

# EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



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Public Hearing: Ordinance Vacating the Portion of West 4<sup>th</sup> Alley Located  
between 4<sup>th</sup> and 5<sup>th</sup> Avenues and Lincoln and Charnelton Streets (VRI 12-3)

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Meeting Date: January 22, 2012  
Department: Planning and Development  
[www.eugene-or.gov](http://www.eugene-or.gov)

Agenda Item Number: 3  
Staff Contact: Steve Ochs  
Contact Telephone Number: 541/682-5453

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## **ISSUE STATEMENT**

The City Council will hold a public hearing on an alley vacation request submitted by CB Simons on behalf of Simons Properties and CSA Oregon LLC. The property affected by this proposed action is the east/west right-of-way of West 4<sup>th</sup> Alley between Lincoln Street and Charnelton Street. A map is included as Attachment A which shows the proposed street right-of-way to be vacated. This item is scheduled for a public hearing only; action is currently scheduled for Feb. 11, 2012.

## **BACKGROUND**

As noted above, and shown on the attached map, the applicant is requesting the City of Eugene to vacate the West 4<sup>th</sup> Alley right-of-way from Charnelton Street to Lincoln Street while retaining a public utility easement over the alley. The area of the request is 4,669 square feet. The applicant is requesting the vacation to enhance safety on the property, improve access and create a better business environment on the property.

This alley is situated adjacent to the jail and the applicant and businesses on this block have experienced trespass, aggressive panhandling, theft, vandalism and unsanitary situations from non-tenant pedestrian traffic due to the close proximity to the jail. It is staff's understanding that this alley is commonly used by inmates upon their release. By controlling the alley and monitoring its use, the property owner will be able to reduce these problems. Control of the entire development site (the entire block between Lincoln and Charnelton streets, and West 4<sup>th</sup> and West 5<sup>th</sup> avenues), will allow the applicant to provide a safer and overall more attractive and vibrant business environment on the property.

Public Works and Fire staff confirm that adequate public rights-of-way exist to satisfy all access and traffic circulation needs in the vicinity. As the attached map indicates, the alley essentially dead-ends at the jail. As such, it provides minimal benefit for east-west bike and pedestrian travel, as well as access for nearby properties. The primary east-west route is on West 5<sup>th</sup> Avenue, which will be unaffected by this vacation request.

Public Works staff, and other affected City Departments and utility providers, confirm the presence of utilities in the alley and note that the provision of necessary public services can be maintained with the retention of a public utility easement over the alley, as proposed by the

applicant. The easement will be conveyed prior to or concurrent with the recording of the alley vacation. Retention of a public utility easement will result in the alley being retained, albeit under private ownership. While this alley will not be required to remain open as a public alley, adjacent uses are all owned by the applicant and will continue to use the alley for deliveries and emergency access.

### **Public Hearing Notice**

In accordance with EC 9.7440 and ORS 271.110, notice of public hearing for the requested street vacation has been provided in the following manner:

- On December 20, 2012, notice was mailed to property owners within a 100-foot radius of the alley, interested parties and the Downtown Neighbors, and the officially recognized neighborhood group;
- On January 8, 2013, the property was posted in the immediate vicinity of the requested street vacation;
- And, on January 8, 2013, and January 15, 2013, legal notice was published in *The Register-Guard* newspaper.

Any written testimony received in response to public notice will be forwarded to the City Council for consideration.

### **Consent of Abutting and Affected Property Owners**

In accordance with ORS 271.080, the applicant has provided evidence of consent to the street vacation from all abutting property owners and from property owners of at least two-thirds of the property within the affected area. The applicant owns all of the properties abutting the alley right-of-way. Application materials submitted with the alley vacation include consent forms signed by Carlton B. Simons for all abutting properties. The application materials also include consent forms signed by Sid Leiken on behalf of the Lane County Board of Commissioners (for the Lane County Jail property) and additional surrounding property owners for more than two-thirds of the affected (required consent) area. The affected area per ORS is an area that is 200 feet on either side of the street and 400 feet beyond each end of the right-of-way to be vacated. Included in the application materials is a map showing the affected area and identifying properties with signed consent forms for the street vacation request.

### **Applicable Criteria**

The vacation request process serves as a means to evaluate the need for public-ways as land develops and uses change over time. Requests for vacation of public streets are considered in accordance with sections 9.8700-9.8725 of the Eugene Code (EC) and Oregon Revised Statutes (ORS) 271.080-271.230, and processed pursuant to EC 9.7445–9.7455. The public hearing is subject to quasi-judicial procedures in State law and as set forth in EC 9.7065 through EC 9.7095.

