

RESOLUTION 24-302

A RESOLUTION TO APPROVE APPRAISAL SERVICES WITH CBRE, INC. FOR IMPROVEMENTS TO THE PORT ROYAL ROAD/BUCKNER LANE INTERSECTION CAPITAL IMPROVEMENT PROJECT

WHEREAS, the City of Spring Hill approved an on-call appraisal services Professional Services Agreement with CBRE, Inc. by Resolution 24-216 in October 2024; and

WHEREAS, the City has committed to designing and installing improvements to the Port Royal Road/Buckner Lane intersection to improve traffic congestion and citizen safety; and

WHEREAS, CBRE, Inc. has submitted a cost proposal for real estate appraisal services for right-of-way and easements needed for the project on nine (9) identified tracts; and

WHEREAS, the cost proposal is for a not-to-exceed amount of \$49,000, as shown in Exhibit A attached hereto; and

WHEREAS, the expense will be paid from the FY 25 budgeted funds for Capital Projects-Port Royal Road & Buckner Lane Improvements (313-48007-59131).

NOW, THEREFORE BE IT RESOLVED, the City of Spring Hill Board of Mayor and Aldermen approves a cost proposal from CBRE, Inc. for appraisal services for the improvements to the Port Royal Road/Buckner Lane intersection Capital Improvements Project in the amount of \$49,000.00, attached hereto as Exhibit A.

Passed and Adopted by the Board of Mayor and Aldermen of the City of Spring Hill, Tennessee on the 16th day of December, 2024.



Jim Hagaman, Mayor

ATTEST:



April Goad, City Recorder

LEGAL FORM APPROVED:



Patrick Carter, City Attorney

Exhibit A

December 11, 2024

Missy Stahl, CIP Director
City of Spring Hill
199 Town Center Parkway
Spring Hill, TN 37174
Phone: 931.486.2252 ext. 202
Email: mstahl@springhilltn.org

CBRE, Inc.
1222 2nd Avenue South
Nashville, TN 37201
www.cbre.us/valuation

Nick Chop, MAI
Executive Vice President

RE: Assignment Agreement – Appraisal Reports for ROW Project
Buckner Lane/Port Royal Road Intersection Improvements
Tracts 3&25, 4, 5, 6, 7, 21, 24, 26
Spring Hill, TN

Dear Ms. Stahl:

We are pleased to present the technical proposal for Professional Real Estate Appraisal Services for the Buckner Lane/Port Royal Road Intersection Improvements Project. The project consists of 8 ownerships and is described west to east. The Project begins approximately ± 0.2 miles east of the Commonwealth Drive/Port Royal Road intersection and traverses easterly for ± 0.5 miles the Buckner Lane/Port Royal Road intersection.

I am providing: 1) Proposal Scopes for each identified tract. They describe each tract and the proposed acquisitions, summarize what the potential issues are and how each appraisal problem will be solved. 2) The Tract Fees for each that includes the appraisal fee. Information provided by the City of Spring Hill indicates that the intent is to have no negative drainage, existing slopes, ingress/egress, or circulation issues to any of the Tracts. When possible, the road contractor will avoid landscape, concrete dividers and signage or will restore these improvements. The below scopes will discuss any specific improvement that may need to be addressed within an Appraisal Report. The information provided by the City of Spring Hill would preliminarily indicate that each of the Tracts considers a Formal Part Acquired (FPA) assignment and the Appraisal Report will closely follow the TDOT appraisal template.

Tract 3 & 25 (Somerset Springs Condos) is located along the southerly side of Port Royal Road. The site is owned by Somerset Springs, LP and includes HOA areas of a condominium development named Somerset Springs. Although shown as two separate Tracts, they represent the same ownership and overall development. These two Tracts can be combined within one Appraisal Report assignment. Site improvements include a significant amount of commercial ornamental landscaping and irrigation, two driveway entrances, and signage. We will analyze the site with multifamily land sales, and a cost analysis for site improvements impacted.

Tract 4 (Walnut Creek Apartments) is located at 1000 Walden Creek Terrace, Spring Hill, TN 37174. Site improvements include fencing (four-rail on concrete piers), significant amount of commercial ornamental landscaping and irrigation. It is assumed the driveway entrance and signage are not impacted. We will analyze the site with multifamily land sales, and a cost analysis for site improvements impacted.

