

**NCHRP 20-07, Task 413
RELOCATION AND ACQUISITION OF
OUTDOOR ADVERTISING SIGNS IMPACTED
BY STATE HIGHWAY PROJECTS:
TIME AND COST COMPARISON**

Prepared for:

American Association of State Highway and Transportation
Officials (AASHTO)
Standing Committee on Highways

Prepared by:

O. R. Colan Associates, LLC
7005 Shannon Willow Road, Suite 100
Charlotte, NC 28226

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David Edwards, Arizona DOT
Chip Johnson, New Hampshire DOT
Mark Pope, Colorado DOT
Jim Spalla, Florida DOT
Barbara Wessinger, South Carolina DOT
Dawn Horan, FHWA (Liaison)

The project was managed by Ann Hartell, NCHRP Senior Program Officer.

Disclaimer

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Executive Summary

Introduction

The objective of this research was to collect the cost and time data associated with off-premise outdoor advertising (OA) signs that are acquired or relocated by State DOTs (SDOTs) for highway improvement projects and then compare and analyze this data. For those signs that were relocated, SDOTs were asked to provide information about the placement of signs directly off the right of way, relocations under the provisions of the Uniform Act, and any alternative approaches being used for removal of signs.

Background

Impacts to off-premise outdoor advertising (OA) signs are somewhat unique when they are displaced or acquired because of roadway improvement project needs. In addition to the widely varying types of signs, these signs may fall into a gray area where they can be treated as either real property or personal property. Many jurisdictions throughout the United States designate OA signs as either real or personal property as a matter of consistency, while others allow the acquiring agency to determine this status based upon individual circumstances. Over recent years, more jurisdictions have been forced to make a real property/personal property determination that is generally applicable in the respective jurisdiction.

The primary federal law impacting OA signs is the Highway Beautification Act of 1965, which regulates the placement of signs adjacent to designated controlled routes throughout the United States. In addition to the federal law, the states along with a variety of municipal governments have their own laws regulating the placement of OA signs. In most locations throughout the United States, these various sign placement laws have reduced the availability of viable and desirable new sign location sites.

Key Findings

1. Acquisition vs. Relocation Costs

The relocation of an OA sign will typically be substantially less expensive to the SDOT than acquisition of the sign. The most reliable data came from one SDOT, which provided comparisons of similar size and type signs that had been both acquired and relocated. Another SDOT submitted data showing the appraised value of a sign and the actual relocation costs incurred for moving it to the remainder property. Based on very limited reliable data for five signs, one could expect that the cost of acquisition would be approximately two to four times the cost of relocation. This does not consider any additional administrative costs associated with acquisition, such as appraisal and appraisal review fees, litigation costs, i.e., court filings, outside counsel fees, conflict resolution, and other expert witnesses.

2. Time Element Related to Project Delivery

Each SDOT was asked to provide data regarding time and effort needed to either acquire or relocate impacted OA signs to allow for comparison and analysis of these activities. The SDOTs were unable to provide the amount of data anticipated; the participating SDOTs indicated that retrieval of these data from the parcel acquisition files was too labor intensive. Additionally, the SDOTs indicated they did not need to track or monitor the time associated with acquisition or relocation of OA signs since it did not typically impact project delivery.

3. Relocation to a Non-Conforming Site

Although each SDOT representative interviewed indicated they would not allow an impacted OA sign to relocate to a non-conforming site, as defined in the State/Federal Outdoor Advertising Agreement, each believed it would be valuable to allow such relocations under certain circumstances.

4. Alternative Relocation Approaches

Five SDOTs indicated that in some cases they were able to significantly alter their OA sign acquisition programs to provide some degree of incentive to allow impacted sign owners to relocate their signs. While these incentive programs varied somewhat, they were each based on the ability to offer relocation credits or incentives based on providing variances to prevailing spacing standards at locations within the state.

Summary

By combining the comments from the interviews, along with the data the SDOTs submitted, the research team was able to collect and analyze some data on the economic costs associated with the acquisition and relocation of OA signs. Although the data were limited, some conclusions can be drawn on the costs of approaches used by SDOTs to address impacts to off-premise outdoor advertising signs that result from highway improvement projects.

In addition to the basic costs and expenses associated with relocating OA signs versus acquiring that same sign, there are a variety of intangibles that contribute to an even greater variation than might normally be expected. The methodology for valuation of an OA sign has been a controversial subject for many years. Many SDOTs believe the value should be estimated as the depreciated value of the sign components in place. The OA sign owners contend that the value of the sign should be calculated using an income approach, where the rental income of the sign is capitalized to reach a value. Experience has shown that indicated values can be significantly greater when the income approach to value is utilized, as opposed to the depreciated value in place approach.

One comment echoed by all of those interviewed during this study was that cost savings could be achieved if impacted non-conforming and conforming OA signs could be

relocated back onto a non-conforming site, to a situation like the one that existed prior to the sign and site acquisition. The SDOT representatives the study team contacted all seemed to agree that they could achieve a more productive control of roadside OA signs if they had some degree of flexibility to negotiate with the sign owners when OA signs were impacted by highway improvement projects. By allowing for an occasional sign relocation to a non-conforming site, under strict guidelines regarding relative location of the sign to the roadway as in the before condition, along with no structural improvement, mutual positive goals could be accomplished. The SDOTs could provide for the best acquisition/relocation result, while still conforming to the goals of the Highway Beautification Program.

The interviews and data collected indicate the benefits of SDOTs exploring creative solutions to OA sign acquisition by using alternative relocation approaches that produce cost savings and better outcomes for the SDOTs and sign owners. Because of differences in state laws and regulations, developing a single or uniform approach for all SDOTs is not practical. However, the research suggests there is value in SDOTs pursuing the development of a pilot program to evaluate alternate approaches to the relocation of displaced OA signs. A pilot program could expand SDOT experience with alternative approaches; provide full descriptions of the most promising alternative approaches; demonstrate how an SDOT can capture relevant data on costs; and document and evaluate the results.

Narrative Final Report

Introduction

The objective of this research was to collect the cost and time data associated with off-premise outdoor advertising (OA) signs that are acquired or relocated by State DOTs (SDOTs) for highway improvement projects and then compare/analyze this data. For those signs that were relocated, SDOTs were asked to provide information about the placement of signs directly off the right of way, relocations under the provisions of the Uniform Act, and any alternative approaches being used for removal of signs.

Background

Impacts to off-premise outdoor advertising (OA) signs are somewhat unique when they are displaced or acquired because of highway improvement project needs. In addition to the widely varying types of signs, these signs may fall into a gray area where they can be treated as either real property or personal property. Many jurisdictions throughout the United States designate OA signs as either real or personal property as a matter of consistency, while others allow the acquiring agency to determine this status based upon individual circumstances. Over recent years, more and more jurisdictions have been forced to make a real property/personal property determination that is generally applicable in the respective jurisdiction.

A major influence in the treatment of OA signs is the variety of laws and regulations in existence which place limitations on where OA signs can be placed regarding zoning and spacing, as well as restrictions on the size and lighting of such signs. These laws and regulations often mean there will not be what the sign owner considers to be a reasonable location available for relocation of the impacted OA sign. While SDOTs do have the authority to acquire and remove impacted OA signs through their eminent domain authority, the sign owner's desired result is frequently relocation of the sign. SDOTs have found that if they can achieve a cooperative resolution with the impacted sign owner, that outcome is typically less costly to the agency and represents less overall administrative burden.

