



## SPECIAL CITY COUNCIL MEETING AGENDA

City Council Chambers  
4381 Broadway, Suite 201, American Canyon  
**January 7, 2022**  
**11:00 AM**

**Mayor:** Leon Garcia  
**Vice Mayor:** Mariam Aboudamous  
**Councilmembers:** Mark Joseph, David Oro, Pierre Washington

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*Consistent with Government Code Section 54953 and the American Canyon City Council Resolution Declaring the Existence of a Local Emergency due to the COVID-19 Pandemic, City Council, City Council and other public meetings are currently Teleconference Meetings Only to align with local and federal guidelines and social distancing recommendations for the containment of the coronavirus. This meeting will be broadcast live via zoom.*

**You may submit public comments for any agenda item, non-agenda item, or a general public comment by one of the following methods:**

**Written comments, Via eComments:** The eComments link is located on the Meetings & Agendas page of our website [here](#). eComments will remain open throughout the meeting, and all comments received will be posted online and become part of the meeting record.

**Oral comments, during the meeting:** A Zoom Webinar has been established for public participation during the meeting related to a specific agenda item, or matters not on the agenda. To give your public comment directly to the legislative body during the meeting, use the Register to Speak feature of [eComments](#) or connect via below Zoom link and follow the instructions or call 408-638-0968.

**Zoom Meeting Link:** [Click here](#)  
**Webinar ID:** 873 3304 1990 **Passcode:** 715989

The above-identified measures exceed all legal requirements for participation in public comment, including those imposed by the Ralph M. Brown Act. For more information, please call the Office of the City Clerk at (707) 647-4369 or email [cityclerk@cityofamericancanyon.org](mailto:cityclerk@cityofamericancanyon.org).

**AGENDA MATERIALS:** Agenda materials are published in accordance with the Brown Act and are available to the public via the City's website at [www.cityofamericancanyon.org](http://www.cityofamericancanyon.org).

**AMERICANS WITH DISABILITIES ACT:** Materials will be provided in appropriate alternative formats to comply with the Americans with Disabilities Act. Please send a request to City Clerk at 4381 Broadway, Suite 201, American Canyon, CA 94503 or by email to [cityclerk@cityofamericancanyon.org](mailto:cityclerk@cityofamericancanyon.org). Include your name, address, phone number and brief description of the requested materials, as well as your preferred alternative format or auxiliary aid, at least three calendar days before the meeting.

# SPECIAL CITY COUNCIL MEETING - 11:00 AM OPEN SESSION

## CALL TO ORDER

## PLEDGE OF ALLEGIANCE

## MEETING ANNOUNCEMENT

*Pursuant to AB 361 this meeting will be held entirely virtually. All methods available for public participation are detailed on the first page of the agenda.*

## ROLL CALL

## **PUBLIC COMMENT**

*This time is reserved for members of the public to address the City Council on items of interest that are not on the Agenda and are within the subject matter jurisdiction of the City Council. Comments are limited to 3 minutes. Comments for items on the Agenda will be taken when the item is called. The City Council is prohibited by law from taking any action on matters discussed that are not on the Agenda, and no adverse conclusions should be drawn if the City Council does not respond to public comment at this time. Speakers are asked to please speak clearly, and provide their name. Any handouts for distribution to the City Council must be emailed by 3:00 p.m. on meeting day. To comment via zoom during the meeting: click the "raise your hand" button if joining by computer, or press \*9 if joining by phone, when the item is called. To avoid confusion, hands raised outside of Public Comment periods will be lowered.*

## **PUBLIC HEARING**

### **1. Acquisition of Certain Property for Public Purposes**

**Recommendation:** Consider and adopt a Resolution of Necessity finding and determining that the public interest, convenience, and necessity require the acquisition of certain property for public purposes and to initiate eminent domain proceedings for properties bearing assessors' parcel numbers 059-030-007 and 009, which are necessary for the construction of portions of the Watson Ranch Backbone Improvement Project, including the northern extension of Newell Drive and the construction of the Napa Valley Vine Trail.

## **ADJOURNMENT**

## **CERTIFICATION**

*I, Taresa Geilfuss, City Clerk for the City of American Canyon, do hereby declare that the foregoing agenda of the City Council was posted in compliance with the Brown Act prior to the meeting date.*

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Taresa Geilfuss, City Clerk



## **TITLE**

Acquisition of Certain Property for Public Purposes

## **RECOMMENDATION**

Consider and adopt a Resolution of Necessity finding and determining that the public interest, convenience, and necessity require the acquisition of certain property for public purposes and to initiate eminent domain proceedings for properties bearing assessors' parcel numbers 059-030-007 and 009, which are necessary for the construction of portions of the Watson Ranch Backbone Improvement Project, including the northern extension of Newell Drive and the construction of the Napa Valley Vine Trail.

## **CONTACT**

William D. Ross, City Attorney

## **BACKGROUND & ANALYSIS**

The Watson Ranch Specific Plan ("WRSP") Backbone Improvement Project ("Backbone Improvement Project") includes the extension of Newell Drive from the southern Project boundary to the northern WRSP boundary, defining the eastern edge of the WRSP site. In addition, the WRSP contemplates the construction of a segment of the proposed Napa Valley Vine Trail through the WRSP site as part of the Project Community Trail System.

Although negotiations are continuing with the Property Owners with respect to the necessary acquisition of necessary property acquisition to accomplish the Newell Drive extension and Vine Trail construction has stalled, it has become necessary to obtain by eminent domain a right of way easement, a trail easement, and temporary construction easement ("TCE") in connection with the construction of the Backbone Improvement Project, which will include the northern extension of Newell Drive and the construction of the Napa Valley Vine Trail (The "Project").

The current issue before this Council is the approval of a Resolution of Necessity, a necessary precursor to the acquisition of property by eminent domain. A copy of the resolution is attached as Attachment 1. The property to be acquired in this Resolution of Necessity is the trail easement and temporary construction easement (collectively the "Easements"). Please note that this action concerns the acquisition of only the Vine Trail and the TCE. The right of way for Newell Drive will be addressed in a subsequent Resolution of Necessity.

The Resolution thus reflects the Vine Trail and the TCE, and both are needed for the implementation so the Project can proceed on a timely basis, providing for needed permanent access, facilitation of emergency access, drainage and overall Project grading, and site stability.

The City is authorized to acquire the Easements by eminent domain for the public use set forth herein in accordance with the California Constitution, Article 1, Section 19; the California Eminent Domain Law, Code of Civil Procedure Section 1230.010 et seq., including, but not limited to, sections 1240.010 through 1240.050 inclusive, and sections 1240.110, 1240.120, 1240.220, 1240.320, 1240.330, 1240.350, 1240.410, 1240.510, 1240.610, 1240.650; Government Code Section 38730, and other provisions of law.

The larger parcel associated with the property to be acquired is located with the City of American Canyon, in Napa County, state of CA and bears the Assessor Parcel Numbers 059-030-007, 009. The Easements sought to be acquired are as follows:

- i. A trail easement to construct, maintain, and operate a public trail and associated open space to be used by pedestrians, hikers, and cyclists including the potential use of the trail easement by motorized vehicles necessary for maintenance of the trail easement or for public health or safety, as determined by the City. The easement also includes the perpetual right of City for access to construct, install, maintain and repair the trail that will be established within the trail easement area, including the installation of certain trail improvements, including but not limited to, signs, markers, and erosion-controlled related improvements.
- ii. A temporary construction easement (“TCE”) allowing the City, the temporary right to enter and utilize certain real property located in the City to construct the Project. The TCE allows the City to use the TCE in order to perform all activities as may be necessary for construction of the Project.

The TCE term is limited to three (3) months and the term of the TCE will not extend beyond December 31, 2024.

Acquisition of the property by eminent domain requires the following steps:

1. Appraisal
2. +3 days Government Code Offer Letter (Already Accomplished) The offer is attached as Attachment 4.
3. +14 days: Notice of Resolution of Necessity (Already Accomplished)
4. +15 days: Hearing on Resolution of Necessity (January 7)
5. +7-14 days: Complaint, Deposit of Probable Just Compensation, Motion for Prejudgment Possession
6. +60-90 days: Hearing on Motion for Prejudgment Possession (60 days if property is unoccupied; 90 days if property is occupied)
7. +10-30 days: Possession (10 days after service of order if property is unoccupied; 30 days

after service of order if property is occupied), if Motion for Prejudgment Possession is granted.

As noted, the Council consideration of the proposed Resolution of Necessity is the fourth step in the eminent domain process.

### **CURRENT STATUS**

Negotiations are continuing with the Property Owners, and the City remains optimistic that an agreement may be reached prior to completion of the eminent domain proceedings.

The City Attorney's Office is coordinating with Condemnation Counsel to finalize a Condemnation Complaint based on the Council's recommendation at your Special Meeting. It is anticipated that the Condemnation Complaint would be amended to address a Supplemental Resolution of Necessity on a continued portion of this hearing at your Regular Meeting on January 18, 2022.

### **COUNCIL PRIORITY PROGRAMS AND PROJECTS**

Not applicable.

### **FISCAL IMPACT**

Not applicable.

### **ENVIRONMENTAL REVIEW**

This Project has been reviewed under the California Environmental Quality Act ("CEQA") through the Final Environmental Impact Report ("Final EIR") for the Watson Ranch Specific Plan Project (State Clearinghouse No. 2015022030) certified by the City October 16, 2018. The Final EIR anticipated and analyzed the Easements to be acquired. Pursuant to CEQA Guidelines, Section 15162, no further environmental review is necessary because there are no changes in the project, changes in project circumstances or new information which would result in significantly increased or new environmental impacts, or changes in the feasibility of project alternatives or mitigation measures.

### **ATTACHMENTS:**

1. [Resolution of Necessity - Newell Property Acquisition](#)
2. [Exhibit A - Vine Trail Map](#)
3. [Exhibit B - Temporary Construction Easement Map](#)
4. [Offer Letter - 12.10.21](#)
5. [Notice of Hearing to Adopt Resolution of Necessity - 12.23.21](#)

## RESOLUTION NO. 2022-01

### A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AMERICAN CANYON FINDING AND DETERMINING THAT THE PUBLIC INTEREST, CONVENIENCE AND NECESSITY REQUIRE THE ACQUISITION OF CERTAIN PROPERTY FOR PUBLIC PURPOSES

**WHEREAS**, the City Council has determined that the City of American Canyon (“City”) needs to acquire certain property interests in connection with the construction of the Watson Ranch Backbone Improvement Project, which will include the northern extension of Newell Drive and the construction of the Napa Valley Vine Trail (“Project”).

**NOW, THEREFORE BE IT RESOLVED**, that the City Council of the City, by vote of two-thirds or more of its members, FINDS, DETERMINES, DECLARES, AND RESOLVES the following:

1. The City intends to construct the Project, which is intended to create a new town center within the City, increase housing, and increase connectivity through pedestrian and biking trails. The Project is for a public use.
2. To complete construction on the Project, the City must acquire the below described easements (collectively “Easements”):
  - a. A 50,600 square foot trail easement to construct, maintain, and operate a public trail and associated open space to be used by pedestrians, hikers, and cyclists. The City may also allow use of the trail easement by motorized vehicles necessary for maintenance of the trail easement or for public health or safety, as determined by the City. The easement also includes the perpetual right of City for access to construct, install, maintain and repair the trail that will be established within the trail easement area, including the installation of certain trail improvements, including but not limited to, signs, markers, and erosion-controlled related improvements. The trail easement is more particularly described and depicted in this Exhibit A.
  - b. A 266,000 square foot temporary construction easement (“TCE”) allowing the City, its successors and assigns, the right, on a temporary basis, to enter and utilize certain real property located in the City of American Canyon, County of Napa, State of California, for the purpose of constructing the Watson Ranch Backbone Improvement Project, which will include the northern extension of Newell Drive and the construction of the Napa Valley Vine Trail (“Project”). The TCE shall include, without limitation, the right and privilege of City and its employees, agents, representatives, contractors, subcontractors, and workmen (collectively “Authorized Personnel”) to: (i) use, control, and occupy the TCE in order to perform all activities as may be necessary for construction of the Project; (ii) use and temporarily place and operate tools, equipment, machinery, and materials on and within the TCE area; (iii) trim, cut, or clear away any trees,

brush, or other vegetation or flora within the TCE area. Hereinafter, items (i)-(iii) shall be collectively referred to as the "Work."

The TCE term shall be for a period not to exceed three (3) months. Actual physical use of and occupation of the TCE area for Project construction purposes, and all uses appurtenant thereto, shall commence following written notice provided to the property owner(s) by the City or Authorized Personnel. At the expiration of the TCE term, the City shall restore such property to a condition as near as practicable to the condition that existed immediately prior to City's operations. The City, however, shall not be required to restore vegetation to the pre-existing condition. The City will at all times during the TCE term allow the property owner(s) to have and maintain reasonable access to and from the larger parcel. Upon completion of the Work, City will cause all of the equipment, materials, tools, trash, and debris to be removed from the TCE area.

In no event shall the term of the TCE extend beyond December 31, 2024. The TCE easement is more particularly described and depicted in this Exhibit B.

3. The Easements are necessary to the completion of the Project. The City is authorized to acquire the Easements by eminent domain for the public use set forth herein in accordance with the California Constitution, Article 1, Section 19; the California Eminent Domain Law, Code of Civil Procedure Section 1230.010 *et seq.*, including, but not limited to, sections 1240.010 through 1240.050 inclusive, and sections 1240.110, 1240.120, 1240.220, 1240.320, 1240.330, 1240.350, 1240.410, 1240.510, 1240.610, 1240.650; Government Code Section 38730, and other provisions of law.
4. On December 23, 2021, the City mailed a Notice of Hearing on the intent of the City Council of the City of American Canyon to adopt a resolution of necessity for acquisition by eminent domain of the Easements. The Notice of Hearing was mailed to all persons whose name(s) appear on the last Equalized County Assessment Roll as having an interest in the Property, to the addresses appearing on the Roll, and to their counsel. The Notice of Hearing advised the persons of their right to be heard on the matters referred to in the Notice of Hearing on the date and at the time and place stated.
5. The hearing referenced in the Notice of Hearing was held on January 7, 2022, at the time and place stated in the Notice of Hearing. All interested parties were given an opportunity to be heard. The hearing was then closed.
6. Based upon the evidence presented at the hearing, the City Council of the City of American Canyon finds, determines, declares, and resolves each of the following:
  - A. The public interest and necessity require the proposed Project;
  - B. The proposed Project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury;
  - C. The interest in property sought to be acquired by eminent domain is necessary for the proposed Project;
  - D. The City has complied with all conditions and statutory requirements necessary to exercise the power of eminent domain to acquire the property described herein, as

well as any other matter regarding the right to take said property by eminent domain, including but not limited to, making the offer required by Government Code Section 7267.2(a);

E. The City has fully complied with the California Environmental Quality Act, Public Resources Code Section 21000 et seq., for acquiring the property described herein when the City certified the Final Environmental Impact Report (“Final EIR”) for the Watson Ranch Specific Plan Project (State Clearinghouse No. 2015022030) on October 16, 2018. The Final EIR anticipated and analyzed the Easements to be acquired. Pursuant to CEQA Guidelines, Section 15162, no further environmental review is necessary because there are no changes in the project, changes in project circumstances or new information which would result in significantly increased or new environmental impacts, or changes in the feasibility of project alternatives or mitigation measures.; and

F. The Easements herein described are a portion of the larger parcel commonly known as assessor parcel numbers 059-030-007, 009.

G. This Resolution concerns the Vine Trail and the TCE only—acquisitions related to the extension of Newell Drive may be the subject of a Supplemental Resolution of Necessity.

7. The City Attorney and special counsel are hereby authorized to acquire in the name of the City the Easements described in this Resolution in accordance with the provisions of California Eminent Domain Law, to commence an action in eminent domain, to deposit the probable amount of compensation with the State Treasury, to apply to the Superior Court for an order permitting the City to take immediate possession and make immediate use of the property for the Project, and to take all necessary steps to acquire the property under the law.

**PASSED, APPROVED, AND ADOPTED** by the City Council of the City of American Canyon at a special meeting held this **7<sup>th</sup> day of January 2022** by the following vote:

AYES:  
NOES:  
ABSTAIN:  
ABSENT:

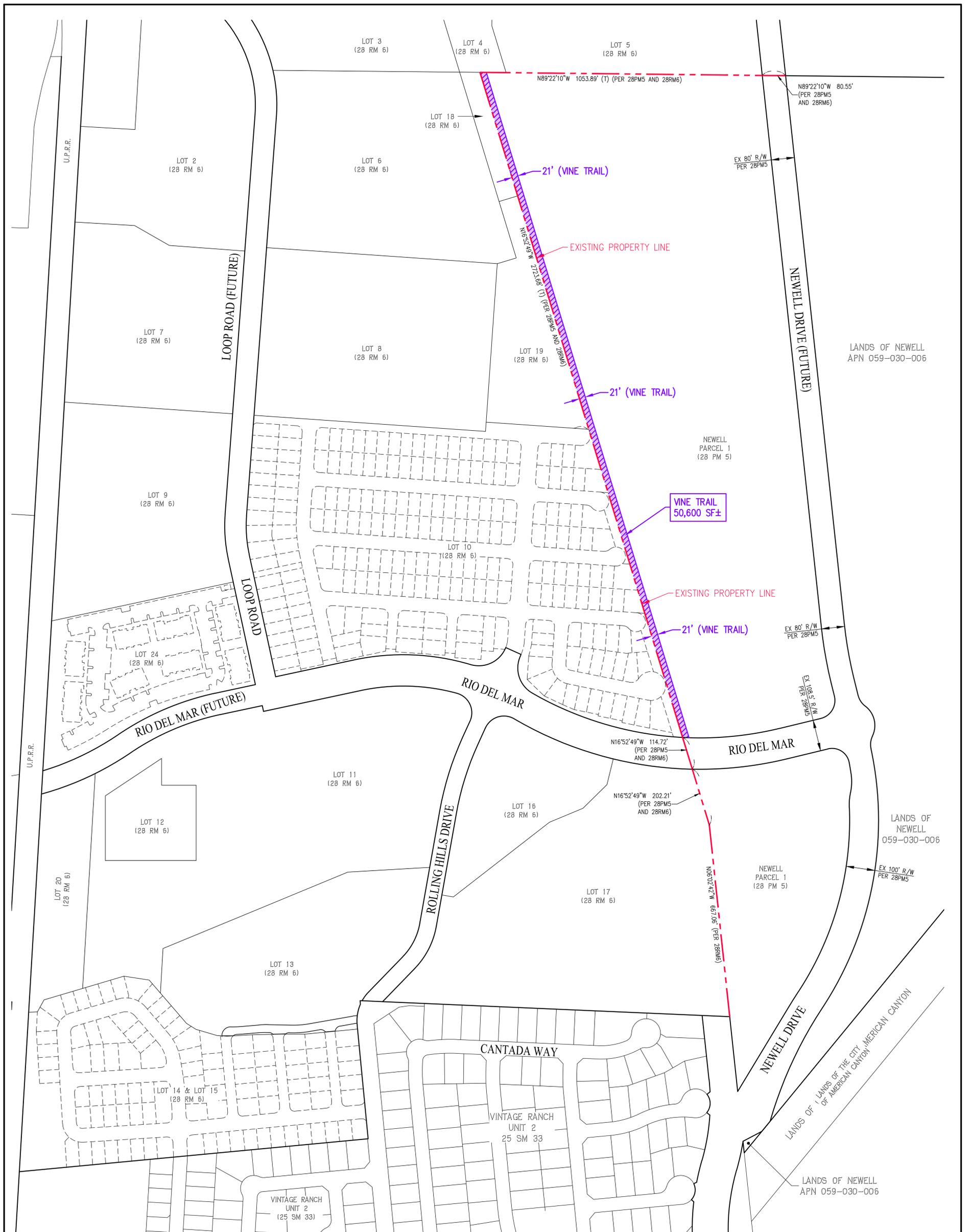
\_\_\_\_\_  
Leon Garcia, Mayor

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Taresa Geilfuss, City Clerk

\_\_\_\_\_  
William D. Ross, City Attorney

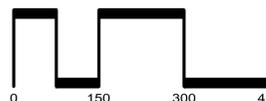


# VINE TRAIL NEWELL PROPERTY NORTH WATSON RANCH

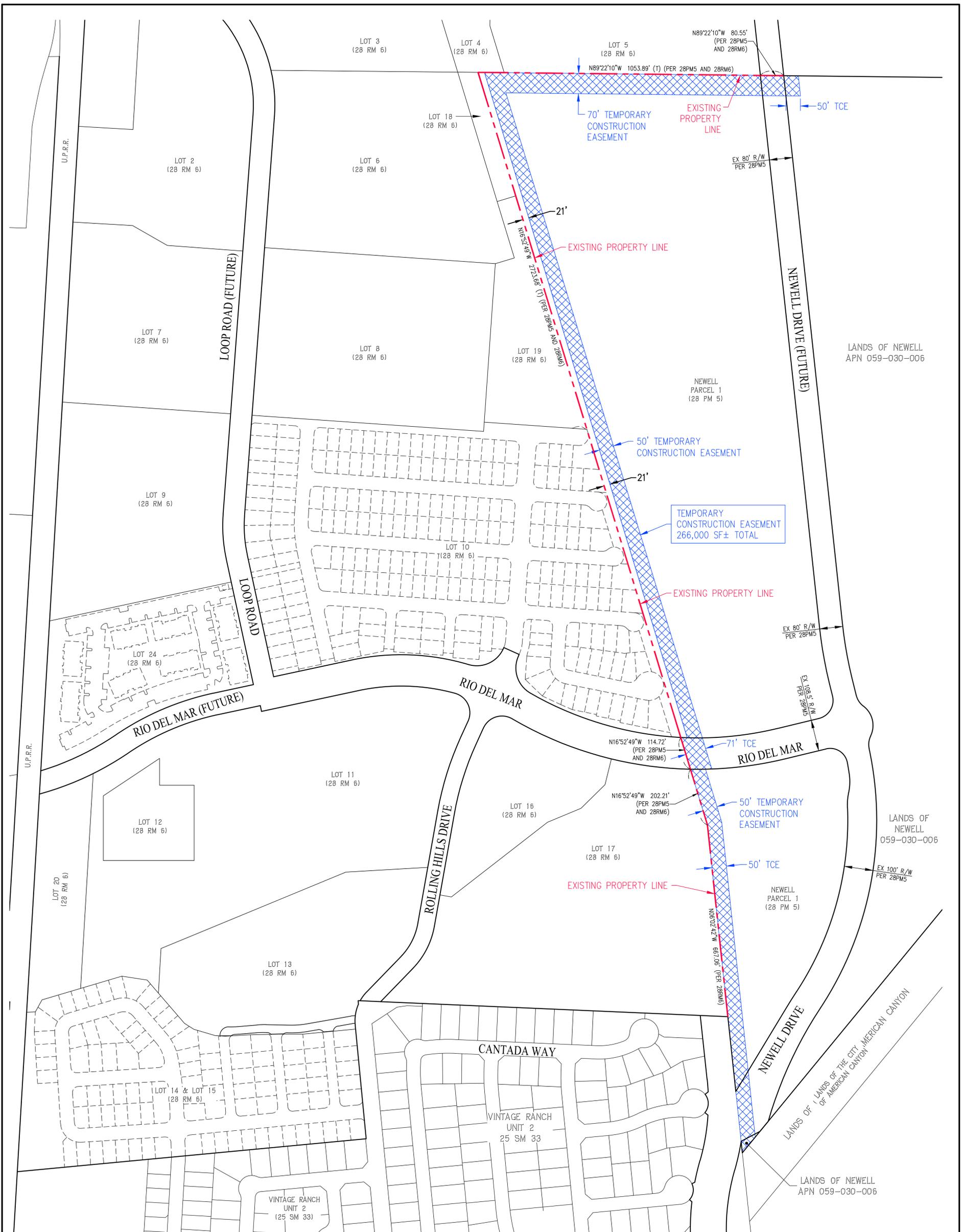
CITY OF AMERICAN CANYON NAPA COUNTY CALIFORNIA  
SCALE: 1"=150' DATE: DECEMBER 9, 2021

## LEGEND

-  EXISTING MAPPED PROPERTY LINE (BETWEEN THE NEWELL PROPERTY AND AC-1) PER 28PM5 OR 28RM6
-  EXISTING PROPERTY LINE AND/OR RIGHT-OF-WAY
-  21' VINE TRAIL (50,600 SF±)



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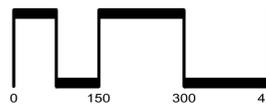


**LEGEND**

-  EXISTING MAPPED PROPERTY LINE (BETWEEN THE NEWELL PROPERTY AND AC-1) PER 28PM5 OR 28RM6
-  EXISTING PROPERTY LINE AND/OR RIGHT-OF-WAY
-  TEMPORARY CONSTRUCTION EASEMENT (EASEMENT WIDTH INDICATED ON EXHIBIT) 266,000 SF±
-  TCE TEMPORARY CONSTRUCTION EASEMENT

**TEMPORARY CONSTRUCTION EASEMENT  
NEWELL PROPERTY  
WATSON RANCH**

CITY OF AMERICAN CANYON NAPA COUNTY CALIFORNIA  
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December 10, 2021

**VIA E-MAIL**

[bryan.wenter@msrlegal.com](mailto:bryan.wenter@msrlegal.com)

[rbowles@bowlesverna.com](mailto:rbowles@bowlesverna.com)

Bryan Wenter  
Miller Starr Regalia  
1331 N. California Blvd., Fifth Floor  
Walnut Creek, CA 94596  
As legal representative of Pamela Smith,  
Frank Klobas, Jack Newell Jr., John Newell,  
Robin Newell, Walter A. Newell, Brittney A. Newell,  
Anita O'Brian, and Judy Ann Newell

Richard Bowles  
Bowles & Verna, LLP  
2121 N. California Blvd., Suite 875  
Walnut Creek, CA 94596  
As legal representative of  
Bernice Robertson

Re: Offer Pursuant to Government Code Section 7267.2 to Acquire Portions of APN 059-030-007, 009 Within the City of American Canyon

Dear Mr. Wenter and Mr. Bowles:

Per your direction, this offer Pursuant to Government Code section 7267.2 is being provided to you as the legal representatives of Pamela Smith, Bernice Robertson, Frank Klobas, Jack Newell Jr., John Newell, Robin Newell, Walter A. Newell, Brittney A. Newell, Anita O'Brian, and/or Judy Ann Newell (collectively "Owners") in their capacity as part owners and/or trustees of trusts with partial interests in real property identified as Assessor Parcel Numbers ("APNs") 059-030-007, 009 within the City of American Canyon ("City").

The City is offering to purchase a portion the Owners' property pursuant to California Government Code section 7267.2. As discussed further herein, the purpose of this letter is to transmit a formal offer to purchase real property interests from Owners.

The City proposes to acquire a portion of Owners' property located within the City commonly known as APNs 059-030-007, 009. Specifically, the City proposes to acquire a right of way easement of approximately 68,000 square feet, a trail easement of approximately 50,600 square feet, and temporary construction easement of approximately 266,000 square feet (collectively the "Easements") on Owners' property in order to facilitate the construction of the

Bryan Wenter, Esq.  
Richard Bowles, Esq.  
December 10, 2021  
Page 2

Watson Ranch Backbone Improvement Project, which will include the northern extension of Newell Drive and the construction of the Napa Valley Vine Trail (“Project”).

The City would prefer to resolve this matter by negotiated purchase. Government Code Section 7267.2 requires the City to make Owners’ an offer which represents the appraised fair market value of the property necessary for the Project. The City offers the sum of one hundred and seven thousand dollars (\$107,000.00) for the Easements, as described and depicted in Exhibit A, attached and incorporated by this reference. The Appraisal, attached and incorporated by this reference as Exhibit B, provides the basis for the value of the Easements. As provided in Government Code section 7267.2, the offer is conditioned upon the City Council of the City of American Canyon’s ratification of the offer by either execution of a contract of acquisition or adoption of a Resolution of Necessity.

The amount of the offer is predicated on the assumption that there exists no hazardous substance, product, waste, or other material of any nature that could impact the construction of the Project or use of the Easements. Furthermore, please be advised that the amount offered is subject to an environmental site inspection, and the cost to remediate any identified problems that may affect the valuation of the Easements.

Further, pursuant to Code of Civil Procedure section 1263.025(a), the City will pay the reasonable costs, not to exceed five thousand dollars (\$5,000.00), of an independent appraisal of the proposed acquisition, ordered by the Owners. To be eligible for reimbursement, the independent appraisal must be conducted by an appraiser licensed by the State Office of Real Estate Appraisers. In addition, pursuant to Code of Civil Procedure section 1263.615, the City is unable to offer Owners continued use of the property after acquisition because the City will begin the Project within two years of the acquisition. Finally, attached and incorporated by this reference as Exhibit C is an informational pamphlet describing the eminent domain process and Owners rights under the Eminent Domain Law.

As indicated, the City would like to resolve this matter with the Owners by agreement, as the City believes that a negotiated purchase best serves everyone’s interests. If the Owners are not satisfied with the City’s offer, please present the City any material believed to be relevant to the value of the described easements. These materials will be carefully considered by the City, and if, in the City’s opinion, the additional information warrants a change in the offer, the City’s offer will be adjusted accordingly.

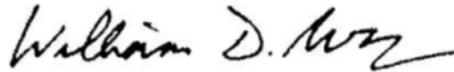
Please note that because the City needs to move the Project forward, the City will be taking the necessary procedural steps to acquire the Easement through eminent domain in the event that we are unable to come to terms on a negotiated purchase. Soon you may receive a notice of intention of the City Council to consider the adoption of a resolution of necessity at a publicly noticed City Council meeting. However, this is merely the next procedural step in the

Bryan Wenter, Esq.  
Richard Bowles, Esq.  
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process, and the City is not foreclosing continued negotiations by sending such notice or pursuing eminent domain.

Please contact me if you have any questions.

Very truly yours,

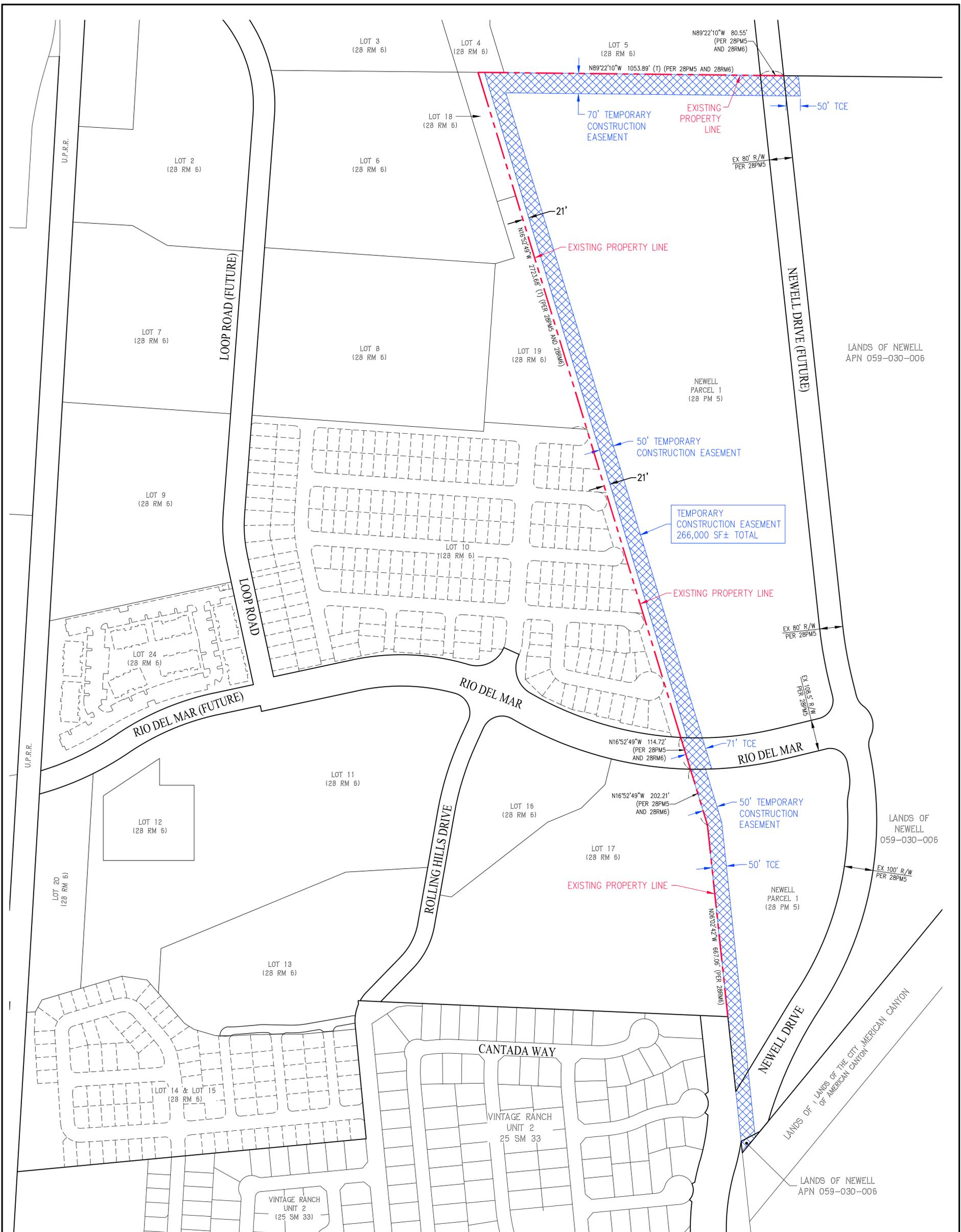
A handwritten signature in black ink that reads "William D. Ross". The signature is written in a cursive, flowing style.