Tract 5 (Community Baptist Church) is located along the southerly side of Port Royal Road, across the street from Walnut Creek Apartments. The Community Baptist Church is under construction and expected to open soon. Site improvements are not known due to the ongoing construction but would assume asphalt or concrete pavement. Per the Client, the church was aware of the pending acquisition and planned the development/construction with that in mind. Due to the number of multifamily improved uses in the immediate area, we will analyze the site with multifamily land sales, and a cost analysis for site improvements impacted.

Tract 6 (Vacant) is located along the westerly side of Port Royal Road, south of its intersection with Buckner Lane. This site has multiple challenges for potential development and for the Appraisal Scope. The site shape is highly irregular and encumbered (or possibly encumbered) with floodway, wetlands and flood plain. In addition the site has been denied on at least two occasions for proposed developments. The site is zoned R-6 which allows for single family dwellings, townhouses, duplexes, or triplexes. According to the Client, the proposed developments were denied for access and parking reasons. Further discussions on density will be discussed with the City of Spring Hill to determine a highest and best for (likely) multifamily. We will analyze the site with multifamily land sales. There does not appear to be any formal site improvements located on the vacant site.

Tract 7 (Dollar General Multitenant Retail Building) is located at 4910 Port Royal Road, south of its intersection with Buckner Lane. The current plans show a significant impact to the site with 15 parking spaces inside the proposed fee acquisition. A cure could be analyzed; however it is unlikely that the site could be restored similarly to the Before Condition. Significant severance damages would result and possibly the Dollar General and other tenants could leave. Discussions with the City of Spring Hill indicated that revisions to the maps and plans to place the proposed ROW right behind the new sidewalk, have the roadway slopes within a slope easement and use a temporary construction easement to build the slopes will be implemented. This keeps all the parking spaces out of ROW or permanent easements (i.e. no reduction in parking spaces). This plan would have some of the parking spaces temporarily impacted, during construction, but not permanently impacted like the current plan. It is assumed that a plan change will occur and this scope assumes these changes will be made. If they are not, a new scope/proposal for this Tract will be needed. Also it is assumed that any 'temporary' impact to parking would be inconsequential to the property and not impact value either temporarily or permanently. We will analyze the site with commercial land sales, and a cost analysis for site improvements (if any) impacted.

Tract 21 (James W. Carell, deceased - Port Royal Estates Apartments) is located along the northerly side of Port Royal Road. Site improvements include a portion of the entrance island and commercial ornamental landscaping and irrigation. It is assumed the sign is not impacted. We will analyze the site with multifamily land sales, and a cost analysis for site improvements impacted. The overall land area will be estimated with the overall development. Note, the ownership appears to be part of the development's HOA lands.

Tract 24 (Port Royal Estates Apartments HOA) is located along the northerly side of Port Royal Road. The subject is a portion of the HOA lands and appears to be a depressed stormwater improvement, possibly a dry retention area. It is assumed there are no impacts to this area with regards to drainage or capacity. We will analyze the site with multifamily land sales, and a cost analysis for site improvements (if any) impacted.

Tract 26 (Alaina Park) is located along the southerly side of Port Royal Road. The subject appears to be a portion of the HOA lands of a site under construction. It is assumed there are no significant impacts to improvements within this area. We will analyze the site with multifamily land sales, and a cost analysis for site improvements (if any) impacted.

Our fee breakout for each Tract is below and will be completed within 60 calendar days or less from the notice to proceed (contract or executed agreement).

Tract	Owner	Map/Parcel	Address	Contact Person	Phone#	Report	Fees
3 & 25	SOMERSET SPRINGS LP	028EH 099.00	PORT ROYAL ROAD, SPRING HILL, TN 37174	PATRICK LANDRUM	615-715-6147	FPA	\$7,000
		028DB 038.00	1045 SOMERSET SPRINGS DRIVE, SPRING HILL, TN 37174				
4	WALDEN CREEK APARTMENTS	027 001.00	1000 WALDEN CREEK TRACE, SPRING HILL, TN 37174	KURT HANNAFORD	256-503-3861	FPA	\$6,500
5	COMMUNITY BAPTIST CHURCH	027 001.04	PORT ROYAL ROAD, SPRING HILL, TN 37174	JEFF GRAVES	615-972-5250	FPA	\$5,500
6	BARBARA JACKSON	027 001.01	PORT ROYAL ROAD, SPRING HILL, TN 37174	MIKE STALNAKER	615-500-4060	FPA	\$6,000
7	GIRGIES ASHRAF	027 002.01	4910 PORT ROYAL ROAD, SPRING HILL, TN 37174	GIRGIES ASHRAF	931-486-0308	FPA	\$6,500
21	JAMES WCARELL	028 007.01	PORT ROYAL ROAD, SPRING HILL, TN 37174	GRAY PALMER	615-210-2651	FPA	\$6,500
24	PORT ROYAL ESTATES HOA	028EA 151.00	ACHIEVER CIRCLE, SPRING HILL, TN 37174	BRIAN MURPHEE	615-854-3335	FPA	\$5,500
26	ALAINA PARK LIVING	028 009.00	5045 PORT ROYAL ROAD, SPRING HILL, TN 37174	N/A	N/A	FPA	\$5,500
						Total of all Fees	\$49,000

We appreciate this opportunity to be of service to you on this assignment. If you have additional questions, please contact us.

