

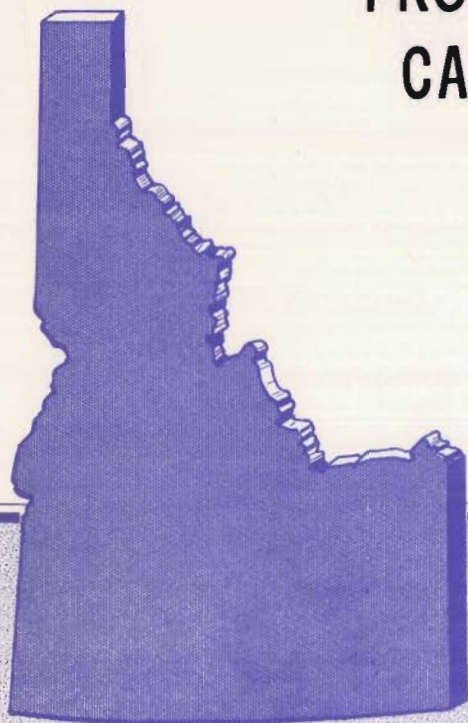
LAND ECONOMIC STUDIES

PROJECT F-1032 (20)
CASE STUDY No. 9

JUNE 1965

IDH - RP002, Vol 5

RESEARCH PROJECT NO.2



STATE OF IDAHO DEPARTMENT OF HIGHWAYS

in cooperation with

U. S. DEPARTMENT OF COMMERCE BUREAU OF PUBLIC ROADS

LAND ECONOMIC STUDIES

Case No. 9

