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ADVISORY CIRCULAR

DEPARTMENT OF TRANSPORTATION FEDERAL AVIATION ADMINISTRATION

SUBJECT: LAND ACQUISITION IN THE FEDERAL-AID AIRPORT PROGRAM

1. PURPOSE. This advisory circular provides general information to sponsors of airport development projects under the Federal-aid Airport Program (FAAP) on the eligibility of land acquisition and extent of Federal participation in land acquisition costs.
2. REFERENCES.
 - a. Part 151, Federal Aviation Regulations.
 - b. Airport Planning and Airport Layout Plans, AC 150/5310-2, September 19, 1968.
 - c. Federal-aid Airport Program - Procedures Guide for Sponsors, AC 150/5100-3A.
3. HOW TO GET THIS PUBLICATION: Obtain additional copies of this circular AC 150/5100-5 from the Department of Transportation, Distribution Unit, TAD-484.3, Washington, D. C. 20590.

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TABLE OF CONTENTS

| | <u>Page No.</u> |
|---------------------------------------------------------------------|-----------------|
| 1. INTRODUCTION. | 1 |
| 2. NATIONAL AIRPORT PLAN (NAP). | 1 |
| 3. GENERAL ELIGIBILITY REQUIREMENTS. | 1 |
| 4. LAND - GENERAL. | 1 |
| 5. AIRPORT LAYOUT PLAN. | 2 |
| 6. RATE OF FEDERAL PARTICIPATION IN LAND COSTS. | 2 |
| 7. LAND - LANDING AREA. | 2 |
| 8. LAND - BUILDING AREA. | 3 |
| 9. LAND - APPROACH PROTECTION. | 4 |
| 10. CLEAR ZONES. | 4 |
| 11. APPROACH ZONES. | 5 |
| 12. TRANSITION AND HORIZONTAL ZONES. | 6 |
| 13. ZONING. | 6 |
| 14. ACQUISITION OF FEE WHEN EASEMENT ADEQUATE. | 6 |
| 15. LAND REQUIRED FOR INSTALLATION OF APPROACH LIGHT SYSTEMS (ALS). | 6 |
| 16. LAND REQUIRED FOR RELOCATION OF ALS. | 7 |
| 17. LAND ACQUISITION - NAVIGATIONAL AIDS. | 7 |
| 18. LAND ACQUISITION - OFF-SITE AREAS. | 7 |
| 19. ALLOWABILITY OF LAND COSTS. | 8 |
| 20. NECESSARY LAND COSTS. | 8 |
| 21. INCURRENCE OF LAND COSTS. | 8 |
| 22. REASONABLENESS OF LAND COSTS. | 9 |
| 23. APPRAISAL REPORTS. | 10 |
| 24. LIMITATIONS ON PARTICIPATION. | 12 |
| 25. TITLE EVIDENCE. | 14 |
| 26. INCIDENTAL LAND COSTS. | 15 |

1. INTRODUCTION. The Federal Airport Act of 1946 (49 U.S.C. 1101) as amended, authorizes a grant-in-aid program known as the Federal-aid Airport Program (FAAP). The purpose of the program is to grant funds to public agencies (sponsors) for airport development to bring about, in conformity with the National Airport Plan (NAP), the establishment of a nationwide system of public airports adequate to meet the present and future needs of civil aviation.

"Airport Development" as defined in the Act, includes the acquisition of land or of any interest therein, or of any easement through or other interest in airspace, which is necessary to permit the work involved in constructing, improving, or repairing a public airport or portion thereof, or to remove or mitigate, or prevent or limit the establishment of, airport hazards.
2. NATIONAL AIRPORT PLAN (NAP). The Federal Airport Act directs the Administrator of the Federal Aviation Administration to prepare and annually revise a national plan for the development of public airports in the United States, including Puerto Rico, the Virgin Islands, and Guam. The NAP specifies, in terms of general location and type of development, the projects considered necessary to provide the desired nationwide system of public airports. Such projects include the items of airport development which are eligible for aid under the FAAP.
3. GENERAL ELIGIBILITY REQUIREMENTS. To be eligible for Federal aid, the following general requirements must be met:
 - a. The airport must be at a location listed in the NAP.
 - b. The airport must be publicly owned and used for public purposes.
 - c. The proposed development must be in accordance with the development recommended in the NAP for that location.
4. LAND - GENERAL. Stated generally, the land eligible for inclusion in a FAAP project is the land or interest therein necessary for the landing area, building area, clear zones, approach areas, and off-site areas for sewage, drainage, power supply, and lighting of obstructions. The extinguishment of adverse interests in land, such as easements or oil and mineral rights which could interfere with or adversely affect the development or normal operation of the airport, is also eligible.