William D. Ross  
City Attorney

Enclosures: Exhibit A – Property and Easement Descriptions  
Exhibit B – Appraisal  
Exhibit C – Eminent Domain Pamphlet

cc: Steve Reilly, Senior Vice President, Land Advisors Organization  
Chad Herrington, Esq., Burke, Williams & Sorensen LLP  
Jason B. Holley, City Manager, City of American Canyon  
Michael Durkee, Special Counsel

# **EXHIBIT A**

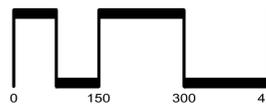


**LEGEND**

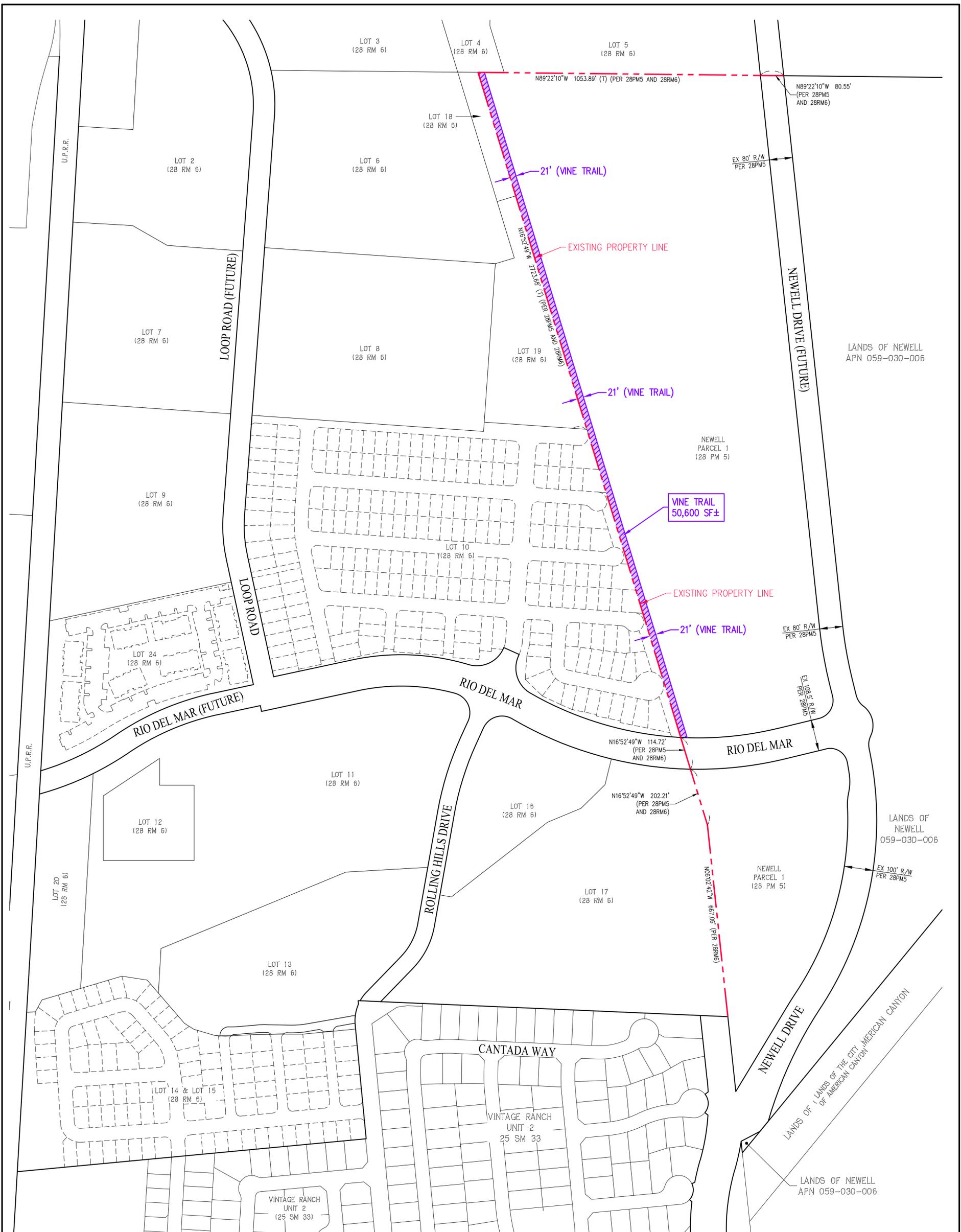
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-  EXISTING PROPERTY LINE AND/OR RIGHT-OF-WAY
-  TEMPORARY CONSTRUCTION EASEMENT (EASEMENT WIDTH INDICATED ON EXHIBIT) 266,000 SF±
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**TEMPORARY CONSTRUCTION EASEMENT  
NEWELL PROPERTY  
WATSON RANCH**

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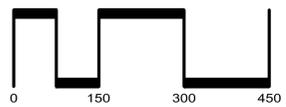


# VINE TRAIL NEWELL PROPERTY NORTH WATSON RANCH

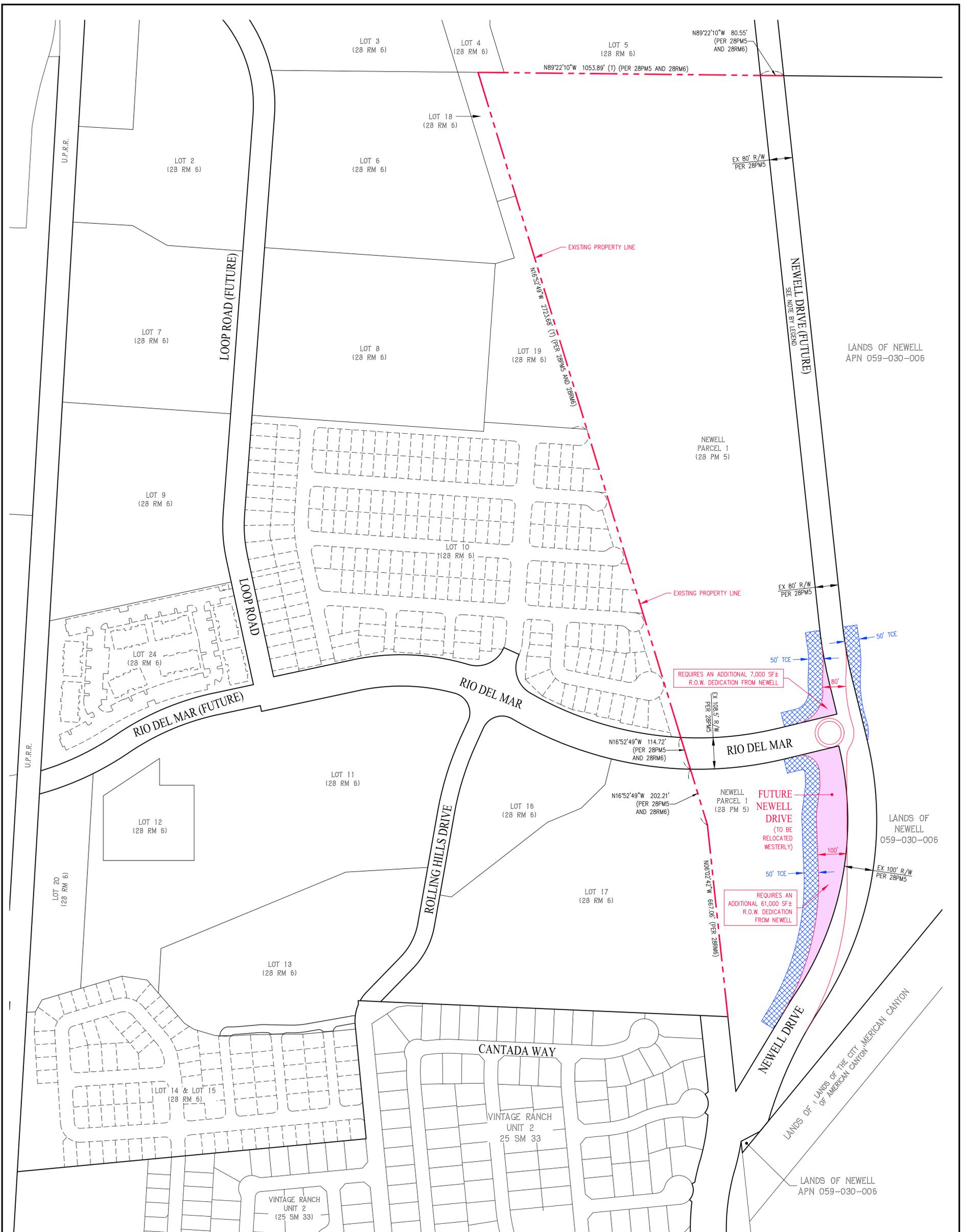
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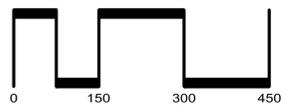
**LEGEND**

-  EXISTING MAPPED PROPERTY LINE (BETWEEN THE NEWELL PROPERTY AND AC-1) 28PM5 OR 28RM6
-  EXISTING PROPERTY LINE AND/OR RIGHT-OF-WAY
-  FUTURE NEWELL DRIVE RIGHT-OF-WAY LOCATED WESTERLY (TOTAL 68,000 SF±)
-  TEMPORARY CONSTRUCTION EASEMENT (EASEMENT WIDTH INDICATED ON EXHIBIT) 81,000 SF±
-  TCE TEMPORARY CONSTRUCTION EASEMENT

**NOTE:**  
 IF NEWELL DRIVE IS EXTENDED NORTHERLY BEYOND THE PROPOSED ROUND-ABOUT, ADDITIONAL TCE WILL BE REQUIRED ON THE EAST SIDE AND WEST SIDE OF NEWELL DRIVE (FUTURE) IN ORDER TO MATCH EXISTING CONDITIONS ALONG THE NEWELL PROPERTY.

**NEWELL DRIVE RE-ALIGNMENT  
 NEWELL PROPERTY  
 WATSON RANCH**

CITY OF AMERICAN CANYON NAPA COUNTY CALIFORNIA  
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 CIVIL ENGINEERS SURVEYORS PLANNERS

## EASEMENT DESCRIPTIONS

### RIGHT OF WAY EASEMENT

An easement for roads and public use, together with any and all appurtenances pertaining thereto, over, above, on, under, in, across, along and through that certain portion of the real property located in the City of American Canyon, County of Napa, State of California, more particularly described and depicted in this Exhibit A.

### TRAIL EASEMENT

An easement to construct, maintain, and operate a public trail and associated open space to be used by pedestrians, hikers, and cyclists. The City may also allow use of the trail easement by motorized vehicles necessary for maintenance of the trail easement or for public health or safety, as determined by the City. The easement also includes the perpetual right of City for access to construct, install, maintain and repair the trail that will be established within the trail easement area, including the installation of certain trail improvements, including but not limited to, signs, markers, and erosion-controlled related improvements.

### TEMPORARY CONSTRUCTIONS EASEMENT

A temporary construction easement (“TCE”) allowing the City of American Canyon (“City”), its successors and assigns, the right, on a temporary basis, to enter and utilize certain real property located in the City of American Canyon, County of Napa, State of California, more particularly described and depicted in this Exhibit A, for the purpose of constructing the Watson Ranch Backbone Improvement Project, which will include the northern extension of Newell Drive and the construction of the Napa Valley Vine Trail (“Project”). The TCE shall include, without limitation, the right and privilege of City and its employees, agents, representatives, contractors, subcontractors, and workmen (collectively “Authorized Personnel”) to: (i) use, control, and occupy the TCE in order to perform all activities as may be necessary for construction of the Project; (ii) use and temporarily place and operate tools, equipment, machinery, and materials on and within the TCE area; (iii) trim, cut, or clear away any trees, brush, or other vegetation or flora within the TCE area. Hereinafter, items (i)-(iii) shall be collectively referred to as the “Work.”

The TCE term shall be for a period not to exceed three (3) months. Actual physical use of and occupation of the TCE area for Project construction purposes, and all uses appurtenant thereto, shall commence following written notice provided to the property owner(s) by the City or Authorized Personnel. At the expiration of the TCE term, the City shall restore such property to a condition as near as practicable to the condition that existed immediately prior to City’s operations. The City, however, shall not be required to restore vegetation to the pre-existing condition. The City will at all times during the TCE term allow the property owner(s) to have and maintain reasonable access to and from the larger parcel. Upon completion of the Work, City will cause all of the equipment, materials, tools, trash, and debris to be removed from the TCE area.

In no event shall the term of the TCE extend beyond December 31, 2024.

# **EXHIBIT B**

# APPRAISAL REPORT

WATSON RANCH  
NEQ OF NEWELL DRIVE AND DONALDSON WAY  
AMERICAN CANYON, CALIFORNIA 94503  
CBRE GROUP, INC. FILE NO. 21-361RW-0340-1

CITY OF AMERICAN CANYON



500 Capitol Mall, Suite 2400  
Sacramento, CA 95814

T 916-446-6800  
F 916-446-8794

[www.cbre.com](http://www.cbre.com)

November 11, 2021

Mr. William D. Ross  
CITY OF AMERICAN CANYON  
400 Lambert Ave  
Palo Alto, CA 94306

RE: Appraisal of: Watson Ranch  
NEQ of Newell Drive and Donaldson Way  
American Canyon, Napa County, California  
CBRE, Inc. File No. 21-361RW-0340-1

Dear Mr. Ross:

At your request and authorization, CBRE, Inc. has prepared an appraisal of the market value of the referenced property. Our analysis is presented in the following Appraisal Report.

The subject larger parcel is a 56.97-acre (2,481,697 sq. ft.) tract of land comprising two parcels, located at the northeast quadrant of the intersection of Newell Drive and Donaldson Way in American Canyon, California.

The City of American Canyon intends to acquire a fee acquisition, a vine trail easement, and a temporary construction easement (TCE) in conjunction with the Watson Ranch Backbone Improvement Project (Phase 1A) in American Canyon, California.

Based on the analysis contained in the following report, the appraiser's opinion of total compensation is concluded as follows:

<b>CONCLUDED MARKET VALUE</b>	
Larger Parcel (Land and Affected Improvements)	\$1,232,610
Land Acquired	\$57,649
Site Improvements Acquired	<u>\$0</u>
Part Acquired	\$57,649
Remainder Before Consideration of Damages	\$1,174,961
Remainder After Consideration of Damages	\$1,129,400
Net Damages or Benefits	\$45,561
Net Cost to Cure	\$0
Temporary Easements	<u>\$3,303</u>
Total Fair Market Value	\$106,513
<b>Total Fair Market Value (rounded)</b>	<b>\$107,000</b>

### SALIENT POINTS

- Based on CA case law, when a city would lawfully have conditioned development of property upon the owner's dedication of a portion of the property to mitigate the impacts of the development, the fair market value of that portion in a subsequent condemnation action is its value in its undeveloped, agricultural state, rather than in its highest and best developed state. The rationale for this rule is that because the owner could not develop the portion of land subject to dedication, no willing buyer would purchase that portion for more than its undeveloped value, and therefore that is what the acquiring agency should pay. In order for this valuation approach to apply, the dedication requirement must be constitutional (roughly proportional and rationally related to the impacts from the proposed development), and it must be reasonably probable that the condemning agency would actually impose the dedication requirement as a condition of development.

Based on the appraiser's discussions with the client and the appraiser's analysis of the applicable fact set, the value of the property rights being sought in this instance will be based on the property's undeveloped value. The property is valued based on two zones of value: agricultural and rural residential.

The report, in its entirety, including all assumptions and limiting conditions, is an integral part of, and inseparable from, this letter. The following appraisal sets forth the most pertinent data gathered, the techniques employed, and the reasoning leading to the opinion of value. The analyses, opinions and conclusions were developed based on, and this report has been prepared in conformance with, the guidelines and recommendations set forth in the Uniform Standards of Professional Appraisal Practice (USPAP), and the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.

The appraisal problem, as applied to the subject, is to determine the property's fair market value which is defined as: A) "Fair market value of the property taken is the highest price on the date of valuation that would be agreed to by a seller, being willing to sell but under no particular or urgent necessity for so doing, nor obliged to sell, and a buyer, being ready, willing, and able to

buy but under no particular necessity for so doing, each dealing with the other with full knowledge of all the uses and purposes for which the property is reasonably adaptable and available.” B) The fair market value of a property taken for which there is no relevant market is its value on the date of valuation as determined by any method of valuation that is just and equitable. (California Code, Code of Civil Procedure - CCP § 1263.320)

The intended use and user of our report are specifically identified in our report as agreed upon in my contract for services and/or reliance language retained in the appraiser’s work file. As a condition to being granted the status of an intended user, any intended user who has not entered into a written agreement with CBRE in connection with its use of our report agrees to be bound by the terms and conditions of the agreement between CBRE and the client who ordered the report. No other use or user of the report is permitted by any other party for any other purpose. Dissemination of this report by any party to any non-intended users does not extend reliance to any such party, and CBRE will not be responsible for any unauthorized use of or reliance upon the report, its conclusions or contents (or any portion thereof).

The report is not the appraisal but is the reporting of the appraisal to the named client or named intended user. Anyone else who attempts to rely on an appraisal report that is not a named user may be misled by the report. If you are not the client, you have no way of knowing if a later appraisal was done that replaces this report. Any changes will result in a different report date. Accordingly, this document may no longer contain the appraisers’ opinions. Any subsequent reports, with a later report date, voids this document even to the client or intended user.

It has been a pleasure to assist you in this assignment. If you have any questions concerning the analysis, or if CBRE can be of further service, please contact us.

Respectfully submitted,

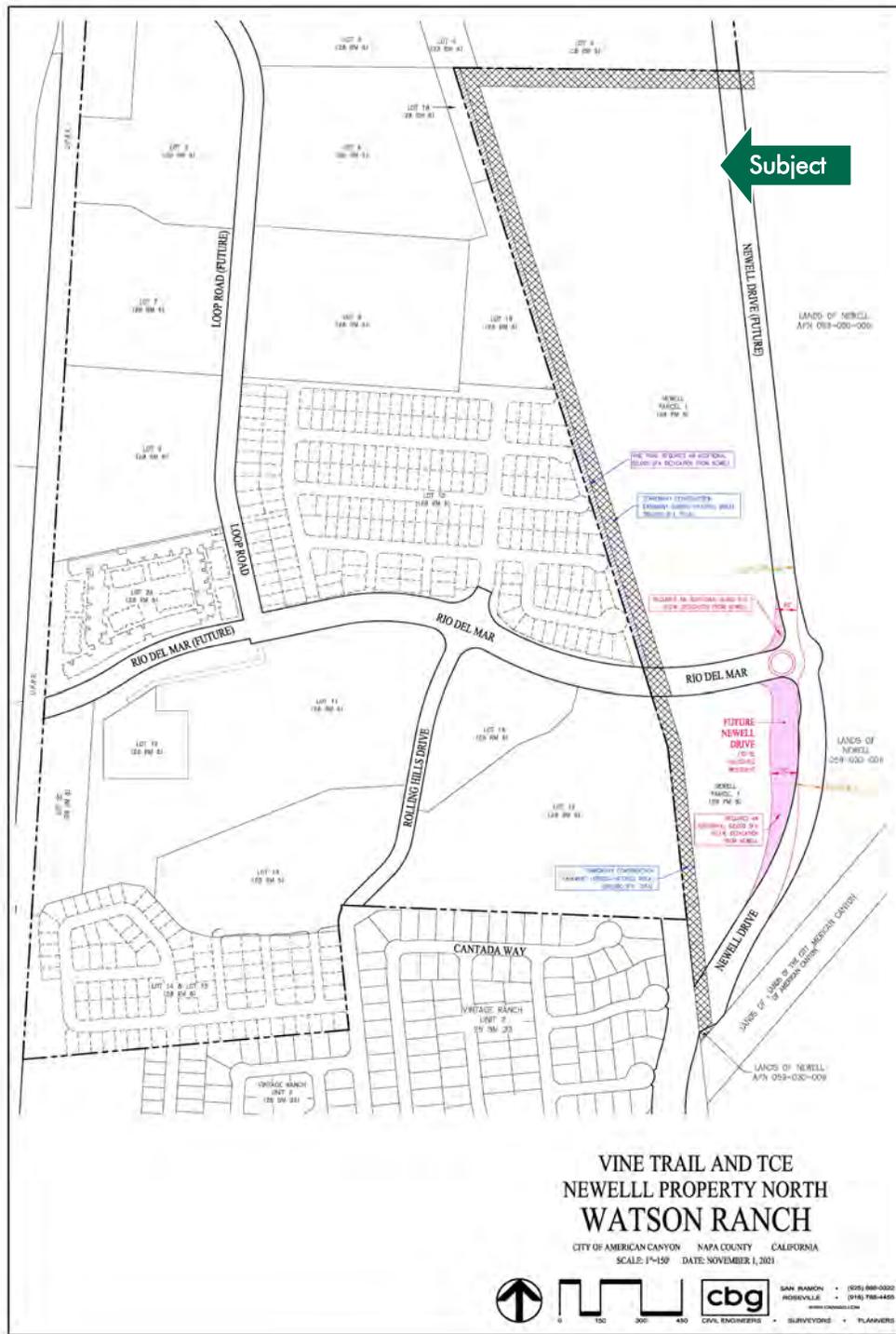
CBRE - VALUATION & ADVISORY SERVICES



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Steve Parent, MAI, SR/WA, R/W-AC, AI-GRS  
Director of Right of Way, Western Region  
CA Certification No. AG042853  
Phone: (916) 919-7262  
Email: [steve.parent@cbre.com](mailto:steve.parent@cbre.com)

# Subject Aerial with Acquisition Overlay



Note: Boundaries are approximate for visual reference only. Does not constitute a survey.

**Aerial View of Subject Larger Parcel, the Impacted Parcel and the Acquisition**

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**ADDENDA**

- A Land Sale Data Sheets - Residential
- B Land Sale Data Sheets - Agricultural
- C Qualifications

## Certification

We certify to the best of our knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial and unbiased professional analyses, opinions, and conclusions.
3. We have no present or prospective interest in or bias with respect to the property that is the subject of this report and have no personal interest in or bias with respect to the parties involved with this assignment.
4. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
5. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
6. This appraisal assignment was not based upon a requested minimum valuation, a specific valuation, or the approval of a loan.
7. Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice, as well as the requirements of the State of California.
8. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
9. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
10. As of the date of this report, Steve Parent has completed the continuing education program and the Standards and Ethics Education Requirements for Designated Members of the Appraisal Institute.
11. Steve Parent inspected the subject property.
12. Bailey Wegener and Leona Schaffer provided significant real property appraisal assistance to the persons signing this report.
13. Valuation & Advisory Services operates as an independent economic entity within CBRE, Inc. Although employees of other CBRE, Inc. divisions may be contacted as a part of our routine market research investigations, absolute client confidentiality and privacy were maintained at all times with regard to this assignment without conflict of interest.
14. Steve Parent has previously appraised the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.



---

Steve Parent, MAI, SR/WA, R/W-AC, AI-GRS  
CA Certification No. AG042853

## Executive Summary

<b>INTRODUCTION</b>			
<b>Date of the Report</b>	November 11, 2021		
<b>Effective Date</b>	August 31, 2021		
<b>Client Name</b>	City of American Canyon		
Representative	William D. Ross		
Address	400 Lambert Ave Palo Alto, CA 94306		
<b>Subject Location</b>	NEQ Newell Dr & Donaldson Way Proximate to American Canyon, Napa County, CA		
<b>Owner</b>	Pamela Smith		
<b>Tax IDs (Impacted Only)</b>	059-030-007		
<b>Property Rights Appraised</b>	Fee Simple Estate subject to existing encumbrances		
<b>Rights Being Acquired</b>	Fee Acquisition		
<b>Current Use of Subject</b>	Vacant		
<b>Highest and Best Use</b>			
As Vacant	Agricultural, Residential, and Recreational		
As Improved	Continuation of existing use		
of Acquisition	As part of the Whole Property		
<b>Estimated Exposure Time</b>	12 Months		
<b>Buyer Profile</b>	Investor-Local		
<b>LAND AREAS</b>			
<b>Whole Property</b>	56.972	AC	2,481,700 SF
Fee Area	56.972	AC	2,481,700 SF
<b>Part Acquired</b>			
Right of Way (Northern Acquisition Area)	0.138	AC	6,000 SF
Right of Way (Southern Acquisition Area)	1.423	AC	62,000 SF
Vine Trail Easement	1.162	AC	50,600 SF
<b>Remainder Property</b>			
Fee Area Remaining	54.249	AC	2,363,100 SF
Easement Area Remaining	1.162	AC	50,600 SF
<b>Remainder Total Size</b>	55.411	AC	2,413,700 SF
Temporary Construction Easement - Northern Area	4.844	AC	211,000 SF
Temporary Construction Easement - Southern Area	1.263	AC	55,000 SF
<b>CONCLUDED MARKET VALUE</b>			
Larger Parcel (Land and Affected Improvements)	\$1,232,610		
Land Acquired			\$57,649
Site Improvements Acquired			<u>\$0</u>
Part Acquired			\$57,649
Remainder Before Consideration of Damages	\$1,174,961		
Remainder After Consideration of Damages	\$1,129,400		
Net Damages or Benefits			\$45,561
Net Cost to Cure			\$0
Temporary Easements			<u>\$3,303</u>
Total Fair Market Value			\$106,513
<b>Total Fair Market Value (rounded)</b>			<b>\$107,000</b>

## COVID-19 EFFECTS ON THE MARKET

As of the date of value and the date of this report, the nation, region, and market area are impacted by the COVID-19 pandemic. This could have a prolonged effect on macroeconomic conditions, though at this time the length of duration is unknown. However, presumably, forward looking economic conditions appear to be positive now that a vaccine has been developed and is being distributed nationally. The perceived impact on real estate varies on several factors including asset class, use, tenancy, and location. Our analysis considers available information as of the effective date. The local impact on the subject market is further discussed in the Market Analysis section of this report.

### Extraordinary Assumptions and Hypothetical Conditions

An extraordinary assumption is defined as “an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser’s opinions or conclusions.”<sup>1</sup>

A hypothetical condition is defined as “a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purposes of analysis.”<sup>2</sup>

The use of these assumptions and conditions may affect the assignment results. Should any assumptions or conditions be found to be false the opinion or conclusions contained in this report could be altered.

---

<sup>1</sup> The Appraisal Foundation, *USPAP*

<sup>2</sup> The Appraisal Foundation, *USPAP*

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**SPECIAL ASSUMPTIONS**

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**EXTRAORDINARY ASSUMPTIONS: uncertain information; could alter conclusions**

- We have relied on public records and exhibits provided by the client for the land area size utilized in this assignment and we assume this information to be correct.
- The contractor shall provide a reasonable means for property owner adjacent to construction to access properties at all times. A minimum of one driveway shall remain open during project construction. Additionally, the contractor shall coordinate any driveway closures with the property owners before removing access. Vehicle and pedestrian access to driveways and commercial businesses along the streets and easements within the project shall be maintained during construction.
- CBRE, Inc. is not qualified to detect the existence of potentially hazardous material or underground storage tanks which may be present on or near the site. The existence of hazardous materials or underground storage tanks may affect the value of the property. For this appraisal, CBRE, Inc. has specifically assumed that the property is not affected by any hazardous materials that may be present on or near the property. The use of this assumption may affect the assignment results.
- A soils analysis for the site has not been provided for the preparation of this appraisal. In the absence of a soils report, it is a specific assumption that the site has adequate soils to support the highest and best use.
- It is assumed that any underground improvements or other improvements which are not visible to the appraiser will not be impacted by the project. Any impact to such improvements will require modification of this analysis or separate agreement between the property owner and the client.
- The valuation of subsurface mineral rights is outside the scope of this assignment. CBRE is aware that some properties in the area may benefit from the sub-surface mineral commodities located in the area which potentially contain resources which, if extracted, could contribute to the value of the property. We suggest the client contact an appropriate geological professional to determine the possible benefits, if any, of the subject's subsurface rights. The value conclusion(s) presented in this report, specifically exclude any subsurface mineral rights. The assumption is made that the comparable sales utilized in this report excluded mineral rights and/or value attributed to mineral rights, unless otherwise stated in the Discussion/Analysis of Sales section(s).

**HYPOTHETICAL CONDITIONS: contrary to what is known but used for purpose of analysis**

- The value of the remainder after the acquisition is subject to the Hypothetical Condition that, as of the effective date of appraisal, the proposed project has been constructed according to the specifications provided by the client.
  - In the appraisal of property for eminent domain, numerous court cases, have established that project influence (both positive and negative) should be disregarded in the value of the property before the acquisition. Therefore, the appraiser has excluded consideration of any effect the project may have on the property. This requires the appraiser to analyze the property based on a condition that is contrary to what currently exists but is accepted appraisal practice.
-

## OWNERSHIP

The summary of ownership information is listed in the table below.

<b>OWNERSHIP SUMMARY</b>	
	Current
Owner:	Pamela Smith
Date Purchased:	N/A
Purchase Price:	N/A
Legal Reference	N/A
County/Locality Name:	Napa
Pending Sale:	No
Change of Ownership - Past 5 Years	No
Compiled by CBRE	

No listings apply, the property is not for sale, and no written offers to purchase have been received within the last 5 years.

## OWNER CONTACT

No contact was made with the property owner.

<b>OWNER AND CONTACTS</b>	
Owner Name	Pamela Smith
Owner Address	533 Soscol Ave #100
Owner City, State, Zip	Napa, CA 94559
Primary Contact	Pamela Smith
Contact Phone	N/Av
Contact Email	N/Av
Occupancy	Tenant
Compiled by CBRE	

## Scope of Work

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### APPRAISAL ASSIGNMENT

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<b>Guidance</b>	- The analyses, opinions and conclusions were developed based on, and this report has been prepared in conformance with, the guidelines and recommendations set forth in the Uniform Standards of Professional Appraisal Practice (USPAP), USPAP reporting Standard 2-2, and the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
<b>Project Name</b>	- Watson Ranch Backbone Improvement Project
<b>Intended User</b>	- This appraisal is to be used by the City of American Canyon.
<b>Intended Use</b>	- This report is intended only for use in conjunction with property acquisition for the proposed project. No other use or user of the report is permitted by any other party for any other purpose. Dissemination of this report by any party to any non-intended users does not extend reliance to any such party, and CBRE will not be responsible for any unauthorized use of or reliance upon the report, its conclusions or contents (or any portion thereof). Parties who receive or might receive a copy of the appraisal are not necessarily intended users. The appraiser's responsibility is to the intended users identified in the report, not to all readers of the appraisal report.
<b>Market Value Definition</b>	<p>A) Fair market value of the property taken is the highest price on the date of valuation that would be agreed to by a seller, being willing to sell but under no particular or urgent necessity for so doing, nor obliged to sell, and a buyer, being ready, willing, and able to buy but under no particular necessity for so doing, each dealing with the other with full knowledge of all the uses and purposes for which the property is reasonably adaptable and available.</p> <p>B) The fair market value of a property taken for which there is no relevant market is its value on the date of valuation as determined by any method of valuation that is just and equitable. (California Code, Code of Civil Procedure - CCP § 1263.320)</p>

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### CLIENT

The client is City of American Canyon.

