

**CITY OF GAUTIER  
MEMORANDUM**

**To:** Paula Yancey, City Manager  
**From:** Chassity Bilbo, Executive Assistant/ Grants Assistant  
**Through:** April Havens, Grants & Projects Manager  
**Date:** September 28, 2016  
**Subject:** Martin Bluff Road Widening Project - approval of an administrative adjustment of \$13,285.00 for parcel 16 for the Martin Bluff Road Widening Project LPA 105069-801000016-0-00-W- Timothy D. Carter and Sadie M. Richardson

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**REQUEST:**

The Executive Department requests that City Council approve an administrative adjustment of \$13,285.00 for parcel 16 for the Martin Bluff Road Widening Project LPA 105069-801000016-0-00-W- Timothy D. Carter and Sadie M. Richardson.

**BACKGROUND:**

This project is intended to provide improved traffic operations and safety on Martin Bluff Road. The project limits are between Gautier-Vancleave Road and the Service Road north of Interstate 10. This project is now in the right-of-way acquisition phase.

**DISCUSSION:**

Timothy D. Carter and his wife Sadie M. Richardson purchased their home on December 6, 2007. Hurricane Katrina occurred a little over two years earlier on August 29, 2005. Recovery from the storm was underway and residential housing was in short supply when they purchased their home. The housing bubble occurred the following year in 2008 causing a reduction in market values for homes. These factors are likely causes for Mr. Carter and Mrs. Richardson to have paid above current market value for their home. Subsequently, their payoff balance of \$74,785.00 (estimated below) is greater than the fair market value offer amount of \$61,500.00. The resulting difference of \$13,285.00 is being requested as an administrative adjustment amount to purchase their home so that the deed of trust can be cancelled for the purpose of obtaining clear title to the property. MDOT has approved the administrative adjustment in the amount of \$13,285.00 and finds that the adjustment is necessary to move the project forward.

**RECOMMENDATION:**

The Executive Department recommends that City Council approve an administrative adjustment of \$13,285.00 for parcel 16 for the Martin Bluff Road Widening Project.

The City Council may:

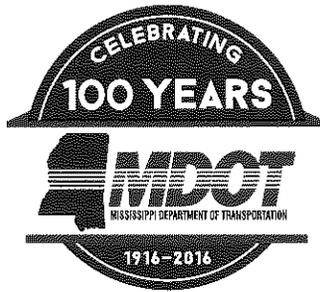
1. Approve an administrative adjustment of \$13,285.00 for parcel 16 for the Martin Bluff Road Widening Project; or
2. Not Approve an administrative adjustment of \$13,285.00 for parcel 16 for the Martin Bluff Road Widening Project

**ATTACHMENT(S):**

MDOT Administrative Adjustment Concurrence  
Administrative Adjustment Request Mark Dye, ROW Agent

Melinda L. McGrath  
Executive Director

P. O. Box 1850  
Jackson, MS 39215-1850  
Telephone (601) 359-7001  
FAX (601) 359-7110  
GoMDOT.com



Mark C. McConnell  
Deputy Executive Director/Chief Engineer  
Lisa M. Hancock  
Deputy Executive Director/Administration  
Willie Huff  
Director, Office of Enforcement  
Charles R. Carr  
Director, Office of Intermodal Planning

Wednesday, September 28, 2016

Ms. April Havens  
City of Gautier Planning Department  
3330 Highway 90  
Gautier, MS 39553

RE: Request for Administrative Adjustment Concurrence - City of Gautier – Jackson County  
Widen & Improve Martin Bluff Road – LPA 105069-801000  
016-0-00-W – Timothy D. Carter and Sadie M. Richardson

Dear Ms. Havens,

I am in receipt of your request for MDOT ROW concurrence for an administrative adjustment on the above referenced project and parcel in the amount of \$13,285.00. A copy of your request is attached hereto for reference.

This request has been reviewed by the Right of Way Division and we have determined that based on the information provided that we concur with your justification and the amount of \$13,285.00, subject to the following, as specified in the Project Development Manual for Local Public Agencies, 4.8, page 23 and the Uniform Act as referenced below:

1. The **LPA agency official or governing body must** approve such **administrative settlement** as being reasonable, prudent and in the public interest in accordance with 49 CFR 24.102(i), and
2. A copy of the written justification shall be prepared by the **LPA** which states what available information, including trial risks, supports such a settlement and placed in the project / parcel file along with this concurrence letter.

If you have any further questions in this regard, please feel free to contact Ms. Sharen Willis at either 601-334-3830 or by email at [swillis@mdot.ms.gov](mailto:swillis@mdot.ms.gov).

Sincerely,

RIGHT OF WAY DIVISION.

A handwritten signature in black ink that reads "Stephen D. Downing".

Stephen D. Downing, AICP, SR/WA  
Assistant Division Administrator

DD/dd

Attachments

Cc by email: Mr. Mark Dye

**ADMINISTRATIVE ADJUSTMENT REQUEST**

**County:** Jackson  
**Project:** LPA/105069-801000  
**Parcel:** 016-00-00-W  
**Owner:** Timothy D. Carter and Sadie M. Richardson

**This is a request to approve an administrative adjustment in the amount of \$13,285.00**

**Justification:**

Timothy D. Carter and his wife Sadie M. Richardson purchased their home on December 6, 2007. Hurricane Katrina had occurred a little over two years earlier on August 29, 2005. Recovery from the storm was underway and residential housing was in short supply when they purchased their home. The housing bubble occurred the following year in 2008 causing a reduction in market values for homes. These factors are likely causes for Mr. Carter and Mrs. Richardson to have paid above current market value for their home.

Subsequently, their payoff balance of \$74,785.00 (estimated below) is greater than the fair market value offer amount of \$61,500. The resulting difference of \$13,285.00 is being requested as an administrative adjustment amount to purchase their home so that the deed of trust can be cancelled for the purpose of obtaining clear title to the property.

Their home and entire homesite are being acquired for the proposed project. They are being offered relocation assistance payments for the purchase of a replacement dwelling. It is being recommended that the negative equity waiver that is still in effect for MDOT be used a justification for this administrative adjustment.

A payoff balance for November 1, 2016 was requested from U.S. Bank Home Mortgage. However, a payoff for October 1, 2016 was received. The payoff amount for November 1 is estimated below because approval of the administrative adjustment amount would be requested on the October 4, 2016 City Council meeting. The revised offer amount would then be presented and accepted by the owners, and payment requested on October 18, 2016. The closing attorney would then have until November 1, 2016 to update title and submit the full payoff amount to U.S. Bank. The payoff amount is estimated below. Any excess funds will be submitted to the City from the closing attorney's escrow account.

The administrative adjustment amount is greater than \$10,000.00, therefore, the request is being submitted to MDOT's LPA Coordinator, Sharen Willis, for her approval.

Principal Balance for October 1, 2016	\$ 74,444.14
Reduction in Principal at the end of October (Est)	\$ 136.25
Principal Balance for November 1, 2016 (Est)	\$ 74,307.89
Interest (Est)	\$ 399.92
Pro Rata MIP	\$ 61.48
Recording Fees	\$ 12.00
Total Payoff November 1, 2016 (Est)	\$ 74,781.29
<b>Payoff for November 1, 2016 Rounded to</b>	<b>\$ 74,785.00</b>
Fair Market Value Offer	\$ 61,500.00
<b>Administrative Adjustment</b>	<b>\$ 13,285.00</b>

  
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Mark Dye, ROW Agent 09/16/2016