Property Management - Surplus Property and Disposal

16.1 General

Surplus Property and Disposal is under the Property Management Unit of the Right of Way Department supervised by the Assistant State Right of Way Administrator.

16.2 Purpose

The purpose of Surplus Property and Disposal is to ensure every effort is made to accommodate the requestors of surplus property applications by coordinating their request with the Department in a manner that conforms to O.C.G.A. § 32-7-4 (2010), 23 C.F.R. 710, Federal Highway Administration Regulations, Department Policy, and other Governing Codes.

16.3 Policy

It is the policy of this unit to represent the Department in a professional and consistent manner that assures the citizenry of the State that their applications are processed in a competent and efficient manner.

16.4 Procedures

A) Application Request for Disposal of Surplus Properties

When the Department declares a parcel surplus or when an Applicant inquires about a parcel via telephone or letter the Right of Way Specialist will mail or email (Applicant decides) a request letter and request form to the Applicant and the Applicant information is to be logged for tracking purposes.

B) Application Request Received

1) When the application and supporting documents are received in the Property Inventory and Disposal Department the Specialist will log them in and forward them to the Property Inventory and Disposal Manager.

Disposal actions are as follows:

a  Surplus request by application; or
b  Department declared surplus; or
c  Request to lease/rent; or
d  Request to convey to another agency; or
e  Transfer by Order of Commissioner; or
f  Request for Exchange of property; or
g  Request for change in Limited Access Right of Way

2) The Property Inventory and Disposal Manager will assign the request to a Specialist.

3) The application and supporting documents shall be reviewed by the assigned Specialist. Written correspondence (Applicant Response Letter) shall be sent to the Applicant. Any information deemed required and not furnished with the application should be requested with the response letter. This is to include any plat information or changes.

The application should include:

a  Recorded Deed and plat granting the parcel(s)
b  Copy of property tax data of the parcel(s)
c  Plat or tax map highlighting the parcel(s) requested
d  Copy of pending or approved development plans for the parcel(s) (if available)
e  Copy of map showing nearest intersection to the parcel(s)
f  Recorded deeds of property owned by Applicant adjacent to the requested parcel(s).
g  The Applicant or the District may be asked to prepare a plat with metes/bounds/distances and legal description for the parcel(s) if the Right of Way office deems this as necessary.

C) Internal Office Review

1) The appropriate District and General Offices shall review all applications and provide a determination of:

a  Surplus or lease the parcel(s) or;
b  Surplus or lease the parcel(s) with limitations (this will usually require a new plat) or;
c  Deny the surplus or lease of parcel(s)
2) When required by the Federal Regulations, the Federal Highway Administration shall review the application and approve or deny the sale or lease of the property.

D) Appraisal Process

After the parcel is approved for sale or lease, the Specialist shall obtain an estimated appraised value for the property. The appraisal submitted to an assigned Reviewer. The assigned Reviewer shall review the appraisal and shall submit back to the Specialist a letter of value with the appraisal.

E) Federal Highway Administration Review

Federal Highway Administration review shall be required for Disposal of Land, Leasing of Land, and Disposal of Access Rights if the parcel is located adjacent to an “Interstate Highway System”.

1) A National Environmental Policy Act Clearance Report shall be requested from the Office of Environmental Services after the District and Design offices approves the parcel(s) to be surplus.

2) When the National Environmental Policy Act Clearance Report is received, a package shall be assembled and forwarded to the Property Inventory and Disposal Manager. The package shall include documents, which would assist Federal Highway Administration with their determination.

3) The assigned Specialist shall forward the Federal Highway Administration approval request package to the Federal Highway Administration.

F) Supervisor Review

1) The assigned Specialist shall schedule a file review with the Property Inventory and Disposal Manager at various intervals in the process and prior to a letter being sent to the Applicant, Original Owner, Successor in Title or Highest Bidder.

2) The Property Inventory and Disposal Manager shall review the file and procedures at each step of the processing.

3) The Property Inventory and Disposal Manager shall determine which acquisition requirement applies and approve the assigned Specialist to proceed to the next step.

4) The Property Inventory and Disposal Manager shall review and approve all letters to be sent to the Applicant, Original Owner, Successor in Title or Highest Bidder.

