



Successor Agency to the Ukiah Redevelopment Agency

Special Meeting **AGENDA**

Civic Center Council Chamber ♦ 300 Seminary Avenue ♦ Ukiah, CA 95482

January 15, 2020 - 6:00 PM

Meeting will begin at 6:00 p.m., or as soon as the meeting may be held in conjunction with the City Council meeting.

1. **ROLL CALL**

2. **AUDIENCE COMMENTS ON NON-AGENDA ITEMS**

The RDA Successor Agency welcomes input from the audience. In order for everyone to be heard, please limit your comments to three (3) minutes per person and not more than ten (10) minutes per subject. The Brown Act regulations do not allow action to be taken on audience comments in which the subject is not listed on the agenda.

3. **APPEAL PROCESS**

Persons who are dissatisfied with a decision of the RDA Successor Agency may have the right to a review of that decision by a court. The City has adopted Section 1094.6 of the California Code of Civil Procedure, which generally limits to ninety days (90) the time within which the decision of the City Boards and Agencies may be judicially challenged.

4. **APPROVAL OF MINUTES**

4.a. Approval of the Minutes for the August 21, 2019, Special Meeting.

Recommended Action: Approve the Minutes of August 21, 2019, a Special Meeting, as submitted.

Attachments:

1. 2019-08-21 SA Draft Minutes

5. **CONSENT CALENDAR**

5.a. Consideration to Approve Budget Amendment.

Recommended Action: Approve budget amendment as recommended by staff.

Attachments: None

6. **PUBLIC HEARING**

7. **UNFINISHED BUSINESS**

- 7.a. Review and Consider the Recognized Obligation Payment Schedule (ROPS) and Administrative Budget for July 1, 2020 through June 30, 2021.

Recommended Action:

1. **Adopt the Resolution of the Successor Agency to the dissolved Redevelopment Agency of the City of Ukiah, approving a Recognized Obligation Payment Schedule for the period July 1, 2020 to June 30, 2021, pursuant to Health and Safety Code Section 34177(l) & 34177(m)**
2. **Adopt the Resolution of the Successor Agency to the dissolved Redevelopment Agency of the City of Ukiah, approving the Successor Agency's administrative budget for the period July 1, 2020 to June 30, 2021, pursuant to Health and Safety Code Section 34177(j)**

Attachments:

1. Resolution - ROPS 20-21
2. Exhibit A - ROPS 20-21
3. Resolution - Administrative Budget 20-21
4. Exhibit A - Administrative Budget - 20-21

8. NEW BUSINESS

- 8.a. Adoption of Resolution Approving the Transfer of APNs 180-110-12, 180-110-013, 180-110-14, 180-110-15 to the City of Ukiah.

Recommended Action: Adopt resolution approving the transfer of APNs 180-110-12, 180-110-013, 180-110-14, 180-110-15 to the City of Ukiah.

Attachments:

1. Wetland Delineation Report
2. Appraisal Report
3. Wetlands Reso Transfer Wetlands Open Space Property to City

9. COMMISSIONERS REPORTS

10. EXECUTIVE DIRECTOR REPORTS

11. CLOSED SESSION

- Closed Session may be held at any time during the meeting

12. ADJOURNMENT

Please be advised that the City needs to be notified 24 hours in advance of a meeting if any specific accommodations or interpreter services are needed in order for you to attend. The City complies with ADA requirements and will attempt to reasonably accommodate individuals with disabilities upon request. Materials related to an item on this Agenda submitted to the City Council after distribution of the agenda packet are available for public inspection at the front counter at the Ukiah Civic Center, 300 Seminary Avenue, Ukiah, CA 95482, during normal business hours, Monday through Friday, 8:00 am to 5:00 pm.

I hereby certify under penalty of perjury under the laws of the State of California that the foregoing agenda was posted on the bulletin board at the main entrance of the City of Ukiah City Hall, located

at 300 Seminary Avenue, Ukiah, California, not less than 72 hours prior to the meeting set forth on this agenda.

CITY OF UKIAH
SUCCESSOR AGENCY TO THE UKIAH REDEVELOPMENT AGENCY MINUTES
Special Meeting
CIVIC CENTER COUNCIL CHAMBERS
300 Seminary Avenue
Ukiah, CA 95482
August 21, 2019
6:00 p.m.

1. ROLL CALL

Ukiah City Council as Successor Agency to the Ukiah Redevelopment Agency met at a Special Meeting on August 21, 2019, having been legally noticed on August 16, 2019. Chair Mulheren called the meeting to order at 6:31 p.m. Roll was taken with the following **Members Present:** Juan V. Orozco, Jim O. Brown, Stephen G. Scalmanini, Douglas F. Crane, and Maureen Mulheren. **Staff Present:** Sage Sangiacomo, City Manager; David Rapport, City Attorney; and Kristine Lawler, Secretary.

2. AUDIENCE COMMENTS ON NON-AGENDA ITEMS

3. APPEAL PROCESS

4. APPROVAL OF MINUTES

a. Minutes of January 16, 2019, a Special Meeting.

Motion/Second: Crane/Orozco to approve Minutes of January 16, 2019, a Special Meeting. Motion **carried** by the following roll call votes: AYES: Brown, Scalmanini, Crane, and Mulheren. NOES: None. ABSENT: None. ABSTAIN: Orozco.

5. CONSENT CALENDAR

6. PUBLIC HEARINGS

7. UNFINISHED BUSINESS

8. NEW BUSINESS

a. Approve and Authorize the Successor Agency to the Ukiah Redevelopment Agency, to Conduct Sale of Tax Allocation Refunding Bonds to Refinance Certain Outstanding Bonds of the Former Redevelopment Agency of the City of Ukiah, and Approval of Corresponding Budget Amendments.

Presenters: Dan Buffalo, Finance Director and Eric Scriven, NHA Advisors.

Motion/Second: Scalmanini/Orozco to authorize the issuance and sale of tax allocation refunding bonds by resolution (SA 2019-03); to refinance certain outstanding bonds of the former redevelopment agency of the City of Ukiah, relating to the Ukiah Redevelopment Project; authorize the City Manager to negotiate and execute related professional service agreements (COU No. 1920-119, COU No. 1920-120, COU No. 1920-121), and approve other related documents; and approval of corresponding budget amendments. Motion **carried** by the following roll call votes: AYES: Orozco, Brown, Scalmanini, Crane, and Mulheren. NOES: None. ABSENT: None. ABSTAIN: None.

b. Review and Approval of Amended Recognized Obligation Payment Schedule (ROPS) for 2019-20.

Presenter: Dan Buffalo, Finance Director.

Motion/Second: Crane/Scalmanini to approve the ROPS for 2019-20 as amended, and approve and authorize the Chair to sign the associated resolution (SA 2019-04). Motion **carried** by the following roll call votes: AYES: Orozco, Brown, Scalmanini, Crane, and Mulheren. NOES: None. ABSENT: None. ABSTAIN: None.

c. Review and Consider Authorization of Chair to Sign a Master Agreement for Taxing Entity Compensation to Allow Properties Listed in the Agreement to be Sold and/ or Conveyed as Outlined in the Ukiah Successor Agency to the Ukiah Redevelopment Agency's Long Range Management Plan.

Presenter: Sage Sangiacomo, City Manager.

Motion/Second: Crane/Orozco to authorize the Chair to sign the Master Agreement (COU No. 1920-122) on behalf of the Successor Agency, for Taxing Entity Compensation to Allow Properties Listed in the Agreement to be Sold and/ or Conveyed as Outlined in the Ukiah Successor Agency to the Ukiah Redevelopment Agency's Long Range Management Plan. Motion **carried** by the following roll call votes: AYES: Orozco, Brown, Scalmanini, Crane, and Mulheren. NOES: None. ABSENT: None. ABSTAIN: None.

9. COMMISSIONERS REPORTS

10. EXECUTIVE DIRECTOR REPORTS

11. ADJOURNMENT

There being no further business, the meeting adjourned at 7:06 p.m.

Kristine Lawler, Successor Agency Secretary



STAFF REPORT

SUBJECT: Consideration to Approve Budget Amendment.

Summary: Successor Agency Board (SA Board) will consider approving the recommended budget amendment.

Background: Every fiscal year, the SA Board approves the annual budget for all of the Successor Agency activities. During the course of the fiscal year, unexpected costs may be realized that could not be anticipated during the budget planning period, which may necessitate staff to request SA Board approval to amend the budget.

Discussion: Staff requests an appropriation increase of \$10,000 for the protection of Successor Agency assets, most notably fencing around vacant Agency land. Expenditures will be funded through the Redevelopment Property Tax Trust Fund (RPTTF) and are allowed through the Recognized Obligation Payment Schedule (ROPS) as a specific allowable obligation. Such costs are separate and apart from the administrative allowance the City is eligible to receive for continued costs related to the dissolution of the former Ukiah Redevelopment Agency. The expenditures will be claimed on the 2020-21 ROPS.

RECOMMENDED ACTION: Approve budget amendment as recommended.

BUDGET AMENDMENT REQUIRED: Yes

CURRENT BUDGET AMOUNT: \$3,000.00, account 96917200.52100

PROPOSED BUDGET AMOUNT: \$13,000.00

FINANCING SOURCE: RPTTF Tax Revenue

PREVIOUS CONTRACT/PURCHASE ORDER NO.: N/A

COORDINATED WITH: Finance Department and City Manager's Office

Approved: 
Sage Sangiacomo, City Manager



AGENDA SUMMARY REPORT

SUBJECT: Review and Consider the Recognized Obligation Payment Schedule (ROPS) and Administrative Budget for July 1, 2020 through June 30, 2021.

DEPARTMENT: Finance **PREPARED BY:** Dan Buffalo, Finance Director

ATTACHMENTS:

1. Resolution - ROPS 20-21
2. Exhibit A - ROPS 20-21
3. Resolution - Administrative Budget 20-21
4. Exhibit A - Administrative Budget - 20-21

Summary: The Successor Agency to the Ukiah Redevelopment Agency will consider adopting resolutions approving the Recognized Obligation Payment Schedule and the administrative budget for the period of July 1, 2020 to June 30, 2021.

Background: Pursuant to Health and Safety Code Section 34172, added by ABx1 26 (the “Dissolution Act”), the Redevelopment Agency of the City of Ukiah (“Agency”) was dissolved as of February 1, 2012. The City of Ukiah (“RDA Successor Agency”) is the Successor Agency to the Ukiah Redevelopment Agency. The Oversight Board is responsible for approving the actions of the RDA Successor Agency pursuant to Health and Safety Code Section 34179 and the Department of Finance has ultimate review authority of all actions.

One of the RDA Successor Agency’s responsibilities pursuant to Health and Safety Code Section 34177 of the Dissolution Act is to prepare a Recognized Obligation Payment Schedule (“ROPS”) listing all of the estimated payment amounts and due dates of payments required by enforceable obligations. The ROPS must be approved by the Oversight Board, and submitted to the County Auditor-Controller, the State Controller and the Department of Finance (“DOF”). Pursuant to AB 1484, signed into law by the Governor and effective June 27, 2012, an Oversight Board-approved ROPS for the period July 1, 2020 to June 30, 2021, must be submitted no later than February 1, 2020. The County Auditor-Controller will disburse funds to the Successor Agency from property tax revenues deposited in the Redevelopment Property Tax Trust Fund for the upcoming fiscal period based upon the approved ROPS.

Discussion: 1. Recognized Obligation Payment Schedule

The ROPS covers the next annual enforceable obligation payment cycle and controls distributions from the Redevelopment Property Tax Trust Fund (“RPTTF”) to pay enforceable obligations during the period from July 2020 through June 2021. Under the ROPS numbering system instituted by the DOF, this ROPS will be designated as “ROPS 20-21”, representing the ROPS for the full Fiscal Year 2020-21.

The DOF has sent each successor agency a pre-populated template to be used for completing the ROPS through an electronic distribution and submittal system known as the Redevelopment Agency Dissolution Web Application (“RAD App”). The pre-populated templates use each successor agency’s previous ROPS as the basis for future ROPS. The templates sent by the DOF specifically identify items denied in the previous ROPS and prevents successor agencies from submitting expenditure amounts for those items. According to

the DOF, absent a reversal through the meet and confer process or a favorable outcome through litigation, successor agencies should not input expenses for previously denied items.

The ROPS 20-21, included as corresponding Exhibit A to Attachment 1, was prepared for review and consideration by the RDA Successor Agency. Upon approval from the Successor Agency, the ROPS will be delivered to the Countywide Oversight Board for consideration and will require approval in order to become effective pursuant to Health and Safety Code Sections 34177 and 34180(g). Upon Countywide Oversight Board approval and by February 1, the RDA Successor Agency must submit the ROPS 19-20 through the RAD App system.

Pursuant to Health and Safety Code Section 34179(h), because the DOF may review Countywide Oversight Board actions, the Countywide Oversight Board's action to approve the ROPS is not effective for five business days, pending a request for review by the DOF. Upon a request for review, the DOF has 40 days to review or return the action to the Countywide Oversight Board for reconsideration. Once it has been approved by the DOF, the RDA Successor Agency may receive funds from the Auditor-Controller to pay the existing debts and obligations provided in the ROPS.

2. Administrative Budget

Pursuant to Health and Safety Code Section 34177(j), the RDA Successor Agency is required to prepare a proposed administrative budget ("Budget") for each fiscal period, and submit it for approval to the Countywide Oversight Board. The Budget is required to include all of the following: (1) estimated amounts for RDA Successor Agency administrative costs for the applicable period; (2) proposed sources of payment for all administrative costs; (3) proposals for arrangements for administrative and operations services provided by the City of Ukiah.

The administrative budget is funded by the RPTTF and determined by a statutorily determined calculation, which arrives at the allowable administrative cost allowance. For the 2020-21 period, that amount was calculated to be \$250,000. The Successor Agency is requesting the full, statutorily authorized amount of the administrative allowance of \$250,000. The prepared Administrative Budget for July 1, 2020 – June 30, 2021, demonstrates the statutory calculation and the use of RPTTF funds for associated costs. It is included as corresponding Exhibit A to Attachment #2 for review and consideration by the Successor Agency.

Pursuant to Health and Safety Code Section 34179(h), because the DOF may review Countywide Oversight Board actions, the Countywide Oversight Board's action to approve the Administrative Budget is not effective for five business days, pending a request for review by the DOF.

Recommended Action:

1. Adopt the Resolution of the Successor Agency to the dissolved Redevelopment Agency of the City of Ukiah, approving a Recognized Obligation Payment Schedule for the period July 1, 2020 to June 30, 2021, pursuant to Health and Safety Code Section 34177(l) & 34177(m)
2. Adopt the Resolution of the Successor Agency to the dissolved Redevelopment Agency of the City of Ukiah, approving the Successor Agency's administrative budget for the period July 1, 2020 to June 30, 2021, pursuant to Health and Safety Code Section 34177(j)

BUDGET AMENDMENT REQUIRED: No

CURRENT BUDGET AMOUNT: N/A

PROPOSED BUDGET AMOUNT: N/A

FINANCING SOURCE: N/A

PREVIOUS CONTRACT/PURCHASE ORDER NO.: N/A

COORDINATED WITH: Sage Sangiacomo, City Manager; Daphine Harris, Finance Management Analyst; Kristine Lawler, City Clerk

Approved: 
Sage Sangiacomo, City Manager

SUCCESSOR AGENCY RESOLUTION NO. 2020-01

A RESOLUTION OF THE SUCCESSOR AGENCY TO THE DISSOLVED REDEVELOPMENT AGENCY OF THE CITY OF UKIAH, APPROVING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177(l) & 34177(m) FOR THE PERIOD JULY 1, 2020 TO JUNE 30, 2021

WHEREAS, pursuant to Health and Safety Code Section 34173(d), the City of Ukiah (“RDA Successor Agency”) is the successor agency to the dissolved Redevelopment Agency of the City of Ukiah (“Agency”); and

WHEREAS, Health and Safety Code Section 34177(l)(1), requires the RDA Successor Agency to prepare a recognized obligation payment schedule (“ROPS”), covering the period from July 1, 2020 through June 30, 2021; and

WHEREAS, the Countywide Oversight Board is the RDA Successor Agency’s oversight board pursuant to Health and Safety Code Section 34179(a); and

WHEREAS, Health and Safety Code Section 34177(m), added by AB 1484, and effective June 27, 2012, requires that the RDA Successor Agency submit an Oversight Board approved “recognized obligation payment schedule” (“ROPS”) for each enforceable obligation payment cycle, to the Department of Finance, the State Controller, and the county auditor-controller no later than 90 days before the statutory date for the distribution of monies from the Redevelopment Property Tax Trust Fund (“RPTTF”); and

WHEREAS, all other legal prerequisites to the adoption of this Resolution have occurred.

NOW, THEREFORE, THE SUCCESSOR AGENCY TO THE DISSOLVED REDEVELOPMENT AGENCY OF THE CITY OF UKIAH DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

SECTION 2. CEQA Compliance. The approval of the ROPS through this Resolution does not commit the RDA Successor Agency to any action that may have a significant effect on the environment. As a result, such action does not constitute a project subject to the requirements of the California Environmental Quality Act.