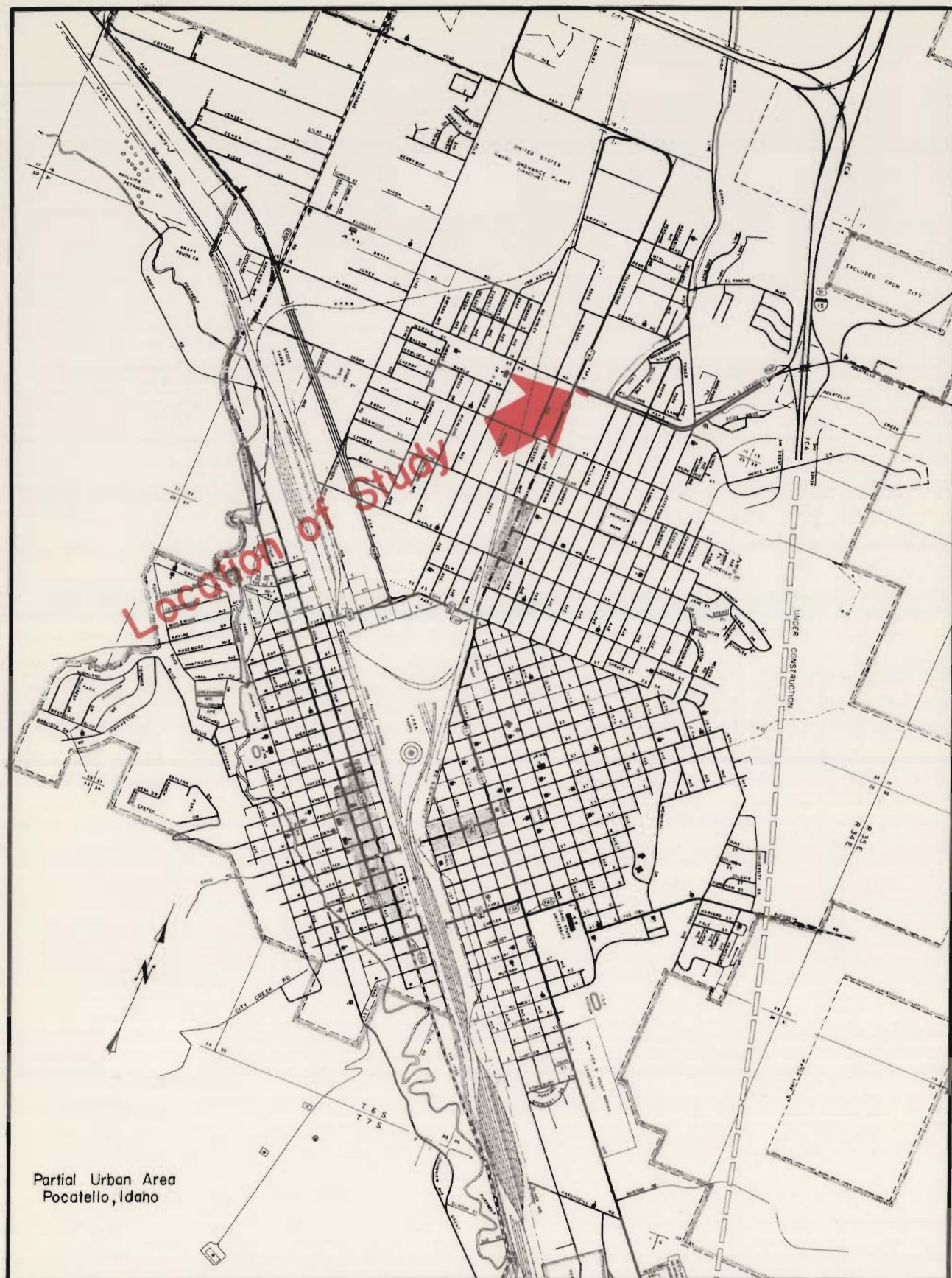
Project F-1032(20) - - Pocatello, Idaho

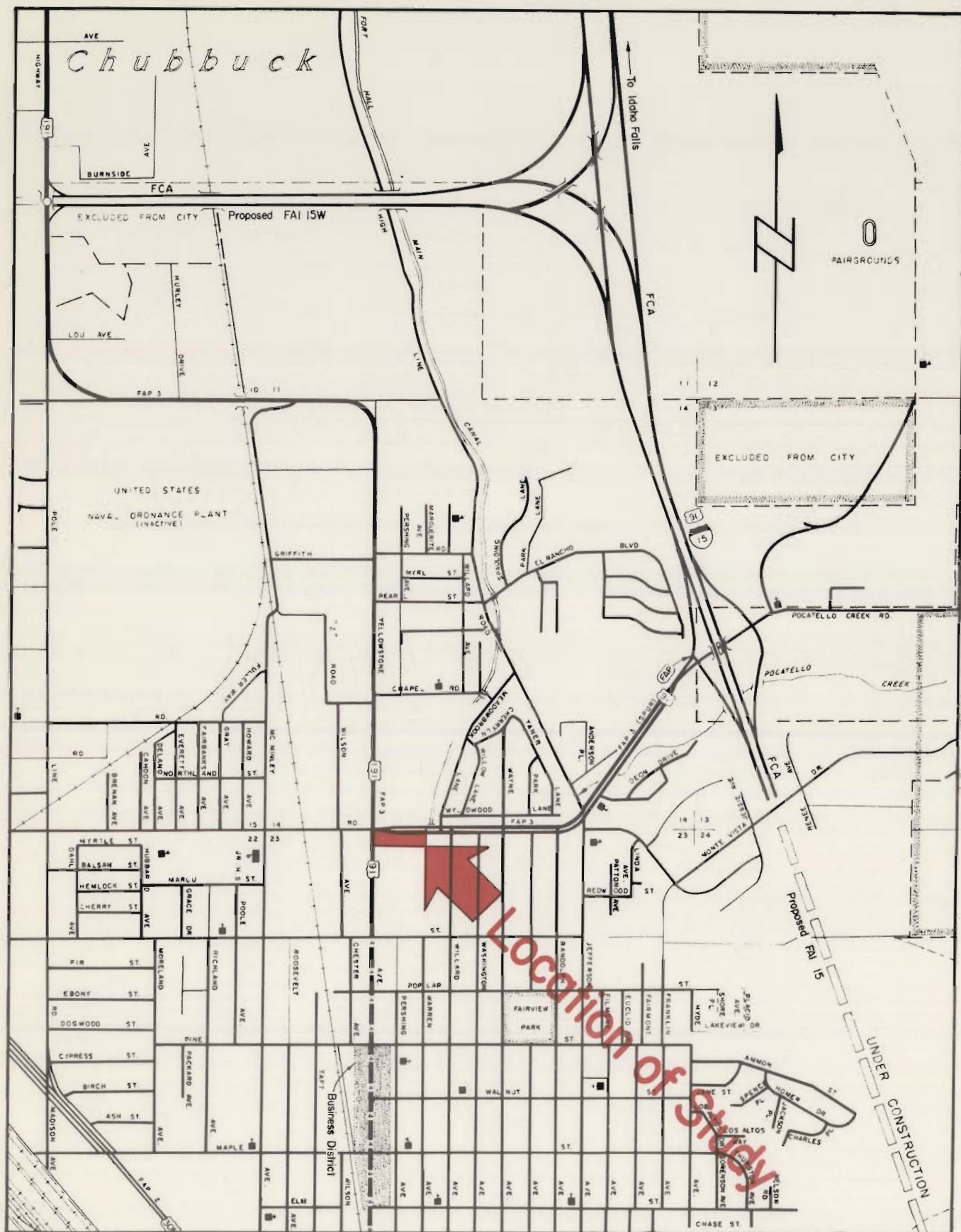
Parcel No. 1

June 1965

The purpose of land economic studies is to determine the impact, if any, of highway construction and operation upon the value of abutting private property.