The Eugene City Council will address the relevant approval criteria from EC 9.8725 in making a decision on the proposed street vacation, as listed below:

*The City Council shall approve, or approve with conditions and reservations of easements, the vacation of improved public right-of-way, public-ways acquired with public funds, or undeveloped subdivision and partition plats, or portions thereof, including public right-of-way and improved public easements located therein, only if the council finds that approval of the vacation is in the public interest.*

Additionally ORS 271.120 is relevant as listed below:

**271.120 Hearing; determination.** *At the time fixed by the governing body for hearing the petition and any objections filed thereto or at any postponement or continuance of such matter, the governing body shall hear the petition and objections and shall determine whether the consent of the owners of the requisite area has been obtained, whether notice has been duly given and whether the public interest will be prejudiced by the vacation of such plat or street or parts thereof. If such matters are determined in favor of the petition the governing body shall by ordinance make such determination a matter of record and vacate such plat or street; otherwise it shall deny the petition. The governing body may, upon hearing, grant the petition in part and deny it in part, and make such reservations, or either, as appear to be for the public interest.*

As noted above, consent of the required area has been obtained and public notice has been given in accordance with statutory and local code requirements. Basic provision of necessary public services and utilities in the area can be maintained upon approval of the vacation requests. While attached findings indicate that the vacation, with the reservation of a public utility easement, can be accommodated at this fundamental level, it remains within the council's purview to identify what additional requirements, if any, must be made to find that the request supports the public interest in order for the City to release ownership of the rights-of-way.

Complete findings in regards to the approval criteria are included in Exhibit C to the Ordinance (Attachment B). A complete copy of the application along with other documents and information related to the vacation request including a written statement, site plans and consent forms, are also contained in a binder that has been placed in the Council Office for reference.

### **Determination of Assessment**

Pursuant to EC 9.8710(4), the applicant is required to pay a deposit equal to the assessment of special benefit resulting from the vacation and the disposition of the property to the benefited property owners. The assessed value of special benefit is to be determined by the City Manager. In this instance, the value of the real property for the alley right-of-way was determined to be \$36,450 as detailed in the attached Notice of Assessment of Benefits Memorandum (Attachment C). The applicant has deposited that sum with the City in advance of the public hearing, as required. If the application is approved, the deposit shall be retained by the City, or if the applications are denied the money shall be returned.

### **RELATED CITY POLICIES**

Approval criteria for vacation requests (the full text is included above) are located at EC 9.8725, and corresponding statutory provisions at ORS 271.120, which require the council to find that approval of the vacation request is in the public interest.

Findings supporting this request are included in Exhibit C to the Ordinance (Attachment C).

### **COUNCIL OPTIONS**

These items are scheduled for public hearing only, however, council action is required within 30 days of the close of the record following the public hearing to:

1. Approve the vacation requests by ordinance;
2. Modify and approve the vacation requests by ordinance; or,
3. Deny the vacation requests by ordinance.

This action is currently scheduled for February 11, 2013.

#### **CITY MANAGER'S RECOMMENDATION**

The City Manager recommends that the City Council hold and close the public hearing on the vacation request, and take action within 30 days of close of record in order to comply with statutory and local code requirements. Following the City's receipt of all testimony, the City Manager will make a recommendation on the merits of each vacation request to be included in the council packet for action.

#### **SUGGESTED MOTION**

No motion is suggested as this item is set for deliberations and action on February 11, 2013.

#### **ATTACHMENTS**

- A. Map of Alley Vacation Request
- B. Draft Ordinance (with Exhibits A – C) for Alley Vacation
- C. Notice of Assessment of Benefits Memorandum

#### **FOR MORE INFORMATION**

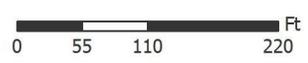
Staff Contact: Steve Ochs, Associate Planner  
Telephone: 541/682-5453  
Staff E-Mail: [steve.p.ochs@ci.eugene.or.us](mailto:steve.p.ochs@ci.eugene.or.us)

# Attachment A: Map of Vacation Request

## ALLEY VACATION REQUEST FOR CB SIMONS (VRI 12-3)



Legend



Caution:  
This map is based on imprecise  
source data, subject to change,  
and for general reference only.



ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE VACATING THE PORTION OF WEST 4<sup>TH</sup> ALLEY LOCATED BETWEEN 4<sup>TH</sup> AND 5<sup>TH</sup> AVENUES AND LINCOLN AND CHARNELTON STREETS.**

**The City Council of the City of Eugene finds that:**

**A.** The City Council of the City of Eugene has approved an agenda setting a public hearing to be held at 7:30 p.m. on January 22, 2013, in Council Chambers, for the purpose of hearing protests and remonstrances to the proposed vacation of the following described right-of-way:

The portion of West 4<sup>th</sup> Alley located between 4<sup>th</sup> and 5<sup>th</sup> Avenues and Lincoln and Charnelton Streets, as more particularly described in Exhibit A and depicted on the map attached as Exhibit B to this Ordinance, reserving a public utility easement over the entire right-of-way otherwise vacated, including a reservation of the right to enter thereon for purposes of construction, reconstruction, maintenance and repair.

**B.** Notice was duly and regularly given of the public hearing, and on January 22, 2013, the City Council held a public hearing and heard all objections to the proposed vacation.

**THE CITY OF EUGENE DOES ORDAIN AS FOLLOWS:**

**Section 1.** The City Council of the City of Eugene finds that notice of the hearing was published and posted as required by law, that the consent of the owner(s) of the abutting property has been filed in the proceedings, and that the vacation of the right-of-way is in the public interest, as described in the Findings attached as Exhibit C to this Ordinance.

**Section 2.** The right-of-way described and depicted on Exhibits A and B attached to this Ordinance is vacated subject to the easement described in Finding A, above, and shall revert pursuant to the statutes of the State of Oregon.

**Section 3.** The City Recorder is directed to file a certified copy of this Ordinance with the Recorder of Lane County, Oregon, together with a map or plat of said property, and a certified copy of this Ordinance shall be filed with the Lane County Assessor and another certified copy shall be filed with the Lane County Surveyor.

**Passed by the City Council this**  
\_\_\_\_\_ day of \_\_\_\_\_, 2013.

**Approved by the Mayor this**  
\_\_\_\_\_ day of \_\_\_\_\_, 2013.

\_\_\_\_\_  
**City Recorder**

\_\_\_\_\_  
**Mayor**

# EXHIBIT A

## ALLEYWAY VACATION DESCRIPTION

BEING ALL THAT PORTION OF THE FOURTEEN FOOT (14') WIDE EAST / WEST ALLEY FOUND WITHIN BLOCK 1 OF PACKARD'S ADDITION TO EUGENE RECORDED IN LANE COUNTY OREGON PLAT RECORDS VOLUME H, PAGE 282 RECORDED IN 1871, ALL BEING WITHIN TOWNSHIP 17 SOUTH, RANGE 3 WEST, SECTION 31, WILLAMETTE MERIDIAN, AND FURTHER DESCRIBED AS FOLLOWS:

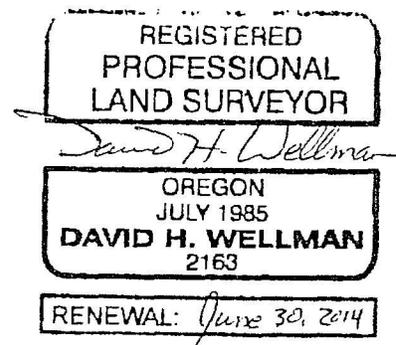
COMMENCING AT THE NORTHEAST CORNER OF LOT 1, BLOCK 1 OF PACKARD'S ADDITION TO EUGENE AS RECORDED IN LANE COUNTY OREGON PLAT RECORDS VOLUME H, PAGE 282, THENCE SOUTHERLY ALONG THE EASTERLY LINE OF LOT 1, BLOCK 1, ALSO BEING THE WESTERLY MARGIN OF CHARNELTON STREET (SO CALLED), TO THE SOUTHEAST CORNER OF LOT 1 AND ALSO BEING THE NORTHEAST CORNER OF SAID ALLEY AND FURTHER BEING THE POINT OF BEGINNING;

THENCE WESTERLY 334 FEET (MORE OR LESS) ALONG THE SOUTHERLY LINES OF LOTS 1, 2, 3, 4 AND 5 TO THE SOUTHWEST CORNER OF LOT 5 AND BEING THE POINT OF INTERSECTION WITH THE EASTERLY MARGIN OF LINCOLN STREET (SO CALLED);