The primary federal law impacting OA signs is the Highway Beautification Act of 1965, which regulates the placement of signs adjacent to designated controlled routes throughout the United States. In addition to the federal law, the states along with a variety of municipal governments have their own laws regulating the placement of OA signs. In most locations throughout the United States, these various sign placement laws have reduced the availability of viable and desirable new sign location sites.

Research Approach

In the first task of this research project, the research study team developed a data collection plan that detailed how the team would acquire the information necessary to document and compare the costs and time associated with the acquisition and relocation of impacted OA signs. In the next task, the team implemented this plan that used e-mail

surveys followed by telephone interviews to collect data about how SDOTs conducted and managed the acquisition and relocation of these signs. A survey was initially sent to each SDOT to get an overall picture of OA signs impacted by each program. A key question in the survey was whether the SDOT was willing to provide data regarding its acquisition/relocation of OA signs within the past five years. After a series of both telephone and e-mail communications, eight SDOTs were eventually selected to participate in telephone interviews. The interview data was analyzed to determine the SDOTs that were willing and able to participate in the next phase of data acquisition: in-depth file reviews.

These file reviews were intended to obtain data from six to eight diverse SDOTs, which would provide adequate detail to evaluate the relative differences between relocating or acquiring OA signs. The information requested included items such as the amount paid to either acquire or relocate the sign, associated costs for appraisals or moving cost estimates, litigation costs, and any differences in project delivery time attributed to acquisition versus relocation.

The details of data collection and analysis methods is contained in Appendix A to this report.

Challenges to Data Collection

Upon initiating this research project, the team recognized there would be major challenges to overcome to fulfill the goals of the project. The most significant of the challenges included the following:

1. *SDOT Participation* – The work plan identified a significant amount of data the research team intended to request from the SDOTs during the file reviews, which could require substantial involvement of their staff resources. From the outset, the team was quite concerned whether six to eight diverse SDOTs would agree to participate in these reviews and provide the requested data for the research. These concerns were somewhat alleviated when seven SDOTs were able to provide some degree of data.
2. *SDOT Organizational Structure* – In most SDOTs the responsibility for oversight of OA sign issues is divided between the OA sign program control staff and the Right of Way (ROW) acquisition/relocation staff. These two SDOT staff functions are typically under separate organizational structures, which coordinate with each other when necessary, but are essentially independent of each other. To conduct this research project, the team sought to include appropriate OA program control staff and ROW staff from each SDOT to obtain data that was typically maintained separately by the two organizations.
3. *Location of Relevant Data* – Most SDOT databases do not maintain separate records or files related to the ROW acquisition aspects of OA signs. Instead this information

is contained within the overall real property parcel acquisition data file. Two basic data elements requested for the research was the initial amount of the offer and the final amount paid for acquired signs. (Additional data of interest included appraisal and appraisal review costs, litigation costs, conforming/nonconforming status, and type of sign.) Since this information was not available in a database, SDOT staff would have to cull through the various parcel files and extract the specific data. The various SDOTs that agreed to participate in the research project reported a significant amount of effort was required to extract the requested data. As a result, participating SDOTs provided quite limited data, although they reported this was the best data they reasonably could provide.

4. *Changing Legal Environment* – Several of the SDOTs contacted indicated that both new legislation and case law decisions within their states during the past few years had caused revisions to real property/personal property treatment of impacted OA signs. Analysis of data would have to consider this circumstance when comparing costs from acquisitions/relocations carried out before and after such changes.
5. *Unique OA Sign Situations* – During the interview process, SDOT staff indicated that OA sign acquisitions/relocations were seldom straight forward actions. They indicated that each situation seemed to be unique, which called for the SDOTs to often devise creative approaches to resolve the situation. Since most impacted sign owners preferred a reasonable relocation of their sign as opposed to an acquisition, five of the SDOTs had implemented some form of “relocation credit” to be applied in conjunction with the sign removal. These “relocation credits” gave the impacted sign owners varying degrees of priority to relocate their sign at a future date and often represented significant value to the impacted sign owner. However, this type of alternative approach can substantially affect the ability to document acquisition/relocation expenses.
6. *OA Sign Owner Expectations* – As mentioned above, the SDOT program managers all indicated that most sign owners preferred relocation of their impacted signs to a similar type location, as opposed to acquisition. Generally, the sign owners were more interested in maintaining a business income stream, rather than a one-time acquisition payment. Most of the SDOT program managers indicated that even if the impacted sign was designated as “real property,” they would try to accommodate sign owner relocation requests. This was a benefit to the SDOT also, as relocation costs were generally less than acquisition costs, and it tended to avoid major valuation conflicts with the sign owners. From a research perspective, this attempt on the part of the SDOTs to reach justifiable compromise with the sign owners did make it difficult to document comparisons of costs by approach.

Key Findings

Although the data available for this study were constrained, the data available, combined with insights gathered from the interviews with each of the SDOTs, support several key findings.

1. Acquisition vs. Relocation Costs

The relocation of an OA sign will typically be substantially less expensive to the SDOT than acquisition of the sign. It was difficult to attempt comparisons between similar type signs since the data supplied by the SDOTs generally only related to the acquisition or relocation costs associated with each individual sign. The Arizona DOT submitted information for one sign that was relocated onto the remainder parcel at an actual cost of \$226,635.86. The sign had been appraised at a value of \$1,043,000.00. (There was no indication of the sign type or size; however it is assumed to be a monopole sign because of the substantial value.)

The most reliable data received involved costs obtained from the Arkansas DOT, which provided comparisons of similar size and type signs that had been both acquired and relocated. The data indicated that a 12x24 single sign had been relocated at a cost of \$4,650, while a similar size sign was acquired at a cost of \$11,500. A 12x25 v-stacked sign was relocated at a cost of \$19,600, while a similar sign was acquired at a cost of \$45,000. Two 12x25 two-sided signs were relocated at costs of \$4,500 and \$13,800, while a similar sign was acquired at a cost of \$23,500.

This very limited data indicates the cost of acquisition is approximately two to four times the cost of relocation. This does not consider any additional administrative costs associated with acquisition, such as appraisal and appraisal review fees or litigation costs (i.e., court filings, outside counsel fees, conflict resolution, expert witnesses).

2. Time Element Related to Project Delivery

Each SDOT was asked to provide data regarding time and effort needed to either acquire or relocate impacted OA signs to allow for comparison and analysis of these activities. The SDOTs were unable to provide the amount of data anticipated; the participating SDOTs indicated that retrieval of these data from the parcel acquisition files was too labor intensive. Additionally, the SDOTs indicated they did not need to track or monitor the time associated with acquisition or relocation of OA signs since it did not impact project delivery.

3. Relocation to a Non-Conforming Site

Although each SDOT representative interviewed indicated they would not allow an impacted OA sign to relocate to a non-conforming site, as defined in the State/Federal Outdoor Advertising Agreement, all expressed the view that it would be valuable to allow such relocations under certain circumstances. In general, the SDOT respondents believed that if an impacted sign could be relocated onto a remainder parcel of land after the real

property acquisition, even if the remainder was non-conforming, this would be a preferable alternative in most instances to an outright acquisition of the sign.