Sincerely,

CBRE, Inc.
Valuation & Advisory Services

Nick Chop, MAI
 Executive Vice President
 As Agent for CBRE, Inc.
 C 904.903.1332
 nick.chop@cbre.com

AGREED AND ACCEPTED

FOR CITY OF SPRING HILL ("CLIENT"):

 _____ Signature	December 16, 2024 _____ Date
Jim Hagaman _____ Name	Mayor _____ Title
931.486.2252 ext. 202 _____ Phone Number	mstahl@springhilltn.org _____ E-Mail Address

TERMS AND CONDITIONS

1. The Terms and Conditions herein are part of an agreement for appraisal services (the "Agreement") between CBRE, Inc. (the "Appraiser") and the client signing this Agreement, and for whom the appraisal services will be performed (the "Client") and shall be deemed a part of such Agreement as though set forth in full therein. The Agreement shall be governed by the laws of the state where the appraisal office is located for the Appraiser executing this Agreement.
2. Client shall be responsible for the payment of all fees stipulated in the Agreement. Payment of the appraisal fee and preparation of an appraisal report (the "Appraisal Report, or the "report") are not contingent upon any predetermined value or on an action or event resulting from the analyses, opinions, conclusions, or use of the Appraisal Report. Final payment is due as provided in the Proposal Specifications Section of this Agreement. If a draft report is requested, the fee is considered earned upon delivery of the draft report. It is understood that the Client may cancel this assignment in writing at any time prior to delivery of the completed report. In such event, the Client is obligated only for the prorated share of the fee based upon the work completed and expenses incurred (including travel expenses to and from the job site).
3. If Appraiser is required or requested by Client to participate in meetings, phone calls, conferences, litigation or other legal proceedings (including preparation for such proceedings) because of this engagement, Client shall pay Appraiser's reasonable additional costs and expenses, and additional time incurred by Appraiser based on Appraiser's then-prevailing hourly rates and related fees, as approved by Client in advance. Such charges include and pertain to, but are not limited to, time spent in preparing for and providing court room testimony, depositions, travel time, mileage and related travel expenses, waiting time, document review and production, and preparation time (excluding preparation of the Appraisal Report), meeting participation, and Appraiser's other related commitment of time and expertise. Hourly charges and other fees for such participation will be provided to Client for approval. In the event Client requests additional appraisal services beyond the scope and purpose stated in the Agreement, Client agrees to pay additional fees for such services and to reimburse related expenses, whether or not the completed report has been delivered to Client at the time of such request.
4. Appraiser shall have the right to terminate this Agreement at any time for cause effective immediately upon written notice to Client on the occurrence of fraud or the willful misconduct of Client, its employees or agents, or without cause upon 5 days written notice.
5. In the event Client fails to make payments when due then, from the date due until paid, the amount due and payable shall bear interest at the maximum rate permitted in the state where the office is located for the Appraiser executing the Agreement. Each party waives the right to a trial by jury in any action arising under this Agreement.
6. Appraiser assumes there are no major or significant items or issues affecting the Property that would require the expertise of a professional building contractor, engineer, or environmental consultant for Appraiser to prepare a valid report. Client acknowledges that such additional expertise is not covered in the Appraisal fee and agrees that, if such additional expertise is required, it shall be provided by others at the discretion and direction of the Client, and solely at Client's additional cost and expense.
7. In the event of any dispute between Client and Appraiser relating to this Agreement, or Appraiser's or Client's performance hereunder, Appraiser and Client agree that such dispute shall be resolved by means of binding arbitration in accordance with the commercial arbitration rules of the American Arbitration Association, and judgment upon the award rendered by an arbitrator may be entered in any court of competent jurisdiction. Depositions may be taken, and other discovery obtained during such arbitration proceedings to the same extent as authorized in civil judicial proceedings in the state where the office of the Appraiser executing this Agreement is located. The arbitrator shall be limited to awarding compensatory damages and shall have no authority to award punitive, exemplary or similar damages. Client acknowledges that Appraiser is being retained hereunder as an independent contractor to perform the services described herein and nothing in this Agreement shall be deemed to create any other relationship between Client and Appraiser. This engagement shall be deemed concluded and the services hereunder completed upon delivery to Client of the Appraisal Report discussed herein.
8. All statements of fact in the report which are used as the basis of the Appraiser's analyses, opinions, and conclusions will be true and correct to Appraiser's actual knowledge and belief. Appraiser does not make any representation or warranty, express or implied, as to the accuracy or completeness of the information or the condition of the Property furnished to Appraiser by Client or others. TO THE FULLEST EXTENT PERMITTED BY LAW, APPRAISER DISCLAIMS ANY GUARANTEE OR WARRANTY AS TO THE OPINIONS AND CONCLUSIONS PRESENTED ORALLY OR IN ANY APPRAISAL REPORT, INCLUDING WITHOUT LIMITATION ANY WARRANTY OF FITNESS FOR ANY PARTICULAR

