Trail Development: Acquisition, Construction & Management

ACQUISITION COST:

When estimating the cost of land acquisition, local governments should speak with a local real estate appraiser to gain an understanding of actual costs for land in the general area and in specific locations to be acquired for trail use.

Appraisers tend to use one of two methods to appraise a rail corridor, either Across the Fence (ATF) or Net Liquidation Value (NLV). The ATF may be the most straightforward approach to appraising a rail corridor. The ATF method estimates the corridor's value by comparing it to a similar piece of property – in other words, the property right "across the fence" from it. To do this, an appraiser reviews tax assessments, existing appraisals, recent property sales, and other public records that indicate the value of land near the corridor.

The other appraisal method is Net Liquidation Value. NLV entitles the railroad to the value it would receive if it had to liquidate the corridor on a parcel-by-parcel basis. This type of liquidation is costly to the railroad because it requires marketing, appraisals, administrative and overhead expenses and real estate commissions if sales are conducted by outside agents. In addition, sales will occur over several years and must be discounted because a return cannot be realized until the date of a sale (a parcel selling five years from now for $1,000 may only be worth $600 now).

In most circumstances, you will get the best terms for the transaction by using the ATF method. Make sure you can make a compelling argument for using this method, or whichever method you choose, because the railroad may challenge your assumptions during the actual negotiations.

Key points to research during the acquisition phase of a rail-trail project are:

- Ownership: The railroad probably has only the original deeds under which it acquired the corridor. All title information must be locally recorded. You can research that information in local land records, including any zoning ordinances, subdivision rules, or other restrictions on the use of the property.
- History: Have there ever been environmental problems with the corridor? Accidents? Spills? Railroad records may not be available for all activity on the line, but you have access to the local library's newspaper archives. They may reveal a wealth of information about the history of the corridor that the railroad doesn't know.
- Condition: The corridor is local. The railroad's property manager's office is almost certainly not in the local area. In fact, it is highly likely that the railroad's representative(s), who is responsible for hundreds, if not thousands of miles of track, may have never actually seen the corridor. You can obtain permission from the railroad to conduct an on-the-ground inspection.

- Taxes and charges: The railroad probably pays local real estate taxes and complies with other local ordinances. These are all public records that may provide clues as to how the local tax assessor's office values the corridor.

A brief history of the acquisition of just less than 11 miles of CSX rail corridor that became the Capital Crescent Trail, located in Washington, DC, and Montgomery County, Maryland, is as follows:

- In December 1988, Montgomery County, Maryland, paid $10.5 million to purchase 6.4 miles (65 acres) of abandoned CSX right-of-way.
- In November 1989, developer Kingdon Gould, Jr. purchased 4.3 miles of the right-of-way within the District of Columbia for $11 million; he then leased the right-of-way for one year to the National Park Service.
- In November 1990, Congress appropriated $7 million for the purchase of the 4.3 miles right-of-way within the District of Columbia from Kingdon Gould, Jr. Ownership is now transferred to the National Park Service.

For further information, please read the Rails-to-Trails Conservancy (RTC) publication *Acquiring Rail Corridors*, found on RTC's Trails & Greenways Clearinghouse Web site at www.trailsandgreenways.org.

TRAIL PLANNING & BUILDING:

Trail construction costs vary due to a variety of factors, including local conditions, trail type (use mode), and support services that will be included. This cost analysis, therefore, is a general guideline for the purpose of preliminary estimation of trail costs. More detailed cost estimation should be performed at other points in the trail implementation process, particularly at the time of application for funding, during preliminary design and prior to bidding for construction.

According to the Rails-to-Trails Conservancy publication *Trails for the Twenty-First Century,* surfacing trails with asphalt typically costs $200,000-$300,000 per mile and the asphalt surface should last for 7-15 years. Surfacing trails with concrete typically costs $300,000-$500,000 per mile with the concrete surface lasting for 20+ years.

Some other estimated costs associated with trail development as reported by state department of transportations are as follows:

- In Iowa, it is estimated that the cost of constructing asphalt-surfaced, 10-foot wide, non-motorized multi-use trails, is $106,700 per mile. For concrete, the estimated cost is $189,200 per mile.
- In Florida, it is estimated that a 12-foot wide rail-to-trail conversion will cost $128,000 per mile.
- In Virginia, 10-foot wide bike paths are estimated to cost $92,000 per mile.

- In Wisconsin, limestone-surfaced bike paths are estimated to cost $10,000 per mile while landscaped trails that are asphalt-surfaced and 12-feet wide are estimated to cost a minimum of $200,000 per mile.

MANAGEMENT/MAINTENANCE COSTS:

Maintenance costs will vary greatly depending on the type of trail, amount of volunteer labor use, available services and geographic location of the trail. These costs, however, must be considered during the trail planning process to ensure that trail owners can pay for the ongoing maintenance of the trails they develop.

The typical cost of resurfacing asphalt trails (based on national averages – costs will vary) is $10 per linear foot ($5 per linear foot to overlay with top coat). Asphalt surfaced trails will need to be resurfaced every 7-15 years (resurface with top coat and replace sections).

The typical cost of resurfacing concrete trails (based on national averages – costs will vary) is $25 per linear foot. Concrete surfaced trails need to be resurfaced every 20+ years.

Liability insurance is another expense that must factor into the cost of developing and maintaining a trail. Fortunately, though, liability has not been much of a problem on multi-use trails because recreational use statutes (RUS) exist in all 50 states. Under RUS, no landowner is liable for recreational injuries resulting from carelessness if they have provided public access to their land for recreation purposes.

The following are the typical annual maintenance costs for one mile of paved trail (these figures are based on national average – the costs will vary for individual trails):

Drainage and storm channel maintenance: (3-5 times per year)	$500
Sweeping/blowing debris off trailhead: (16-24 times per year)	$1,200
Pickup and removal of trash: (16-24 times per year)	$1,200
Weed control and vegetation management: (8-12 times per year)	$1,000
Mowing of 3-foot grass shoulder along trail: (8-24 times per year)	$1,200
Minor repairs to trail furniture/safety features:	$500
Maintenance supplies for work crews:	$300
Equipment fuel and repairs:	$600
TOTAL COST:	**$6,500**