



## CITY OF WASILLA

290 E. HERNING AVE.  
WASILLA, ALASKA 99687  
PHONE: (907) 373-9050  
FAX: (907) 373-0788

COUNCIL MEMORANDUM NO. 90-17

FROM: Deputy Administrator

DATE: February 1, 1990

RE: Storm Drain Land Acquisition  
Assembly of God Church Property

We have received a counter offer for our proposal to acquire approximately 0.381 acre storm drain easement from the Assembly of God Church. The offer (the appraised value) was for \$1,100. The counter offer is in the amount of \$4,000.

If we accepted their valuation of \$4,000 per acre, and their belief that .574 acre is impacted, a fair price would be about \$2,000.

With phone calls and follow-up letters, it has taken more than six months to receive their response. Council guidance is requested.

---

Robert E. Harris  
Deputy Administrator

January 03, 1989

Robert E. Harris  
Deputy Administrator  
City of Wasilla  
200 E. Herning  
Wasilla, Alaska  
99687

RECEIVED

JAN 31 1990

City of Wasilla, Alaska

Mr. Harris;

re: Easement Acquisition

Please allow us to apologize for being slow to respond to your letter of 6/89. This is a process which is unfamiliar to many of us and with so many people involved it takes time. I'm sure you can understand this, even from your perspective.

While we are not opposed to this necessary project proposed by the City of Wasilla and do not want to slow it down, we have reservations with accepting your settlement offer at this time. We have done some cursory investigation into property values and disagree with the value conclusions of the appraisal which you have submitted. To better understand our position please review the following sales information:

Parcel	Acreage	Date	Sale Price	\$/acre
(1)Cotten EstB311,2,3	2.78	11/89	\$ 16,400	\$ 5,450
(2)Edlund Tr.1-A	3.50	9/89	\$ 22,000	\$ 6,286
(3)Fairview 1-A,D,E,F,H)	4.17	5/89	\$ 95,000	\$22,781
(4)Laurel Est.B3L1	4.43	8/89	\$ 35,000	\$ 7,900
(5)17N01E02D008	5.00	5/89	\$ 25,000	\$ 5,000
(6)Cedar Ridge(6&7)	6.67	6/89	\$ 47,000	\$ 7,046
(7)Darla Lk Est T2	10.00	8/89	\$ 49,500	\$ 4,950
(8)18N02E19D027	10.00	7/89	\$ 42,000	\$ 4,200
(9)17N02E06A004	40.00	5/89	\$100,000	\$ 2,500
(10)18N02E30A006	10.00	8/88	\$ 55,000	\$ 5,500
(11)18N02E19D024	14.18	12/88	\$ 50,000	\$ 3,526
(12)18N02E19D025	15.81	12/88	\$ 50,000	\$ 3,163
(13)18N03E07C006	10.00	5/88	\$ 33,000	\$ 3,300
(14)Cotton Est T C&D	5.10	pending	\$ 26,000	\$ 5,098

We agree with the appraiser that there have been no sales of parcels which are identical in both size and location to ours, but none the less, comparisons can be made. Confirmed are nine (9) of fourteen (14) sales occurring since January of this year, compared with the appraisal comps which had only 3 of 9 sales occurring this year. Also most of these are much closer in size and location to the subject property than the appraisal comparisons.

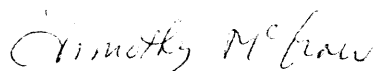
Comp 1 is a liquidation sale from the FDIC, restricted to residential use and in an inferior location. Comp 2 is probably equal in location but has inferior soils and topo. Comp 3 is inferior in location but has a superior view which is reflected in the sale price. Comp 4 has a good residential location but very difficult topography to develop maximally. Comp 5 is inferior in location and topo and will never be developed commercially. Comp 6 has probably equal location but is restricted by covenant to residential use. Comp 7 is equal in size but vastly inferior in location and has only seasonal access. Comp 8 is just outside Palmer and is topographically similar to the subject parcel. Comp 9 is a forty acre parcel purchased for development of a training center. Its' location is equal but access was very difficult and required extensive engineering. Comps 10 thru 14 are additional sales to help establish a trend in value for parcels of this acreage. Furthermore, just this year, we (the Church) sold a .50 acre parcel in Alvamar Park, which is in the Goose Bay area with extremely poor access, for \$ 3,500 cash. In addition, we are aware of ten acre parcels without road access up in the Montana Creek area selling for \$ 15,000 to \$ 22,000. Surely this parcel is worth more than a remote parcel without physical access.

Now to address the actual easement itself, by our calculations (closure on AutoCad), the easement will utilize 16,621 sq. ft. This easement leaves an unusable portion of land in the corner totaling 1065 sq. ft. and as you will be creating a potential seasonal water drainage path (and all the problems associated with this drainage), it would seem that a minimum 25 foot set back (additional 7303 sq.ft.) would be required. To be brief, this easement would leave us with an unusable portion of ground totaling a minimum of 25,000 sq.ft. (.574 acres).