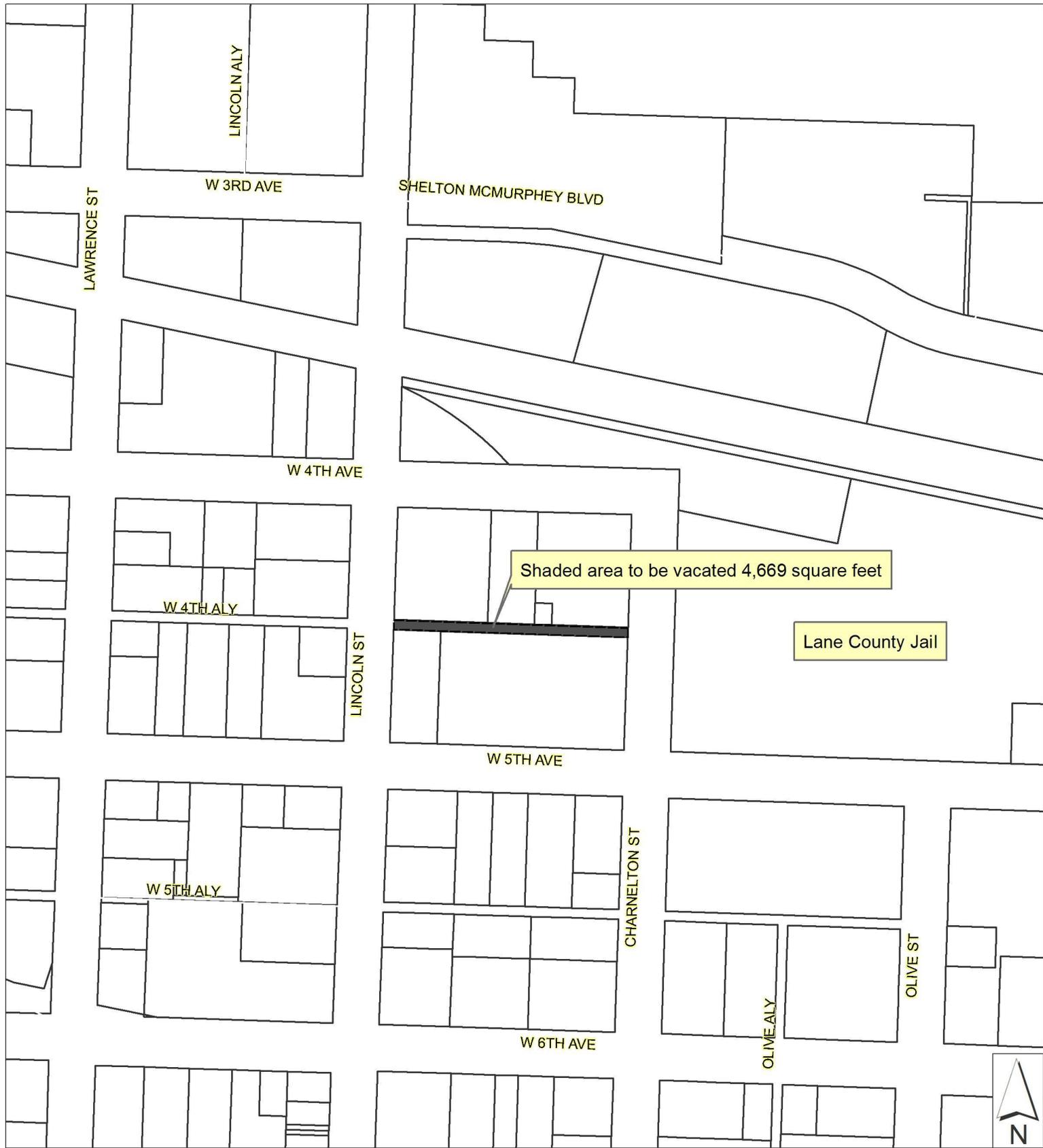
THENCE SOUTHERLY 14 FEET (MORE OR LESS) ALONG THE WESTERLY MARGIN OF SAID ALLEY, ALSO BEING THE EASTERLY MARGIN OF SAID LINCOLN STREET, TO THE NORTHWEST CORNER OF LOT 6 OF SAID BLOCK 1; THENCE EASTERLY ALONG THE NORTHERLY LINES OF LOTS 6, 7, 8, 9 AND 10 TO THE NORTHEAST CORNER OF LOT 10 AND BEING THE POINT OF INTERSECTION WITH THE WESTERLY MARGIN OF CHARNELTON STREET; THENCE NORTHERLY 14 FEET (MORE OR LESS) ALONG THE EASTERLY MARGIN OF SAID ALLEY, ALSO BEING THE WESTERLY MARGIN OF SAID CHARNELTON STREET, TO THE POINT OF BEGINNING;

ALL BEING IN LANE COUNTY, OREGON.

CONTAINING 4676 SQUARE FEET (MORE OR LESS).

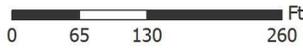


# C.B. Simmons Alley Vacation (VRI 12-3)



**Legend**

- Streets
- Taxlots



Caution:  
This map is based on imprecise  
source data, subject to change,  
and for general reference only.

