November 20, 2023

To: Iowa Legislative Services Agency

From: Iowa Department of Transportation

RE: Right of Way Streamlining - Appraisal Waivers for Small Areas of Land for Disposal Pre-File Legislative Bill Request

***Background and current law:***

Iowa DOT is often approached by private landowners requesting the sale of small slivers of property currently held as required Right of Way near or adjacent to their property. Due to changes in traffic patterns within the transportation system, the purposes for which the property was purchased has sometimes changed making the original purpose of the purchase not as relevant. While the Iowa DOT is allowed to waive the need for appraisal (to determine fair market value) for very small *purchases* of land, it is not allowed to do so for very small *disposals* of land. Because of this requirement, it is often simply cost prohibitive to sell the property due to the cost of the appraisal which often far exceeds the value of the property.

**Solution:**

Allow appraisal waivers for small unused right of way sales where the anticipated value of the sale is expected to be less than $50,000 based on a comparable sales market analysis.

**Goal:**

Getting government property into private landowners’ possession faster and increase efficiencies within the Department of Transportation.