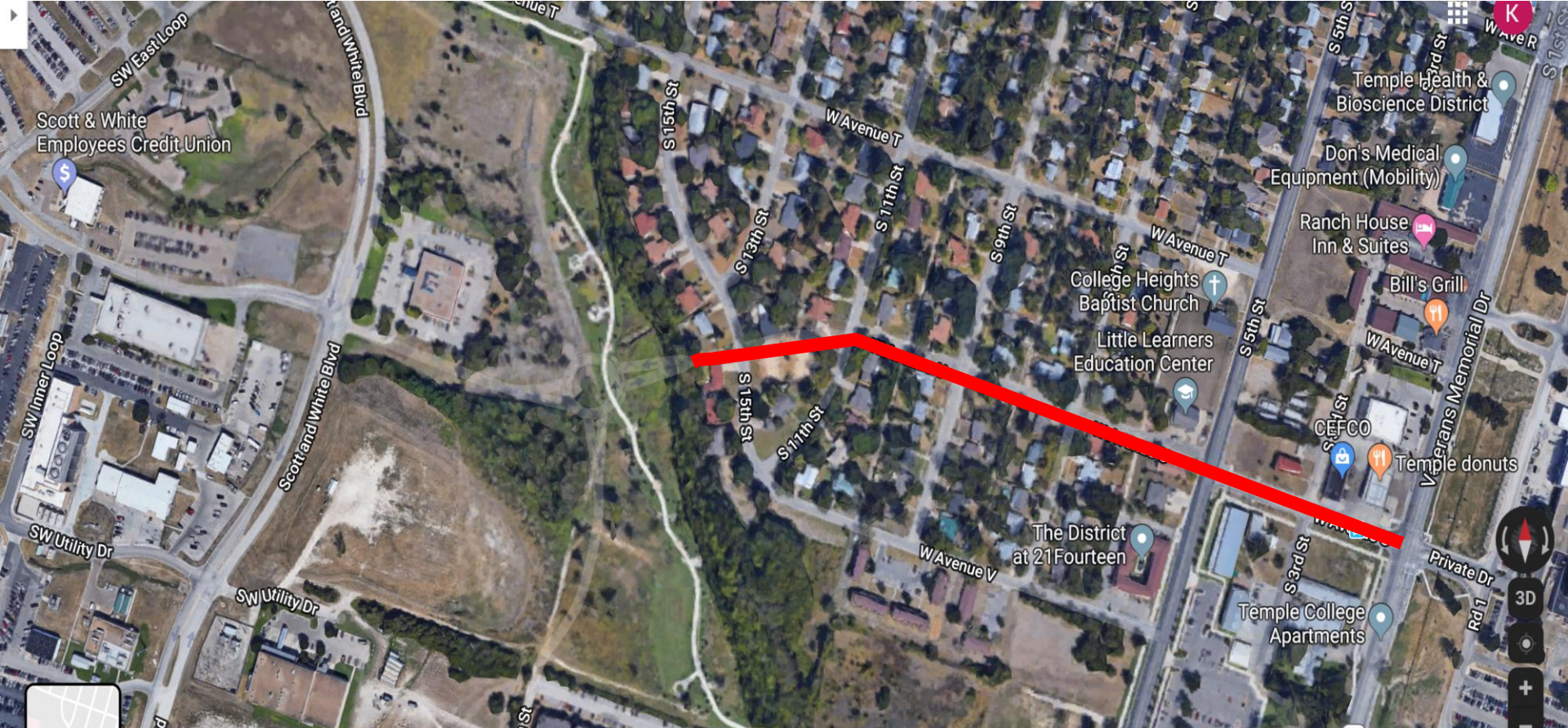


# Acquisition Process

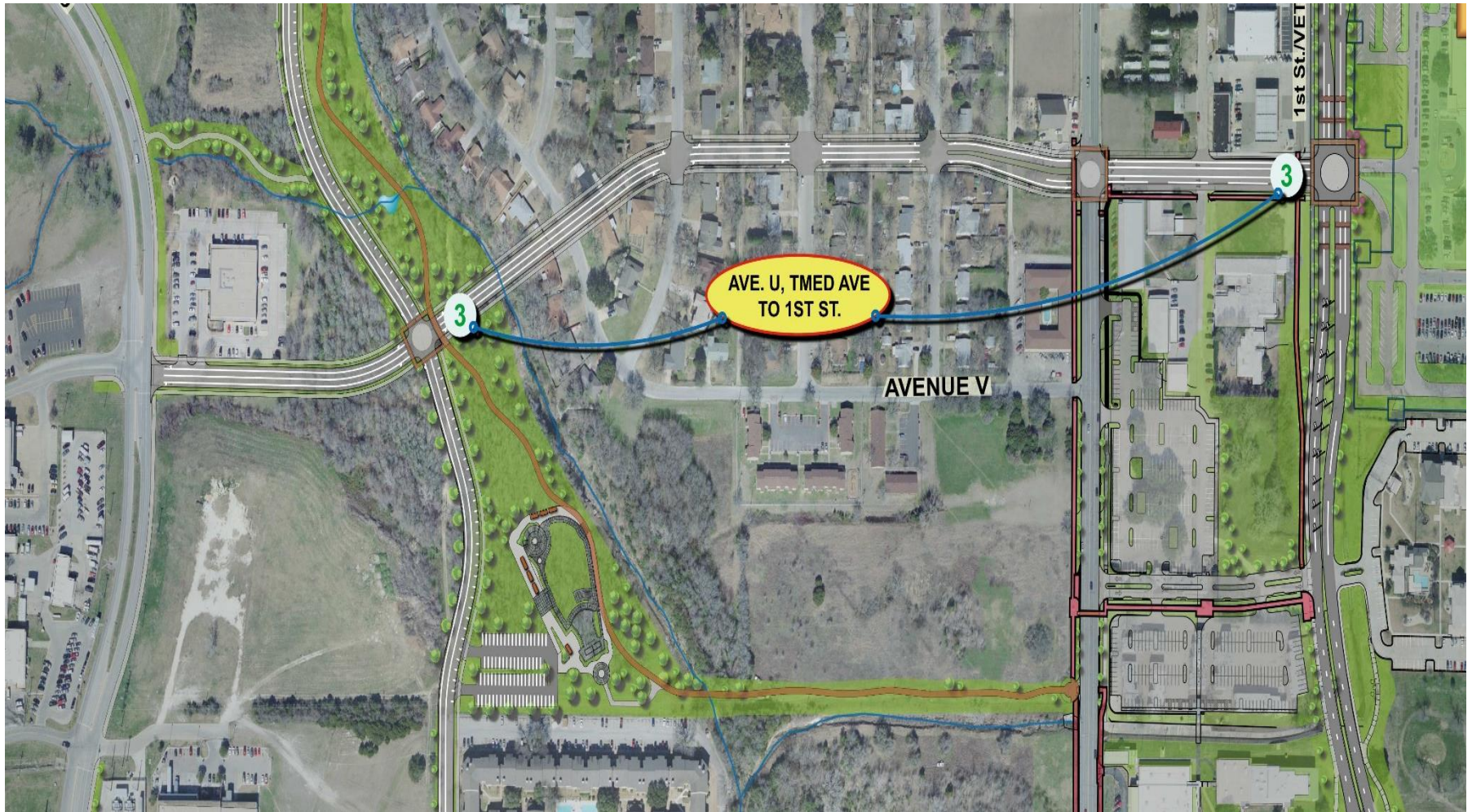
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# Project & ROW Identification

# An Example: Avenue U Expansion







AVE. U, T MED AVE  
TO 1ST ST.

AVENUE V

1st St./VE T

3

3



SCOTT & WHITE BLVD.

AVENUE T

5TH STREET

VET. MEM. DR./1ST ST.