The term "necessary" as used herein is not applied to limit land acquisition to the minimum required for the airport as it exists or as it is planned under a current, approved, construction project. Future needs

and expansion of the airport are considered in determining what land is "necessary" for airport purposes. However, the amount of land in which Federal participation under FAAP will be allowed is subject to administrative discretion and judgment.

5. AIRPORT LAYOUT PLAN.

- a. Definition. Section 8 of the Federal Airport Act defines an airport layout plan as "a plan for an airport showing boundaries and proposed additions to all areas owned or controlled by the sponsor for airport purposes, the location and nature of existing and proposed airport facilities and structures, and the location on the airport of existing and proposed nonaviation areas and improvements thereon."
- b. Approval Prerequisite to Federal Aid. A current airport layout plan approved by the Federal Aviation Administration (FAA) is a prerequisite to approval of a FAAP development project. The sponsor must agree to keep the airport layout plan up to date and not to make any changes in the airport or any of its facilities other than in conformity with the airport layout plan.
- c. Basis for Necessary Land Area. The approved airport layout plan is the primary basis for determining the land necessary for the airport. The land areas reasonably needed for present and future airport facilities required for the type and size airport listed for that location in the NAP are shown on the approved airport layout plan. Such lands are eligible for Federal participation under the FAAP. This includes areas for clearances and approach protection in accordance with FAA standards.
- d. Preparation of Airport Layout Plan. Guidance for the preparation of an airport layout plan is set forth in FAA Advisory Circular, AC 150/5310-2.

6. RATE OF FEDERAL PARTICIPATION IN LAND COSTS. The normal rate of Federal participation in land acquisition costs is 50 percent. In public land states, however, the rate of participation is established by applying the formula contained in Section 10(b) of the Federal Airport Act, not to exceed 62½ percent. In the Virgin Islands, the rate is not to exceed 75 percent. To the extent that project costs represent the cost of land required for the installation of approach light systems, the rate is not to exceed 75 percent.

7. LAND - LANDING AREA.

- a. General. Land required for the entire landing area as delineated on the FAA approved airport layout plan is eligible for FAAP

participation. This includes land for the following purposes:

- (1) Developing landing strips, runways, taxiways, ramps, aprons, and areas necessary to provide the separation and clearances for such development in accordance with current FAA standards.
- (2) Eliminating conditions on land adjoining the airport where airport operations make normal use of such land impossible and amount to a taking of the land.

b. Property Interests Required. The Federal Airport Act and the Federal Aviation Regulations provide that no FAAP project shall be approved with respect to any airport unless a public agency holds good title, satisfactory to the FAA, to the landing area of such airport or the site therefor, or gives satisfactory assurance to the FAA that such title will be acquired. For this purpose, the property interest that the sponsor must have or agree to obtain in the landing area is:

- (1) Title in fee simple free and clear of any reversionary interest, lien, easement, lease, or other encumbrance that, in the judgment of the FAA, would create an undue risk that it might deprive the sponsor of possession or control, or interfere with the sponsor's use of the land for airport purposes, or make it impossible for the sponsor to carry out its obligations under the terms and conditions of a grant agreement; or
- (2) A lease of not less than 20 years granted to the sponsor by another public agency that has title as described in subparagraph (1) of this paragraph on terms that the FAA considers satisfactory.

8. LAND - BUILDING AREA. All the land required for the building area as delineated on the approved airport layout plan is eligible for FAAP participation. The building area must be so located and sufficient in size to meet the present and future needs of civil aviation at that airport. In general, the building area is the land area necessary for airport terminal and administrative buildings; hangars, fire and rescue and equipment buildings; the streets or roads, walks, and parking areas serving such buildings; and such other appurtenances as are necessary to the use and operation of the buildings or facilities housed therein.