4. *Alternative Relocation Approaches*

Five SDOTS indicated that in some cases they were able to significantly alter their OA sign acquisition programs to provide some degree of incentive to allow impacted sign owners to relocate their signs. While these incentive programs varied somewhat, they were each based on the ability to offer relocation credits or incentives based on providing variances to prevailing spacing standards at locations within the state. These SDOTS were able to offer these alternatives when municipalities and/or statewide controls on sign placement were stricter than the standards in the State/Federal Outdoor Advertising Agreement. Although the circumstances varied, the SDOT would either work with a municipality to authorize or enact its own variance procedure to permit a displaced OA sign to be relocated to a new location. Obtaining a variance could occur immediately, or the sign company could obtain some type of a future “relocation banking credit.”

According to the five SDOTs, the ability to offer the impacted sign owner the opportunity for a relocation variance greatly improved the relationship between the SDOT and the sign owner. Of course, this approach would only be applicable in states where sign control standards were more stringent in some locations than the standards as set out in the State/Federal Outdoor Advertising Agreement, and where local municipalities were willing to cooperate with the SDOT in effecting such a program.

This ability to offer waivers to local sign placement standards is an important insight from the research. Although the program in each state is unique, the basic premise is that the ability to extend a relocation incentive to the impacted sign owner could pay significant dividends to the SDOT in terms of cost and cooperation.

Summary

From the beginning of this research study, the research team and the technical working group discussed the challenges associated with obtaining the necessary file documentation to achieve the research objective. The sparse data on OA sign acquisitions/relocations reflects a situation where most SDOTs store these data in file locations and formats that make it relatively difficult to access.

Still, combining the comments from the interviews, along with the data participating SDOTs were able to provide, the research team was able to analyze some data on the economic costs associated with the acquisition and relocation of OA signs. The team was also able to make some conclusions related to the costs of approaches used by SDOTs to address impacts to off-premise outdoor advertising signs that result from highway improvement projects.

Although limited, this study was able to confirm that relocation costs associated with displaced OA signs would be significantly less expensive than purchasing those same signs. Although there will always be some exceptions (particularly with smaller signs),

all the SDOTs involved in this study were confident that past experience points to significant potential savings that could be realized using the process of relocation rather than acquisition.

In addition to the basic costs and expenses associated with relocating OA signs versus acquiring that same sign, there are a variety of factors that contribute to a high degree of variation in costs:

1. All SDOT staff interviewed indicated that, typically, impacted OA sign owners were significantly more interested in maintaining their sign-generated income stream than they were in receiving a one-time acquisition payment. In this regard, negotiations were easier when sign owners believed that a sign could be relocated rather than acquired.
2. The methodology for valuation of an OA sign that is to be acquired has long been controversial. Many SDOTs believe that the value should be estimated as the depreciated value of the sign components, in place. This methodology requires calculating the cost of reproducing the sign structure using a cost calculator, and then applying a depreciation factor.

On the other hand, OA sign owners contend that the value of the sign should be calculated using an income approach, where the rental income of the sign is capitalized to reach a value. In addition, the sign owners contend that they are entitled to damages resulting from the inability to maximize their operations warehouse and message display strategies.

Experience has shown that indicated values can be significantly greater when the income approach to value is utilized, as opposed to the depreciated value in place approach. Interviewees for this study indicated that over the past years the courts have been gradually tending towards requiring valuation of acquired OA signs by the income approach.

One comment echoed by all those interviewed during this study was that cost savings could be achieved if impacted non-conforming and conforming OA signs could be relocated back onto a non-conforming site to a situation like the one that existed prior to the sign and site acquisition. There was widespread agreement that if such an adjustment were allowed, a relocated sign would have to be in a substantially similar relationship to the roadway as existed prior to the displacement, and that the sign structure would have to remain virtually identical to the displaced structure.

The concept of allowing impacted non-conforming (and conforming) OA signs to be relocated back onto a non-conforming site in conjunction with the highway improvement has been considered and debated ever since the Highway Beautification Act was enacted. The FHWA has consistently held the position that the ultimate elimination of all non-conforming OA signs adjacent to the defined controlled routes was the program objective. During the early years of the federal OA program, and with the availability of targeted funding from FHWA, a substantial number of non-conforming OA signs were acquired and eliminated. When targeted funding was no longer available, the various

SDOTs were generally reluctant to take on the removal effort with their own funds. As a result, the non-conforming removal program languished in most states. Over time, remaining non-conforming signs have become even more valuable since the supply of competing non-conforming signs has been substantially reduced.

Although the sparse data available for this study impose limits on the conclusions that can be drawn, the information from SDOTs indicate that relocating rather than acquiring OA signs can result in reduced costs for SDOTs. The interviews and data collected also indicate the benefits of SDOTs implementing some form of statewide relocation credit program, if possible, and exploring creative solutions to OA sign acquisition through alternative relocation approaches. Because of differences in state laws and regulations, developing a single or uniform approach for all SDOTs is not practical. However, the research suggests a pilot program by a small number of states to explore alternate approaches to the relocation of displaced OA signs could be of value. A pilot program could fully define the most promising alternative approaches; demonstrate how an SDOT can capture relevant data on costs; and document and evaluate the results.

Appendix A

Data Collection Methods and Analysis of Data

The process the research team used to collect the data for this research study is described below. It includes a summary of: the survey process and results, the SDOTs interviewed and the interview results, the SDOTs selected for the in-depth file review, and the results of the file reviews.

Survey of SDOTs

The ORC team developed a short survey, which consisted of six (6) questions that the technical panel reviewed and approved. The purpose of this initial survey was to get an overall picture of outdoor advertising signs impacted by each SDOT's program, i.e., how many signs removed in last 5 years, number conforming vs. nonconforming, typically acquired or relocated, state laws or local zoning ordinances that impact sign removal and relocation. The collection of this data would allow the ORC team to identify SDOTs that would be good candidates for the next phase of the study, based on various factors. We wanted to identify SDOTs that would provide a good mixture or representation of data for comparison.

Survey Distribution

The plan described distributing the survey electronically to all SDOTs and enabling them to respond electronically. A complication to this task is that functions associated with off-premise outdoor advertising signs are handled by different agency organizational units or sections. The tasks of acquiring and relocating signs are obviously located in Right of Way (ROW). However, the Outdoor Advertising (ODA) Management unit, which is responsible for regulating and permitting such signs, may be in ROW or in a separate section within the SDOT's organizational structure. Ideally, the survey would be delivered to both ROW and ODA contacts. For our purposes, one of the most important questions contained within the survey was whether the SDOT would be willing to share its data/records for purposes of investigating the time and cost data associated with the acquisition and relocation of ODA signs.

The AASHTO Committee for Right of Way, Utilities, and Outdoor Advertising Control (CRUO) distributed the survey to all 50 SDOTs by email on April 13, 2018 on behalf of the research team. The email provided an explanatory introduction and a link to the survey instrument, with a requested response date of May 7, 2018. The research team also distributed the survey to SDOT Right of Way Managers/Directors in May 2018. (A copy of the email and the survey is included as Appendix B.)

Survey Results

A total of 31 SDOTs responded to the survey, which represents a 62% overall response rate. Of these 31 responses, 8 SDOTs only answered the question regarding its treatment

of off-premise ODA signs as real or personal property; these responses were not considered useful or valid for the current research.

The 23 remaining respondents answered all questions on the survey, including the request for the name of the person completing it and the State DOT (a 46% response rate). In addition to requesting information about the removal of ODA signs, the research team wanted to know if SDOTs would provide the file documentation needed for the last phase of data collection. 10 of the 23 SDOTs responded they would (Arizona, California, Colorado, Florida, Illinois, Louisiana, Ohio, Oregon, Texas and Utah). While some of these states have impacted very few signs in the last few years (Ohio, Oregon and Utah), others such as California and Illinois have removed over 50 signs, and Florida and Texas have removed over 100 signs. Thirteen of the 23 SDOTs indicated they were unwilling or unable to share their data records. (See Appendix C for a tabulation of all responses.)

