



# CONNECTING YOU WITH TEXAS



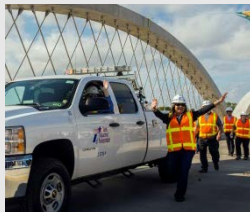
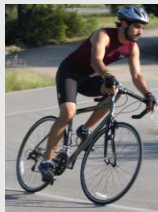
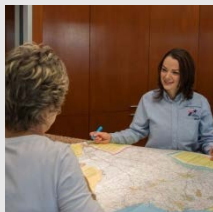
2020 Right of Way Short Course Session



October 14, 2020



# TEXAS DEPARTMENT OF TRANSPORTATION



## DELIVERING ADVANCED RIGHT OF WAY ACQUISITION SOLUTIONS FOR TEXAS

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October 14, 2020



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## Moderator

Lezlie Kirby, ROW Project Delivery Section Director



## Presenters

Kristy Fincher, Lead ROW Agent (Tyler, Lufkin, Paris and Atlanta)



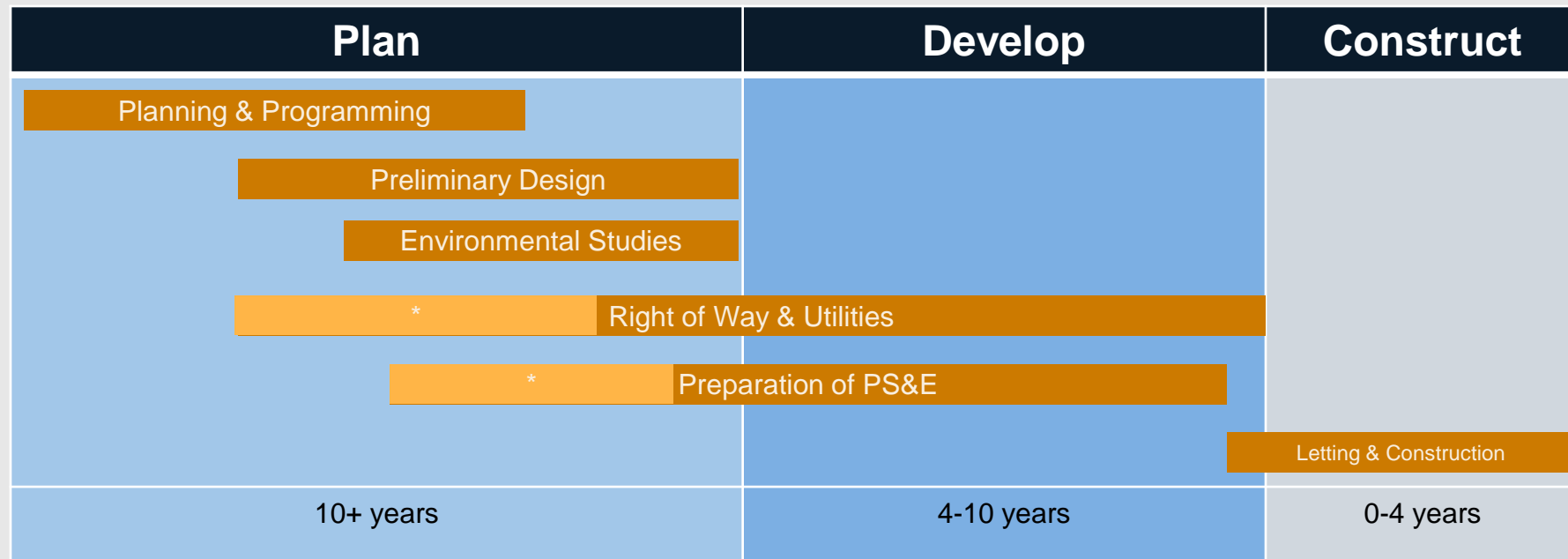
Elizabeth Martin, Lead ROW Agent (Houston)

# Today's Goals

- General understanding of:
  - Advanced Acquisition vs. Acquisition
  - When to use Advance Acquisition
- Best practices and lessons learned
- Who can help?



