

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE ACCEPTANCE OF A DONATION OF TEMPORARY AND PERMANENT CHANNEL IMPROVEMENT EASEMENTS FROM CHATTANOOGA GOLF AND COUNTRY CLUB IN EXCHANGE FOR REPAIRS TO PRIOR RIVERBANK STABILIZATION PROJECT AT RIVER MILE 466.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CHATTANOOGA, TENNESSEE, That it is hereby authorizing the acceptance of a donation of Temporary and Permanent Channel Improvement Easements from Chattanooga Golf and Country Club in exchange for repairs to prior Riverbank Stabilization Project at River Mile 466.

ADOPTED: _____, 2014

/mem

City of Chattanooga



Resolution Request Form

(This form is only required for resolutions requiring expenditure of City funds)

Date: July 24, 2014

Preparer: William C. Payne

Department: Public Works

Brief Description of Purpose for Resolution:

Resolution Number (if approved by Council):

District 2

A City Council Action is requested to accept donation of Temporary and Permanent Channel Improvement Easements from Chattanooga Golf and Country Club in exchange for repairs to prior Riverbank Stabilization Project at River Mile 466.

Name of Vendor/Contractor/Grant, etc.	N/A	New Contract/Project? (Yes or No)	N/A
Total project cost \$	N/A	Funds Budgeted? (YES or NO)	N/A
Total City of Chattanooga Portion \$	N/A	Provide Fund	N/A
City Amount Funded \$	N/A	Provide Cost Center	N/A
New City Funding Required \$	N/A	Proposed Funding Source if not budgeted	N/A
City's Match Percentage %	N/A	Grant Period (if applicable)	N/A

List all other funding sources and amount for each contributor.

Amount(s)

Grantor(s)

\$

Agency Grant Number

CFDA Number if known

Other comments: (Include contingency amount, contractor, and other information useful in preparing resolution)

Approved by:

DESIGNATED OFFICIAL/ADMINISTRATOR

Reviewed by: FINANCE OFFICE

Please submit completed form to @budget, City Attorney and City Finance Officer



APPROVED OFFER COMPENSATION

Consultant Prepared Form 2

TN Riverbank Protection	COUNTY:	Hamilton
Channel Improvement Esmt	TWP. OFF:	Chattanooga
Chattanooga Golf and Country Club		
136G-A-1.00	Tract No:	1

SUMMARY REPORT

Lloyd Murphy	\$60,125	6/27/2014	Formal Part Affected
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APPROVED ACQUISITION AREAS/COMPENSATION

		0			
1.69 ac.	\$	59,635			
0.32		466			
		0			
		0			
	\$	60,101			0
		0			
	\$	60,101			0
		0			
	\$	60,125			0

APPROVED ACQUISITION AREAS/COMPENSATION

116.5 ac	2.01*	116.5 ac.
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INTEREST AREAS SUMMARY

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116.5 ac	2.01*	116.5 ac.
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* Channel Improvement Easement (1.69 ac.) + Temp Construction Easement (0.32 ac.)

COMMENTS TO NEGOTIATOR

The acquisition required for this Project involved a 2.01 acre for this Channel Improvement Easement Project. There were two (2) different unit values to value this area because a portion was unencumbered (i.e., 0.69 ac.) and a 1.00 acre area was encumbered, with a utility easement. There is 0.32 ac. area required for a Temporary Construction Easement. Mr. Murphy's valuation process resulted in a fee simple interest unit value for the Channel Improvement Easement of \$77,700 before adjustment for the less than fee simple estate in the valuation process. That is, an adjustment factor of 75% of the fee simple estate of the Unencumbered property rights for the City of Chattanooga's market value in acquiring the Channel Improvement Easement interest. Then, applying an additional adjustment factor (i.e., 25% of the Unencumbered Unit Value) for the Encumbered area (i.e., 1.00 ac. of land that currently is encumbered by an existing sewer easement). The Channel Improvement is broken down as follows: 0.69 ac. Unencumbered; 1.00 ac. Encumbered by existing sewer easements; plus 0.32 ac. for a Temporary Construction Easement that was not encumbered in the before situation. The unit values utilized in the valuation process was as follows: Unencumbered Fee Simple Interest: \$77,700; the unit value for the 0.69 ac. Unencumbered interest \$58,275/ac. (\$77,700 x 75%); the unit value for the 1.00 ac. Encumbered interest \$19,425/ac. (\$77,700 x 50% for Original Sewer Easement interest x 50% for current division of real property interests). The TCE was valued based on a 10% interest rate paid for a term of 3 months (0.25 yr.).