State of Idaho
Department of Highways
Research Project No. 2
in Cooperation with
U. S. Department of Commerce
Bureau of Public Roads

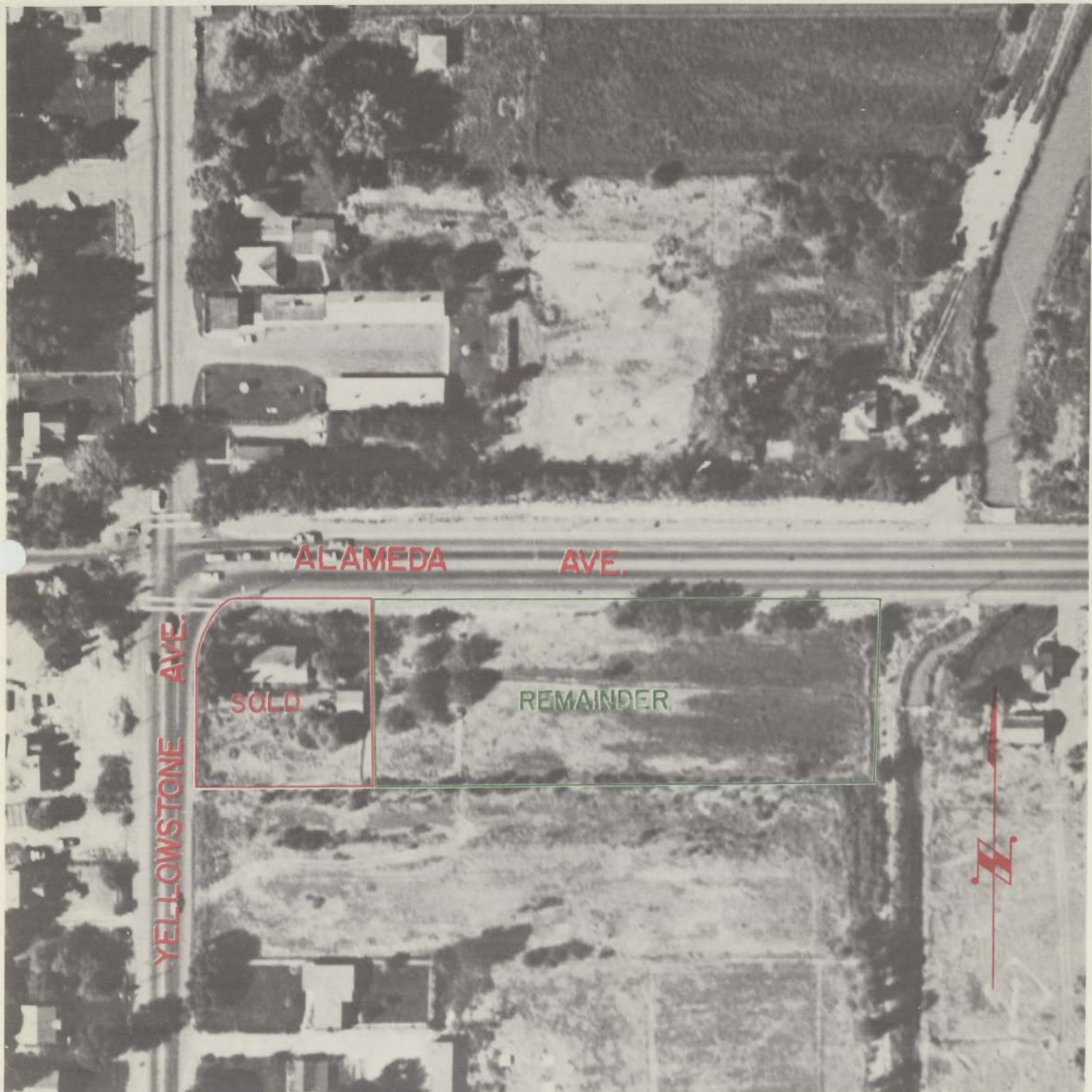






■ R/W REQUIRED

Before Highway Construction



After Highway Construction

LAND ECONOMIC STUDY

Case No. 9

PROJECT F-1032(20) - Parcel 1 - Pocatello, Idaho

LOCATION: Southeast corner at the intersection of West Yellowstone Avenue and Alameda Road. The property is described as Tract 1 of O'Leary Tracts as the same appears on the official plat thereof filed in the Office of the County Recorder of Bannock County, Idaho, less ditch and canal along the northerly and easterly lines of said Tract One as shown on the recorded plat.

