MAINE STATE LEGISLATURE

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118th MAINE LEGISLATURE

FIRST REGULAR SESSION-1997

Legislative Document

No. 1466

H.P. 1049

House of Representatives, March 11, 1997

An Act to Provide Flexibility and Costs-savings in Department of Transportation Property Acquisition Procedures.

Submitted by the Department of Transportation pursuant to Joint Rule 204. Reference to the Committee on Transportation suggested and ordered printed.

OSEPH W. MAYO, Clerk

Presented by Representative DRISCOLL of Calais. Cosponsored by Representatives: BOUFFARD of Lewiston, CLUKEY of Houlton, FISHER of Brewer, LINDAHL of Northport, WHEELER of Eliot, WINGLASS of Auburn, Senators: CASSIDY of Washington, O'GARA of Cumberland.

Be it enacted by the People of the State of Maine as follows:

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Sec. 1. 23 MRSA §153-B, sub-§2, as enacted by PL 1993, c. 536, §2, is amended to read:

- Survey and appraisal. When property is to be purchased or taken over and held for the State, unless the department determines that an adequate description already exists, department shall first cause the property or interest in the property to be acquired to be surveyed and described, and a plan of the property made, and to be appraised by one or more appraisers. The owner or the owner's designated representative must be given an opportunity to accompany the appraisers during the appraiser's inspection of the property. All persons employed by the department are authorized, to the extent necessary for surveys, appraisals and preliminary engineering, to enter and cross all lands within, adjoining and adjacent to the area te-be surveyed proposed for acquisition in carrying out the objectives of this section. The department may prescribe a--precedure procedures to waive the appraisal in cases involving the acquisition by sale or donation of property or interest in The department may prescribe procedures to waive the appraisal in cases in which the fair market value of the property or interest in the property to be taken is estimated at \$5,000 or less and valuation can be established by another method. In any case in which the department and the owner do not reach an agreement about the value of property or interest in property to be acquired, or if the owner requests, the department shall perform an appraisal.
- Sec. 2. 23 MRSA §154, as amended by PL 1987, c. 395, Pt. A, §§94 and 95, is further amended to read:

§154. Condemnation proceedings

If the department determines that public exigency requires the taking of such property or any interest therein-ferthwith in property, or is unable to purchase such a property and or any interest therein in a property, or the necessary ways and access therete to a property at what it deems considers a reasonable valuation, or if the title in a property is defective, it shall file in the registry of deeds for the county or registry district where the land is located a notice of condemnation which shall must contain a description of the project specifying the property and the interest therein taken and the name or names of the owner or owners of record so far as they can be reasonably determined. The department may prescribe procedures for the reasonable determination of the owner or owners of record. The department may join in the same notice one or more separate properties

2 taken for the same use. 4 -A- The department shall serve a check in the amount of the determined net damage and offering price and a copy of the notice of condemnation shall-be-served on the owner or owners of record. In case there is multiple ownership, the check may be served on 8 any one of the owners. With that copy there-shall-be-served the department must serve on each individual owner of record a copy of so-much that part of the plan as relates to the particular 10 parcel or parcels of land taken from him that owner and a statement by the department with respect to the particular parcel 12 or parcels of land taken from him that owner which shall must: 14 Date of proposed possession. State the proposed date of 16 taking possession; 18 2.. Compensation involving severance damage. Where the appraisals disclose severance damages, state the department itemized the 20 compensation in accordance with department's determination of the following elements of damage: 22 The highest and best use of the property at the date of 24 taking; The highest and best use of the property remaining after 26 the taking; 28 C. The fair market value of the property before the taking; 30 The fair market value of the property after the taking; D. 32 The gross damage, showing separately: 34 The fair market value of the real property taken; (1) and 36 38 (2) Severance damages including the impairment or destruction of facilities and structures; 40 Special benefits, accruing to the remaining property by reason of the public improvement for which part of the 42 property is taken, to be set off against severance damages; 44 G. The net damage showing separately: 46 (1) The fair market value of the real property taken; 48