PROPOSED AVENUE U

PROPOSED AVENUE U FROM  
13TH/17TH CONNECTOR TO 1ST STREET

PROPOSED 13TH TO 17TH ST.  
(TMED AVE.) CONNECTOR

AVENUE V

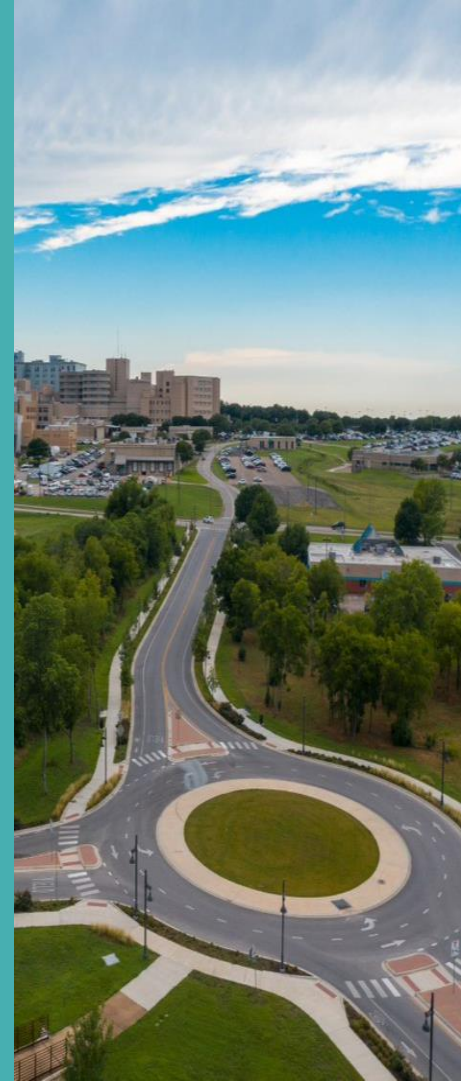
TEMPLE  
COLLEGE



PROPOSED  
AVENUE U  
LAYOUT

# Avenue U Expansion

- 11 properties affected by the expansion
- 9 of those properties would require relocation
  - Owners and tenants
  - Had 19 separate relocations

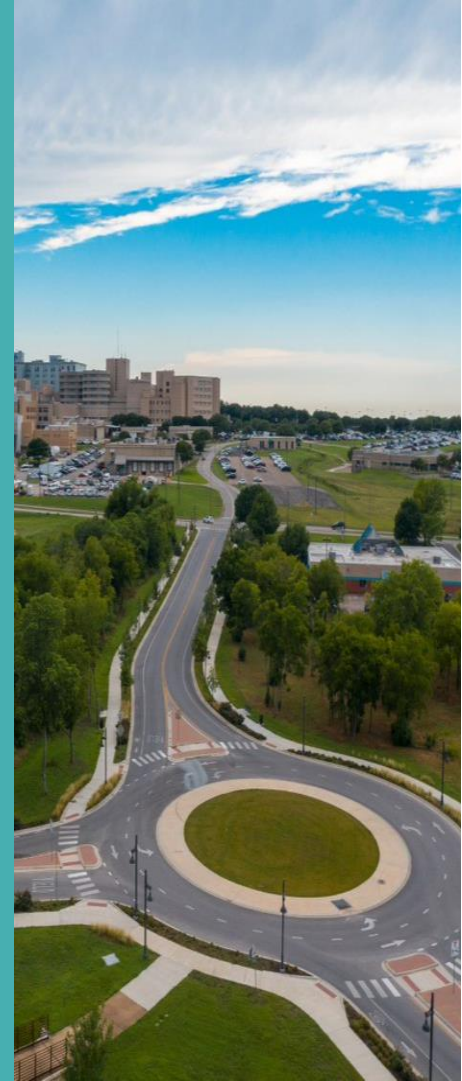


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**Design  
Released &  
ROW Company  
Selected**

# Design and Right-of-Way

- Engineering Department selects design firm
- City Attorney's Office selects ROW Company
  - ROW company or handle in-house?
    - We consider:
      - The # of acquisitions
      - Whether relocation is required
      - Current workload
  - For Avenue U Expansion, we used an outside ROW company



# Right-of-Way Services

- **Services typically offered:**
  - Title research
  - Rights-of-entry
  - Appraisals
  - Acquisition negotiation
  - Closing services
  - Relocation services
  - Condemnation support services