# Stages of Highway Project Development

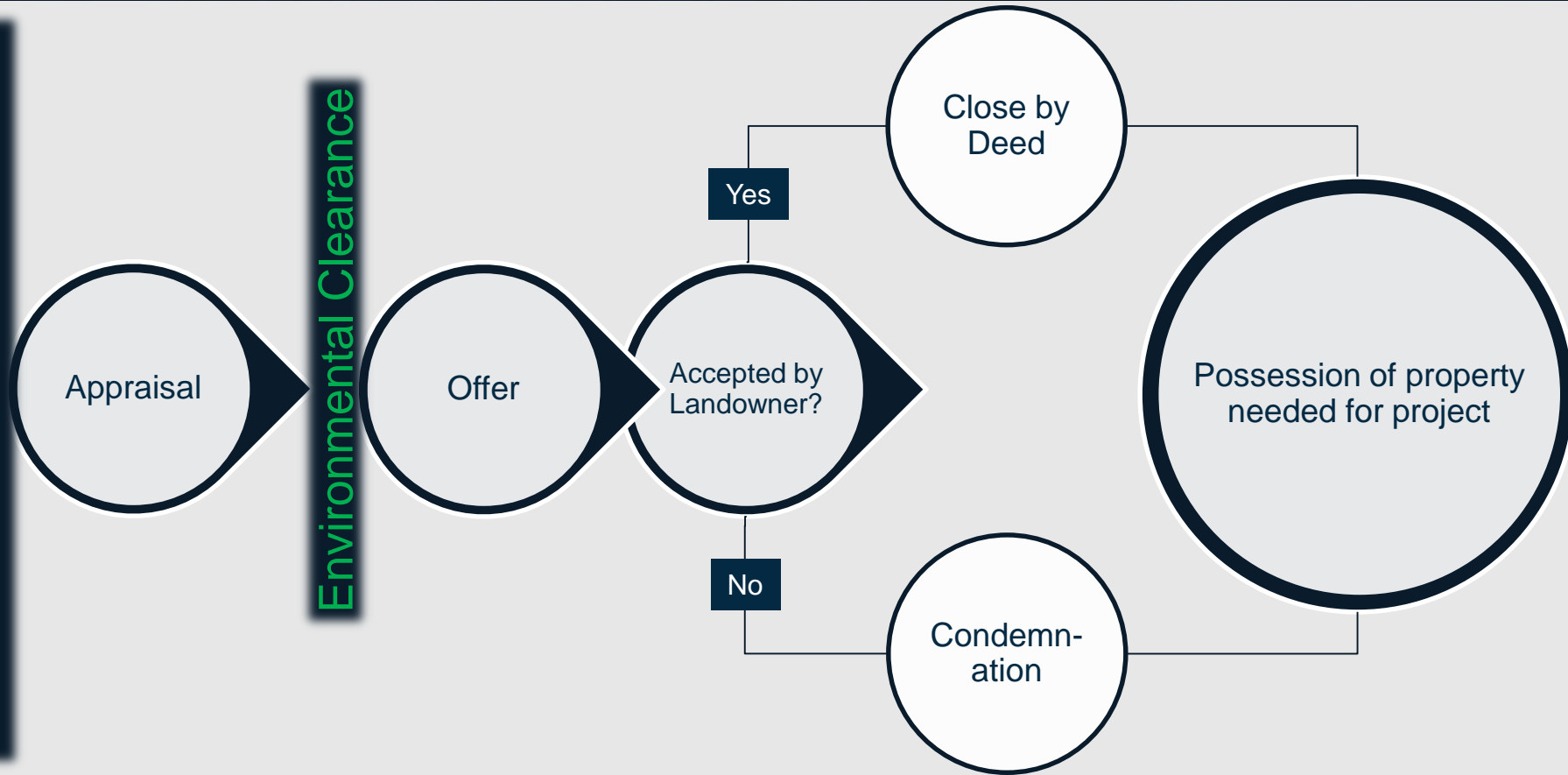


\* Revised process timeline

# Basic Right of Way Acquisition

## Survey/Property Descriptions

## Environmental Clearance







Private Property

Right of Way

Private Property



Private Property

New Right of Way