SECTION 3. Approval of the ROPS. The Successor Agency hereby approves and adopts the ROPS, in substantially the form attached to this Resolution as Exhibit A, pursuant to Health and Safety Code Section 34177.

SECTION 4. Implementation and Transmittal of the ROPS. The City Manager is hereby authorized and directed to take any action necessary to carry out the purposes of this Resolution and comply with applicable law regarding the ROPS, including submitting the ROPS to the Successor Agency’s Oversight Board and implementing the ROPS as the budget of the RDA Successor Agency. Upon the Countywide Oversight Board’s approval, the RDA Successor Agency is required to submit copies of the ROPS to the County of Mendocino Auditor-Controller, the State of California Controller and the State of California Department of Finance prior to

February 1, 2020, and to post the ROPS on the RDA Successor Agency/Oversight Board's website.

SECTION 5. Severability. If any provision of this Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The RDA Successor Agency declares that the Successor Agency would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.

SECTION 6. Certification. The City Clerk of the City of Ukiah, acting on behalf of the RDA Successor Agency as its Secretary, shall certify to the adoption of this Resolution.

SECTION 7. Effective Date. This Resolution shall take effect immediately upon its adoption and shall be transmitted to the Countywide Oversight Board. Pursuant to Health and Safety Code Section 34179(h), all actions taken by the Oversight Board may be reviewed by the State of California Department of Finance, and, therefore, the ROPS approved by the Countywide Oversight Board shall not be effective for five (5) business days, pending a request for review by the State of California Department of Finance.

PASSED, APPROVED AND ADOPTED at a regular meeting of the RDA Successor Agency serving as the successor agency to the Community Redevelopment Agency of the City of Ukiah, on the 15th day of January, 2020, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Douglas F. Crane, Chairperson/Mayor

ATTEST:

Kristine Lawler, Successor Agency Secretary

EXHIBIT A

RECOGNIZED OBLIGATION PAYMENT SCHEDULE

[Attached behind this page]

**Recognized Obligation Payment Schedule (ROPS 20-21) - Summary
Filed for the July 1, 2020 through June 30, 2021 Period**

Successor Agency: Ukiah

County: Mendocino

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)	20-21A Total (July - December)	20-21B Total (January - June)	ROPS 20-21 Total
A Enforceable Obligations Funded as Follows (B+C+D)	\$ 1,956,483	\$ -	\$ 1,956,483
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	1,956,483	-	1,956,483
E Redevelopment Property Tax Trust Fund (RPTTF) (F+G)	\$ 1,353,514	\$ 2,166,717	\$ 3,520,231
F RPTTF	1,228,514	2,041,717	3,270,231
G Administrative RPTTF	125,000	125,000	250,000
H Current Period Enforceable Obligations (A+E)	\$ 3,309,997	\$ 2,166,717	\$ 5,476,714

Certification of Oversight Board Chairman:

Pursuant to Section 34177 (o) of the Health and Safety code, I hereby certify that the above is a true and accurate Recognized Obligation Payment Schedule for the above named successor agency.

Name Title

/s/ _____
Signature Date

Ukiah
Recognized Obligation Payment Schedule (ROPS 20-21) - ROPS Detail
July 1, 2020 through June 30, 2021

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W
Item #	Project Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	ROPS 20-21 Total	ROPS 20-21A (Jul - Dec)					20-21A Total	ROPS 20-21B (Jan - Jun)					20-21B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
								\$13,520,323		\$5,476,714	\$-	\$-	\$1,956,483	\$1,228,514	\$125,000	\$3,309,997	\$-	\$-	\$-	\$2,041,717	\$125,000	\$2,166,717
1	Protection of Successor Agency assets	Property Maintenance	02/01/2012	01/12/2025	Various	Maintenance of assets until disposition and asset disposition costs.	Eastside	331,354	N	\$23,254	-	-	-	11,627	-	\$11,627	-	-	-	11,627	-	\$11,627
2	Non-Housing Bonds payment Series A 2011	Bonds Issued After 12/31/10	03/08/2011	12/01/2028	BNY Mellon, Trustee	2011 Series A Bonds - Non-Housing Tax Allocation Bonds	Eastside	-	Y	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
3	Covenant Mandate - reserve for bond payments 2011 Series A	Bonds Issued After 12/31/10	03/08/2011	12/01/2028	BNY Mellon, Trustee	2011 Series A Bonds - Non-Housing Tax Allocation Bonds	Eastside	-	Y	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
4	Housing Bonds payment Series B 2011	Bonds Issued After 12/31/10	03/08/2011	08/01/2026	BNY Mellon, Trustee	2011 Series B Bonds - Tax Allocation Housing Bonds	Eastside	-	Y	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
5	Covenant Mandate - reserve for bond payments 2011 Series B	Bonds Issued After 12/31/10	03/08/2011	08/01/2026	BNY Mellon, Trustee	2011 Series B Bonds - Tax Allocation Housing Bonds	Eastside	-	Y	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
6	Tax Allocation Refunding Bonds, Series 2007	Bonds Issued On or Before 12/31/10	05/02/2007	12/01/2023	BNY Mellon, Trustee	Tax Allocation Refunding Bonds, Series 2007	Eastside	-	Y	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
7	Covenant Mandate - reserve for bond payments 2007 Series	Bonds Issued On or Before 12/31/10	05/02/2007	12/01/2023	BNY Mellon, Trustee	Tax Allocation Refunding Bonds, Series 2007	Eastside	-	Y	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
8	Trustee services	Fees	05/02/2007	12/01/2029	BNY Mellon, Trustee	Trustee services for Tax allocation bonds	Eastside	48,450	N	\$3,000	-	-	-	3,000	-	\$3,000	-	-	-	-	-	\$-
9	Audit Services	Dissolution Audits	07/08/2009	12/01/2029	Van Lant and Fankhanel, LLP	Financial Audit (34177(n)) & Due Diligence Review Services	Eastside	37,800	N	\$4,000	-	-	-	4,000	-	\$4,000	-	-	-	-	-	\$-

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W
Item #	Project Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	ROPS 20-21 Total	ROPS 20-21A (Jul - Dec)					20-21A Total	ROPS 20-21B (Jan - Jun)					20-21B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
						(34179.5)																
12	Fiscal consulting	Professional Services	07/17/2008	12/01/2029	NHA Advisors	Financial analysis and advice	Eastside	30,000	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
13	Redwood Business Park Infrastructure, Perkins Street Rail Depot remediation & development, & downtown infrastructure improvement	Project Management Costs	03/08/2011	12/01/2029	City of Ukiah staff	H&S 34171(b) Project specific management	Eastside	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
15	Downtown Infrastructure improvement and the Perkins Railroad Depot redevelopment/ Bond Indenture.	Improvement/ Infrastructure	03/08/2011	12/01/2029	Various	For the purpose of aiding in the redevelopment project in accordance with the indentures of trust, including: the Downtown Streetscape Project and the Redevelopment of the Perkins Railroad Depot Property.	Eastside	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
16	Redwood Business Park Infrastructure Improvements/ City-Agency Funding agreement	Improvement/ Infrastructure	03/08/2011	12/01/2029	City of Ukiah	For the purpose of the construction obligation for the development of infrastructure projects that will improve traffic, drainage, and utility services, necessary for the complete build-out of the Business Park.	Eastside	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
17	Successor Agency allowable administrative	Admin Costs	02/01/2012	12/01/2029	Successor Agency	Successor Agency allowable administrative	Eastside	2,500,000	N	\$250,000	-	-	-	-	125,000	\$125,000	-	-	-	-	125,000	\$125,000

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W
Item #	Project Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	ROPS 20-21 Total	ROPS 20-21A (Jul - Dec)					20-21A Total	ROPS 20-21B (Jan - Jun)					20-21B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
	budget					budget																
22	First Amended Funding Agreement for public infrastructure improvements for the Redwood Business Park, approved and authorized by the Oversight Board for the Successor Agency in Resolution No. 2012-08	Improvement/ Infrastructure	06/20/2012	12/01/2029	City of Ukiah	For the purpose of the construction obligation for the development of infrastructure projects that will improve traffic, drainage, and utility services, necessary for the complete build-out of the Business Park.	Eastside	3,923,857	N	\$3,923,857	-	-	1,532,283	429,646	-	\$1,961,929	-	-	-	1,961,928	-	\$1,961,928
23	Agreement regarding Expenditure of Excess Bond Proceeds (2011 Housing Bonds)	Bonds Issued After 12/31/10	03/08/2011	08/01/2026	City of Ukiah	Transfer Successor Agency Housing Bond Proceeds to City of Ukiah	Eastside	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
24	Series 2019A Tax Allocation Refunding Bonds	Refunding Bonds Issued After 6/27/12	12/12/2019	12/01/2023	BNY Mellon Trust Company, N.A.	Refunding bonds	Eastside	1,327,152	N	\$341,261	-	-	-	330,951	-	\$330,951	-	-	-	10,310	-	\$10,310
25	Series 2019B Taxable Tax Allocation Refunding Bonds	Refunding Bonds Issued After 6/27/12	12/12/2019	12/01/2028	BNY Mellon Trust Company, N.A.	Refunding bonds	Eastside	4,897,510	N	\$507,142	-	-	-	449,290	-	\$449,290	-	-	-	57,852	-	\$57,852
26	Covenant Mandate - Six-Month Reserve	Reserves	12/12/2019	12/01/2028	Ukiah Redevelopment Successor Agency	Series 2019A and B bond indenture requirement	Eastside	424,200	N	\$424,200	-	-	424,200	-	-	\$424,200	-	-	-	-	-	\$-

Ukiah
Recognized Obligation Payment Schedule (ROPS 20-21) - Report of Cash Balances
July 1, 2017 through June 30, 2018
(Report Amounts in Whole Dollars)

Pursuant to Health and Safety Code section 34177 (l), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation.							
A	B	C	D	E	F	G	H
	ROPS 17-18 Cash Balances (07/01/17 - 06/30/18)	Fund Sources					Comments
		Bond Proceeds		Reserve Balance	Other Funds	RPTTF	
		Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS RPTTF and Reserve Balances retained for future period(s)	Rent, grants, interest, etc.	Non-Admin and Admin	
1	Beginning Available Cash Balance (Actual 07/01/17) RPTTF amount should exclude "A" period distribution amount.		8,557,464	2,585,907	29,259	-	
2	Revenue/Income (Actual 06/30/18) RPTTF amount should tie to the ROPS 17-18 total distribution from the County Auditor-Controller		94,515	10,493	1,927,224	1,138,388	RPTTF revenue amount ties to SA trial balance amount received in fiscal year 2017-18.
3	Expenditures for ROPS 17-18 Enforceable Obligations (Actual 06/30/18)			136,324	-	1,138,388	Total expenditures were \$1,274,712.
4	Retention of Available Cash Balance (Actual 06/30/18) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)		8,651,979	2,460,076	1,956,483	-	Per DOF determination letter, dated April 15, 2019, Successor Agency to retain balances to meet future ROPS obligations.
5	ROPS 17-18 RPTTF Prior Period Adjustment RPTTF amount should tie to the Agency's ROPS 17-18 PPA form submitted to the CAC		No entry required				
6	Ending Actual Available Cash Balance (06/30/18) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)	\$-	\$-	\$-	\$-	\$-	

Ukiah
Recognized Obligation Payment Schedule (ROPS 20-21) - Notes
July 1, 2020 through June 30, 2021

Item #	Notes/Comments
1	
2	Bonds were refunded December 12, 2019. Refunding bonds are presented as new line items on ROPS as Series 2019A Tax Allocation Refunding Bonds and Series 2019B Taxable Tax Allocation Refunding Bonds.
3	Bonds were refunded December 12, 2019. Refunding bonds are presented as new line items on ROPS as Series 2019A Tax Allocation Refunding Bonds and Series 2019B Taxable Tax Allocation Refunding Bonds.
4	Bonds were refunded December 12, 2019. Refunding bonds are presented as new line items on ROPS as Series 2019A Tax Allocation Refunding Bonds and Series 2019B Taxable Tax Allocation Refunding Bonds.
5	Bonds were refunded December 12, 2019. Refunding bonds are presented as new line items on ROPS as Series 2019A Tax Allocation Refunding Bonds and Series 2019B Taxable Tax Allocation Refunding Bonds.
6	Bonds were refunded December 12, 2019. Refunding bonds are presented as new line items on ROPS as Series 2019A Tax Allocation Refunding Bonds and Series 2019B Taxable Tax Allocation Refunding Bonds.
7	Bonds were refunded December 12, 2019. Refunding bonds are presented as new line items on ROPS as Series 2019A Tax Allocation Refunding Bonds and Series 2019B Taxable Tax Allocation Refunding Bonds.
8	BNY Mellon continues as Trustee for the Series 2019 A and B refunding bonds.
9	
12	
13	
15	
16	
17	Successor Agency received a distribution from RPTTF in the 2019-20 ROPS period.
22	This item was approved by DOF and communicated to the SA in the DOF determination letter of the SA's amended 2019-20 ROPS, dated November 13, 2019. The use of DOF authorized reserves and a portion of RPTTF received (\$1,084,601 + 991,542) reduced the remaining amount to \$3,923,857.
23	
24	To meet debt service obligations due June 1, 2020, December 1, 2020, and June 1, 2021.
25	To meet debt service obligations due June 1, 2020, December 1, 2020, and June 1, 2021.
26	Reserve required under bond indenture Section 5.02(c). Six months calculated based on 1/2 debt service requirements for the 2020-21 ROPS period.

SUCCESSOR AGENCY RESOLUTION NO. 2020-02

A RESOLUTION OF THE SUCCESSOR AGENCY TO THE DISSOLVED REDEVELOPMENT AGENCY OF THE CITY OF UKIAH, APPROVING THE SUCCESSOR AGENCY'S ADMINISTRATIVE BUDGET FOR THE PERIOD JULY 1, 2020 TO JUNE 30, 2021, PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177(j)

WHEREAS, pursuant to Health and Safety Code Section 34173(d), the City of Ukiah ("RDA Successor Agency") is the successor agency to the dissolved Redevelopment Agency of the City of Ukiah ("Agency"); and

WHEREAS, the Countywide Oversight Board is the RDA Successor Agency's oversight board pursuant to Health and Safety Code Section 34179(a); and

WHEREAS, Health and Safety Code Section 34177(j) requires the RDA Successor Agency to prepare a proposed administrative budget ("Administrative Budget"), and submit it to the Countywide Oversight Board for the Countywide Oversight Board's approval; and

WHEREAS, all other legal prerequisites to the adoption of this Resolution have occurred.

NOW, THEREFORE, THE RDA SUCCESSOR AGENCY TO THE DISSOLVED REDEVELOPMENT AGENCY OF THE CITY OF UKIAH DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. CEQA Compliance. The approval of the Administrative Budget through this Resolution does not commit the RDA Successor Agency to any action that may have a significant effect on the environment. As a result, such action does not constitute a project subject to the requirements of the California Environmental Quality Act.

Section 3. Approval of the Administrative Budget. The RDA Successor Agency hereby approves and adopts the Administrative Budget for the period July 1, 2020 to June 30, 2021, in substantially the form attached to this Resolution as Exhibit A, pursuant to Health and Safety Code Section 34177.

Section 4. Severability. If any provision of this Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The RDA Successor Agency declares that the Successor Agency would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.

Section 5. Certification. The City Clerk of the City of Ukiah, acting on behalf of the RDA Successor Agency as its Secretary, shall certify to the adoption of this Resolution.

Section 6. Implementation and Transmittal of the Administrative Budget. The City Manager is hereby authorized and directed to take any action necessary to carry out the purposes of this Resolution and comply with applicable law regarding the administrative budget, including

but not limited to submitting the administrative budget to the RDA Successor Agency's Oversight Board.

Section 7. Effective Date. This Resolution shall take effect immediately upon its adoption and shall be transmitted to the Countywide Oversight Board. Pursuant to Health and Safety Code Section 34179(h), all actions taken by the Oversight Board may be reviewed by the State of California Department of Finance, and, therefore, the administrative budget approved by the Countywide Oversight Board shall not be effective for five (5) business days, pending a request for review by the State of California Department of Finance.

PASSED, APPROVED AND ADOPTED at a regular meeting of the RDA Successor Agency serving as the Successor Agency to the Community Redevelopment Agency of the City of Ukiah, on the 15th day of January, 2020, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Douglas F. Crane, Chairperson/Mayor

ATTEST:

Kristine Lawler, Successor Agency Secretary

EXHIBIT A

RDA SUCCESSOR AGENCY'S ADMINISTRATIVE BUDGET

[Attached behind this page]

ADMIN ALLOWANCE CALCULATION

ROPS 2020-21

Steps and inputs:

1. ROPS 19-20 Total Distributed RPTTF, including admin	\$ 2,076,143
2. 19-20 Distributed Admin RPTTF	-
3. 19-20 City/County Loan Repayments {Pursuant to HSC 34191.4 (b) only}	991,542
4. Other Adjustments	-

Calculations

A. FY 19-20 Distributed RPTTF	2,076,143
B. Less: FY 19-20 Distributed Admin RPTTF	-
C. Less: FY 19-20 City/County, or City and County Loan Repayments	(991,542)
D. Other Adjustments	-
E. FY 19-20 Adjusted Distributed RPTTF	1,084,601
F. 3% of FY 19-20 Distributed RPTTF	32,538
Allowable admin, prior to statutory limit (higher of F or \$250,000)	250,000
50% of FY 19-20 adjusted distributed RPTTF	542,301
Minimum allowed FY 2020-21 administrative cost allowance (Note 1)	<u>\$ 250,000</u>

SUCCESSOR AGENCY ADMINISTRATIVE BUDGET

July 1, 2020 - June 30, 2021

ADMINISTRATIVE COSTS BY FUNCTION (Note 2)	Budget
Personnel costs	\$ 176,913
Materials, supplies, and service costs	41,473
Capital outlay	-
Overhead	31,614
Total	<u>\$ 250,000</u>

SOURCES OF FUNDING

Low and moderate income housing fund	\$ -
Bond proceeds	-
Reserve balances	250,000
Administrative cost allowance	-
Redevelopment Property Tax Trust Fund	-
Total	<u>\$ 250,000</u>
Funding sufficiency (deficiency)	<u>\$ -</u>

Note 1. This amount is formulaically derived based on prior period distributed amounts from the RPTTF, as defined by statute.

