

The Recorder

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Land values sag near pipeline route

BY JOHN BRUCE • STAFF WRITER

MONTEREY – Land values near Dominion’s proposed Atlantic Coast Pipeline have shrunk substantially in anticipation of construction next year.

That’s contrary to a finding by the Federal Energy Regulatory Commission.

In its certificate licensing Dominion’s proposed Atlantic Coast Pipeline, FERC maintained the project would not impact land values. But that is not the case on Valley Center Road, Route 604.

Highland County Reassessment Office records show an average 36 percent decline in land values along Valley Center Road within a half mile of the proposed pipeline centerline. Twelve tax parcels showed decreases ranging from 10 to 67 percent, with deeper devaluations closer to the centerline. Six of the parcels fell 29 percent or more.

That’s nearly triple the land value plunge forecast in a 2016 citizens’ group pipeline economic impact study titled “Economic Costs of the Atlantic Coast Pipeline: Effects on Property Value, Ecosystem Services, and Economic Development in Western and Central Virginia.”

According to Virginia’s constitution, “all assessments of real estate and tangible personal property shall be at their fair market value to be ascertained as prescribed by general law.”

In its final environmental impact statement, FERC said it “received numerous comments concerning the project’s impacts on property values.

“The effect that a pipeline easement may have on a property value is a damage-related issue that would be negotiated between the landowner and the applicants during the easement acquisition process, which is designed to provide fair compensation to the landowner for the company’s right to use the property for pipeline construction and operation,” FERC asserted. “If the commission issues certificates of public convenience and necessity for ACP and (the supply header project), and easement negotiations are unsuccessful between the respective applicant and property owner, fair compensation for the easement would be determined through legal proceedings and the eminent domain process.

“Regarding potential future sale of properties that contain natural gas facilities, each potential purchaser has different criteria and differing values or considerations for purchasing land. Decisions made by a purchaser are often site-specific and are difficult to generalize or predict. With some exceptions, such as building structures within the pipeline easement or planting trees, once a pipeline is buried, it does not preclude future use. Based on literature reviews and discussions with real estate appraisers, we conclude that ACP and SHP would not result in decreased property values,” FERC concluded.