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Sam Brownback, Governor

**TESTIMONY BEFORE
JOINT COMMITTEE ON STATE BUILDING CONSTRUCTION
RELATING TO KDOT INVENTORY SYSTEMS
October 21, 2015**

Good morning Mister Chair, members of the committee. I am Jerry Younger, Deputy Secretary and State Transportation Engineer for the Kansas Department of Transportation (KDOT), here today to present KDOT's system of keeping inventory records of real property and real estate transactions, in accordance with K.S.A. 75-3516.

KDOT's Bureau of Right of Way maintains an inventory system of all real property, from buildings to right-of-way holdings, in order to keep accurate records and locate potential excess property. Non-infrastructure inventory includes all land which is not part of the highway system, such as KDOT district, area and sub-area offices and facilities, and is in a separate inventory system from infrastructure inventory.

In April 2014, the Bureau of Right of Way upgraded its right-of-way inventory system. KDOT will continue to look for and make upgrades to its right-of-way inventory system as appropriate.

As of the end of FY 2015, KDOT has identified 1,259 potential excess tracts of land. Please see the attached table for an overview of progress to-date.

As tracts are identified as potential excess right-of-way, they are reviewed internally to determine whether they may be needed for future right-of-way and whether they were acquired in a way that allows KDOT to sell them. As of the end of FY 2015, 578 tracts had completed agency review. Of these, 254 tracts were determined to be "Excess" in that they no longer have potential for use as right of way, while 324 were to be retained for future use.

Excess tracts are then analyzed for marketability and will be sold if marketable. This involves two primary considerations. First, the size, shape and location of the tracts are not always desirable to buyers, making them difficult to market. Second, KDOT can only market Excess right-of-way if it owns the fee interest in the tract. Where KDOT holds only an easement for highway right of way purposes in a tract, it cannot sell the tract without first purchasing the underlying fee interest, or selling (or releasing the easement) to the owner of the underlying property. KDOT does not own fee interest in approximately 40% of tracts identified as excess right of way.

In addition to internal project review, we receive requests from individuals and other government entities such as federal, city, or county. In FY 2015, 28 public inquiries were received. Of these, 16 tracts were sold and 15 tracts were released at no charge.

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Attachment
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In summary, in FY 2015, including project plan reviews and public requests, 19 properties were sold for a total of \$820,379.

Thank you for the opportunity to update the committee on KDOT's inventory systems and excess right-of way. I would be happy to answer questions at the appropriate time.

FY 2015 Progress Report – RID Section

Phase I - Public Requests

	<u>FY 2015</u>	<u>FY 2014</u>
Requests Received	28	150
Marketable	11	18
Tract/interest sold	16	26
Tract/interest released	15	25
Revenues	\$809,324*	\$248,427

Phase II – Project Plan Review

Review of 105 counties resulted in 1,259 potential excess Hwy ROW sites. The following is the status of Phase II sites:


	<u>Completed In FY 2015</u>	<u>Completed in FY 2014</u>	<u>Cumulative Totals (Since FY 2003)</u>
Agency Review of sites			578
To be retained	60	73	324
Determined Excess	22	13	254
Marketing and Disposal			
Tracts Marketed	6	6	59
Tracts Sold	3	2	20
Tracts/Interests Released	0	3	19
Revenues	\$11,055	\$113,700	\$138,542

As of June 30, 2015, we have 681 remaining potential excess ROW sites that have not gone through Agency review. The cumulative Phase II efforts have resulted in 215 sites of excess ROW that have gone through an agency review that have not been disposed.

Totals – Phase I plus Phase II

	<u>FY 2015</u>	<u>FY 2014</u>	
Revenue	\$820,379*	\$362,127	1.2 million
Tracts Sold	19	28	47
Tracts/Interests Released	15	28	43
Acres Sold/Released	103	197	300

*Includes sale of sub-area shop in Emporia for \$325,000.

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