Note 2. Administrative costs associated with the dissolution of the former Ukiah Redevelopment Agency are borne by the City of Ukiah general fund. The Administrative Budget allocates cost pursuant to the City's 2019-20 Cost Allocation Plan. The administrative allowance is accounted for as revenue to the City's general fund for the administrative services provided to the Successor Agency.



AGENDA SUMMARY REPORT

SUBJECT: Adoption of Resolution Approving the Transfer of APNs 180-110-12, 180-110-013, 180-110-14, 180-110-15 to the City of Ukiah.

DEPARTMENT: City Manager / Admin **PREPARED BY:** Maya Simerson, Project & Grant Administrator

ATTACHMENTS:

1. Wetland Delineation Report
2. Appraisal Report
3. Wetlands Reso Transfer Wetlands Open Space Property to City

Summary: The Successor Agency will consider adopting a resolution approving the transfer of APNs 180-110-12, 180-110-013, 180-110-14, 180-110-15 to the City of Ukiah.

Background: Assembly Bill 1X 26, enacted in June 2011, and as modified by the Supreme Court of the State of California in the matter of California Redevelopment Association, et al. v. Ana Matosantos, et al., Case No. S194861, and further modified by Assembly Bill 1484, enacted in June 2012, and other subsequent legislation (collectively, the “Dissolution Act”) dissolved and set out procedures for the wind-down of the affairs of all redevelopment agencies throughout the State effective February 1, 2012.

The Successor Agency to the Redevelopment Agency of the City of Ukiah (“Successor Agency”) is the successor entity to the former Redevelopment Agency of the City of Ukiah (“Redevelopment Agency”) and, pursuant to the Dissolution Act, is responsible for the wind-down of the affairs of the former Redevelopment Agency, including disposing of assets and properties of the former Redevelopment Agency.

Pursuant to Health and Safety Code Section 34191.4, the Successor Agency prepared a Long Range Property Management Plan (“LRPMP”) to address the use or disposition of the real properties previously owned by the former Redevelopment Agency. The LRPMP was approved by the Successor Agency on July 2, 2014, by the Oversight Board for the Successor Agency on September 24, 2014, and by the State Department of Finance (“DOF”) by letter dated December 30, 2014.

The LRPMP provides that, pursuant to Health & Safety Code Section 34191.5(c)(2), certain properties will be transferred to the City for governmental use. The full document can be reviewed at <http://www.cityofukiah.com/oversight-boardsuccessor-agency/>.

The City desires to transfer 8.02 acres of property (APNs 180-110-12 & 180-110-13) that include delineated wetlands located within the City of Ukiah, along with 2.77 acres of road easements (APNs 180-110-14 & 180-110-15). These parcels are referenced within the amended LRMP as items #3 and #15 respectively.

The transfer of property for item #3 is justified due to the fact the land is encumbered as delineated wetlands and holds no value. Since the transfer differs from the approved LRPMP, the transaction requires approval from the Countywide Oversight Board and will need to be submitted to the Department of Finance. However, the attached wetland delineation report and map highlight why the property has no monetary value.

(Attachment #1)

The transfer of the easements for item #15 is consistent with the approved LRPMP, and therefore transfer of the land is subject to approval by this board but is not required to be submitted to DOF (Health & Safety Code Section 34179(h)(1)(D)).

Discussion: Item #3:

The property associated with LRMP #3 is encumbered with delineated wetlands under Section 404 of the Clean Water Act (33 U.S. C. § 1344) and has no value in its current status for development. The best option for disposition of the property is to transfer it to the City. The status of the property will remain listed as 'Light Industrial', however as demonstrated by the attached appraisal demonstrates the property has a negative property value (Attachment #2). This negative property value occurs because of the extreme costs associated with any potential development due to the delineated wetlands.

Should the City take control of the property, it will be able to maintain and protect the environmental sensitivity of the property and will assume all maintenance costs associated with the property. In the past, the City has had to claim RPTTF for the costs in excess of \$20,000 a year on average to maintain these properties because of homeless encampments and illegal trespassing issues.

It is for these reasons the land is recommended for transfer to the City of Ukiah. As mentioned in the background section above, the transfer of LRMP #3 requires approval from the Mendocino Countywide Oversight Board and will need to be submitted to the Department of Finance for review and approval.

Item #15:

The transfer of the easements (LRMP #15) is being made pursuant to the approved Long Range Property Management Plan, pursuant to Health and Safety Code section 34179(h)(1), and the Countywide Oversight Board is not required to submit this approval to the Department of Finance.

Please reference Attachment #3 to review the Resolution for this property transfer of LRMP #3 and #15.

Recommended Action: Adopt resolution approving the transfer of APNs 180-110-12, 180-110-013, 180-110-14, 180-110-15 to the City of Ukiah.

BUDGET AMENDMENT REQUIRED: N/A

CURRENT BUDGET AMOUNT: N/A

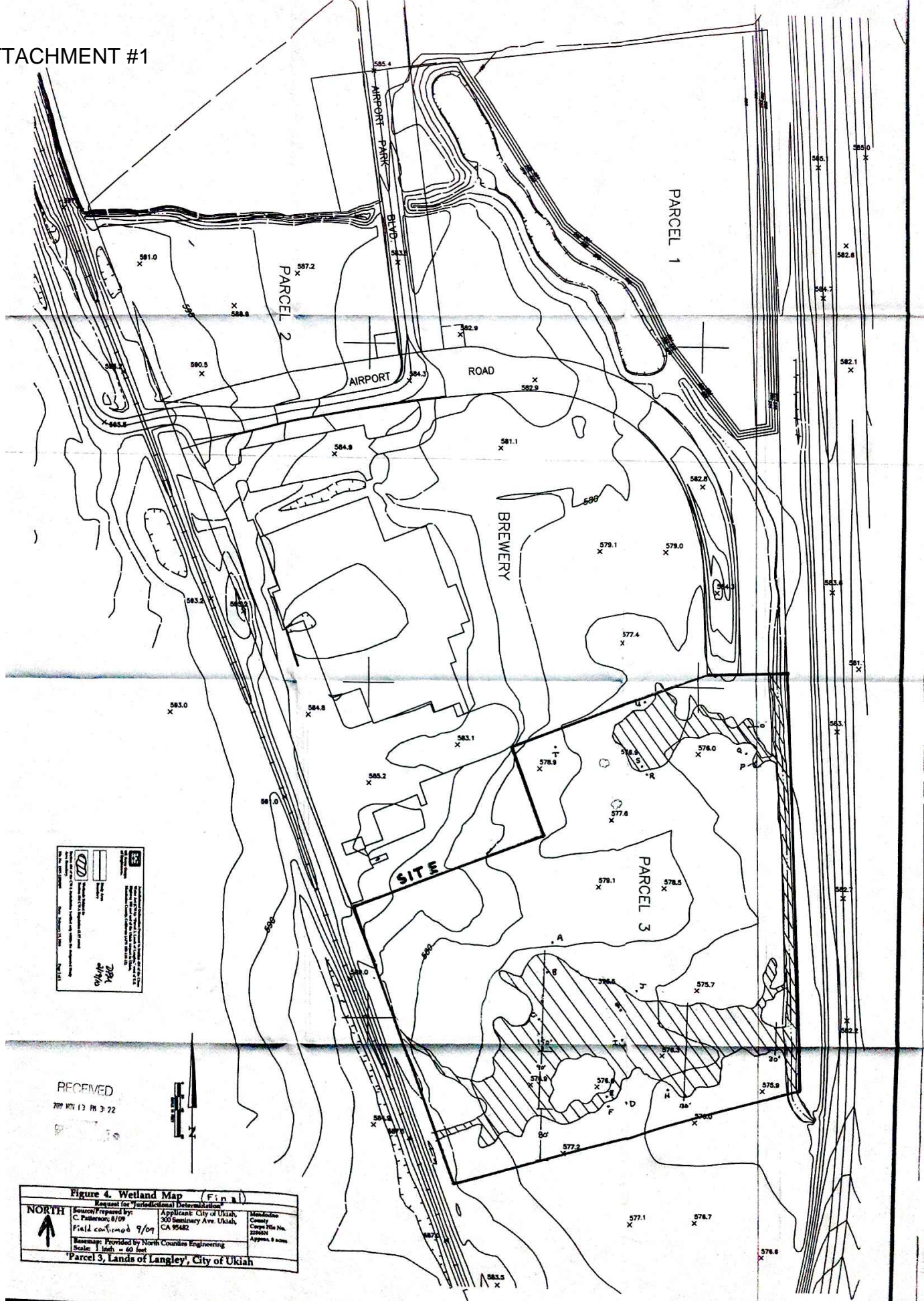
PROPOSED BUDGET AMOUNT: N/A

FINANCING SOURCE: N/A

PREVIOUS CONTRACT/PURCHASE ORDER NO.: N/A

COORDINATED WITH: N/A

Approved: 
Sage Sangiacomo, City Manager



WETLAND DETERMINATION
 Request for Jurisdictional Determination
 Date: 8/13/09
 Project: Parcel 3, Lands of Langley, City of Ukiah
 Prepared by: Charles A. Patterson
 Checked by: [Signature]
 Date: 8/13/09

RECEIVED
 2009 MAY 13 PM 3:22



Figure 4. Wetland Map (Final)
 Request for Jurisdictional Determination
 Prepared by: Charles A. Patterson, 8/13/09
 Applicant: City of Ukiah, 300 Seminary Ave. Ukiah, CA 95482
 Map Scale: 1 inch = 40 feet
 Base Map: Provided by North Counties Engineering
 Parcel 3, Lands of Langley, City of Ukiah

<p>WETLANDS</p>	DRAWING NO. _____ SHEET NO. _____ DATE _____	<p>CHARLES A. PATTERSON PLANT ECOLOGIST</p> 1006 WARNOE AVENUE LAFAYETTE, CA 94549 TEL. (929) 936-6243 FAX. (929) 936-7783	<p>PROJECT WETLANDS DETERMINATION</p> <p>CLIENT UKIAH REDEVELOPMENT AGENCY 300 SEMINARY AVENUE UKIAH, CA 95482</p>
	Page 26 of 82		

Charles A. Patterson
Plant Ecologist
1806 Ivanhoe Avenue, Lafayette, CA 94549
ph: (925) 938 - 5263 ('wetland') fax: 938 - 7723

February 24, 2010

Guy Mills
City of Ukiah
300 Seminary Avenue
Ukiah, CA 95482

Re: Wetland delineation for the "Lands of Langley, Parcel3"

Dear Guy:

Enclosed is the formal (officially stamped) Jurisdictional Determination (JD), or wetland map, sent back by the U. S. Army Corps of Engineers. While it took a while to get this done, the 'silver lining' is that the JD is valid for five years from the date of the JD letter (February 2010), not the site visit or submittal date (2009), thus in essence extending the JD a bit longer.

Let me know if there is anything else you need to complete this effort, and feel free to call or email if you want to discuss the other property and a JD for it.

Sincerely,



Charles A. Patterson



DEPARTMENT OF THE ARMY
SAN FRANCISCO DISTRICT, U.S. ARMY CORPS OF ENGINEERS
1455 MARKET STREET
SAN FRANCISCO, CALIFORNIA 94103-1398

FEB 22 2010

Regulatory Division

SUBJECT: File Number 1997-228650N

Mr. Charles Patterson
1806 Ivanhoe Avenue
Lafayette, California 94549

Dear Mr. Patterson:

This letter is written in response to your submittal of August 5, 2009 requesting confirmation of the extent of Corps of Engineers jurisdiction at an area of the City of Ukiah called "Parcel 3, Lands of Langley," bounded on the east by U.S. Highway 101, to the west by the Ukiah Airport, and to the south by a vineyard in Ukiah, Mendocino County, California.


Enclosed is a map showing the extent and location of Corps of Engineers jurisdiction, entitled "Figure 4 Wetland Map: Parcel 3, Lands of Langley, City of Ukiah," dated August, 2009. We have based this jurisdictional delineation on the current conditions on the site as verified during a site visit performed by our staff on October 7, 2009. A change in those conditions may also change the extent of our jurisdiction. This jurisdictional delineation will expire in five years from the date of this letter. However, if there has been a change in circumstances that affects the extent of Corps jurisdiction, a revision may be completed before that date.

All proposed discharges of dredged or fill material into waters of the United States must be authorized by the Corps of Engineers pursuant to Section 404 of the Clean Water Act (CWA) (33 U.S.C. Section 1344). Waters of the United States generally include tidal waters, lakes, ponds, rivers, streams (including intermittent streams), and wetlands.

You are advised that the Corps has established an Administrative Appeal Process, as described in 33 C.F.R. Part 331 (65 Fed. Reg. 16,486; March 28, 2000), and outlined in the enclosed flowchart and "Notification of Administrative Appeal Options, Process, and Request for Appeal" form (NAO-RFA). If you do not intend to accept the approved jurisdictional determination, you may elect to provide new information to the District Engineer for reconsideration or submit a completed NAO-RFA form to the Division Engineer to initiate the appeal process. You will relinquish all rights to appeal, unless the Corps receives new information or a completed NAO-RFA form within sixty (60) days of the date of the NAO-RFA.

Should you have any questions regarding this matter, please call Dominic MacCormack of our Regulatory Division at 415-503-6784 or by e-mail at dominic.maccormack@usace.army.mil. Please address all correspondence to the Regulatory Division and refer to the File Number at the head of this letter. If you would like to provide comments on our permit review process, please complete the Customer Survey Form available online at <http://per2.nwp.usace.army.mil/survey.html>.

Sincerely,



Jamie Monaus
for

Jane M. Hicks
Chief, Regulatory Division

Enclosures

NOTIFICATION OF ADMINISTRATIVE APPEAL OPTIONS AND PROCESS AND REQUEST FOR APPEAL

Applicant: Mr. Charles Patterson	File Number: 1997-228650N	Date: 22 FEB 2010
Attached is:		See Section below
<input type="checkbox"/>	INITIAL PROFFERED PERMIT (Standard Permit or Letter of permission)	A
<input type="checkbox"/>	FINAL PROFFERED PERMIT (Standard Permit or Letter of permission)	B
<input type="checkbox"/>	PERMIT DENIAL	C
<input checked="" type="checkbox"/>	APPROVED JURISDICTIONAL DETERMINATION	D
<input type="checkbox"/>	PRELIMINARY JURISDICTIONAL DETERMINATION	E

SECTION I - The following identifies your rights and options regarding an administrative appeal of the above decision. Additional information may be found at <http://usace.army.mil/inet/functions/cw/cecwo/reg> or Corps Regulations at 33 CFR Part 331.

A: INITIAL PROFFERED PERMIT: You may accept or object to the permit.

- **ACCEPT:** If you received a Standard Permit, you may sign the permit document and return it to the DISTRICT Engineer for final authorization. If you received a Letter of Permission (LOP), you may accept the LOP and your work is authorized. Your signature on the Standard Permit or acceptance of the LOP means that you accept the permit in its entirety, and waive all rights to appeal the permit, including its terms and conditions, and approved jurisdictional determinations associated with the permit.
- **OBJECT:** If you object to the initial proffered permit (Standard or LOP) because of certain terms and conditions therein, you may request that the permit be modified accordingly. You must complete Section II of this Notice and return the Notice to the DISTRICT Engineer. Your objections must be received by the DISTRICT Engineer within 60 days of the date of this Notice, or you will forfeit your right to appeal the permit in the future. Upon receipt of your Notice, the DISTRICT Engineer will evaluate your objections and may: (a) modify the permit to address all of your concerns, (b) modify the permit to address some of your objections, or (c) not modify the permit having determined that the permit should be issued as previously written. After evaluating your objections, the DISTRICT Engineer will send you a final proffered permit for your reconsideration, as indicated in Section B below.

B: FINAL PROFFERED PERMIT: You may accept or decline/appeal the permit.