November 27, 2012



## **Exhibit C**

### **Findings:**

### **Vacation of West 4<sup>th</sup> Alley between Lincoln Street and Charnelton Street for Simons Properties and CSA Oregon, LLC (VRI 12-3)**

#### **Background**

The Simons Properties and CSA Oregon, LLC requests a right-of-way vacation that includes the entire West 4<sup>th</sup> Alley between Lincoln Street and Charnelton Street. The area subject to the request is 4,669 square feet. The applicant owns all properties that abut the right of way and on the entire block. The vacation will allow the applicant/property owner to create a more viable business environment, provide better security for tenants and customers of those tenants and will not negatively impact the transportation system, surrounding properties or emergency access. Retention of a Public Utility Easement across the entire alley area is proposed and will be required prior to vacating the right of way.

The vacation request process provides a means to evaluate the need for public ways as land develops and uses change over time, and to address the manner in which the City may dispense with public ways. Requests for the vacation of public streets and alleys are considered in accordance with EC 9.8700-9.8725 and Oregon Revised Statutes 271.080-271.230. These requests are also subject to procedural requirements at EC 9.7445-9.7455.

#### **Compliance with Approval Criteria**

The sole approval criterion at EC 9.8725 requires the City Council to find that approval of the requested right-of-way vacations is in the public interest. The full text of the approval criterion is provided below, with findings demonstrating compliance:

*The city council shall approve, or approve with conditions and reservations of easements, the vacation of improved public right-of-way, public ways acquired with public funds, or undeveloped subdivision and partition plats, or portions thereof, including public right-of-way and improved public easements located therein, only if the council finds that approval of the vacation is in the public interest.*

Public notice of the hearing for the vacation request has been provided in accordance with applicable statutory and local code requirements. Consent for the vacation requests from abutting and affected owners, and payment of a special assessment for the area of vacated right-of-way, have also been provided as required.

#### **Vacation Findings**

The following findings demonstrate that vacation of West 4<sup>th</sup> Alley between Lincoln Street and Charnelton Street is in the public interest. This determination is based on the conclusion that the vacation of West 4<sup>th</sup> Alley between Lincoln Street and Charnelton Street is consistent with the City's vision for the area, will provide efficient use of land and will not negatively impact the transportation system, the ability to provide utilities, surrounding properties, or emergency access.

Additionally, control of the site by the applicant will enhance the safety and attractiveness of the site. As a result, vacation of the requested alley segment will be in the public interest. Detailed findings to support these conclusions are provided below.

The property is located within the boundaries of the Whiteaker Plan and the Skinner Butte mixed use subarea and is zoned S-W Whiteaker special area zone. The Whiteaker Plan's overall vision and intent is to encourage economic vitality in the area by allowing a mix of uses and encourage actions that enhance the attractiveness of the area. Several businesses including a Cafe Yumm, Corporate Office, Playdom, a division of Disney Corp, Honn Design, Carpe Diem Core Align and Pilates Studio, Lindholm Company and Verb Marketing and PR are tenants on this block that is bisected by the alley. The Lane County Jail is located directly across Charnelton Street to the east.

The applicant notes that non-tenant pedestrian traffic in the area has resulted in trespass, aggressive panhandling, theft, vandalism and unsanitary situations due to urination and defecation. Some of these circumstances appear to be related to its proximity to the jail. This alley is situated adjacent to the jail and is commonly used by inmates, upon their release. It is expected that the applicant will restrict public access to the alley, most likely at the east end. By controlling the alley and monitoring its use, the property owner will be able to reduce this problem. The vacation of the alley, even with retention of a PUE, will allow the applicant to make façade and access improvements that cannot currently occur due to setback and clearance requirements. Control of the entire development site (the entire block between Lincoln St. and Charnelton St. and West 4<sup>th</sup> Ave and West 5<sup>th</sup> Ave), will allow the applicant to provide a safer and overall more attractive and vibrant business environment on the site consistent with the vision for the area.

Public Works and Fire staff confirms that adequate public rights-of-way exist to satisfy all access and traffic circulation needs in the vicinity. While this alley will not be required to remain open as a public alley, adjacent uses are all owned by the applicant and will continue to use the alley for deliveries and emergency access.

The vacation of West 4<sup>th</sup> Alley will not cause additional out of direction travel as it is not a through alley and ends in a "T" intersection at Charnelton Street. Vehicles, pedestrians and bicyclists currently use West 5<sup>th</sup> Ave to the south as a through connection to the east or west. Therefore, vacation of this alley will have no impact on the predominate travel route (West 5<sup>th</sup> Ave.) for vehicles, pedestrians and bicycles.