- PURPOSE EVEN IF KNOWN TO APPRAISER. Furthermore, the conclusions and any permitted reliance on and use of the Appraisal Report shall be subject to the assumptions, limitations, and qualifying statements contained in the report.
9. Appraiser shall have no responsibility for legal matters, including zoning, or questions of survey or title, soil or subsoil conditions, engineering, or other similar technical matters. The report will not constitute a survey of the Property analyzed.
 10. Client shall provide Appraiser with such materials with respect to the assignment as are requested by Appraiser and in the possession or under the control of Client. Client shall provide Appraiser with sufficient access to the Property to be analyzed, and to the extent the Property is owned by JEA, hereby grants permission for entry unless discussed in advance to the contrary.
 11. The data gathered in the course of the assignment (except data furnished by Client) and the report prepared pursuant to the Agreement are, and will remain, the property of Appraiser. With respect to data provided by Client, Appraiser shall not violate the confidential nature of the Appraiser-Client relationship by improperly disclosing any proprietary information furnished to Appraiser. Notwithstanding the foregoing, Appraiser is authorized by Client to disclose all or any portion of the report and related data as may be required by statute, government regulation, legal process, or judicial decree, including to appropriate representatives of the Appraisal Institute if such disclosure is required to enable Appraiser to comply with the Bylaws and Regulations of such Institute as now or hereafter in effect.
 12. Unless specifically noted, in preparing the Appraisal Report the Appraiser will not be considering the possible existence of asbestos, PCB transformers, or other toxic, hazardous, or contaminated substances and/or underground storage tanks (collectively, "Hazardous Material") on or affecting the Property, or the cost of encapsulation or removal thereof. Further, Client represents that there is no major or significant deferred maintenance of the Property that would require the expertise of a professional cost estimator or contractor. If such repairs are needed, the estimates are to be prepared by others, at Client's discretion and direction, and are not covered as part of the Appraisal fee.
 13. In the event Client intends to use the Appraisal Report in connection with a tax matter, Client acknowledges that Appraiser provides no warranty, representation or prediction as to the outcome of such tax matter. Client understands and acknowledges that any relevant taxing authority (whether the Internal Revenue Service or any other federal, state or local taxing authority) may disagree with or reject the Appraisal Report or otherwise disagree with Client's tax position, and further understands and acknowledges that the taxing authority may seek to collect additional taxes, interest, penalties or fees from Client beyond what may be suggested by the Appraisal Report. Client agrees that Appraiser shall have no responsibility or liability to Client or any other party for any such taxes, interest, penalties or fees and that Client will not seek damages or other compensation from Appraiser relating to any such taxes, interest, penalties or fees imposed on Client, or for any attorneys' fees, costs or other expenses relating to Client's tax matters.
 14. Appraiser shall have no liability with respect to any loss, damage, claim or expense incurred by or asserted against Client arising out of, based upon or resulting from Client's failure to provide accurate or complete information or documentation pertaining to an assignment ordered under or in connection with this Agreement, including Client's failure, or the failure of any of Client's agents, to provide a complete copy of the Appraisal Report to any third party.
 15. LIMITATION OF LIABILITY. EXCEPT TO THE EXTENT ARISING FROM SECTION 16 BELOW, OR SECTION 17 IF APPLICABLE, IN NO EVENT SHALL EITHER PARTY OR ANY OF ITS AFFILIATE, OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, OR CONTRACTORS BE LIABLE TO THE OTHER, WHETHER BASED IN CONTRACT, WARRANTY, INDEMNITY, NEGLIGENCE, STRICT LIABILITY OR OTHER TORT OR OTHERWISE, FOR ANY SPECIAL, CONSEQUENTIAL, PUNITIVE, INCIDENTAL OR INDIRECT DAMAGES, AND AGGREGATE DAMAGES IN CONNECTION WITH THIS AGREEMENT FOR EITHER PARTY (EXCLUDING THE OBLIGATION TO PAY THE FEES REQUIRED HEREUNDER) SHALL NOT EXCEED THE GREATER OF THE TOTAL FEES PAYABLE TO APPRAISER UNDER THIS AGREEMENT OR TEN THOUSAND DOLLARS (\$10,000). THIS LIABILITY LIMITATION SHALL NOT APPLY IN THE EVENT OF A FINAL FINDING BY AN ARBITRATOR OR A COURT OF COMPETENT JURISDICTION THAT SUCH LIABILITY IS THE RESULT OF A PARTY'S FRAUD OR WILLFUL MISCONDUCT.
 16. Client shall not disseminate, distribute, make available or otherwise provide any Appraisal Report prepared hereunder to any third party (including without limitation, incorporating or referencing the Appraisal Report, in whole or in part, in any offering or other material intended for review by other parties) except to (i) any third party expressly acknowledged in a signed writing by Appraiser as an "Intended User" of the Appraisal Report provided that either Appraiser has received an acceptable release from such third party with respect to such Appraisal Report or Client provides acceptable indemnity protections to Appraiser against any claims resulting from the distribution of the Appraisal Report to such third party, (ii) any third party service provider (including rating agencies and auditors) using the Appraisal Report in the course of providing services for the sole benefit of an Intended User, or (iii) as