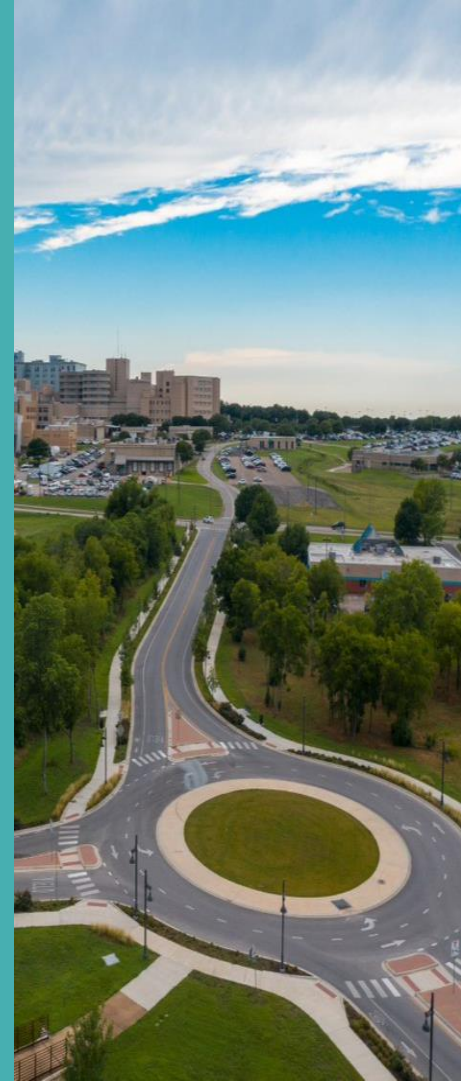


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# Acquisition & Relocation

# Acquisition

- Must ensure that all legal requirements are met, such as receipt of previous appraisals, Landowner Bill of Rights, Initial Offer Letter, etc.
  - [Tex. Prop. Code Section 21.0111](#) – City must disclose, by certified mail, at the time an offer to purchase or lease the property is made, any appraisals of the property prepared in last 10 years
  - [Tex. Prop. Code Section 21.0112](#) – City must provide copy of Landowner’s Bill of Rights
  - [Tex. Prop. Code Section 21.0113](#) – City must make “bona fide offer”





# Acquisition – Tex. Prop. Code

- Tex. Prop. Code Section 21.042
  - Landowner is entitled to receive as compensation the local market value of the property at the time of the special commissioner's hearing (or time of appraisal)
  - If only a portion of the tract is being acquired, the appraiser must determine the damage to the landowner after estimating the extent of the injury or benefit to the landowner, including the effect of the taking on the value of the landowner's remaining property



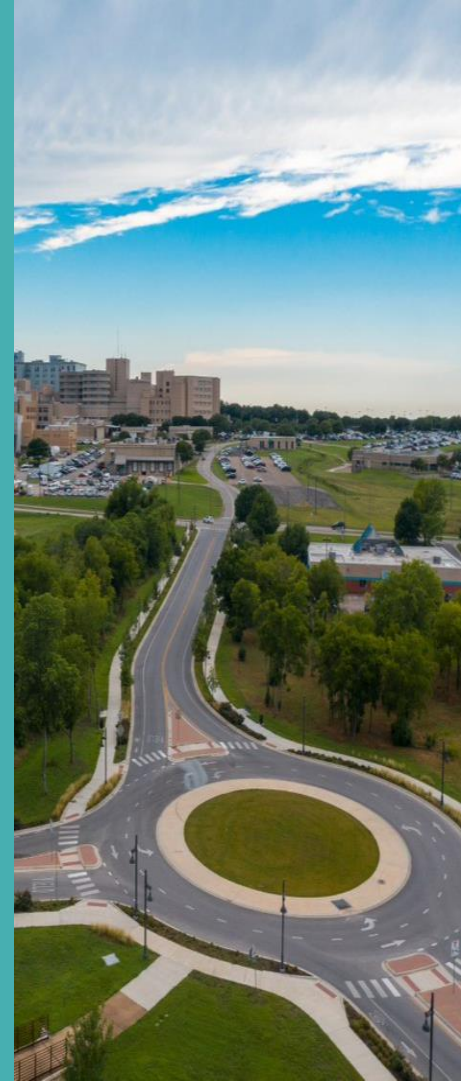
# Acquisition – Tex. Prop. Code

- Tex. Prop. Code Section 21.042
  - So, when a portion of a tract is acquired, compensation to the property owner may include:
    - Local market value of part of to be acquired
    - Damages to the remaining property (if any)
- Dealing with the “replacement cost” argument...