Referral comments from Public Works staff, other affected City Departments and utility providers confirm the presence of utilities in the alley and note that the provision of necessary public services and facilities such as transportation and utilities in the area can be maintained upon approval of the vacation request with the retention of a public utility easement over the alley as proposed by the applicant. The PUE could later be vacated when the utilities are properly abandoned or relocated. The City's Public Works Transportation and Engineering staff and the Fire Marshal's office have confirmed that the vacations would not compromise transportation or emergency access. Referral comments from Public Works and letters of concurrence from EWEB confirm that utility, water and natural gas lines located in the street can be maintained by retaining a public utility easement. No other utility providers objected to the proposal of vacating the alley with retention of a PUE.

**Conclusion**

Based on the available information, evidence and testimony received, the City finds that the right-of-way vacation for the entire West 4<sup>th</sup> Alley between Lincoln Street and Charnelton Street as proposed by Simons Properties and CSA Oregon, LLC, will be in the public interest.



December 27, 2012

Carlton B. Simons  
Simons Properties/CSA Oregon LLC  
215 West 5<sup>th</sup> Avenue  
Eugene, OR 97401

**RE: Notice of Assessment of Benefits for Alley Right-of-Way Vacation Requests.**

Dear Mr. Simons,

Attached is the Notice of Assessment of Benefits as well as an email with a revisions to the amount for the vacation request for West 4<sup>th</sup> Alley (VRI 12-3). Eugene City Code requires that the owner of the property be assessed the value of the property that is requested to be vacated no less than 20 days prior to the public hearing of the vacation application before the City Council. The public hearing date is set for January 22, 2013 at 7:30 p.m. The public hearing will be held in Harris Hall located at 125 East 8<sup>th</sup> Street. The amount of the assessed value is shown on the attached assessment form and email was determined to be \$36,450.

Eugene City Code further requires the land owner to deposit with the City the sum of money assessed at least 5 working days prior to the public hearing which would be January 15<sup>th</sup>, 2013 at the latest. If the vacation is approved, this deposit shall be retained by the City. If the vacation application is denied, the deposit shall be returned.

The deposit shall be made at the Permit Information Center located in the Atrium building at 99 West 10<sup>th</sup> Avenue. I will be available to help ensure this process goes smoothly. So please give me a call at (541) 682-5453 or email [steve.p.ochs@ci.eugene.or.us](mailto:steve.p.ochs@ci.eugene.or.us) and I can help answer questions and coordinate the deposit.

Sincerely,

A handwritten signature in black ink, appearing to read "S.P.O.", is written over a horizontal line.

Steve Ochs  
Associate Planner

Enclosures: Basis of Value Report  
Email and attachments with revised amount

## BASIS OF VALUE REPORT

### Proposed ROW Vacation of 4<sup>th</sup> Avenue Alley between Charnelton and Lincoln November 30, 2012

Adjoining property owner, Carlton Simons, requests the vacation of a certain City right-of-way captioned above for assemblage with adjoining property owned by Simon Investment Prop LLC. Mr. Simon, the applicant, reportedly owns all the properties adjacent on both the north and the south sides of the subject property; a 14' alley right-of-way of 4,676 SF (per surveyor).

The zoning for the area around the proposed alley vacation is S-W/SR (Whiteaker Special Area, with a Site Review overlay). The zoning is intended primarily for a Mixed-use development which includes various uses of commercial, retail, industrial, and lower and higher density residential. The highest and best use is considered to be "Mixed Use."

The appraiser has been asked to provide an assessment estimating the value to the benefiting property for the proposed vacation by the City of its interest in the existing right-of-way area herein described.

After a search of RMLS and Lane County records, the following comparable sales are considered to be the best sales that could be located at this time to estimate the unit value of the area that is the subject of this Basis of Value Report.

<u>Property Location</u>	<u>Size</u>	<u>Zoning</u>	<u>Sale Date</u>	<u>Price</u>	<u>Unit Value (Adj.UV)</u>		<u>Comments</u>
Fourth Avenue Alley	4,676SF	S-W (MU)	n/a	n/a	n/a	n/a	Subject Property
#1. 462 E 8 <sup>th</sup> Ave.	0.59 Ac.	I-2	2/09	\$889,582	\$34.61	(\$28.95)	OK'd: commercial
#2. 15 <sup>th</sup> & Orchard	0.71 Ac.	C2	4/08	\$925,000	\$29.90	(\$23.58)	Near UO
#3 2303 W. 7 <sup>th</sup> Av.	1.32 Ac.	C2	4/08	\$1,400,000	\$24.35	(\$19.21)	Carrow's site
#4 296 Blair Blvd.	0.64 Ac.	S-W	10/12	\$335,735*	\$12.04	(\$12.04)	Ninkasi expansion.
#5 Franklin at Alder	0.18 Ac.	C2	11/10	\$125,000	\$15.94	(\$14.53)	Deficient shape
#6 135 Blair Blvd.	2.03 Ac.	S-W	10/12	\$533,000	\$6.03	(\$6.03)	Ninkasi expansion

All the sales presented in the table above were closed sales, within the subject property's immediate or competing neighborhoods, and the sales represent the best comparable and most recent sales that could be located at this time.