Form 2 Date: 7/15/2014

Completed By: Thomas R. Carter

Agency Representative Approval: City of Chattanooga-Representative

**CITY OF CHATTANOOGA REVIEW UTILIZING FORMAT ESTABLISHED BY THE
 TENNESSEE DEPARTMENT OF TRANSPORTATION
 REAL PROPERTY EMINENT DOMAIN
 APPRAISAL REVIEW REPORT
 (RIGHT OF WAY ACQUISITION)**

This appraisal review has been conducted in accordance with the Scope of Work Rule and Standard 3 of the *Uniform Standards of Professional Appraisal Practice*, as promulgated by the Appraisal Foundation. This review and this review report are intended to adhere to the Standard 3 in effect as of the date this review was prepared. The appraisal and appraisal report have been considered in light of the Standards 1 & 2 in effect as of the date the appraisal was prepared - not necessarily the effective date of valuation.

The purpose of this technical review is to develop an opinion as to the compliance of the appraisal report identified herein to the *Uniform Standards of Professional Appraisal Practice*, the *Uniform Relocation Assistance & Real Property Acquisition Act*, and the Tennessee Department of Transportation's *Guidelines for Appraisers*; and further develop opinions as to the completeness, accuracy, adequacy, relevance, reasonableness, and appropriateness of opinions presented in the appraisal report as advice to the acquiring agency in its development of a market value offer to the property owner. This review is conducted for the CITY OF CHATTANOOGA and is the intended user.

All estimates of value prepared for agency acquisitions shall be based on "market value" - as defined and set forth in the Tennessee Pattern Jury Instructions to wit: "the amount of money which a purchaser, willing but under no compulsion to buy, would pay, and which a seller, willing but under no compulsion to sell, would accept, taking into consideration all the legitimate uses to which the property was adaptable and might in reason be applied." Compensations are in compliance with the Tennessee State Rule.

Section (A) Identification & Base Data:

(1) City Project: **TN Riverbank Protection** (2) County: **Hamilton** (3) Tract No: **1**
 Federal: **Channel Improvement Easement**
 Pin: _____

(4) Owner(s) of Record: **Chattanooga Golf & Country Club**
1511 Riverview Road
Chattanooga, TN 37405

(5) Address/Location of Property Appraised:
The subject property is located along the east side of Riverview Road, approximately 0.2 mile, more or less, east of Hixson Pike. The easternmost boundary of the subject fronts the Tennessee River, at or near Mile Marker 466.

(6) Effective Date of the Appraisal: **6/27/14**

(7) Date of the Report: **7/14/14**

(8) Type of Appraisal: Formal
 Formal Part-Affected

(9) Type of Acquisition: Total
 Partial

(10) Type of Report Prepared:
 Appraisal Report
 Restricted Appraisal Report

(11) Appraisal & Review Were Based On:
 Original Plans
 Plan Revision Dated: **7/14/14**

(12) Author(s) of Appraisal Report: **Lloyd (Chip) Murphy, MAI, CCIM**

(13) Effective Date of Appraisal Review: **7/15/14**

(14) Appraisal Review Conducted By: **Thomas R. Carter - CG 1081**

(15) Ownership Position & Interest Appraised: (Unless indicated herein to the contrary, the appraisal is of a 100% ownership position in fee simple. (Confirm 100% or state the specifics otherwise.))

Less than Fess Simple Interest- Area to be acquired is per a Channel Improvement Easement.

(16) Scope of Work in the Performance of this Review: (Review must comply with all elements and requirements of the Scope of Work Rule and Standard 3 of USPAP, and must include field inspection (at least an exterior inspection of the subject property and all comparable data relied on in the appraisal report.)) **Development of an independent estimate of value is not a part of this review assignment)**

Review complied with all requirements noted above. Comparable sales were visually inspected from the public right of way and confirmed using various data sources (US Titlesearch.com, Titlesearcher.com, CRSdata.com, and actual court house records). The subject property was inspected. Analyses and conclusions contained within the report were reviewed as to their applicability to the subject property, the area being acquired, and to the impact, if any, on the land and improvements remaining. Also, the narrative descriptions (in the Sales Data Sheets and the Appraisal Report) of the subject neighborhood, market area were reviewed for accuracy. The subject property was inspected. Analyses and conclusions contained within the report were reviewed as to their applicability and accuracy to the subject property, the area being acquired, and to the impact, if any, on the land and improvements remaining. Additionally, a search was conducted using the information services noted above to see if any comparable sales had been overlooked by the appraiser. Additionally, listings on the project and in the general area were collected and inspected. The plans and cross sections were provided by the City of Chattanooga and were completed by the U.S. Army Corps of Engineers. These plans have been reviewed and compared to the plans and cross sections included and/or referenced in Mr. Murphy's appraisal report. It is assumed the plans furnished by the City of Chattanooga are the most current plans available as of the date of this appraisals review. Having reviewed the appraisal report and available data, this review report has been completed by the review appraiser.