# Relocation – Tex. Prop. Code

- Tex. Prop. Code Section 21.046
  - Requires that relocation advisory services be provided to an individual, a family, a business concern, a farming or ranching operation, or a nonprofit organization that is compatible with Uniform Relocation Act
  - Requires payment of moving expenses and rental supplements, relocation payments, the provision of financial assistance to acquire replacement housing, and compensation for incidental expenses
  - May not authorize payment in excess of what is allowed by Uniform Relocation Act



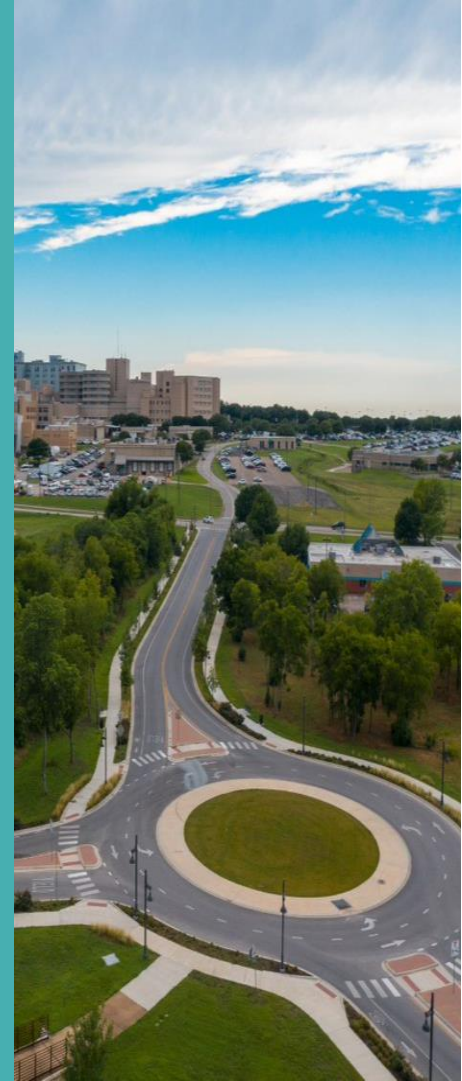
# Relocation – Uniform Act

- 42 U.S.C. 4601 et. seq.
  - **§ 4622 – Moving and related expenses**
    - Homeowners and business owners are entitled to moving expenses
  - **§ 4623 – Replacement housing for homeowner**
    - Additional payment to homeowner (up to \$31K)
    - Amount of money needed, when added to acquisition costs of dwelling, to purchase a comparable replacement dwelling
  - **§ 4624 – Replacement housing for tenants**
    - Payment to displaced tenants (up to \$7,200)
    - Amount needed by displaced person to rent for a period not to exceed 42 months, a comparable replacement dwelling
  - **§ 4626 – Housing replacement as last resort**
    - Gives you the ability to exceed the caps stated above



# Relocation – Calculation

- Assume dwelling to be acquired appraised at **\$100,000**
- Comparable replacement dwelling (§ 4601) means a dwelling that is:
  - Decent, safe, and sanitary;
  - Adequate in size to accommodate the occupants;
  - Within the financial means of the displaced person;
  - Functionally equivalent;
  - In an area not subject to unreasonable adverse environmental conditions; and
  - In a location generally not less desirable than the location of the displaced person's dwelling



# Relocation – Calculation

- A comparable replacement dwelling is identified for **\$124,000**
- Amount of replacement housing supplement is **\$24,000**
- Homeowner is then entitled to:
  - Acquisition price: **\$100,000**
  - Replacement housing supplement: **\$24,000**
  - Moving expenses
  - Incidental expenses (closing costs, etc.)