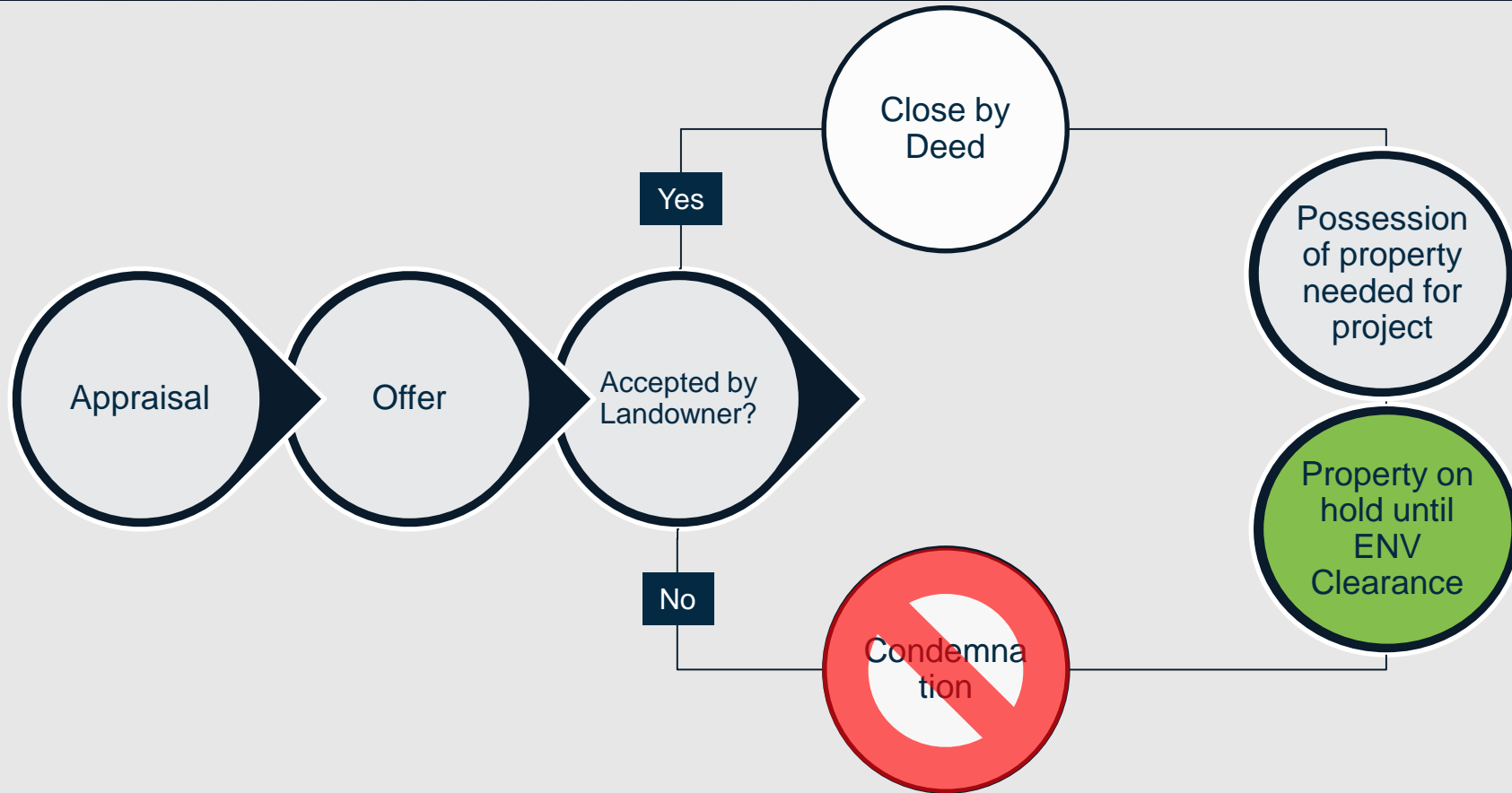
Private Property



# Advance Right of Way Acquisition

Survey/Property Descriptions

Advanced Acquisition Request



- HB 2646 and how it effects you



# Advance Acquisition

- Advance Acquisition influence
- Recommending advance acquisition
- Activities that cannot be performed prior to ENV