## INTEREST APPRAISED

INTERESTS APPRAISED	
<b>Fee Simple Estate</b>	Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power and escheat. <i>Dictionary of Real Estate Appraisal, Sixth Edition, 2015, page 90</i>
<b>Easement</b>	The right to use another's land for a stated purpose. <i>Dictionary of Real Estate Appraisal, Sixth Edition, 2015, page 71</i>
<b>Temporary Easement</b>	An easement granted for a specific purpose and applicable for a specific time period. A construction easement, for example, is terminated after the construction of the improvement and the unencumbered fee interest in the land reverts to the owner. <i>Dictionary of Real Estate Appraisal, Sixth Edition, 2015, page 231</i>

The interest appraised includes the value of the rights to the fee owner, considering existing easements, encumbrances, and restrictions. The value of any mineral estate is excluded from this valuation, unless otherwise stated.

### Extent to Which the Property is Identified

The property is identified through the following sources:

- postal address
- assessor's records
- legal description

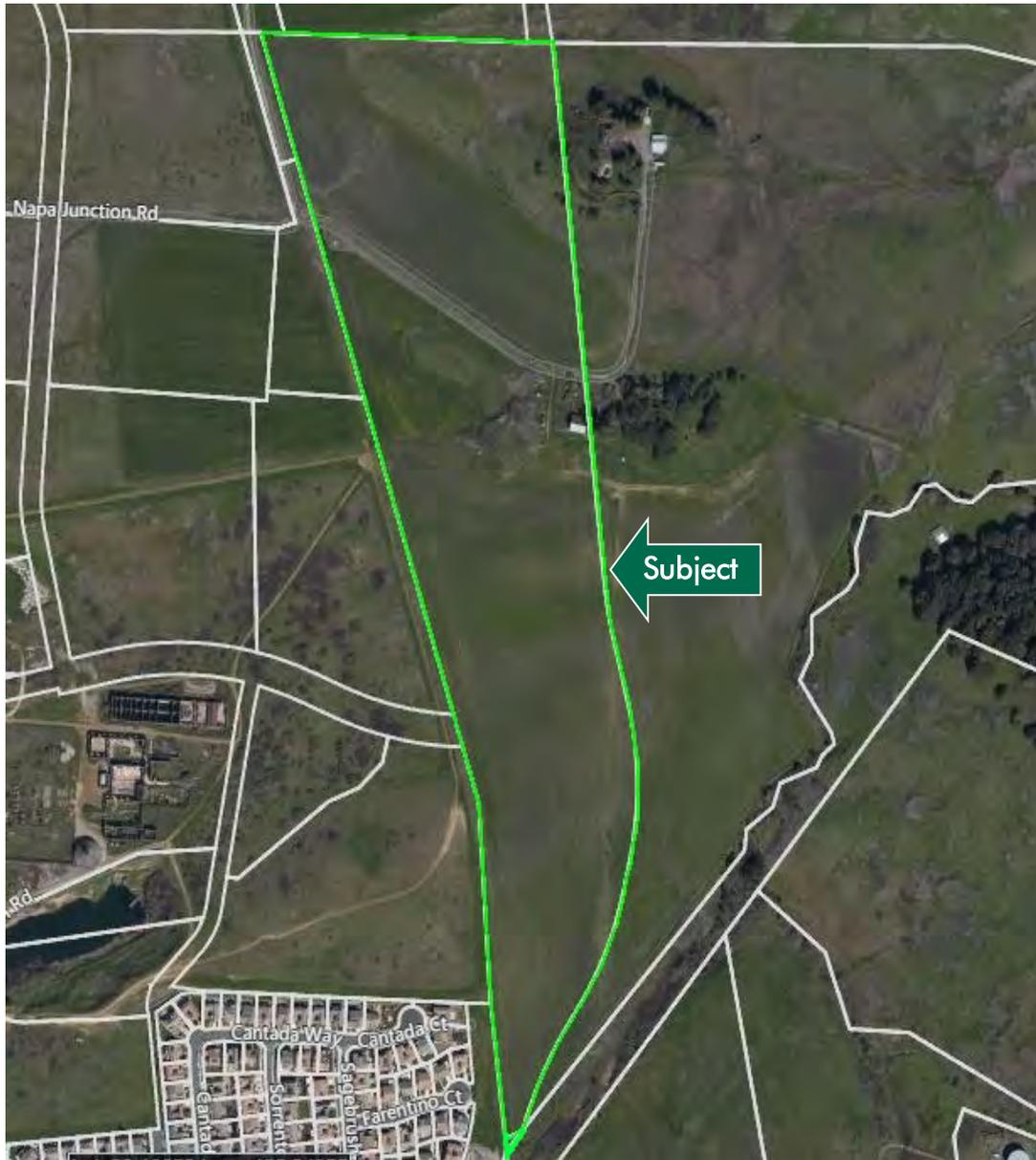
### Identification of the Larger Parcel

The value of a property cannot be estimated without a determination of the property to be appraised. In some cases, multiple tax parcels are utilized together in one use or a larger tract of land may be legally, economically and physically divisible into smaller economic units. The three tests to determine the "larger parcel" to be valued in an appraisal are:

- Unity of Title - control by a single entity, individual, or group. Title is largely a legal question.
- Unity of Use - an integrated highest and best use separate from surrounding land. Multiple tracts can have the same use but be separate tracts, such as platted lots. Use is an economic question that is dependent upon supply and demand, availability of substitutes and other economic principles.
- Proximity - contiguous tracts or proximate tracts that are used together. Subordinate to Unity of Use.

In this case, the larger parcel identified for valuation purposes of this assignment is 56.97 acres of land (APNs: 059-030-007, 009 – 56.94 and 0.03 acres respectively). The property owner also holds title to the easterly adjacent property. Based on market considerations, it is maximally productive to sell the properties separately. As such, this parcel has not been included in the larger parcel. The larger parcel (APNs: 059-030-007, 009) includes 56.97 acres.

**SUBJECT AERIAL VIEW**



Source: Landvision. Boundary lines are approximate for visual reference only and do not constitute a survey.

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**SUBJECT IDENTIFICATION**


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<b>Subject Description</b>	The subject larger parcel is a 56.97-acre (2,481,697 sq. ft.) tract of land comprising two parcels, located at the northeast corner of the intersection of Newell Drive and Donaldson Way in American Canyon, California.
<b>Property Type</b>	Land
<b>Primary Improvements</b>	Not applicable
<b>Improvement Impact</b>	Not applicable
<b>Sale History</b>	Based on our research, the subject property does not have any available sale history.
<b>Listing Activity</b>	The subject is not known to be listed or under contract for sale or option.

### Extent to Which the Property is Inspected

The extent of the inspection included an on-site visit with photography. Inspections were conducted as follows:

Steve Parent personally conducted an on-site inspection on August 31, 2021.

### Furniture, Fixtures and Equipment (Personal Property)

As of the effective date, there is no personal property in the proposed acquisition areas.

### Effective Date

The effective date is the most recent date of inspection.

### Type and Extent of the Data Researched

CBRE reviewed the following:

- title report
- applicable tax data
- zoning requirements
- flood zone status
- demographics
- income and expense data
- comparable data

### Type and Extent of Analysis Applied

CBRE, Inc. analyzed the data gathered through the use of appropriate and accepted appraisal methodology to arrive at a probable value indication via each applicable approach to value. The steps required to complete each approach are discussed in the methodology section.

Data Resources Utilized in the Analysis

<b>DATA SOURCES</b>	
<i>Item:</i>	<i>Source(s):</i>
<b>Site Data</b>	
Whole Property and Acquisition Size	Public Records and Project Maps
Remainder Size	Public Records and Project Maps
Floodplain	FEMA
Zoning	City of American Canyon
Site Improvement Sizes	Public Records and Aerial Measurements
Easements	None known
Compiled by CBRE	

## Subject Photographs



Looking west from Newell Drive



View of the subject – facing northwest from Newell Drive



View of the southern portion of the larger parcel – facing west



View of the southern portion of the larger parcel – facing generally south



View of the subject – facing generally north



View from the southern portion of the larger parcel – facing north

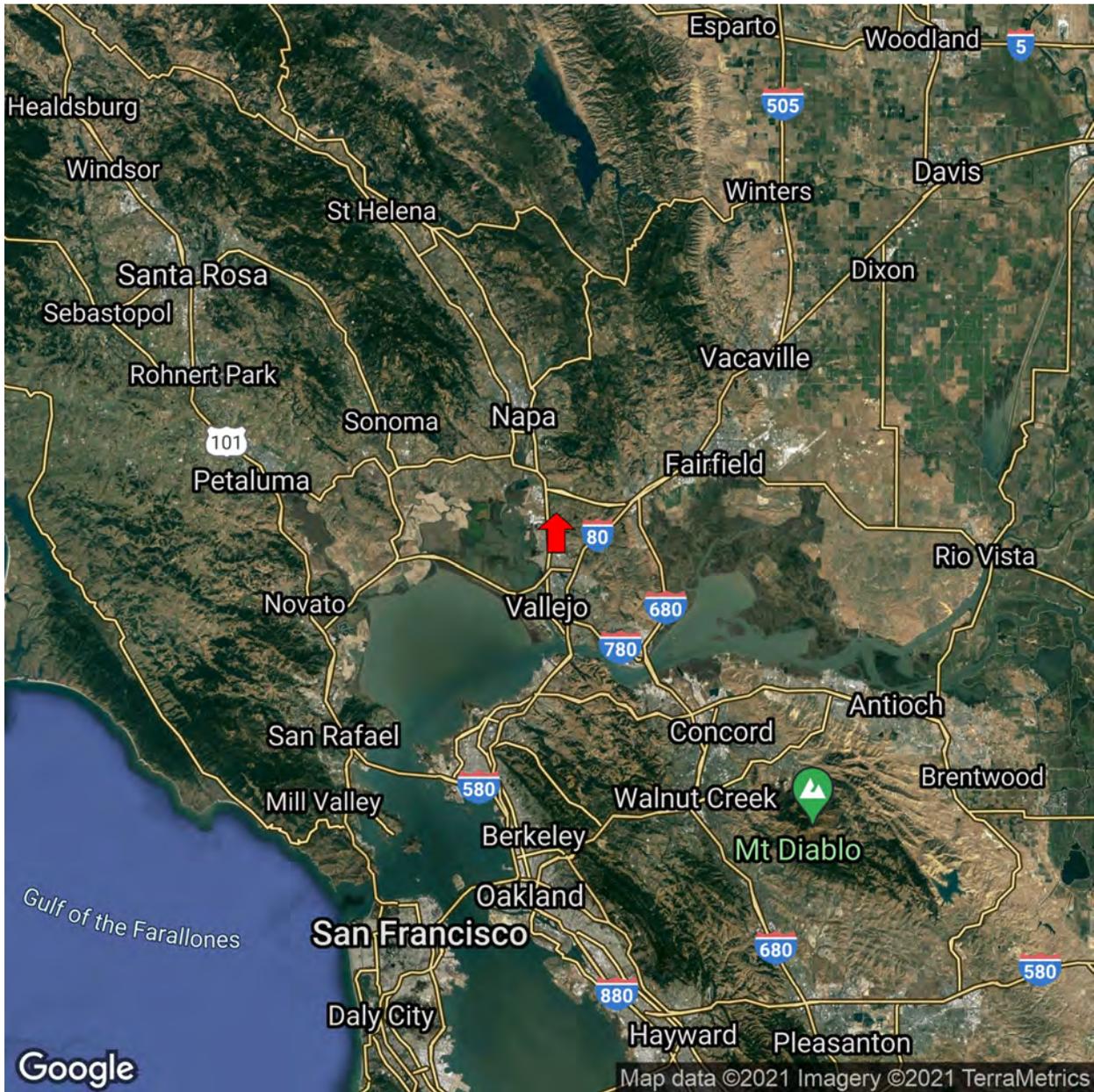


View of the subject – facing northeast



View of the subject – looking west

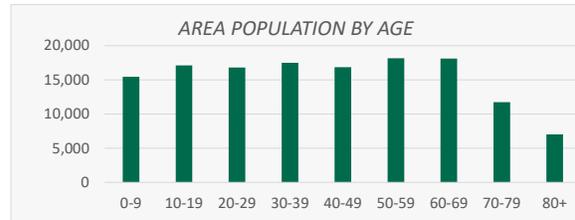
## Area Analysis



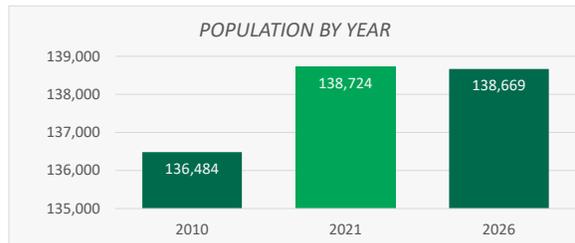
The subject is located in the Napa County. Key information about the area is provided in the following tables.

**POPULATION**

The area has a population of 138,724 and a median age of 42, with the largest population group in the 50-59 age range and the smallest population in the 80+ age range.



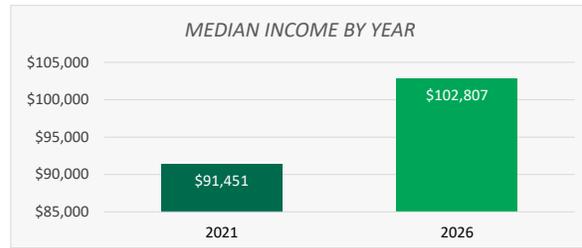
Population has increased by 2,240 since 2010, reflecting an increase of 0.3%. Population is projected to decrease by an additional -55 by 2026, reflecting 0.0% population growth.



Compiled by CBRE; Source: Esri

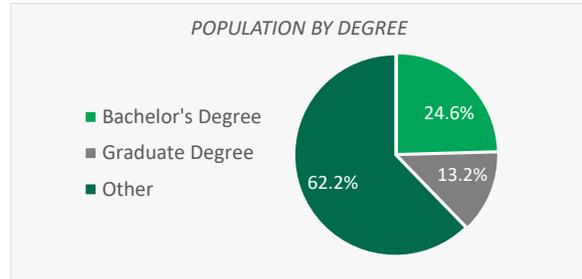
### INCOME

The area features an average household income of \$127,103 and a median household income of \$91,451. Over the next five years, median household income is expected to increase by 12.4%, or \$2,271 per annum.

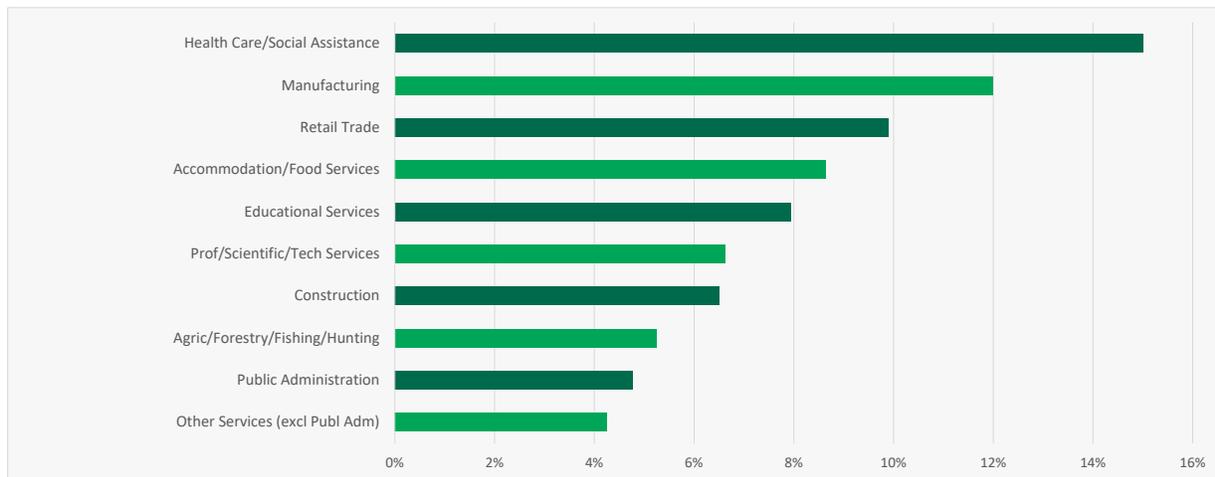


### EDUCATION

A total of 37.8% of individuals over the age of 24 have a college degree, with 24.6% holding a bachelor's degree and 13.2% holding a graduate degree.



### EMPLOYMENT



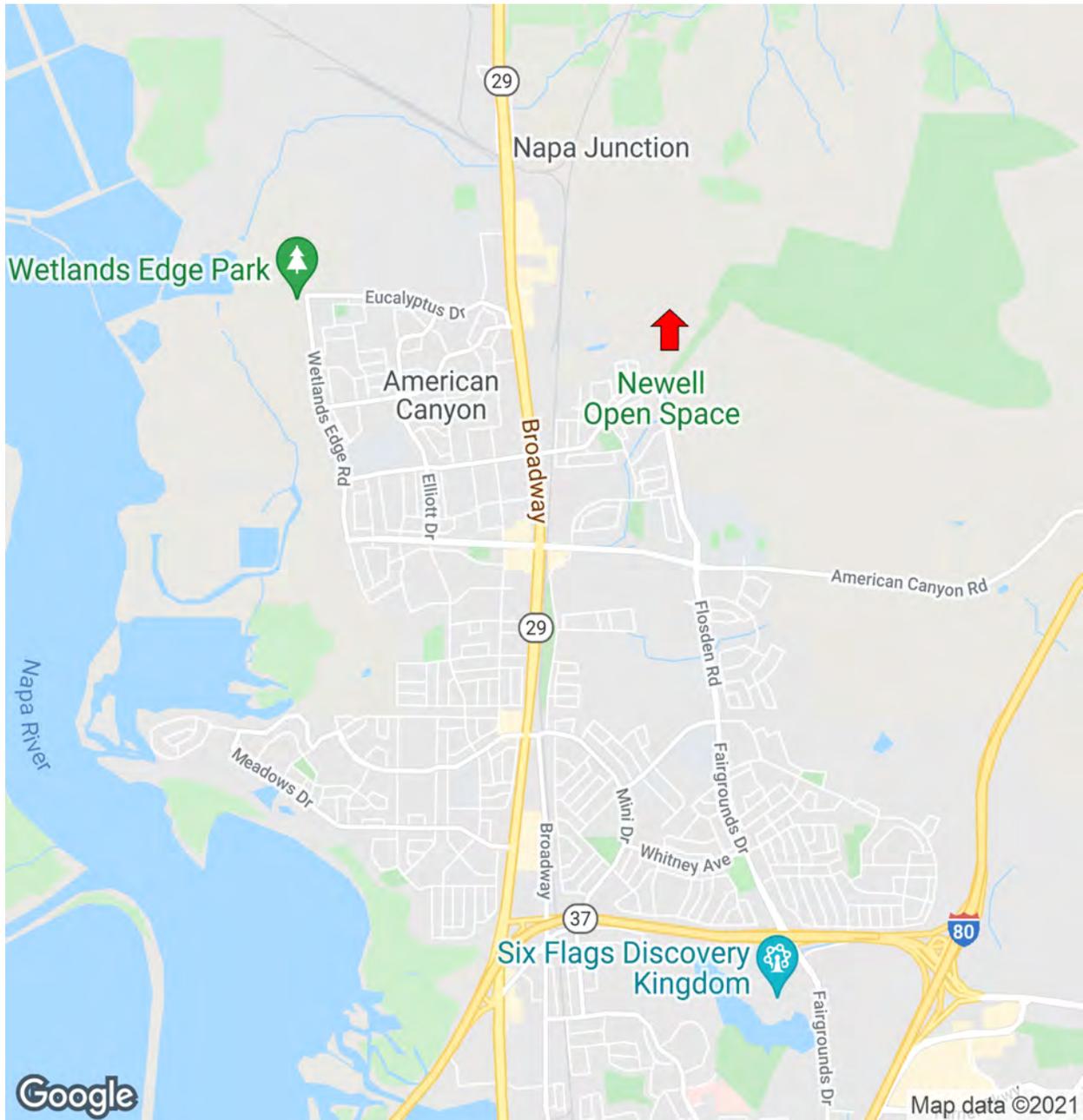
The area includes a total of 70,143 employees and has a 6.0% unemployment rate. The top three industries within the area are Health Care/Social Assistance, Manufacturing and Retail Trade, which represent a combined total of 37% of the population.

Compiled by CBRE; Source: Esri

### CONCLUSION

In summary, the area is forecasted to experience an increase in household income, with steady population levels.

## Neighborhood Analysis



## LOCATION

The subject area is in the northeastern side of American Canyon and to the east of Lincoln Highway (Hwy 29). It is part of the approved Watson Ranch Specific Plan, a detailed plan for the land use and policy framework for the future development of 309 acres. American Canyon is in southern Napa County, and is located close to the wineries in Napa Valley to the north, and Sonoma County to the west. Other attractions close to American Canyon include the annual Napa Valley Film Festival, and Bottlerock Music Festival. Also, San Francisco is a ferry ride away from Vallejo (just south of American Canyon).

## BOUNDARIES

The neighborhood boundaries are detailed as follows:

<i>North:</i>	Highway 12
<i>South:</i>	Highway 37
<i>East:</i>	Interstate 80
<i>West:</i>	Lincoln Highway (Highway 29)

## LAND USE

Current land use in the subject area is agricultural. Per the approved Watson Ranch Specific Plan, land uses in the immediate area will transition to a combination of medium density residential, high density residential, parks, open space, town center, and institutional uses. City Hall is approximately 1 mile northwest of the site off Hwy 29.

## GROWTH PATTERNS

The areas south of the subject are being redeveloped for residential uses, in accordance with the Watson Ranch Specific Plan (WRSP).

## ACCESS

Access into the neighborhood is provided primarily by Newell Drive and Rio Del Mar Road. Rio Del Mar will connect directly to Highway 29, which the connects to Highway 37 to the south, and Highway 12 to the north. Both highways 37 and 12 connect to Interstate 80 to the west.

**DEMOGRAPHICS**

Selected neighborhood demographics in from the subject are shown in the following table:

<b>SELECTED NEIGHBORHOOD DEMOGRAPHICS</b>				
<b>NEQ of Newell Drive and Donaldson Way American Canyon, CA 94503</b>	<b>1 Mile Radius</b>	<b>3 Mile Radius</b>	<b>5 Mile Radius</b>	<b>Napa County</b>
<b>Population</b>				
2026 Total Population	7,073	45,226	93,570	138,669
2021 Total Population	6,623	44,655	92,276	138,724
2010 Total Population	5,272	42,307	88,548	136,484
2000 Total Population	1,374	34,694	77,333	124,279
Annual Growth 2021 - 2026	1.32%	0.25%	0.28%	-0.01%
Annual Growth 2010 - 2021	2.10%	0.49%	0.38%	0.15%
Annual Growth 2000 - 2010	14.39%	2.00%	1.36%	0.94%
<b>Households</b>				
2026 Total Households	1,887	12,776	30,636	49,299
2021 Total Households	1,786	12,624	30,182	49,393
2010 Total Households	1,545	12,196	29,134	48,876
2000 Total Households	478	10,017	25,251	45,402
Annual Growth 2021 - 2026	1.11%	0.24%	0.30%	-0.04%
Annual Growth 2010 - 2021	1.33%	0.31%	0.32%	0.10%
Annual Growth 2000 - 2010	12.45%	1.99%	1.44%	0.74%
<b>Income</b>				
2021 Median Household Income	\$125,112	\$84,666	\$79,521	\$91,451
2021 Average Household Income	\$146,285	\$107,386	\$100,282	\$127,103
2021 Per Capita Income	\$38,574	\$30,447	\$32,805	\$45,487
2021 Pop 25+ College Graduates	1,694	8,045	18,172	37,019
Age 25+ Percent College Graduates - 2021	41.8%	26.8%	28.4%	37.8%

Source: ESRI

**CONCLUSION**

As shown above, the data indicates the subject neighborhood saw minimal increases in population over the recent past, with similar growth expected over the next five years. The population growth rate has increased at a faster pace within a 1-mile radius of the subject. The outlook for the neighborhood is for mild growth in terms of households and population. As a result, the demand for existing developments is expected to be balanced with demand. Generally, the neighborhood is expected to remain stable in the foreseeable future.

## Market Analysis

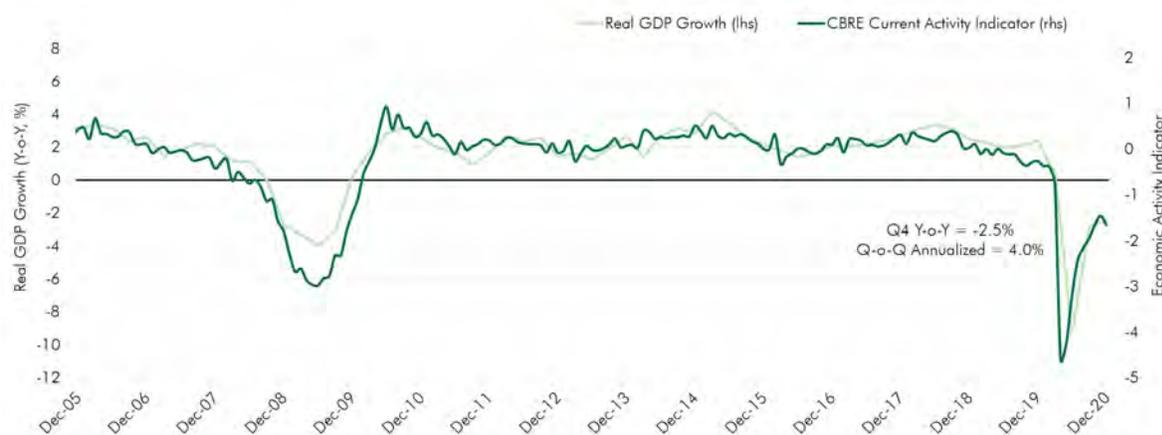
The overview of local market conditions is a necessary aspect of the appraisal process. The market analysis forms a basis for assessing market area boundaries, supply and demand factors, and indications of financial feasibility. The subject is an industrial/flex building within the Modesto Industrial market. Sources for this market analysis include ESRI, Costar and conversations with market participants.

### MACROECONOMIC IMPACT OF COVID-19

As of the current date of value and the date of this report, the nation, region, and market area continue to be impacted by the COVID-19 pandemic. In this section we provide a brief overview of the observed and anticipated impacts of COVID-19 from a macroeconomic perspective based on various CBRE sources.

In this section, we briefly present the “House View” developed by CBRE Econometric Advisors (CBRE-EA) including recent trends in the pandemic and its continued impact on the economy. The following chart illustrates GDP and activity:

#### U.S. Economic Activity Indicator



Source: CBRE Research, 3 February 2021.

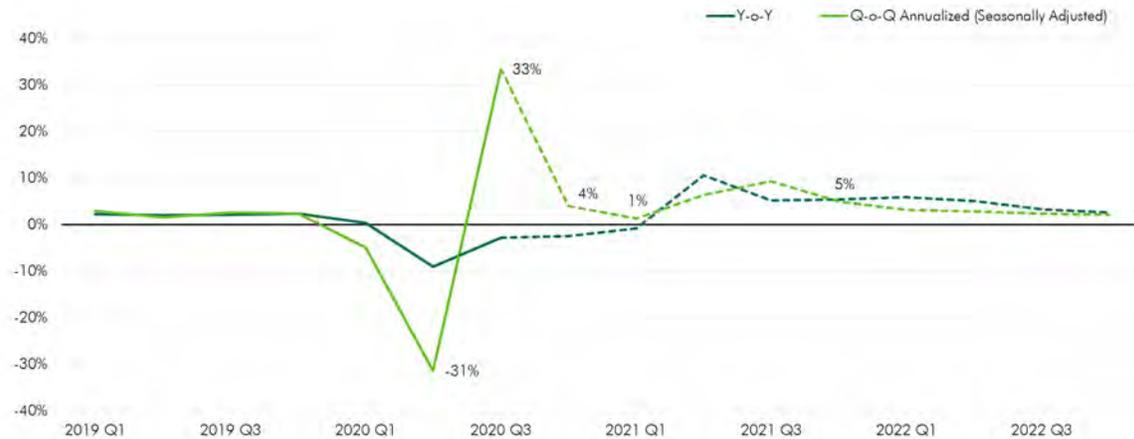
COVID-19 testing continued to increase in the US through January and there was a notable decline in the rate of positive cases. We are also seeing a decrease in hospitalization and deaths per day, following increased numbers over Q4 2020. While COVID-related metrics are trending in a positive direction more recently, the slower than anticipated roll-out of the COVID-19 vaccine, along with the arrival of new virus variants, has the potential to dampen economic recovery 1H 2021. Based upon the pace of vaccination, it is unlikely that the US will see a much anticipated “return to normalcy” until the second half of 2021.

Despite the slowed recovery noted in late 2020, economic indicators into the first quarter of 2021 point toward continued economic expansion. CBRE anticipates strong recovery into the 3<sup>rd</sup>

quarter of 2021, slowing to a more normal rate at the end of 2021 into 2022, as illustrated below.

## THE SHAPE OF THE RECOVERY

U.S. GDP growth forecast by CBRE House-View



Source: CBRE House-View, January 2021.

A full recovery is dependent on when the US returns to a sense of normalcy. While there has been a gradual easing of restrictions, many across the US continue under work-from-home conditions and many schools remain under remote learning. In addition, social distancing and restrictions on large gatherings continue throughout the US. While a surge in cases during the second half of 2020 delayed reopening progress, many states have been relaxing restrictions and are experiencing various levels of reopening of businesses, schools, offices, and restaurants. The pandemic has impacted the hospitality, travel, and retail industries most heavily since its outset in March 2020. The late 2020 resurgence of the virus coupled with more limited outdoor dining due to winter weather has further delayed recovery of jobs within these sectors.

## KEY TAKEAWAYS, OBSERVATIONS AND CONCLUSIONS

The following points summarize key points from CBRE-EA and CBRE's Americas Research:

- The impact from COVID-19 has continued to persist. Initial macroeconomic projections for stabilization late 2020 have been prolonged due to the rise in cases following initial reopening efforts in Q2 2020 (paused growth and rise in cases late 2020) as well as the emergence of new variant strains of the virus and slow vaccination rollout.
- Unemployment has continued to improve from its April 2020 highs, however, the gap between current and pre-pandemic levels remains. January 2021 unemployment figures marked a return to gains after a one-month lull in December that saw the first negative number since the recovery began in May.

- Fiscal and monetary supply for the economy have been unprecedented and, together with pent-up demand, are expected to enable a relatively sustained return to normalcy once health-oriented concerns are alleviated.
- The Fed's role in stabilizing the U.S. economy has been immense, including purchases of corporate debt at levels not seen in the Great Financial Crisis. The Fed's balance sheet has jumped to over \$7.4 trillion in early February 2021, up from just over \$4 trillion at the beginning of 2020.
- The Coronavirus Aid, Relief, and Economic Security (CARES) Act and the Coronavirus Response and Relief Supplemental Appropriations Act of 2021 have provided trillions in economic assistance to American workers, families, and businesses.
- Consumer confidence metrics are strong in early 2021, particularly in manufacturing.
- Mortgage rates continue to be at historic lows and house prices continue to surge in US despite the pandemic.
- Values on commercial real estate are viewed to be broadly resilient over the coming year, but with significant variation based on sector, location and profile.
- Leasing activity across most commercial real estate is anticipated to remain slowed in the first half of 2021 followed by an expectation for increased demand and activity in later 2021 into 2022.
- Commercial real estate debt markets have been evolving rapidly and dramatically since the COVID crisis. Loan spreads then narrowed significantly. Now, deal terms are sector and property-specific. Top end core properties can see historically low terms whereas value-add and riskier deals are seeing widened spreads and higher overall rates. Adequate capital still exists from banks, life companies and the GSEs, while the CMBS market remains in recovery mode and debt funds vary depending on their capital sources.
- There will be short term disruptions, depending on sector and asset type that may include rent collections, abatement/relief negotiations, near-term vacancies, muted rent growth, and prolonged lease-up.
- Most property types are impacted, though sectors faring better than others include single family housing, net leased investments, industrial (particularly warehouse/logistics and cold storage), multi-family, data centers, and life sciences. Other sectors continue to display various levels of caution in activity and underwriting.
- Sale and lease transaction volume continue to be slow in early 2021 as buyers and tenants continue to navigate this period of uncertainty.
- The impact and recovery will vary by city and by property type.