Identifying SDOTs for Interviews

After receipt of the survey responses, the ORC team analyzed the survey results to identify SDOTs that would be good candidates for subsequent telephone interviews and achieve a good mixture or representation of data for comparison. Based on the survey results, the 10 SDOTs that indicated they were willing to share their data fulfilled this measure. In addition, ORC team members had a telephone discussion with the Arkansas DOT after the survey was complete, and the ROW Administrator stated they would be willing to provide file data to the team. The 11 DOTs recommended for interviews represented programs of varying range in the number of signs impacted over the last 5 years from a low of 5 to a high of 325. Some SDOTs reported they always treat these signs as personal property, others always acquire them as real property, and one reported that it varies. A few of the SDOTs have recently had new legislation or court decisions that have changed their processes. Others must comply with state regulations or codes.

The SDOTs selected for interviews were:

Arizona	Louisiana
Arkansas	Ohio
California (N. District)	Oregon
Colorado	Texas
Florida	Utah
Illinois	

Develop Interview Questionnaire and Conduct Interviews

The interview questionnaire was developed to obtain information which would lead to ultimately obtaining data from a diverse group of SDOTs that would cover the wide variety of off-premise sign acquisition/relocation situations. The questionnaire asked for comments regarding whether the SDOT treated signs as real property or personal property, and what was the basis for such treatment. Questions were also asked regarding the number of signs impacted over the past 5 years, as well as valuation and compensation information.

The interview questionnaire along with the instructional memorandum was sent out via e-mail on July 11, 2018 to each of the 11 SDOT contacts or representatives, as indicated on the survey response. These SDOT contacts were asked to confirm their participation in this next phase and advised that they would soon be contacted by a member of the research team to set up a telephone interview. When contacting the participating representatives of the cooperating SDOTs, they were advised that any relevant SDOT staff could, and should, be present during the telephone interview. This instruction was provided so that both ODA control, as well as ROW acquisition staff, could be available to provide both insight and information relevant to the study.

A copy of the Instructional Memorandum and Interview Questionnaire is attached as Appendix D.

Conduct Telephone Interviews

In summer 2018, the study team conducted telephone interviews and collected data from 9 of the 11 SDOTs. A number of interviews included both ODA control and ROW staff. The interviews utilized the interview questionnaire as the basis for the interview, however as would be expected, the conversations often expanded to include issues unique to a particular state.

Notable Comments from Telephone Interviews

Although the interviews varied in many aspects, the research team considers the following issues as the most important to be aware of going forward:

1. Each of the 9 SDOTs to a varying degree indicated that the ODA sign data/records were contained within the parcel acquisition files, and that obtaining specific sign data would be a labor-intensive effort. Those SDOTs that had substantial sign activity during the past 5 years (say, over 10 impacts), indicated that they could only provide some degree of representative acquisition/relocation data. Some SDOTs also indicated that site leasehold values could also come into play in some situations.
2. Most of the SDOTs indicated that signs in their state were initially treated as real property by default. Several SDOTs indicated that recent legislation and/or case law had affirmed that signs should be treated as real property.
3. Each SDOT indicated that impacted sign owners were typically very interested in having their signs relocated to a new location, as opposed to being acquired and removed. The sign owners wanted to maintain their derived income streams, as opposed to receiving a one-time acquisition value.
4. In further reference to #3 above, several of the SDOTs indicated that since they also found that relocation of signs was significantly less costly and more easily accomplished than acquisition, they typically made efforts to cooperate with the sign

owners. Specifically, the SDOTs were quite willing to explore lawful, innovative, and non-adversarial measures leading to relocation solutions, as opposed to acquisition and removal.

5. From a valuation perspective, most SDOTs attempted to value signs via the cost approach, where the sign was valued by its depreciated value in place. All the sign owners valued their signs by the income approach, taking into account the income streams. Additionally, sign owners considered that the loss of any particular sign produced incremental injury to their overall business model of customer view coverage, and to maintenance facility operations.
6. Many of the SDOTs indicated that the approaches to either acquiring or relocating signs was in a constant state of flux, as changing laws and situations forced the SDOT to continually re-examine their sign impact responsibilities.

Review SDOT Files

SDOTs Selected for File Reviews

Eight SDOTs indicated some degree of willingness to provide records/data regarding off-premise ODA sign project impacts. One SDOT indicated that the sign data was buried within project files and could not be reasonably extracted for our use. At the completion of the interviews and data gathering, the 8 SDOTs that remained viable for providing data for this study were: Arizona, Arkansas, Colorado, Florida, Ohio, Oregon, Texas, and Utah.

Summary of File Review Results

Following is a summary of the file documentation the SDOTs submitted related to the acquisition and relocation of outdoor advertising signs.

Arizona

- Provided data for 30 signs
- Data for 9 acquired signs included price paid for each sign
- No data provided for appraised value or amount offered
- Data for 1 relocated sign included relocation costs and appraised value of sign
- 20 signs have been given “banking credits” which basically means the relocation is on hold until a replacement site is found

Arkansas

- Provided an Excel spreadsheet with information for 21 signs
- Data included size of signs
- Data for 14 acquired signs included price paid for each sign
- No data provided regarding appraised value or amount offered

- Data for 7 relocated signs included relocation costs
- 3 signs of same size can be compared for acquisition costs vs. relocation costs

Colorado

- The Colorado DOT advised ORC that the release of acquisition/relocation information for ODA signs would require a Colorado Open Records (CORA) request, which is similar to a Freedom of Information Act (FOIA) request. To maintain the project timeline and project budget, the research team did not pursue this data.

Florida

- Provided an Excel spreadsheet reporting approximately 135 signs acquired
- Data reflected the price paid for each sign
- No data provided regarding appraised value or amount offered for any signs

Ohio

- Provided 4 appraisal reports, which included 6 signs
- No data provided regarding the amount offered or price paid

Oregon

- Provided data for 6 signs over a 10-year period
- Explanation provided describing each situation as unique
- 2018 statutory change requires payment of full compensation for sign, with language describing how to determine full compensation – this changed the statewide treatment of ODA signs from personal property to real property, which impacts the data

Texas

- Reported 23 signs acquired in last 5 years
- For each of the last 5 years, provided the lowest price paid and the highest price paid for a sign, and then the average price paid for all signs acquired
- No data provided regarding appraised value or amount offered for any signs, or those signs included in the averaging
- Reported 113 signs relocated in last 5 years
- For each of the last 5 years, provided the lowest relocation costs and the highest relocation costs for a sign, and then the average amount paid for all signs relocated
- No data provided regarding the relocation costs for those signs included in the averaging
- In 2016 a Supreme Court decision directed TxDOT to acquire signs as real property – prior to that court decision TxDOT treated ODA signs as personal property and relocated them under the Uniform Act. This change has impacted the type of data maintained.

Utah

- Data for 1 acquired sign included size and amount paid
- No data provided regarding appraised value or amount offered
- Data for 3 relocated signs included size and relocation costs

The SDOTs indicated that staff time was not a consideration for acquisition or relocations; consequently, they did not track this information.

Data Analysis

Following is an analysis of the acquisition/relocation data submitted by each SDOT.