### District Review

- UTP
- ROW LRA

### Things to note

- State funded
- Federal and State laws
- Title VI of the Civil Rights Act
- Eminent domain CANNOT be used

### The Packet

- Property Descriptions
- ENV impacts

### Submission

- Eform ROW-N-AdvAcq



## Advanced Acquisition Request

Form ROW-N-AdvAcq  
(Rev. 10/19)  
Page 1 of 3

Please complete all the required fields (\*). Please provide further explanations to answers in the Business justification section. Forms should be routed through DocuSign for signatures. Signing/Routing order:

1. District Engineer
2. Right of Way Division Director (Kyle Madsen)
3. Financial Management Division Director (Stephen Stewart)
4. Director of Project Plan & Development (Brian Barth)
5. Director of District Operations (Quincy Allen)
6. Chief Engineer (Bill Hale)

When uploading the form to DocuSign, please include an attachment of the project map. Please note, Eminent Domain cannot be used to acquire property prior to environmental clearance, and the advanced acquisition cannot influence the environmental review process for the transportation project including:

- the need to construct the project
- the consideration of alternative routes
- the selection of design or location of the project

[Advanced Acquisition Memo](#)



# Chief Engineer Review

- Additional information or opinions from various divisions may be needed

# Approved

- District/Division are notified
- Formal release

# Relocation in Advance Acquisitions

- Relocation benefits not offered with offer letter
- Run the risk of having multiple relocations on same property



# Lessons Learn and Best Practices

- Sign and sealed property descriptions
- Work closely with your environmental coordinators
- Demolish
- District needs



# Advance Acquisition as of August 2020

- Between November 2017 and August 2020 we have had 502 advance acquisition requests
  - Of those requests 254 have been acquired totaling \$247,003,021.34



## 19



# Questions/ Feedback



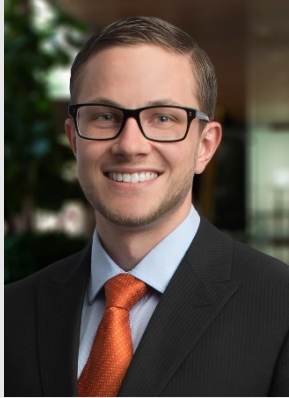


# TXDOT SURPLUS PROPERTY

Beauty is in the Eye of the Beholder

October 21, 2020

# Presentation by Dane Goodman



Dane Goodman started with the TxDOT in 2015 and has spent all his time working in the Real Estate Services Section.

Dane holds a BA degree from the University of Texas at Austin as well as being a Certified Commercial Investment Member (CCIM).

Over the last 10 years he has worked in the private and public sector with all manner of asset types, organizations, and levels of complexity within the real estate realm. He has been an integral part of standing up and executing the real estate monetization efforts at TxDOT.

Dane and his wife Lindsey have been together for over 10 years, and they both thoroughly enjoy their two year old daughter Evie and all the adventures that come along with a growing family.

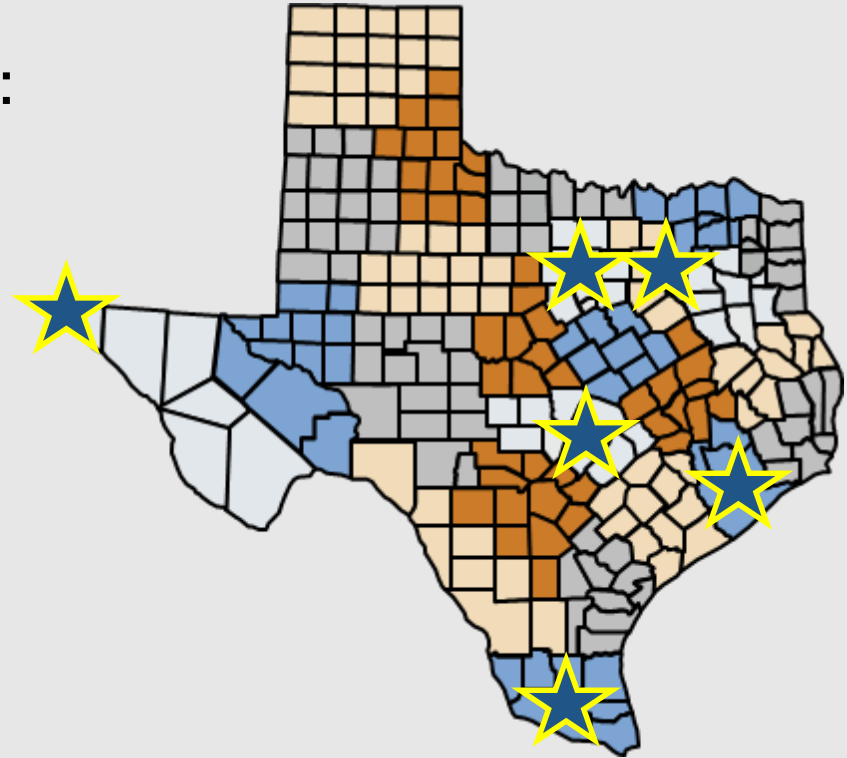
## “The Team” Real Estate Services (RES)–Right of Way (ROW)

