

# **MEMORANDUM**

*Urban Development Department*



**TO:** Julie Warncke,  
Transportation Planning Manager

**FROM:** Clint Dameron  
Real Property Services Manager

**DATE:** March 3, 2017

**SUBJECT: Right of Way vacation valuation – Mill Creek Corporate Center**

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The subject properties that will benefit from the vacation, resulting in an increase in size, are Tax Lot #083W0800105 (25.91 acres) owned by the State of Oregon DAS and Tax Lot #083W0800106 (70.25 acres) owned by the City of Salem. The lots are zoned Employment Center (EC) with characteristics suitable for development in accordance with EC zoning criteria. However, the City of Salem parcel is encumbered as a wetlands mitigation area. The land value is based upon comparable sales of EC zoned properties in the surrounding area. Research of comparable sites in the subject's market indicates a sales range from \$1.84 to \$2.00 per square foot for EC zoned land. The appropriate unit of comparison for this analysis is the price per square foot. In estimating the land value of the subject's combined larger parcel, consideration is given to property rights conveyed, conditions of sale, market conditions, location, terrain, utility availability, parcel size, configuration, zoning, and offsite improvements.

The assessment of special benefit value is computed using the value per square foot of the larger parcels that the vacated right-of-way will inure too. The assessment of the special benefit for these properties is concluded to be the higher of the value range, or \$2.00 per square foot due to the more recent transaction date and size of the property. If a portion of the property to be vacated is encumbered with easements, the value of the encumbered area should be reduced to 50% of the special benefit value or \$1.00 per square foot.