

LAND ECONOMIC STUDIES

PROJECT I-15-1(18)70
CASE STUDY No.13

SEPTEMBER 1967

IDH - RP002, Vol 9

RESEARCH PROJECT NO. 2



STATE OF IDAHO DEPARTMENT OF HIGHWAYS

in cooperation with

U.S. DEPARTMENT OF TRANSPORTATION BUREAU OF PUBLIC ROADS

LAND ECONOMIC STUDIES

Case Study No. 13

Severance Study

Project No. I-15-1(18)70 - Pocatello, Idaho

Parcel No. 8

1967

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.

The opinions, findings and conclusions expressed in this publication are those of the author and not necessarily those of the State or the Bureau of Public Roads.

State of Idaho
Department of Highways
Highway Planning and Research Project
in cooperation with
U. S. Department of Transportation
Federal Highway Administration
Bureau of Public Roads

LAND ECONOMIC STUDIES

Case Study No. 13

PROJECT I-15-1(18)70 - Parcel No. 8 - Pocatello, Idaho

LOCATION: This is gently rolling subdivision land north of the old alignment of the Pocatello Creek Road and east of the north bound entrance ramp of the Pocatello Creek Interchange.

The land is within the SW $\frac{1}{4}$ NW $\frac{1}{4}$, Section 13, Township 6 South, Range 34 East, Boise Meridian.

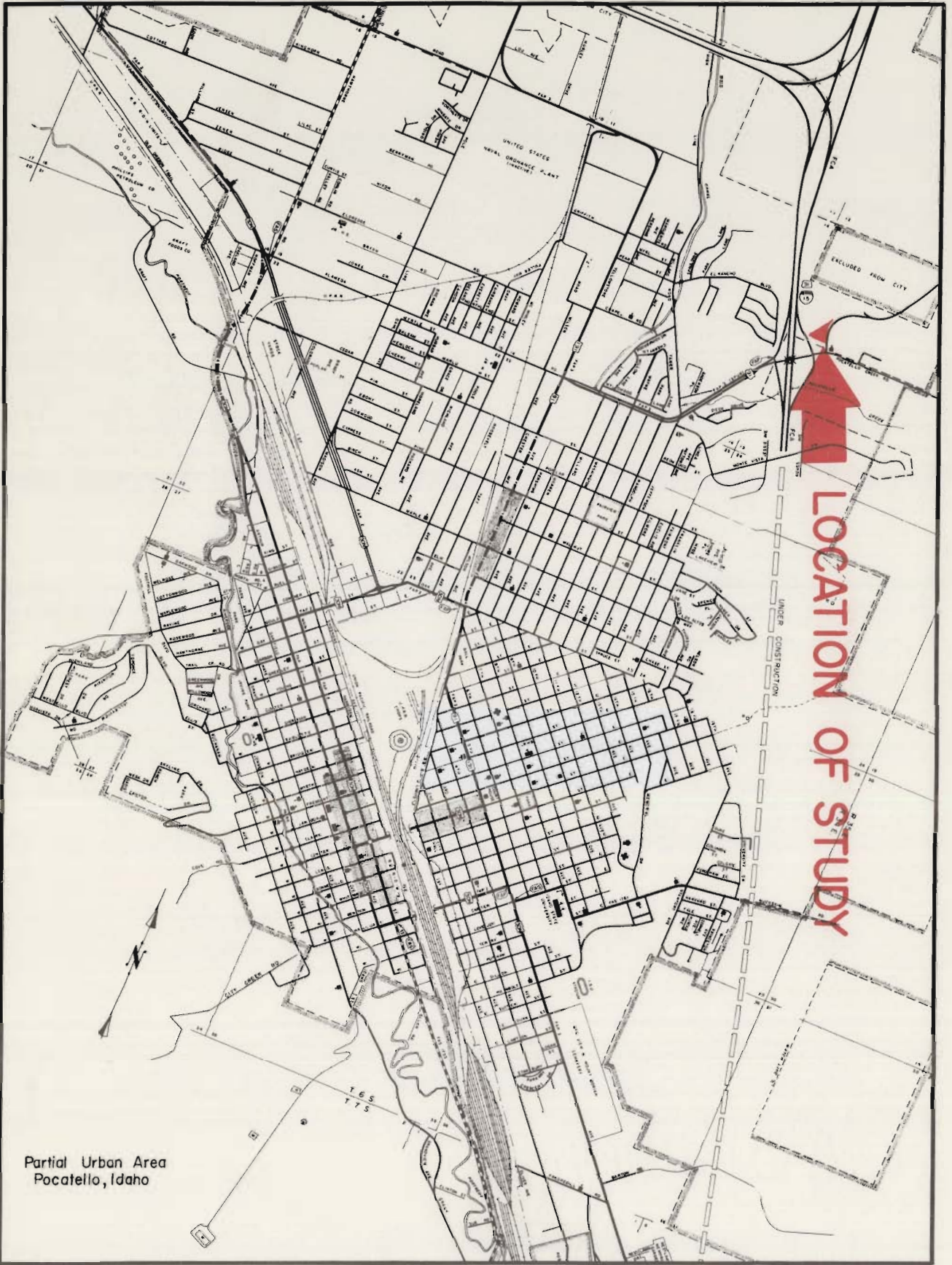
THE PROPERTY BEFORE RIGHT OF WAY PURCHASE:

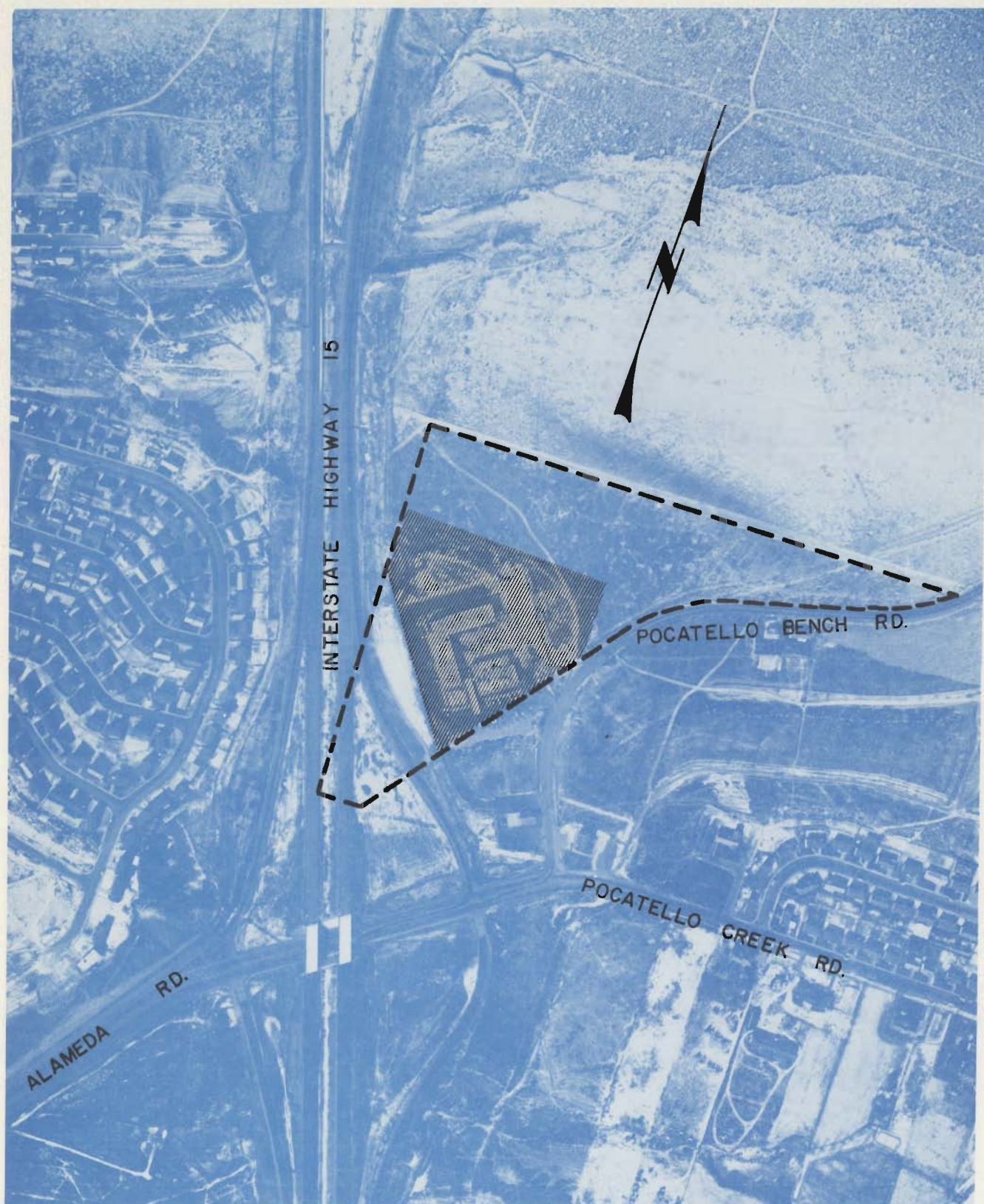
1. Area: 24.23 acres.
2. Frontage: Approximately 4,000 front feet on the old Pocatello Bench Road alignment.
3. Zoning: Subdivision lands.
4. Utilities: All utilities, except sewer.
5. Improvements: None.

This was dry grazing land which had been platted as subdivision property for residential lots.