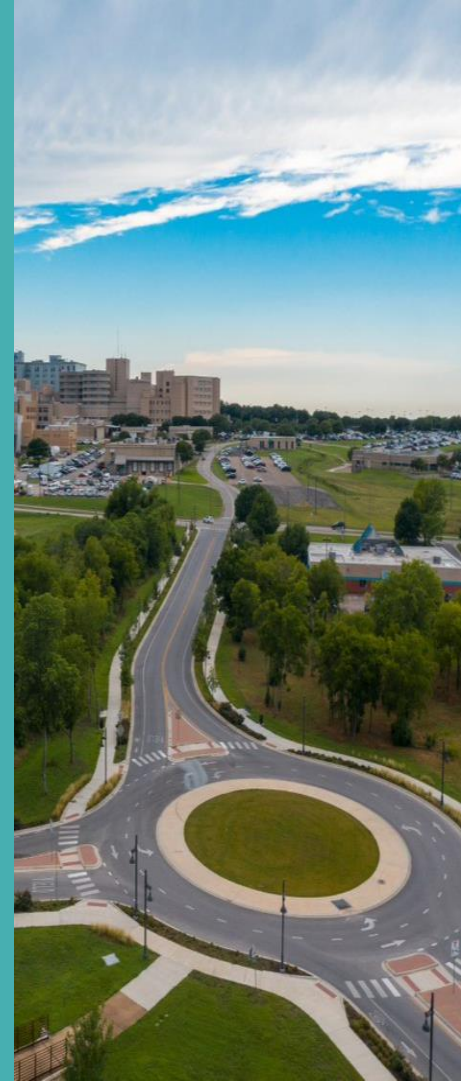
# Relocation – Calculation

- Similar analysis for tenants:
  - Find comparable replacement dwelling
  - Tenant is entitled to difference in rental amount
    - Rent at property to be acquired = **\$700/month**
    - Rent at comparable replacement dwelling = **\$900/month**
    - Tenant gets **\$200/month** for 42 months



# Relocation

- Relocation benefits are reimbursement based
  - Owners have to spend it to get it
    - For example, an owner may be entitled to a \$24,000 supplement, but purchases a home for \$120,000
    - In this case, owner gets \$20,000, not \$24,000
- Replacement housing supplement may be “wiped out” if owner negotiates higher acquisition price





# Avenue U Expansion

- 30% design reached – surveys released and appraisals ordered
- Appraisals received – initial offers prepared and relocation interviews began
  - Initial offers = appraised value
  - *See Tex. Prop. Code Section 21.0113*
- Ideally, we try to provide initial offer with relocation packet
  - Gives owner full picture
  - *Uniform Relocation Assistance & Real Property Acquisition Act, 42 U.S.C. 4601 et. Seq.*
- Negotiations proceed
  - At some point, final offer is made
  - Must be greater than or equal to appraised value

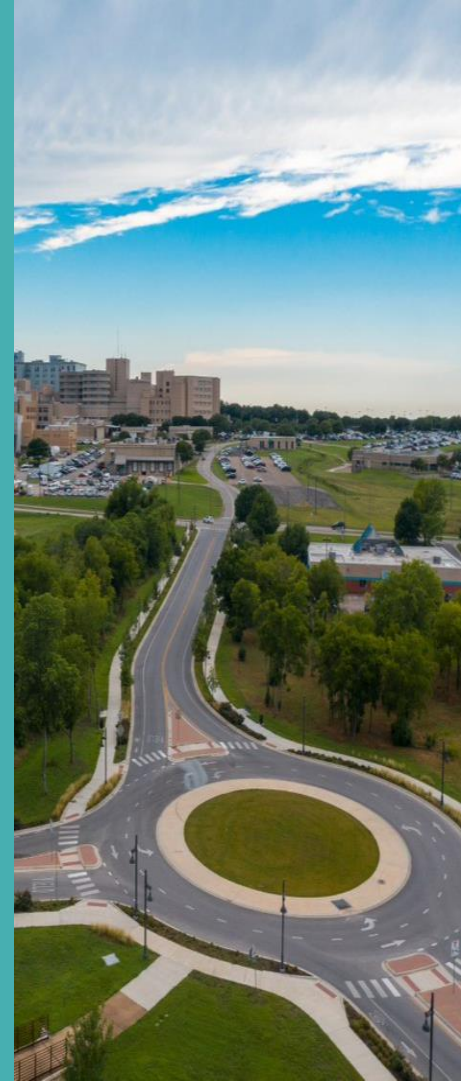


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**Condemnation**

# Condemnation

- See regulations in:
  - Texas Property Code Chapter 21
  - Texas Local Government Code Chapter 251
  - Texas Government Code Chapter 2206
- Since 2016, Temple City Council has authorized the use of eminent domain 21 times
  - No agreement
  - Title issues/concerns
  - Have been able to reach agreements before actually filing suit in some cases





**Kayla Landeros**  
**Naman, Howell, Smith & Lee PLLC**  
**Office: 254-755-4100**  
**[klanderos@namanhowell.com](mailto:klanderos@namanhowell.com)**  
**400 Austin Ave., Suite 800**  
**Waco, TX 76701**

# Questions & Discussion