

Disposing of Property Acquired with Federal Funds



Sec. 710.103 Applicability

- To what programs does this apply?
- Who administers these programs?
- FHWA
- Title 23 United States Code



Title 23 Projects

- Traditional – paved motor vehicle travel lanes
- Bicycle paths
- Pedestrian paths
- Federal funds are used to acquire property
- FHWA compliance

Section 710.201 State Responsibilities

- Program Oversight – acquisition, management, and disposal of real property
- Legal Compliance - adherence to State and Federal laws

Sec. 710.401 Real Property Management

- Change in access control
- Change in use
- State supervision of localities to ensure procedures are followed



Sec. 710.403 Management

- VDOT must assure all boundaries
- VDOT specifies procedures
- Evaluation of environmental impacts
- Federal share of net income
- Non participation of federal funds in the acquisition cost does not require FHWA approval
- All interstate property must have FHWA approval prior to disposal regardless of funding

Sec. 710. 407 Leasing

- Funds shall be covered by an agreement between VDOT and the lessee
- Proposed use must conform to current design standards



Sec. 710. 409 Disposals

- Excess property interests may be sold back to either public or private parties per Virginia Code section 33.1-90
- Disposal of excess conservation property must be available for purchase by federal, state, or local entities.

Sec. 33.1-90(b) Independently Developable Property

- Class 1 Property – Ingress/egress, utilities (sewage system, water)
- Fair market value offered FIRST to owner from which it was acquired
- Notice mailed from VDOT Commissioner
- 6 months for the original owner to close

Sec. 33.1-93 Residue Property

- Legal limitations
- Public interest
- Leasing properties to tenants



Class II Properties

- Properties not independently developable
- Offered to adjacent landowners
- Fair market value must be received for the sale if federal funds were involved.

