To fix Columbia’s Malfunction Junction, SCDOT prepared to spend $240 million for land

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COLUMBIA — The S.C. Transportation Department is in the market to buy a Motel 6 — along with gas stations, homes, apartment buildings and several other properties near South Carolina’s capital.

In all, the agency has budgeted to spend $240 million to acquire real estate as part of its decade-long project to rebuild the confluence of roads northwest of Columbia commonly known as “Malfunction Junction.”
The purchase property spending is vital to making room for the changes in the $1.6 billion project, which is the largest highway investment in the state's history to date, with the future widening of Interstate 526 in Charleston forecast to cost even more.

The Midlands plan, dubbed Carolina Crossroads, includes a huge new interchange where Interstates 26, 20 and 126 come together, plus added lanes to ease merging and rebuilt ramps at several junctions.

The project, expected to begin construction in 2021, is intended to greatly improve traffic flow through a key connection for Columbia commuters and statewide travelers.

To do so, however, will mean separate arrangements with dozens of landowners where new roads will go.

If the state cannot agree on a price with property owners, then the agency can use its power of eminent domain to force a sale. A Columbia attorney with experience on eminent domain cases said property owners can prompt changes to the highway plans and even receive more compensation through the negotiation and court process.

The agency already has begun contacting property owners in the areas around the revamped interchange.

DOT estimates it needs to acquire at least part of 64 business properties, 18 owner-occupied homes and about 80 rental properties, said Chris Johnston, assistant director of right-of-way for the agency’s biggest projects.

Those numbers could shift over the three years of the acquisition process as people move residences, Johnston said.
The agency’s goal is to meet with every property owner and explain the process underway.

In some cases the agency will seek to acquire only a sliver of the property; in other cases, it will be buying the whole site. It has contacted some property owners already and in some cases a third-party appraisal of the property value has begun, Johnston said.

After an appraisal has been made, the agency will negotiate with the property owner over the purchase.

“The vast majority of the time we negotiate successfully with property owners,” said Brian Klauk, the project manager for Carolina Crossroads.

Only if those talks fail will the state use its power of eminent domain to compel a sale. In relatively few cases, a jury trial will be held to decide on a sale price.

Even before the process gets that far, an attorney can help a property owner to get a more positive outcome, said Keith Babcock, a Columbia attorney with experience in eminent domain cases in the state.

Babcock said he already has been retained by homeowners in the work area. Even before an appraisal is complete, a homeowner can use an attorney to argue that small changes to the project as the contractors craft their final plans can reduce harm to the homeowner — and expense to the taxpayers.

“You can help them see where they can be exposed to greater payment to the landowners,” Babcock said.
Another question that can be the focus of debate during an eminent domain acquisition is the land’s value. The agency is required to pay for the property’s “highest and best use,” even if that is not the current use or zoning of the property, Babcock said.

In some cases along the Malfunction Junction corridor, where businesses and homes often are next to one another, that use might be as commercial property. A homeowner might have to argue in court that their home could be rezoned and become a business site as its highest use, which would mean a higher price to buy it out, Babcock said.

The agency is seeking to have all the right-of-way parcels acquired for the project within three years, Klauk said.

The goal of the making over Malfunction Junction is reducing number of accidents and the amount of time that commuters spend in backups, both of which are commonplace during rush hours and likely to worsen as the state’s population rises.

The agency estimates that the completed work will save an average Midlands commuter about 112 hours per year in reduced delays, once it is finished at the end of the decade.

Creating the intended better, safer traffic flow makes these property purchases necessary, Klauk said.

“We are always seeking to balance whatever right-of-way acquisition we seek with the engineering performance we’re trying to make,” he said.

*The S.C. Transportation Department has information for property owners who are affected at [https://www.scdotcarolinacrossroads.com/row.html](https://www.scdotcarolinacrossroads.com/row.html).*
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