The sponsor must have the same property interest in the building area as is required for the landing area.

1/30/69

9. LAND - APPROACH PROTECTION.

- a. General. The acquisition of "adequate property interests" in the land or airspace necessary to obtain airport approach protection meeting the standards of FAR Part 77, Subpart C, is an eligible item of airport development. Subpart C establishes standards for determining obstructions to air navigation.
- b. Definition - Adequate Property Interest. A sponsor is considered to have an "adequate property interest" if it has an easement (or covenant running with the land) giving the sponsor enough control to rid the clear zone of all obstructions (as determined by the standards of FAR Part 77, Subpart C) and to prevent the creation of future obstructions; together with the right of entrance and exit for such purposes to ensure the safe and unrestricted passage of aircraft in and over the area.
- c. Property Interest and Degree of Control. The minimum property interests needed for approach protection vary according to the areas and surfaces to be protected. These are discussed in the following paragraphs relating to such areas and surfaces.

10. CLEAR ZONES.

- a. Dimensions. The standard dimensions and configurations of runway clear zones conform to the inner portions of approach areas as described in FAR 151.9(b). The dimensions and configurations applicable to a particular airport are shown on the FAA approved airport layout plan.
- b. Property Interest Required. In projects involving FAAP aid, a sponsor must own, acquire, or agree to acquire an adequate property interest in the clear zones for runways which are constructed, extended, improved, or which benefit from improvements, with FAAP funds. The property interests that a sponsor obtains to meet this requirement are eligible for inclusion in a FAAP project.
 - (1) Adequate Property Interest. An adequate property interest as defined in Paragraph 9b hereof is the maximum property interest the FAA requires a sponsor to obtain in runway clear zones.
 - (2) Fee Title. To assure maximum control of the runway clear zone areas and to afford the most positive protection to the airport, the FAA recommends and encourages the sponsor to acquire the same property interest in the clear zone areas as it holds in the remainder of the airport, i.e., fee title or a leasehold estate from another public agency. Thus, the acquisition of fee title in the clear zones is eligible without further justification for new runways and runways which are extended within NAP recommendations.

The sponsor will be required to clear all clear zone land acquired in fee with FAAP funds of all structures other than those required for aids to air navigation.

- (3) Easements. When it is not feasible to acquire a fee title to the clear zone land, the FAA recommends that the sponsor acquire easements which give, in addition to the adequate property interest outlined above, sufficient control over the land to prevent the erection of any buildings or structures other than those housing or supporting aids to air navigation; to clear the area of all existing structures; to prevent any future use of the land which would interfere with airport operations; and to insure a right of flight of aircraft, for the use and benefit of the public, in and through the airspace above the approach surfaces, and the right of ingress and egress for such purposes.

11. APPROACH ZONES.

- a. General. In the absence of obstructions in the area, the FAA does not require a sponsor to hold or obtain any property interest in that portion of the approach zone which extends beyond the outer limits of the clear zone. However, if the sponsor has reason or need to acquire property interests in the approach zone beyond the clear zone limits, an easement giving the sponsor sufficient control to clear away existing obstructions and to prevent the erection or creation of future obstructions is adequate to protect that part of the approach zone. Acquisition of such an easement is eligible for inclusion in a FAAP project.
- b. Turbojet Airports. For airports served by turbojet aircraft, the FAA recommends and urges the sponsor to acquire adequate property interests to provide clearance in the approach zone beyond the clear zone to a point where the approach surface reaches a height 100 feet above the runway end elevation or the terrain, whichever occurs first.
- c. Acquisition of Fee in Approach Zone. In some cases, circumstances may warrant the acquisition of fee title in approach areas lying beyond the outer limits of a clear zone; e.g., an area where the approach surface passes through or just above the ground elevation, making it virtually impossible for any structure to be erected without being an obstruction. When the cost of a fee title is not much greater than the cost of an easement, and the additional protection afforded by the fee title is desirable, FAAP participation

in the cost of the fee title may be justified even beyond the outer limits of the clear zone. (See Paragraph 15.)