- **ACCEPT:** If you received a Standard Permit, you may sign the permit document and return it to the DISTRICT Engineer for final authorization. If you received a Letter of Permission (LOP), you may accept the LOP and your work is authorized. Your signature on the Standard Permit or acceptance of the LOP means that you accept the permit in its entirety, and waive all rights to appeal the permit, including its terms and conditions, and approved jurisdictional determinations associated with the permit.
- **APPEAL:** If you choose to decline the final proffered permit (Standard or LOP) because of certain terms and conditions therein, you may appeal the declined permit under the Corps of Engineers Administrative Appeal Process by completing Section II of this Notice and sending the form to the DIVISION (not District) Engineer (address on reverse). This Notice must be received by the DIVISION (not District) Engineer within 60 days of the date of this Notice.

C: PERMIT DENIAL: You may appeal the denial of a permit under the Corps of Engineers Administrative Appeal Process by completing Section II of this Notice and sending the Notice to the DIVISION (not District) Engineer (address on reverse). This Notice must be received by the DIVISION (not District) Engineer within 60 days of the date of this Notice.

D: APPROVED JURISDICTIONAL DETERMINATION (JD): You may accept or appeal the approved JD or provide new information.

- **ACCEPT:** You do not need to notify the Corps to accept an approved JD. Failure to notify the Corps within 60 days of the date of this Notice means that you accept the approved JD in its entirety, and waive all rights to appeal the approved JD.
- **APPEAL:** If you disagree with the approved JD, you may appeal the approved JD under the Corps of Engineers Administrative Appeal Process by completing Section II of this Notice and sending the Notice to the DIVISION (not District) Engineer (address on reverse). This Notice must be received by the DIVISION Engineer within 60 days of the date of this Notice. JD appeals based on NEW information must be submitted to the DISTRICT Engineer within 60 days of the date of this Notice.

E: PRELIMINARY JURISDICTIONAL DETERMINATION (JD): You do not need to respond to the Corps regarding the preliminary JD. The preliminary JD is not appealable. If you wish, you may request an approved JD (which may be appealed), by contacting the Corps District for further instruction. Also you may provide new information for further consideration by the Corps to reevaluate the JD.

SECTION II - REQUEST FOR APPEAL or OBJECTIONS TO AN INITIAL PROFFERED PERMIT, FINAL PROFFERED PERMIT, PERMIT DENIAL, or JURISDICTIONAL DETERMINATION

REASONS FOR APPEAL OR OBJECTIONS: (Describe your reasons for appealing the decision or your objections to an initial proffered permit in clear concise statements. You may attach additional information to this Notice to clarify where your reasons or objections are addressed in the administrative record.)

ADDITIONAL INFORMATION: The appeal is limited to a review of the administrative record; the Corps memorandum for the record of the appeal conference or meeting, and any supplemental information that the Review Officer has determined is needed to clarify the administrative record. Neither the appellant nor the Corps may add new information or analyses to the record. However, you may provide additional information to clarify the location of information that is already in the administrative record.

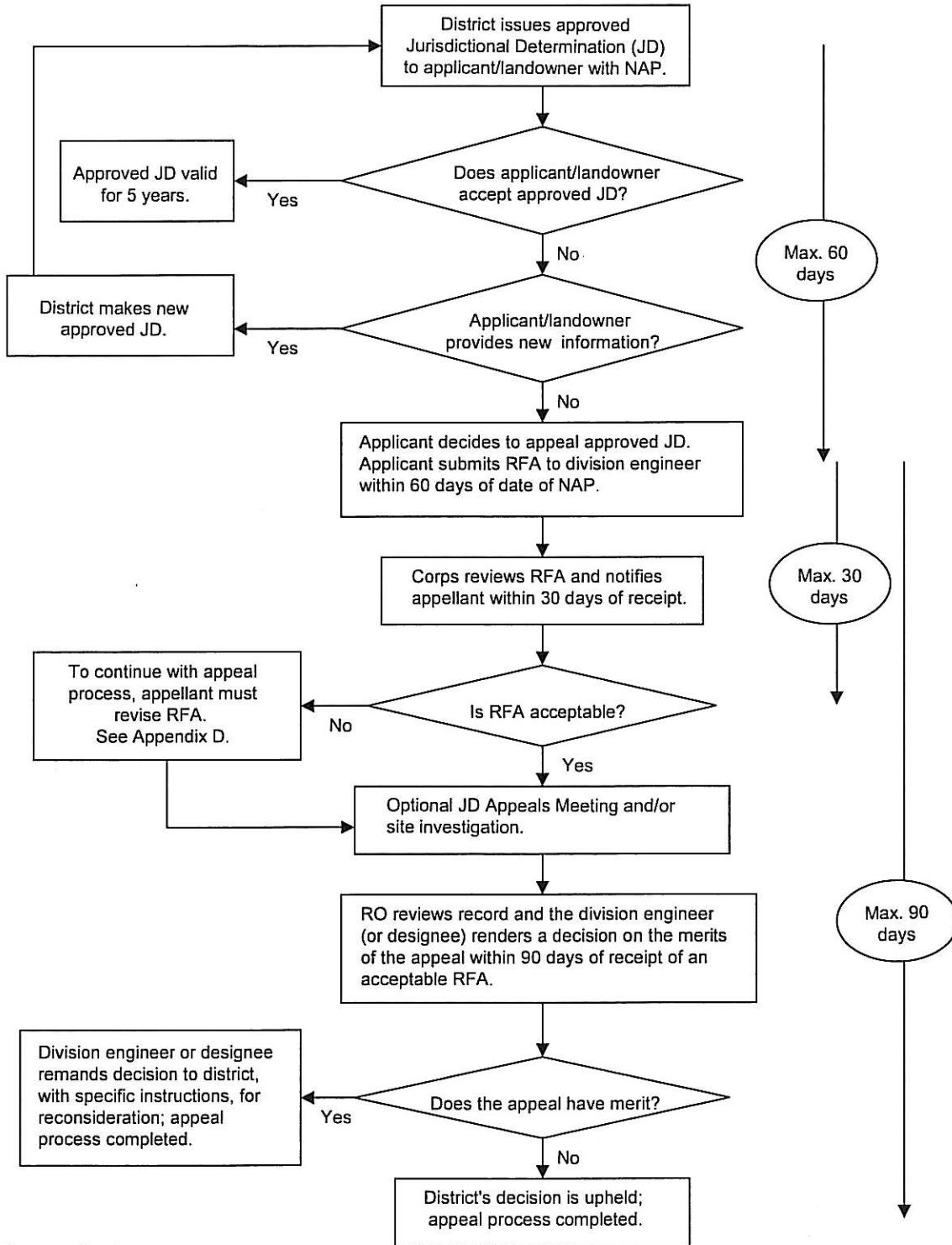
POINT OF CONTACT FOR QUESTIONS OR INFORMATION:

<p>If you have questions regarding this decision and/or the appeal process you may contact: Jane Hicks, Regulatory Branch Chief U.S. Army Corps of Engineers, San Francisco District 1455 Market Street, San Francisco, CA 94103-1398</p> <p>Tel.: (415)503-6771 Fax: (415) 503-6690</p>	<p>If you only have questions regarding the appeal process you may also contact: Thomas Cavanaugh, Appeal Review Officer U.S. Army Corps of Engineers, South Pacific Division 1455 Market Street, San Francisco, CA 94103-1399</p> <p>Tel.: (415)503-6574 Fax: (415) 503-6647</p>
---	--

RIGHT OF ENTRY: Your signature below grants the right of entry to Corps of Engineers personnel, and any government consultants, to conduct investigations of the project site during the course of the appeal process. You will be provided a 15-day notice of any site investigation, and will have the opportunity to participate in all site investigations.

<p>_____ Signature of Appellant or Agent</p>	<p>Date:</p>	<p>Telephone Number:</p>
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Administrative Appeal Process for Approved Jurisdictional Determinations



Appendix C

Charles A. Patterson
Plant Ecologist
1806 Ivanhoe Ave., Lafayette, CA 94549
ph: (925) 938-5263 fax: (925) 938-7723

February 24, 2010

Guy Mills
City of Ukiah
300 Seminary Avenue
Ukiah, CA 95482

I N V O I C E

For services rendered in 2009 on the "Lands of Langley, Parcel 3 - JD" project, specifically regarding the completion of a formal "Jurisdictional Determination" from the Army Corps of Engineers.

Labor and Expenses: \$1500.00

(as per Purchase Order Number 039047)

Total Due This Invoice \$1500.00

Thank you for your prompt consideration of this invoice and for the opportunity to work with you on this project.

Sincerely,



Charles A. Patterson

SS #: 545-88-0601



PURCHASE ORDER

Purchase order numbers must appear on all invoices and packages

CITY OF UKIAH

SUBMIT DUPLICATE INVOICES

TO: ACCOUNTS PAYABLE

300 SEMINARY AVENUE

UKIAH, CA 95482

ACCTS. PAYABLE: (707)463-6230

PURCH. DEPT.: (707)463-6233

PURCH. FAX: (707) 463-6234

**PURCHASE
ORDER
NUMBER**

039047

PAGE 1 OF 1

DATE 06 / 24 / 2009

VENDOR:	027583	SHIP TO:	000000
PATTERSON/CHARLES A. 1806 IVANHOE AVE LAFAYETTE CA 94549		CITY OF UKIAH 300 SEMINARY AVENUE UKIAH CA 95482	

DELIVER BY **FOB**

TERMS	TAX	CONFIRM TO	PHONE
--------------	------------	-------------------	--------------

LINE NO.	QUANTITY U/M	DESCRIPTION	UNIT PRICE		EXTENSION
01	1.00 LOT	PROFESSIONAL SERVICES IN RELATION TO COMPLETION OF A JURISDICTIONAL "WETLAND" DETERMINATION FOR REDEVELOPMENT LAND. COST SHOWN "NOT TO EXCEED".	1,500.00	N	1,500.00

	SUBTOTAL	1,500.00
	TAX	0.00
	TOTAL	1,500.00

No other terms and conditions will be accepted unless agreed to and signed by both parties

APPROVED BY: 

PURCHASING AGENT / PURCHASING SUPERVISOR

VENDOR COPY

APPRAISAL REPORT OF THE

Located at:

1825 Airport Road
Ukiah, CA 95482

Prepared for:

Mr. David J. Rapport
Ukiah City Attorney
P.O. Box 488
Ukiah, CA 95482

Valuation Date:

August 6, 2009

Prepared by:

George R. Dutton
State Certified General Appraiser
AGO-26971

Dutton Appraisal Office
115 Foss Creek Circle
Healdsburg, CA 95448
Telephone: 707.431.2652
Fax: 707.431.2659

August 17, 2009

Mr. David J. Rapport
Ukiah City Attorney
P.O. Box 488
Ukiah, CA 95482

Re: 1825 Airport Road, Ukiah, CA – APN: #180-110-12 & 180-110-13

Dear Mr. Rapport:

Pursuant to your request and authorization, a Restricted Use Appraisal Report has been prepared for the property mentioned above. The property is located at 1825 Airport Road and is identified as APN: #180-110-12 & 180-110-13; the property consists of two undeveloped parcels totaling approximately eight acres.

The purpose of this report is to estimate the ‘as-is’ market value of the fee simple estate of the subject property. I have personally inspected the property, last on July 28, 2009. Attached is my Restricted Use Appraisal Report, which describes my methods of valuation and contains the data, gathered in my investigations. This estimated “As Is” Market Value does not include the personal property machinery or equipment associated with the business operations at this location.

This report is prepared in compliance with the provisions as set forth in 12 CFR Part 323 as promulgated by the Federal Deposit Insurance Corporation on August 20, 1990, and subsequently amended by the FDIC on March 16, 1992 and June 7, 1994, Uniform Standards of Professional Appraisal Practice, (USPAP), Financial Institutions Reform, Recovery, and Enforcement Act, (FIRREA), and the Ethics and Standards of the Appraisal Institute.

The qualifications of the appraiser, the assumptions and limiting conditions, and the certification are provided in this report.

Because there is substantial projected cost to develop roadway access to this site and because the site is currently not usable for an industrial development, it is my opinion that the estimated “**As Is**” **market value** as of the subject property located at 1825 Airport Blvd. Ukiah, consisting of 8.02 acres, is a negative value of <\$985,000>.

It is my opinion that the ‘as-is’ estimated market value of the subject property as of August 6, 2009,

Negative Nine Hundred Eighty Five Thousand Dollars (\$-985,000.)

Respectfully Submitted,

George R. Dutton /s/

George R. Dutton
Real Estate Appraiser
State Certified General License #AGO-26971

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Addenda

- Contract
- Subject Photos
- Location Map of Subject and Comparables
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ASSUMPTIONS AND LIMITING CONDITIONS

Unless otherwise specifically noted in the body of the report, it is assumed that title to the property or properties appraised is clear and marketable and that there are no recorded or unrecorded matters or exceptions to total that would adversely affect marketability or value. Dutton Appraisal Office is not aware of any title defects nor has it been advised of any unless specifically noted in the report. Dutton Appraisal Office however has not examined title and makes no representations relative to the condition thereof. Documents dealing with liens, encumbrances, easements, deed restrictions, clouds and other conditions that may affect the quality of title have not been reviewed. Insurance against financial loss resulting in claims that may have arisen out of defects in the subject property's title should be sought from a qualified title company that issues or insures title to real property.

It is assumed that improvements will have been constructed according to approved architectural plans and specifications and in conformance with recommendations contained in or based upon any soils report(s).

Unless otherwise specifically noted in the body of this report, it is assumed: that any existing improvements on the property or properties being appraised are structurally sound, seismically safe and code conforming; that all building systems (mechanical/electrical, HVAC, elevator, plumbing, etc.) are, or will be upon completion in good working order with no major deferred maintenance or repair required; the roof and exterior are in good condition and free from intrusion by the elements; that the property or properties have been engineered in such a manner that it or they will withstand any known elements such as windstorm, hurricane, tornado, flooding, earthquake or similar natural occurrences; and, that the improvements, as currently constituted, conform to all applicable local, state and federal building codes and ordinances.

Dutton Appraisal Office professionals are not engineers and are not competent to judge matters of an engineering nature. Dutton Appraisal Office has not retained independent civil engineers in connection with this appraisal and, therefore, makes no representations relative to soil conditions or wetland determination. Unless otherwise specifically noted in the body of the report: no problems were brought to the attention of Dutton Appraisal Office by ownership or management.

It is specifically assumed that any knowledgeable and prudent purchaser would, as a precondition to closing a sale, obtain a satisfactory report relative to the soil conditions of the property and the wetland determination. Accordingly, if engineering consultants report negative findings, Dutton Appraisal Office reserves the right to amend the appraisal conclusions reported herein.

Unless otherwise stated in this report, the appraiser did not observe the existence of hazardous material, which may or may not be present on the property. Dutton Appraisal Office has no knowledge of the existence of such materials on or in the property.

Dutton Appraisal Office however, is not qualified to detect such substances. The presence of substances such as asbestos, urea formaldehyde foam insulation, contaminated ground water or other potentially hazardous materials may affect the value of the property. The value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.

We have inspected, as thoroughly as possible by observation, the land; however, it was impossible to personally inspect conditions beneath the soil. Therefore, no representation is made as to these matters unless specifically considered in the appraisal.

All furnishings, equipment and business operations, except as specifically stated and typically considered as part of real property, have been disregarded with only real property being considered in the report unless otherwise stated. Any existing or proposed improvements, on or off-site, as well as any alterations or repairs considered, are assumed to be completed in a workmanlike manner according to standard practices based upon the information submitted to Dutton Appraisal Office. This report may be subject to amendment upon re-inspection of the subject property subsequent to repairs, modifications, alterations, and completed new construction. Any estimate of Market Value is as of the date upon the information, conditions and projected levels of operation.

It is assumed that all factual data furnished by the client, property owner, owner's representative, or persons designated by the client or owner to supply said data are accurate and correct unless otherwise specifically noted in the appraisal report. Unless otherwise specifically noted in the appraisal report, Dutton Appraisal Office has no reason to believe that any of the data furnished contain any material error. Information and data referred to in this paragraph include, without being limited to, numerical street addresses, lot and block numbers, Assessor's Parcel Numbers, land dimensions, square footage area of 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 reliable data. Any material error in any of the above data could have a substantial impact on the conclusions reported.

Thus, Dutton Appraisal Office reserves the right to amend conclusions reported if made aware of any such error. Accordingly, the client-addressee should carefully review all assumptions, data, relevant calculations, and conclusions within 30 days after the date of delivery of this report and should immediately notify Dutton Appraisal Office of any questions or errors.

The date of value to which any of the conclusions and opinions expressed in this report apply, is set forth in the Letter of Transmittal. Further, that the dollar amount of any value opinion herein rendered is based upon the purchasing power of the American Dollar on that date. This appraisal is based on market conditions existing as of the date of this appraisal. Under the terms of the engagement, we will have no obligation to revise this report to reflect events or conditions, which occur subsequent to the date of the appraisal. However, Dutton Appraisal Office will be available to discuss the necessity for revision resulting from changes in economic or market factors affecting the subject. Dutton Appraisal Office assumes no private deed restrictions, limiting the use of the subject property in any way.

Unless otherwise noted in the body of this report, it is assumed that there are no mineral deposits or subsurface rights of value involved in this appraisal, whether they are gas, liquid or solid. Nor are the rights associated with extraction or exploration of such elements considered unless otherwise stated in this appraisal report. Unless otherwise stated it is also assumed that there are no air or development rights of value that may be transferred.

