

HIGHEST AND BEST USE

Legally Permissible

The subject parcel is zoned within the Harbor Commercial district within the City of Point Arena, which provides for a variety of commercial uses. The zoning and the requirements of the Coastal Commission are the only apparent legal restrictions on the property. The zoning is intended mainly for commercial uses and allows for a variety of coastal dependent activities. According to the City of Point Arena Planning Department, a zoning change is unlikely. Further, the Planning Office indicates that there has been no known attempt to develop the property or divide the property into multiple parcels. Thus, the property is concluded to be a single legal parcel. Through the existing zoning it is concluded that the subject property could not be divided into any more parcels than the presently existing single legal parcel.

Physically Possible

Based on recent and present developments of properties in the coastal neighborhood, commercial development is indicated to be physically possible on land in the area, although it is typically expensive and time consuming to meet the zoning and Coastal Commission requirements. Considering the size of the property and its location, the soils, drainage and adequate access, as well as the existing improvements, commercial development is proven to be physically possible and has occurred on other sites in the area. However, there are very few coastal sites throughout the area that have been purchased for commercial development (none were found for this analysis), and although there are no known physical limitations to development of the subject property, there are both political and financial hurdles.

Financially Feasible

There have been very few recent developments or new construction of commercial properties on the Mendocino Coast over the past few years. However, the existence of commercial properties in the area, along with redevelopment of several older properties, indicates that commercial development is a proven financially feasible use. The north coast real estate market has recovered completely from the recent economic downturn which was felt throughout the county and state. It appears that the market for coastal commercial property throughout the Mendocino County area has fully recovered from a recent downturn, and the future looks promising. It is concluded that commercial development is a financially feasible use for the subject property, as though vacant.

Maximally Productive

There is no other known use for the subject property that is more economically productive than commercial development. The zoning of the property and the property's unique location lend the property toward coastal serving activities, most likely tourist serving uses. The property exists as a single legal parcel and could feasibly be developed with a commercial structure with expansive Ocean views and access.

Conclusions

The Highest and Best Use of the subject property, as though vacant is concluded to be for development of a commercial structure, taking advantage of the unique coastal location. The most likely buyer of the subject property (as though vacant) is concluded to be buyers looking for a unique commercial site, with Pacific Ocean frontage and expansive coastal views.

HIGHEST AND BEST USE AS IMPROVED

The subject property is improved with a commercial boathouse structure with a total of 2,270 square feet on two floors, and a 1,054 square foot attached deck, with Pacific Ocean frontage and available public parking.

Legally Permissible

The subject's existing use is allowed under the current zoning. The existing structure is a permitted use under the current zoning. The Subject exists as a single holding with a single Assessor's Parcel. The zoning allows for a variety of commercial uses, including retail sales, and visitor serving uses.

Physically Possible

Commercial use is a proven physically possible use, based on the Subject's existing development and historical uses as well as those found on other properties in the Point Arena Wharf area with similar harbor commercial zoning. The subject's developed water, sewer and utilities enhance the property. Additionally, there are numerous properties throughout the Point Arena neighborhood that are presently improved with commercial buildings and used for commercial purposes.

Financially Feasible

The property's current zoning supports development to commercial use. City water and sewer sources and extended utilities in use to the existing structure indicate that commercial use the property is financially feasible. The Subject is presently developed with a historic boathouse, which has been used in the past for a variety of commercial uses, which proves the financial feasibility of commercial use. Other properties nearby, including properties adjacent to the subject have also been developed with commercial improvements.

Maximally productive

As improved, there is no better use for the Subject property other than continued commercial use and/or redevelopment. The existing improvements on the subject tract have good quality construction and are in average/below average condition. Thus, retention of the existing improvements and/or redevelopment to better quality and condition would result in a higher return to the land than what is currently being achieved. The existing improvements contribute value to the Subject Tract, but suffer from significant depreciation. Continued use of the existing structures and re-development is concluded to be the highest and best use of the Subject property, as improved.

Conclusion

The Highest and Best Use of the Subject property, in its current condition, is concluded to be for continued commercial use, with the potential for redevelopment of the older structure. The property has a unique location, developed access, and has public water, sewer and utilities presently in use. The most likely buyer of the Subject property is concluded to be a buyer/investor looking for a unique commercial property that would consider the costs, time and economic benefit to redevelop (or renovate) the existing improvements.