Three teams within the section:

Dispositions & Leasing Team

Mapping and GIS Team

Acquisition Management Team



# What Does the RES-ROW Team Do?

**Texas Transportation Code Section 201.109 stipulates that TxDOT shall “maximize the generation of revenue from existing assets, including real estate...”**

**The Real Estate Services Section supports TxDOT’s commitment to strategically and holistically optimize the TxDOT real estate portfolio by generating revenue through the sale and leasing of TxDOT real property assets.**

## **Disposition**

- Since FY 2015 RES has generated in excess of **\$170M** from sale of surplus real property assets.
- Types of transactions include sales of fee simple, easement releases, transfers to local Governmental Entities, quitclaims, exchanges, and control of access releases

## **Leasing**

- 160+ ground leases, 100 temporary and 18 long-term saltwater pipeline leases, 825 small cell sites (5G build-out), and 15 fiber leases
- The temporary use of TxDOT’s ROW not currently needed for a highway purpose provides a sizable annual revenue stream

# How Does this Impact TxDOT, the District Staff, and the General Public?

## Generate Revenue

**COVID-19 impact to TxDOT's revenue; Mr. Bass' directive for the need to tighten the belt and generate more revenue for TxDOT**

**Generate revenue with unutilized real estate assets**

**Allow property values to be realized by private sector and get the properties back on the tax rolls**

## Support District Staff

**Provide superior customer service to our district partners**

**We are a tool for the districts. The goal of centralizing surplus activities was to free up capacity at the district level to focus on completing projects.**

