

Attachment 2 – Valuation Summary Statement

Dist.	Co.	Rte	P.M.	Parcel No.	Federal Aid Project No.	Date
NR-01	HUM	101	78.67	12733	N/A	11/ 13 / 2018

Owner: County of Humboldt

Property Address: 826 4th St. Date Acquired: Over 5 years
 638 sf ft Temporary Construction

Locale: Eureka Property to be Acquired: Easement

Total Property Area: 133,199 sf Part All

Including Access Rights: Yes No

STATUTORY BASIS OF VALUATION

Code of Civil Procedure Section 1263.320 defines Fair Market Value as follows:

- a) The fair market value of the property taken is the highest price on the date of valuation that would be agreed to by a seller, being willing to sell but under no particular or urgent necessity for so doing, nor obliged to sell, and a buyer, being ready, willing, and able to buy but under no particular necessity for so doing, each dealing with the other with full knowledge of all the uses and purposes for which the property is reasonably adaptable and available.
- b) The fair market value of the property taken for which there is no relevant, comparable market is its value on the date of valuation as determined by any method of valuation that is just and equitable.

Recent sales of comparable properties and income data are utilized as appropriate. Full consideration is given to zoning, development potential and the income the property is capable of producing.

BASIC PROPERTY DATA

Interest valued: Temporary Construction Easement

Date of Valuation: November 13, 2018

Applicable zoning: OR (Office Residential) & P (Public)

Area to be acquired: 638 SF

Highest and best use: Commercial

Current Use: County Courthouse & Jail

BASIS OF VALUATION

1. The Sales Comparison approach is based on the consideration of comparable land and improved sales.
 Indicated value by the Sales Comparison Approach
 See attached sheet for principal transactions.

\$ 2,856.26

SUMMARY OF THE BASIS FOR JUST COMPENSATION

The suitability of a given approach for the valuation of a specific ownership interest in a given property depends on the nature of the ownership, the highest and best use of the subject property, the rationale typically adopted by the market for valuing such interest in similar properties, and the availability of reliable market data. The proposed acquisition is a partial acquisition of the County courthouse and jail. After thorough analysis, it was determined that the highest and best use of the subject property is as commercial. The improvements will not be impacted, and the acquisition will not affect the utility or value of the major improvement; therefore, the subject property will be evaluated as if vacant. The preferred method to determine fair market value for vacant land, and provide the owner with just compensation is to obtain market comparables for properties with similar characteristics to estimate the value based on the Sales Comparison Approach.

Three relevant comparables were included in the analysis and assessments to germane factors were applied in order to conclude a price per square foot value for the subject property. A value of \$17.33 per square foot has been given based on the three comparable sales utilized and has been determined to be appropriate for the subject property

Temporary Construction Easements are typically valued based on loss in utility of the area for the period of time that the utility is lost. A common method of determining compensation is to develop a monthly rental rate for the temporary construction easement then calculate the value of a stream of monthly rental payments for the duration of the encumbrance. The monthly rental rate was developed using a land rate of return based upon the market value of the land. It was concluded that the land rate of return appropriate for the subject easement area is 10%.

Value of the property being acquired including the following improvements:

Land: [(638 SF x \$17.33 per SF x 10%) ÷ 12 months] x 31 months	\$	2,856.26	
Improvements:	\$	0.00	
		\$	2,856.26
Damages:		\$	0.00
Benefits:		\$	0.00
JUST COMPENSATION FOR ACQUISITION		\$	2,856.26
	Rounded To:	\$	2,900.00
Construction Contract Work		\$	1,000.00

LIST OF PRINCIPAL TRANSACTIONS – IMPROVED

ADDRESS: 1929 4th St., Eureka, CA 95501
 APN: 002-102-009
 SALE DATE: 02 / 21 / 2018
 SALE PRICE: \$8,725,000.00

ADDRESS: 2223 4th St., Eureka, CA 95501
 APN: 002-132-008
 SALE DATE: 02 / 03 / 2017
 SALE PRICE: \$3,725,000.00

ADDRESS: 1304 4th St., Eureka, CA 95501
 APN: 001-225-008
 SALE DATE: 12 / 15 / 2017
 SALE PRICE: \$2,440,000.00