Section (B): Property Attributes:

(1) Total Tract Size as Taken From the HC Property Assessor: 116.500 Acre(s)

(2) Does the Appraisal Identify One Or More "Larger Parcels" That Differ In Total Size From the Acquisition Table? (If "Yes," what is it and is it justified?)(Explain)(Describe Land)

The Appraiser has utilized one "Larger Parcel" in his analysis, which was based on the Highest and Best Use for the subject property.

(3) List/Identify Affected Improvements (If appraisal is "Formal," then all improvements must have been described in the appraisal report and must be listed here. If the appraisal is "Formal Part-Affected," then only those affected improvements should have been described in the appraisal report and listed here.) Listing by Improvement Number & Structure Type is adequate here.)

- | | |
|---|--|
| <p>1- <u>No improvements are included in this</u></p> <p>3- <u>analysis. This is based on Mr. Murphy's</u></p> <p>5- <u>Appraisal Report that indicates the City</u></p> <p>7- <u>(and assumed the U.S. Corps of</u></p> <p>9- <u>Engineers) has stipulated the structures</u></p> <p>11- <u>within the Channel Improvement Esmt.</u></p> <p>13- <u>will not disturb the existing improvements</u></p> <p>15- <u>(i.e., the pump house and ancillary</u></p> <p>17- <u>improvements, the concrete golf cart</u></p> <p>19- <u>path; and the underground sprinkler</u></p> | <p>2- <u>system). It was further assumed, if any of the</u></p> <p>4- <u>existing improvements were disturbed, they</u></p> <p>6- <u>would be repaired and/or replaced in like</u></p> <p>8- <u>condition.</u></p> <p>10- _____</p> <p>12- _____</p> <p>14- _____</p> <p>16- _____</p> <p>18- _____</p> <p>20- _____</p> |
|---|--|

Section (C) Valuation Approaches Processed and Reconciled "Before Value" Estimates

Approaches Utilized: Cost Sales Comparison Income

Reconciled Value Estimates (Total Tract or larger Parcel(s)):

Land: \$9,052,050
 Improvements: \$0
 Total: \$9,052,050

Section (D) Acquisitions:

(1) Proposed Land Acquisition Areas (As taken from the appraisal report):

[a] Fee Simple:	_____	Acre(s)
[b] Channel Improvement Easement	<u>1.69</u>	Acre(s)
[c] Slope Easement:	<u>0</u>	Acre(s)
[d] Air Rights:	<u>0</u>	Acre(s)
[e] Temporary Construction Easement:	<u>0.32</u>	Acre(s)
[f] _____	<u>0</u>	Acre(s)

(2) Proposed Improvement Acquisition(s): Improvement Number & Structure Type

1- None noted (See Detail Notes depicted	2- _____
3- in Section B; Item No. 3)	4- _____
5- _____	6- _____
7- _____	8- _____
9- _____	10- _____
11- _____	12- _____
13- _____	14- _____
15- _____	16- _____
17- _____	18- _____
19- _____	20- _____

Section (E) Damages/Special Benefits:

No damages or special benefits noted.

Section (F) Valuation Approaches Processed and Reconciled "After-Value" Estimates

Approaches Utilized: Cost Sales Comparison Income

Reconciled Value Estimates (Total Tract or larger Parcel(s)):

Land: \$8,991,925
 Improvements: \$0
 Total: \$8,991,925

Comments:

Total rounded.

Section (G) Review Comments

"Before" & "After" Valuation (Include Comments For "NO" Responses To Questions 1 - 7 & "YES" Response To Question 8)

(1) Are the conclusions of highest and best use (before & after) reasonable and adequately supported?

Yes, the conclusions of the Highest and Best Use in the Before appear to be reasonable and adequately supported.

(2) Are the valuation methodologies (before & after) appropriate?

Yes, it appears the valuation methodologies utilized in the before situation were appropriate

(3) Are the data employed relevant & adequate to the (before & after) appraisal problems?

Yes, it appears the data employed by the Appraiser is relevant and adequate to the before situation applicable to the appraisal problem.

(4) Are the valuation techniques (before & after) appropriate and properly applied?