12. TRANSITION AND HORIZONTAL ZONES. In the vast majority of cases, easements provide sufficient control for protection of these zones. Accordingly FAAP participation in the cost of a greater interest, such as a fee, will be extremely rare and must be justified by fully documented exceptional circumstances.
13. ZONING. While height zoning may adequately protect against the future establishment of obstructions in the approach area beyond the clear zone, it has no effect on existing obstructions nor does it vest any property interest in the sponsor or give to the public a right of flight through the airspace above the zoned area. The cost incidental to zoning for approach protection is not eligible for FAAP participation unless such zoning is required by a special provision of the grant agreement.
14. ACQUISITION OF FEE WHEN EASEMENT ADEQUATE. If a sponsor acquires fee title to approach areas outside the clear zone, and the FAA determines that a lesser interest would provide adequate protection over the area, the FAA will limit FAAP participation to the cost of acquiring the lesser interest. The FAA will allow participation in the cost of a fee title to land areas beyond the clear zone only when it is shown that consideration was given to acquiring a lesser interest, why the lesser interest is inadequate and is given factual information which, in the judgment of the FAA, justifies the acquisition of a fee title instead of an easement or other lesser interest.
15. LAND REQUIRED FOR INSTALLATION OF APPROACH LIGHT SYSTEMS (ALS).
 - a. General. Section 9(d)(2) of the Federal Airport Act provides that no project shall be approved which does not include provision for installation of such of the landing aids specified in Section 10(d) as the FAA determines to be necessary for the safe and efficient use by aircraft of the airport. Among the specified landing aids is land required for the installation of approach light systems.
 - b. Amount of Land Required. The amount of land required is an area 400' x 3000' for a standard ALS, and an area 400' x 1500' for a short ALS, located symmetrically about the runway centerline extended, beginning at a point 200' from the end of the runway.
 - c. Rate of Federal Participation in ALS Land. The cost of acquiring the land area necessary for the installation of approach light

systems is eligible for 75 percent Federal participation. The area eligible for the 75 percent rate is strictly limited to the area defined in subparagraph b of this paragraph.

16. LAND REQUIRED FOR RELOCATION OF ALS. The cost of acquiring the land interests needed to relocate an ALS is eligible when the relocation is caused by some action of the FAA or is made necessary by eligible airport development undertaken by the sponsor regardless of whether such development is included in a FAAP project. The rate of participation, however, varies according to the extent and rate of participation in the land required for the initial ALS installation as explained in the following examples:

- (1) When there has been 75 percent participation in all of the initial 400' x 3000' area for a standard ALS, or 400' x 1500' area for a short ALS, the land necessary for relocating the ALS is eligible for only 50 percent participation.
- (2) When there has been 75 percent participation in only a portion of the initial 400' x 3000' area for a standard ALS, the land for its relocation is eligible for 75 percent up to a maximum represented by the balance of the initial 400' x 3000' area in which there has not been 75 percent participation. The same applies in the case of a short ALS.

When the relocation of the ALS is made necessary by ineligible development undertaken by the sponsor (such as extending the runway beyond NAP length) and when the FAA has participated in the cost of acquiring a fee or lesser satisfactory interest in the land on which the ALS was located, the cost of acquiring the land for relocating the ALS is not eligible for participation.

17. LAND ACQUISITION - NAVIGATIONAL AIDS. The acquisition of land interests to permit the installation of landing aids is eligible, provided such land is included in the airport boundary. The acquisition of land interests to permit relocation of landing aids is also eligible if the relocation is made necessary by airport development in a FAAP project and the sponsor is responsible for such relocation. This is so even though the land is not included within the airport boundary - for example, land for middle and outer marker sites, VOR, etc.
18. LAND ACQUISITION - OFF-SITE AREAS. The acquisition of land interests in off-site areas for obstruction removal, marking, lighting, or for airport utilities such as rights-of-way for drainage lines, sewage lines, storm water runoff, and utility lines is eligible for FAAP participation.