In conclusion, market value is defined as when buyer and seller, both knowledgeable and neither under any type of duress, agree to a price in money. Once we grant you this easement we lose virtually all use of this piece of ground and the future rights to the development of this parcel. While we agree that the parcel would be only minimally negatively influenced at this point in time, compensation should reflect the loss of future potential reasonably considered. We feel that in this market, a reasonable value on this ten acre parcel, in this location, is at minimum \$40,000. We would be willing to grant you the easement for \$ 4000.00. If you are agreeable to this we can settle immediately.

If we can be of any further assistance in this matter please contact us.

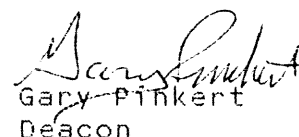
Sincerely,



Timothy McGraw  
Senior Pastor



Leland Hilty, Sr.  
Deacon



Gary Pinkert  
Deacon

## EASEMENT VALUATION

### Property #3

Property #3 is a developed parcel containing 10.921 acres, more or less. A large church is the only structure on the property. There is also a large parking lot on the front of the subject property. The future plans for the church include an addition; however, the spokesmen for the church have indicated that the extension will not be affected by the purposed easement. The site appears more than adequate for the current use, as well as future expansion.

The major portion of the subject property is level and at road grade. The site of the church has been filled and the back of the property slopes down to the low lying area. The low area of the subject property is that portion under consideration as the location of an easement for the Wasilla city storm drainage system.

The desired easement will involve only a small corner of the subject property. The easement is described in detail in the addenda of this report. According to the engineer's estimate, the easement will contain 0.381 acres, more or less.

Because of the location of the easement and the topography of the subject property, the remainder of the parcel will not be damaged beyond the actual area involved in the easement. With such a minimal impact, the minimum consideration is a reasonable compensation. Based on the estimated market value of the subject, the price per acre is \$2200. Allowing consideration for say, a half-acre, the valuation of the easement would be: 0.5 acres x \$2200 = \$1100.

Conclusion: In estimating the value of the easement on the subject property, the overall impact was taken into consideration. The easement will be located at a corner of the subject property which is currently not used by the landowner and there is no anticipation of future use in that particular area. While it is true that easement rights last forever until removed, it is not anticipated that the subject property will have a need in the future to fill the subject property in the area of the easement. With a site of more than 10 acres, there appears to be ample room for the present use and future expansion.

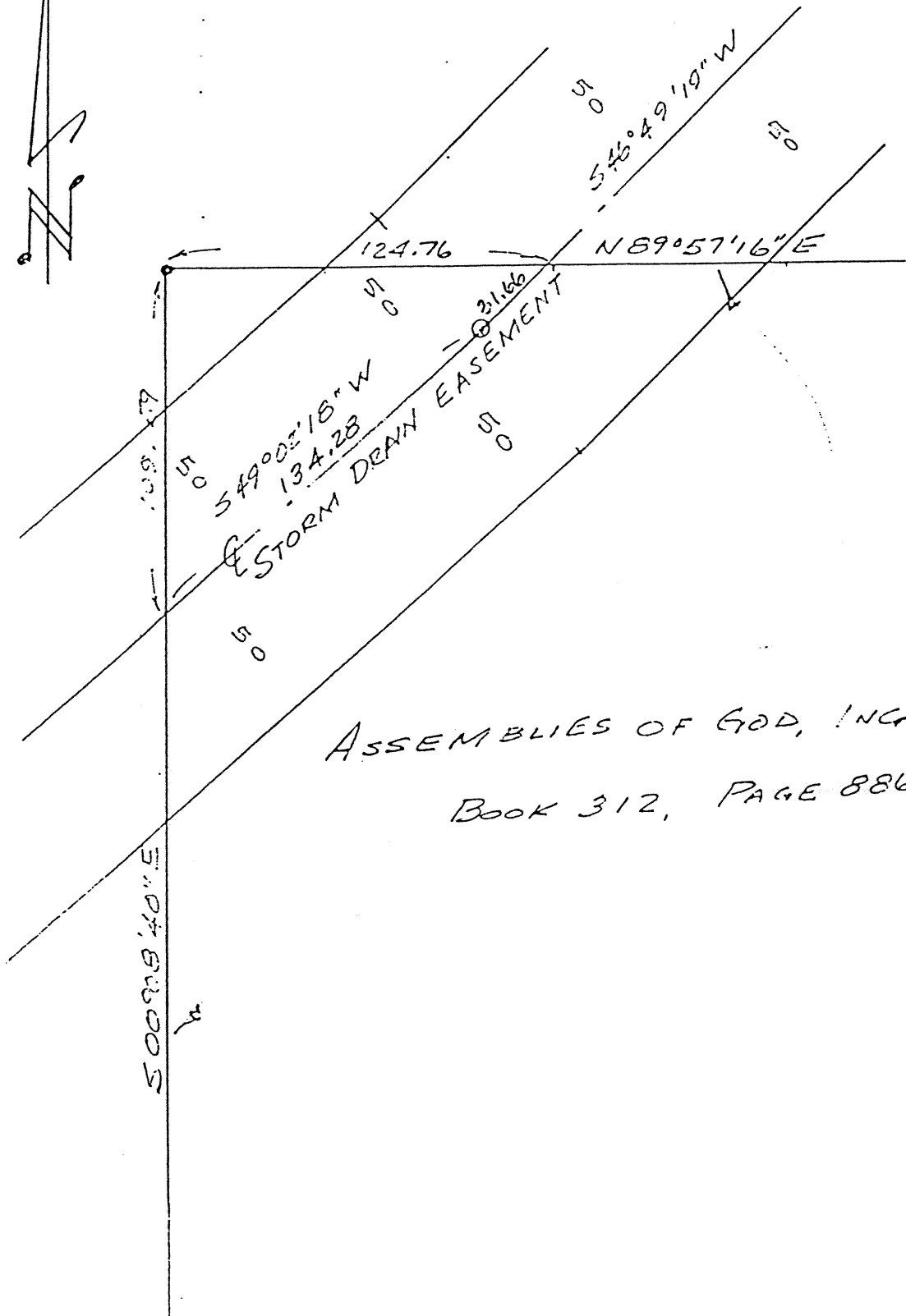
For these reasons, it is the opinion of the appraiser that there will be a minimal impact on the subject property and no damages on the remaining land. The valuation of the easement on Property #3 is estimated at the market value of one-half acre based on the estimated market value of the fee simple interest on the entire parcel.

