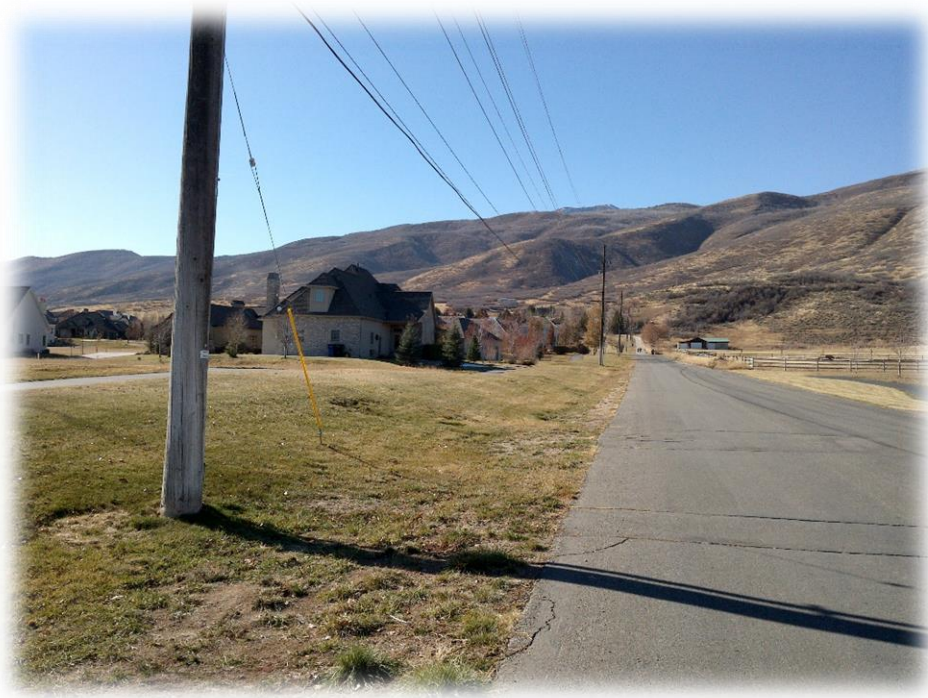


## ATTACHMENT 12

## Jordanelle-Midway Transmission Line



### Location

970 South, Stringtown Road, Wards Lane  
Midway, Utah

### Report Date

November 18, 2019

Report 160-2019-1280

### Prepared For

Rocky Mountain Power

### Prepared By

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November 18, 2019

Rocky Mountain Power  
1407 West North Temple  
Salt Lake City, Utah 84116

Rocky Mountain Power - Officers, Agents, Representatives

SUBJECT: Jordanelle-Midway Transmission Line

Thank you for allowing our office to provide an opinion of real property value within the project area, and the impact of the project on market value. The project is to upgrade an existing 46 kV transmission line to 138 kV in cooperation with Heber Light and Power.

The project is located in the southwest quadrant of Midway City. The project extends west from Center Street along 970 South to Stringtown Road (400 West), then extends north along Stringtown Road to Wards Lane (865 South), then extends west along Wards Lane to 900 West. The following table shows the parcels impacted by the project.

Impacted Parcel Summary					
Parcel	Name	Street	Coordinate	Zoning	Acres
00-0020-4611	Day	970 South	30 West	R-1-22	1.33
00-0020-4256	Dwell	970 South	300 West	R-1-22	6.00
00-0020-4255	Price	970 South	350 West	R-1-22	6.88
00-0020-4254	Medallion	970 South	350 West	R-1-22	10.16
Common Area	Saddle Creek	970 South	150 West	R-1-22	34.35
00-0020-4248	Jonsson	Stringtown Road	955 South	R-1-22	0.42
00-0020-4250	Bodensteiner	Stringtown Road	923 South	R-1-22	0.50
00-0020-4251	Jonsson	Stringtown Road	945 South	R-1-22	1.47
00-0020-4249	Almaden	Stringtown Road	905 South	R-1-22	2.60
00-0020-4247	Twin Creeks	Stringtown Road	845 South	R-1-22	6.81
00-0008-5949	Burt	Wards Lane	792 West	RA-1-43	5.01