19. ALLOWABILITY OF LAND COSTS.

- a. General. Section 13(a) of the Federal Airport Act states that a project cost (including land cost) shall be allowable if:
- (1) It was a necessary cost incurred in accomplishing airport development in accordance with the terms and conditions of the grant agreement entered into in connection with such project;
 - (2) It was incurred, in the case of land costs, subsequent to May 13, 1946, the date the Federal Airport Act was enacted;
 - (3) The cost is reasonable in amount in the opinion of the FAA. If the claimed land cost is considered unreasonable, FAA will allow as a project cost only such portion of the land cost it considers reasonable.

These essentials to allowability are discussed below.

20. NECESSARY LAND COSTS. Land costs are considered necessary when:

- a. The land acquired or to be acquired is consistent with the approved airport layout plan and the property map, and
- b. The land acquired or to be acquired is included for acquisition or reimbursement in the grant agreement as part of the FAAP project, and
- c. The interest acquired in the land conforms to the interest specified for acquisition or reimbursement in the grant agreement for the project.

21. INCURRENCE OF LAND COSTS.

- a. General. Unlike most other project costs (which must be incurred after the execution of a grant agreement), allowable project costs may include land costs incurred prior to the execution of a grant agreement but subsequent to enactment of the Federal Airport Act, to wit, May 13, 1946.
- b. Time Incurred. The cost of acquiring land is incurred when the buyer is unconditionally obligated to pay for the land. An unconditional obligation to pay generally does not arise until the seller has delivered to the buyer a deed or other appropriate instrument for the land or interest conveyed. Therefore, when the land is acquired by voluntary conveyance and there is no agreement

to the contrary, the cost is deemed incurred on the date the deed is delivered.

When the land is acquired by condemnation, it is necessary to examine the statutes of the state involved to determine at what point in the condemnation proceedings the condemning party becomes unconditionally obligated to pay the amount of the award. This will determine the date the cost was incurred.

22. REASONABLENESS OF LAND COSTS. No final determination is made on the allowability of project costs, including land costs, until after the sponsor has submitted an application for final or semi-final project payment. Nevertheless, the FAA may inquire into the reasonableness of claimed land costs in earlier stages of project administration. In doing so, the FAA examines all of the available evidence bearing on the transaction to assure that the cost or claimed value is reasonable and consistent with land values prevailing in the area (fair market value).
- a. Land Appraisals - When Required. Section 151.27(c), FAR Part 151, requires land appraisals be made or obtained to assist in determining the reasonable value of land only if the land is acquired by donation or at a cost that (as represented by the sponsor) is not the actual cost or the amount of an award in eminent domain proceedings. Nonetheless, the FAA may request the sponsor to submit appraisals whenever in its judgment they are considered necessary or desirable to determine the fair market value of the land at the time of acquisition. Situations in which appraisals are required or may be requested are discussed in the following subparagraphs.
- b. Land Previously Acquired by Purchase. If a project includes land acquired by purchase prior to execution of the project agreement, the FAA directs its initial inquiry to an examination of the facts surrounding the transaction. If there is no reason to question it as an arms-length transaction, a determination of reasonableness may be based on the following:
- (1) Sponsor appraisals made at or just before acquisition.
 - (2) Inspection.
 - (3) Comparison with cost of other airport land.
 - (4) Familiarity with land values in the area.
 - (5) If necessary, an historical appraisal made or procured by FAA.

- c. Land Acquired by Condemnation. If the land was acquired by adverse eminent domain proceedings, either before or after execution of the grant agreement, the award is generally considered reasonable and acceptable as an allowable project cost. If the award appears excessive and the sponsor has not appealed, the FAA may have appraisals made and limit participation to the amount considered reasonable on the basis of such appraisals. Such cases are rare, however, and the expense involved in making appraisals and other investigations would not be justified except when the amount of the award is obviously excessive.
- d. Land to be Acquired in Project. When land is to be acquired by purchase as part of the project and the sponsor's estimate of land costs cannot be supported by other means, the FAA may request the sponsor to submit appraisal reports or the FAA may obtain its own appraisal. This avoids unnecessary obligation of Federal funds based on poor estimates and avoids misunderstanding on the amount needed to fund the project.
- e. Land Acquired by Exchange. When project land has been or will be acquired by exchange of other land, the FAA will require the sponsor to submit appraisals to establish the value of the exchange. This is one of the situations which is subject to the requirement of FAR 151.27(c) for appraisals.
- f. Donated Land. If project land has been or is to be acquired by donation, the FAA will make or procure an appraisal to assist in determining the reasonable value of the donated land. Because the claimed value of donated land represents part if not all of the sponsor's matching funds, it is necessary that its reasonable value be established early in project formulation if possible, prior to inclusion of the project in an approved program but, in any case, prior to the tender of a grant offer.