\*Note: Sale #4 reflects extraction of an improvement.

The subject property is located along 4<sup>th</sup> Avenue Alley, between Charnelton and Lincoln streets. The sales utilized in this Basis of Value Report are considered to be as comparable to the subject's Whiteaker Special Area zoning as could be located at this time. Several of the sales are considered to be superior to the subject property mainly due to superior locations compared to the subject property, but as stated previously, the sales utilized in this Basis of Value Report are considered to be the best that could be located at this time. Sale #1's I-2 zone was in the process of being changed to Commercial zoning and is considered to be comparable with the Whiteaker Special Area's "Mixed Use" zoning allowances, and it is recognized to be in a superior location. Sale #1 is considered to set the upper value range. As was noted above, the subject's location is somewhat inferior compared to most of the sales presented due to a mixed use neighborhood that is served only by "local" streets with modest traffic counts, rather than superior areas with major streets and symbiotic commercial demand within a comparable neighborhood. Sale #3's location is inferior to Sales #1 and 2's locations, but Sale #3 is still considered to be located in a superior location compared to the subject. Sale # 5 was located near Alder Street on the curve where Franklin Boulevard becomes Broadway. This property has an inferior shape and has some traffic restrictions and limitations, but is considered to be a good comparable property, with its superior location noted. Sale #6 was also a very irregularly shaped parcel, which limits its development potential, and its location is considered to be inferior compared to the subject. Sales #4 and 6 are the same zoning and deserve high credence in estimating an appropriate unit value. Sale #5 is also considered to be a highly relevant comparable sale for estimating an appropriate unit value for the subject property. Sales #1 and 2 were given the least weight in estimating the overall unit value for the subject property due to their much superior locations, etc. The overall reasonable value range is, therefore, \$6.03/SF to \$28.95/SF. Taking into consideration the described comparable sales and corresponding adjustments, an unencumbered unit value is estimated to be \$14/SF.

The Lane County Assessor estimates the real market value (as of January 1, 2012) of the current adjoining properties to be approximately \$21/SF.

City staff reports that the subject alley is 14' X 334'+/- (4,676 SF). As part of the proposed alley vacation, the City will reserve a public utility easement over the entire alley right-of-way for all existing utilities. The reservation of the public utility easement is estimated to reduce the value of the subject area by approximately 35%.

The value of the proposed vacation of 4<sup>th</sup> Avenue Alley is, therefore, calculated to be:

$$\$14.00/\text{SF} \times .65 = \$9.10/\text{SF} \times 4,676/\text{SF} = \$42,552, \text{ or } \$42,500, \text{ rounded.}$$

**Assessment of value estimated to the benefitting (adjoining) property owner: \$42,500.**

**This Basis of Value Report is not an appraisal and is intended for City of Eugene internal use only.**

Prepared by:



Lloyd Williams, Real Property Officer

## OCHS Steve P

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**From:** ROYER Russ C  
**Sent:** Thursday, December 13, 2012 2:51 PM  
**To:** OCHS Steve P  
**Cc:** WILLIAMS Lloyd L; KEPPLER Peggy A  
**Subject:** FW: Alley Vacation - Basis of Value Report  
**Attachments:** RR Lot Buyers Stmt386.pdf; RR Prelim pkg. .pdf

Hi Steve, sorry I have not had a chance to respond to you sooner. Lloyd and I further reviewed the comparable sales data and related information submitted by the owner's rep. We recognize the one sale submitted was a parcel the subject owner purchased and is across the street from the subject area. This other sale was fairly dated being over 3 years old but we concur the values typically have not increased over that time period. Perhaps the main adjustments to that sale were the location in that the comparable property backs up directly to the railroad tracks which would result in needing to increase the value of the comparable sale property. A second significant adjustment factor of that sale compared to the benefitting properties of the vacation is the shape – it is fairly irregular which results in portions of the property not being developable or at least limited to a certain extent. This shape adjustment would also result in increasing the unit value of the comparable to make it more similar to the subject areas. And a third adjustment, which we did not put as much weight on was for the comparable being zoned industrial as compared to the subject property which allows for commercial uses as well. The market demonstrates commercially zoned properties typically sell for more than industrially zoned properties. Because of the shape deficiency and location next to the railroad tracks the highest and best use of the comparable sale may be as parking, in which case the zoning difference would not be as significant.