Arizona DOT

Arizona DOT (ADOT) provided a spreadsheet with data on thirty signs that were impacted during the previous five years. They stated that impacted OA signs would initially be treated as real property, but that after conversations with a sign owner, any particular sign could be shifted into the personal property status to accommodate relocation instead of acquisition. It was also stated that a 1978 court case, *City of Scottsdale v. Eller Outdoor Advertising*, 119 Ariz. 86 (Ariz. Ct. App. 1978) had affirmed that in valuing OA signs for acquisition, the income approach was the proper appraisal valuation technique.

Available at: <https://www.legale.com/decision/1978205119ariz861185>

During the interview process ADOT indicated that most impacted OA signs were already in a non-conforming status, and that most of the OA sign owners were interested in relocating their signs to maintain their income streams. To try to accommodate the impacted OA sign owners, the ADOT had created a system of granting “banking credits” to impacted OA signs, whereby a displaced sign owner would have priority opportunities to relocate their sign. This was particularly applicable for relocation to municipalities (such as the city of Phoenix) that had more stringent sign controls than those standards under Arizona state law. Apparently, in some instances these municipalities would cooperate with ADOT in allowing variances to the municipal regulations, to allow for the relocation of OA signs that had been displaced by ADOT.

The spreadsheet provided by ADOT listed 30 impacted signs by project and sign owner identification. It also stated whether the sign had been purchased (9 signs), relocated (1 sign), or was in the “banking credit” category (20 signs); along with an explanation of the dollar amount paid by the DOT (with some explanation). Cost data was provided for one OA sign: an appraised value of \$1,043,000 and the sign was relocated onto the remainder property at a cost of \$226,636.

Arkansas DOT

Arkansas DOT (ARDOT) personnel indicated that over the past five years, 146 OA signs had either been acquired or relocated. They also indicated that certain municipalities in Arkansas have stricter spacing requirements than the SDOT, and those municipalities would occasionally grant waivers to accommodate the relocation of impacted OA signs. ARDOT always treats impacted OA signs as real property initially but will consider treating the sign as personal property at the sign owners request, and if cost effective to the DOT.

The data provided by the ARDOT was a spreadsheet that included data on the sign owner, the size of the sign, and the cost to either acquire or relocate the sign. There was no data regarding the type or condition of the sign, or the appraised value.

Of particular interest were three sets of signs that were of the same size, with both a relocation and an acquisition having occurred. This allows for some element of comparison between the costs of acquisition vs. relocation.

For a 12x25 single sign, the relocation cost was \$4,650 vs. acquisition cost of \$11,500. For a 12x25 stacked sign, the relocation cost was \$19,600 vs. acquisition cost of \$45,000. For a 12x25 two-sided sign, relocation costs were \$4,500 and \$13,800 for two separate signs, vs. acquisition cost of \$23,500 for one sign.

Florida DOT

Florida DOT (FDOT) provided a spreadsheet containing data on 133 OA signs impacted during the past five years. The spreadsheet contained data columns relating to the OA signs by project number, sign owner, initial offer, agreement amount, date the parcel was acquired, and the date action was completed. The spreadsheet indicates whether the sign was acquired or relocated but does not provide any information regarding the size or type of structure of the impacted sign. Additionally, only 25 of the 133 signs listed have dollar amounts contained in both of the “offer amount” and “agreement amount” columns of the spreadsheet. Unfortunately, the research team had to consider all this value data as unusable, since the listed dollar figures were unrealistic, and probably influenced by unknown factors.

During the interview process FDOT staff indicated that while impacted signs are initially considered to be real property, the DOT is typically willing to attempt to relocate the signs as personal property, at the request of the sign owner. It was also indicated that as the Florida OA control regulations are more stringent than the federal control regulations there are typically opportunities for impacted signs to be relocated utilizing a waiver of the state regulations. Since 2014, FDOT has also implemented a program via revised regulations, which gives displaced OA signs banking credits to be used for relocation purposes. During the interview process, it was also pointed out that if an OA sign was acquired, that case law dictates valuation be accomplished via the income approach to value. *Department of Transportation, State of Florida v. Heathrow Land & Development Corporation*, 579 So.2d 183 (Fla. Dist. Ct. App. 1991)

Available at: <https://www.leagle.com/decision/1991762579so2d1831730>

Ohio DOT

The Ohio DOT provided the research team with four appraisal reports that included appraised valuations for six individual OA signs. The research team did not receive any data regarding the disposition of these OA sign impacts.

During the interview process, the Ohio DOT staff indicated that state law dictated that impacted OA signs were to be treated as real property and acquired. The staff also indicated that at the request of the impacted sign owner, Ohio DOT would consider

relocation as personal property. In 2017, Ohio DOT issued guidance on the eligible relocation benefits available to impacted OA signs, if the determination was made to treat them as personal property at the request of the sign owner. Ohio DOT also indicated that if OA signs were to be acquired as real property, they were to be valued by the income approach.

Oregon DOT

The Oregon DOT submitted data regarding six signs on three project cases impacted during the past twelve years. These cases occurred in 2007, 2012, and 2013. These six signs were treated as personal property, and the Oregon DOT provided data regarding reimbursement paid to the sign owners, although there were unique circumstances surrounding each of the three cases. Because of these unique circumstances, the research team was unable to reach any substantial conclusion regarding the valuation impacts of these signs.

As no sign impacts have occurred recently, the SDOT personnel were more concerned about new legislation recently enacted, which directs that all OA signs are to be treated as real property, effective June 2, 2018 and going forward.

Texas DOT

Texas DOT (TxDOT) provided a summary of the average costs of both acquiring and relocating OA signs for the fiscal years 2013 thru 2018. Prior to 2017, most impacted OA signs were treated as personal property, and were eligible for relocation costs, including search expenses. A Texas Supreme Court decision in 2015, *State of Texas v. Clear Channel Outdoor, Inc.*, 463 S.W.3d 488 (U.S. 2015), which became effective in June 2016, directed that all impacted OA sign were to be treated as real property. As a result, many of the OA sign statistics are somewhat skewed, as signs that were in the pipeline in 2016 are now in a valuation transition status.

Available at: <https://www.legale.com/decision/intxco20150424934>

DOT personnel also indicated that the state spacing limitations are more restrictive than the federal limitations, which enables TxDOT to grant spacing “waivers” and “relocation chips,” to impacted signs. This ability, which is frequently utilized, tends to place an unknown variability on the values assigned to the sign acquisitions.

The data supplied by TxDOT is based on average costs for both relocation and acquisition by fiscal year with no consideration as to the size or condition of the impacted signs, or whether spacing waivers were part of the settlement.

Utah DOT

Utah DOT (UDOT) staff indicated that impacted OA signs were typically treated as personal property to be relocated but would be acquired if relocation was not possible. UDOT provided data regarding four completed sign impacts, three of which were relocations and one was an acquisition. Data for the three relocated signs includes the size of the sign and the cost of the relocation but does not include any appraised acquisition value. One sign was acquired for \$49,500 and was apparently an old-style

wooden sign structure that the sign owner was not interested in having relocated; there is no indication of the appraised value.