Federal participation in the claimed value of donated land is subject to the limitations discussed in Paragraph 24.

23. APPRAISAL REPORTS. An appraisal report need not be in any particular form, but it must show that adequate consideration has been given to information considered essential to a proper determination of value. A mere opinion of value is not enough. The report must demonstrate that the conclusion of value resulted from the application of well recognized appraisal techniques. Sponsors are therefore advised, and should similarly advise appraisers they employ, that the report must contain adequate coverage of the following items:

- a. The appraiser's certification of the fair market value of the land interest appraised, including any limitations ascribed to the appraisal.
- b. Statement of disinterest by the appraiser.
- c. Valuation date (which must be date land was acquired by sponsor or a date just prior to acquisition).
- d. Interest appraised, i.e., fee simple absolute, fee simple determinable, easement, etc.
- e. Area of land appraised. If more land than is needed for airport purposes is involved, the report must establish a value for the eligible portion as well as for the entire tract. The appraiser shall fully explain and support any difference in value of the respective portions. Note improvements on the land and their value established apart from the land.
- f. Report of personal inspection, including detailed description of the land, its physical character, and conditions influencing its use.
- g. A map or sketch of the area or locality involved with an outline of the land appraised.
- h. Character of surrounding area, indicating favorable and unfavorable influences.
- i. History of the property and its environment.
- j. Adaptability, including highest and best use (most reasonable profitable use).
- k. Income from property in recent years.
- l. Recent comparable sales in same area, showing seller, buyer, date of sale, price, and acreage involved.
- m. Offerings for sale of comparable property and value trends.
- n. Assessed valuations and percentage of assessed value to real value used for assessment purposes. Tax rate and tax paid.
- o. Date seller acquired property and price paid. If seller has not owned the property for five years, the same information on previous owner.

- p. Unusual facts or circumstances affecting value.
- q. Appraiser's qualifications and signature.

24. LIMITATIONS ON PARTICIPATION.

- a. Donated Land. Because of the nature of the transaction and the use of the claimed value of donated land as sponsor matching funds, the FAA takes a very conservative approach in determining the reasonable value of donated land and limits FAAP participation in accordance with the following generally observed rules.
 - (1) Cost to Donor. If the donor owned the land for less than three years before the donation, participation will be limited to the amount the donor paid for the land, provided the price paid is considered reasonable.
 - (2) FAA Appraised Value. Except as provided in subparagraph (1) of this paragraph, the maximum value allowable for donated land (or any other land) is the fair market value of the land at the time it is donated to the sponsor. The fair market value will be determined prior to the issuance of a grant offer and will be based on an appraisal made or procured by FAA.
 - (3) Value and Concurrent Development. A project must include other items of development equal to or greater than the claimed value of donated land in the project. In keeping with this requirement, Federal participation in donated land will be limited to the cost of other development in the project.
- b. Excess Land. In few cases will the areas in which a sponsor acquires a property interest follow, or coincide with, the standard configurations and dimensions of clear zones or the limits of areas considered reasonably necessary for current and future airport development. The problem of acquiring property interests in entire parcels, rather than just the portions lying within such areas, will have a bearing on the configurations and dimensions. Property lines may be followed with reasonable variations in excess of standard configurations and dimensions.

When a sponsor acquires a tract or parcel of land that includes an area that is not included in the project and is not needed to serve an airport purpose, the method of determining the eligible and allowable cost of the land depends upon whether the excess land is sold immediately or retained for an indefinite period.