G) Applicant Notification
1) Disposal of parcel(s) approved:
   a The Applicant shall be sent an “Applicant Notification Letter”. The “Applicant Notification Letter” shall include the following:
      (1) “PM File” number
      (2) An outline of the steps required to complete the sale of surplus parcel(s) if the Applicant is the Original Owner or Successor in Title or an outline of the steps required to complete the sale of surplus parcel(s) if the Applicant is not the Original Owner or Successor in Title.

2) Disposal of parcel(s) denied: Applicant shall be sent an “Applicant Denial Letter”. (Note: If the denial of the surplus is being delayed, the Applicant shall be notified as such).

3) Lease approved:
   a The Applicant shall be sent an “Applicant Notification Letter”. The “Applicant Notification Letter” shall include the following:
      (a) “PM File” number
      (b) An outline of the steps required to complete the sale of surplus parcel(s)

4) Lease of parcel(s) Denied: The Applicant shall be sent an “Applicant Denial Letter”. (Note: If the denial of the lease is being delayed the Applicant shall be notified as such).

H) Original Owner of Successor in Title:

1) The assigned Specialist shall notify the Original Owner of the parcel(s) the “Original Owner Offer Letter” if they have not waived their rights to first refusal.

2) In the event the tract from which the Department acquired the parcel(s) has been subsequently sold, the assigned Specialist shall notify the owner of abutting land holding title through the Original Owner of the acquired property (Successor in Title) using the “Successor in Title Offer Letter”.

3) If the Original Owner’s or Successor in Title’s address is unknown, the assigned Specialist shall conduct a search of the available records, internet information, and acquisition records.

4) When the above sources are unsuccessful in locating an address of the Original Owner or Successor in Title a public advertisement in the legal newspaper of
general circulation in the county where the property is located shall be posted by the Specialist.

5) When a search has been unsuccessful or the right of acquisition is not exercised within (60) sixty days after due notice, the assigned Specialist shall proceed to the public bid process for sale of the parcel(s).

I) Exchange of Property

1) Property may be transferred as an exchange when the land being acquired by the DOT is of equal or greater value than the land being conveyed by the DOT and

2) The land being acquired should be of present or future anticipated need of the DOT.

3) An exchange should be of land for land with no monetary compensation for differences in value.

J) Sale of Limited Access Modification Process

1) The assigned Specialist shall prepare and send an Offer Letter to the approved person(s).

2) The Offer will be valid for thirty (30) days.

3) Upon receipt of acceptance of the offer, the assigned Specialist shall provide two (2) prepared Quitclaim Deeds with plats for review by the Property Inventory and Disposal Manager.

4) The deeds shall be reviewed by the Supervisor and routed to the Legal Department for further review and signatures.

5) When the Deeds are returned to the assigned Specialist; that Specialist shall schedule a closing.

6) The assigned Specialist shall obtain all funds from the Grantee

7) One signed Quitclaim Deed will be turned over to the Grantee; the second will be retained in the file.

8) The Grantee will have thirty (30) days to close the transaction and return to the Department a copy of the recorded deed.
9) A notification letter to the District shall be sent by the assigned Specialist advising them the parcel has been conveyed and is no longer Department property (A letter shall also be sent to Transportation Data when an Order of Commissioner is involved).

K) Lease of Property Process

1) The assigned Specialist shall prepare and send an Offer Letter to the approved person(s).

2) The Offer will be valid for thirty (30) days.

3) The Assigned Specialist shall provide to the Property Inventory and Disposal Manager two prepared Lease Agreements with plats. For review by the Supervisor.

4) The assigned Specialist will forward the lease agreements to the Applicant requesting execution.

5) The Property Inventory and Disposal Manager shall review the executed Lease Agreements and return to the Specialist to forward to the Legal Department for review and internal signatures.

6) The assigned Specialist will be responsible for tracking the Lease Agreements until they are returned to the Property Inventory and Disposal Department.

7) When the Lease Agreements are returned to the assigned Specialist:

8) The assigned Specialist shall obtain all lease funds from the approved Lessee

9) One signed Lease Agreement will be provided to the Lessee; the second will be retained in the file.

10) The Lessee will be granted specified use of the property per the effective date of the Lease Agreement.

11) A notification letter to the District shall be sent by the assigned Specialist advising them the parcel is covered under a Lease Agreement and maintenance will be assumed by the Lessee.