Yes the valuation techniques in the before situation were appropriate and properly applied.

(5) Are the analyses, opinions, and conclusions (before & after) appropriate and reasonable?

Yes it appears the appraiser utilized analyses, opinions, and conclusions in the before situation that were appropriate and reasonable.

(6) Is the report sufficiently complete to allow proper review, and is the scope of the appraisal assignment broad enough to allow the appraiser to fully consider the property and proposed acquisitions?

Yes the submitted appraisal report is sufficiently complete to allow for a proper appraisal review. The scope of the appraisal assignment was broad enough to allow the appraiser to fully consider the property and the proposed acquisition.

(7) Is the appraisal report under review generally compliant with *USPAP*, the *Uniform Act*, and TDOT's *Guidelines for Appraisers*?

Yes, the submitted appraisal report appears to be generally compliant with USPAP, the Uniform Act, and TDOT's Guidelines for Appraisers. It appears that Mr. Murphy's report generally meets the TDOT's requirements, concerning the Uniform Relocation and Acquisition Act.

(8) Do the general and special "Limiting Conditions and Assumptions" outlined in the appraisal report limit the valuation to the extent that the report cannot be relied on for the stated use?

No, the general and special "Contingent and Limiting Conditions" in the submitted appraisal report do not limit the appraiser's valuation of the subject property.

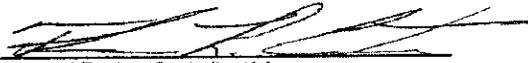
Appraisal Report Conclusions – Amounts Due Owner

(a) Fee Simple:	\$0
(b) Channel Improvement Easement	<u>\$59,635</u>
(c) Slope Easement:	\$0
(d) Air Rights:	\$0
(e) Temporary Construction Easement	<u>\$466</u>
(f) _____	\$0
(g) Improvements:	\$0
(h) Compensable Damages:	\$0
(i) Special Benefits:	\$0
(j) Total Amount Due Owner By Appraisal:	<u>\$60,101</u>

- I DO Recommend Approval Of This Report
 I DO NOT Recommend Approval Of This Report

Comments:

It is noted, Mr. Murphy derived a Channel Improvement Easement acquisition (i.e., including the Channel Improvement Easement and the Temporary Construction Easement) amount of \$60,101 rounded up to \$60,125 as the TOTAL AMOUNT DUE OWNER.



 Appraisal Review Consultant(s)

TN CG-1081
 State License/Certification No(s):

Thomas R. Carter
 Consultant Staff

July 15, 2014

 Date of Appraisal Review Report

Additional Comments:

Section (H) Certification

I certify to the best of my knowledge and belief:

The statements of fact contained in this report are true and correct.

The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions and conclusions.

I have no present or prospective interest in the property that is the subject of the work under review and no personal interest with respect to the parties involved.

I have performed no services, as an appraiser or in any other capacity, regarding the property that is subject of the work under review within the three-year period immediately preceding acceptance of this assignment.

I have no bias with respect to the property that is the subject of the work under review or to the parties involved with this assignment.

My engagement in this assignment was not contingent upon developing or reporting predetermined results.

My compensation is not contingent on an action or event resulting from the analyses, opinions, or conclusions in this review or from its use.

My compensation for completing this assignment is not contingent upon the development or reporting of predetermined assignment results or assignment results that favors the cause of the client, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal review.

My analyses, opinions, and conclusions were developed and this review report was prepared in conformity with the *Uniform Standards of Professional Appraisal Practice*.

I did personally inspect the exterior of the subject property of the work under review.

No one provided significant appraisal or appraisal review assistance to the person signing this certification.



Appraisal Review Consultant(s)

Thomas R. Carter - TN CG 1081

Consultant Staff

July 15, 2014

Date of Appraisal Review Report

Section (I) Limiting Conditions & Assumptions

This appraisal review report has been made with the following general limiting conditions and assumptions:

- (1) Unless stated herein to the contrary, it is specifically assumed that the author of the appraisal report under review made the required contact with the property owner, and conducted the appropriate inspections and investigations.
 - (2) Unless stated herein to the contrary, it is specifically assumed that the right-of-way plans upon which the appraisal was based are accurate.
 - (3) Unless stated herein to the contrary, it is specifically assumed that all property (land & improvement) descriptions are accurate.
 - (4) Unless stated herein to the contrary, no additional research was conducted by the review appraiser.
 - (5) Unless stated herein to the contrary, all specific and general limiting conditions and assumptions outlined in the appraisal report submitted for review are adopted herein.
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