APPENDIX B
Transmittal Email

Sent: Friday, April 13, 2018 6:15 AM

Cc: Hartell, Ann <ahartell@nas.edu>; Kopinski, Eric <ekopinski@ashto.org>; Bush Patricia <pbush@ashto.org>; McDonnell, Jim <jmcdonnell@ashto.org>

Subject: CRUO - Research Project on Removing ODA Signs for Highway Projects

CRUO Members,

Below is an email request and link to a survey to collect data for a research project underway for NCRHP. This research is of considerable interest within the ROW community; thus in order to provide meaningful research results, they are seeking your input as ROW practitioners to acquire the data needed for the study.

Should you have any questions, the researchers' contact information is below.

Thank you,

Evan

NCHRP Project 20-07/Task 413, *Removing Outdoor Advertising Signs for Highway Projects by Acquisition or Relocation: A Time and Cost Comparison*

O. R. Colan Associates (ORC) is the research agency (contractor) for NCHRP Project 20-07/Task 413, *Removing Outdoor Advertising Signs for Highway Projects by Acquisition or Relocation: A Time and Cost Comparison*. The objective of this research is to document and compare the costs of approaches used by State DOTs (SDOTs) to address impacts to off-premise outdoor advertising signs (ODAs) that result from highway improvement projects. ORC's research will collect and analyze data from SDOTs on the costs associated with the acquisition and relocation of signs, including administrative costs, as well as the time required to complete these activities. We will also request data about any alternative approaches SDOTs are using for removal of signs. You may visit the NCHRP webpage for this project at: <http://apps.trb.org/cmsfeed/TRBNetProjectDisplay.asp?ProjectID=4407>

Since the main purpose of this research is to collect the cost and time data and then compare that data, it is essential that we obtain a good cross-section of SDOTs that acquire and relocate ODA signs. This survey allows our research team to begin from a broad perspective of all State DOTs and then drill down or "narrow the field" to achieve the necessary representation. For purposes of research analysis and reporting, your responses to these survey questions will be identified by the agency/SDOT name only. The survey will request the name and contact information of the person completing it, however, we will only use that information in the event we need to follow-up on a question or require clarification.

Our research team is requesting your response to this brief survey to collect some basic information about how each DOT handles the removal of ODA signs that are impacted by highway projects. We understand how valuable your time is, and believe you will agree that the removal of these signs is a challenging aspect of the project delivery process. Your responses will move the research onto the next phase of data collection, which will be the selection of 15-20 SDOTs to participate in telephone interviews involving more detailed questions about the removal of ODA signs using acquisition or relocation. The last phase of data collection will be the review of file documentation from 5-6 SDOTs, again emphasizing a good selection sample. Our research team can then analyze and compare the data to determine the most cost-effective and resource-efficient approach.

If you have any questions about this email or survey, you may contact the Principal Investigator for the research, Robert Kleinburd, at rkleinburd@orcolan.com or the Project Manager, Lisa Barnes, at lbarnes@orcolan.com.

Please click on the link below to begin the survey. Note that you have received this email and survey because you are listed as the main Right of Way contact for your State DOT. You can forward this email to someone else in your DOT and have that person complete it. The person completing it will be asked to enter name/position/contact information at the end of the survey. Again, only the agency/State DOT name will be used for analysis and reporting – no individual names will be used.

More detailed instructions for completing the survey are provided when you click on the link. Thank you for your participation! Please contact Bob Kleinburd or Lisa Barnes, as noted above, if you have any questions.

PLEASE COMPLETE THIS SURVEY BY MAY 7, 2018

View the survey at:

https://www.surveymonkey.com/r/ODA_Study



Survey Questions for State DOTs - NCHRP Project 20-07 Task 413 Removing ODA Signs for Highway Projects

**Indicates a response is required.*

Thank you for participating in our survey. Your feedback is important to us.

NOTE - Some of these questions may require some time to gather additional information. You may Exit the survey at any time, and return to finish it later. To exit the survey, click the "Exit" button at the top right of any page.

To return to the survey please use the link in the original email, or bookmark this URL.

Finally, please do not use the back/forward buttons in your browser to navigate between questions. Use the the Next/Previous buttons at the bottom of each page. Please answer all questions before pressing Submit Survey. Once you Submit the survey you will not be able to go back and change any answers.

Survey Questions for State DOTs - NCHRP Project 20-07 Task 413 Removing ODA Signs for Highway Projects

**Indicates a response is required.*

* 1. Does your Agency maintain acquisition and relocation data on impacted off-premise outdoor advertising signs (either on a Statewide, or District basis)?

Yes

No

* 2. How does your Agency treat off-premise outdoor advertising signs?

Always as real property

Always as personal property

It varies. Sometimes as real property, and sometimes as personal property.

If it varies, please explain how you determine whether the sign will be treated as real property or personal property.

Survey Questions for State DOTs - NCHRP Project 20-07 Task 413 Removing ODA Signs for Highway Projects

**Indicates a response is required.*

- * 3. Approximately how many off-premise outdoor advertising signs has your Agency either acquired and/or relocated between January 1, 2012 and December 31, 2017?

Note - if you need to take some time to gather this information feel free to exit this survey by clicking the EXIT button at the top right of this page. You can return and complete the survey at any time by using the link in the original email, or by bookmarking this URL.

- * 4. Of the off-premise outdoor advertising signs impacted during this time frame, approximately what percentage did your Agency classify as non-conforming signs?

Note - if you need to take some time to gather this information feel free to exit this survey by clicking the EXIT button at the top right of this page. You can return and complete the survey at any time by using the link in the original email, or by bookmarking this URL.

- * 5. Does your Agency use any alternative methods to the Uniform Act to relocate or remove off-premise outdoor advertising signs that are impacted by highway projects?

Yes

No

If yes, please provide a brief explanation.

- * 6. Would your Agency be willing to share its data/records for the purpose of evaluating the relative benefits of acquiring vs. relocating impacted off-premise outdoor advertising signs?

Yes

Not at this time

* 7. This research study requires us to identify the Agency/State DOT respondents of this survey for analysis and reporting purposes. Please provide your name and other requested information below for follow-up or clarification purposes only. Your name and contact information will not be identified as part of this research.

Name

State DOT

Current Position/Title

Email Address

Phone Number

APPENDIX C:
Summary of State DOT Survey Responses

Survey Questions & Responses for State DOTs

- Q1** Does your Agency maintain acquisition and relocation data on impacted off-premise outdoor advertising signs (either on a Statewide, or District basis)?
- Q2** How does your Agency treat off-premise outdoor advertising signs?
- Q3** Approximately how many off-premise outdoor advertising signs has your Agency either acquired and/or relocated between January 1, 2012 and December 31, 2017? ...
- Q4** Of the off-premise outdoor advertising signs impacted during this time frame, approximately what percentage did your Agency classify as non-conforming signs? ...
- Q5** Does your Agency use any alternative methods to the Uniform Act to relocate or remove off-premise outdoor advertising signs that are impacted by highway projects?
- Q6** Would your Agency be willing to share its data/records for the purpose of evaluating the relative benefits of acquiring vs. relocating impacted off-premise outdoor advertising signs?
- Q7** This research study requires us to identify the Agency/State DOT respondents of this survey for analysis and reporting purposes

