

TO: Kelly Rindt, Enterprise Account Manager

FROM: Matthew Tooke, City Assessor

DATE: May 13th, 2024

RE: Market Rent for pond area at Reid Golf Course and Memorial Park

At your request, I have estimated a current market rent for the pond areas on the following parcels:

31-4-0920-00 containing 7.2 acres of Reid Golf Course pond area with an overall parcel size of 95.89 ac.

31-1-6535-01 containing 7.28 acres of Memorial Park pond area with an overall parcel size of 93.58 ac.

31-1-6532-01 containing 7 acres of Memorial Park pond area with an overall parcel size of 46.01 ac.

The subject parcels are located in good established locations, have public utilities readily available, and are considered buildable. They are zoned Public Institutional allowing for variety of uses including assisted living facilities. If sold for redevelopment, rezoning to residential and/or light commercial could be a possibility upon request due to similar surrounding uses.

For purposes of this analysis, the parcels are being valued in the “before” condition using their overall parcel sizes. This valuation methodology is described further in the Reid Golf Course Enterprise Agreement. Also, both parties agree that one rental rate will be established for all the parcels.

Recent comparable sales of large vacant parcels from Oshkosh to Green Bay were analyzed. Due to its good location and many potential uses, the subject would likely sell at \$45,000/acre.

A rate of return on investment (ROR) also needs to be established to determine market rent. The City Stormwater utility is a low-risk tenant, however interest rates have been higher the last 18 mos. For these reasons a rate of return (ROR) of 7% will be used.

Market value of \$45,000/acre x .07 Rate of Return = \$3,150/acre rent