City staff's initial concluded value of the vacation assessment was based on a fee value of \$14 per square foot with comparable sales ranging from \$6 to \$20 per square foot. The county assessor's real market value of the subject properties are on average approximately \$20 per sq ft. The assessed value of special benefit was further reduced by 35% for the public utility easement that will be reserved over the entire vacation area resulting in the estimated unit value for the rights being vacated of \$9.10 per square foot. In further consideration of the additional sales data submitted city staff would agree to reducing the fee value of the area proposed for vacation to \$12 per square foot and further reducing that value by the 35% for the public utility easement that will be reserved at the time of vacation resulting in a net value of \$7.80 (\$12 x .65) per square foot for the property rights being vacated. Thus yielding an **adjusted vacation assessment of \$36,450 (\$7.80 x 4,676 sq ft)** – reduced from the previous estimated assessment of \$42,500.

One other point I did want to respond to was the suggestion the alley configuration could be a negative. I thought it might be beneficial to explain the basis of assessment for right of way vacation is based upon the special benefit to the benefitting (adjacent property) and thus the shape or configuration of the vacation area it not as significant as the adjacent property it is being assembled with. Eugene code 9.8710 (5) further defines how it is to be measured. I hope this helps address the questions or concerns. Please let me know if there are further questions. At this time Public Works is agreeable to reducing the **proposed assessment from \$42,500 to \$36,450.**

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**From:** OCHS Steve P  
**Sent:** Friday, December 07, 2012 4:18 PM  
**To:** ROYER Russ C  
**Cc:** WILLIAMS Lloyd L  
**Subject:** FW: Alley Vacation - Basis of Value Report

Hi Russ,

This is an email I got from the applicant in for the CB Simons alley vacation. The rep asked me if they could submit these examples, I told her they could and that I would forward them on but had no idea if they were relevant or helpful or change anything. Anyway, let me know your thoughts and have a great weekend!  
Steve O.

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**From:** Cheryl Monson [mailto:cheryl@cbsimons.com]  
**Sent:** Friday, December 07, 2012 10:57 AM  
**To:** OCHS Steve P  
**Subject:** Re: Alley Vacation - Basis of Value Report

Hey Steve,

I spoke to CB yesterday, his email to me below is as follows:

You can provide this to the City. It is what was sold in great detail. I refer to it as the RR lot. It was a cash deal. It was similarly zoned land. The only difference in the RR lot and the alleyway is that the RR lot is not encumbered by so many easements and is not paved. It provides access from the Charnelton end of 4th Ave. to the Lincoln access, and therefore has the same functionality. The alleyway is a smaller parcel, but the economies of scale are negligible between 4,676 s.f., and 41,800, and the small size and configuration of the alleyway does not lend itself to development to its highest and best use, so there seems to be no extra value per sq. ft. to the alleyway due to the smaller parcel size, and one could reasonably make a case that the alley configuration is a negative. The hard surface of the alleyway is a shambles and needs to be replaced. The sub-grade on the RR lot is equivalent to that of the alleyway, and the the cost of removing the sub-standard paving sections in order to go forward from the sub-grade fill is a further negative to the alleyway.

Making no other comparison, the only two comparable property purchases fro the list are the ones with the same zoning. They are #2 and #4. \$12.04 & \$6.03/ s.f., respectively. Presuming all else to be equal between those two lots, the average value/sf of these two is \$9.03. The RR lot sold for \$335,000 ±, or \$8.01. The date of sale is not specified for the listed comps., but the RR lot sale was 37 months ago, and real estate prices have not been on a dramatically upward trend since then. If the RR lot is added to the data set, it appears that the value for the alleyway must go down.

Please have the appraiser make any appropriate adjustments in light of this additional data, and we will deposit the funds as instructed. Thank you for your assistance in this matter.

Also, I have attached the documentation on the Rail Road lot.

Thank you for all your help!  
Cheryl Monson

On Dec 6, 2012, at 2:22 PM, OCHS Steve P wrote:

Hi Cheryl,  
Attached is the report stating how much the City will be asking for the alley and the basis of that valuation. You will receive an "official" notification of the amount in a few weeks but wanted to give you a heads up. Feel free to call if you have any questions.

Thanks,  
Steve O.

Steve Ochs | Associate Planner

City of Eugene | Planning & Development  
99 West 10th Avenue | Eugene OR 97401  
Phone 541.682.5453 | Fax 541.682.5572

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<4thAvAlleyVacation.pdf>