## Market Analysis – Agricultural

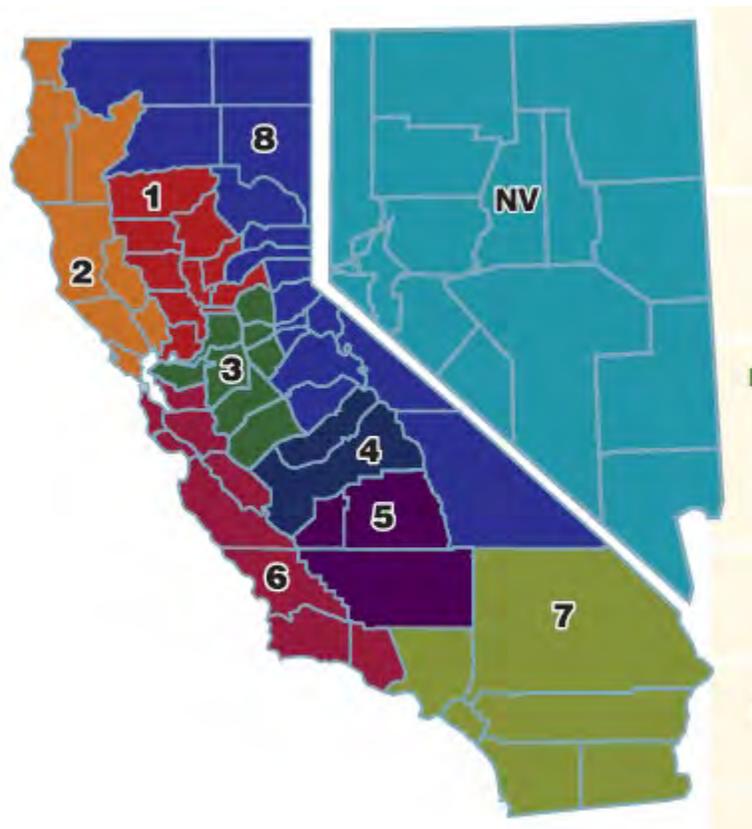
The market analysis forms a basis for assessing market area boundaries, supply and demand factors, and indications of financial feasibility.

The Report used in our analysis is the California Chapter of the American Society of Farm Managers and Rural Appraisers annual publication: *2020 Trends in Agricultural Land & Lease Values*.

### Agricultural Market Analysis

The California Chapter of the American Society of Farm Managers and Rural Appraisers annual publication: *2020 Trends in Agricultural Land & Lease Values*. The publication divides the State of California into eight regions as follows:

Region 1	Sacramento Valley
Region 2	North Coast
Region 3	Northern San Joaquin Valley
Region 4	Central San Joaquin Valley
Region 5	Southern San Joaquin Valley
Region 6	Central Coast
Region 7	Southern California
Region 8	Mountains
Region 9	Nevada



The subject is in Region 2 – North Coast, which comprises the counties of Del Norte, Humboldt, Lake, Marin, Mendocino, Napa, Sonoma and Trinity. The following are excerpts from the overview for the North Coast and Sonoma County.

“The North Coast (Region 2), runs from San Francisco to the Oregon border, bounded by the Pacific Ocean and the Central Valley. Geographically and economically, the North Coast can be divided into the southern and northern regions. The southern region overlies Napa, Sonoma, Mendocino, Lake, and Marin counties, with the key economic drivers for this area being vineyards and wineries, although specialty dairy and poultry production remain active in southern Sonoma and northern Marin counties. The northern region includes Humboldt, Del Norte, and Trinity counties, which is less agriculturally diverse, consisting mostly of forest products, specialty dairy, and cattle.

The North Coast’s diversity is attributed to the mild coastal climate, good water resources, and proximity to urban population and wealth (southern portion). Animal husbandry industries (dairy, beef, poultry, and eggs) continue to move to organic or other specialty production, as the higher returns from specialty products are necessary to offset the higher underlying land prices in the region. The region’s mild climate and agricultural atmosphere make it a highly desirable rural residential area, with much of the southern area impacted by strong rural residential demand and strong residential entitlement values.

The vineyard and wine industry are mostly in the south, within California’s North Coast American Viticultural Area (AVA). This AVA extends about 100 miles north from the San Francisco Bay, and about 50 miles inland from the Pacific Ocean. The North Coast has been recognized as a prime vineyard and winery area since the mid 1900’s, and includes Napa, Sonoma, Mendocino, and Lake counties, plus portions of northern Marin and south-western Solano counties.

The 2020 California Grape Acreage Report, published by the California Department of Food and Agriculture and released in April 2021, reflected a slight year-over-year decrease in wine grape acreage in California from 477,041 to 468,876, with 15,461 acres (3.3%) reported as non-bearing. The North Coast accounts for 28.2% of the State’s wine grape acreage, with total acres decreasing slightly from 132,529 to 132,158 acres over the past year, and only 5,446 acres (4.1%) reported as non-bearing. Napa includes 45,511 acres (34.4%), with Sonoma at 58,874 (44.5%), Mendocino at 17,380 (13.2%), Lake at 10,014 (7.6%), with Marin, Humboldt and Trinity counties at 379 acres (nominal).

It has now been six consecutive years the North Coast has endured destructive wildfires. Beginning in 2015 with the Valley Fire in Lake County that nearly destroyed the town of Middletown and culminating in what was the most destructive single fire season in California history in 2020. Fires came early and heavy this past year kicking off with a rare summer thunderstorm in mid-August, with the final flames extinguished in mid-November.

Combined, the August Complex, LNU Lighting Complex, and Glass Fires burned a total of nearly 1.5 million acres (not all of which in the defined North Coast region) along with nearly 4,000 structures and roughly 1,500 homes destroyed, and many more damaged. All of this destruction is on the heels of prior years’ fires that destroyed over 5,700 homes

in 2017 in Sonoma and Napa alone, and 1,349 homes in Lake County in 2015. But unlike the previous fires, the 2020 fires would have a significant impact on the wine grape harvest with many wineries rejecting fruit due to smoke taint concerns and numerous wineries forgoing 2020 vintages altogether. They would also exacerbate an already tight housing market still recovering from housing lost from previous fires.

COVID-19 has impacted nearly every industry in the North Coast restaurants, hotels, tourism, retail services, breweries, wineries, etc. The impact on the wine industry was felt immediately. With the closure of tasting rooms and restaurants, on-premise sales came to a screeching halt. This had the largest impact on boutique and high-end wineries that relied heavily on these channels. Contrarily, wineries with an established distribution network or who had a strong presence in grocery stores saw sales increase. This shift in demand carried forward to the bulk wine market which had been in a state of oversupply. The inventory of bulk wine suitable for the retail channel was quickly absorbed putting upward pressure on prices, while premium bulk wine lagged behind.

The pandemic has also resulted in a major shift in housing. For many, jobs have moved from office buildings to the home, and city-dwellers have looked to abandon the congested urban areas and relocate to the suburbs. As a result, homes sales in the North Coast, particularly Sonoma, Marin and Napa counties, have surged with a large number of Bay Area residents moving out of the cities and into wine country. Much of this year's vineyard sales activity is attributed to these lifestyle buyers.

### Wine Industry

2021 started with a continuation of 2020's major, across-the-board concerns with the industry: consumption trends, labor shortages, and oversupply.

Wine consumption habits have been declining brought on by a combination of heightened competition from spirits, craft beer, hard seltzer, and cannabis. In large part, wine had been losing market share and working diligently to attract new, younger wine consumers. A shift in demographics had also been contributing to this trend as aging Boomers are drinking less wine and not being replaced by younger Millennial drinkers who might prefer alternatives, are less brand loyal, or more health-conscious, preferring to drink less or not at all.

Labor continues to be an ongoing challenge in terms of availability and cost. The region's high cost of living has kept farming costs high despite decreasing demand for fruit. Furthermore, the fires over the past several years have displaced many in the wine industry and COVID-19 has restricted travel for those who would typically travel in from out of the area to assist with harvest. The trend toward mechanization of cultural and harvest practices continues wherever possible to alleviate the need for manual labor.

Another concern was the oversupplied market, caused by a record 2018 crop followed by an average 2019 crop. The 2019 crop year started with little demand from wineries which became a struggle for many growers who had trouble securing fruit contracts. As a result, much of the fruit would end up selling well below district averages in a lack-luster spot market or remain on the vine. That theme would carry forward into the start of 2020, with another story line being the record supply of bulk wine that wasn't moving.

As the events of 2020 unfolded, conditions for some improved. The spread of COVID-19 all but halted on-premise sales. Wineries who relied heavily on these channels for sales suffered while those with strong wine clubs and an established distribution channel thrived. Retail demand also helped to move the surplus of low to moderately priced bulk wine as wineries looked to move more product through this channel. It also promoted more grape contracts along this same segment. In the meantime, smaller, boutique wineries without an established retail channel would continue to struggle as would demand for premium bulk wine.

By the end of the 2020 harvest year, the short crop would help to rebalance the bulk wine market and spur demand for fruit by wineries across most market segments. As the 2021 crop year began, growers appeared to have replaced the pessimism of a year ago with measured optimism. However, it is worth noting, and not lost on North Coast wineries, that the fundamental issues of decreasing consumption trends and lost market share to competing beverages has not gone away. This, along with labor challenges will continue to be obstacles for years to come.

### Cannabis Industry

Cannabis cultivation for recreational use was legalized in California in 2016 but is still classified as a Schedule I controlled substance by the Federal Government. This conflict of legalities that include financing options, along with highly re-strictive local permitting requirements, has slowed its production in the North Coast. Relatively few legal outdoor commercials grows exist in the south part of the North Coast. In the northern areas such as Mendocino, Humboldt and Trinity counties, production of cannabis is more prevalent and may compete with alternative crops as a highest and best use. Hemp, on the other hand, was legalized in 2018 by the Farm Bill at the federal level. However, it remains a fledgling enterprise with few areas in production. In all likelihood, hemp and recreational cannabis will not be a substitute for the premium wines of the North Coast. However, it may prove to be a substitute for other lower value agricultural uses going forward.

### Napa County

Napa remains at the top of the premium wine market and is synonymous with world-class Cabernet Sauvignon. Wine, wine grapes, and tourism are the primary economic drivers for Napa with no other agricultural uses of note. There are roughly 45,000 planted vineyard acres in Napa County. The valley floor is essentially planted out. Hillside development, while attractive to most wineries for the unique flavor profiles the resulting wine can offer, is highly restricted by the county. Over the past twenty years, increasing environmental regulations, urbanization, and governmental regulations have limited the ability to expand vineyard development in the county. Tough erosion control, view-shed, and stream setback ordinances coupled with growing resistance from neighbors, voters, and environmental groups are making new vineyard development time-consuming, expensive, and highly speculative. A key factor that has helped Napa maintain its high vineyard and plantable land values over the past ten years is that the county is effectively planted out, with nominal land available for vineyard expansion.

While Napa produces a wide range of high-quality wines, it is best known for Cabernet Sauvignon and Bordeaux style red wines, which command the highest wine and wine-grape prices in the state. As bottle pricing for Cabernet Sauvignon increased, so did grape prices. According to the California Grape Crush Report, the District 4 (which covers

Napa County) average price-per-ton for Cabernet Sauvignon grew by 77%, from \$4,480 in 2010 to \$7,941 per ton in 2019. At the same time, alternative red varieties such as Merlot, Syrah and Zinfandel are all priced in the low-\$4,000 range, while white varieties like Chardonnay and Sauvignon Blanc are \$3,032 and \$2,485 respectively.

The impact of this trend on land values followed suit. Land well suited for Cabernet Sauvignon showed significant increases, and soon land that had been viewed as less than ideal for this varietal was being replanted or grafted over to Cabernet. As a result, total Cabernet Sauvignon tonnage reached a record high in 2018 with 89,097 tons, followed by a 2019 harvest of 78,146 tons (which may have been artificially shortened by unsold fruit). As a comparison, 2014 through 2017 were all under 70,000 tons with 2015 being a short crop of only 53,195 tons.

The record 2018 harvest proved to be problematic for many grape growers as oversupply concerns reverberated throughout the Napa Valley in 2019. For highly coveted vineyards in the Prime areas, it was business as usual; however, in Secondary or Outlying areas demand was lackluster, pricing dipped, and some fruit was left on the vines.

In 2020, COVID-19 would force the closure of tasting rooms and restaurants, altering consumption trends of consumers, but the wildfires would create the largest disruption. Napa Valley was particularly impacted by the LNU Lightning Complex fire and later by the Glass Fire which would cast a cloud of smoke over the county for nearly three months. Grape growers filed insurance claims for fears of smoke-tainted fruit. The smoke had the biggest impact on Cabernet Sauvignon and other Bordeaux varietals, which ripen later in the season. Most white varietals had already been harvested. The labs charged with testing fruit samples had backlogs extending beyond 30 days, compounding decisions to harvest fruit.

The residential component of vineyard properties in Napa has always been a significant contributing factor to overall property value, given the desirability of the area and proximity to Bay Area employment centers. Generally speaking, the residential market is strong, but not so much for vacant homesites. Recent wildfires have contributed to reducing the housing stock as demand remained strong. The so-called lifestyle buyer is not new to Napa, but 2020 provided a new demand driver with COVID-19 motivating many urban dwellers to seek rural properties as linkages between the home and office waned. However, these buyers exhibit a strong preference toward turn-key, move-in ready homes as opposed to ground-up or reconstruction. Construction costs are still sky-high, and builders continue to have deep backlogs with fire rebuilds. As a result, there is actually little demand for bare homesites.

Winery activity was sluggish in 2020. Wineries generally follow suit with vineyard demand in terms of market tiers, with Primary Market locations in heaviest demand and Secondary and Outlying Markets being somewhat limited. Good location, strong brands, and robust permits with public tastings and events still command big premiums. Although wineries have been forced to close for much of the year, neighbor opposition to new winery permits is still strong. The cost, risk and time of seeking a permit has created significant value to existing entitlements which transfer with the land. Like residential properties, turnkey wineries are also preferred due to high construction costs, although every new acquisition generally includes a new owner applying their personal touches. This year's acquisitions in Secondary and Outlying Markets were generally hotly negotiated. On

multiple occasions price reductions during escrow were conceded by the seller for reasons ranging from oversupply concerns, COVID-19 and the wildfires.

In conclusion, growers who had crop insurance may feel as though they dodged a bullet in 2020 and can likely look forward to improved demand for fruit in 2021. Whether this translates into increased acquisitions remains to be seen. However, there remains underlying and fundamental concerns in the wine industry that will continue to impact the region. Changing demographics, declining consumption, and competition with alcohol alternatives have the industry competing for market share in a space that appears to be slowing. That said, Napa continues to be recognized as the top wine region in California. Strong demand and high prices for Napa’s top tier properties, capable of producing world-class Cabernet Sauvignon or Bordeaux style wines, should continue. Secondary and Outlying properties are more vulnerable to fluctuations in supply or external factors. The industry needs to figure out the supply and demand balance for Cabernet Sauvignon, while maintaining the high reputation of the Napa Valley name, which is synonymous with world-class Cabernet Sauvignon. Another industry focus should be how to shift marketing of top-tier wines from this region from the aging Boomer generation to Millennials.”

The following chart indicates land and lease values for North Coast Counties.

VALUES: LAND AND LEASE				
LAND USE	VALUES PER ACRE	MARKET DEMAND	MARKET ACTIVITY	VALUE TREND
<b>NAPA COUNTY</b>				
Vineyards - Prime	\$300,000 - >\$450,000	Strong	Limited	Stable
Vineyards - Secondary	\$165,000 - >\$375,000	Moderate	Moderate	Stable-Declining
Vineyards - Outlying	\$50,000 - >\$165,000	Limited	Limited	Stable-Declining
Plantable - Prime	\$200,000 - >\$275,000	Strong	Limited	Stable
Plantable - Secondary	\$165,000 - >\$245,000	Moderate	Moderate	Stable
Plantable - Outlying	\$50,000 - >\$110,000	Limited	Limited	Stable-Declining
Homesite - Prime	\$2,000,000 - >\$5,000,000	Limited	Limited	Stable
Homesite - Secondary	\$300,000 - >\$3,000,000	Limited	Limited	Stable
Homesite - Outlying	\$0 - >\$350,000	Limited	Limited	Stable
<b>SONOMA COUNTY</b>				
Vineyards - Prime	\$100,000 - \$215,000	Slow	Limited	Stable-Declining
Vineyards - Secondary	\$70,000 - \$100,000	Slow	Limited	Stable-Declining
Plantable - Prime	\$70,000 - \$100,000	Slow	Limited	Stable-Declining
Plantable - Secondary	\$25,000 - \$45,000	Slow	Limited	Stable-Declining
Homesite - Prime	\$250,000 - \$3,100,000	Slow	Limited	Stable
Homesite - Secondary	\$0 - \$250,000	Slow	Limited	Stable
Sonoma-Marin Pasture	\$7,000 - \$14,500	Moderate	Limited	Stable
<b>MENDOCINO COUNTY</b>				
Vineyards - Anderson Valley	\$65,000 - \$110,000	Moderate	Very Limited	Stable
Vineyards - Inland Mendocino	\$25,000 - \$45,000	Moderate	Limited	Stable
Plantable - Anderson Valley	\$25,000 - \$35,000	Moderate	Very Limited	Stable
Plantable - Inland Mendocino	\$10,000 - \$18,000	Moderate	Limited	Stable
Homesite - Anderson Valley	\$200,000 - \$500,000	Moderate	Moderate	Stable
Homesite - Inland Mendocino	\$50,000 - \$300,000	Moderate	Limited	Stable
<b>LAKE COUNTY</b>				
Vineyards	\$25,000 - \$50,000	Moderate	Moderate	Stable
Plantable	\$10,000 - \$18,000	Moderate	Moderate	Stable
<b>HUMBOLDT COUNTY</b>				
Dairy Pasture	\$7,000 - \$10,000	Moderate	Limited	Stable-Increasing
<b>DEL NORTE COUNTY</b>				
Dairy Pasture	\$7,000 - \$10,000	Limited	Limited	Stable-Increasing
Irrigated Cropland (Lily Bulbs)	\$7,500 - \$9,500	Limited	Limited	Stable-Increasing

The following are historical value ranges per acre for the area:

HISTORICAL VALUE RANGE PER ACRE								
LAND USE	VINEYARD: PRIME	VINEYARD: SECONDARY	VINEYARD: OUTLYING	PLANTABLE: PRIME	PLANTABLE: SECONDARY	PLANTABLE: OUTLYING		
<b>NAPA COUNTY</b>								
2020	\$300,000 - \$450,000	\$165,000 - \$375,000	\$50,000 - \$165,000	\$200,000 - \$275,000	\$165,000 - \$245,000	\$50,000 - \$110,000		
2019	\$300,000 - \$450,000	\$165,000 - \$400,000	\$50,000 - \$165,000	\$200,000 - \$275,000	\$165,000 - \$245,000	\$50,000 - \$165,000		
2018	\$300,000 - \$400,000	\$120,000 - \$340,000	\$50,000 - \$130,000	\$200,000 - \$250,000	\$50,000 - \$240,000	\$25,000 - \$50,000		
2017	\$300,000 - \$400,000	\$120,000 - \$300,000	\$50,000 - \$130,000	\$200,000 - \$250,000	\$50,000 - \$200,000	\$25,000 - \$50,000		
2016	\$300,000 - \$400,000	\$120,000 - \$300,000	\$50,000 - \$120,000	\$200,000 - \$250,000	\$50,000 - \$200,000	\$25,000 - \$50,000		
2015	\$250,000 - \$370,000	\$120,000 - \$270,000	\$50,000 - \$120,000	\$130,000 - \$200,000	\$50,000 - \$130,000	\$25,000 - \$50,000		
2014	\$220,000 - \$320,000	\$100,000 - \$220,000	\$50,000 - \$100,000	\$100,000 - \$190,000	\$50,000 - \$100,000	\$25,000 - \$50,000		
LAND USE	PRIME	SECONDARY	OUTLYING	PRIME	SECONDARY			
<b>NAPA HOMESITES</b>								
2020	\$2,000,000 - \$5,000,000	\$300,000 - \$3,000,000	\$0 - \$350,000	\$250,000 - \$3,100,000	\$0 - \$250,000			
2019	\$2,000,000 - \$5,000,000	\$300,000 - \$3,000,000	\$0 - \$350,000	\$300,000 - \$3,100,000	\$0 - \$300,000			
2018	\$2,000,000 - \$5,000,000	\$300,000 - \$3,000,000	\$0 - \$350,000	\$300,000 - \$3,100,000	\$0 - \$300,000			
2017	\$2,000,000 - \$5,000,000	\$300,000 - \$2,500,000	\$0 - \$350,000	\$300,000 - \$3,100,000	\$0 - \$300,000			
2016	\$2,000,000 - \$5,000,000	\$300,000 - \$2,500,000	\$0 - \$350,000					
2015	\$1,000,000 - \$5,000,000	\$250,000 - \$1,000,000	\$0 - \$350,000					
2014	\$1,000,000 - \$5,000,000	\$250,000 - \$1,000,000	\$0 - \$350,000					
LAND USE	VINEYARD: PRIME	VINEYARD: SECONDARY	PLANTABLE: PRIME	PLANTABLE: SECONDARY	VINEYARD	PLANTABLE	DAIRY PASTURE	PASTURE
<b>SONOMA COUNTY</b>							<b>LAKE COUNTY</b>	
2020	\$100,000 - \$215,000	\$70,000 - \$100,000	\$70,000 - \$100,000	\$25,000 - \$45,000	\$25,000 - \$50,000	\$10,000 - \$18,000	HUMBOLDT \$7,000 - \$10,000	SONOMA/MARIN \$7,000 - \$14,500
2019	\$100,000 - \$215,000	\$70,000 - \$100,000	\$70,000 - \$120,000	\$25,000 - \$45,000	\$25,000 - \$50,000	\$10,000 - \$18,000	\$6,500 - \$9,500	\$7,000 - \$14,500
2018	\$100,000 - \$215,000	\$70,000 - \$100,000	\$70,000 - \$120,000	\$25,000 - \$45,000	\$25,000 - \$50,000	\$10,000 - \$18,000	\$5,000 - \$8,000	\$7,000 - \$14,500
2017	\$100,000 - \$170,000	\$70,000 - \$100,000	\$70,000 - \$100,000	\$25,000 - \$40,000	\$25,000 - \$50,000	\$10,000 - \$15,000	\$5,000 - \$8,000	\$7,000 - \$13,800
2016	\$90,000 - \$170,000		\$45,000 - \$100,000		\$25,000 - \$50,000	\$8,000 - \$14,000	\$5,000 - \$7,800	\$6,000 - \$13,800
2015	\$70,000 - \$150,000		\$45,000 - \$100,000		\$25,000 - \$50,000	\$8,000 - \$12,000	\$5,000 - \$7,800	\$6,000 - \$13,800
2014	\$60,000 - \$125,000		\$35,000 - \$85,000		\$25,000 - \$50,000	\$8,000 - \$12,000	\$5,000 - \$7,800	\$4,500 - \$11,200
LAND USE	VINEYARD: ANDERSON VALLEY	VINEYARD: INLAND MENDOCINO	PLANTABLE: ANDERSON VALLEY	PLANTABLE: INLAND MENDOCINO		DAIRY PASTURE	CROPLAND (Lily Bulbs)	
<b>MENDOCINO COUNTY</b>							<b>DEL NORTE</b>	
2020	\$65,000 - \$110,000	\$25,000 - \$45,000	\$25,000 - \$35,000	\$10,000 - \$18,000		\$7,000 - \$10,000	\$7,500 - \$9,500	
2019	\$65,000 - \$110,000	\$25,000 - \$45,000	\$25,000 - \$35,000	\$10,000 - \$18,000		\$7,000 - \$10,000	\$7,500 - \$9,500	
2018	\$65,000 - \$100,000	\$22,000 - \$40,000	\$25,000 - \$35,000	\$10,000 - \$18,000		\$7,000 - \$10,000	\$7,500 - \$9,500	
2017	\$65,000 - \$100,000	\$22,000 - \$40,000	\$25,000 - \$35,000	\$10,000 - \$15,000		\$4,000 - \$6,500	\$7,500 - \$8,000	
2016	\$65,000 - \$100,000	\$22,000 - \$40,000	\$25,000 - \$35,000	\$10,000 - \$15,000		\$3,500 - \$6,000	\$7,500 - \$8,000	
2015	\$65,000 - \$100,000	\$22,000 - \$40,000	\$25,000 - \$35,000	\$10,000 - \$14,000		\$3,500 - \$6,000	\$7,500 - \$8,000	
2014	\$65,000 - \$100,000	\$22,000 - \$35,000	\$25,000 - \$35,000	\$10,000 - \$14,000		\$3,500 - \$6,000	\$7,500 - \$8,000	

The data presented above indicates that land values for quality land with good water sources have remained stable; this contrasts with the lower end of the range where values have been decreasing for properties that primarily rely on well water.

### CONCLUSION

Agriculture plays a vital role in the economy of the state and in the economies of counties in the North Coast. Napa prime vineyard land has remained relatively unchanged since 2019 with a range of \$300,000 to \$450,000 per acre. Secondary vineyard land had values ranging from \$165,000 to \$375,000 per acre in 2020, with the high end seeing a decrease from \$400,000 in 2019. Prime plantable land ranged from \$200,000 to \$275,000 per acre and has remained unchanged since 2019. Secondary plantable land ranged from \$165,000 to \$245,000 per acre. Napa County homesites exhibit a wide range from \$300,000 to \$3,000,000 per acre for secondary, and \$2,000,000 to \$5,000,000 per acre for primary.

The subject is located in a tertiary agricultural market given the cooler temperatures and climate. It is valued accordingly.

## Market Analysis – Residential

Fast Report presents information regarding median and average values for homes within a 1-mile radius, 3-mile radius, and 5-mile radius of the subject property, shown in the next table.

HOUSING VALUE	1 MILE	3 MILES	5 MILES
	<b>2021 Owner Occupied Housing Units</b>	<b>1,249</b>	<b>9,459</b>
Under \$50,000	23 1.8%	234 2.5%	501 2.5%
\$50,000-\$99,999	15 1.2%	119 1.3%	293 1.5%
\$100,000-\$149,999	2 0.2%	65 0.7%	160 0.8%
\$150,000-\$199,999	4 0.3%	129 1.4%	273 1.4%
\$200,000-\$249,999	6 0.5%	469 5.0%	916 4.7%
\$250,000-\$299,999	6 0.5%	357 3.8%	912 4.6%
\$300,000-\$399,999	50 4.0%	1,891 20.0%	3,669 18.6%
\$400,000-\$499,999	148 11.9%	1,899 20.1%	4,265 21.6%
\$500,000-\$749,999	814 65.2%	3,386 35.8%	6,925 35.1%
\$750,000-\$999,999	137 11.0%	600 6.3%	1,068 5.4%
\$1,000,000-\$1,499,999	3 0.2%	180 1.9%	375 1.9%
\$1,500,000-\$1,999,999	39 3.1%	42 0.4%	90 0.5%
\$2,000,000 and Over	2 0.2%	88 0.9%	273 1.4%
2021 Median Value of Owner Occ. Housing Units	\$613,790	\$477,172	\$473,529
2021 Average Value of Owner Occ. Housing Units	\$636,409	\$518,377	\$520,573

Source: © 2021 - CBRE Location Analytics & Mapping

The following table summarizes market indicators for the Napa County market according to RMLS. It is noted that the 2021 data represents year-to-date figures, thus explaining the fewer number of closed sales.

NAPA COUNTY RESIDENTIAL STATISTICS						
Year	Closed Sales	Change	Median Sale Price	Change	Days on Market (Average)	Change
2011	1,265	-	\$333,000	-	112	-
2012	1,427	12.8%	\$355,000	6.6%	110	-1.8%
2013	1,278	-10.4%	\$460,000	29.6%	82	-25.5%
2014	1,096	-14.2%	\$529,750	15.2%	82	0.0%
2015	1,204	9.9%	\$580,000	9.5%	76	-7.3%
2016	1,211	0.6%	\$619,600	6.8%	73	-3.9%
2017	1,128	-6.9%	\$650,000	4.9%	76	4.1%
2018	1,069	-5.2%	\$679,000	4.5%	65	-14.5%
2019	1,055	-1.3%	\$690,000	1.6%	75	15.4%
2020	1,096	3.9%	\$741,250	7.4%	68	-9.3%
2021 YTD	885	-19.3%	\$875,000	18.0%	51	-25.0%
Average Annual % Change (2011-2021)				10.4%		-6.8%

Source: RMLS

As shown above, residential land values in Napa County have steadily increased over the past 10 years with more significant increases coming in the past 2 years. In fact, the average sale price for 2021 increased year-over-year by 27.8% according to RMLS.

## Site Analysis

The following chart summarizes the salient characteristics of the subject site.

<b>SITE SUMMARY</b>	
Affected Tax IDs	059-030-007, 059-030-009
Zoning	Special Study (SS)
Legally Conforming	Yes
Zoning Change	Not likely
Flood Zone	Zone X
Utilities	The subject has access to: - all available
Access	Adequate
Topography	Generally Level
Drainage	Appears adequate
Existing Encumbrances	None known
Environmental Issues	None known. See extraordinary assumptions.

### TOPOGRAPHY AND DRAINAGE

The subject property has generally level topography. Overall drainage in the agricultural/vineyard area appears to be adequate. This appraisal assumes that no drainage problems exist.

### PLANTABLE AND UNPLANTABLE AREA SUMMARY

Based on aerial imagery/measurements, we have estimated that approximately 25.2 acres of the property represents the “plantable” land component of the property which includes Class 2 soils. This plantable portion consists of two non-contiguous areas (the southern portion of the larger parcel and the northwestern corner of the larger parcel).

The balance of the property, approximately 31.77 acres located in the middle of the larger parcel, represents areas with Class 3 and Class 4 soils with slopes unsuitable for planting. This portion of land is best suited for rural residential development.

Therefore, given the physical characteristics of the larger parcel, the valuation contained in this appraisal will provide two “zones of value” for the larger parcel, one for the 25.2 acres of vineyard adaptable land and another for the 31.77 acres of land with rural residential appeal for a homesite.

### SOILS

The following soils map, provided by the USDA Soil Survey service, shows the irrigated capability class ratings for the subject property:



The USDA soil survey indicates that approximately 25.2 acres (44%) of the subject property is Class 2, Clear lake clay, with 0 to 2% slopes. This is represented by Number 116 in the map above. Class 2 soils have moderate limitations that reduce the choice of plants or that require special conservation practices, or both.

About 34% of the property (Number 131 in the map above) is Class 3, Fagan clay loam, with 5 to 15% slopes.

About 17% of the property (Number 148 in the map above) is Class 3, Haire clay loam, with 2 to 9% slopes. Class 3 soils have severe limitations that reduce the choice of plants or that require special conservation practices, or both.

About 5% of the property (Number 132 in the map above) is Class 4, Fagan clay loam, with 15 to 30% slopes. Class 4 soils have very severe limitations that reduce the choice of plants or that require very careful management, or both.

Overall, the portion of the larger parcel with Class 2 soils is marginally suited to a vineyard use, with consideration given to climate and cooler temperatures. The remainder of the property is best suited for rural residential development, a homesite. The subject is located in a cool region that is considered a tertiary market for vineyard land.

## **FLOOD ZONE**

We are not experts in determining flood zone elevations and we were not provided with a flood zone certificate for the subject. The reader is encouraged to consult with a professional engineer to determine the subject's actual flood zone status. Based on our review of FEMA Flood Panel No. 06055C-0650E, dated September 26, 2008, the property lies within Flood Zone X, an area of minimal flood hazard. Flood insurance is not required.

## **EASEMENTS AND ENCROACHMENTS**

We were not provided a preliminary title report. For purposes of analysis, it is assumed that no easements/encroachments exist.

## **COVENANTS, CONDITIONS AND RESTRICTIONS**

There are no known covenants, conditions or restrictions impacting the site that are considered to affect the marketability or highest and best use.