THE PROPERTY BEFORE RIGHT OF WAY PURCHASE:

1. Area: 2.28 acres.
2. Frontage: Yellowstone Avenue 158.65 front feet.
Alameda Road 626.00 front feet.
3. Zoning: Commercial.
4. Utilities: Electricity, city water, no sidewalks or sewer.
5. Improvements: Old brick residence and frame garage.

The Yellowstone Avenue frontage is 158.65 feet in length and faces the combined U. S. Highways No. 91 and 191. This was the major artery for traffic from points in Montana, Northwestern Wyoming and Yellowstone National Park to points in Southern Idaho and other states. Alameda

Road carried only light residential traffic. A large canal ran parallel to the length of the property along Alameda Road frontage effectively preventing any access from that side.

PHYSICAL DESCRIPTION OF RIGHT OF WAY PURCHASED:

The right of way purchase consists of 0.10 acre and consisted of a strip of land seven feet wide from the West Yellowstone Avenue frontage and a strip of land five feet wide along the Alameda Road frontage.

The State also acquired a temporary construction easement for the purpose of installing a 30-inch pipe and backfill to replace the open canal on Alameda Road.

THE REMAINING PROPERTY:

1. Area: 2.18 acres.
2. Frontage: Yellowstone Avenue 153.65 front feet.
3. Zoning: Commercial.
4. Utilities: Electricity, city water, no sidewalks.
5. Improvements: Same as before the purchase of right of way.

The reduction in area of 0.10 acre had little or no effect on the layout of the property. However, after the completion of the project, Alameda Road became a four-lane approach road to Interstate Highway 15, carrying a heavy volume of traffic to and from the Pocatello Creek Interchange. The large ditch formerly running along Alameda Road was covered making access available along the remain-

ing 619-foot frontage.

APPRAISED VALUE: December 15, 1960

Value of entire ownership - 2.28 acres	\$49,700.00
Value of remaining ownership - 2.18 acres	<u>47,500.00</u>
Just Compensation - 0.10 acre	<u>\$ 2,200.00</u>

The above appraisal represents an overall unit value of \$0.50 per square foot both before and after the purchasing of right of way. In determining this figure, the appraiser used a higher front foot value for a 200-foot depth on Yellowstone Avenue which developed a price of \$0.57 per square foot or \$24,829.00 an acre for that frontage. This represents a 15% increase for corner location. Since only the Yellowstone Avenue frontage is involved in the subsequent sale, the segregated price of the Alameda Road frontage is not pertinent to this study.

Because the zoning in the area was commercial, the appraiser considered the improvements valueless at the time the land was purchased for right of way. They are therefore given no further consideration in this case study.

SALE OF A PORTION OF THE REMAINING PROPERTY: July 3, 1964

1. Area: 0.55 acre.
2. Frontage: Yellowstone Avenue 153.65 front feet.
Alameda Road 150.00 front feet.

3. Zoning: Commercial.
4. Utilities: Electricity, city water and paving.
Sewer connection made after purchase.
5. Improvements: Purchased for a new service station.
6. Consideration
land only: \$63,000.00

The sale is a portion of the remainder consisting of all of the reduced frontage along Yellowstone Avenue to a depth of 150 feet. The value of the 0.55 acre in the sale increased from an appraised value of \$13,656.00 before the right of way was purchased to the selling price of \$63,000.00 within three and a half years.

CHANGE IN VALUE OF THE REMAINDER

Indicated by Appraisal:

Value of portion sold before right of way was acquired	\$ 13,656.00
Value of portion sold after right of way was acquired	<u>13,656.00</u>
Gain or Loss	<u>\$ 0.00</u>
Percentage of Gain or Loss $\$0.00/\$13,656.00 = 0\%$	

Indicated by Study:

Sale price of portion sold 7-3-64	\$ 63,000.00
Value of portion sold before right of way was acquired	<u>13,656.00</u>
Gain in Value of 0.55 acres	<u>\$ 49,344.00</u>
Percentage of Gain $\$49,344/\$13,656$	361%

SUMMARY:

Gain or Loss Indicated by Appraisal	0%
Gain Indicated by Study	361%

OBSERVATIONS:

Some nominal economic growth due to a population increase in the area is evident during the three and a half year period from the date of appraisal to the date of sale. While such growth has not been measured, it is considered to represent only a very small part of the increase in value to the subject property. The only other factor which could account for such an increase in value is the fact that

the property was converted from a corner site with traffic along the frontage only to an exceptionally desirable corner site with heavy traffic and access along both streets.

While no sales of the remainder behind the Yellowstone Avenue frontage have occurred, it is the writer's impression that the elimination of the open ditch along Alameda Road resulting in good access to what was formerly the back of the property together with the increased traffic along Alameda Road will develop a demand for the remainder for commercial properties catering to the needs of the traveling public.