Dutton Appraisal Office is not aware of any contemplated public initiatives, governmental development controls, or rent controls that would significantly affect the value of the subject.

The estimate of Market Value, which may be defined within the body of this report, is subject to change with market fluctuations over time. Market value is highly related to exposure, time promotion effort, terms, motivation, and conclusions surrounding the offering. The value estimate(s) consider the productivity and relative attractiveness of the property, both physically and economically, on the open market.

Unless specifically set forth in the body of this report, nothing contained herein shall be construed to represent any direct or indirect recommendation of Dutton Appraisal Office to buy, sell or hold the properties at the value stated. Such decisions involve substantial investment strategy questions and must be specifically addressed in consultation form.

Also, unless otherwise noted in the body of the report, it is assumed that no changes in the present zoning ordinances or regulations governing use, density, or shape are being considered. The property is appraised assuming that all required licenses, certification 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 obtained or renewed for any use on which the value estimates contained in this report is based, unless otherwise stated.

This study may not be duplicated in whole or in part without the specific written consent of Dutton Appraisal Office nor may this report or copies hereof be transmitted to third parties without said consent, which consent Dutton Appraisal Office reserves to deny. Exempt from this restriction is duplication for the internal use of a commercial loan-addressee and/or transmission to attorneys, accountants or advisors of the client-addressee.

Also exempt from this restriction is transmission of the report to any court, governmental authority, or regulatory agency having jurisdiction over the party/parties for whom this appraisal was prepared, provided that this report and/or its contents not be published, in whole or in part, in any public document without the express written consent of Dutton Appraisal Office which consent, Dutton Appraisal Office, reserves the right to deny.

Finally, this report shall not be advertised to the public or otherwise used to induce a third party to purchase the property or to make a 'sale' or 'offer for sale' of any 'security', as such terms are defined and used in the Securities Act of 1933, as amended. Any third party, not covered by the exemptions herein, which may possess this report, is advised that they should rely on their own independently secured advice for any decision in connection with this property. Dutton Appraisal Office shall have no accountability or responsibility to any such third party.

Any value estimate provided in the report applies to the entire property, and any prorating or division of the title into fractional interests will invalidate the value estimate, unless prorating or division of interest has been set forth in the report.

The maps, plats, sketches, graphs, photographs and exhibits included in this report are for illustration purposes only and are to be utilized only to assist in visual matters discussed within the report.

Except as specifically stated, data relative to size or area of the subject and comparable properties has been obtained from sources deemed accurate and reliable. None of the exhibits are to be removed, reproduced or used apart from this report.

No opinion is intended to be expressed on matters, which may require legal expertise or specialized investigation or knowledge beyond that customarily employed by real estate appraisers. Values and opinions expressed presume that environmental and other governmental restrictions/conditions by applicable agencies have been met, including but not limited to seismic hazards, flight patterns, decibel levels/noise envelopes, fire hazards, hillside ordinances, density, allowable uses, building codes, permits, licenses, etc.

No survey, engineering study or architectural analysis has been made known to Dutton Appraisal Office unless otherwise stated in the body of this report. If the consultant has not been supplied with a termite

inspection, survey or occupancy permit, no responsibility or representation is assumed or made for any costs associated with obtaining same or for any deficiencies discovered before or after they are obtained. No representation or warranty is made concerning obtaining these items.

Dutton Appraisal Office 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.

Acceptance and/or use of this report constitutes full acceptance of the Contingent and Limiting Conditions and special assessments set forth in this report. It is the responsibility of the Client, or client's designees, to read in full, comprehend and thus become aware of the aforementioned contingencies and limiting conditions. Neither the appraiser nor Dutton Appraisal Office assumes responsibility for any situation arising out of the Client's failure to become familiar with and understand the same. The client is advised to retain experts in areas that fall outside the scope of the real estate appraisal/consulting profession if so desired.

Dutton Appraisal Office assumes that the subject property analyzed herein will be under prudent and competent management and ownership; neither inefficient nor super-efficient.

It is assumed that there is full compliance with all applicable federal, state and local environmental regulations and laws unless noncompliance is stated, defined and considered in the appraisal report. No survey of the boundaries of the property was undertaken. All areas and dimensions furnished are presumed to be correct. It is further assumed that no encroachments to the realty exist.

CERTIFICATION

- This is a Restricted Use Appraisal Report.
- The signatory below certifies that, to the best of his knowledge and belief:
- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and is my personal, impartial, and unbiased professional analyses, opinions and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that factors the cause of a commercial loan, 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.
- My analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice. The Departure Provision has been invoked in this report.
- This professional service was prepared in conformity with the Code of Professional Ethics and Standards of the Appraisal Institute. The use of this report is subject to the requirements of the Appraisal Institute relating to review by duly authorized representatives.
- I have made a personal inspection of the property that is the subject of this report.
- No one provided significant professional assistance to the person signing this report.
- All appraisers licensed by the Office of Real Estate Appraisers, (OREA), of the State of California are required to complete a minimum level of continuing education to maintain their status as licensed appraisers. The report author is currently licensed, in compliance with all educational and licensing standards of the OREA, and is re-certified to the date indicated below.
- As of the date of this report, the undersigned, George R. Dutton, has completed the requirements under the continuing education program of the Appraisal Institute and is re-certified to July 29, 2011.

Attached are statements of the professional qualifications of the appraiser.

This report has been prepared in accordance with the Uniform Standards of Professional Appraisal Practice, (USPAP), and with our agreement and understanding of the nature and requirements of the appraisal assignment.

I will retain all relevant data and research material in my working file should you require further appraisal services concerning this property.

Thank you for providing me this opportunity to be of service.

Respectfully Submitted,

George R. Dutton /s/

George R. Dutton
Real Estate Appraiser
State Certified General License #AGO-26971

SUMMARY OF SALIENT FACTS AND CONCLUSIONS

<u>Location</u>	1825 Airport Road Ukiah, CA – Mendocino County, CA
<u>Property Type</u>	The subject is an approximate 8.02 acres undeveloped property. The net usable site area is 5 acres. There is currently no public roadway access or utility service available to the property site. The site is below grade and impacted by wetlands.
<u>Interest Appraised</u>	Fee Simple Estate
<u>Lot Size</u>	8.02 Acres
<u>Zoning</u>	PD – Planned Development – Light Manufacturing /Mixed Use
<u>Mendocino County Parcel Number</u>	#180-110-12 & 180-110-13
<u>Flood Hazard Area</u>	# 0601860002D, Zone C, dated July 19, 1982; FEMA map.
<u>Census Tract</u>	#116.0
<u>Highest and Best Use</u>	Light Manufacturing/mixed use commercial development, developed per market demand.
<u>Conditions of Value</u>	The value estimates stated herein are subject to the Statement of Assumptions and Limiting Conditions and the Certification contained within this report.
<u>Environmental Hazards</u>	None Observed
<u>Marketing Exposure Period</u>	6 months
<u>Date of Value</u>	August 6, 2009
<u>Estimated Value As Is</u>	<-\$985,000>
<u>Market Sales as complete</u>	\$1,090,000
<u>Income Approach as complete</u>	\$1,020,000
<u>Cost Approach- estimated site development</u>	\$2,035,000

Restricted Use Appraisal Report: Scope of work.

This is a Restricted Use Appraisal Report, which is intended to comply with the reporting requirements set forth under Standards Rule 2-2c of the Uniform Standards of Professional Appraisal Practice. As such, it presents summary discussions of the data, reasoning, and analyses that were used in the appraisal process to develop the appraiser’s opinion of value. Supporting documentation concerning the data, reasoning, and analyses is retained in the appraiser’s file. The depth of discussion contained in this report is specific to the needs of the client and for the intended use stated below. The appraiser is not responsible for unauthorized use of this report.

Furthermore, in accordance with prior agreement between the client and the appraiser, this report is the result of a limited appraisal process in which an onsite inspection of the subject property was performed, the comparable sales were researched and the sites visited by the appraiser, data provided by the property owner was collected and analyzed, public record information was obtained and a value conclusion was determined and that opinion was conveyed to the client in a report format

In the collection of data, multiple sources were utilized. County public records, MLS, lenders, brokers and information from the property owner and property manager were analyzed. It is assumed that all information from these sources is correct. All comparable sales utilized in this report have been verified as closed sales through at least two data sources.

The physical inspection includes observation of general building materials and conditions for comparison only. The inspection does not include the type of investigation normally performed by property inspectors, pest or termite inspectors, environmental inspections or any other such experts.

Subject Property: 1825 Airport Road, Ukiah, CA; APN #180-110-12 & 13

Client: Mr. David J. Rapport
Ukiah City Attorney
P.O. Box 488
Ukiah, CA 95482

Appraiser: Mr. George R. Dutton
State Certified General R.E. Appraiser
115 Foss Creek Circle
Healdsburg, CA 95448

Purpose of the appraisal: The client has requested an opinion of AS IS market value as of the effective date of the report to assist the client in determining the estimated value for this property as of a specific date.

Property rights appraised:

The property rights appraised are the Fee Simple Estate interest, which is defined as: i.e. 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.

Appraisal Institute, The Appraisal of Real Estate, 11th edition (Chicago, Ill. 1996) R.7

Intended Use of the Report:

This report is prepared for the use of the client, the City of Ukiah. In addition the designated representatives of the client are authorized to use this report.

Date of the Appraisal:

August 6, 2009

Appraisal Development and Reporting Process

The following steps were completed in arriving at the final value for this assignment:

1. Analyzed regional, neighborhood, site and improvement data.
2. Inspected the subject site and the neighborhood
3. Reviewed data regarding taxes, zoning, utilities, easements, and public services.
4. Considered comparable improved sales of strip shopping centers, and general industry information. Confirmed data with property managers, and real estate agents representing principals, and through public records.
5. Analyzed the data to arrive at conclusions via each approach to value used in this report.
6. Reconciled the results of each approach to value employed into a probable range of market data and finally an estimate of value for the subject, as defined herein,
7. Estimated a reasonable exposure time associated with the value estimate.

To develop this opinion of value, a Restricted Use Appraisal Report was prepared. This report is prepared in compliance with the Financial Institutions Reform, Recovery, and Enforcement Act, (FIRREA), the Office of Comptroller of the Currency (OCC), Under Chapter 12 CFR, and the Ethics and Standards of the Appraisal Institute.

This report is intended to comply with the binding requirements of Standards 1, 2 & 5, and reporting requirements set forth under Standards Rule 2-2 (b) of the Uniform Standards of Professional Appraisal Practice.

This Report incorporates the practical explanation of the data, reasoning and analysis that were used to develop the opinion of value. It also includes descriptions of the subject property and the real estate market in the Mendocino County area.

Competency Provision: Dutton Appraisal Office has been appraising commercial and income property in Northern California Counties for the last 10 years. Appraisal assignments have been concentrated in Sonoma and Mendocino Counties.

Mr. Dutton has coordinated the site development, project construction, negotiated lease terms and has established management procedures for commercial projects in the North Bay area. He continues to serve as a consultant for the ongoing management of several commercial projects.

George R. Dutton is a Certified General Real Estate Appraiser in the State of California.

Appraisal Assistance: The appraisal files of McDonald and Associates as well as market research data from Real Estate Brokers were utilized in the preparation of this report.

Market Value

The definition of market value is used by many federal financial institutions including the Resolution Trust Corporation (RTC), which was established under the Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA) to dispose of the assets of insolvent thrift institutions.

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- (1) Buyer and Seller are typically motivated;
- (2) Both parties are well informed or well advised, and acting in what they consider their own best interests;
- (3) A reasonable time is allowed for exposure in the open market;
- (4) Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto: and
- (5) The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

Exposure time: The exposure time may be defined as follows: the estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective opinion based upon an analysis of past events assuming a competitive and open market.

Commercial income properties with operations based on market rental rates with typical occupancy levels and stable cash flows remain in demand. Based on discussions with property managers, owners, and real estate brokers familiar with this market segment, an exposure period is estimated to be approximately six months based on the current sales activity of comparable properties in the area. Thus, a marketing exposure period of approximately six to nine months is selected as applicable for the subject property.

Marketing time: The marketing time is considered the length of time required selling a property from the effective date of value, forward. Thus, a prospective opinion based on an analysis of the future events assuming a competitive and open market. The marketing time is also estimated to be six to nine months for the subject property.

Scope of the Assignment: The Mendocino County area and surrounding communities' areas were searched for recent sales of comparable properties. A sufficient number of sales were discovered to indicate a reliable value range for the subject.

The commercial data service, CoStar Group, Metroscan, and discussions with local real estate brokers in the area, and the appraiser's files were used in this search. Data was confirmed by interviews with persons considered knowledgeable about real estate trends and values in the area.

A physical inspection of the property was performed. Although due diligence was exercised while at the property, the appraiser is not an expert in such matters as pest control, soils stability, structural engineering, hazardous waste materials or toxic substances, and no warranty is given as to these elements.

MENDOCINO COUNTY

Demographics

Mendocino County is located on the north coast of the U.S. State of California, north of the San Francisco Bay Area and Sonoma County and west of the Central Valley. As of 2005, the population was estimated at 90,000. The county seat is Ukiah.

Mendocino County was one of California's original 27 counties, created in 1850 by the State Legislature. Because of its small population, Mendocino County was administered by the government of Sonoma County until 1859, when the government was established in a small building on Main Street in Ukiah. County officials moved into the first courthouse at the site bounded by Standley, Perkins, State and Schools streets on January 24, 1860.

Mendocino County encompasses an area of over 2 million acres or approximately 3500 square miles. The area includes forested mountain ranges supporting a large timber industry and rugged scenic coastline. Agricultural production includes a growing vineyard and winery industry that also supports tourist growth. The tourist industry remains strong in Mendocino County due to its natural beauty, an abundance of parks and beaches, its sport fishing, diving facilities and art, wine and food related events.

Mendocino County, along with the 101 corridor from Hopland to Garberville, experiences seasonal tourism and regular commercial traffic. Coastal tourism is the greatest revenue producer for visitor-serving facilities with the 101 corridor significantly lower, but growing.

The county has experienced a decline in major employers in a range of industries, with average job numbers declining over a number of years. A small increase in employment has been noted in specific sectors, namely tourism, retail trade, agriculture and related manufacturing, health care and government employment.

Geography

Mendocino County is naturally bounded on the west by the Pacific Ocean and on the east mainly by the mountainous divide between the North Coastal Basin and the Sacramento River Basin, with the width varying from 35 to 60 miles. The county extends approximately 80 miles north to south (Point No Pass to Gualala River, or Hammerhorn Ridge to the Geysers).

Within 20 miles of the ocean, the landscape rises to 3,000 feet in a series of northwest-southeast trending ridges paralleling the coast, and irregularly alternating with narrow valleys. These features reflect the geologic structures of the region, such as the San Andreas Fault in the southwest corner near Point Arena and the Maacama Fault extending from Sanel Valley to Long Valley. The alluvial valleys are at 1000 to 1500 feet elevation in the central part of the county, and drop to 500 feet at the points where the Eel and Russian Rivers leave the county. Maximum elevations are found in the mountainous northeastern part of the county, where Anthony Peak reaches to almost 7,000 feet.

Climate

The climate of Mendocino County is generally mild and characterized by moist cool winters and warm dry summers. There is little temperature range in the vicinity of the coast, but a moderate range is experienced in inland valleys. Extremes of temperature at inland points range from lows of 5 to 10 degrees to highs of 110 or more, while coastal areas have ranges from 20 to 80 degrees.

Annual rainfall in Mendocino County ranges from slightly less than 35 inches (Ukiah area) to more than 80 inches (near Branscomb). Most of the precipitation falls during the winter part of the year, and only at higher elevation is there substantial snowfall. Rainfall is often from brief, intense rains caused by large storms which move in from the northwest. Virtually no rainfall occurs during the summer

months. The average growing season is about 260 days on the coast, 210 in the interior valleys and 180 days in Round Valley.

Winds along the coast are persistent during the summer, and occasionally become strong over the entire area during the winter. Much of the County, however, experiences only light winds during most of the year. Sunshine averages 45 percent to 65 percent throughout the year along the coast and during winter and spring over inland areas, but increases to 80 percent inland during the summer and fall.

Waterways

While the Russian River flows south from above Ukiah, hundreds of miles of the Eel River and its tributaries flow north to empty into the Pacific.

Transportation

The major highway in Mendocino County is **U.S. Highway 101**. This highway connects the county to areas north such as Eureka and Grants Pass, Oregon via U.S. Highway 199, and areas south like Santa Rosa and San Francisco. Highway 101 changes back and forth from four-lane freeway to two-lane highway throughout the county, and it is fast almost all of its length. It is also a four-lane freeway through the County Seat and largest city of Ukiah.

State Highway 128 connects Fort Bragg and the town of Mendocino to U.S. Highway 101 south to the Bay Area. It is a fairly fast highway east of Navarro, but it becomes a winding road as it approaches the Pacific Coast.

Population & Demographic Trends

Mendocino County includes four incorporated cities. Fort Bragg and Point Arena are located on Highway 1, and Ukiah and Willits are inland on Highway 101. The most recent population data broken down between unincorporated and incorporated areas is summarized in Table 1.