The estimated easement valuation for Property #3 is \$1100.00.



# LEGAL DESCRIPTION INDEX

1" = 50'



THOMAS L. & MAY C. CARTER  
BOOK 8, PAGE 252  
(GOV'T LOTS 7 & 8, SECTION 9, T.17N., R.1W., S.N.)

ASSEMBLIES OF GOD, INC.

BOOK 312, PAGE 886

EXHIBIT "A"

WASILLA ASSEMBLY OF GOD

"God's Purpose. . .Our Vision"

125 Glenwood Ave. (Off Knik Road)  
P.O. Box 872010  
Wasilla, Alaska 99687  
907/376-5732

Tim McGraw  
Pastor

Ben Tolson  
Youth Pastor

October 4, 1989

Gilfilian Engineering Inc.  
3111 C St., Suite 200  
Anchorage, AK 99503

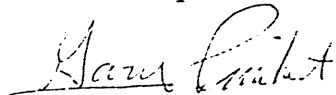
Mr. Curtis,

First, I apologize for taking so long to respond to your requests. As of the Board meeting on 9-21-89 the church has decided to pursue another appraiser's opinion and some legal advise.

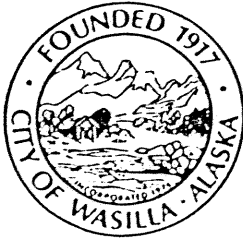
I hope this does not create problems for you. We are not opposed to the easement but feel a need to be informed on a subject that we know very little about.

If you have any comments or questions, please contact me. Thank you for you patience.

Sincerely,



Gary Pinckert  
Decon - Properties & Maintenance



## CITY OF WASILLA

290 E. HERNING AVE.  
WASILLA, ALASKA 99687  
PHONE: 373-9050

July 28, 1989

Wasilla Assemblies of God  
P. O. Box 872010  
Wasilla, Alaska 99687

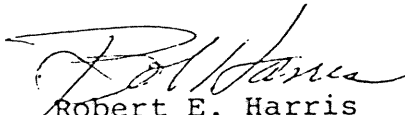
Re: Easement Acquisition for Wasilla Storm Water Project

Gentlemen:

We have not received a response to our letter of June 2, in which an offer was extended to purchase an easement across a corner of your property.

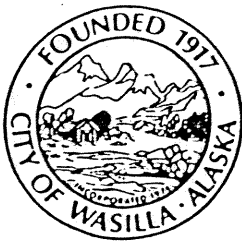
In the event the original letter was misplaced, I am enclosing a copy. Your early response will be appreciated.

Sincerely,

  
Robert E. Harris  
Deputy Administrator

REH/sbh





## CITY OF WASILLA

290 E. HERNING AVE.  
WASILLA, ALASKA 99687  
PHONE: 373-9050

June 2, 1989

CERTIFIED MAIL

Wasilla Assemblies of God  
P. O. Box 872010  
Wasilla, Alaska 99687

Re: Easement Acquisition for Wasilla Storm Water Project

Gentlemen:

We have received the property appraisals and an estimated value of the easement on your property which was previously discussed with you. A copy of the pertinent portion of the report is enclosed for your review. You are welcome to examine the entire report at the City office.

As the report states, the appraiser estimates the value of the requested easement on your property to be \$1,100. By way of this letter, the City of Wasilla is offering to purchase the easement for the estimated market value. Your early response to this proposal will be appreciated and we thank you for your cooperation.

Should you wish to discuss this matter in more detail, please contact me at 373-9055.

Sincerely,

Robert E. Harris  
Deputy Administrator

REH/sbh