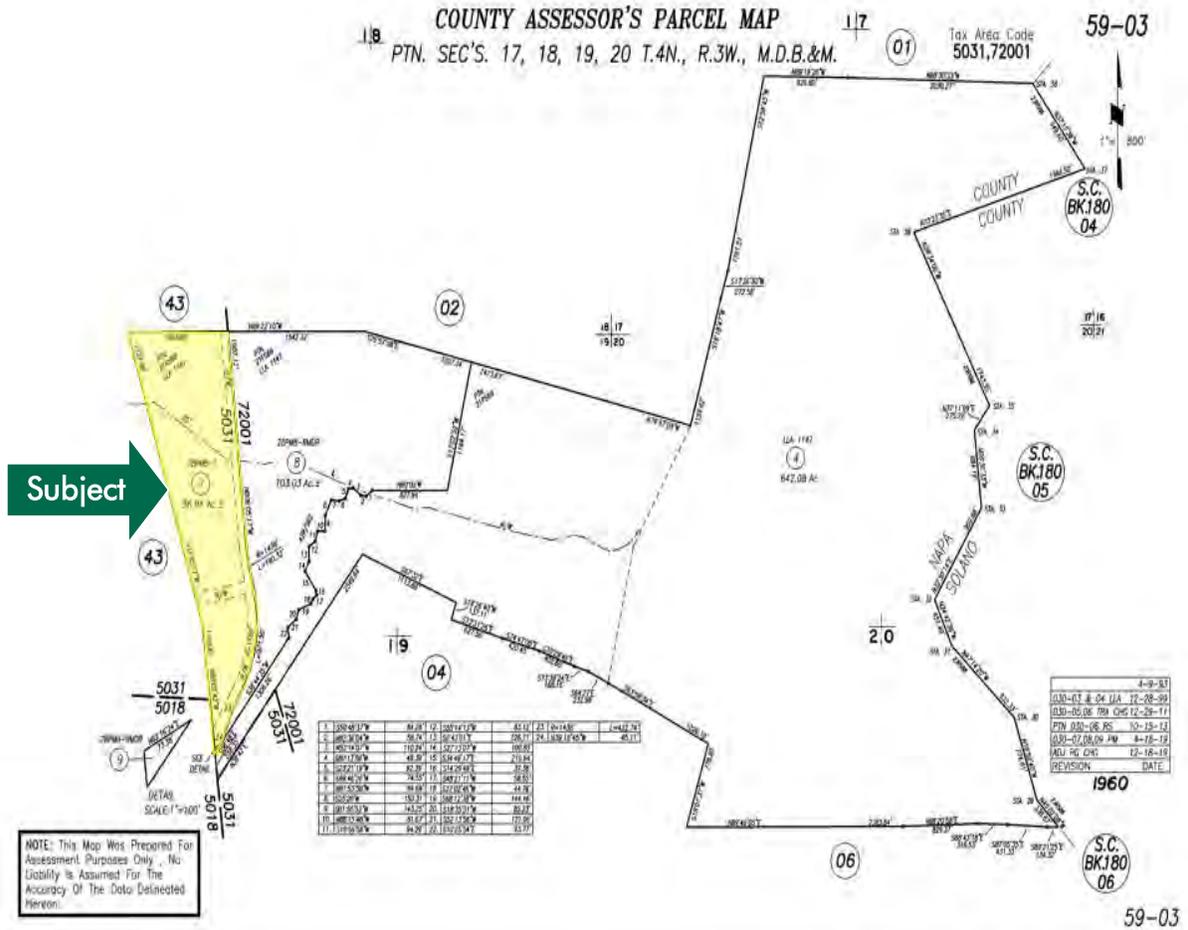
## **ENVIRONMENTAL ISSUES - SITE**

CBRE, Inc. is not qualified to detect the existence of any potentially hazardous materials such as lead paint, asbestos, urea formaldehyde foam insulation, or other potentially hazardous construction materials on or in the improvements. The existence of such substances may affect the value of the property. No hazardous substances which would affect value were noted by the appraiser (see Assumptions and Limiting Conditions).

## CONCLUSION

The subject property is a 56.97-acre property that has an adequate size, shape, topography and other physical characteristics that support any legally permissible use. As noted, based on measurements from aerial imagery, we estimate that approximately 25.2 acres represent plantable land for agricultural use and the balance of the property (31.77 acres) represents non-plantable land with rural residential homesite appeal.

PLAT MAP



FLOOD PLAIN MAP

National Flood Hazard Layer FIRMette



Legend

SEE FIS REPORT FOR DETAILED LEGEND AND INDEX MAP FOR FIRM PANEL LAYOUT

SPECIAL FLOOD HAZARD AREAS	White	Without Base Flood Elevation (BFE) Zone A, V, X, Z
	Light Blue	With BFE Elevation Zone A, X, V, Z
OTHER AREAS OF FLOOD HAZARD	Orange	0.2% Annual Chance Flood Hazard, Areas of 1% Annual Chance Flood with average depth less than one foot or with drainage areas of less than one square mile Zone C
	Dark Orange	Future Ditch/Canal 1% Annual Chance Flood Hazard Zone C
	Yellow	Area with Reduced Flood Risk due to Levee, See Note, Zone D
	Light Green	Area with Flood Risk due to Levee, Zone D
OTHER AREAS	Blue	Area of Minimal Flood Hazard Zone F
	Light Blue	Effective ID MRs
GENERAL STRUCTURES	Orange	Area of Unincorporated Road Hazard Zone D
	Black	Channel, Culvert, or Storm Sewer Levee, Dike, or Roadway
OTHER FEATURES	Blue	Cross Sections with 1% Annual Chance
	Green	Water Surface Elevation
	Red	Canal Traversal
	Black	Base Flood Elevation Line (BFE)
OTHER FEATURES	Red	Line of Study
	Green	Jurisdiction Boundary
	Blue	Canal Traversal, Baseline
	Blue	Profile Baseline
MAP PANELS	Green	Digital Data Available
	Light Green	No Digital Data Available
	Light Blue	Unmapped

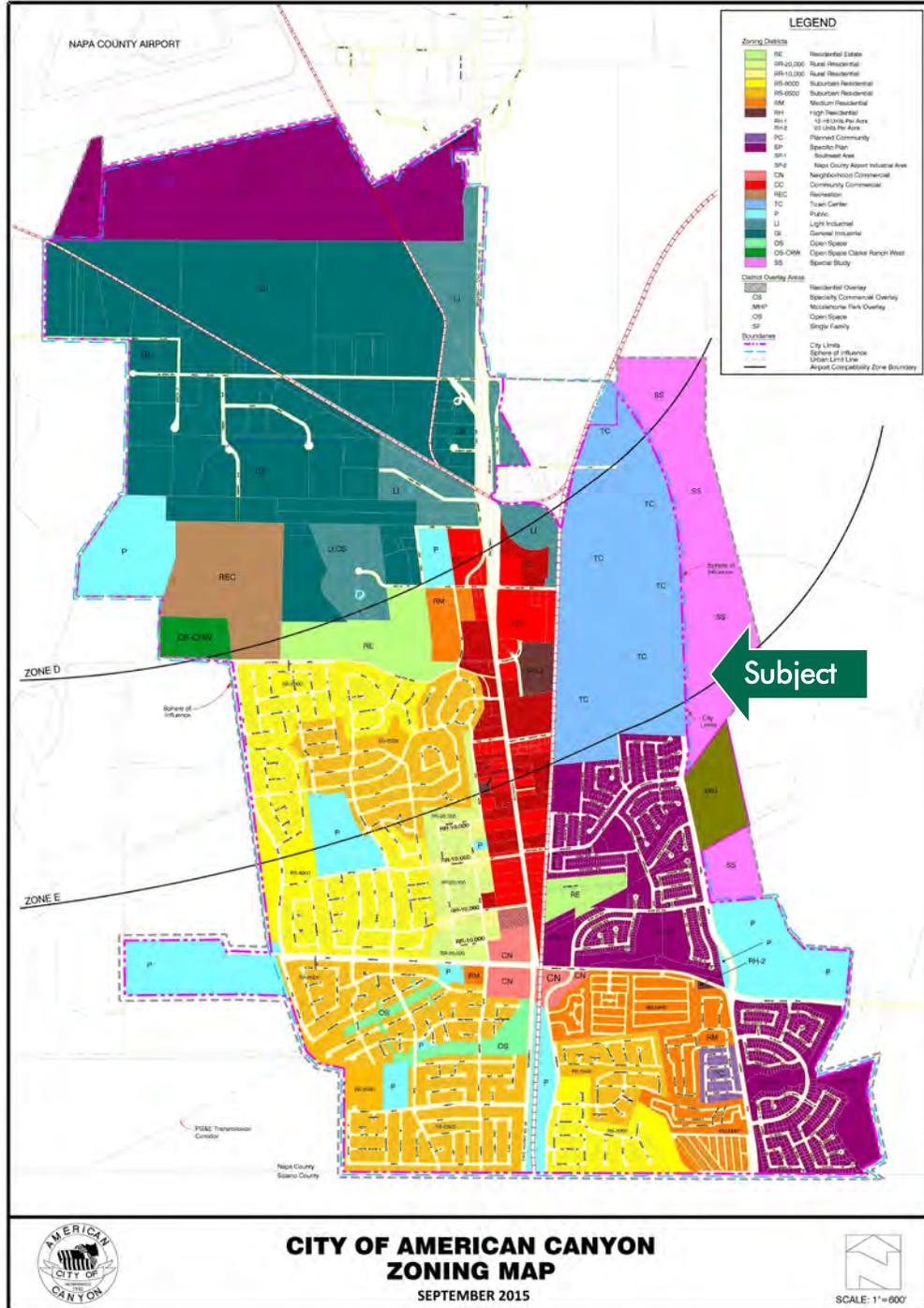
The plot location on the map is an approximate point selected by the user and does not represent an authoritative property location.

This map complies with FEMA's standards for the use of digital flood maps if it is the valid as described below. The basemap shown complies with FEMA's basemap accuracy standards.

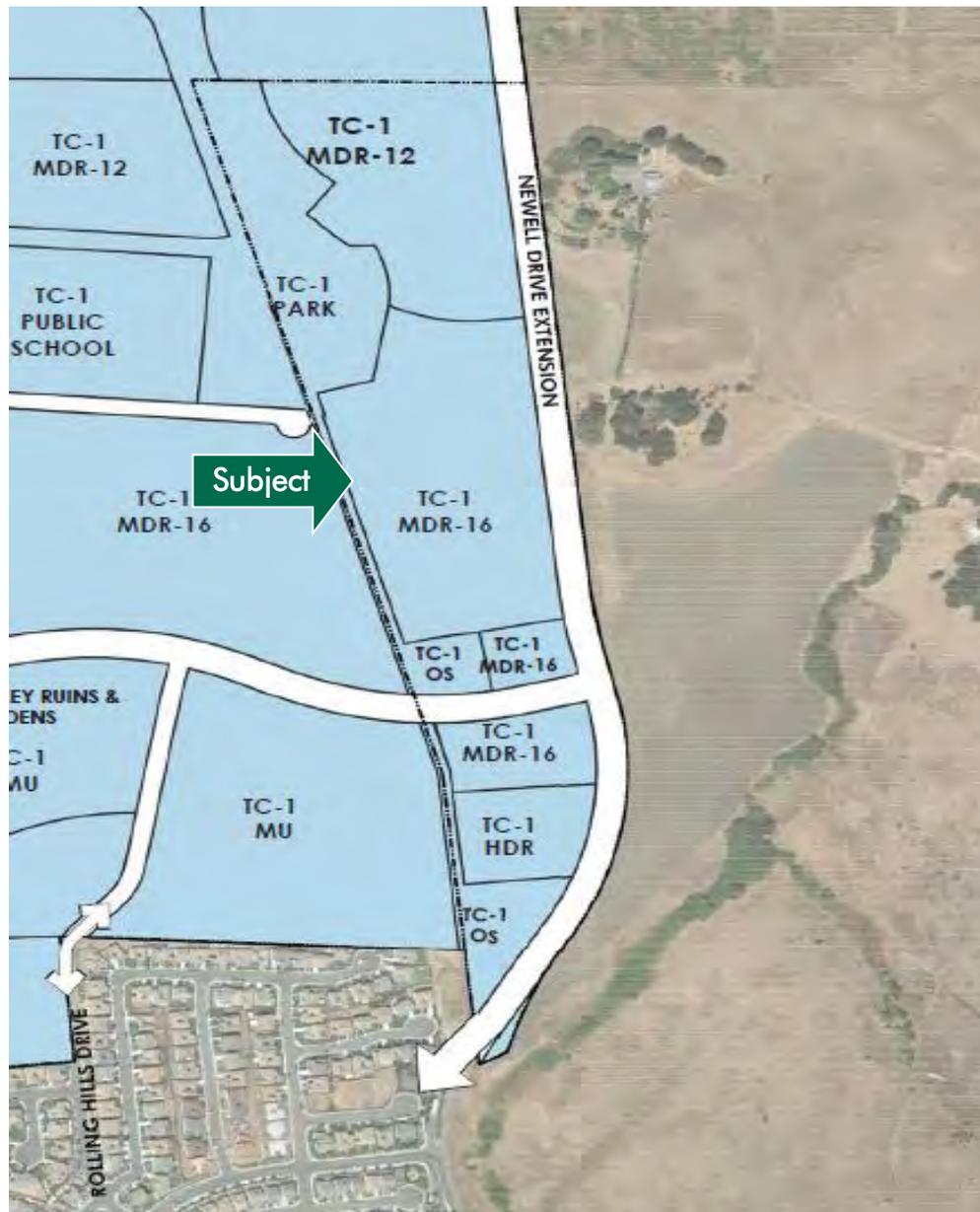
The flood hazard information is derived directly from the authoritative NFHL web services provided by FEMA. This map was updated on 8/30/2024 at 4:55 PM and does not reflect changes or amendments subsequent to this date and time. The NFHL and effective information may change or become superseded by new data over time.

This map image is void if the one or more of the following map elements do not appear: basemap imagery, flood zone labels, legend, scale bar, map coordinate data, community boundaries, FIRM panel number, and FIRM effective date. Map images for unmapped and unincorporated areas cannot be used for regulatory purposes.

# Zoning Map



## Specific Plan Map



**Legend**

Town Center (TC)

**TC LAND USES**

- Medium Density Residential - 12 (TC-1 MDR-12)
- Medium Density Residential - 16 (TC-1 MDR-16)
- High Density Residential (TC-1 HDR)
- School (TC-1 Public)
- Parks (TC-1 Park)
- Open Space (TC-1 OS)
- Town Center (TC-1 TC)
- Napa Valley Ruins & Gardens (TC-1 MU)

The specific plan is noted but given no weight due to the dedication issues discussed previously.

## Zoning

The following chart summarizes the subject’s zoning requirements.

<b>ZONING SUMMARY</b>	
Jurisdiction	Napa County
Current Zoning	Special Study (SS)
Legally Conforming	Yes
Uses Permitted	See Comments
Zoning Change	Not likely
Future Land Use Category	Not Likely
Source: Planning & Zoning Dept.	

### Analysis and Conclusion

According to the City of American Canyon zoning map, the subject is located within the Special Study (SS) zone. Based on further research, the subject is located within the Watson Ranch Specific Plan (WRSP), as shown on the previous page.

The WRSP is located within the city limits of American Canyon, in Napa County, California. According to information provided by the client, the Specific Plan Area consists of 309 acres and is an important part of the City’s General Plan. The WRSP will consist of a mixed-use town center (including a 200-room boutique hotel and a community center), approximately 1,253 residential units, an elementary school, parks/open space, and various infrastructure improvements.

The subject property has multiple zoning designations in accordance with the Watson Ranch Specific Plan. The majority of the larger parcel falls within the Medium Density Residential zone, with a small portion on the southern end zoned for High Density Residential. The remainder of the property is designated for open space/park areas.

As previously discussed, given the dedication is reasonably foreseeable, the property is being valued based on its undeveloped value. In this case, agricultural and homesite uses.

## Tax and Assessment Data

In California, privately held real property is typically assessed at 100% of full cash value (which is interpreted to mean market value of the fee simple estate) as determined by the County Assessor. Generally, a reassessment occurs only when a property is sold (or transferred) or when new construction occurs (as differentiated from replacing existing construction). In the case of long-term ground leases, the general rule is that a reassessment is made at the time of assigning or terminating a lease where the remaining term is more than 35 years. For reassessment purposes, the lease term includes all options to extend. Assessments for properties that were acquired before the tax year 1975-1976 were stabilized as of the tax year 1975-1976. Property taxes are limited by state law to 1% of the assessed value plus voter-approved obligations and special assessments. If no sale (or transfer) occurs or no new building takes place, assessments may not increase by more than 2% annually. The following table summarizes the local assessor's estimate of the subject's market value, assessed value, and taxes, and does not include any furniture, fixtures or equipment.

<b>TAX INFORMATION</b>	
Assessor Account ID(s)	059-030-007; 059-030-009
Tax Year	2021
Assessed Land Acres	56.97 AC
Assessed Land SF	2,481,697 SF
Assessor Improvement Value	\$0
Assessor Land Value	\$296,033
Assessor Total Market Value	\$296,033
Assessor Land Value/SF	\$0.12
Tax Rate	1.145818
Total Taxes	\$3,392

## CONCLUSION

For purposes of this analysis, CBRE, Inc. assumes that all taxes are current. If the subject sold for the value estimate in this report, a reassessment at that value would most likely occur, with tax increases limited to two percent annually thereafter until the property is sold again. The consequences of this reassessment have been considered in the appropriate valuation sections.

## Highest and Best Use

In appraisal practice, the concept of highest and best use represents the premise upon which value is based. The four criteria the highest and best use must meet are:

- legally permissible;
- physically possible;
- financially feasible; and
- maximally productive.

The highest and best use analysis of the subject is discussed below.

### AS VACANT

#### Legal Permissibility

Based on CA case law, when a city would lawfully have conditioned development of property upon the owner's dedication of a portion of the property to mitigate the impacts of the development, the fair market value of that portion in a subsequent condemnation action is its value in its undeveloped, agricultural state, rather than in its highest and best developed state. The rationale for this rule is that because the owner could not develop the portion of land subject to dedication, no willing buyer would purchase that portion for more than its undeveloped value, and therefore that is what the acquiring agency should pay. In order for this valuation approach to apply, the dedication requirement must be constitutional (roughly proportional and rationally related to the impacts from the proposed development), and it must be reasonably probable that the condemning agency would actually impose the dedication requirement as a condition of development.

Based on the appraiser's discussions with the client and the appraiser's analysis of the applicable fact set, the value of the property rights being sought in this instance will be based on the property's undeveloped value. The property is valued based on two zones of value: agricultural and rural residential.

#### Physical Possibility

The site is adequately served by utilities and has an adequate shape and size, and access, etc., for residential development. As stated previously, approximately 44% of the property contains sufficient soils for agricultural uses. The site is well-located and afforded good access and visibility from the roadway frontage. Development of agricultural and rural residential uses is physically possible.

#### Financial Feasibility

Consideration to existing land use trends has been given in determining feasible uses. Only those uses that are physically possible and legally permissible are given further consideration. Based on our analysis of the market and area, there is sufficient demand for a homesite.

Though the property's southern location and corresponding cooler climate is considered a tertiary market for an agricultural use, this use is nevertheless financially feasible based on an analysis of market demand. Therefore, agricultural and rural residential uses are financially feasible.

### Maximum Productivity - Conclusion

The final test of highest and best use of the site, as if vacant, is that the use be maximally productive, yielding the highest return to the land. Based on the foregoing and upon information contained in the market, area and neighborhood analysis, we conclude that the highest and best use of the subject as if vacant would be for an agricultural use for the portion that includes Class 2 soils and a rural residential homesite use for the remainder of the larger parcel. This type of use is relatively common in this region.

### Highest and Best Use of the Remainder

The remainder will consist of 23.86 acres of agricultural land and 31.54 acres of rural residential land. A portion of the homesite will be encumbered by the vine trail easement and a portion of the agricultural land area will be encumbered by the vine trail easement. Though the highest and best use of the remainder land areas is unchanged, the homesite remainder has slightly reduced appeal in the after condition given the presence of the roundabout and the vine trail easement.

## Appraisal Methodology

In appraisal practice, an approach to value is included or omitted based on its applicability to the property type being valued and the quality and quantity of information available.

### Cost Approach

The cost approach is based on the proposition that the informed purchaser would pay no more for the subject than the cost to produce a substitute property with equivalent utility. This approach is particularly applicable when the property being appraised involves relatively new improvements that represent the highest and best use of the land, or when it is improved with relatively unique or specialized improvements for which there exist few sales or leases of comparable properties.

### Sales Comparison Approach

The sales comparison approach utilizes sales of comparable properties, adjusted for differences, to indicate a value for the subject. Valuation is typically accomplished using physical units of comparison such as price per square foot, price per unit, price per floor, etc., or economic units of comparison such as gross rent multiplier. Adjustments are applied to the physical units of comparison derived from the comparable sale. The unit of comparison chosen for the subject is then used to yield a total value. Economic units of comparison are not adjusted, but rather analyzed as to relevant differences, with the final estimate derived based on the general comparisons.

### Income Capitalization Approach

The income capitalization approach reflects the subject's income-producing capabilities. This approach is based on the assumption that value is created by the expectation of benefits to be derived in the future. Specifically estimated is the amount an investor would be willing to pay to receive an income stream plus reversion value from a property over a period of time. The two common valuation techniques associated with the income capitalization approach are direct capitalization and the discounted cash flow (DCF) analysis.

### Methodology Applicable to the Subject

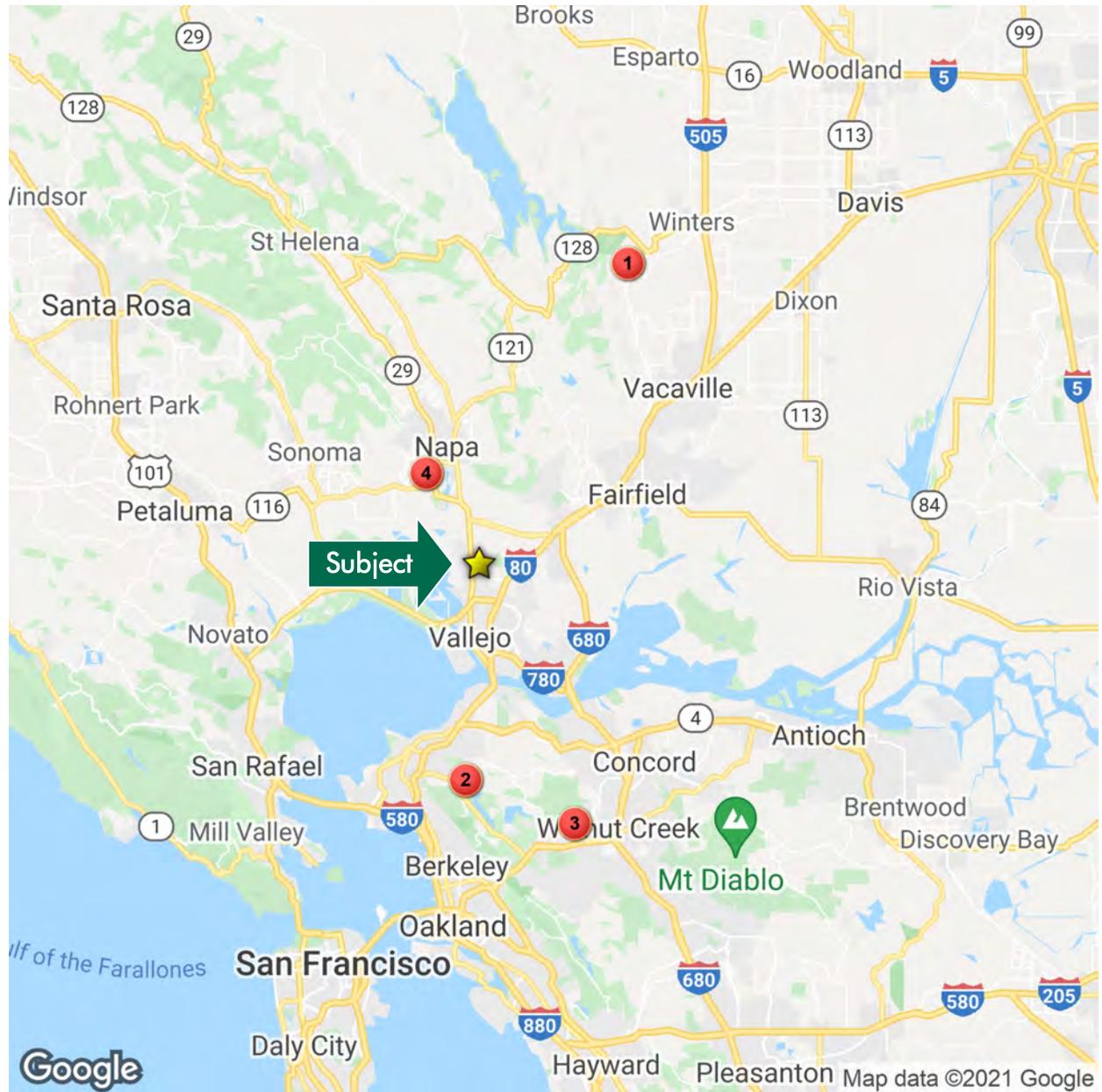
- CBRE, Inc. analyzed the data gathered through the use of appropriate and accepted appraisal methodology to arrive at a probable value indication via each applicable approach to value. The sales comparison approach for land is utilized to develop an opinion of land value because market participants rely on this method. The subject is valued as vacant land so the cost approach is not applicable. The subject is valued as vacant land and so the sales comparison approach for improved property is not applicable. Being valued as vacant land, the income approach for improved property is not applicable. Furthermore, surface rights in this area are not purchased based on income production. Fair Market Value is estimated as the value of the partial acquisition, plus damages to the remainder (which may be offset by benefits).

- The 'summation method' for valuation of a partial acquisition is utilized, as is required in the State of California. Total compensation is estimated as the value of the partial acquisition, plus damages to the remainder (which may be offset by special benefits), plus any necessary costs to cure and temporary easements if they are part of the scope of the assignment.
- We searched for comparable sales and listings utilizing Costar™, the regional MLS, and the CBRE proprietary database. We also conducted interviews with land brokers familiar with the local economy and market area.

Based on market considerations, the appropriate unit of comparison for the subject's land is price per acre. As noted previously, there are zones of value (agricultural and residential homesite).

## Land Value - Residential

The following map and table summarize the comparable data used in the valuation of the subject site. A detailed description of each transaction is included in the addenda.



**SUMMARY OF COMPARABLE LAND SALES (RESIDENTIAL)**

No.	Property Location	Type	Date	Actual Sale Price	Size (Acres)	Price Per AC
1	Quail Canyon Road Vacaville, CA 95688	Exchange	Jul-21	\$625,000	41.00	\$15,244
2	Castro Ranch Rd, west of Duarte Trail El Sobrante, CA 94803	Sale	Jun-21	\$1,580,000	97.62	\$16,185
3	3535 Springhill Rd Lafayette, CA 94595	Sale	Jun-21	\$1,295,000	27.12	\$47,751
4	Grandview Road Napa, CA 94558	Sale	Mar-21	\$479,000	20.00	\$23,950
Subject	NEQ of Newell Drive and Donaldson Way, American Canyon, California	---	---	---	31.77	---

<sup>1</sup> Adjusted sale price for cash equivalency and/or development costs (where applicable)  
Compiled by CBRE

## DISCUSSION OF ADJUSTMENTS – RESIDENTIAL SALES

Based on our comparative analysis, the following chart summarizes the adjustments warranted to each comparable.

<b>LAND SALES ADJUSTMENT GRID - RESIDENTIAL</b>					
	<b>Subject</b>	<b>Comp No. 1</b>	<b>Comp No. 2</b>	<b>Comp No. 3</b>	<b>Comp No. 4</b>
Grantor		Patrick Crervelyn, Successor Trustees of Jacobus O. Corevelyn and Jenny N. Corevelyn 1996 Trust	Richmond Hills Limited; Richmond Hill Limited Partnership	Ryan Alexander	Rick A. Dias and Sharon L. Dias, husband and wife
Grantee		John Castanho	Edward Knapp	Amir R Koopah, Samara A Koopah	Victor P Hoerning and Vicki C. Hoerning, husband Sale
Transaction Type		Exchange	Sale	Sale	Sale
Date of Sale		Jul-21	Jun-21	Jun-21	Mar-21
Address	NEQ of Newell Drive and Donaldson Way	Quail Canyon Road	Castro Ranch Rd, west of Duarte Trail	3535 Springhill Rd	Grandview Road
City, State	American Canyon, CA	Vacaville, CA	El Sobrante, CA	Lafayette, CA	Napa, CA
Proposed Use	Rural Residential	SFR	SFR Subdivision	SFR	SFR
Gross Acres	31.77	41.00	97.62	27.12	20.00
Actual Sale Price		\$625,000	\$1,580,000	\$1,295,000	\$479,000
Adjusted Sale Price		\$625,000	\$1,580,000	\$1,295,000	\$479,000
Unit Price	Per Acre	\$15,244	\$16,185	\$47,751	\$23,950
Property Rights Conveyed		Comparable	Comparable	Comparable	Comparable
Financing		Comparable	Comparable	Comparable	Comparable
Conditions of Sale		Comparable	Comparable	Comparable	Comparable
Market Conditions (Time)		Comparable	Comparable	Comparable	Comparable
Adjusted \$/SF		\$15,244	\$16,185	\$47,751	\$23,950
Relative Location		Comparable	Comparable	Superior	Comparable
Size		Slightly Inferior	Inferior	Comparable	Slightly Superior
Physical Characteristics		Slightly Superior	Slightly Superior	Slightly Superior	Slightly Superior
Access/Frontage		Comparable	Comparable	Comparable	Inferior
Zoning		Comparable	Slightly Superior	Comparable	Comparable
Utilities		Comparable	Comparable	Comparable	Comparable
Net Adjustment		Comparable	Comparable	Superior	Superior
<b>Estimated Unit Value (\$ per Acre)</b>				<b>\$15,000</b>	
Compiled by CBRE					

### Property Rights Conveyed

This adjustment considers the difference in legal estate (interest) conveyed in a given sales transaction. The interest transferred can reflect a variety of rights that may affect the value of a property. The interest transferred can be defined in many ways, ranging from fee simple estates to leasehold estates. Fee simple estates are the highest form of ownership.

The subject site is valued based on its fee simple interest. All of the comparable sales include similar fee simple sales and therefore a property rights adjustment is not warranted.

### Conditions of Sale/Financing

All sales were indicated to be cash-to-seller transactions or financed by a third party at market terms. According to the listing broker, Sale 1 was part of a 1031-exchange for the buyer. However, the sellers accepted the offer and no adjustment is warranted.

All comparable sales reflected arm's length transactions and no adjustments for conditions of sale were warranted.

### Market Conditions

The comparable land sales transacted from March 2021 to August 2021. Based upon our conversations with local real estate agents, and our observations of local sales, the residential lot market has been stable to slightly improving in recent years. However, as the coronavirus vaccine has been more widely distributed and as restrictions are lifted, pent up demand for a limited number of vacant residential lots will drive prices up until an equilibrium is achieved. Considering this, there is insufficient data to support a quantifiable adjustment to lot pricing, as lot pricing depends on a variety of factors, including (but not limited to) rooftop pricing, construction costs for the home, site development costs, etc.

Given this discussion, the comparable sales are concluded generally similar as they occurred in 2021.

### Location

Location can have a significant influence on value, especially for industrial sites where industrial synergies and access to linkages are important. Based on an analysis of residential values within a 1-mile radius, Comparable 3 is located in a superior area to the subject. The remaining comparables are located in generally similar areas and do not warrant an adjustment.

### Size

Land area differences between properties can affect the prices per square foot due to economies of scale with larger properties. That is, all else being equal, larger sites tend to sell for less per square foot than smaller sites. A similar trend is observed in the comparable sales and therefore a size adjustment is warranted. Comparable 3 includes a generally similar site size and does not warrant an adjustment.

Comparable 2 includes a larger site (inferior), while Comparable 1 includes a slightly larger site (slightly inferior). Comparable 4 includes a slightly smaller site (slightly superior).

### Physical Features

The subject includes an irregular site shape. The comparables include typical site shapes with no inefficiencies noted and these sales are concluded slightly superior.

### Access/Frontage

The subject has adequate access for a residential site, as is the case for Sales 1-3.

Sale 4 includes poor access and the County would require various street improvements prior to development. Therefore, Sale 4 is concluded inferior.

### Zoning / H&BU

A site's zoning designation generally restricts the legally permissible uses for a specific site, which typically factors into a site's pricing. The subject and most of the comparable sales include similar zoning designations. Sale 2 includes potential for subdivision, which is concluded slightly superior.