Mendocino County’s population of 86,400 as of January 2000, represented an increase of 8.4% between 1990 and 2000 or just under 1% per year. This growth rate was below the state as a whole, but higher than the San Francisco and Oakland metropolitan areas. The trend from 2000 to 2005 represents a 4.1% increase on 0.83% per year. Future growth rate estimates for the county by 2020 are for projected growth in the range of 1% per year.

Table 1 MENDOCINO COUNTY POPULATION TRENDS					
County/City	2000	2004	% Change	2005	% Change
Mendocino County	86,400	89,369	3.44%	89,974	0.68%
Fort Bragg	7,050	6,912	-1.96%	6,963	0.74%
Point Arena	480	484	0.83%	495	2.27%
Ukiah	15,500	15,943	2.86%	15,959	0.10%
Willits	5,100	5,044	-1.10%	5,071	0.54%
Unincorporated	58,270	60,986	4.66%	61,486	0.82%

Among surrounding counties, Lake (population 58,300) and Sonoma (population 458,600) Counties had faster growth rates of 15% and 18% respectively (2000 demographic survey, while Humboldt County’s growth rate was slightly higher at 10% with a reported population in 2000 at 126,500. These

modest growth patterns indicate no major shift in future demographic trends are likely to occur in Mendocino County, suggesting a continuation of the rural small-town character of the area.

Manufacturing

Manufacturing employment is declining while services, retail trade and government employment is remaining stable or showing a slight increase. Some of the increase in government employment is explained by the fact that EDD assigns casino employees to the government category as they are tribal government employees. These employment trends are expected to continue and are similar throughout the region.

Real Estate Trends

Following a recessionary period from 1990 to 1997, home prices experienced a significant increase throughout Northern California and Mendocino County with home values virtually doubling from 1991 to 2001. In recent years home prices again showed a significant increase from 2003 through 2005. Population pressure has increased northward along the Highway 101 corridor from Santa Rosa, the largest regional employment base. Coastal Mendocino has experienced similar or greater value increases due to retirees and second home buyers, supplemented by telecommuters able to conduct their businesses from non-commercial locations.

The closing of both the Masonite Mill in Ukiah and the Georgia-Pacific Mill in Fort Bragg, along with the regional downturn in real estate prices, have produced a negative effect on home values. The current economy appears to be stagnant with little residential and commercial development anticipated. The long term outlook for the county is continued slow growth due to the limited available land for residential development and because the economy generally lags the regional trends driven by the economic center of Santa Rosa to the south.

The coastal area of Mendocino County has maintained a strong tourist base which has provided stability to the economy.

Economic Rates and Conditions Existing at Appraisal Date

When the appraisal was being prepared the following economic conditions prevailed:

Prime Rate (effective 7/2009)	3.25%
Eleventh District Cost of Funds	4.07%
Treasury 10 year Bonds	3.66%
Corporate Bonds	4.86%
Consumer Price Index (SF Bay Area)	
June 2009	Down 0.2% from a year ago

Sources: Wall Street Journal
 Bureau of Labor Statistics

Unemployment:

 Unemployment: California (June, 2009) 11.6%
 Mendocino County 10.1%

Mendocino County Tourism

The local economy has benefited from increased tourism. Currently, tourism is a major contributor to the local economy.

Mendocino provides a diverse base for tourists; from agriculture to the rugged coastal area. Agricultural products include grapes, dairy products, livestock, poultry, nursery products and vegetables.

Mendocino County Economy

The economy of Mendocino County has historically been tied to the timber and agricultural industries. The Ukiah and Anderson Valleys are centers of agricultural production, including grapes, apples, pears, livestock, field vegetable and nursery crops.

Mendocino County is primarily rural, with agriculture and tourism providing the basic industries which bring in outside dollars. Many small non-agricultural businesses have flourished in the county over the last ten years; these being made up of information firms and mail order businesses. Job growth has been slow. Most of the future growth will be felt in the services, tourism, finance, insurance, real estate and government industries. An expanding retired population is bringing in a more stable source of outside income in the form of properties and pensions.

Source: Mendocino County Website, EDD Website

City of Ukiah

Location

The subject property is visible from Highway 101, Ukiah, Mendocino County. The subject property is located at 1825 Airport Road, Ukiah, CA.

The City of Ukiah is the commercial, retail, finance and service hub of the Mendocino County region, providing goods and services to surrounding area residents. This area is considered the “heart” of the Mendocino County retail trade area with a number of businesses located in this community.

Ukiah provides a variety of commercial business locations, retail and wholesale facilities, financial institutions, lodging establishments, restaurants, markets, and numerous shops and galleries. Medical services and transportation facilities that serve the entire County are available here.

Subject site is located adjacent to major retail uses including Walmart, Friedman Brothers, Staples, Food Max and others. This property is located at the southern end of this business district. Travel time to Santa Rosa is approximately 1 hour and approximately 2+ hours to San Francisco.

Much of the Mendocino County coastal community area relies on Ukiah as the major commercial center for the local coastal community and tourist traffic. The area is scenic and serves as a gateway to the rugged and picturesque Mendocino coastline that is known to offer good outdoor and cultural amenities.

The Ukiah commercial-industrial market has generally been stable due to the large trade area served in Mendocino County and because there are very few alternatives in other areas of the County. There is no doubt that retail trade in general has decreased substantially beginning in the latter part of 2008 and continuing into 2009. Market conditions for retail space have deteriorated with the overall economy.

Description of the Site, Improvements, and Current Use

Location: This approximate 8.02-acre property is located in the city limits of Ukiah. The property is commonly known as 1825 Airport Road, Ukiah and has US Highway 101 frontage. The site is located in the southern commercial business district of the City of Ukiah, south of the central business district of the City.

Access: The site is not currently accessible from a developed roadway. Access to the Ukiah community is Highway 101, a well maintained, heavily travelled major roadway.

Mendocino County Assessor's Parcel Numbers: #180-110-12 & 13, commonly known as 1825 Airport Road, Ukiah, CA.

Physical Description: The site has a generally rectangular shape and is located at the south end of the City in a mixed use area that is within the Redwood Business Park and the Airport Business Park. There is convenient access from this area to the central downtown business district.

The property is currently unimproved. The property contains a designated wetlands area. The net usable area of the subject site, excluding the wetlands area, is the property that is valued in this report. The property is below grade and will require import and compaction of substantial quantities of fill to make the site usable. Roadway access to the site has not as yet been developed.

Topography and Drainage: The site is below grade and site drainage currently appears inadequate. Imported fill and an approved grading plan will be required for development to occur.

Climate: The climate is mild with wet winters and dry warm summers. There are typically 30 to 40 inches of rainfall per year. The average annual air temperature is 58 degrees, and the summer temperatures exceed 80 degrees.

Water Resources: There is not a developed municipal water system that provides water for the subject property to this location. Extension of a municipal water service line will be required to serve this site.

Sewer system: There is no municipal sewer system service for the subject property. Extension of a sewer service line will be required to serve this site.

The public sewer system in the area of this site appears to be of sufficient capacity for the site to be developed.

Soils Contamination: There were no adverse conditions observed. However, the appraiser is not qualified to detect the presence of soils characteristics related to hazardous waste or toxic materials. There were no complaints regarding toxic substance on-file with Mendocino County Environmental Health Department regarding the subject site.

Zoning: The subject site is zoned PD – Planned Development - Light Manufacturing/Mixed Use

Flood Zone: The subject is not located within the 100 year flood hazard area as identified by the Federal Emergency Management Agency (FEMA) Community Pane number #0601860002D, Zone C, dated July 19, 1982.

Earthquake Zone: All properties in California are subject to some degree of seismic risk. The Alquist-Priolo special Studies Zone Act of 1972 was enacted by the State of California to regulate

development near active earthquake faults. The Act required the State Geologist to delineate “special studies zones” along known active faults in California. Cities and Counties affected by the identified zones must limit certain development projects within the zone unless geologic investigation demonstrates that the sites are not threatened by surface displacement from future faulting.

The subject is not located within an Aliquist-Priolo Special Studies Zone.

Utilities: The subject property does not have electrical or natural gas service on site.

Encroachments: There were no encroachments observed, however I was not provided with a survey map of the property.

Assessed Valuation and Taxes: The assessed Land Value by the Mendocino County Tax Assessor are as follows: Code Area: 003-020

<u>Parcel Number</u>	<u>Land</u>	<u>Improvements</u>	<u>Other</u>	<u>Total</u>	<u>Taxes</u>
#180-110-12 & 13		\$Exempt			

Other Structural Improvements: The site is undeveloped.

Conclusion: The subject is an approximate 8.02 acres undeveloped property. The net usable site area is 5 acres. There is currently no public roadway access or utility service available to the property site. The site is below grade and impacted by wetlands.

Highest and Best Use

In the valuation of the subject property, consideration is given to the highest and best use of the property. Incorporated in this analysis, is the zoning designation of the property, the surrounding land uses and competing projects in the general market area of the subject property. The subject property is currently vacant; site improvements that will provide access to the site have not been developed as yet.

Highest and best use may be defined as: the reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest use. This is the definition used by the American Institute of Real Estate Appraisers as published in, *The Appraisal of Real Estate*, 11th edition, 1996.

The highest and best use of both land as though vacant and property as improved must meet four criteria. The highest and best use must be **legally permissible, physically possible, financially feasible and maximally productive**.

The definition above applies specifically to the highest and best use of land. In cases where a site has an existing improvement, the highest and best use may be determined to be different from the current improvement use, however the existing use will continue until the value of the land as vacant exceeds the value of the existing improvement and the costs to remove the improvement.

The Highest and Best Use is that use which is most likely to produce the greatest return over a given period of time. Net return refers to the residual of gross yield, after all costs are deducted.

To properly evaluate Highest and Best Use two separate analyses are required: one, to evaluate the subject property as vacant; the other, to evaluate the subject property as improved. The purpose of the separate analyses is to ensure consistency of uses between the subject land and land sales used to value the subject site, and to determine if the existing improvements have a contributory value that exceeds the land value as vacant. The purpose of this analysis is to determine the economic value of the improvements on site and to determine if these improvements exceed the value of the site less the demolition and removal of these improvements.

As the subject property is vacant and unimproved only the Highest and Best Use of the property as if vacant will be analyzed in this section.

The subject property has been analyzed using the four criteria mentioned earlier.

Highest and Best Use as Vacant

Legally Permissible

The Highest and Best Use of vacant land is typically that use which is permitted by the existing zoning designation. An exception is when a zoning change or use variance can likely be obtained within a reasonable amount of time. The subject site is zoned planned development Light Manufacturing/mixed use per ordinance No. 1098 adopted by the City Council of the City of Ukiah. This zoning allows, among numerous others, proposed industrial, warehouse development of the subject property, professional offices and low-density residential uses. Live work land uses may be incorporated into low density apartments above commercial or professional offices. The legally permitted use of the site must be consistent with the ordinance adopted by the City Council for the Airport Industrial Park planned

development. Because a zone change for this property does not appear to be possible at this time, the current zoning for this site is the major factor in determining the potential likely uses for the property.

Physically Possible

The physical characteristics of this site, including shape, size, general topography, soils, location, traffic patterns and available utilities appear to be conducive to a Light Manufacturing/mixed use development on site. The topography requires substantial fill to be imported, roadway access to be developed and a wetland determination made as to usable area. Site drainage after import and compaction of fill material, appears to be manageable with proper grading. It is physically possible to develop the land with a Light Manufacturing/mixed use development.

Financially Feasible

As vacant land, this site gains a contribution from the permitted use such as a Light Manufacturing/mixed use commercial development. There is a moderate demand for light manufacturing warehouse rental space in the local market. Project feasibility is an issue because of the significant cost associated with obtaining material for fill, transporting of the material, and grading and compaction of the material on this site. Development of the site appears to contribute to the economic benefit of the land; thus development of this parcel as vacant appears financially feasible.

Maximally Productive

Given the existing zoning it is unlikely the site can be developed with a higher use than that of the current zoning. Current zoning allows development of the site incorporating adequate parking, landscape design, and approved construction based on use permit approval and conditions. A site development permit or use permit is required for development in this property zone designation. No other uses under current zoning would produce a greater value for the subject property site.

Conclusion

Based on the above observations, the Highest and Best Use of the subject property as vacant site, is concluded to be a Light Manufacturing/mixed use commercial development, developed per market demand.

Appraisal Methodology

The appraisal process is defined as an orderly program by which the problem is planned and the data involved is acquired, classified, analyzed and interpreted into an estimate of value. In this process three basic approaches to value are considered: Income Capitalization approach, Sales Comparison Approach, and Cost Approach. 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.

The final step in the appraisal process is reconciliation, a process by which the alternative conclusions are analyzed and a selection of the final value. The relative significance, applicability and defensibility of each approach are weighed as it relates to the type of property being appraised.

In this appraisal assignment, the subject property is appraised “As Is” and an estimated market value for the subject property is obtained. The subject property consists of a total of 8.02 acres with a designated wetlands area. The net usable area of the subject site, excluding the wetlands area, is the property that is valued in this report. The property is below grade and will require import and compaction of substantial quantities of fill to make the site usable. Roadway access to the site has not as yet been developed. The factors just noted are crucial to the ultimate market value determination of the subject property.

The subject property value is determined from the sales comparison and income approaches to value. These estimated values are determined based on an “as complete” property, which is a property that from a site development standpoint is topographically ready and available to be developed. This property as noted is below grade and requires extension of a roadway and substantial fill import to make this a usable property site.

The cost approach is utilized to determine the estimated costs that are projected to be required for site development to be completed at this location. The property at that point is then ready for a development project, or in the “as complete” state. The property AS IS value is then determined from analysis of these estimated values.

Sales Comparison Approach

The Sales Comparison Approach utilizes sales of comparable properties, adjusted for differences, to indicate a value for the subject property. Valuation is typically accomplished using physical units of comparison such as price per appropriate unit or by utilizing economic units of comparison.

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.

The reliability of this approach is dependent upon (a) the availability of comparable sales data; (b) the verification of the sales data; (c) the degree of comparability; (d) the absence of non-typical conditions affecting the sales price. Through my search I was able to obtain an adequate quality and quantity of sales through which a reliable and defensible indication of value for the subject land could be concluded. The land value determined in this analysis is for the net usable portion of the subject property land.

As the current site is undeveloped, hypothetical conditions are utilized to develop a sales approach estimated value. The hypothetical conditions are contrary to what currently exists at the site but are supposed for purpose of this analysis. This property in the sales comparison approach is appraised “as complete” as if the property was improved and ready for development.

Income Capitalization Approach

The methodology of the Income Capitalization Approach is to determine the income-producing capacity of the property on a stabilized basis by estimating market rates and stabilized income levels from comparable properties, making deductions for operational and production expenses, and then capitalizing the net income at a market-derived rate to yield an indication of value.

Investors are active in the real estate marketplace for properties similar to the subject. The Income Capitalization Approach is applicable to the assignment at hand. The income capitalization approach is based on estimated lease income, typical lease terms and this appraiser’s knowledge of the property management costs associated with similar properties to determine an estimated value for the subject property.

As the current site is undeveloped, hypothetical conditions are utilized to develop an income approach to value. The hypothetical conditions are contrary to what currently exists at the site but are supposed for purpose of this analysis. This property is appraised as if the property was improved and ready for development.

Cost Approach

The Cost Approach for the subject property is utilized in this valuation. One generally utilizes the Cost Approach when there are structural improvements upon the land. This approach is based upon 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 relatively unique or specialized improvements are constructed on the site for which there are few sales or leases of comparable properties.

As the current site is undeveloped, hypothetical conditions are utilized to develop a cost approach to value. The hypothetical conditions are contrary to what currently exists at the site but are supposed for purpose of this analysis. This property is appraised as if the property was improved and ready for development.

The estimated costs to develop the subject property are provided through Marshall Swift Cost Valuation Service and supplemented with quantity and cost estimates from an engineering firm and from a general contractor. Quantity estimates utilized to develop the projected costs are analyzed with source data from Marshall Swift Cost Valuation Service and input from site development and underground contractors. This process results in an estimated current market valuation for the subject property.

Sales Comparison Approach

The Sales Comparison Approach provides an estimate of market value based on analyzing transactions of similar properties in the market area. The method is based on the proposition that an informed purchaser would pay no more for a property than the cost of acquiring an existing one with the same utility. This is known as the 'principle of substitution'. When there are an adequate number of sales of similar properties with sufficient information for comparison, a range of values for the subject property can be developed.

The reliability of this approach is based on similar market sales. Considerations for such factors as changing market conditions, financing, location, access/visibility, appeal, lot size, age, condition/quality, amenities and building size. These are all significant variable relating to the relative marketability of the subject property. Any adjustments to these comparable sales prices must be market-driven; this, the actions of typical buyers and sellers are reflected in the comparison process.

The Direct Sales Comparison Approach will use the sales price per square foot of building improvements on site as the measure of value most appropriate. This figure measures the relationship between the sales price and the building improvement square footage at the specific location.

Market Sales Methodology: Five sales of similar properties located in the market area of the subject property were reviewed in this analysis. All sales were reduced to their value per square foot for the raw land at the site. Adjustments were considered including: sale date, conditions of sale, financing, site size and location, amenities, access to and market appeal of the property.

Sales and current listings of like type property to the subject were reviewed in Northern Sonoma County as well as in Mendocino County. Because large adjustments to these sales would be required, sales in Mendocino County alone were included in the analysis.