		<i>Maintain Data</i>	<i>Treatment of Sign</i>	<i># of Signs Impacted</i>	<i>% of Signs non-conforming</i>	<i>Alternative Methods</i>	<i>Share Data</i>	<i>STATE DOT</i>	
DATE	SURVEY STATUS	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Current Position/ Title
1 4/13/2018	COMPLETE	No	Always as Personal Property	2	100%	No	Not at this time	Wyoming	Outdoor Advertising Program Manager
2 4/13/2018	INCOMPLETE	No	sometimes as personal property. First, treated as personal property. If not able to relocate, then real property.	Respondent skipped this question					
3 4/13/2018	COMPLETE	Yes	It varies. Sometimes as real property, and sometimes as personal property. Currently, Oregon treats outdoor advertising signs (OAS) as personal property. However, just passed legislation has changed our law to require Oregon DOT to pay compensation based on an appraisal. Data in this survey will reflect practices for 2017 and earlier. (Treatment as personal property)	4	1	No	Yes	Oregon	Deputy State Right of Way Manager
4 4/13/2018	INCOMPLETE	Yes	Always as Personal Property	Respondent skipped this question					
5 4/13/2018	INCOMELETE	Yes	It varies. Sometimes as real property, and sometimes as personal property. Varies depending on the quality, condition, and construction of the sign	Respondent skipped this question					
6 4/15/2018	INCOMELETE	Yes	Always as Personal Property	Respondent skipped this question					

Maintain Data Treatment of Sign # of Signs Impacted % of Signs non-conforming Alternative Methods Share Data STATE DOT										
DATE	SURVEY STATUS	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Current Position/ Title	
7	4/16/2018	COMPLETE	No	It varies. Sometimes as real property, and sometimes as personal property. depends if it can be relocated due to zoning or other factors	15	1	No	Not at this time	Iowa	Acquisition/Relocation Supervisor
8	4/16/2018	COMPLETE	Yes	Always as Personal Property	5	1 out of 5 (20%)	Yes, In addition to the Uniform Act the department must meet the requirements under the Utah Outdoor Advertising Act U.C. Section 72-7-710 & 713.	Yes	Utah	Statewide Permits Officer
9	4/16/2018	COMPLETE	Yes	It varies. Sometimes as real property, and sometimes as personal property	I do not know	At least one	No	Not at this time	Virginia	State Right of Way Manager, Special Projects
10	4/16/2018	COMPLETE	Yes	It varies. Sometimes as real property, and sometimes as personal property. Varies depending on the quality, condition, and construction of the sign	30	Respondent skipped this question	Yes, ADOT will identify a replacement property and complete an exchange. Like for like. The Agency will pay the cost to move the billboard not to exceed the acquisition cost.	Yes	Arizona	Right of Way Liaison
11	4/19/2018	COMPLETE	Yes	Always as personal property	75-100	10%	No	Not at this time	North Carolina	State Relocation Director
12	4/24/2018	COMPLETE	No	Always as personal property	Approx. 25	10%	No	Not at this time	Alabama	Chief Relocation and Acquisition Officer
13	4/26/2018	INCOMPLETE	Yes	Always as Personal Property	Respondent skipped this question	Respondent skipped this question	Respondent skipped this question	Respondent skipped this question	Respondent skipped this question	
14	5/1/2018	COMPLETE	Yes	Always as Personal Property	Relocated 158 signs and acquired 174	The data was not tracked, however they are relocated to conforming locations	Yes, In 2016 a Supreme Court decision directed TxDOT to acquire signs as real property and at that point we began to acquire signs and no longer relocate them under the Uniform Act. TxDOT spacing between signs is more restrictive than Federal spacing requirements, which allows the department to issue a permit for an impacted sign at a location that meets Federal standards and be conforming, as those standards are less stringent than the state standards. The permit holder is required to accept the state's final offer for the sign structure only, sign a quit claim deed for the sign structure only and remove the sign structure at a date certain. If they follow these procedures, they are eligible to apply for a relocation permit at lesser standards (Federal standards) in accordance with all applicable state regulations and laws. If they fail any part of the procedures, the sign is condemned and they are no longer eligible to apply for a relocation permit. Additionally, if they follow the procedures but fail to remove the sign at the date certain, the sign becomes the property of the state and the state will remove the sign structure and they are no longer eligible to apply for a relocation permit.	Yes	Texas	Program Manager
15	5/3/2018	COMPLETE	Yes	Always as Real Property	10	70%	No	Not at this time	Nebraska	Highway Beautification Supervisor

Maintain Data Treatment of Sign # of Signs Impacted % of Signs non-conforming Alternative Methods Share Data STATE DOT										
DATE	SURVEY STATUS	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Current Position/ Title	
16	5/3/2018	COMPLETE	Yes	Always as Real Property	65	100%. All 65 relocated signs were classified as non-conforming signs strictly due to the landscape provision. The Department has not relocated legal non-conforming displays due to federal provisions of size, spacing, business activity or zoning.	Yes, Coupled with the Uniform Act, the Department considers the Business and Professions Code §5412 and California Code of Regulation §2427 when relocating off-premise outdoor advertising signs.	Yes	California	Northern Area Manager, ODA
17	5/3/2018	COMPLETE	Yes	Always as personal property	30	10%	No	Not at this time	Montana	Special Programs Manager
18	5/3/2018	COMPLETE	Yes	It varies. Sometimes as real property, and sometimes as personal property.	50 or less	1-2%	No	Yes	Louisiana	Real Estate Administrator
19	5/3/2018	COMPLETE	Yes	Always as real property	About 11 (+5 if you count LPA sign buys on fed-aid projects)	Unknown	No	Yes	Colorado	
20	5/3/2018	INCOMPLETE	Yes	Always as personal property	Respondent skipped this question	Respondent skipped this question	Respondent skipped this question	Respondent skipped this question	Respondent skipped this question	
21	5/4/2018	COMPLETE	Yes	Always as real property	146	10%	No	Not at this time	Arkansas	Lead Beautification Coordinator
22	5/7/2018	COMPLETE	No	Always as personal property	12	2	No	Not at this time	Maryland	Division Chief, Special Acquisitions Division, Office of Real Estate
23	5/8/2018	INCOMPLETE	Yes	It varies. Sometimes as real property, and sometimes as personal property.	Respondent skipped this question	Respondent skipped this question	Respondent skipped this question	Respondent skipped this question	Respondent skipped this question	

		Maintain Data	Treatment of Sign	# of Signs Impacted	% of Signs non-conforming	Alternative Methods	Share Data	STATE DOT		
DATE	SURVEY STATUS	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Current Position/ Title	
24	5/9/2018	COMPLETE	Yes	It varies. Sometimes as real property, and sometimes as personal property. Until the 2018 Legislative Session, OAS were treated as personalty. New legislation (HB 4059) requires the state pay: " Full compensation for loss of an outdoor advertising sign equals the market value of the outdoor advertising sign, measured by comparable sales of outdoor advertising signs as determined by an appraiser recognized as a specialist in such valuations, less the salvage value of the components of the outdoor advertising sign."	Approximately 5 signs were relocated as personalty	1	No, Prior to new legislation, no we did not. It has not been determined yet, how the new legislation will be fully implemented, or what exactly it will look like.	Yes	Oregon	Outdoor Advertising Sign Program Coordinator
25	5/10/2018	COMPLETE	No	Always as personal property	40	5%	No	Not at this time	West Virginia	Appraisal Manager
26	5/10/2018	COMPLETE	No	Always as personal property	6	0	No	Not at this time	Connecticut	Property Agent
27	5/10/2018	COMPLETE	Yes	It varies. Sometimes as real property, and sometimes as personal property. PennDOT maintains policy relative to OADs as on-premise or off-premise. Those off-premise are typical to relocation as personal property loss or moving cost payments .	219 off premise OADs. Of those, 133 were acquired as personal property; 86 moved.	Although no data can be provided, PennDOT provides compensation only where an OAD is legally permitted.	No	Not at this time	Pennsylvania	Utilities and Right-of-Way Chief
28	5/14/2018	INCOMPLETE	Yes	Always as personal property	Respondent skipped this question	Respondent skipped this question	Respondent skipped this question	Respondent skipped this question	Respondent skipped this question	
29	5/15/2018	COMPLETE	Yes	Always as personal property	66	25% +- need more research to confirm	No	Yes	Illinois	Outdoor Advertising Program Manager

