

Gravina Access Project

Appendix B – Part 2

Technical Addendum to Conceptual Stage Relocation Study and Assessment of Right-of-Way Acquisition Costs

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Gravina Access Project
Technical Addendum to
the Conceptual Stage Relocation Study and
Assessment of Right-of-Way Acquisition Costs
FINAL



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1. INTRODUCTION

The purpose of this document is to addend the 2010 Gravina Access Project Conceptual Stage Relocation Study and Assessment of Right-of-Way Costs (2010 ROW Report) with new information regarding recent developments adjacent to Alternative C3-4 that would affect right-of-way acquisition. This document also presents updated information on assessed property values of potentially affected private properties within the right-of-way of the build alternatives to verify that the conclusions concerning acquisition costs in the 2010 ROW Report are valid.

The 2010 ROW Report presented detailed right-of-way acquisition costs for all six build alternatives being analyzed in the draft Gravina Access Project Supplement Environmental Impact Statement (SEIS). Proposed right-of-way requirements were developed for each alternative and the controlled-access right-of-way costs were determined by overlaying the right-of-way limits on the Ketchikan Gateway Borough's spatial parcel database and adding their 2010 appraised values. The acquisition value was based on the 2010 borough tax assessment database, the percentage of the parcel acquired, and the value of the appraised improvements on that property that would need to be acquired and removed/demolished, as well as the cost to relocate persons or businesses. An acquisition cost for the market value of the properties affected was estimated for each alternative by applying an inflation of 10 percent (see Section 3 of the 2010 ROW Report).

Recognizing the possibility that changes to properties in the study area could have occurred over a period of approximately two years, The Alaska Department of Transportation and Public Facilities (DOT&PF) identified the need to validate the findings of the 2010 ROW Report. To do this, the 2010 assessed values of private properties potentially affected by the SEIS build alternatives were compared to the 2012 assessed values for those properties. In that process, two properties potentially affected by Alternative C3-4 were identified as having improvements since the 2010 ROW Report was developed that affected their assessed value. No other properties potentially affected by Alternative C3-4 or other Gravina Access Project alternatives indicate changes requiring modification to the right-of-way requirements.

2. UPDATES TO ALTERNATIVE C3-4 RIGHT-OF-WAY REQUIREMENTS

This section addresses the changes in land use and boundary/ownership associated with the two properties potentially affected by Alternative C3-4 since the 2010 ROW Report was developed that affected their assessed value. It also describes the modifications made to right-of-way requirements for Alternative C3-4 as a result of those changes.

2.1 Pioneer Heights Senior Housing

The most significant development in terms of land use change and increase in property value has been the construction of the Pioneer Heights Senior Housing located at 4640 North Tongass Avenue on a previously vacant, 11.4-acre parcel (parcel #013130004100). The facility is a new 10-unit independent living senior housing complex owned by Ketchikan Senior Citizen Services, Inc., located immediately west of the Alternative C3-4 alignment (refer to Figure 1 for a layout

of the new facility and Figure 2 for an exterior elevation profile¹). With the improvement of the housing facility, the 2012 assessed land value for this parcel is approximately 20 percent higher than the 2010 value.

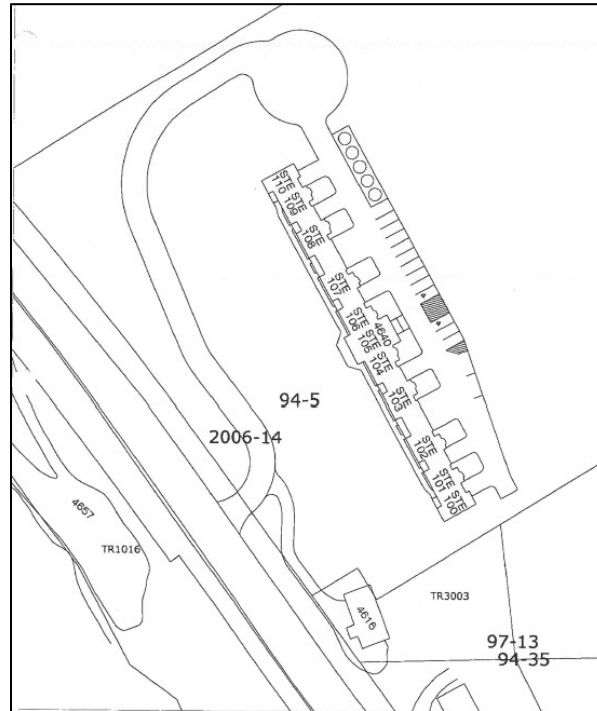


Figure 1. Pioneer Heights Senior Housing: Facility Layout



Figure 2. Pioneer Heights Senior Housing: Elevation View

¹ Source: Ketchikan Gateway Borough, building permit application, provided by the Borough Planning Department, April 2, 2012. Figure 2 drawings from Welsh Whitely Architects contained in the building permit application.

