

CITY OF MARYSVILLE AGENDA BILL

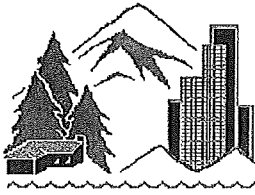
EXECUTIVE SUMMARY FOR ACTION

CITY COUNCIL MEETING DATE: July 13, 2015

AGENDA ITEM: Property Purchase from PUD	
PREPARED BY: Shawn Smith DEPARTMENT: Community Development	DIRECTOR APPROVAL:
ATTACHMENTS: 1. Appraisal and Summary of Sale from PUD 2. Harvest Heights map	
BUDGET CODE: 00100011.561000	AMOUNT: \$4,700.00
SUMMARY:	

The approved project of Harvest Heights is required to make two public road connections across land that is owned by Snohomish County PUD. The roads are 49th St. and 50th St. and they will provide connections from 83rd Avenue to 79th and 80th Avenues. The PUD has agreed to sell the City the property for public roads. The developer has agreed to reimburse the City for the cost of the right of way. The alternative to the transfer of property is an access easement for the roadway, with PUD continuing ownership of the right of way. This is not as desirable from the City's standpoint from both a legal and maintenance standpoint, so City staff would prefer a right of way acquisition to the City, with reimbursement from the developer for the property.

RECOMMENDED ACTION: AUTHORIZE THE MAYOR TO purchase property for public roads from the Snohomish County PUD, subject to reimbursement from the developer for acquisition costs.
--



APPRAISAL GROUP OF THE NORTHWEST LLP

Rockwood Office Park
1409 140th Place NE, Suite 105
Bellevue, WA 98007-3963

(425) 453-9292
(800) 453-4408
FAX: (425) 455-9740
E-Mail: agnw@ix.netcom.com

August 14, 2013

Mr. Rogers Reistad
Real Estate Services
Snohomish County PUD
P.O. Box 1107, O-4
Everett, WA 98206-1107

Re: Summary Appraisal of 7,040-square-feet of a Marysville Site
located at 49th Street NE & 81st Avenue NE, Marysville, WA 98270

Dear Mr. Reistad:

In accordance with your request, I have employed all applicable methods of appraisal analysis required of a summary appraisal report format. This appraisal is intended to comply with the Uniform Standards of Professional Appraisal Practice (USPAP) as adopted by the Appraisal Foundation.

The subject property is an undeveloped High Density Single-Family (R-6.5)-zoned parcel. The purpose of this appraisal is to provide an opinion of market value for potential sale. This appraisal should be used for no other purpose without the permission of the client and the appraisers.

The purpose of this appraisal is to estimate the fee simple market value of the subject property using an over-the-fence analysis.

Based upon my investigation and analysis, the Market Value of the fee simple interest in the subject real property as of July 28, 2013, is reasonably represented as:

FOUR THOUSAND FOUR HUNDRED DOLLARS

\$4,400 (R)

Sincerely,

James B. Price, MAI, SR/WA
Certified General R.E. Appraiser, WA
Certification No. 1100229

**APPRAISAL GROUP
OF THE NORTHWEST LLP**

**Summary Appraisal
of
Two Utility Rights of Way
Marysville Site
located at
49th Street NE & 81st Avenue NE
Marysville, WA 98270**

for

**Mr. Rogers Reistad
Real Estate Services
Snohomish County PUD
P.O. Box 1107, O-4
Everett, WA 98206-1107**

By

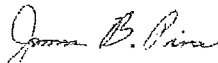
**James B. Price, MAI, SR/WA
Appraisal Group of the Northwest LLP
1409 140th Avenue NE, Suite 105
Bellevue, WA 98007-3963**

A-4683

CERTIFICATION

I certify that, to the best of my knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest with respect to the parties involved.
4. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
7. My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Standards of Professional Appraisal Practice.
8. The reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.
9. I, James B. Price, MAI, SR/WA have made a personal inspection of the property that is the subject of this report.
10. Zachary W. Burris has provided significant real property appraisal assistance to the persons signing this certification.
11. The use of this report is subject to the requirements of the Appraisal Institute regarding review by its duly authorized representatives.
12. As of the date of this report, James B. Price, MAI, SR/WA, has completed the continuing education program of the Appraisal Institute.
13. I certify that I have acted in an independent capacity and the appraisal assignment is not based on a requested minimum valuation, a specific valuation, or the approval of a loan.
14. The appraisers **have not** performed any appraisal services with regard to the subject property within the three-year period immediately preceding acceptance of this assignment.



James B. Price, MAI, SR/WA

August 14, 2013

Date

SUMMARY OF FACTS AND CONCLUSIONS

Subject Property

The subject property consists of two 3,520-square-foot portions or 7,040 square feet in total of a residential-zoned electric line right of way located one lot west of 83rd Avenue Northeast, east of 80th Avenue Northeast, and to the south of 55th Place Northeast. The subject property is two 3,520-square-foot portions of a Snohomish PUD power line right of way in an incorporated neighborhood of Marysville, Washington. The parent parcel is approximately at the location where 49th Street Northeast (running west and east) would intersect 81st Avenue Northeast (running north and south) if both roads were to continue through the subject area.

Improvements

The parent parcel is improved with power line structures. There are no known power line structures on the subject portions of the parent parcel. The portions being appraised are assumed to be vacant as the appraiser did not know the exact location of the subject parcels.

Lot Size

The subject site area is (3,520 x 2) 7,040 square feet or 0.16 acre.

Zoning

The subject property is zoned R-6.5, a City of Marysville zoning designation. The purpose of the R-6.5 zone is high-density single-family residential development. It allows single-family residences at a density of 6.5 dwelling units per acre. Duplexes are permitted outright on 7,200-square-foot lots with a maximum density of eight dwelling units per acre. The major type of new development will be detached single-family residences. The R-6.5 zone is applied to areas that are designated high density single-family on the land use map of the comprehensive plan.

Effective Date of the Valuation

July 28, 2013

Date of Inspection

July 28, 2013

Highest and Best Use

Given the location of this property, its size, surrounding land uses, and current land use trends in the area, the likely highest and best use of the site, would be for a residential use conforming to the current R-6.5 zoning as assemblage with adjacent residential parcels.

Value Estimate

Cost Approach	Not Applicable
Income Capitalization Approach	Not Applicable
Sales Comparison Approach	\$4,400 (R)
"As Is" Appraised Value – Fee Simple Estate	<u>\$4,400</u>

Summary of sale to City of Marysville

- This is a sale of two portions of one tax parcel, 00590700010601, a PUD fee-owned property that is part of the District's Snohomish-East Marysville 115kV Power Line Corridor.
- Each portion is (approximately) 3,520 square feet in size, total of (approximately) 7,040 square feet combined. Assumed square footage used in appraisal.
- The intended use is for road purposes to connect residential plats on both sides of the District's Snohomish – East Marysville 115kV Power Line Corridor
- The portions have been appraised and the estimated value of the **fee simple estate** (without any encumbrances) of the two combined is \$4,400.00
- The property would be conveyed by Quitclaim Deed, **subject to reservation of a High-Voltage Distribution Easement attached to the Quitclaim Deed as Exhibit A.**
- The reservation of easement restricts the use of the property, thereby diminishing the value of the property by 50% (staff determination).
- The value of the property to be sold is then \$2,200.00 total for both portions.
- The appraisal by Appraisal Group of the Northwest cost \$2,500.
- Total sale price to be paid by City of Marysville is \$4,700.

