

MEMORANDUM

Urban Development Department



TO: Anthony Gamallo,
Senior Transportation Planner

FROM: Clint Dameron
Real Property Services Manager

DATE: October 24, 2017

SUBJECT: Right of Way vacation valuation – Capital Manor

The subject properties that will benefit from the vacation, resulting in an increase in size, are shown on the attached exhibits. The lots are zoned Multiple Family Residential (RM2) and Duplex Residential (RD) with characteristics suitable for development in accordance with the respective zoning criteria. The land value is based upon comparable sales of RM2 and RD zoned properties in the surrounding area. Research of comparable sites in the subject's market indicates a value range from \$5.92 to \$6.08 per square foot for RM2 zoned property abutting the Frontage Rd. and \$7.47 to \$7.79 for RM2 and RD zoned property abutting Paradise Court. 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 to which the vacated right-of-way will inure. The assessment of the special benefit for these properties is concluded to be the higher of the value range, or \$6.00 per square foot for the Frontage Road property and \$7.75 for the Paradise Court 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 \$3.00 and \$3.88 per square foot respectively.

In regard to the property identified as "Easement in vacated portion of Frontage Road by Ord. No. 26-81", it is unknown at this time what rights are reserved in the current easement. If the rights encumber the property substantially, then a value of \$6.00 per square foot is appropriate. If the easement rights are to be extinguished, while still reserving easements for utilities, then the value of the encumbered area should be reduced to 50% of the special benefit value, or \$3.00. However, if the rights being extinguished in the existing easement do not substantially encumber the property, than a reduced value of \$1.50 per square foot is appropriate.