The building footprint was georeferenced and digitized in GIS to allow for overlaying with the Alternative C3-4 design information in order to assess potential impacts from the alternative on the building or property. In the 2010 ROW Report, the right-of-way for Alternative C3-4 included land that is now occupied by the new Pioneer Heights Senior Housing building. Project planners and engineers determined the right-of-way boundary for Alternative C3-4 could be modified to avoid impacts to the building while maintaining adequate construction limits.² Figure 3 illustrates the location of Pioneer Heights Senior Housing relative to Alternative C3-4 and the previous (2010) and modified (2012) proposed right-of-way boundaries.

The analysis in the draft 2010 ROW Report anticipated taking approximately 70 percent of the parcel, or about 7.6 acres, at an estimated market value of \$89,655. The modified Alternative C3-4 right-of-way on the Pioneer Heights Senior Housing property now requires taking approximately 51 percent of the parcel, or about 5.8 acres. Using the same inflation rate as the draft 2010 ROW Report (i.e., 10 percent), the estimated market value of property to be acquired is \$82,467.

² Additional impacts (e.g., noise and visual) to the Pioneer Heights Senior Housing will be addressed in the SEIS document.



Figure 3. Pioneer Heights Senior Housing and Alternative C3-4

2.2 Ketchikan Ready Mix & Quarry, Inc. Property

The 2010 ROW Report identified a vacant parcel at the intersection of Misty Marie Lane/Don King Road/Rex Allen Drive (parcel #013240002240) where a partial property acquisition would be required. The property, owned by Ketchikan Ready Mix & Quarry, Inc., was originally 1.6 acres in size (refer to red outline in Figure 4). According to the Borough’s 2012 data, this parcel has been developed and subdivided, with the developed portion, a 0.6-acre parcel (now parcel #013240002240), sold to Alaska Power & Telephone Company. Ketchikan Ready Mix & Quarry, Inc., retains the 1-acre parcel (now parcel #013240002250) that is still vacant according to 2012 tax assessment records.



Figure 4. Ketchikan Ready Mix & Quarry, Inc. Property and Alternative C3-4

The analysis in the 2010 ROW Report anticipated taking approximately 35 percent of the combined parcel, or about 0.6 acres, at an estimated market value of \$114,083. With the parcel divided, project planners and engineers determined the right-of-way boundary for Alternative C3-4 could be modified to confine impacts to the undeveloped/vacant parcel owned by Ketchikan Ready Mix & Quarry, Inc., taking approximately 53 percent of that parcel, or about 0.5 acres. Using the same inflation rate as the 2010 ROW Report (i.e., 10 percent), the estimated market value of this acquisition is \$118,000. At present, it is assumed that the remaining 0.5 acre of the parcel is still usable and accessible and a full take (which would cost an estimated \$222,640) would not be required.

3. RIGHT-OF-WAY ACQUISITION COSTS REVIEW: APPRAISED LAND VALUES, 2010 AND 2012

A comparison of appraised values from the Borough tax assessment database for 2010 and 2012 was done for private parcels affected by Alternatives C3-4, F3, and G3. Land required from the State and Borough is expected to be provided to the project at no cost. Alternatives G2 and G4/G4v do not affect private land; therefore, no update of appraised values is needed.

The comparison of appraised land and improvement values for 2010 and 2012 are presented in Table 1. Whereas the right-of-way cost estimates in the 2010 ROW Report factor in the percentage of the parcel affected and apply a market inflation value, the table below compares only the unmodified acquisition value for the entire parcel. Table 1 demonstrates the current value of land has changed slightly from 2010, as seen by the approximately 1 percent negative change in appraised land values for Alternatives C3-4 and G3 and approximately 4 percent positive change for Alternative F3. The significant percentage change in improvement values for Alternative C3-4 is due to the construction of the Pioneer Heights Senior Housing, which has an appraised improvement value of \$1.2 million.

Table 1. Percent change in private parcel values, 2010 to 2012.

Alternative	2010		2012		% change in appraised land value, 2010 to 2012	% change in appraised improvement values, 2010 to 2012
	Appraised Land	Appraised Improvements	Appraised Land	Appraised Improvements		
Alt C3-4	\$3,543,800	\$2,605,000	\$3,501,600	\$3,806,600	-1.21%	31.57%
Alt F3	\$259,100	\$0	\$270,200	\$0	4.11%	0.00%
Alt G3	\$6,086,200	\$7,751,200	\$6,012,200	\$7,751,200	-1.23%	0.00%

4. CONCLUSION

The recent changes in land use and assessed property values, particularly for properties adjacent Alternative C3-4, have not resulted in significant increases in cost for right-of-way acquisition for any of the Gravina Access Project build alternatives. While some new development has occurred in the project area since 2010, overall property values have seen little change and in some instances a decrease in value. It is the view of the Gravina Access Project team that

preliminary right-of-way cost estimates developed in 2010 are still valid based on the information presented above. Furthermore, no additional relocations will be required beyond what is reported in the 2010 ROW Report.