The sales analyzed above have been determined to be the most recent sales of properties similar to the subject. The location, current use, and size of this property make it very difficult to find recent comparable sales.

As noted, the current site is undeveloped. Hypothetical conditions are utilized to develop a sales approach estimated value. The hypothetical conditions are contrary to what currently exists at the site but are supposed for purpose of this analysis. This property in the sales comparison approach is appraised "as complete" as if the property was improved and ready for development.

Land Sales

The subject property estimated land value is based on the below listed comparable sales. There are a limited number of raw land sales with similar zoning that have occurred in the subject property immediate market area.

Highway 101, Ukiah – approximately 18 Acres consisting of 7 Parcels in the Airport Business Park and Redwood Business Park. Purchase price \$4.2 million. Property sold on August 5, 2009.

This is a light industrial zoned property consisting of seven parcels that total 18 acres. This property was purchased August 5, 2009 for \$4,200,000. There are no existing structural improvements on site. The purchase prices equates to an estimated value of \$5.36 per square foot.

This property is located in the immediate market area of the subject property. The site has good visibility and there is good access to the site. The zoning at this site is similar to the subject property location. The sale date is current.

Overall, this property has superior market appeal. The site is at grade and ready for development. The parcel size is significantly larger than the subject site.

Overall a 15% downward adjustment is indicated. The adjusted value equates to \$4.55 per square foot, rounded.

**Sale #2-4260 N. State Street, Ukiah, CA 95482 - APN: 167-260-12
Property sold on July 11, 2007 for \$2,290,000, per Mendocino Doc. #12792**

This is a light industrial zoned vacant lot consisting of 6.13 acres. This property was purchased July 11, 2007 for \$2,290,000. Existing structural improvements on site included a 20,000 SF warehouse with three offices, two bathrooms, a kitchenette and two sixteen foot roll up doors. There was a truck scale on site at date of purchase. The contributory value of the improvements at date of sale is estimated at \$1,000,000 which provides an underlying land value of \$1,290,000 for the property or \$4.83 per square foot. The property was listed for sale for nearly 5 months.

The site is located on N. State Street and is located in the general market area of the subject property. The site has good visibility and there is good access to the site. The zoning at this site is similar to the subject property location. The sale date is over two years old and occurred during a significantly stronger commercial property market.

Overall, this property is an inferior location to the subject property with inferior market appeal. The parcel size is generally similar to the subject site. Commercial real estate market conditions were substantially better at date of sale of this property.

Overall a 15% downward adjustment is indicated. The adjusted value equates to \$3.62 per square foot, rounded.

**Sale #3-3141 State Street, Ukiah, CA 95482 - APN: 169-120-24
Property sold on April 20, 2007 for \$260,000, per Mendocino Doc. #7420**

This is a commercial vacant lot consisting of 0.69 acres. This property was purchased April 20, 2007 for \$260,000 or \$8.65 per square foot. The property was listed for sale for nearly 7 months.

The site is located on State Street and is located in the general market area of the subject property. The site has good visibility and there is good access to the site.

The zoning at this site is similar to the subject property location. The sale date is over two years old and occurred during a significantly stronger commercial property market.

Overall, this property is an inferior location to the subject property with inferior market appeal. The parcel size is substantially smaller than the subject site. Commercial real estate market conditions were substantially better at date of sale of this property.

Overall a 10% downward adjustment is indicated. The adjusted value equates to \$7.79 per square foot, rounded.

**Sale #4-3372 & 3362 N. State Street, Ukiah, CA 95482 - APN: 169-112-33 & 169-112-34
Property sold on December 1, 2008 for a total of \$925,000, per Mendocino Doc. #16431 &16432**

This is a commercial vacant lot consisting of 2.88 acres. This property was purchased December 1, 2008 for \$925,000 or \$7.40 per square foot. The property was listed for sale for nearly 9 months. The sale price represents 60% of the original list price.

The site is located on State Street and is located in the general market area of the subject property. The site has good visibility and there is good access to the site.

Overall, this property is inferior to the subject location and the zoning at this site is inferior to the subject property. The sale date is current.

Overall a 5% downward adjustment is indicated. The adjusted value equates to \$7.00 per square foot, rounded.

**Sale #5-511 S Orchard Avenue, Ukiah, CA 95482- APN: 002-340-45.
Property sold on August 15, 2006 for \$410,000, per Mendocino Doc. #16123**

This is a commercially zoned vacant lot consisting of .77 acres. This property was purchased in a raw land state August 15, 2006 for \$410,000, or \$12.22 per square foot. The site is located near the freeway and is located on a heavily trafficked street. The site has good visibility and there is good access from S. Orchard Avenue. The site is level and is located within the commercial area, in the Ukiah city limits. This is a larger parcel size than the subject. Market conditions have changed significantly from the date of sale with prices reaching a peak in 2006. A significant decline in market value for similar properties has occurred from that date.

The location of this property is inferior to the subject property.

Overall a 35% downward adjustment is indicated. The adjusted value equates to \$7.95 per square foot, rounded.

Summary Analysis:

The adjusted average sales price per square foot for the comparable properties utilized in this report is \$6 per square foot, rounded. Several of the parcels are less than one acre in size and as a result are not heavily weighted.

Based on the location of the subject property, the Highway 101 frontage, the limited availability of sites similar to the subject in this market area, the utility of this site and accounting for current real estate market conditions, the estimated value of the subject property site as of the date of this report is seen as

being in the mid range of value for similar type property. The estimated value for the raw land at this location is \$5.00 per SF for the subject site.

The subject parcel size is 8.02 acres total. The usable site area because of the impact of wetlands is 5 acres, or 217,800 SF. The selected land value for the property site is \$5/SF.

Thus the total estimated value of the 8.02 acres recognizing the usable portion of the site as five acres as of the report date is based on the square footage of 217,800 Sq. Ft. The estimated hypothetical land value of the subject property “as complete” is shown below.

\$5.00 per SF x 217,800 SF or \$1,089,000. Thus, the estimated land portion of the subject property is valued as of the appraisal date at \$1,090,000, rounded.

Utah, Mendocino Co., sales comparable grid analysis, August, 2009

Property address	Sale date	Sales price	Improvement Value	Net purchase price	Lot size acreage	Sale price Per SF	Market Conditions	Location	Bldg./lot size	Access/appeal	Overall adjustment	Adjusted SP/SF
Airport Boulevard	Aug-09	\$ 4,200,000	NA	\$ 4,200,000	18	\$ 5.36	Equal	Equal	Superior	Superior	-15%	\$ 4.55
4260 N State St.	Jul-07	\$ 2,290,000	\$ 1,000,000	\$ 1,290,000	6.13	\$ 4.88	-25	Inferior	Equal	Inferior	-15%	\$ 4.11
3141 State St.	Apr-07	\$ 260,000	NA	\$ 260,000	0.69	\$ 8.65	-20	Equal	Inferior	Equal	-15%	\$ 7.35
3862-3372 N State St.	Dec-08	\$ 925,000		\$ 925,000	2.88	\$ 7.37	-10	Inferior	Inferior	Inferior	-5%	\$ 7.00
511 S Orchard Ave	Aug-06	\$ 410,000		\$ 410,000	0.77	\$ 12.22	-35	Equal	Equal	Equal	-35%	\$ 7.95
<p>Average sales price/SF, comparable sales \$ 30.96</p> <p>Estimated value - subject property \$ 5</p>												
<p>Subj-vacant parcels-total 8.02 acres net usable land \$ 1,089,000</p>												

Income Approach to Value

As the current site is undeveloped, the below listed hypothetical conditions are utilized to develop an income approach to value. The hypothetical conditions are contrary to what currently exists at the site but are supposed for purpose of this analysis. This property is appraised as if the property was improved and ready for development.

1. Usable land area at this site is 5 net acres.
2. A site coverage ratio of 30% is projected for the usable portion of the property.
3. Development at the site will include individual warehouse type structures that are average to good quality and are steel framed structures with a concrete slab on grade foundation. The buildings may be finished with decorative rock or masonry exterior at the entrance to the building. There will be small finished office areas with drywall that is painted and restroom facilities. The buildings will have exposed conduit, fluorescent lighting and adequate plumbing. The heating source will be space heaters.

In the market area of the subject property, which incorporates Ukiah and the surrounding Mendocino County area, base monthly rents range from \$0.45 to in excess of \$0.65 per square foot for similar rental properties in a well located, maintained building. The average of rental rates in the local community for properties comparable to the subject appears to be in the \$0.50 to \$0.60 per square foot range. Most commercial leases have a consumer price index increase annually, generally with a floor of 3% and a maximum of 5% annually.

This site is a well located, visible site and the surrounding area includes a combination of major retail (Wal Mart, Friedman's, Staples), yard storage and warehouse, production space,

The subject property with professional and competent management and with effective marketing and advertising should have a vacancy rate in the range of 5% for the year. Reserve for capital replacements and management expense should be in the range of 9 to 10% of gross income annually. Additional direct expense incurred by the property owner is estimated at 16 to 20%. These expenses include utility expense, professional fees, property tax, insurance, and repair and maintenance expense. An overall expense factor in the range of 30% of gross income annually for this property is realistic based on lease terms for properties similar to the hypothetical development at this property. This expense ratio is consistent for like type properties to the subject and is the ratio utilized in this analysis to determine the effective gross income for the hypothetical development.

The estimated net operating income for a typical year's operation is based on the projected lease income developed by the appraiser. In this analysis, \$0.50 per SF is the projected gross monthly rent. The estimated lease income represents a blended lease rate for the developed project of 65,340 square feet of potential warehouse, storage space to be developed at this location.

The following pro forma details income and expense projections for the subject property for a calendar year. This information is taken from industry standards coupled with the detail provided from commercial lessors in this market area.

Ukiah industrial-Pro forma Income and Expense
Projected for industrial buildings to be constructed on site

Gross income-Monthly			
Rental revenue-market rate		\$32,670	
	Projected gross monthly income	\$32,670	
Projected Annual Income		\$392,040	
Projected Annual Expense			
Vacancy and Collection expense		\$19,602	
Operating Expense-non recoverable			
Property management expense		\$9,801	
Utility expense		\$1,200	
Repair and maintenance expense		\$7,841	
Insurance, legal, accounting		\$10,000	
Real Estate property tax-landlord portion		\$60,000	
Replacement reserve		\$7,841	
	Total projected expense	\$116,285	30%
	Projected net operating income before debt service	\$275,755.00	
Capitalized value		\$3,939,363.00	
Estimated construction costs		\$2,920,000.00	
Underlying land value		\$1,019,363.00	
Per acre		\$ 203,872.57	
Per SF		\$ 4.68	

Cost Approach:

As noted, the current site is undeveloped. Hypothetical conditions were utilized to develop the sales and income approaches to estimated value. The hypothetical conditions are contrary to what currently exists at the site but are supposed for purpose of this analysis. The property in the sales comparison and income approaches was appraised “as complete” as if the property was improved and ready for development.

In this section, the projected costs to develop the site are estimated. The property is currently unimproved. The property contains a designated wetlands area. The net usable area of the subject site, excluding the wetlands area, is the property that is valued in this report. The property is below grade and will require import and compaction of substantial quantities of fill to make the site usable. Roadway access to the site has not as yet been developed.

Development Costs: The estimated costs to develop the subject property are provided through Marshall Swift Cost Valuation Service and supplemented with quantity and cost estimates from an engineering firm and from a general contractor. Quantity estimates utilized to develop the projected costs are analyzed with source data from Marshall Swift Cost Valuation Service and input from site development and underground contractors. This process results in an estimated current cost to develop the subject property.

Local developer’s cost estimates and analysis development costs of similar warehouse type properties in the area have been used to establish the projected costs of the improvements necessary to create a market ready developable site.

As previously noted, the property site contains approximately 3 acres of wetlands. The net usable site area will be 5 acres upon completion of the site work at this location.

Projected costs for site development

The subject property requires development of roadway access, material import and professional costs associated with engineering and soil analysis. Substantial fill is required and for roadway access to a cul de sac to serve this parcel requires a mitigation of a current wetlands area located at the probable site entrance. The mitigation for the existing wetlands area is at a 1.5 to 1 ratio of reconstructed wetland area.

Summary Analysis:

The material quantity estimated to be required to bring this site to grade and out of a flood zone ranges from 45,000 to 48,000 cubic yards. Product material cost and transport of material are major expenses and account for the majority of projected site development costs.

Roadway access required to serve this project includes the cul de sac and the extension of the Airport Road to this site. The cul de sac expense is a direct project expense for this parcel and the roadway extension may provide some benefit to other parcels but is a primary expense of developing this site.

The projected development expense for this site is based on the cul de sac and 400 feet of the Airport Road extension. At least 75% of the roadway extension expense is attributable to this property.

The developed roadway and cul de sac will be completed with 4” of asphalt over a 12” compacted aggregate base rock. The roadway improvements will include the storm drain, sewer and water service lines, fire hydrants, curb and gutter and related professional fees. The estimated costs were developed utilizing prevailing wage schedules and include overhead and a contingency.

On site development costs are estimated based on review and analysis of engineering and contractor cost breakdowns combined with cost estimates from Marshall Swift and construction cost estimates from industry sources.

1825 Airport Road, Ukiah.		
Roadway access	400 lineal feet	\$ 375,000.
Cul de sac development		\$ 410,000.
Projected project roadway cost		\$785,000
Site Development Estimated Cost:		
Based on total estimated land of 5 net usable acres		<u>\$1,250,000</u>
Estimated Development Costs to develop the subject site		\$2,035,000

The total estimated cost to develop the subject site is \$2,035,000. This estimated figure substantially exceeds the “as complete” estimated values obtained from the market sales and income approaches to value.

Value Estimate, Conclusion and Reconciliation:

The estimated land value of the “as complete” subject property has been determined from the market sales analysis and income approach. These values are indicated below:

Market Sales	\$1,090,000
Income Approach	\$1,020,000

There is some variation in the estimated values from the two distinct approaches. The income approach is based on the projected lease income and expense estimates determined from market research and analysis of similar properties.

The market sales approach is predicated on the principle of substitution, essentially that an investor would pay no more for an existing property than for a comparable property with similar utility.

The estimated “as complete” value for the subject property as of the report date is \$1,050,000.

However, there are no improvements on the property at this time. In the present state, the property is not usable. To determine the value of the site, the costs to improve the site are estimated and a net property value determined. The estimated costs to improve the subject property were developed from Marshall Swift Cost Valuation Service and supplemented with civil engineers cost estimates as well as general and sub contractor cost estimates. The estimated costs to improve the site have been determined to be \$2,035,000.

This process results in an estimated current market valuation for the subject property.

Value Conclusion

It is recognized that the subject property location with the Highway 101 frontage, the limited availability of sites similar to the subject in this market area, and accounting for current real estate market conditions, the estimated value of the subject property site as of the date of this report is seen as being in the mid range of value for similar type property.

The final value conclusion gives strong consideration to the estimated development costs of the subject site. The projected roadway and site development costs exceed the estimated "as complete" value of this property. The final value conclusion relies on typical market behavior of buyers for like type property and accounts for the current real estate market for the property being appraised.

Based on my research and the analysis contained in this report, it is my opinion that the estimated "**As Is**" **market value** as of the subject property located at 1825 Airport Blvd. Ukiah, consisting of 8.02 acres, is a negative value of \$985,000.

Thank you for this opportunity to be of service.

Respectfully Submitted,

George R. Dutton /s/

George R. Dutton
State Certified General R.E. Appraiser #AGO26971

Work

Experience: 1997 – Present Self-Employed Real Estate Appraiser Healdsburg, CA

Real Estate Appraiser

- Licensed State of California General Real Estate Appraiser.
- Appraisals of agricultural, commercial, industrial, retail and single-family properties completed in Sonoma, Napa, and Mendocino counties.
- Appraisals of proposed subdivisions and course of construction inspections.

Work

Experience: 1983 – Present Dutton Enterprises Healdsburg, CA

Real Estate Consultant-Developer

- Developed multi-million dollar single family residential subdivisions, commercial and warehouse properties.
- Marketed and managed properties in development; negotiated sale-leaseback for commercial properties directly and through brokers.
- Solicited and awarded general contractor bids; negotiated all subcontracts; consulted with engineers and architects on design; coordination and building of specific projects; directed acquisition and delivery of materials.
- Processed applications through county and city planning and building departments for permit and project approvals.

1964-1983 Exchange Bank Santa Rosa, CA

Vice-President/Branch Manager

- Coordinated daily branch operations; reviewed administrative reports; approved commercial, real estate, agricultural and installment loan applications; appraised residential properties; resolved customer concerns and inquiries.
- Interviewed, trained, supervised and evaluated staff of twenty-one bank employees.
- Increased customer base and maximized retention of existing business.
- Achieved superior audit reviews from interior and exterior sources as a result of organizing branch activities and staff supervision.
- Instructor in Banking Courses at SRJC for ten semesters.