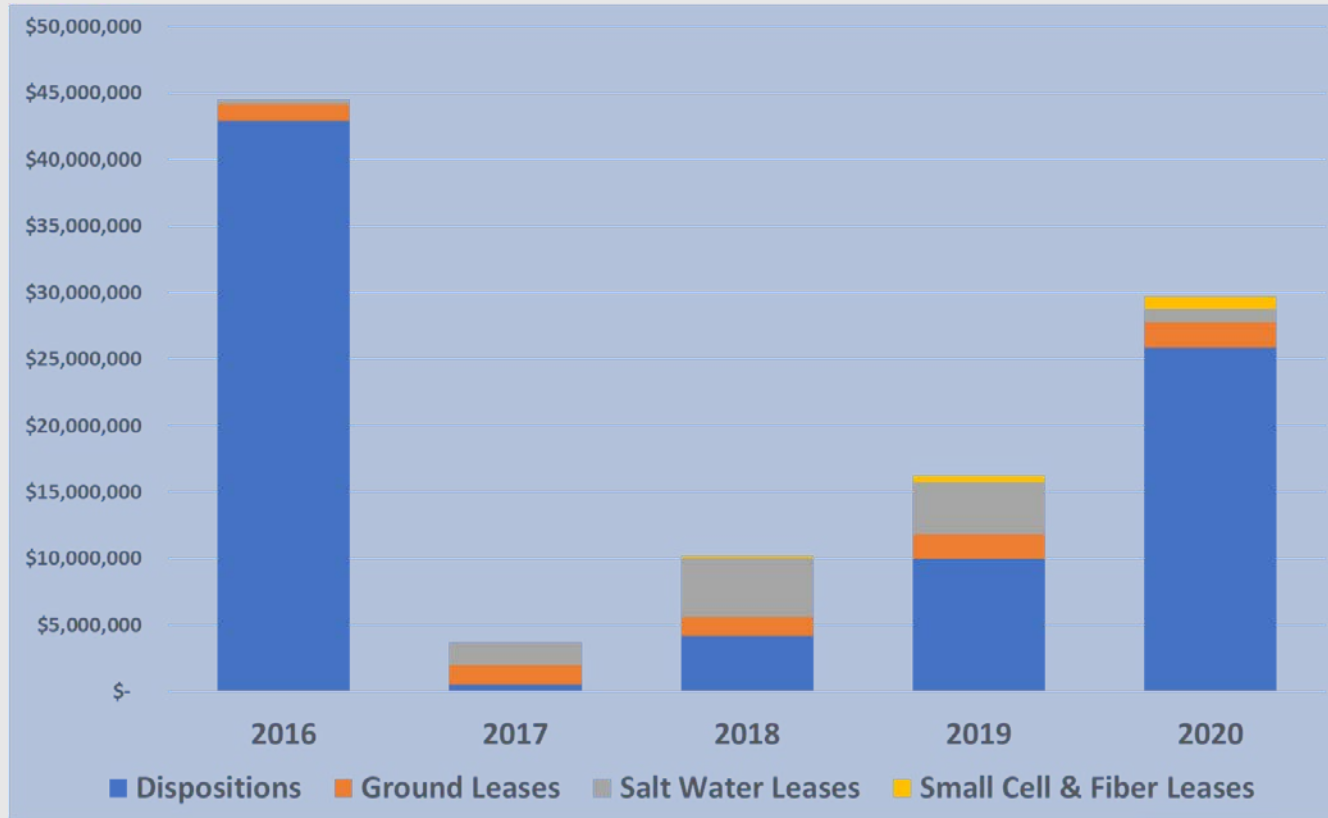
## Customer Focus

**Provide superior customer service to the general public**

**Maintain a consistent and uniform approach to all surplus real estate activities state-wide**

**Develop and maintain a high level of knowledge and experience through a disciplined focus**

# Revenue Generation for TxDOT by Fiscal Year





**Asset Identification**

**Asset Marketing**

**Price Discovery**

**Transaction & Close**

**Continual Evaluation of Maximum Value/Use**

## Asset Identification



Beauty is in the Eye of the Beholder

RES has a current inventory of available assets, but often assets are identified through expressions of interest from a member of the General Public.

Each new asset identified is vetted with the district where it is located and is only considered surplus if the district and District Engineer make that determination.

## Asset Identification (Fee-Simple Sales)

Avery Ranch Tract 1  
Austin District  
**\$18.2M**



3 Corners of IH 10 & Eastlake  
El Paso District  
**\$3.9M**



# Asset Identification (Easement Releases)

All types, shapes, and sizes.

Can be released to the underlying fee owner of the property for FMV.