- (1) Immediate Disposal. When excess land is sold immediately, the proceeds realized from the sale are deducted from the total purchase price. The balance represents the allowable cost of the land retained for airport purposes.
 - (2) Retained. When excess land is retained for an indefinite period, the amount of the purchase price attributable to the excess land shall be established by appropriate proration based on estimates or appraisals and deducted from the total purchase price.
- c. Nonairport Improvements. Frequently land necessary for airport purposes is occupied in part by nonairport buildings or facilities which must be purchased with the land. In such cases, appraisals, if made, shall establish separate values for the land and the improvements.
- (1) Immediate Removal. The full purchase price, less realized salvage value, may be allowed as a project cost if reasonable in amount.
 - (2) Retained Indefinitely. In such case, the portion of the purchase price attributable to the nonairport improvement is determined and deducted from the total purchase price.
 - (3) Temporary Lease or Rental. When the nonairport improvements are leased pending sale, disposal, or removal from the airport site, the net rental realized therefrom from the date of acquisition, plus any net salvage subsequently realized, in an amount not greater than the portion of the total price attributable to the nonairport improvements, is deducted from the total purchase price.
- d. Severance Damages. It is sometimes prudent to acquire an entire parcel of land rather than just the minimum portion needed for airport purposes. This occurs when the owner will not sell the portion needed for the airport because of loss resulting from severance of the remainder, or when the entire parcel can be purchased for the same or nearly the same price as the portion required. If it can be determined that all of the land will serve airport purposes, the total acquisition cost may be allowed, if reasonable, and all of the land may be included in the grant agreement. Otherwise, the sponsor has the option of:
- (1) selling the excess land and deducting the net proceeds from the total purchase price, or

(2) deducting that portion of the total purchase price attributable to the excess land.

- e. Grant Agreement Interest. Participation in land costs is limited to the cost of acquiring the property interest specified in the grant agreement. If the sponsor acquires a greater interest than is specified, a fee instead of an easement for example, participation is limited to the cost of an easement. This can be determined by competent appraisal or by resale of the land subject to the required easement, the difference being the allowable cost of the easement.
 - f. Inverse Condemnation. Land or an interest in land acquired through inverse condemnation is eligible and the cost allowable if the land or interest acquired is included in a project and is determined necessary for airport purposes.
 - g. General Damages. Awards for damages alone resulting from suits in trespass do not convey any property interest to the sponsor and, therefore, are not eligible or allowable as project costs.
 - h. Leased Land. Rent paid by the sponsor, other than prepaid rent for use of land owned by another public agency, is considered an operating expense and is not an allowable project cost.
25. TITLE EVIDENCE. Acceptable title evidence is a certification by a qualified attorney-at-law that he has examined the pertinent land records of the jurisdiction in which the land is situated, and that by a dated deed or instrument from a named grantor, the sponsor has acquired a specified interest in the land free and clear of any and all liens, exceptions, and encumbrances or adverse interests except as noted. The land in which the interest is acquired must be identified in relation to the property map attached to the project application or in such other manner as will effectively identify the land as the land in which the project requires the sponsor to obtain the specified interest. A legal description of the property, although not required, may be attached or made part of the attorney's certificate of title.

A certification or opinion that the sponsor has "good and marketable title" or "good title" is not acceptable because it does not enable the FAA to determine whether the sponsor has acquired a sufficient property interest in the land. The certification must indicate the estate or quantity of title involved, such as fee simple, fee determinable, easement, leasehold, etc.

- a. Land Not Included in Project. The attorney's certification on the project application is sufficient certification as to the representation made in Paragraph 7(a), Part II of the Project Application (FAA Form 1624) for land not included for acquisition or reimbursement in the project.
 - b. Land Included in Project. When land is to be acquired or reimbursed as part of the project, a separate certificate of title is required for such land. Applications for partial payments which include land costs must be accompanied by satisfactory title evidence; otherwise, the claimed land costs will not be approved for payment with other costs claimed in that application.
26. INCIDENTAL LAND COSTS. Costs incidental to the acquisition of eligible land included in a project are considered allowable project costs. When the land acquired by the sponsor is in part eligible and in part ineligible, the costs incidental to its acquisition will be prorated and allowed accordingly.

Incidental costs include such costs as appraisal fees, title searches and certificates of title, recording fees, land surveys, and the like. Such costs must be incurred in connection with land acquired after May 13, 1946, the date the Federal Airport Act was approved.

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