The land use plan is the same as zoning. The 0.42 acre parcel recorded to Jonsson does not meet minimum development standards associated with R-1-22 zoning. For valuation, it is combined with the contiguous 1.47 acre parcel that is also recorded to Jonsson. Saddle Creek Ranch is common area for a planned unit development

## **Analysis of Land Value**

Parcels impacted by the project range from 0.42 acre to 34.35 acres. A good sample of sales are found within Wasatch County from which a credible indicator of value can be extracted for the impacted parcels. Of the 27 sales found, 23 are closed sales, 3 are listed for sell, and 1 is a listing that expired without a sale. The 27 sales selected as value indicators for the impacted parcels are from a pool of 104 listings. Those eliminated from the pool have hillside, forested, or resort locations. Other factors for elimination are distance from the project area and surplus land. The mean discount from the listing price to the purchase price for parcels over 5 acres is 8.9% and for 8.2% for parcels under 5 acres. Listings that sold are given priority except in segments where credible sales are not found.

The sample range is from 0.39 acre to 46.21 acres as shown on the following page.

Indicators of Land Value				
County Parcel	Zoning	Status	Acre	Price/Acre
00-0021-3014	R-1-15	Sold	0.39	\$897,436
00-0021-3018	R-1-15	Sold	0.40	\$937,500
00-0021-3020	R-1-15	Sold	0.45	\$817,778
00-0021-2606	R-1-22	Sold	0.50	\$357,000
00-0021-2608	R-1-22	Sold	0.50	\$360,000
00-0021-2607	R-1-22	Sold	0.50	\$380,000
00-0021-2604	R-1-22	Sold	0.50	\$410,000
00-0020-4742	R-1-15	Sold	0.50	\$464,000
00-0020-4761	R-1-15	Sold	0.50	\$590,000
00-0021-2605	R-1-22	Sold	0.72	\$319,444
00-0020-4608	R-1-22	Sold	1.00	\$199,900
00-0020-4766	R-1-15	Sold	1.02	\$375,000
00-0020-3366	RA-1-43	Sold	3.00	\$266,667
00-0021-2600	RA-5	Sold	5.01	\$81,836
00-0021-2602	RA-5	Sold	5.02	\$85,657
00-0020-7641	RA-1	Sold	6.81	\$48,458
00-0021-4256	RA-1	Sold	7.02	\$105,413
00-0020-2533	RA-1	Sold	7.40	\$94,595
00-0020-4254	R-1-22	Sold	10.16	\$115,650
00-0020-6764	R-1-15	Sold	11.44	\$163,899
00-0020-2515	R-2 8KSF	Sold	13.38	\$186,846
00-0021-4371	RA-1	Sold	14.03	\$85,531
00-0020-6922	RA-1	Sold	14.62	\$58,140
00-0020-7240	R-1	Expired	16.28	\$153,501
00-0006-3797	RA-1-43	Active	35.38	\$189,000
00-0000-8693	RA-1-43	Active	42.23	\$56,829
00-0020-4290	RA-1-43	Active	46.21	\$97,382

All sales occurred over the past two years. Price per acre is the unit of comparison. The sales may be multiple parcels that include the parcel shown.

Many factors, both transactional and physical, influence value. The most influential factors on land value in the project area are size, zoning, and location. All but one of the impacted parcels is zoned and planned for residential use on minimum half-acre lots. The impacted parcel along Wards Lane is zoned for residential use on minimum one acre lots.

The following table shows the expected value range of the impacted parcels based on market activity and the most influential factors on value.