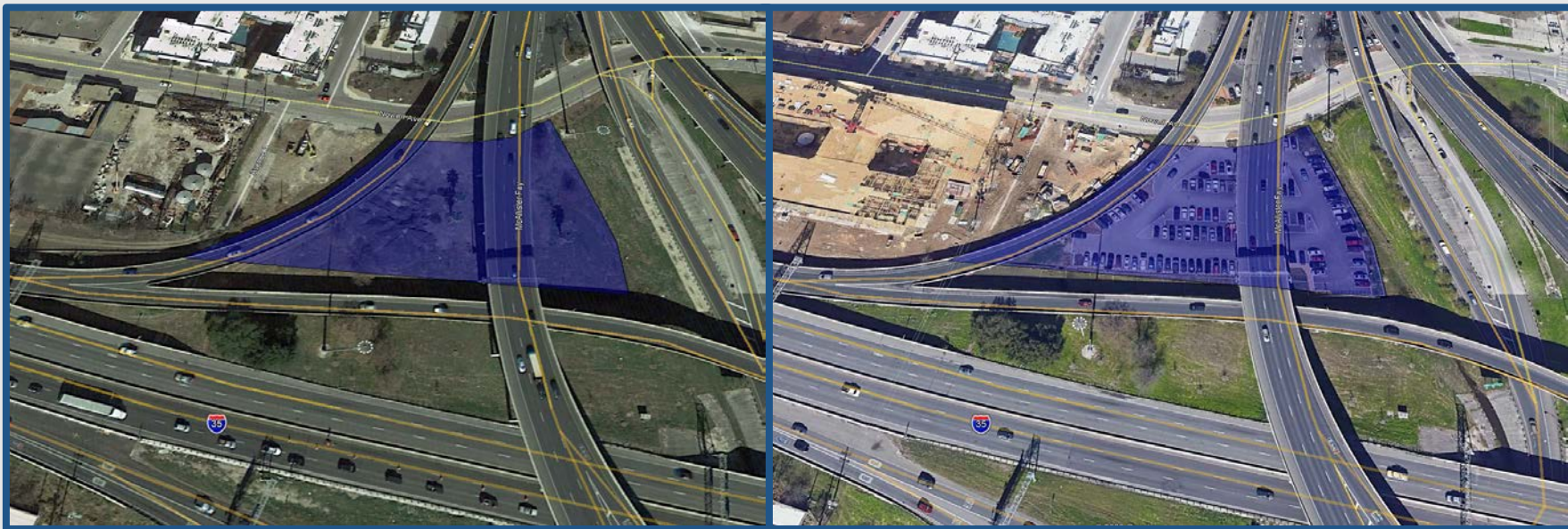




# Asset Identification (Leasing)

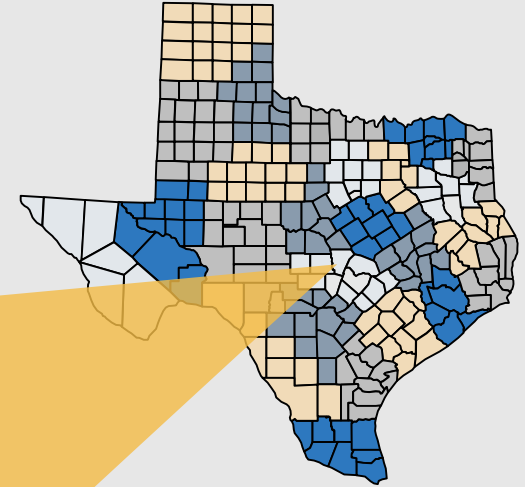
## Leasing Under Highway Facilities for Parking

Will generate \$65K in revenue this year



# Asset Identification (Leasing)

Encroachments into the ROW, short term uses, private utilities in ROW, sky's the limit (air leasing).



My New Friend  
Joe Muck, AAE  
BURNET AO, (AUS)



RES works with brokers to advertise property and identify potential buyers

RES distributes communication materials about property and TxDOT to interested parties

Continued evaluation of market drivers for highest and best use



[CBRE LISTING SITE](#)

## Price Discovery

TxDOT must dispose of assets at a fair market value (FMV). FMV can be determined through a variety of methods which may include appraisal, market interest/willingness to pay or broker price opinion.

RES enters discussions with all prospective buyers to understand interest levels

**“maximize economic value to TxDOT”**

**Competitive Sealed Bid**

**Competitive Situation Between  
Abutting Landowners  
(sealed bid or auction)**

**Best and Final Solicitation  
(for marketable leases)**

**Continual Evaluation of Maximum Value/Use**

## Transaction & Close



### TRANSACTION

RES determines best disposition vehicle.



RES coordinates internal processing to comply with laws, regulations, and FHWA.



### CLOSE

Sale – TTC, OAG, Governor

Lease – ROW DD, TTC



Process payment and/or transfer of property

Remember that we are a tool in your toolbox for you to utilize. When you get requests from private landowners rope us in early and often.

Provide guidance on surplus status of identified potential surplus real property assets. (Remember, the DE and the district control this step)

Assist with survey review and approvals (district survey techs) and if needed review and approval by the DE/Dist on improvements as needed for a lease.

## What Can You Do To Help?

Do not hesitate to reach out to anyone within ROW or RES with any questions or concerns you may have. We would gladly answer them or provide guidance to make you comfortable with the process.

**WE ARE HERE FOR YOU!**





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# Thank you!