whether in the same or different ownership and whether or not

2	(2) The amount of severance damages in excess of special benefits; and
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4	(3) The offering price-:
6	H. If the offer is not acceptable and the State cannot
8	negotiate an agreement on the amount of just compensation within 60 days from the date of taking, the owner may apply
10	to the department within said 60 days and have the matter referred to the State Claims Commission for assessment of
10	the damage. Acceptance and cashing this check will not
12	jeopardize negotiation and will not be construed as acceptance of the offer; and
14	decopedate of the offer, and
1 C	I. Enclosed Check No.: Amount: \$
16	Payable to:
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20	Sent to:
20	3. Compensation not involving severance damage. Where the
22	department appraisals disclose no severance damages, state the
24	amount of compensation itemized in accordance with the department's determination of the following elements of damage:
26	A. The highest and best use of the property at the date of
28	taking;
20	C. The fair market value of the real property taken as of
30	the date of taking;
32	E. Offering price;
34	F. The check represents the state's State's offer of just
• •	compensation. If the offer is not acceptable and the State
36	cannot negotiate an agreement on the amount of just compensation within 60 days from the date of taking, the
38	owner may apply to the department within the 60 days and have the matter referred to the State Claims Commission for
40	assessment of the damage. Acceptance and cashing this check
42	will not jeopardize negotiation and will not be construed as acceptance of the offer; and
44	G. Enclosed Check No.: Amount: \$
46	Payable to:
4.8	Sent to:

- 4. Compensation in cases involving the facilities of a public utility. Where the condemnation involves the taking of established rights and facilities owned by a public utility and located outside of an established highway right-of-way, no statement by the department as provided above shall may be sent to the public utility concerned. In any negotiations for an agreement with such public utility with regard to such rights and facilities, the department shall consider, without being limited to, the following elements of damage:
- - B. The salvage value of facilities removed;
- 18 C. Cost of removal; and

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D. The value of betterments where the function of the substitute facilities exceeds the function of the replaced facilities.

24 Service of the notice of condemnation with the a copy of the plan, check and the statement by the department shall must be made by registered or certified mail or by personal service as 26 required for service of a summons on a complaint in the Superior 28 Court. The A notice of describing the condemnation only-shall must be published once in a newspaper of general circulation in 30 the county where the property is located and such publication shall--constitute constitutes service on any unknown owner or owners or other persons who may have or claim an interest in the 32 The notice must consist of an area map depicting the 34 general location of the property interests to be condemned and such other information as the department determines will sufficiently identify the area in which the property interests 36 are to be taken; an informative summary listing the parcel or item numbers to be condemned, the name of the apparent owner or 38 owners of record of the property interests, the estimated areas 40 to be condemned and the nature of the interests to be condemned; and a location at which the complete notice of layout and taking may be examined. 42

If such owner is a person under the age of 18 years, or an incompetent person, the commission shall cause such notice and check to be served upon the legal guardian of such person or incompetent. If there is no such guardian, then the department shall apply to the judge of probate for the county wherein the property is situated, briefly stating the facts and requesting the appointment of a guardian. The reasonable fee of such guardian as approved by the court shall must be paid by the department.

In case there is a mortgage, tax lien of record or other encumbrance covering any of said land, a copy of the notice of condemnation shall must be sent forthwith by registered or certified mail to the holder of record of said mortgage, tax lien or other encumbrance addressed to his the holder's office or place of abode if known, otherwise to the office, abode or address as set forth in said record.

The recording of the notice of condemnation shall-be <u>is</u> the date of taking and shall-west <u>vests</u> title to the property therein described in the State in fee simple or such lesser state as is specified in the notice of condemnation. Within one year after the completion of the project for which the land is taken, the department shall file a plan for recording in the registry of deeds for the county or registry district where the land is located

located.

If a condemnation proceeding is instituted and then abandoned, the owner of any right, title or interest in any real property included in said proceeding shall must be reimbursed by the department for his reasonable attorney, appraisal and engineering fees, actually incurred because of the condemnation proceedings.

SUMMARY

The purpose of this bill is to ensure that the procedures and resources applied to an acquisition, while fully protecting the property owner, are reasonable in light of the nature, extent and value of the property interests to be acquired.

This bill enables the Department of Transportation to use alternative valuation procedures, rather than appraisals, in cases in which the estimated value of the acquisition is less than \$5,000. In unsettled cases or when owners request, such low-value acquisitions still would be appraised.

This bill eliminates the requirement that the Department of Transportation publish the entire notice of layout and taking for each condemnation. This permits the department to eliminate publication of the lengthy metes and bounds description of each property interest. The department would continue to publish a list of affected owners and the type and extent of the interests acquired, along with a map of the location of the taking.

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