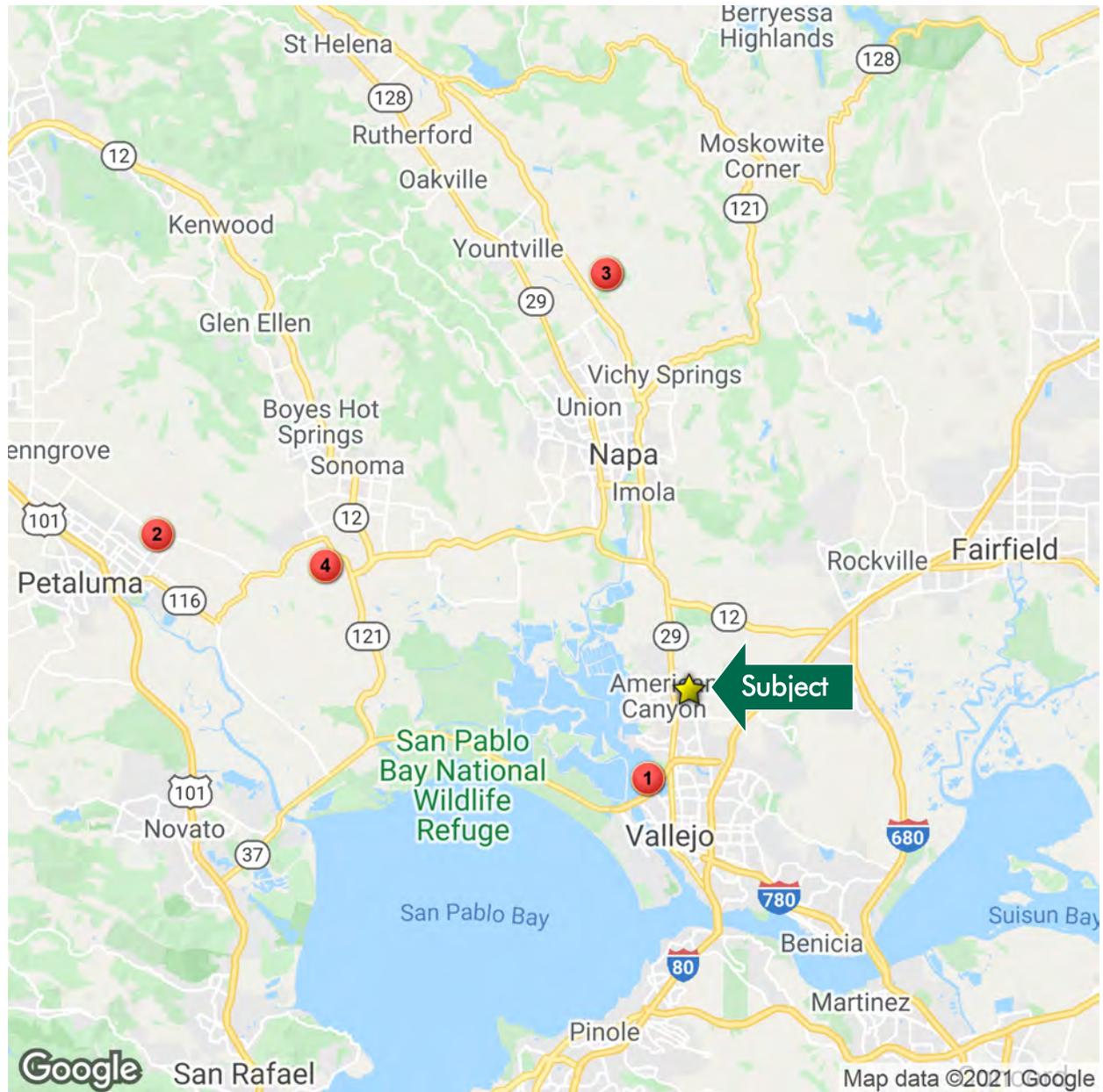
All of the comparables include a similar highest and best use for rural residential development. Therefore, the comparables do not warrant any adjustments.

### Utilities

The subject and all of the comparables are served with utilities, or have utilities available nearby in the street. Therefore, no adjustments are warranted.

## Land Value - Agricultural

The following map and table summarize the comparable data used in the valuation of the subject site. A detailed description of each transaction is included in the addenda.



<b>SUMMARY OF COMPARABLE LAND SALES (AGRICULTURAL)</b>						
<b>No.</b>	<b>Property Location</b>	<b>Type</b>	<b>Date</b>	<b>Actual Sale Price</b>	<b>Size (Acres)</b>	<b>Price Per AC</b>
1	Hwy 37 & Vallejo Vallejo, CA 94589	Sale	Aug-21	\$103,000	23.00	\$4,478
2	3274 Adobe Road Petaluma, CA 94954	Sale	Apr-21	\$4,380,450	82.65	\$53,000
3	Chimney Rock Rd Napa, CA 94558	Sale	Apr-21	\$1,400,000	40.19	\$34,835
4	22255 Bonness Rd Sonoma, CA 95476	Sale	Jan-18	\$510,000	8.50	\$60,000
Subject	NEQ of Newell Drive and Donaldson Way, American Canyon, California	---	---	---	25.20	---

<sup>1</sup> Adjusted sale price for cash equivalency and/or development costs (where applicable)  
Compiled by CBRE

Comparables 2 and 4 are being evaluated based solely on the price per acre for the vineyard adaptable land area.

## DISCUSSION OF ADJUSTMENTS – AGRICULTURAL SALES

Based on our comparative analysis, the following chart summarizes the adjustments warranted to each comparable.

<b>LAND SALES ADJUSTMENT GRID - AGRICULTURAL</b>					
	<b>Subject</b>	<b>Comp No. 1</b>	<b>Comp No. 2</b>	<b>Comp No. 3</b>	<b>Comp No. 4</b>
Grantor		N/A	Mark Galvin	The Pauline Preserve, Inc.	John Szanyi, Successor Trustee of Thomas L Grey and Joyce K Grey Revocable Trust
Grantee		N/A	Triangle G Legacy	Arthur and Tamera Housley	Peter S. Fazio and Shari Anne Fazio
Transaction Type		Sale	Sale	Sale	Sale
Date of Sale		Aug-21	Apr-21	Apr-21	Jan-18
Address	NEQ of Newell Drive and Donaldson Way	Hwy 37 & Vallejo	3274 Adobe Road	Chimney Rock Rd	22255 Bonness Rd
City, State	American Canyon, CA	Vallejo, CA	Petaluma, CA	Napa, CA	Sonoma, CA
Proposed Use	Agricultural	Agricultural	Agricultural	Vineyard / SFR	Vineyard / SFR
Gross Acres	25.202	23.00	82.65	40.19	8.50
Actual Sale Price		\$103,000	\$4,380,450	\$1,400,000	\$510,000
Adjusted Sale Price		\$103,000	\$4,830,450	\$1,400,000	\$510,000
Unit Price	Per Acre	\$4,478	\$53,000	\$34,835	\$60,000
Property Rights Conveyed		Comparable	Comparable	Comparable	Comparable
Financing		Comparable	Comparable	Comparable	Comparable
Conditions of Sale		Comparable	Comparable	Comparable	Comparable
Market Conditions (Time)		Comparable	Comparable	Comparable	Inferior
Adjusted \$/SF		\$4,478	\$53,000	\$34,835	\$60,000
Relative Location		Inferior	Superior	Superior	Superior
Size		Comparable	Inferior	Slightly Inferior	Superior
Physical Characteristics		Inferior	Superior	Comparable	Comparable
Access/Frontage		Comparable	Comparable	Comparable	Comparable
Zoning / H&BU		Inferior	Comparable	Comparable	Comparable
Utilities		Comparable	Comparable	Comparable	Comparable
Net Adjustment		Inferior	Superior	Slightly Superior	Superior
<b>Estimated Unit Value (\$ per Acre)</b>				\$30,000	
Compiled by CBRE					

### Property Rights Conveyed

This adjustment considers the difference in legal estate (interest) conveyed in a given sales transaction. The interest transferred can reflect a variety of rights that may affect the value of a property. The interest transferred can be defined in many ways, ranging from fee simple estates to leasehold estates. Fee simple estates are the highest form of ownership.

The subject site is valued based on its fee simple interest. All of the comparable sales include similar fee simple sales and therefore a property rights adjustment is not warranted.

### Conditions of Sale/Financing

All sales were indicated to be cash-to-seller transactions or financed by a third party at market terms. The comparables did not have any special conditions affecting the sale prices, and no adjustments are warranted.

### Market Conditions

The comparable land sales transacted from January 2018 to August 2021. Based upon our observations of recent sales, land values have remained stable to slightly improving in recent years.

Given this discussion, Sale 4 is concluded inferior while the comparable sales are concluded generally similar.

### Location

Location can have a significant influence on value, especially for industrial sites where industrial synergies and access to linkages are important. The subject is located in American Canyon, just south of Napa.

Sale 1 is located in a less desirable area and is concluded inferior. The remaining comparables are located in areas with superior climates that are more conducive to agricultural production. Therefore, the remaining comparables are concluded superior.

### Size

Land area differences between properties can affect the prices per square foot due to economies of scale with larger properties. That is, all else being equal, larger sites tend to sell for less per square foot than smaller sites. A similar trend is observed in the comparable sales and therefore a size adjustment is warranted. Comparable 1 includes a generally similar site size and does not warrant an adjustment.

Comparable 2 includes a larger site (inferior), while Comparable 3 includes a slightly larger site (slightly inferior). Comparable 4 includes a smaller site (superior).

### Physical Features

The subject includes Class 2 soils according to the USDA soil survey. Sale 4 consists of Class 2 soils (similar) and does not warrant an adjustment.

Sale 1 consists primarily of Class 4 soils, with the balance of the property consisting of Class 8 soils and water. Therefore, Sale 1 is concluded inferior to the subject.

Sale 2 consists of vineyard land with an existing lease on site. Based on our research, the soils are more conducive for agricultural production and Sale 2 is concluded superior.

Sale 3 consists of agricultural land; however, the USDA does not have available soil data for this property. The physical features are concluded generally similar to the subject.

### Access/Frontage

The subject and all of the comparables have adequate site access. Therefore, no adjustments are warranted.

### Zoning / H&BU

A site's zoning designation generally restricts the legally permissible uses for a specific site, which typically factors into a site's pricing.

Sale 1 includes MP (Marsh Protection) zoning, which limits the property's potential uses (inferior). The remaining comparables include generally similar zoning designations to the subject with a similar highest and best use (agricultural). Therefore, no other adjustments are warranted.

### Utilities

The subject and all of the companies are served with utilities, or have utilities available nearby in the street. Therefore, no adjustments are warranted.

### LAND VALUE CONCLUSION

Based on the cooler climate in the subject area, the subject location is considered a tertiary market for vineyard land. As such, a value per acre of \$30,000 is appropriate for the vineyard adaptable land.

As for the rural residential homesite, given the overall sale prices and the price per acre analysis, we have concluded a value of \$15,000 per acre which is approximately \$475,000 for the homesite.

The following table presents the valuation conclusion:

<b>CONCLUDED LAND VALUE</b>			
Land Type	\$ Per Acre	Size (AC)	Total
Vineyard Adaptable	\$30,000	x 25.202	= \$756,060
Rural Residential	\$15,000	x 31.77	= \$476,550
<b>Indicated Value:</b>			<b>\$1,232,610</b>
		Blended Rate (\$ PSF)	\$0.50
Compiled by CBRE			

## Part to be Acquired

The City of American Canyon proposes to two fee acquisitions for right of way, a vine trail easement, and two temporary construction easements, in conjunction with the Watson Ranch Specific Plan and the Napa Valley Vine Trail. The acquisitions are required to facilitate the northern extension of Newell Drive and the construction of the Napa Valley Vine Trail.

The Napa Valley Vine Trail (Vine Trail) is a planned 47-mile, Class 1 pedestrian and bicycle trail that would run north to south through Napa County, ultimately providing a continuous connection from Calistoga to Vallejo. The trail's northern gateway provides a connection to the Oat Hill Mine Trail (or State Route 29), at the foot of Mount St. Helena. The Vine Trail would share routes with other major regional trails, including the Bay Area Ridge Trail, the San Francisco Bay Trail, and the Napa River and Bay Trail. Additionally, the Vine Trail would be connected to the greater Bay Area at its southern terminus at the Vallejo ferry. The Vine Trail is currently being constructed in segments as funding becomes available. There is a planned segment of the Vine Trail that would run through the City of American Canyon, running through the Watson Ranch Specific Plan (WRSP) site from the northwest (Watson Lane and the railroad tracks) to the southeast (the proposed connection to the existing Newell Open Space Preserve Trail near Newell Drive).

The proposed acquisition sizes are provided below:

- Right of Way (Northern Acquisition Area) – 6,000 sq. ft.
- Right of Way (Southern Acquisition Area) – 62,000 sq. ft.
- Vine Trail Easement – 50,600 sq. ft.
- Temporary Construction Easement (North of Rio Del Mar) – 211,000 sq. ft.
- Temporary Construction Easement (South of Rio Del Mar) – 55,000 sq. ft.



## MARKET VALUE IMPACT

Permanent Vine Trail Easement: According to the client, the Napa Valley Vine Trail is a pedestrian and bicycle trail. Based on the appraiser's experience with pedestrian and bicycle easements, this area will be a dedicated public facility, which leaves very few rights retained by the property owner.

Easements of this type are typically valued as a percentage of the underlying fee value of the land. The percentage is related to the perceived "bundle" of rights acquired; the rights acquired from the property owner. In other words, the valuation is based upon what the property owner has lost, not what the grantee of the easement has gained. This bundle of rights acquired involves 1) the owner's loss of the use of the easement area during the construction period, 2) the limits on normal use of the area after project construction is completed and 3) the potential for future disruptions if maintenance or modifications to the embankment are required. Furthermore, there is a vertical division of physical rights associated with real estate, i.e. subsurface, surface, and air.

### Easement Valuation Matrix

From our appraisal experience involving other projects with various types of easements and discussions with market participants, easement valuations typically are in the range of 20% for minor impacts to 100% of underlying land value for acquisition of nearly all the land rights, such as permanent road easements or levee/flood control easements. The matrix shown below provides a general description of the potential impacts for various easement types for reference only. The appraiser's conclusions are based on the specific easement deed language applicable and market considerations.

Easement Valuation Matrix

Percentage of Fee	Comments	Potential Types of Easements
90% - 100%	<ul style="list-style-type: none"> <li>• Severe impact on surface use</li> <li>• Conveyance of future uses</li> </ul>	Overhead electric, flowage easements, railroad right of way, irrigation canals, exclusive access easements
75% - 89%	<ul style="list-style-type: none"> <li>• Major impact on surface use</li> <li>• Conveyance of future uses</li> </ul>	Overhead electric, pipelines, drainage easements, railroad right of way, flowage easements
51% - 74%	<ul style="list-style-type: none"> <li>• Some impact on surface use</li> <li>• Conveyance of ingress/egress rights</li> </ul>	Pipelines, scenic easements
50%	<ul style="list-style-type: none"> <li>• Balanced use by both owner and easement holder</li> </ul>	Water or sewer lines, cable lines, telecommunications
26% - 49%	<ul style="list-style-type: none"> <li>• Location along a property line</li> <li>• location across non-usable land area</li> </ul>	Water or sewer line, cable lines
11% - 25%	<ul style="list-style-type: none"> <li>• Subsurface or air rights with minimal effect on use and utility</li> <li>• Location with a setback</li> </ul>	Air rights, water or sewer line
0% - 10%	<ul style="list-style-type: none"> <li>• Nominal effect on use and utility</li> </ul>	Small subsurface easement

Source: Right-of-Way Magazine, International Right-of-Way Association, May/June 2006 Donald Sherman, SR/WA

Permanent Vine Trail Easement: Based on the rights being transferred, a diminution in fee value of 95% is appropriate for the area encumbered by the vine trail easement.

**ACQUISITION INTEREST**

**Vine Trail Easement**

Rights Being Acquired	Surface
Percent of Fee Encumbered	95%
Balance of Rights Remaining	5%

### Value of the Acquisition

The value of the land is based upon its pro-rata contributory value to the whole property. Below is a summary of the market value impacts to the land in the proposed permanent easement acquisition area to be acquired:

VALUATION OF PARTIAL ACQUISITION - LAND								
Partial Acquisition	Area	Unit Value	Acquired	Owned	Unrounded	Value (Rounded)		
ROW Acquisition - Northern Area	6,000 SF	x \$0.50	x 100%	x 100%	= \$2,980.08	\$2,980		
ROW Acquisition - Southern Area	62,000 SF	x \$0.50	x 100%	x 100%	= \$30,794.14	\$30,794		
Vine Trail Easement	50,600 SF	x \$0.50	x 95%	x 100%	= \$23,875.39	\$23,875		
<b>Total</b>						<b>\$57,649</b>		

Compiled by CBRE

### Value of the Remainder as Part of the Larger Parcel

Deducting the value of the acquisition from the value of the larger parcel yields the value of the remainder as part of the larger parcel.

VALUE OF REMAINDER AS PART OF THE LARGER PARCEL				
Value of Larger Parcel		Value of Acquisition	=	Value of Remainder Before Acquisition (Rounded)
\$1,232,610	-	\$57,649	=	\$1,174,961
				<b>\$1,174,961</b>

## Analysis of the Remainder

The remainder after the acquisition involves a separate highest and best use analysis from the whole property. The value of the remainder after the acquisition takes into consideration the physical, legal, and economic characteristics of the site as though the project was complete as of the date of the appraisal (see hypothetical conditions).

REMAINDER AFTER ANALYSIS	
<b>Northern Remainder HBU</b>	Rural Residential / Agricultural
<b>Southern Remainder HBU</b>	Agricultural
<b>Damages to Remainder</b>	Damages to the remainder apply
<b>Impact Outside of Project Area</b>	Damages to the remainder apply

The proposed permanent acquisitions consist of the following land types:

**Vine Trail Easement** – 17,600 SF of agricultural land & 33,000 SF of rural residential land.

**Right of Way Acquisition** – 58,000 SF of agricultural land & 10,000 SF of rural residential land

Therefore, the remainder property is identified below:

- **Agricultural (plantable) land:** 23.87 Acres (1,039,799 square feet)
  - Note that the area encumbered by the vine trail easement (17,600 sq. ft.) is diminished in value due to the lack of agricultural uses remaining for the property owner.
- **Rural Residential Homesite:** 31.54 Acres (1,373,901 square feet) – As discussed in the highest and best use section, the residential remainder area has reduced appeal in the after condition. Therefore, it is valued at \$425,000 (as shown in the table below).

### Value of Remainder, After Acquisition, Before Benefits

The value of the remainder consists of the remainder land as follows:

REMAINDER VALUE								
Remainder Area	Area		Per Unit Value		Fee % Unencumbered		Value Indication	Value of Remainder After (Rounded)
Fee Area (Agricultural Land)	23.46	AC	x \$30,000	x	100%	=	\$703,800	\$703,800
Fee Area (Rural Residential Land)	31.54	AC	x	x	100%	=	\$425,000	\$425,000
Vine Trail Easement Area (Agricultural Land)	0.40	AC	x \$30,000	x	5%	=	\$600	\$600
<b>Total Remainder Value</b>								<b>\$1,129,400</b>

## CALCULATION OF DAMAGES

The difference between the value of the remainder before the acquisition and the remainder after the acquisition results in the indicated damages associated with the proposed acquisition.

<b>REMAINDER IMPACT/DAMAGE VALUATION SUMMARY</b>		
<b>Value of Remainder Before the Acquisition</b>	<b>Value of Remainder After the Acquisition</b>	<b>Market Impact/Damage</b>
\$1,174,961 -	\$1,129,400 =	\$45,561

### Value of Remainder, After Acquisition, Including Benefits

The project will benefit the general area. No benefits apply to the remainder. The value of the remainder after acquisition, including benefits is equivalent to the value of the remainder, after acquisition, before benefits.

<b>BENEFITS</b>		
<b>Value of Remainder After the Acquisition, Before Benefits</b>	<b>Value of Remainder After the Acquisition, Including Benefits</b>	<b>Benefits</b>
\$1,129,400 -	\$1,129,400 =	\$0

## TEMPORARY CONSTRUCTION EASEMENTS

The project will also require two temporary construction easements. These easements do not convey any right or interest in the property, nor does it prevent the property owner from the use of the property; provided, however, that such use does not interfere with the rights granted.

Temporary easements are utilized during the duration of a project for construction purposes. They are a temporary lease of the land and do not represent a permanent acquisition of rights. However, they affect the utility of the affected land during the duration of the easement and as such, a lease payment is due for its lifetime.

Duration of Easement: The temporary construction easement will commence on November 1, 2021 and end on February 1, 2022.

Impacts to the Subject: As mentioned in the analysis of the remainder after, no significant impacts are expected outside the project area. No permanent damages are concluded.

Rate of Return: In estimating the market value for a temporary easement, appraisers typically consider the easement similar to ground rent, where the land would be rented for a specified period. To arrive at a fair market rent for land, it is typical to apply a reasonable annual rate of return to the market value of the land. The rate needs to include an allowance for property taxes, which the property owner will continue to pay during the period of the temporary easement.

Ground leases in this area are valued at 10% of the fee simple value of the land annually and calculated in total as follows.

**Summary of Market Value Impact to Land**

Below is a summary of the market value impacts to the land in the proposed temporary easement acquisition areas:

<b>TEMPORARY CONSTRUCTION EASEMENTS</b>									
<b>Area</b>	<b>Size</b>	<b>\$ PSF</b>	<b>% Fee Owned</b>	<b>Rental Rate</b>	<b>Annual Rate</b>	<b>Monthly Rate</b>	<b>Term</b>	<b>Temp Esmt Value</b>	
TCE (Northern Area)	211,000 SF	x \$0.50	x 100%	x 10%	= \$10,479.43	\$873.29	x 3 Mo.	\$2,620	
TCE (Southern Area)	55,000 SF	x \$0.50	x 100%	x 10%	= \$2,731.61	\$227.63	x 3 Mo.	\$683	
<b>Total</b>								<b>\$3,303</b>	
Compiled by CBRE									

## Summary of Fair Market Value

The total fair market value includes the value of the acquisition, net severance damages, and any potential curative costs or temporary construction easements. These opinions are based upon market data available as of the effective date of the appraisal.

These estimates are totaled to arrive at the opinion of total fair market value as follows.

<b>CONCLUDED MARKET VALUE</b>		
Larger Parcel (Land and Affected Improvements)	\$1,232,610	
Land Acquired		\$57,649
Site Improvements Acquired		<u>\$0</u>
Part Acquired		\$57,649
Remainder Before Consideration of Damages	\$1,174,961	
Remainder After Consideration of Damages	\$1,129,400	
Net Damages or Benefits		\$45,561
Net Cost to Cure		\$0
Temporary Easements		<u>\$3,303</u>
Total Fair Market Value		\$106,513
<b>Total Fair Market Value (rounded)</b>		<b>\$107,000</b>

## Assumptions and Limiting Conditions

1. CBRE, Inc. through its appraiser (collectively, "CBRE") has inspected through reasonable observation the subject property. However, it is not possible or reasonably practicable to personally inspect conditions beneath the soil and the entire interior and exterior of the improvements on the subject property. Therefore, no representation is made as to such matters.
2. The report, including its conclusions and any portion of such report (the "Report"), is as of the date set forth in the letter of transmittal and based upon the information, market, economic, and property conditions and projected levels of operation existing as of such date. The dollar amount of any conclusion as to value in the Report is based upon the purchasing power of the U.S. Dollar on such date. The Report is subject to change as a result of fluctuations in any of the foregoing. CBRE has no obligation to revise the Report to reflect any such fluctuations or other events or conditions which occur subsequent to such date.
3. Unless otherwise expressly noted in the Report, CBRE has assumed that:
  - (i) Title to the subject property is clear and marketable and that there are no recorded or unrecorded matters or exceptions to title that would adversely affect marketability or value. CBRE has not examined title records (including without limitation liens, encumbrances, easements, deed restrictions, and other conditions that may affect the title or use of the subject property) and makes no representations regarding title or its limitations on the use of the subject property. Insurance against financial loss that may arise out of defects in title should be sought from a qualified title insurance company.
  - (ii) Existing improvements on the subject property conform to applicable local, state, and federal building codes and ordinances, are structurally sound and seismically safe, and have been built and repaired in a workmanlike manner according to standard practices; all building systems (mechanical/electrical, HVAC, elevator, plumbing, etc.) are in good working order with no major deferred maintenance or repair required; and the roof and exterior are in good condition and free from intrusion by the elements. CBRE has not retained independent structural, mechanical, electrical, or civil engineers in connection with this appraisal and, therefore, makes no representations relative to the condition of improvements. CBRE appraisers are not engineers and are not qualified to judge matters of an engineering nature, and furthermore structural problems or building system problems may not be visible. It is expressly assumed that any purchaser would, as a precondition to closing a sale, obtain a satisfactory engineering report relative to the structural integrity of the property and the integrity of building systems.
  - (iii) Any proposed improvements, on or off-site, as well as any alterations or repairs considered will be completed in a workmanlike manner according to standard practices.
  - (iv) Hazardous materials are not present on the subject property. CBRE is not qualified to detect such substances. The presence of substances such as asbestos, urea formaldehyde foam insulation, contaminated groundwater, mold, or other potentially hazardous materials may affect the value of the property.
  - (v) No mineral deposit or subsurface rights of value exist with respect to the subject property, whether gas, liquid, or solid, and no air or development rights of value may be transferred. CBRE has not considered any rights associated with extraction or exploration of any resources, unless otherwise expressly noted in the Report.
  - (vi) There are no contemplated public initiatives, governmental development controls, rent controls, or changes in the present zoning ordinances or regulations governing use, density, or shape that would significantly affect the value of the subject property.
  - (vii) All required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, nor national government or private entity or organization have been or can be readily obtained or renewed for any use on which the Report is based.
  - (viii) The subject property is managed and operated in a prudent and competent manner, neither inefficiently or super-efficiently.
  - (ix) The subject property and its use, management, and operation are in full compliance with all applicable federal, state, and local regulations, laws, and restrictions, including without limitation environmental laws, seismic hazards, flight patterns, decibel levels/noise envelopes, fire hazards, hillside ordinances, density, allowable uses, building codes, permits, and licenses.
  - (x) The subject property is in full compliance with the Americans with Disabilities Act (ADA). CBRE is not qualified to assess the subject property's compliance with the ADA, notwithstanding any discussion of possible readily achievable barrier removal construction items in the Report.

- (xi) All information regarding the areas and dimensions of the subject property furnished to CBRE are correct, and no encroachments exist. CBRE has neither undertaken any survey of the boundaries of the subject property nor reviewed or confirmed the accuracy of any legal description of the subject property.

Unless otherwise expressly noted in the Report, no issues regarding the foregoing were brought to CBRE's attention, and CBRE has no knowledge of any such facts affecting the subject property. If any information inconsistent with any of the foregoing assumptions is discovered, such information could have a substantial negative impact on the Report. Accordingly, if any such information is subsequently made known to CBRE, CBRE reserves the right to amend the Report, which may include the conclusions of the Report. CBRE assumes no responsibility for any conditions regarding the foregoing, or for any expertise or knowledge required to discover them. Any user of the Report is urged to retain an expert in the applicable field(s) for information regarding such conditions.

4. CBRE has assumed that all documents, data and information furnished by or behalf of the client, property owner, or owner's representative are accurate and correct, unless otherwise expressly noted in the Report. Such data and information include, without limitation, numerical street addresses, lot and block numbers, Assessor's Parcel Numbers, land dimensions, square footage area of the land, dimensions of the improvements, gross building areas, net rentable areas, usable areas, unit count, room count, rent schedules, income data, historical operating expenses, budgets, and related data. Any error in any of the above could have a substantial impact on the Report. Accordingly, if any such errors are subsequently made known to CBRE, CBRE reserves the right to amend the Report, which may include the conclusions of the Report. The client and intended user should carefully review all assumptions, data, relevant calculations, and conclusions of the Report and should immediately notify CBRE of any questions or errors within 30 days after the date of delivery of the Report.
5. CBRE assumes no responsibility (including any obligation to procure the same) for any documents, data or information not provided to CBRE, including without limitation any termite inspection, survey or occupancy permit.
6. All furnishings, equipment and business operations have been disregarded with only real property being considered in the Report, except as otherwise expressly stated and typically considered part of real property.
7. Any cash flows included in the analysis are forecasts of estimated future operating characteristics based upon the information and assumptions contained within the Report. Any projections of income, expenses and economic conditions utilized in the Report, including such cash flows, should be considered as only estimates of the expectations of future income and expenses as of the date of the Report and not predictions of the future. Actual results are affected by a number of factors outside the control of CBRE, including without limitation fluctuating economic, market, and property conditions. Actual results may ultimately differ from these projections, and CBRE does not warrant any such projections.
8. The Report contains professional opinions and is expressly not intended to serve as any warranty, assurance or guarantee of any particular value of the subject property. Other appraisers may reach different conclusions as to the value of the subject property. Furthermore, market value is highly related to exposure time, promotion effort, terms, motivation, and conclusions surrounding the offering of the subject property. The Report is for the sole purpose of providing the intended user with CBRE's independent professional opinion of the value of the subject property as of the date of the Report. Accordingly, CBRE shall not be liable for any losses that arise from any investment or lending decisions based upon the Report that the client, intended user, or any buyer, seller, investor, or lending institution may undertake related to the subject property, and CBRE has not been compensated to assume any of these risks. Nothing contained in the Report shall be construed as any direct or indirect recommendation of CBRE to buy, sell, hold, or finance the subject property.
9. No opinion is expressed on matters which may require legal expertise or specialized investigation or knowledge beyond that customarily employed by real estate appraisers. Any user of the Report is advised to retain experts in areas that fall outside the scope of the real estate appraisal profession for such matters.
10. CBRE assumes no responsibility for any costs or consequences arising due to the need, or the lack of need, for flood hazard insurance. An agent for the Federal Flood Insurance Program should be contacted to determine the actual need for Flood Hazard Insurance.
11. Acceptance or use of the Report constitutes full acceptance of these Assumptions and Limiting Conditions and any special assumptions set forth in the Report. It is the responsibility of the user of the Report to read in full, comprehend and thus become aware of all such assumptions and limiting conditions. CBRE assumes no responsibility for any situation arising out of the user's failure to become familiar with and understand the same.
12. The Report applies to the property as a whole only, and any pro ration or division of the title into fractional interests will invalidate such conclusions, unless the Report expressly assumes such pro ration or division of interests.

13. The allocations of the total value estimate in the Report between land and improvements apply only to the existing use of the subject property. The allocations of values for each of the land and improvements are not intended to be used with any other property or appraisal and are not valid for any such use.
14. The maps, plats, sketches, graphs, photographs, and exhibits included in this Report are for illustration purposes only and shall be utilized only to assist in visualizing matters discussed in the Report. No such items shall be removed, reproduced, or used apart from the Report.
15. The Report shall not be duplicated or provided to any unintended users in whole or in part without the written consent of CBRE, which consent CBRE may withhold in its sole discretion. Exempt from this restriction is duplication for the internal use of the intended user and its attorneys, accountants, or advisors for the sole benefit of the intended user. Also exempt from this restriction is transmission of the Report pursuant to any requirement of any court, governmental authority, or regulatory agency having jurisdiction over the intended user, provided that the Report and its contents shall not be published, in whole or in part, in any public document without the written consent of CBRE, which consent CBRE may withhold in its sole discretion. Finally, the Report shall not be made available to the public or otherwise used in any offering of the property or any security, as defined by applicable law. Any unintended user who may possess the Report is advised that it shall not rely upon the Report or its conclusions and that it should rely on its own appraisers, advisors and other consultants for any decision in connection with the subject property. CBRE shall have no liability or responsibility to any such unintended user.
16. CBRE, Inc. is not qualified to detect the existence of any potentially hazardous materials such as lead paint, asbestos, urea formaldehyde foam insulation, or other potentially hazardous construction materials on or in the land or improvements. The existence of such substances may affect the value of the property. For the purpose of this assignment, we have assumed there are no hazardous materials that would cause a loss in value to the subject.