1966-1969 United States Army USA and Germany

First Lieutenant, Honorable Discharge

Education 1960-1964 University of California Berkeley, CA

Bachelor of Science, Finance

1975-1977 Pacific Coast School of Banking Seattle, WA

Certificate of Completion

Community Activities 1988-Present Board Member/President/Treasurer, R House
 1990-Present Board Member, YMCA
 1990-Present Member, Sonoma County Alliance
 1997-Present Member, Rotary Club of Sebastopol Sunrise

Photograph Addendum

Client	David Rapport		
Property Address	1825 Airport Road		
City	Ukiah	County	Mendocino
		State	CA
		Zip Code	95482
Lender	Client: David Rapport		



N side of site



S side of site



S property line



On site topography



Site, view W

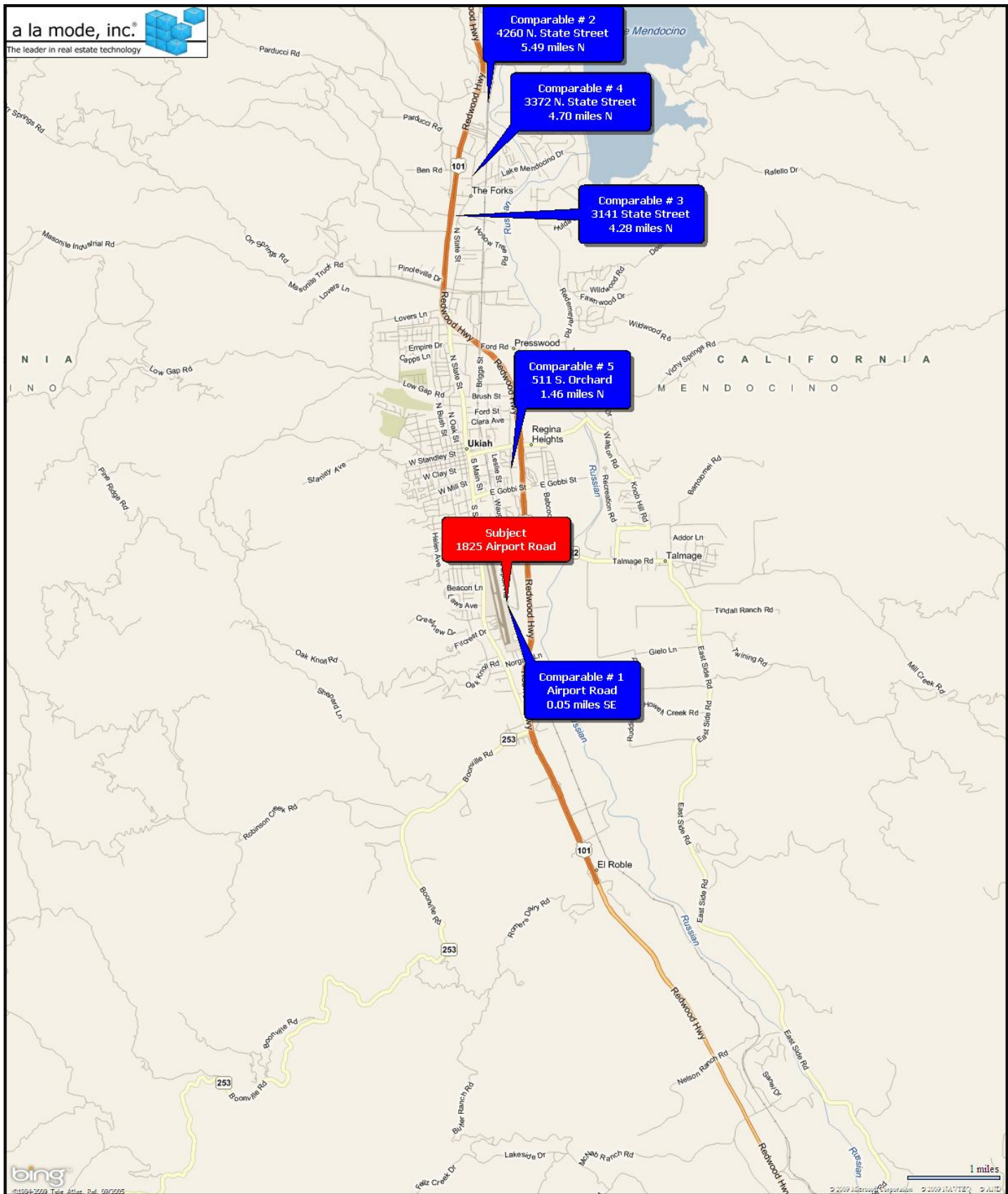


Wetland portion of site

Form PIC6_LT — "WinTOTAL" appraisal software by a la mode, inc. — 1-800-ALAMODE

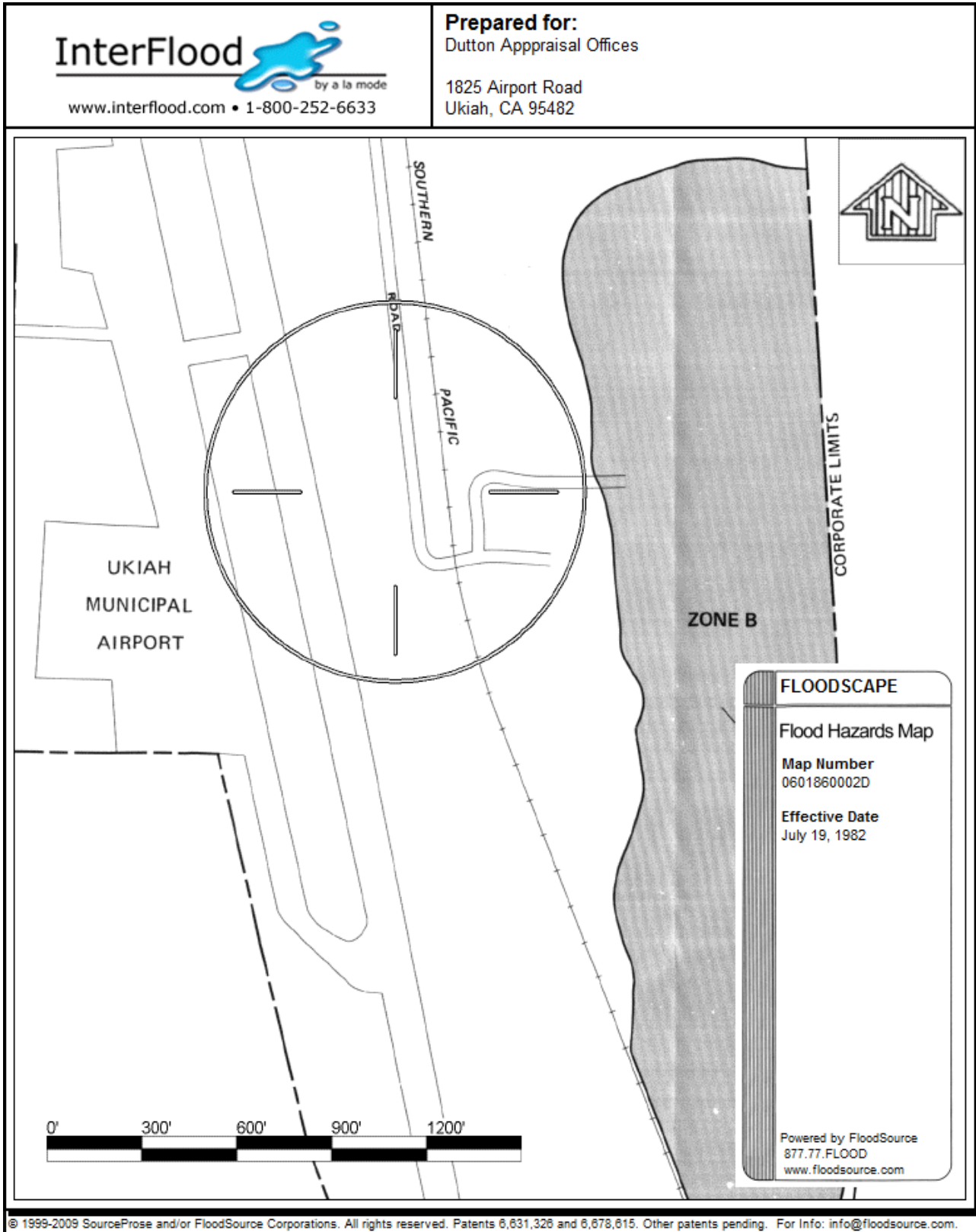
Location Map

Client	David Rapport		
Property Address	1825 Airport Road		
City	Ukiah	County	Mendocino
		State	CA
		Zip Code	95482
Lender	Client: David Rapport		



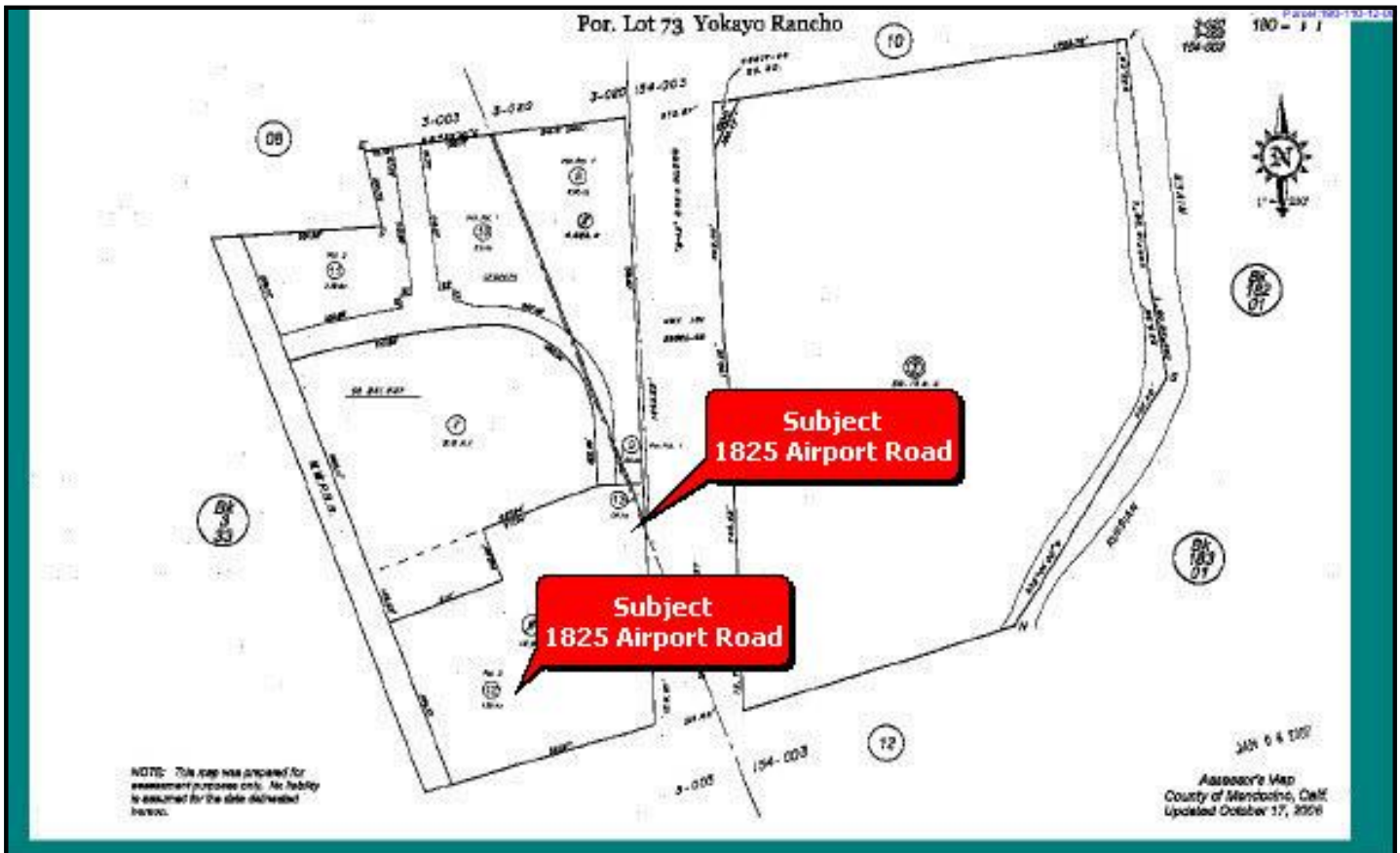
Flood Map

Client	David Rapport		
Property Address	1825 Airport Road		
City	Ukiah	County	Mendocino
		State	CA
		Zip Code	95482
Lender	Client: David Rapport		



Plat Map APN # 180-110-12&13

Client	David Rapport		
Property Address	1825 Airport Road		
City	Ukiah	County	Mendocino
		State	CA
		Zip Code	95482
Lender	Client: David Rapport		



RESOLUTION NO. _____**A RESOLUTION OF THE SUCCESSOR AGENCY TO THE UKIAH REDEVELOPMENT AGENCY AUTHORIZING AND DIRECTING THE TRANSFER OF CERTAIN PROPERTY TO THE CITY OF UKIAH [APNs 180-110-12, 180-110-13, 180-110-14, 180-110-15]**

WHEREAS, Assembly Bill 1X 26, enacted in June 2011, and as modified by the Supreme Court of the State of California in the matter of *California Redevelopment Association, et al. v. Ana Matosantos, et al.*, Case No. S194861, and further modified by Assembly Bill 1484, enacted in June 2012, and other subsequently adopted legislation (collectively, the “Dissolution Act”) dissolved and set out procedures for the wind-down of the affairs of all redevelopment agencies throughout the State effective February 1, 2012; and

WHEREAS, the Successor Agency to the Ukiah Redevelopment Agency (“Successor Agency”) is the successor entity to the former Ukiah Redevelopment Agency (“Former Redevelopment Agency”) and is responsible for the wind-down of the affairs of the Former Redevelopment Agency, including without limitation the disposition of assets and properties of the Former Redevelopment Agency; and

WHEREAS, the Mendocino Countywide Oversight Board (“Oversight Board”) was established pursuant to Health and Safety Code Section 34179 to oversee the Successor Agency’s actions in winding down the affairs of the Former Redevelopment Agency in accordance with the Dissolution Act; and

WHEREAS, pursuant to Health and Safety Code Sections 34181(a) and (f), the Oversight Board is required to direct the Successor Agency to dispose of the property of the Former Redevelopment Agency; provided, however, the Oversight Board may direct the Successor Agency to transfer ownership of assets in accordance with the Long Range Management Plan; and

WHEREAS, the property located in the City known as Vacant Land Redwood Business Park, having APNs 180-110-12 and 180-110-13 hereto (the “Property”), will be transferred to the City given the property has no value due to the majority of the property being designated as wetlands. The value of the property is detailed in the attached appraisal report in Exhibit A; and

WHEREAS, the easements located within the Property known as Road Easement Airport Park Blvd – Langley, having APNs 180-110-14 and 180-110-15 hereto (the “Easements”), will be transferred to the City and retained for government use; and

WHEREAS, the transfer of the Easements meets the guidelines for the Successor Agency’s Long Range Property Management Plan (“LRPMP”) enacted in September 24, 2014 and approved by the Department of Finance; and

WHEREAS, the Dissolution Act permits the transfer of the Easements as governmental use; consequently, there is no need to submit the intended transfer for approval by the California Department of Finance (“DOF”) (Health and Safety Code section 34179(h)(1)(D)).

NOW, THEREFORE, THE SUCCESSOR AGENCY TO THE UKIAH REDEVELOPMENT AGENCY DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Incorporation of Recitals. All of the foregoing recitals are true and correct, and are incorporated herein and made an operative part of this Resolution.

Section 2. Property and Easements. The Successor Agency hereby finds and determines that the Property known as Vacant Land Redwood Business Park (APNs 180-110-12, 180-110-13) and the Easements adjacent to the Property known as Road Easement Airport Park Blvd. – Langley (APNs 180-110-14 and 180-110-15) qualify as governmental purpose property eligible for transfer to the City pursuant to Health and Safety Code Section 34181(a). This finding is based on the information set forth in the above recitals, as well as the information contained in the Agenda Report dated August 22, 2019, relating to the Transfer of the Property from the Successor Agency to the City for Governmental Use.

Section 3. Approval of Conveyance of Property and Easements. The Successor Agency hereby approves and directs the conveyance of the Property and Easements to the City pursuant to Health and Safety Code Section 34181(a).

Section 4. Submission to DOF. The Successor Agency hereby acknowledges that this transfer of APNs 180-110-14 and 180-110-15 meets the requirements of Health and Safety Code section 34179(h)(1)(D) and is not required to be submitted to DOF for approval.

Section 5. Authorization to Implement Resolution. The Successor Agency hereby authorizes and directs Successor Agency staff, in cooperation with City staff, to take such actions and execute such documents as are necessary to implement this Resolution and convey the Property and Easements to the City.

Section 6. Severability. If any provision of this Resolution is held invalid, the remainder of this Resolution shall not be affected by such invalidity, and the provisions of this Resolution are severable.

Section 7. Effective Date. This Resolution shall become effective in accordance with Health and Safety Code Sections 34179(h) and 34181(f).

PASSED, APPROVED AND ADOPTED at a regular meeting of the Successor Agency to the Ukiah Redevelopment Agency on the 15th day of January, 2020, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Chair of the Successor Agency

ATTEST:

Secretary to the Successor Agency

EXHIBIT A
APRAISAL REPORT

[to be inserted]