AREAS WITHIN THE RIGHT OF WAY

Sub- parcel	Area (Square Feet)
Right of Way Parcel: 12733	638
Total Area =	638

IMPROVEMENTS WITHIN THE RIGHT OF WAY

Item:	Size:
None	
Lump Sum Total = \$ 0.00	

COST TO CURE DAMAGE ITEMS

Item:	Size:
None	
Lump Sum Total = \$ 0.00	

CONSTRUCTION CONTRACT WORK ITEMS

1. Resurface driveway at ES 36+76.

**SUMMARY STATEMENT RELATING TO THE PURCHASE OF
REAL PROPERTY OR AN INTEREST THEREIN (Cont.)**

(Form #)

EXHIBIT
8-EX-16 (REV 3/2017)
Page 1 of 2

The California Department of Transportation is proposing to make safety improvements to 4th St. in Eureka.

Your property located at 826 4th Street, Eureka is within the project area, and is also identified by your county assessor as Parcel No. 001-191-03.

Title III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and the California Relocation Assistance and Real Property Acquisition Guidelines require that each owner from whom the Department of Transportation purchases real property or an interest therein or each tenant owning improvements on said property be provided with at a minimum, a summary of the appraisal of the real property or interest therein, as well as the following information:

1. You are entitled to receive full payment prior to vacating the real property being purchased unless you have heretofore waived such entitlement. You are not required to pay recording fees, transfer taxes, or the pro rata portion of real property taxes which are allocable to any period subsequent to the passage of title or possession.
2. The State will offer to purchase any remnant(s) considered by the State to be an uneconomic unit(s) which is/are owned by you or, if applicable, occupied by you as a tenant and which is/are contiguous to the land being conveyed.
3. All buildings, structures and other improvements affixed to the land described in the referenced document(s) covering this transaction and owned by the grantor(s) herein or, if applicable, owned by you as a tenant, are being conveyed unless other disposition of these improvements has been made. The interest acquired is temporary construction easement. The property being purchased comprises 638 square feet and is described in the attached deed and outlined in color on the attached map.
4. The market value of the property being purchased is based upon a market value valuation which is summarized on the attached Valuation Summary Statement and such amount:
 - a. Represents the full amount of the valuation of just compensation for the property to be purchased;
 - b. Is not less than the approved valuation of the fair market value of the property as improved;
 - c. Disregards any decrease or increase in the fair market value of the real property to be acquired prior to the date of valuation caused by the public improvement for which the property is to be acquired or by the likelihood that the property would be acquired for such public improvement, other than that due to physical deterioration within the reasonable control of the owner or occupant; and
 - d. Does not reflect any consideration of or allowance for any relocation assistance and payments or other benefits which the owner is entitled to receive under an agreement with the Department of Transportation.
5. Pursuant to Code of Civil Procedure Section 1263.025 should you elect to obtain an independent appraisal, the Department will pay for the actual reasonable costs up to five thousand dollars (\$5,000) subject to the following conditions:
 - a. You, not the Department of Transportation (Department), must order the appraisal. Should you enter into a contract with the selected appraiser, the Department will not be a party to the contract;
 - b. The selected appraiser is licensed with the Bureau of Real Estate Appraisers (BREA), formerly known as the Office of Real Estate Appraisers;
 - c. Appraisal cost reimbursement requests must be made in writing, and submitted to the Department of Transportation at P.O. Box 3700, Eureka, CA 95502 within ninety (90) days of the earliest of the following dates: (1) the date the selected appraiser requests payment from you for the appraisal; or, (2) the date upon which you, or someone on your behalf, remitted full payment to the selected appraiser for the appraisal. Copies of the contract (if a contract was made), appraisal report, and the invoice for the completed work by the appraiser must be provided to the Department of Transportation concurrent with submission of the Appraisal Cost Reimbursement Agreement. The costs must be reasonable and justifiable.

6. The owner of a business conducted on a property to be acquired, or conducted on the remaining property which will be affected by the purchase of the required property, may be entitled to compensation for the loss of goodwill. Entitlement is contingent upon the business owner's ability to prove such loss in accordance with the provisions of Sections 1263.510 and 1263.520 of the Code of Civil Procedure.
7. If you ultimately elect to reject the State's offer for your property, you are entitled to have the amount of compensation determined by a court of law in accordance with the laws of the State of California.
8. You are entitled to receive all benefits that are available through donation to the State of California of all or part of your interest in the real property sought to be acquired by the Department of Transportation as set out in Streets and Highways Code Sections 104.2 and 104.12.