**ADDENDA**

Addendum A

**LAND SALE DATA SHEETS – RESIDENTIAL**

# Exchange

# Land - Single Unit Residential

# No. 1

Property Name Quail Canyon Road land  
 Address Quail Canyon Road  
 Vacaville, CA 95688  
 United States

Government Tax Agency Contra Costa  
 Govt./Tax ID 0101-090-380

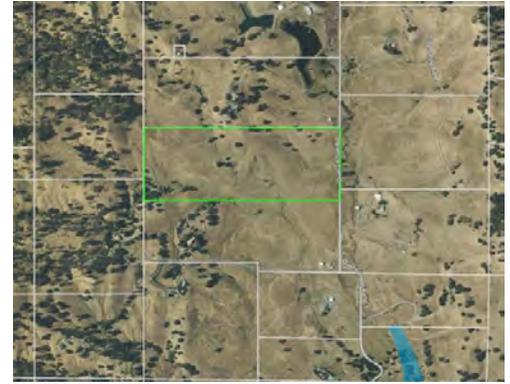
### Site/Government Regulations

	Acres	Square feet
Land Area Net	41.000	1,785,960
Land Area Gross	41.000	1,785,960

Site Development Status	Raw
Shape	Rectangular
Topography	Generally Level
Utilities	N/A

Maximum FAR N/A  
 Min Land to Bldg Ratio N/A  
 Maximum Density N/A

General Plan Agricultural  
 Specific Plan N/A  
 Zoning N/A  
 Entitlement Status N/A



### Sale Summary

Recorded Buyer	John Castanho	Marketing Time	24 Month(s)
True Buyer	John Castanho	Buyer Type	End User
Recorded Seller	Patrick Corervelyn, Successor Trustees of Jacobus O. Corevelyn and Jenny N. Corevelyn 1996 Trust	Seller Type	End User
True Seller	Patrick Corervelyn, Successor Trustees of Jacobus O. Corevelyn and Jenny N. Corevelyn 1996 Trust	Primary Verification	Listing Broker

Interest Transferred	Fee Simple/Freehold	Type	Exchange
Current Use	N/A	Date	7/16/2021
Proposed Use	N/A	Sale Price	\$625,000
Listing Broker	Ken Fithian 707-590-0315	Financing	Other(See Comments)
Selling Broker	N/A	Cash Equivalent	\$625,000
Doc #	202100075511	Capital Adjustment	\$0
		Adjusted Price	\$625,000

### Transaction Summary plus Five-Year CBRE View History

Transaction Date	Transaction Type	Buyer	Seller	Price	Price/ac and /sf
07/2021	Exchange	John Castanho	Patrick Corervelyn, Successor Trustees of Jacobus O. Corevelyn and Jenny N. Corevelyn 1996 Trust	\$625,000	\$15,244 / \$0.35

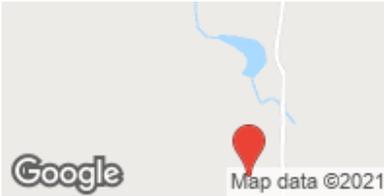
**Units of Comparison**

\$0.35 / sf  
\$15,243.90 / ac

N/A / Unit  
N/A / Allowable Bldg. Units  
N/A / Building Area

**Financial**

**No information recorded**

**Map & Comments**

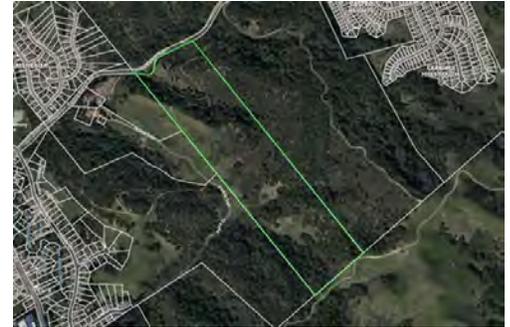
This transaction was a 1031 exchange. Per the listing broker, the sellers originally listed property for \$899,000 and it was on the market for multiple years because there was no rush to sell. They decided to sell for \$625,000 (as-is) to a local buyer just to "get it off of their plate". The buyer intends to build a residence onsite. Utilities are at the street, and the property has a seasonal creek.

Property Name Castro Ranch Rd  
 Address Castro Ranch Rd, west of Duarte Trail  
 El Sobrante, CA 94803  
 United States

Government Tax Agency Contra Costa  
 Govt./Tax ID 432-040-004

**Site/Government Regulations**

	Acres	Square feet
Land Area Net	97.620	4,252,327
Land Area Gross	97.620	4,252,327



Site Development Status	Raw
Shape	Rectangular
Topography	Generally Level
Utilities	N/A

Maximum FAR N/A  
 Min Land to Bldg Ratio N/A  
 Maximum Density N/A

General Plan Agricultural  
 Specific Plan N/A  
 Zoning N/A  
 Entitlement Status N/A

**Sale Summary**

Recorded Buyer	Edward Knapp	Marketing Time	N/A
True Buyer	Edward Knapp	Buyer Type	End User
Recorded Seller	Richmond Hills Limited; Richmond Hill Limited Partnership	Seller Type	Other
True Seller	Richmond Hills Limited; Richmond Hill Limited Partnership	Primary Verification	Public Records

Interest Transferred	N/A	Type	Sale
Current Use	N/A	Date	6/28/2021
Proposed Use	N/A	Sale Price	\$1,580,000
Listing Broker	Russ Darby 925-362-0460	Financing	N/A
Selling Broker	N/A	Cash Equivalent	\$1,580,000
Doc #	2021-189951	Capital Adjustment	\$0
		Adjusted Price	\$1,580,000

**Transaction Summary plus Five-Year CBRE View History**

Transaction Date	Transaction Type	Buyer	Seller	Price	Price/ac and /sf
06/2021	Sale	Edward Knapp	Richmond Hills Limited; Richmond Hill Limited Partnership	\$1,580,000	\$16,185 / \$0.37

**Units of Comparison**

\$0.37 / sf  
\$16,185.21 / ac

N/A / Unit  
N/A / Allowable Bldg. Units  
N/A / Building Area

**Financial**

**No information recorded**

**Map & Comments**



Info from MLS and Public Records. 97.62 Acres of land in El Sobrante. Close to Greebriar, Castro Heights, and El Sobrante Ridge Regional Preserve. Subdivision is possible.

# Sale

# Land - Single Unit Residential

# No. 3

Property Name 3535 Springhill Rd  
 Address 3535 Springhill Rd  
 Lafayette, CA 94595  
 United States

Government Tax Agency Contra Costa  
 Govt./Tax ID 231-080-011

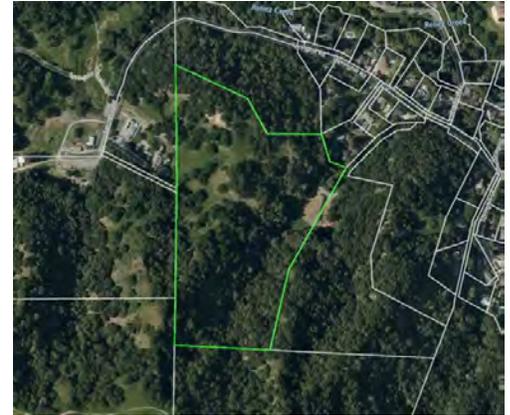
### Site/Government Regulations

	Acres	Square feet
Land Area Net	27.120	1,181,347
Land Area Gross	27.120	1,181,347

Site Development Status	Raw
Shape	Irregular
Topography	Generally Level
Utilities	N/A

Maximum FAR	N/A
Min Land to Bldg Ratio	N/A
Maximum Density	N/A

General Plan	Agricultural
Specific Plan	Residential
Zoning	N/A
Entitlement Status	N/A



### Sale Summary

Recorded Buyer	Amir R Koopah, Samara A Koopah
True Buyer	Amir R Koopah, Samara A Koopah
Recorded Seller	Ryan Alexander
True Seller	Ryan Alexander

Marketing Time	3 Month(s)
Buyer Type	End User
Seller Type	End User
Primary Verification	Listing broker

Interest Transferred	N/A
Current Use	N/A
Proposed Use	N/A
Listing Broker	Ron Carter 925-279-2222
Selling Broker	N/A
Doc #	2021-160590

Type	Sale
Date	6/2/2021
Sale Price	\$1,295,000
Financing	All Cash
Cash Equivalent	\$1,295,000
Capital Adjustment	\$0
Adjusted Price	\$1,295,000

### Transaction Summary plus Five-Year CBRE View History

Transaction Date	Transaction Type	Buyer	Seller	Price	Price/ac and /sf
06/2021	Sale	Amir R Koopah, Samara A Koopah	Ryan Alexander	\$1,295,000	\$47,751 / \$1.10

**Units of Comparison**

\$1.10 / sf  
\$47,750.74 / ac

N/A / Unit  
N/A / Allowable Bldg. Units  
N/A / Building Area

**Financial**

**No information recorded**

**Map & Comments**



8/30/2021 Confirmed with broker. Property was on the market for 3 months, an all cash non-arms length transaction. All utilities are available at the street. Property needs improvements to the access road and that cost will be split with adjacent parcel owner.

# Sale

# Land - Single Unit Residential

# No. 4

Property Name Grandview Road Land  
 Address Grandview Road  
 Napa, CA 94558  
 United States

Government Tax Agency Napa  
 Govt./Tax ID 033-240-005-000

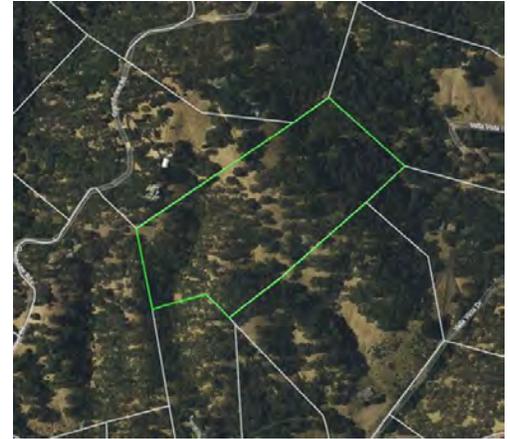
### Site/Government Regulations

	Acres	Square feet
Land Area Net	20.000	871,200
Land Area Gross	20.000	871,200

Site Development Status	Raw
Shape	Irregular
Topography	Generally Level
Utilities	N/A

Maximum FAR N/A  
 Min Land to Bldg Ratio N/A  
 Maximum Density N/A

General Plan N/A  
 Specific Plan N/A  
 Zoning N/A  
 Entitlement Status N/A



### Sale Summary

Recorded Buyer	Victor P Hoerning and Vicki C. Hoerning, husband wife	Marketing Time	N/A
True Buyer	Victor P Hoerning and Vicki C. Hoerning, husband wife	Buyer Type	End User
Recorded Seller	Rick A. Dias and Sharon L. Dias, husband and wife	Seller Type	End User
True Seller	Rick A. Dias and Sharon L. Dias, husband and wife	Primary Verification	Listing Broker
Interest Transferred	Fee Simple/Freehold	Type	Sale
Current Use	N/A	Date	3/16/2021
Proposed Use	N/A	Sale Price	\$479,000
Listing Broker	Torri Cooper 707-410-6010	Financing	All Cash
Selling Broker	N/A	Cash Equivalent	\$479,000
Doc #	2021-0010683	Capital Adjustment	\$0
		Adjusted Price	\$479,000

### Transaction Summary plus Five-Year CBRE View History

Transaction Date	Transaction Type	Buyer	Seller	Price	Price/ac and /sf
03/2021	Sale	Victor P Hoerning and Vicki C. Hoerning, husband wife	Rick A. Dias and Sharon L. Dias, husband and wife	\$479,000	\$23,950 / \$0.55

**Units of Comparison**

\$0.55 / sf  
\$23,950.00 / ac

N/A / Unit  
N/A / Allowable Bldg. Units  
N/A / Building Area

**Financial**

**No information recorded**

**Map & Comments**



Per broker, all cash buyer from the Midwest. Utilities are available to connect - PG&E pole is close to the property. Septic would need to be installed, but there is a water shed on the property. County will require road improvements. Per broker, the buyer realized that building a house and getting utilities was cost prohibitive, and the property is now re-listed by buyer for \$479,000.

Addendum B

**LAND SALE DATA SHEETS – AGRICULTURAL**

# Sale

# Land - Single Unit Residential

# No. 1

Property Name White Slough Property  
 Address Hwy 37 & Vallejo  
 Vallejo, CA 94589  
 United States

Government Tax Agency Contra Costa  
 Govt./Tax ID 0067-220-010

### Site/Government Regulations

	Acres	Square feet
Land Area Net	23.000	1,001,880
Land Area Gross	23.000	1,001,880



Site Development Status	Raw
Shape	Irregular
Topography	Generally Level
Utilities	N/A

Maximum FAR	N/A
Min Land to Bldg Ratio	N/A
Maximum Density	N/A

General Plan	N/A
Specific Plan	N/A
Zoning	N/A
Entitlement Status	N/A

### Sale Summary

Recorded Buyer	N/A	Marketing Time	N/A
True Buyer	N/A	Buyer Type	N/A
Recorded Seller	N/A	Seller Type	N/A
True Seller	N/A	Primary Verification	MLS
Interest Transferred	N/A	Type	Sale
Current Use	N/A	Date	8/10/2021
Proposed Use	N/A	Sale Price	\$103,000
Listing Broker	Tammy Tengs 415-651-7222	Financing	N/A
Selling Broker	N/A	Cash Equivalent	\$103,000
Doc #	N/A	Capital Adjustment	\$0
		Adjusted Price	\$103,000

### Transaction Summary plus Five-Year CBRE View History

Transaction Date	Transaction Type	Buyer	Seller	Price	Price/ac and /sf
08/2021	Sale	N/A	N/A	\$103,000	\$4,478 / \$0.10

**Units of Comparison**

\$0.10 / sf  
\$4,478.26 / ac

N/A / Unit  
N/A / Allowable Bldg. Units  
N/A / Building Area

**Financial**

**No information recorded**

**Map & Comments**



Per MLS: Two parcels combined, a total of 23 acres. Zoning is MP Marsh Protection. Land is partly dry and partly marsh, adding to the beauty, wonder, and opportunities for wildlife viewing! Check directly with Solano County Planning Department to learn more about possible uses.

# Sale

# Land - Agricultural

# No. 2

Property Name Ranch Land  
 Address 3274 Adobe Road  
 Petaluma, CA 94954  
 United States

Government Tax Agency Sonoma  
 Govt./Tax ID 017-100-006-000

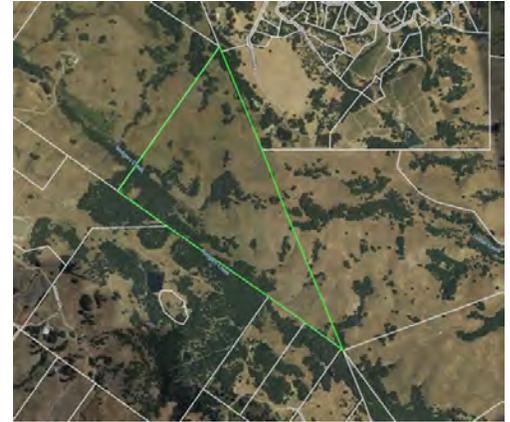
### Site/Government Regulations

	Acres	Square feet
Land Area Net	1,746.000	76,055,760
Land Area Gross	1,746.000	76,055,760

Site Development Status	Raw
Shape	Irregular
Topography	Varies
Utilities	N/A

Maximum FAR	N/A
Min Land to Bldg Ratio	N/A
Maximum Density	N/A

General Plan	Pasture, Dry
Specific Plan	N/A
Zoning	N/A
Entitlement Status	N/A



### Sale Summary

Recorded Buyer	Triangle G Legacy	Marketing Time	N/A
True Buyer	N/A	Buyer Type	N/A
Recorded Seller	N/A	Seller Type	End User
True Seller	Marvin Galvin	Primary Verification	Listing broker
Interest Transferred	Fee Simple/Freehold	Type	Sale
Current Use	N/A	Date	4/23/2021
Proposed Use	N/A	Sale Price	\$29,000,000
Listing Broker	Sean Lim	Financing	N/A
Selling Broker	N/A	Cash Equivalent	\$29,000,000
Doc #	N/A	Capital Adjustment	\$0
		Adjusted Price	\$29,000,000

### Transaction Summary plus Five-Year CBRE View History

Transaction Date	Transaction Type	Buyer	Seller	Price	Price/ac and /sf
04/2021	Sale	Triangle G Legacy	N/A	\$29,000,000	\$16,609 / \$0.38

**Units of Comparison**

\$0.38 / sf  
\$16,609.39 / ac

N/A / Unit  
N/A / Allowable Bldg. Units  
N/A / Building Area

**Financial**

**No information recorded**

**Map & Comments**



Information provided by broker. 1,746 acres of pasture / dry ranch land, located east of Petaluma in the Rodgers Creek area. The Sonoma County towns of Temelec, El Verano, and Agua Caliente are to the east of the property.

# Sale

# Land - Single Unit Residential

# No. 3

Property Name Chimney Rock Land  
 Address Chimney Rock Rd  
 Napa, CA 94558  
 United States

Government Tax Agency Napa  
 Govt./Tax ID 039-630-015

### Site/Government Regulations

	Acres	Square feet
Land Area Net	40.190	1,750,676
Land Area Gross	40.190	1,750,676

Site Development Status	Raw
Shape	Irregular
Topography	Varies
Utilities	N/A

Maximum FAR N/A  
 Min Land to Bldg Ratio N/A  
 Maximum Density N/A

Frontage Distance/Street 3,670 ft Chimney Rock Rd

General Plan N/A  
 Specific Plan N/A  
 Zoning N/A  
 Entitlement Status N/A



### Sale Summary

Recorded Buyer	Arthur and Tamera Housley	Marketing Time	N/A
True Buyer	Arthur and Tamera Housley	Buyer Type	N/A
Recorded Seller	The Pauline Preserve, Inc.	Seller Type	N/A
True Seller	The Pauline Preserve, Inc.	Primary Verification	Broker

Interest Transferred	N/A
Current Use	N/A
Proposed Use	N/A
Listing Broker	Jacqueline Wessel / 707-9567-9570
Selling Broker	N/A
Doc #	2021-0014356

Type	Sale
Date	4/19/2021
Sale Price	\$1,400,000
Financing	N/A
Cash Equivalent	\$1,400,000
Capital Adjustment	\$0
Adjusted Price	\$1,400,000

### Transaction Summary plus Five-Year CBRE View History

Transaction Date	Transaction Type	Buyer	Seller	Price	Price/ac and /sf
04/2021	Sale	Arthur and Tamera Housley	The Pauline Preserve, Inc.	\$1,400,000	\$34,835 / \$0.80

**Units of Comparison**

\$0.80 / sf  
\$34,834.54 / ac

N/A / Unit  
N/A / Allowable Bldg. Units  
N/A / Building Area

**Financial**

**No information recorded**

**Map & Comments**



Confirmed with broker on 9/1/2021. Property is undeveloped property in residential gated enclave in Napa and was on the market for roughly 3 months. Utilities are available to connect at the street. The buyers are local and intend to build a house and plant a vineyard. Was originally going to be an all-cash transaction, but buyers ended up securing an agricultural loan.

Property Name Vineyard Property  
 Address 22255 Bonness Rd  
 Sonoma, CA 95476  
 United States

Government Tax Agency Sonoma  
 Govt./Tax ID 142-071-004-000

**Site/Government Regulations**

	Acres	Square feet
Land Area Net	13.430	585,011
Land Area Gross	13.430	585,011

Site Development Status	Finished
Shape	Rectangular
Topography	Generally Level
Utilities	N/A

Maximum FAR	N/A
Min Land to Bldg Ratio	N/A
Maximum Density	N/A

General Plan	Vineyard, Wine
Specific Plan	N/A
Zoning	N/A
Entitlement Status	N/A



**Sale Summary**

Recorded Buyer	Peter S. Fazio and Shari Anne Fazio	Marketing Time	N/A
True Buyer	Peter S. Fazio and Shari Anne Fazio	Buyer Type	End User
Recorded Seller	John Szanyi, Successor Trustee of Thomas L Grey and Joyce K Grey Revocable Trust	Seller Type	End User
True Seller	John Szanyi, Successor Trustee of Thomas L Grey and Joyce K Grey Revocable Trust	Primary Verification	N/A
Interest Transferred	Fee Simple/Freehold	Type	Sale
Current Use	N/A	Date	1/25/2018
Proposed Use	N/A	Sale Price	\$1,580,000
Listing Broker	Sean Lim	Financing	All Cash
Selling Broker	N/A	Cash Equivalent	\$1,580,000
Doc #	2018005428	Capital Adjustment	\$0
		Adjusted Price	\$1,580,000

**Transaction Summary plus Five-Year CBRE View History**

<u>Transaction Date</u>	<u>Transaction Type</u>	<u>Buyer</u>	<u>Seller</u>	<u>Price</u>	<u>Price/ac and /sf</u>
01/2018	Sale	Peter S. Fazio and Shari Anne Fazio	John Szanyi, Successor Trustee of Thomas L Grey and Joyce K Grey Revocable Trust	\$1,580,000	\$117,647 / \$2.70

**Units of Comparison**

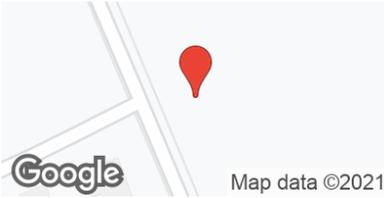
\$2.70 / sf  
\$117,647.06 / ac

N/A / Unit  
N/A / Allowable Bldg. Units  
N/A / Building Area

**Financial**

**No information recorded**

**Map & Comments**



Per broker, Sale is located at 22255 Bonness Road, Sonoma on flat ground within the Sonoma Carneros AVA. The property was openly listed for \$1,800,000 and sold for \$1,580,000. Intended use is an investment property with the vineyard held in Leased Fee Estate and the homes rented. Vineyard lease is for a 20 year term with a number of years currently remaining. Leased payment of \$588 per acres is below market.

Addendum C

**QUALIFICATIONS**

# Steve Parent, MAI, SR/WA, R/W-AC, PMP, SRA, AI-GRS, AI-RRS

*Director of Right of Way, Mountain Northwest and Pacific Southwest*



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 steve.parent@cbre.com

## Role

As CBRE’s leader of Right of Way for the Western Region, Steve is responsible for business development, pursuit management, recruiting, team building, technical leadership, quality assurance, and delivery. He is actively growing the business line within thirteen states through collaboration with local leadership in service to our clients by leveraging CBRE’s industry-leading people, data and technology.

## Experience

Steve has a broad-based background including engineering, program management, project management, business development, strategic planning, commercial brokerage, real estate investment, and property management. Steve has managed right of way and/or appraisal contracts for California High Speed Rail, Ben Franklin Transit, City of Bend, the San Diego Association of Governments (SANDAG), San Diego Gas & Electric, North County Transit District, Southern California Gas, Southern California Edison, City of Santa Ana, City of Los Angeles, the Los Angeles Department of Water and Power, Riverside County Transportation Commission, and Sacramento Municipal Utilities District, to name a few. His appraisal experience involves right-of-way valuation projects, partial acquisitions including fee, permanent, and temporary easements, and property types including retail, office, industrial, multi-family residential, single family residential, mixed-use, agricultural, telecommunications, and renewable energy. In the last ten years, Steve has managed and appraised more than 1,500 properties affected by public projects including: transportation, heavy / light / high-speed rail, gas transmission, electric transmission, water transmission, flood protection, telecom, and renewables. He also has extensive appraisal review experience having completed more than one hundred appraisal reviews, been declared as an expert witness in multiple Counties, been deposed, and testified at trial. Steve is an active speaker on topics related to right of way appraisal, acquisition, and land valuation.

### Years of Experience:

- Project Management: 26
- Appraisal: 16

## Education

- MBA, University of Cincinnati, Operations Management & Finance, 1999
- BS, University of Cincinnati, Mechanical Engineering, 1992

## Licenses / Designations

- Certified General Real Estate Appraiser, CA, AZ, NV, HI, CO, OR, WA, WY, NM, UT, ID, TX
- CA Real Estate Broker License #01433367
- MAI, SRA, AI-GRS, AI-RRS Designations, Appraisal Institute
- Senior Right of Way Agent (SR/WA), International Right of Way Association (IRWA)
- Right of Way Appraisal Certification, IRWA
- Project Management Professional (PMP), Project Management Institute (PMI)

## Professional Affiliations / Accreditations

- Chapter Past President of the Appraisal Institute
- IRWA Member of Chapters 1, 11, 27, 57, 67, board experience in multiple chapters
- At-large member of the IRWA International Transportation Committee
- Member, American Public Works Association

## Project Experience



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 steve.parent@cbre.com

### Pipeline Project – Colorado and Wyoming

Steve led CBRE’s Mountain Northwest team in appraising 110+ properties for a national pipeline company. Delivery of all appraisals covering 50+ miles of right of way took place in just 3 weeks. CBRE’s Right of Way appraisal division, using resources from multiple regions including the Mountain Northwest and South Central, delivered appraisals covering 330+ properties spanning 270 miles of right of way in Colorado and Wyoming in just 4 weeks.

### California High-Speed Rail Authority

Steve recruited, hired, and led the entire appraisal services function involving approximately 70+ employees and subconsultants appraising approximately 350 unique properties. He was the appraisal manager for the initial rail segment through the Central Valley. Steve was responsible for the delivery of the appraisal documents, quality reviews, management, and valuation-related communication with the acquisition teams. Urban property impacts were significant and involved very complex partial acquisitions with uneconomic remnant and severance damage quantification. Steve also managed the appraisal and appraisal review efforts associated with approximately ten environmental land mitigation appraisal assignments.

### San Diego Association of Governments (SANDAG)

Mid-Coast Corridor Transit Project (MCCTP). Steve served as MCCTP Appraisal Manager and assembled and led a team of 50+ employees and subconsultants to deliver over 60 appraisal and appraisal review assignments in support of the extension of the existing San Diego Light Rail Trolley from north of the Old Town Transit Center to the University of California San Diego campus in University City. Acquisitions included fee, permanent easement and temporary easements. Some of the larger parcel values involved institutional investment grade assets with values exceeding \$100 million dollars. Complicated damage and benefit analysis was completed involving impacts associated with elevated light rail construction adjacent to retail, office, and multi-family residential properties.

### Nevada Irrigation District (NID)

Banner Cascade and Cement Hill Pipeline Projects. Steve led the 10+ employee team to appraise several hundred properties affected by water pipeline projects in Nevada County, CA located approximately 60 miles northeast of Sacramento. Permanent and temporary easement rights were ultimately acquired by NID.

### Southern California Edison

West of Devers Project (WOD). Steve's role as Relationship Manager and Appraisal Manager included the delivery of approximately 150 appraisal assignments in support of Edison's West of Devers Upgrade Project. He managed the appraisal and research teams and interfaced with the Prime Contractor and SCE for the project. The Devers Project Upgrade will replace and upgrade existing electrical infrastructure within and adjacent to the existing electric transmission right of way. BRI completed approximately 80% of the appraisal deliverables in just three months. Valley South Sub transmission Project (VSSP). As Client Relationship Manager and Appraisal Manager for the 90-parcel project, Steve managed the appraisal and research teams and interfaced with the Prime Contractor, SCE, and outside SCE legal counsel. This project involves modification of SCE's existing Valley 500/115kV Substation, the construction of a new overhead 115kV sub transmission line, replacing conductors, relocating distribution facilities at Triton and Valley Substations.

#### **Southern California Gas**

PSEP Program, Land and Right of Way Department. As the Appraisal Manager, Steve appraised properties throughout SoCalGas' 20,000 square mile service territory that spans from the Central Valley to the US / Mexico border. His responsibilities involved partial acquisitions seeking permanent utility easements, temporary access, and construction easements for approximately 80 properties.

#### **Sacramento Municipal Utility District (SMUD)**

Various Projects. As the Client Relationship Manager and Appraisal Manager, Steve led several projects throughout SMUD's service territory. For example, the Solano Phases 3 and 4 Wind Energy Development Projects, involved open space land located in Solano County. Rights appraised included fee, permanent easement, and temporary easement rights to facilitate installation of necessary facilities to gather electricity produced by Wind Turbine Generators in order to sell the electricity back to the Pacific Gas & Electric grid.

#### **Riverside County Transportation Commission (RCTC)**

Mid-County Parkway Project. Managed appraisal and appraisal review assignments in support of RCTC's Mid-County Parkway Project, a 14-mile highway proposed in Riverside County.

#### **West Sacramento Area Flood Control Agency (WSAFCA)**

Levee Improvement Project. Steve provided appraisal services for properties located along the existing river levee where WSAFCA needed to acquire permanent and temporary easement rights to make levee improvements.

#### **Sonoma County Transportation and Public Works**

Wohler Road Bridge Retrofit Project. Steve provided appraisal services for approximately five properties located adjacent to the existing bridge. Acquisitions included fee and easement rights to facilitate bridge improvements.

#### **Ben Franklin Transit**

Steve is providing appraisal services for multiple properties affected by transit projects. Acquisitions typically include fee and easements.

**CBRE VALUATION & ADVISORY SERVICES**

**STEVE PARENT**

Valuation & Advisory Services

916-919-7262

Steve.Parent@cbre.com

[www.cbre.com](http://www.cbre.com)

# **EXHIBIT C**

## EMINENT DOMAIN INFORMATIONAL PAMPHLET

### Introduction

California Government Code Section 7267.2 requires that a public entity provide property owners with an informational pamphlet describing the eminent domain process and the property owners' rights under the Eminent Domain Law at the time the public entity offers to purchase the owners' property or portions of their property. This informational pamphlet provides a general overview of the eminent domain process and answers questions commonly asked by property owners regarding their rights. This is an informational pamphlet only and is not intended to give a complete statement of all state or federal laws and regulations regarding eminent domain or to provide property owners with any form of legal advice.

### Overview of The Eminent Domain Process

#### *What is eminent domain?*

Eminent domain is the acquisition of private property by a public entity for a public use. Public entities, such as the state and the federal government, counties, cities, redevelopment agencies, and school districts, may acquire real property for a public use if they meet all legal requirements, including the payment of just compensation to the property owners or into the court for the benefit of the owners. (CALIFORNIA CONSTITUTION, art. I, sec. 19). Public uses include, but are not limited to roads, sewer lines, parks, public facilities, police stations, fire stations, libraries, and schools. The acquisition of real property to remedy blight consistent with the Redevelopment Law is also a public use (Health and Safety Code Section 33000 *et seq.*).

A public entity may acquire any interest in real property such as a fee interest, permanent easement, slope easement, or temporary construction easement. A public entity may acquire only the real property interests that are needed for the public use. If a public entity acquires a portion of a parcel and this results in damage to the remainder parcel, the owner is entitled to be compensated for the loss of value, if any, to the remainder parcel. This is called severance damages. If the appraiser determines that the remainder parcel will be left in a size, shape or condition to be of little or no value to the owner, the public entity will offer to purchase the entire parcel. The property owners can decide whether they want the public entity to acquire such uneconomic remnants.

The law requires a public entity to make every reasonable effort to acquire property expeditiously by negotiated purchase. As discussed more fully below, there are several steps that a public entity must take prior to acquiring property by eminent domain. These legal prerequisites are meant to protect property owners and to ensure that they have an opportunity to participate in the acquisition process. These preacquisition steps include the appraisal process, offers and negotiations.

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***Appraisal Process***

The public entity is required to obtain a fair market value appraisal of the real property before it can acquire it by eminent domain.

**Notice Informing Owners of Public Entity's  
Decision to Appraise Their Property**

When a public entity identifies a real property or real property interest ("subject property") that it may need for a proposed project, it sends to the property owners a notice informing the owners that it intends to appraise the subject property. This notice informs the owners that the public entity has decided to appraise the subject property and notifies them that an appraiser will be contacting them. An appraiser licensed by the Office of Real Estate Appraisers will contact the owners and request permission to inspect the subject property. The appraiser will also invite the property owners to accompany the appraiser on the inspection of the subject property and to provide to the appraiser any information that the owners consider relevant to the value of the property. Permitting the inspection and accompanying the appraiser on the site inspection will allow the appraiser to fully assess the value of the subject property. If the owners do not allow the appraiser to inspect the subject property, the appraiser will inspect it from the public right of way.

**Appraisal**

After the appraiser inspects the property, the appraiser prepares an appraisal of the fair market value of the property.

***What is fair market value?***

The Eminent Domain Law defines fair market value as the highest price on the date of value that would be agreed to by a seller, being willing to sell but under no particular or urgent necessity for selling the property, and a buyer, ready, willing and able to buy but under no particular necessity for so doing, each dealing with the other with full knowledge of all the uses and purposes for which the property is reasonably adaptable and available. (Code of Civil Procedure Section 1263.320). The appraisal will take into consideration the highest and best use of the property. It can take several weeks or months for an appraisal to be completed, depending on the appraiser's workload.

After the appraisal is completed, staff will review the appraisal to see if it complies with the requirements of the Eminent Domain Law. Staff will then recommend that the governing body of the public entity approve the appraisal and set just compensation. Just compensation must be at least the fair market value of the property as set forth in the appraisal.

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***Offer***

**When will the property owners receive an offer to purchase the property?**

The public entity will provide the owner with a written offer to purchase the property after it sets just compensation. The public entity generally sends the written offer within thirty (30) days from the date on which the public entity sets just compensation. The public entity cannot offer to purchase the property for less than the fair market value of the property as determined by the appraisal. (Government Code Section 7267.2).