Impacted Parcel Summary					Range	
Parcel	Name	Street	Zoning	Acres	Low	High
00-0020-4611	Day	970 South	R-1-22	1.33	\$275,000	\$325,000
00-0020-4256	Dwell	970 South	R-1-22	6.00	\$115,000	\$140,000
00-0020-4255	Price	970 South	R-1-22	6.88		
00-0020-4254	Medallion	970 South	R-1-22	10.16		
Common Area	Saddle Creek	970 South	R-1-22	34.35	\$95,000	\$140,000
00-0020-4250	Bodensteiner	Stringtown	R-1-22	0.50	\$360,000	\$420,000
00-0020-4251	Jonsson	Stringtown	R-1-22	1.89	\$275,000	\$300,000
00-0020-4249	Almaden	Stringtown	R-1-22	2.60	\$115,000	\$140,000
00-0020-4247	Twin Creeks	Stringtown	R-1-22	6.81		
00-0008-5949	Burt	Wards	RA-1-43	5.01	\$105,000	\$120,000

## Project Impact Analysis

The study of transmission line impact on real property value is vast. Historic studies show the impact to be 10% or less on real property value. We participated in a study of about 350,000 properties in Salt Lake County from 2001 to 2014 spanning 128,000 transactions and 450 variables. The study found: 1) homes within 165 feet of a 138 kV line show a 5.1% decrease in value; 2) homes within 165 feet of a 46 kV line have no measurable decrease but show a decrease of 2.5% beyond 660 feet. The study appears to support a diminution in value of about 5% for a change in transmission from a 46 kV to 138 kV based on the variance in the indicated property value impact for line types.

However, the study does not include as analytical variants either associated easement width or road type on which the various properties fronted. The fact that neither of these variants was isolated undermines the reliability of studies value indication for comparative purposes, particularly given the relative nominal indicated value impacts for either line type. General market observations indicate that variances between the value impacts in the study for the two line types would reasonably be ascribable to the added width associated with 138kV lines and the fact that such lines, and the properties so encumbered, are more frequently located along major arterials. Location on heavily traveled roadways has been shown to adversely impact residential values. Consequently, while the study indicates a value impact variance between 46 kV and 138 kV lines, that variance is more reasonably ascribable to other variances, and not the relatively modest increase pole height/crossarm width. General market indications do not support a value impact between 46 kV and 138 kV lines beyond the impact from the added encumbrance width.

On this point, the project area includes four contiguous lots within the Eldons Place Subdivision identified as County Parcels 00-0021-2604, 2606, 2607, and 2608. The four parcels have the same zoning and size. Only Parcel 00-0021-2604 fronts a 46 kV line. Recognizing various elements that determine value, there is no indication that fronting the transmission line has any diminution on real property value.

Over 20 years of experience of appraising the impact of transmission lines on real property has identified noteworthy observations. Studies recognize that the leading cause of diminution associated with transmission lines is the visual impact on view. This is most obvious when the transmission line is first constructed but recedes into the background over time – especially when the transmission line is along a road where public utilities are common and expected. This phenomenon is not limited to transmission lines. Trees along a familiar road, traffic noise, offensive smells, neighborhood culinary water taste, faded colors. All these have little notice until there is a change. Because of this phenomenon, appraisers seldom make a deduction for existing powerlines and utilities when valuing real property in general. However, when acquiring right of way for a new transmission line or public utility the argument of minimal impact is not well received by impacted property owners.

National Electrical Safety Code (NESC) adopted by Utah State sets minimum clearance requirements for power lines. The increase in voltage transmission from 46 kV to 138 kV will require a greater width by code evoking an increase in clearance from the utility. The increase for this project is 0.8 feet to 9.1 feet based on Option B (long spans). The mean is 3.8 feet and the median is 3.4 feet. The increase will be along road frontage where building is prohibited by ordinance or is impractical. However, there is a loss of property rights such as quiet enjoyment.

## Conclusions

After analysis of the subject market, review of relevant transmission line studies, and appraisal experience, compensation of 25% to 75% of the underlying land value is indicated for that portion of the impacted properties within the expanded easement area. There is no indication of severance damages to land outside the expanded easement area. The underlying land value varies from \$95,000 per acre to \$420,000 per acre.

Thank you for this assignment. Your input is welcome.

A handwritten signature in black ink, appearing to read "Troy Lunt".

Troy Lunt, MAI

A handwritten signature in blue ink, appearing to read "Eric Leonhardt".

Eric Leonhardt, MAI





970 South – East Looking West



970 South – East Looking East





970 South – West Looking West



970 South – West Looking East





Stringtown Road Looking North



Stringtown Road Looking South





Wards Lane Looking West



Wards Lane Looking East