

Merrill, Hannah

From: zSMP
Subject: RE: SMP TAKING YOUR PROPERTY VALUE

From: pearl hewett
Sent: Tuesday, March 12, 2013 1:45 PM
To: Rushton, Pam; zSMP
Cc: Karl Spees; Sue Forde; Lois Perry;; Randy Dutton; Jo Anne Estes; harry bell; notac@olypen.com; Sandy Rains; Don; Delane Hewett; Tristin Hewett; marv chastain; Rick Forschler -; Keith Olson; Jay Petersen; Miller, Sheila Roark; Steve Gray; Chapman, Mike; McEntire, Jim; Vi; joni howard
Subject: SMP TAKING YOUR PROPERTY VALUE

My updated comment on the
SMP taking of property value
Pearl Rains Hewett Trustee
George C. Rains Estate
Member SMP Update Committee

WHAT HAVE YOU GOT TO LOSE?

THE BOTTOM LINE ON THE SMP RESTRICTIVE VIEW CORRIDORS AND SETBACKS IS

On average, Benson says, a FULL, **UNOBSTRUCTED WATER VIEW** boosted a home's price about 60%; the **CLOSER THE WATER**, the higher the price. Partially blocked views still fetched a 10% to 20% premium. Today, with view properties even scarcer, he says, chances are that view premiums have risen: "THE 60% THAT WE ESTIMATED IN THE EARLY '90S **MAY BE 80% OR 100% TODAY,**"

While there has been some improvement on the previous 20% View Corridor on the Clallam County SMP Update Chapter 4.2.3 12 a. View Corridors: (partial text below)

Undeveloped private property in Clallam County would suffer the greatest **TAKING OF PROPERTY VALUE** with the regulations and restrictions imposed by the View Corridors and setbacks in the SMP Update.

Do you own undeveloped private VIEW property?

What will be the loss of value to your private property under Clallam County SMP Update?

How much of the value of your view will be taken? 80%?

How far is your SMP required setback from the view?

THIS IS THE WA STATE LAW Shoreline Management Plan Update RCW 90.58.290
Restrictions as affecting fair market value of property.
The restrictions imposed by this chapter shall be considered by the county assessor in establishing the fair market value of the property.
[1971 ex.s. c 286 § 29.]

Among those who've tried to reduce a view's value to hard cash are Western Washington University marketing and finance professor Earl Benson and his colleagues. In the late '80s and '90s they scoured thousands of assessors' records in Bellingham, Wash., measured homes' distance from the water and performed fancy calculations to conclude that a \$200,000 house with no view would sell for \$317,600 if it had a full ocean view and \$453,280 if it were right smack on the shore of a lake.

What's the value of a view?

A house is a house is a house -- until it's on a mountaintop looking over the ocean. Here, experts put numbers to those valuable vistas.

"There's the sense of freedom, of openness, of achievement, all highly valued by the human spirit"

By Marilyn Lewis of MSN Real Estate

On average, Benson says, a full, unobstructed water view boosted a home's price about 60%; the closer the water, the higher the price. Partially blocked views still fetched a 10% to 20% premium. Today, with view properties even scarcer, he says, chances are that view premiums have risen: "The 60% that we estimated in the early '90s may be 80% or 100% today," he says.

WHAT HAVE YOU GOT TO LOSE With the SMP Update?

Clallam County SMP Update Chapter 4.2.3

12 a. View Corridors: PAGE 4-7

The Administrator may allow limited and selective tree removal, pruning, and/or limbing in the buffer to create a view of the shoreline when otherwise consistent with this Program, as long as the buffer condition following selective clearing conforms to the stem density and/or percent cover targets defined in 4.2.3.8. The removal, pruning, and/or limbing shall not require any ground-disturbing equipment and shall not materially alter soils or topography. The amount of clearing is limited to the criteria. The Administrator may approve a greater area or amount of clearing if the proponent provides a view clearance plan prepared by a qualified ecologist, forester, arborist, or landscape architect. The view clearance plan shall identify and describe the location and extent of the proposed tree removal, pruning, and limbing and shall demonstrate compliance with American National Standards Institute (ANSI) A300 Standards for Tree Care Operations (Tree, Shrub, and Other Woody Plant Management –Clallam County SMP Final Draft 4-8 November 2012 Standard Practices). For properties within designated landslide or erosion hazard areas, the Administrator may require review of the view clearance plan by an engineering geologist or geotechnical engineer to ensure that the proposed removal, pruning, and/or limbing will not cause or exacerbate hazards associated with soil or slope instability. The location and size of the view corridor shall be clearly defined on the site plan.

Pricing the view

Real-estate market analyst Ernest V. Siracusa Jr. is experienced in pricing views in Southern California. He works for subdivision builders and developers, advising them on how much their new homes can sell for -- and how much more the same place with a panoramic sweep of the hills can command.

What makes people pay so dearly for a view? It's status, for one thing, says Siracusa, and the quiet and pleasure a view affords. Californians are particularly view crazy, he says. "It goes with the lifestyle of the population that lives here."

Also, you get privacy, an increasingly treasured commodity in a crazy, crowded world. "You don't have anybody behind you," he says. "Being on top of a hill separates you from people below."

There's the sense of freedom, of openness, of achievement, all highly valued by the human

spirit. The feeling is, "'I own this place,' versus 'I'm cramped in a sardine can' where everybody's at the same level and you've got fences and houses and everybody's looking down at your yard."

Pricing the view

Siracusa's research has been confirmed over time, at least in new subdivisions, he says. Here are the premiums he sees for homes in new Southern California subdivisions (with houses on each side and **views ranging from 45 to 90 degrees**):

- 1% - 2.5%: A home on level ground overlooking unobstructed open space. For example, a house that would otherwise cost \$300,000 would go for \$307,500 (a 2.5% premium).
- 3% - 5%: A home just high enough to look over rooftops with a **partially obstructed view. "Not a real high-quality view,"** as Siracusa puts it.
- 6% - 8%: A good unobstructed view but without much elevation; a home halfway up the hill, for example.
- 9% - 12%: Atop the hill with an unobstructed view of a city or open space.
- 15% - 20%: **A water view.** An outstanding, **unobstructed view** of a big lake or ocean can command up to 25% more in a development, Siracusa says. And oceanfront can cost 25% to 30% more. For example: A \$500,000 house can run \$625,000 with an outstanding water view. By the same token, a \$1 million house jumps to \$1,250,000 or more overlooking a lake.

Among those who've tried to reduce **a view's value to hard cash** are Western Washington University marketing and finance professor Earl Benson and his colleagues. In the late '80s and '90s they scoured thousands of assessors' records in Bellingham, Wash., measured homes' **"DISTANCE FROM THE WATER"** and performed fancy calculations to conclude that a \$200,000 house with "NO VIEW" would sell for \$317,600 if it had a full ocean view and \$453,280 if it were right smack **on the shore of a lake.**

BOTTOM LINE

On average, Benson says, a FULL, UNOBSTRUCTED WATER VIEW boosted a home's price about 60%; the CLOSER THE WATER, the higher the price. Partially blocked views still fetched a 10% to 20% premium. Today, with view properties even scarcer, he says, chances are that view premiums have risen: "THE 60% THAT WE ESTIMATED IN THE EARLY '90S MAY BE 80% OR 100% TODAY," HE SAYS.