12) A notification letter to the District shall be sent by the assigned person advising the parcel has been conveyed.
I) Public Bid Advertisement

1) When the Original Owner or Successor in Title declines to purchase a surplus parcel, has relinquished the rights of repurchase or cannot be located, using the steps outlined above, an advertisement to bid a parcel(s) shall be prepared.

2) The legal advertisement shall run for two consecutive weeks and include the following:
   
a   A description sufficient to enable the public to identify the property

b   The time and place for submission and opening of sealed bids

c   The right of the department or the county or municipality to reject any one or all of the bids

d   All the conditions of sale

e   The address and contact person to obtain a “Surplus Property Bid Package”

3) A public advertisement shall be inserted once a week in the Legal Organ (newspaper) of the County where the property is located.

4) The first advertisement shall be at least two weeks prior to the opening of bids.

5) The second advertisement shall follow one week after the first publication.

6) The Bid Opening date shall be set at least two weeks after the second week of advertisement at 2:00 P.M.

7) The bids must be received in the Surplus inventory and Disposal Office no later than 12:00 PM (Noon) on the date of the bid opening.

M) Acquisition Requirements

1) When an entire parcel acquired by the department is being disposed of, it may be acquired by the Original Owner or Successor in Title at such price as may be agreed upon, but in no event less than the price paid for its acquisition.

2) When only remnants or portions of the original acquisition are being disposed of, they may be acquired by the Original Owner or Successor in Title for the market value at the time the Department decides the property is no longer needed.
3) Sale by bid shall be made to the bidder submitting the highest of the sealed bids received. If the highest of the sealed bids received is less than but within 15 percent of the established market value, the Property Inventory and Disposal Manager may accept that bid.

N) Sale of Property Process

1) Assigned Specialist shall prepare and send an Offer Letter to the approved person(s).

2) The Offer will be valid for thirty (30) days.

3) Assigned Specialist shall provide to the UNIT Manager two prepared Quitclaim Deeds with plats.

4) The Property Inventory and Disposal Manager shall review the Quitclaim Deeds and return to the Specialist to forward to the Legal Department for review and internal signatures.

5) The assigned Specialist will be responsible for tracking the Quitclaim Deeds until they are returned to the Property Inventory and Disposal Department.

6) When the Deeds are returned to the assigned Specialist; that person shall schedule a closing.

7) The assigned Specialist shall obtain all funds from the approved Grantee.

8) One signed Quitclaim Deed will be turned over to the Grantee; the second will be retained in the file.

9) The Grantee will have thirty (30) days to close the transaction and return to the Department a copy of the recorded deed.

10) A notification letter to the District shall be sent by the assigned Specialist advising them the parcel is no longer Department property and should be removed from the records. (A letter shall also be sent to Transportation Data when an Order of Commissioner is involved).
O) Governing Codes for Disposal

1) O.C.G.A. § 32-7-3 Authority of Department to dispose of property no longer needed for public road purposes

2) O.C.G.A. § 32-7-4 Procedure for disposition of property

3) Title 23 CFR 710.403 Subpart D Real Property Management Sec. 710-403 Management

4) Title 23 CFR 710.409 Subpart D Real Property Management Sec. 710-409 Disposal

5) Georgia Department of Transportation – Right of Way Procedures
TYPICAL TIMELINE FOR SURPLUS PROPERTY DISPOSAL

1. Receive completed surplus disposal application  
   10 calendar days

2. ROW requests internal DOT responses to application  
   15 calendar days

3. All internal responses to ROW  
   5 calendar days

4. ROW follows up with applicant on determination of surplus  
   A

5. Prepare and advertise for previous owner if necessary  

6. Contract with appraiser  
   15 calendar days

7. Issue notice to proceed with appraisal  
   30 calendar days

8. ROW receives completed appraisal  
   25 calendar days

9. ROW completes review of appraisal  
   B

10. Previous owner or successor in title?  
    YES
    5 calendar days
    ROW makes offer to owner  
    60 calendar days
    Owner accepts offer?  
    YES
    60 calendar days
    Transaction is completed  
    NO

11. NO
    30 calendar days
    ROW prepares, advertises, and open bids  

12. Bids accepted by ROW?  
    YES
    60 calendar days
    Evaluate and bid again, or abandon sale  
    NO