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.