required by statute, government regulation, legal process, or judicial decree. In the event Appraiser consents, in writing, to Client incorporating or referencing the Appraisal Report in any offering or other materials intended for review by other parties, Client shall not distribute, file, or otherwise make such materials available to any such parties unless and until Client has provided Appraiser with complete copies of such materials and Appraiser has approved all such materials in writing. Client shall not modify any such materials once approved by Appraiser. In the absence of satisfying the conditions of this paragraph with respect to a party who is not designated as an Intended User, in no event shall the receipt of an Appraisal Report by such party extend any right to the party to use and rely on such report, and Appraiser shall have no liability for such unauthorized use and reliance on any Appraisal Report.

17. Time Period for Legal Action. Unless the time period is shorter under applicable law, except in connection with paragraph 16 above, Appraiser and Client agree that any legal action or lawsuit by one party against the other party or its affiliates, officers, directors, employees, contractors, agents, or other representatives, whether based in contract, warranty, indemnity, negligence, strict liability or other tort or otherwise, relating to (a) this Agreement or the Appraisal Report, (b) any services or appraisals under this Agreement or (c) any acts or conduct relating to such services or appraisals, shall be filed within two (2) years from the date of delivery to Client of the Appraisal Report to which the claims or causes of action in the legal action or lawsuit relate. The time period stated in this section shall not be extended by any incapacity of a party or any delay in the discovery or accrual of the underlying claims, causes of action or damages.

Proposal and Contract for Services

SPECIFIC PROPERTY DATA REQUEST

In order to complete this assignment under the terms outlined, CBRE, Inc., Valuation & Advisory Services, will require (if available) the following specific information for the property:

1. PLEASE NOTIFY US IMMEDIATELY IF ANY OTHER CBRE SERVICE LINE (INCLUDING CAPSTONE) IS INVOLVED IN THE BROKERAGE, FINANCING, INVESTMENT OR MANAGEMENT OF THIS ASSET.
2. Current title report and title holder name
3. Legal description
4. Survey and/or plat map
5. Site plan for proposed or entitled development, if applicable
6. Current county property tax assessment or tax bill
7. Details on any sale, contract, or listing of the property within the past three years
8. Engineering studies, soil tests or environmental assessments
9. Ground lease, if applicable
10. Planning/Zoning application or approval, if applicable
11. Any previous market/demand studies or appraisals
12. Name and telephone number of property contact for physical inspection and additional information needed during the appraisal process
13. Any other information that might be helpful in valuing this property

If any of the requested data and information is not available, CBRE, Inc., reserves the right to extend the delivery date by the amount of time it takes to receive the requested information or make other arrangements. Please have the requested information delivered to the following:

Nick Chop, MAI
Executive Vice President
nick.chop@cbre.com
CBRE, Inc.
Valuation & Advisory Services
222 2nd Avenue South
Nashville, TN 37201