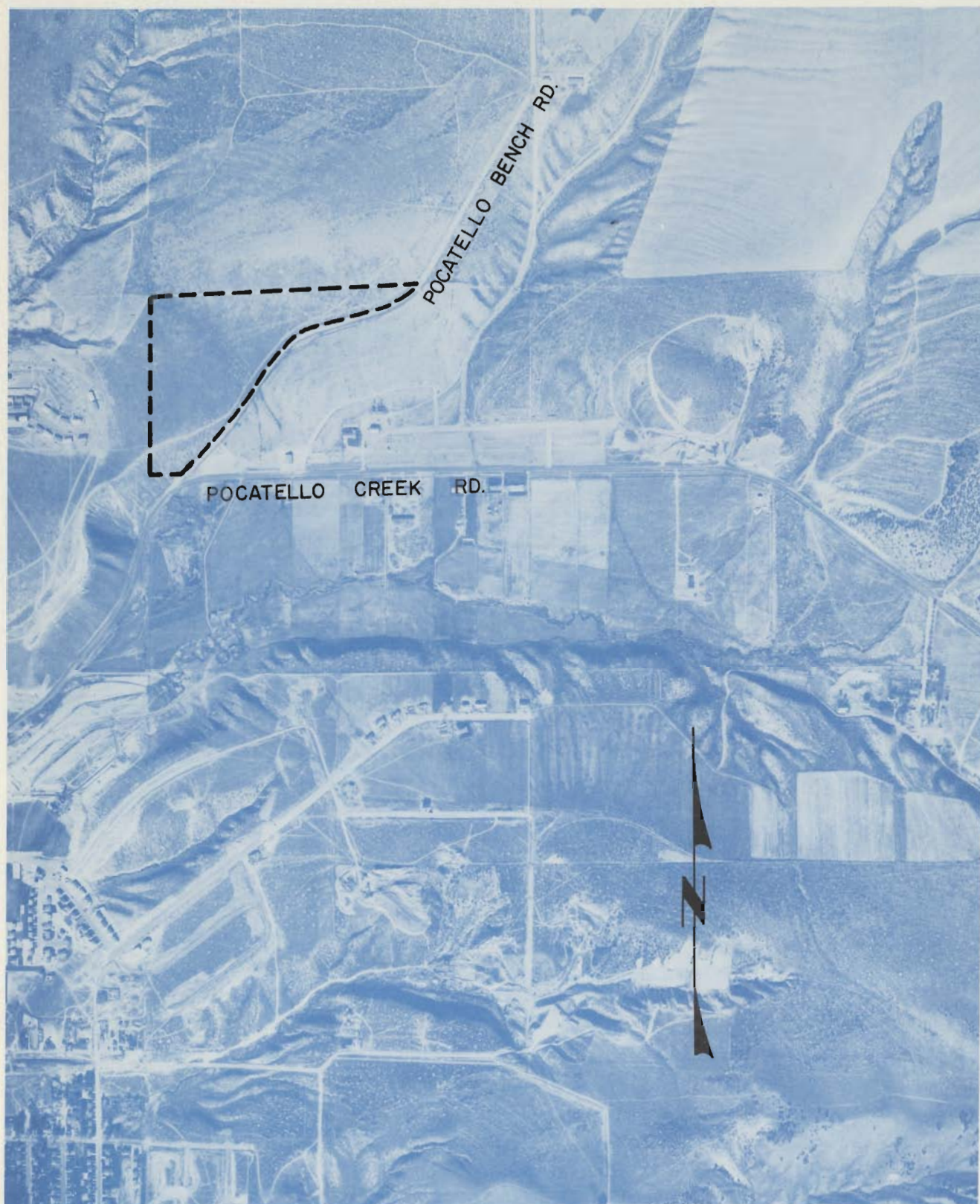
PHYSICAL DESCRIPTION OF RIGHT OF WAY PURCHASED:

The property purchased for right of way consists of 4.53 acres along the westerly side of the property. This was a steep slope up from Pocatello Bench Road with a flat plateau at the top.





PROPERTY SOLD AFTER RIGHT OF WAY ACQUIRED



PROPERTY BEFORE RIGHT OF WAY ACQUIRED

OBSERVATIONS:

The design, location, and construction of the Interstate Highway, with the Pocatello Creek Overpass, created a transition of land from residential to prime commercial property.

This location is the gateway to the future development of approximately nine hundred acres of land as residential country club, school, fair grounds, and commercial property. This is also a transition from a refuse area to an area of adornment.

By acquiring this 8.0 acres, Idaho Inns, Inc., obtained title to the most important land with view for its motel.

CONCLUSION:

The true potential of this property was not recognized in the appraisal of this parcel. Value of this land as a gateway to surrounding development was not given realistic consideration in the appraisal.

THE REMAINING PROPERTY:

1. Area: 19.70 acres.
2. Frontage: 125 feet on new alignment of Pocatello Bench Road.
3. Zoning: Residential.
4. Utilities: All utilities.
5. Improvements: None.

APPRAISED VALUE:

Value of entire ownership 24.23 acres \$42,402.00

Value of remaining ownership 19.70 acres \$34,452.00

Just compensation on 4.53 acres \$ 7,950.00

Appraised value on December 3, 1960, was \$1,750 per acre before and after the right of way was required.

SALE OF PORTION OF THE REMAINDER:

1. Sold 8.0 acres on February 28, 1964.
2. Zoning changed from residential to commercial as a condition precedent to sale.
3. Consideration - \$48,000.
4. Motivation for the purchase was the desire of Idaho Inns, Inc., to have this property because of the distance from which its new motel could be seen from the Interstate Highway and its close proximity to the Pocatello Creek Interchange.

The lands sold increased in value from \$1,750 per acre to \$6,000 in three years and two months. This is an increase in value of 242%, or 76.32% per year.