**What must the public entity include in the written offer to purchase the property?**

Government Code Section 7267.2 requires that the offer include a written statement of, and summary of the basis for, the amount the public entity established as just compensation. The offer must also include the following:

- The date of value, highest and best use, and applicable zoning of property;
- The principal transactions, reproduction or replacement cost analysis, or capitalization analysis, supporting the determination of value; and
- Where appropriate, a separate statement of the just compensation for the real property acquired and for damages to the remainder, including the calculations and narrative explanation supporting the compensation and any offsetting benefits.

If the property is owner-occupied residential property and contains no more than four residential units, the owners are entitled to review a copy of the appraisal.

***Negotiations***

The public entity will negotiate with the property owners for the sale of the property after it sends the offer letter

**Do the property owners have the right to obtain their own appraisal of the property?**

Yes. Property owners have always had the right to obtain their own appraisal of their real property. As of January 1, 2007, however, the public entity must offer to pay the property owners' reasonable costs, up to \$5,000.00, for an independent appraisal of their property. The law requires that an appraiser licensed by the Office of Real Estate Appraisers prepare the independent appraisal. The public entity will inform the owners

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of their rights to be reimbursed for these appraisal costs at the time it sends the offer letter.

**Are the property owners required to accept the public entity's offer to purchase the property?**

No. The property owners are encouraged to contact the public entity to negotiate the sale of the property. The owners can negotiate the amount they believe to be the fair market value of the property and the terms and conditions of the offer.

**Are there any advantages to selling the property to a public entity?**

Yes. The property owner will receive at least the fair market value of the property and will not be responsible for real estate commissions, title fees, title insurance, escrow fees, closing costs, and other fees and costs. Some acquisitions by public entities in lieu of condemnation may result in tax benefits to the property owners. The Internal Revenue Service will look at specific criteria to determine whether the acquisition by the public entity qualifies for tax benefits. Accordingly, property owners are encouraged to discuss any such tax benefits with their tax advisors.

***Negotiated Acquisition***

If a negotiated agreement for the sale of the property is reached, the public entity will prepare a purchase and sale agreement. In such cases, the conveyance of the property is handled through an escrow.

***Resolution of Necessity***

If the public entity and the property owners do not reach an agreement for the sale of the property, the public entity can hold a hearing to determine whether it will acquire the real property by eminent domain.

**Notice of Hearing on Resolution of Necessity**

If the public entity has determined that it is necessary to consider the acquisition of the real property by eminent domain, it will send a written notice to the property owners informing them of the date, time and location of the public entity's hearing at which it will consider the adoption of a resolution of necessity. (Code of Civil Procedure Section 1245.235). The notice informs the property owners of their right to be heard at this hearing and of their right to present evidence and to preserve their objections to the public entity's right to take the property.

The Eminent Domain Law requires that a public entity make all of the following findings pursuant to Code of Civil Procedure Section 1245.230 to adopt a resolution of necessity authorizing the public entity to acquire the property by eminent domain:

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- That the public interest and necessity require the project;
- That the project is planned and located in the manner that will be most compatible with the greatest public good and the least private injury;
- That the subject property is necessary for the project; and
- That either the offer required by Section 7267.2 of the Government Code has been made to the owner or owners of record, or the offer has not been made because the owner cannot be located with reasonable diligence.

A public entity may adopt a resolution of necessity only after the governing body has given each person whose property is to be acquired by eminent domain and whose name and address appears on the last equalized assessment roll notice and a reasonable opportunity to appear and be heard on the above matters.

The governing body of the public entity will consider all written and oral evidence before it at the hearing, including any objections to the adoption of the resolution of necessity. The public entity can adopt a resolution of necessity authorizing the acquisition of property by eminent domain if at least two-thirds of the all of the members of the governing body vote to adopt the resolution. If the governing body consists of five members, the adoption of a resolution of necessity requires at least four out of five affirmative votes.

***Eminent Domain Proceeding***

The resolution of necessity is the document that authorizes the public entity's attorneys to commence an eminent domain proceeding. Accordingly, if the governing body of the public entity adopts a resolution of necessity, its attorneys will prepare a complaint in eminent domain and related pleadings to acquire the property by eminent domain. Generally, the complaint in eminent domain will name as defendants any parties that have a recorded interest in the parcel, including the record owners, tenants, easement holders whose interests may be impacted by the acquisition of the property or beneficiaries under deeds of trust. The public entity will serve the property owners and other named defendants with a copy of the summons, complaint and related documents filed with the court. The defendants served with the summons and complaint have thirty (30) days from the date that they are served with the summons and complaint to file an answer or responsive pleading with the court. (Code of Civil Procedure Section 412.20). Property owners should consider retaining an attorney with experience in eminent domain proceedings to represent them in such proceedings. The parties can continue to negotiate after the eminent domain proceeding is filed.

## **Orders for Prejudgment Possession and Deposit of Probable Compensation**

### ***Can the public entity take possession of the property before trial?***

A public entity may request an order from the court for early possession of the property. This is called an order for prejudgment possession.

#### ***Deposit of Probable Compensation***

To obtain an order for prejudgment possession, the public entity must show that it is entitled to acquire the property by eminent domain and that it has deposited with the court for deposit into the county treasury or directly with the State Treasury the amount of probable compensation for the real property. The public entity must submit a summary of the basis for the appraisal when it applies to deposit the amount of probable compensation with the court. The date on which the public entity deposits the probable amount of compensation is generally the date of value in the proceeding. This means that the appraisers for the public entity and property owners will determine the fair market value of the real property in the eminent domain proceeding as of the date of value.

#### ***Objection to Motion for an Order for Possession***

Property owners have the right to oppose a public entity's motion for an order for prejudgment possession. The public entity's motion for an order for prejudgment possession notifies property owners that they have the right to oppose the motion and that they must serve the public entity and file with the court the opposition to the motion within thirty (30) days from the date on which the property owner was served with the motion. If the property owners' opposition asserts a hardship, it has to be supported by a declaration signed under penalty of perjury stating facts supporting the hardship. The public entity can file a reply to the opposition not less than fifteen (15) days before the hearing. At the hearing, if the motion is opposed, the court may enter an order for possession of the property after considering the relevant facts and any opposition if it finds each of the following:

- The public entity is entitled to take the property by eminent domain;
- The public entity has deposited the amount of probable compensation pursuant to Code of Civil Procedure Section 1255.010 *et seq.*;
- There is an overriding need for the public entity to possess the property prior to the issuance of final judgment in the case and the public entity will suffer a substantial hardship if the application for possession is denied or limited; and
- The hardship that the public entity will suffer if possession is denied or limited outweighs any hardship on the defendant or occupant that would

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be caused by the granting of the order for possession. (Code of Civil Procedure Section 1255.410).

### **Withdrawal of Deposit of Probable Compensation**

Property owners can apply to withdraw the funds on deposit with the court. Property owners must serve a copy of their application to withdraw the funds on the public entity. The court cannot order the disbursement of the funds on deposit until twenty (20) days after the date on which the application for withdrawal was served on the public entity. The public entity may file an objection to the withdrawal if, for example, other parties to the proceeding are known or believed to have an interest in the just compensation. Property owners waive any challenges to the public entity's right to take if they withdraw the funds on deposit with the court. Property owners do not, however, waive their claims for greater compensation for the property if they withdraw the funds on deposit.

### **Exchange of Valuation Data**

The parties can agree to exchange statements of valuation data containing the information required by Code of Civil Procedure Section 1258.260 or appraisal reports containing that information on a mutually-agreed to date. If the parties do not mutually agree to exchange valuation data on a specific date, the date of exchange is ninety (90) days before the commencement of trial on the issue of just compensation. This gives the parties the opportunity to analyze the fair market value opinions of the other party's expert and sales data or appraisal methodology relied on by the other party's expert. The parties will generally take the depositions of the other party's appraiser. After the parties exchange valuation data, the parties often negotiate a settlement at a mediation, during informal settlement negotiations, or during a mandatory settlement conference.

### **Trial**

In eminent domain proceedings, the judge decides legal issues, such as the right to take, the issue of what constitutes a larger parcel, and the issue of entitlement to certain damages. Property owners are entitled to have the jury determine the amount of just compensation. The parties resolve the majority of eminent domain proceedings prior to trial.

### **Vacating the Property**

#### ***When will property owners and tenants be required to move from the property?***

If the public entity and property owners reach a negotiated settlement, the public entity will attempt to determine a mutually agreeable date for owners to move. If the property is condemned, the public entity cannot require the owners to move without a

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court order. If the subject property is lawfully occupied, the public entity must serve the property owners with a motion for an order for prejudgment possession ninety (90) days before the court hearing. Orders for prejudgment possession are discussed more fully above. If the order for prejudgment possession is granted, the public entity must serve the property owners with the order thirty (30) days before it intends to take possession of the subject property. If the subject property is unoccupied, the public entity must serve the property owners with a motion for an order for possession sixty (60) days before the court hearing. If the order for prejudgment possession is granted, the public entity must serve the property owners with the order for prejudgment possession ten days before it intends to take possession of the subject property.

### **Relocation Assistance**

Property owners and occupants of property (tenants) that are displaced as the result of a public project, may be entitled to relocation assistance and benefits under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601 *et seq.*), if applicable, or under Title 1, Division 7, Chapter 1 of the Government Code of the State of California (Section 7260 *et seq.*) and the Relocation Assistance and Real Property Acquisition Guidelines (Chapter 6 of Title 25 of the California Code of Regulations). Benefits may include moving expenses, re-establishment costs, rent differential payments, or interest differential payments. A relocation consultant, hired by the public entity, will meet with the property owners and or tenants to determine their eligibility and potential benefits.

### **Loss of Business Goodwill**

Goodwill is the benefit that accrues to a business as a result of its location, reputation, skill and other factors that contribute to a business maintaining and acquiring patrons. Public entities are required to compensate owners of a business conducted on the property, or on the remainder parcel, if the business owners prove all of the following:

- The loss is caused by the taking of the property or the injury to the remainder;
- The loss cannot reasonably be prevented by taking steps and adopting procedures that a reasonably prudent person would take and adopt in preserving the goodwill;
- Compensation for the loss will not be included in payments under Section 7262 of the Government Code.
- Compensation for the loss will not duplicated in the compensation otherwise awarded to the owner.

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Business owners must raise their claim for loss of business goodwill in their answer to the public entity's complaint. The public entity will engage a business valuation expert to determine the value of the goodwill of the business in the eminent domain proceeding. Business owners also generally engage a business valuation expert in the eminent domain proceeding.

**NOTICE OF HEARING**  
**(Cal. Code Civ. Proc. § 1245.235)**

**NOTICE OF HEARING REGARDING THE INTENTION OF THE  
CITY OF AMERICAN CANYON TO CONSIDER THE ADOPTION  
OF A RESOLUTION FINDING AND DETERMINING THAT THE  
PUBLIC INTEREST, CONVENIENCE AND NECESSITY REQUIRE  
THE ACQUISITION OF CERTAIN PROPERTY FOR PUBLIC  
PURPOSES**

**TO:**

**Bryan Wenter**  
**Miller Starr Regalia**  
**1331 N. California Blvd., Fifth Floor**  
**Walnut Creek, CA 94596**  
[bryan.wenter@msrlegal.com](mailto:bryan.wenter@msrlegal.com)

As legal representative of PAMELA SMITH, A MARRIED WOMAN AS HER SOLE AND SEPARATE PROPERTY, AS TO A 12% UNDIVIDED INTEREST; FRANK KLOBAS, AN UNMARRIED MAN, AS TO A 12% UNDIVIDED INTEREST; JACK NEWELL JR., A MARRIED MAN AS HIS SOLE AND SEPARATE PROPERTY, AS TO AN UNDIVIDED 6.2856% INTEREST, EACH AS TENANTS-IN-COMMON; PAMELA SMITH, AS TRUSTEE OF THE PAMELA SMITH EXEMPT TRUST U/T/A DATED NOVEMBER 25, 1991, AS AMENDED, AS TO A 13% INTEREST; FRANK KLOBAS, AS TRUSTEE OF THE FRANK KLOBAS EXEMPT TRUST U/T/A DATED NOVEMBER 25, 1991, AS AMENDED, AS TO A 13% INTEREST; JACK NEWELL, JR., AS TRUSTEE OF THE JACK NEWELL, JR., EXEMPT TRUST U/T/A DATED NOVEMBER 25, 1991, AS AMENDED, AS TO A 6.7144% INTEREST; JOHN NEWELL AND ROBIN NEWELL, HUSBAND AND WIFE, AS COMMUNITY PROPERTY, WITH RIGHT OF SURVIVORSHIP, AS TO AN UNDIVIDED 1.5714% INTEREST; WALTER A. NEWELL AND BRITTNEY A. NEWELL, AS TRUSTEES OF THE WB NEWELL FAMILY TRUST, DATED JULY 27, 2005, AS TO A 1.5714% INTEREST; JOHN NEWELL, A MARRIED MAN, AS HIS SOLE AND SEPARATE PROPERTY, AS TO A 1.4286% UNDIVIDED INTEREST; WALTER A. NEWELL, A MARRIED MAN, AS HIS SOLE AND SEPARATE PROPERTY, AS TO A 1.4286% UNDIVIDED INTEREST; ANITA O'BRIEN, AS TRUSTEE OF THE ANITA O'BRIEN TRUST, DATED OCTOBER 9, 2015, AS TO A 3% UNDIVIDED INTEREST; JUDY ANN NEWELL, AS TRUSTEE OF THE JUDY ANN NEWELL FAMILY TRUST, DATED OCTOBER 13, 2015, AS TO A 3% UNDIVIDED INTEREST; and VICTOR M. SMITH, AS TO A 12% INTEREST

**Richard Bowles**  
**Bowles & Verna, LLP**  
**2121 N. California Blvd., Ste. 875**  
**Walnut Creek, CA 94596**  
[rbowles@bowlesverna.com](mailto:rbowles@bowlesverna.com)

As legal representative of BERNICE ROBERTSON A SINGLE WOMAN AS HER SOLE AND SEPARATE PROPERTY, AS TO A 12% UNDIVIDED INTEREST and BERNICE ROBERTSON, AS TRUSTEE OF THE BERNICE ROBERTSON EXEMPT TRUST U/T/A DATED NOVEMBER 25, 1991, AS AMENDED, AS TO A 13% INTEREST

**YOU ARE HEREBY NOTIFIED**, pursuant to Code of Civil Procedure Section 1230.010, *et seq.*, that the City of American Canyon ("City") intends to consider the adoption of a Resolution of Necessity for acquisition by eminent domain of a right of way easement, a trail easement, and temporary construction easement (collectively the "Easements") in connection with the construction of the Watson Ranch Backbone Improvement Project, which will include the northern extension of Newell Drive and the construction of the Napa Valley Vine Trail ("Project").

The larger parcel is located with the City of American Canyon, in Napa County, state of CA and bears the Assessor Parcel Numbers 059-030-007, 009. The Easements sought to be acquired is as follows:

- i. a trail easement to construct, maintain, and operate a public trail and associated open space to be used by pedestrians, hikers, and cyclists. The City may also allow use of the trail easement by motorized vehicles necessary for maintenance of the trail easement or for public health or safety, as determined by the City. The easement also includes the perpetual right of City for access to construct, install, maintain and repair the trail that will be established within the trail easement area, including the installation of certain trail improvements, including but not limited to, signs, markers, and erosion-controlled related improvements. The trail easement is more particularly described and depicted in this Exhibit A.
- ii. A temporary construction easement ("TCE") allowing the City, its successors and assigns, the right, on a temporary basis, to enter and utilize certain real property located in the City of American Canyon, County of Napa, State of California, for the purpose of constructing the Watson Ranch Backbone Improvement Project, which will include the northern extension of Newell Drive and the construction of the Napa Valley Vine Trail ("Project"). The TCE shall include, without limitation, the right and privilege of City and its employees, agents, representatives, contractors, subcontractors, and workmen (collectively "Authorized Personnel") to: (i) use, control, and occupy the TCE in order to perform all activities as may be necessary for construction of the Project; (ii) use and temporarily place and operate tools, equipment, machinery, and materials on and within the TCE area; (iii) trim, cut, or clear away any trees, brush, or other vegetation or flora within the TCE area. Hereinafter, items (i)-(iii) shall be collectively referred to as the "Work."

The TCE term shall be for a period not to exceed three (3) months. Actual physical use of and occupation of the TCE area for Project construction purposes, and all uses appurtenant thereto, shall commence following written notice provided to the property owner(s) by the City or Authorized Personnel. At the expiration of the TCE term, the City shall restore such property to a condition as near as practicable to the condition that existed immediately prior to City's operations. The City, however, shall not be required to restore vegetation to the pre-existing condition. The City will at all times during the TCE term allow the property owner(s) to have and maintain reasonable access to and from the larger parcel. Upon completion of the Work, City will cause all of the equipment, materials, tools, trash, and debris to be removed from the TCE area.

In no event shall the three-month (3) term of the TCE extend beyond December 31, 2024. The TCE is more particularly described and depicted in this Exhibit A.

The hearing will be held on **January 7, 2022 at 11 A.M.** at a Virtual Teleconference Special Meeting of the City Council, or as soon thereafter as the City Council can hear said matter, at 4381 Broadway St., Suite 201, City Hall – Council Chambers, American Canyon, California 94503.

*Consistent with Government Code Section 54953 and the American Canyon City Council Resolution Declaring the Existence of a Local Emergency due to the COVID-19 Pandemic, City Council, City Council and other public meetings are currently Teleconference Meetings Only to align with local and federal guidelines and social distancing recommendations for the containment of the coronavirus. This meeting will be broadcast live via zoom.*

**You may submit public comments for any the referenced hearing only by one of the following methods:**

**Written comments, Via eComments:** The eComments link is located on the Meetings & Agendas page of our website [here](#). Comments received before the 10:00 a.m. day-of-meeting cutoff time will be routed to all Councilmembers at that time. eComments will remain open throughout the meeting, and all comments received will be posted online and become part of the meeting record. Mailed comments will be accepted at the following address: City Clerk at 4381 Broadway, Suite 201, American Canyon, CA 94503.

**Oral comments, during the meeting:** A Zoom Webinar has been established for public participation during the meeting related to a specific agenda item, or matters not

on the agenda. To give your public comment directly to the City Council during the meeting, use the Register to Speak feature of [eComments](#) or connect via below Zoom link and follow the instructions or call 408-638-0968.

**Zoom Meeting Link:** [Click here](#)

**Webinar ID:** 873 3304 1990 **Passcode:** 715989

The above-identified measures exceed all legal requirements for participation in public comment, including those imposed by the Ralph M. Brown Act. For more information, please call the Office of the City Clerk at (707) 647-4369 or email [cityclerk@cityofamericancanyon.org](mailto:cityclerk@cityofamericancanyon.org).

**AGENDA MATERIALS:** City Council agenda materials are published in accordance with the Brown Act and are available to the public via the City's website at [www.cityofamericancanyon.org](http://www.cityofamericancanyon.org).

**AMERICANS WITH DISABILITIES ACT:** The City Council will provide materials in appropriate alternative formats to comply with the Americans with Disabilities Act. Please send a written request to City Clerk at 4381 Broadway, Suite 201, American Canyon, CA 94503 or by email to [cityclerk@cityofamericancanyon.org](mailto:cityclerk@cityofamericancanyon.org). Include your name, address, phone number and brief description of the requested materials, as well as your preferred alternative format or auxiliary aid, at least three calendar days before the meeting.

You, as a person claiming or having an interest in and to the Easements, are hereby notified that you have the right to appear virtually and be heard on the issues to be considered at that hearing. The issues which will be considered are set forth in California Code of Civil Procedure Section 1240.030, and include:

1. Whether the public interest and necessity require the Project;
2. Whether the Project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury;
3. Whether the Easements sought to be acquired are necessary for this Project;
4. Whether the offer to purchase as required by section 7267.2 of the California Government Code has been made to the owner of the Easements;
5. Whether the City has statutory authority to acquire the Easements by eminent domain;
6. Whether the City fully complied with the California Environmental Quality Act ("CEQA"); and,

7. Whether the City has complied with all conditions and statutory requirements necessary to exercise the power of eminent domain to acquire the Easements, as well as any other matter regarding the right to take said Easements by eminent domain.

A copy of the proposed Resolution of Necessity will be available on the City of American Canyon website prior to the January 7, 2022 hearing.

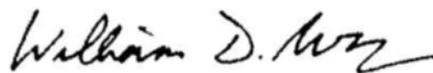
If you wish to be heard at this hearing, you MUST FILE A WRITTEN REQUEST, enclosed as Exhibit B, as described in this Notice, indicating your intent to appear and be heard virtually within 15 days after the date of mailing of this Notice. Failure to file a written request to appear and be heard within 15 days after the date of mailing of this Notice may result in a waiver of the right to appear and be heard by the Council. The written request to appear and be heard should be filed with:

City of American Canyon  
Attn: Taresa Geilfuss, City Clerk  
4381 Broadway St., Suite 201  
American Canyon, California 94503

If you elect not to appear virtually and not to be heard, you will only be foreclosed from raising in a court of law the issues that are the subject of this noticed hearing and that are concerned with the right to take the Easements by eminent domain.

The amount of the compensation to be paid for the acquisition of the Easements is not a matter or issue being heard by the City Council at this time. Your nonappearance at this noticed hearing will not prevent you from claiming greater compensation, as may be determined by a court of law in accordance with the laws of the State of California. This notice is not intended to foreclose future negotiations between you and the City on the amount of compensation to be paid for the Easements.

For further information, contact William D. Ross, City Attorney at: [wross@lawross.com](mailto:wross@lawross.com).



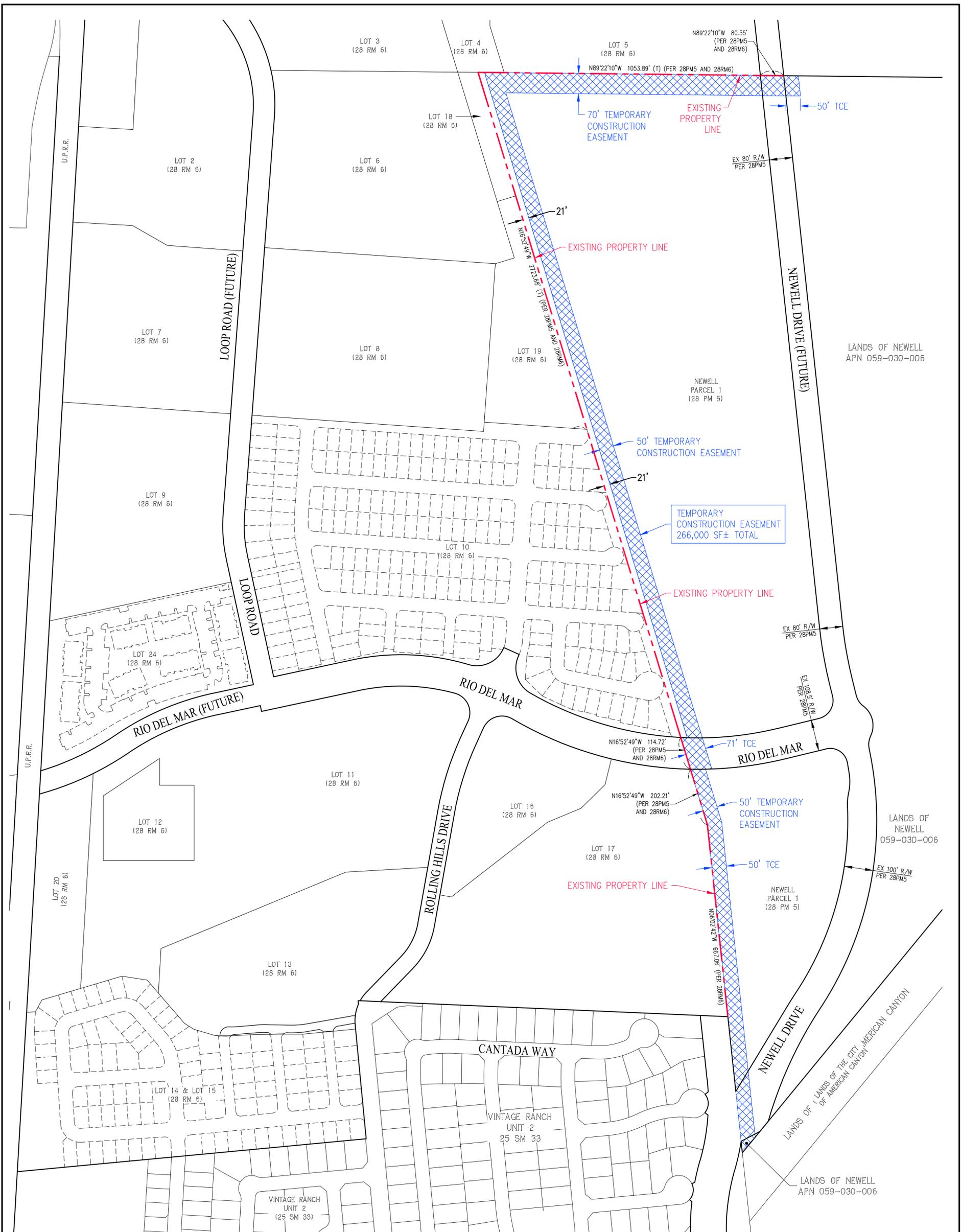
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William D. Ross, City Attorney  
City of American Canyon

Dated: December 23, 2021 and Delivered: December 24, 2021.

Attachments: Exhibit A  
Exhibit B

# **EXHIBIT “A”**

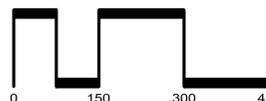


**LEGEND**

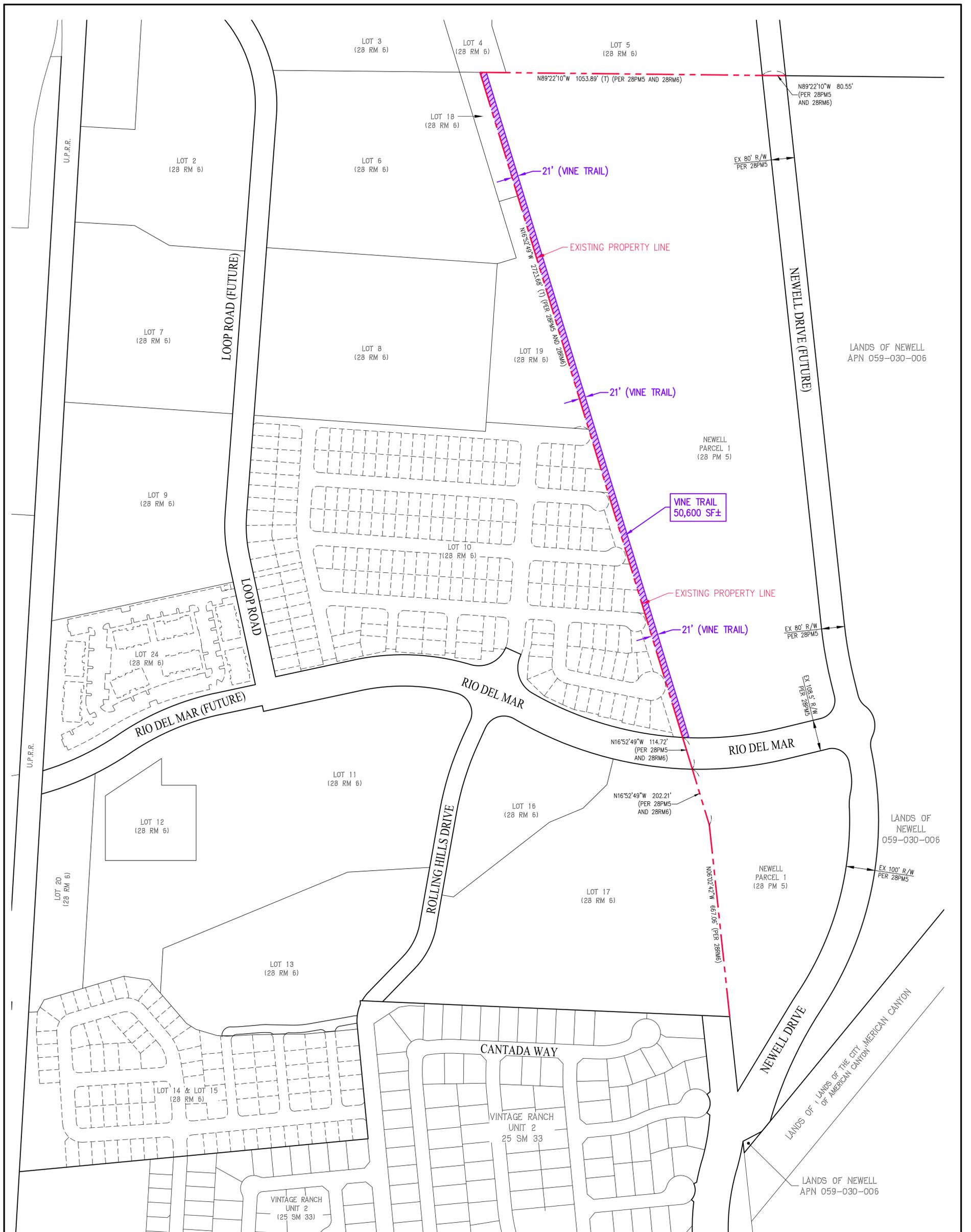
-  EXISTING MAPPED PROPERTY LINE (BETWEEN THE NEWELL PROPERTY AND AC-1) PER 28PM5 OR 28RM6
-  EXISTING PROPERTY LINE AND/OR RIGHT-OF-WAY
-  TEMPORARY CONSTRUCTION EASEMENT (EASEMENT WIDTH INDICATED ON EXHIBIT) 266,000 SF±
-  TCE TEMPORARY CONSTRUCTION EASEMENT

**TEMPORARY CONSTRUCTION EASEMENT  
NEWELL PROPERTY  
WATSON RANCH**

CITY OF AMERICAN CANYON NAPA COUNTY CALIFORNIA  
SCALE: 1"=150' DATE: DECEMBER 9, 2021



SAN RAMON (925) 866-0322  
ROSEVILLE (916) 788-4456  
WWW.CBANDG.COM  
CIVIL ENGINEERS SURVEYORS PLANNERS

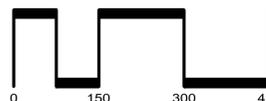


# VINE TRAIL NEWELL PROPERTY NORTH WATSON RANCH

CITY OF AMERICAN CANYON NAPA COUNTY CALIFORNIA  
SCALE: 1"=150' DATE: DECEMBER 9, 2021

## LEGEND

-  EXISTING MAPPED PROPERTY LINE (BETWEEN THE NEWELL PROPERTY AND AC-1) PER 28PM5 OR 28RM6
-  EXISTING PROPERTY LINE AND/OR RIGHT-OF-WAY
-  21' VINE TRAIL (50,600 SF±)



SAN RAMON (925) 866-0322  
ROSEVILLE (916) 788-4456  
WWW.CBANDG.COM  
CIVIL ENGINEERS SURVEYORS PLANNERS

# **EXHIBIT “B”**

**REQUEST TO BE HEARD ON RESOLUTION OF NECESSITY  
FOR THE ACQUISITION OF CERTAIN REAL PROPERTY**

Name \_\_\_\_\_ Telephone \_\_\_\_\_

E-Mail \_\_\_\_\_

Address \_\_\_\_\_

\_\_\_\_\_

Date \_\_\_\_\_ Signature \_\_\_\_\_

**PROOF OF SERVICE**

I am employed in the County of Santa Clara, State of California. I am over the age of 18 and not a party to the within action; my business address is 400 Lambert Avenue, Palo Alto, California, 94306.

On December 23, 2021, I served the foregoing document(s) described as: **NOTICE OF HEARING** on all other parties as indicated in the attached service list by the following means:

- [X] (BY FEDERAL EXPRESS OVERNIGHT DELIVERY) I place such envelope(s) addressed as shown below for collection and delivery by Federal Express Overnight Delivery with delivery fees paid or provided for in accordance with this office's practice. I am readily familiar with this office's practice for collecting and processing correspondence for delivery the following day by Federal Express.
  
- [X] (BY ELECTRONIC MAIL) By transmitting such document(s) electronically from the e-mail address at the Law Offices of William D. Ross, Palo Alto, California, to the person(s) at the electronic mail addresses listed below. The transmission was reported as complete and without error.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on December 23, 2021 at Palo Alto, California.



---

Christina Bellardo

## **SERVICE LIST**

Pamela Smith TR *et al.*  
Pamela Smith  
Frank Klobas  
Jack Newell Jr.  
John and Robin Newell  
Walter A. Newell  
Brittney A. Newell  
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