Total Number of Surveys		29
Complete		21
Incomplete		8
Willing to share data/records		9

Summary:

There were a total of 29 SDOT survey participants. 22 of those SDOTs reported that their Agency maintains acquisition and relocation data on impacted off-premise outdoor advertising either on a Statewide or District basis. All 29 SDOTs specified how their Agency treat off-premise outdoor advertising signs; whether always as personal property, always as real property, or it varied. 20 SDOTs reported an estimated total of off-premise outdoor advertising signs impacted with their Agency between January 1, 2012 and December 31, 2017. 16 SDOTs reported an estimated percentage of signs non- conforming during the 5 year time frame. 4 SDOTs reported using an alternative method to the Uniform Act to relocate or remove off-premise outdoor advertising signs that are impacted by highway projects. 9 SDOTs are willing to share its data/records for the purpose of evaluating the realtive benefits of acquiring vs. relocating impacted off-premise outdoor advertising signs.

NCHRP Project 20-07/Task 413, *Removing Outdoor Advertising Signs for Highway Projects by Acquisition or Relocation: A Time and Cost Comparison*

**Instructional Memorandum
State DOT Interview Questionnaire**

O. R. Colan Associates (ORC) is the research agency (contractor) for NCHRP Project 20-07/Task 413, *Removing Outdoor Advertising Signs for Highway Projects by Acquisition or Relocation: A Time and Cost Comparison*. The objective of this research is to document and compare the costs of methods used by State DOTs (SDOTs) to address impacts to off-premise outdoor advertising (ODS) signs that result from highway improvement projects. ORC's research will collect and analyze data from SDOTs on the costs associated with the acquisition and relocation of signs, including administrative costs, as well as the time required to complete these activities.

Our research team recently distributed a brief survey to all SDOTs to collect some basic information about how each DOT handles the removal of ODA signs that are impacted by highway projects. ORC has analyzed these survey responses and recommended 10-12 SDOTs to the NCHRP Panel (the Panel) to participate in the next part of the research study.

The Panel has selected your DOT to participate in the next phase of data collection, which involves telephone interviews to ask more detailed questions about the removal of ODA signs using acquisition or relocation. The recommendation and selection was based on your DOT's survey responses, with the aim of getting a good cross-section or representation of DOTs that acquire ODA signs, relocate them, or do both.

A copy of the questionnaire is attached for your review. This will allow you to decide who is the best person or persons involved in the acquisition and/or relocation of ODA signs to participate in the interview. This advance copy of the interview questionnaire also provides whoever will be participating in the interview time to consider the questions and provide complete answers.

Your DOT's participation in this next study interview phase is very important to the information and analysis that will derive from this research to the benefit of all SDOTs. The ORC research team anticipates that it will require not more than one hour to conduct this interview. **Can you please confirm that your DOT will participate in this next phase of the research study and provide the name(s) of the person(s) who will participate in the interview to Robert Kleinburd at rkleinburd@orcolan.com not later than July 17, 2018.**

After our team receives this confirmation, we will schedule an interview with your designated personnel. Please feel free to contact either Mr. Kleinburd or Lisa Barnes at lbarnes@orcolan.com if you have any questions. Thank you in advance for your consideration and willingness to participate in this research study.

NCHRP Project 20-07 Task 413

Removing Outdoor Advertising Signs Impacted by Highway Projects

Interview Questionnaire for State DOTs

Respondent & Organization Information	
Name:	Organization:
Position/Title:	Phone:
Email:	
Questions	
1. Does your DOT have written procedures regarding the impact of highway projects on off-premise outdoor advertising (ODA) signs?	<input type="checkbox"/> YES <input type="checkbox"/> NO
1A. If Yes, are these procedures described in your ROW Manual?	<input type="checkbox"/> YES <input type="checkbox"/> NO
1B. Are these procedures available on your DOT website?	<input type="checkbox"/> YES <input type="checkbox"/> NO
2. Does your DOT have a requirement that off-premise ODA signs impacted by a highway project will always be treated as real property (and therefore, acquired)?	<input type="checkbox"/> YES <input type="checkbox"/> NO
a. If yes, what is the basis for this requirement?	
b. If no, how do you treat these ODA signs?	

- continued on next page -

c. If your DOT sometimes treats ODA signs as real property and sometimes as personal property, how do you determine whether you will acquire the sign as real property or relocate it as personal property?

3. Does your State have any legislated or case law which dictates a particular treatment of off-premise ODA signs impacted by highway projects? (Note: this question may have been answered in Question 2.b. above)

YES NO N/A

If Yes, can you describe the circumstances of the legislation or case law, or both, and provide citation numbers or similar information?

YES NO

Notes:

4. Does your DOT typically negotiate or discuss with the sign owner a preference to have the ODA sign acquired by the DOT or relocated as personal property to another site?

YES NO

Notes:

5A. If your DOT does acquire ODA signs as real property, what is your valuation process? For example, do you use a cost acquisition schedule, an independent appraisal, staff-prepared appraisal, or other process (please describe)?

5B. In the case of an ODA sign that is considered as personal property, but cannot be relocated, how does your DOT determine the amount of the payment for the sign?

- continued on next page -

6. Does your DOT ever give a sign owner the option to relocate a sign after you have made an offer to acquire it? YES NO

a. What are the circumstances under which you would allow this?

7. Approximately how many off-premise ODA signs did your DOT either acquire and/or relocate between January 1, 2012 and December 31, 2017 as a result of a highway project?

8. Of the off-premise ODA signs impacted during this time frame, how many were conforming and how many were non-conforming?

Conforming	Non-Conforming

9. Has your DOT ever allowed an impacted non-conforming sign to be relocated to another non-conforming sign site? YES NO

a. If yes, what were the circumstances?

10. For those signs that your DOT acquired from 2012 through 2017, do you have information or documentation available related to items such as (check all that apply):

- a. Payment information, i.e., offer amount and amount paid
- b. Associated costs, such as appraisal/appraisal review fees, litigation costs, direct and overhead costs for staff and contractors to conduct negotiations
- c. Time needed to acquire the sign, i.e., in negotiations from offer to closing, and additional time to acquire if condemnation is used
- d. Status of sign (conforming/non-conforming)
- e. Diaries/logs of property/sign owner contacts

Notes:

11. For those signs that your DOT relocated in the specified time frame, do you have information or documentation available related to items such as (check all that apply):

- a. Payment information, i.e., actual move costs, other moving and related expenses, payments under §24.301(f)
- b. Costs for administering relocation assistance (direct and overhead costs for staff and contractors to conduct relocation)
- c. Time needed to relocate the sign
- d. Status of sign (conforming/non-conforming)
- e. Diaries of sign owner/relocatee contacts

Notes:

12. How does your DOT maintain the file documentation related to sign acquisition and relocation?

13. Would your DOT be able to transmit the sign acquisition and/or relocation data to the O. R. Colan Associates research team for review and analysis?

YES NO

a. If no, what are your reasons or considerations for not being able to do so?