



COUNTY OF SAN MATEO
Inter-Departmental Correspondence

County Manager's Office

DATE: June 20, 2001

BOARD MEETING DATE: July 3, 2001

TO: Honorable Board of Supervisors

FROM: Paul T. Scannell, Assistant County Manager

SUBJECT: Professional Services Agreement with Ashley, Chapman and DeVoe for Right-of-Way Appraisal Services, Highway 92/Main Street Improvement Project of the City of Half Moon Bay

Recommendation

Adopt a Resolution authorizing the President to execute a Professional Services Agreement with Ashley, Chapman and DeVoe, Real Estate Appraisers, for right-of-way appraisal services required for the Highway 92/Main Street Improvement Project of the City of Half Moon Bay.

Background

In March 1998, the Board of Supervisors approved an Agreement with the City of Half Moon Bay for provision of right-of-way appraisal, acquisition and relocation services by the Real Property Division for the City's Highway 92/Main Street Improvement Project. Proposals to provide appraisal services have been solicited and an agreement has been negotiated with Ashley, Chapman and DeVoe, the appraisal firm submitting the lowest fee proposal. The City of Half Moon Bay has reviewed the proposals and has approved the hiring of this appraisal firm.

Discussion

The Professional Services Agreement presented for your approval contains the following major terms and conditions:

1. Ashley, Chapman and DeVoe ("Appraiser") will appraise the real property required for the project. If requested by the County they will also update the appraisals as needed for the project.

2. The Appraiser will be compensated in the amount of \$87,500 for the initial appraisal and \$200 per hour for subsequent consultation, if required. In no event will the total compensation under the terms of the agreement exceed \$90,000. The County will receive reimbursement from the City for the cost of the appraisal and any subsequent consultation.
3. The agreement is effective upon execution and terminates June 30, 2002.
4. The Appraiser is to submit a draft appraisal for all properties within 120 days of the date of execution of the agreement.
5. The Agreement is subject to the terms of the Agreement between the County and the City of Half Moon Bay.

County Counsel has reviewed and approved the form of agreement.

Fiscal Impact

There is no County cost. The City is required to reimburse the County for any independent appraiser costs.

cc/enc: Michael Murphy, Chief Deputy County Counsel
Steve Alms, Manager, Real Property Services

RESOLUTION NO. _____

BOARD OF SUPERVISORS, COUNTY OF SAN MATEO, STATE OF CALIFORNIA

* * * * *

**RESOLUTION AUTHORIZING EXECUTION OF A
PROFESSIONAL SERVICES AGREEMENT BETWEEN
THE COUNTY OF SAN MATEO AND ASHLEY, CHAPMAN AND DE VOE
FOR APPRAISAL OF RIGHT-OF-WAY REQUIRED FOR THE HIGHWAY
92/MAIN STREET IMPROVEMENT PROJECT OF THE CITY OF HALF MOON BAY**

RESOLVED, by the Board of Supervisors of the County of San Mateo, State of California, that

WHEREAS, there has been presented to this Board of Supervisors for its consideration and acceptance a Professional Services Agreement, reference to which is hereby made for further particulars, whereby ASHLEY, CHAPMAN AND DE VOE shall provide right-of-way appraisal services to the COUNTY OF SAN MATEO as required for the Highway 92/Main Street Improvement Project of the City of Half Moon Bay, which services are more particularly described in said Agreement, under the terms and conditions contained in said Agreement, and ;

WHEREAS, this Board has been presented with a form of such Agreement and said Board has examined and approved same as to both form and content and desires to enter into same.

NOW THEREFORE, IT IS HEREBY DETERMINED AND ORDERED as follows:

1. That the President of this Board of Supervisors be, and is hereby, authorized and directed to execute said Professional Services Agreement for and on behalf of the County of San Mateo, and the Clerk of this Board shall attest to the signature thereto.
2. That the Assistant County Manager or his designee is hereby authorized to accept or execute on behalf of the County, any and all notices, documents or certifications in connection with the Agreement.

* * * * *

PROFESSIONAL SERVICES AGREEMENT

04-SM-92-0.0/1.1
EA 130591

This Agreement is made and entered into this _____ day of _____, 2001, between Ashley, Chapman and DeVoe, (hereinafter referred to as "Appraiser") and the County of San Mateo, a political subdivision of the State of California (hereinafter referred to as "County").

The County desires right-of-way appraisal services (hereinafter referred to as "Services") in connection with the Highway 92/Main Street Improvement Project in the City of Half Moon Bay (hereinafter referred to as the "Project"). The County has entered into an Agreement with the City of Half Moon Bay to provide right-of-way appraisal, acquisition, and relocation services to the City for the Project.

The Appraiser hereby agrees to perform the Services subject to the terms and conditions contained herein and for the consideration hereinafter set forth.

1. Appraiser shall prepare written narrative appraisal report(s) in accordance with Uniform Standards Professional Appraisal Act (USPAP), sound appraisal practice, the code of professional ethics and standards of professional conduct of the American Institute of Real Estate Appraisers and Caltrans requirements as set forth in Appendix "A". Parcels to be appraised for the Project are listed in said Appendix "A". The purpose of the appraisals is to determine fair market value of the parcels listed herein to be acquired on behalf of the City of Half Moon Bay for the Project.

The appraisal(s) shall be performed in compliance with applicable State and Federal regulations. Review checklist contained in Appendix "A" attached hereto and incorporated herein by reference shall be used to ensure compliance with applicable regulations.

Upon written request by County, Appraiser shall update the written appraisal reports in accordance with standards and practices set forth above.

2. Except as otherwise may be provided for in this agreement, Appraiser shall not sublet or transfer any of the work described herein. In the event that any such other persons are retained by Appraiser, Appraiser hereby warrants that such persons shall be fully qualified to perform services required hereunder. Appraiser further agrees that no subcontractor shall be retained by Appraiser except upon the prior written approval of County. Subcontracts, if approved, shall contain all required provisions of the prime contract.

This Agreement is subject to the terms and conditions in that certain Agreement between County and the City of Half Moon Bay dated March 24, 1998, and any subsequent amendments.

3. Appraiser shall not commence work under this Agreement until all insurance required under this section has been obtained and such insurance has been approved by the County. Appraiser shall furnish County with a Certificate of Insurance evidencing the required coverage and there shall be a specific contractual liability endorsement extending the Appraiser's coverage to include the contractual liability assumed by the Appraiser pursuant to this Agreement. The Certificate shall specify or be endorsed to provide that thirty (30) days' notice must be given, in writing, to the County of any pending change in the limits of liability or of non-renewal, cancellation, or modification of the policy.

a. Appraiser shall take out and maintain during the life of this Agreement such Bodily Injury Liability and Property Damage Liability Insurance as shall protect it while performing work covered by this Agreement from any and all claims for damages for bodily injury, including accidental death, as well as any and all operations under this Agreement, whether such operations be by itself or by any subcontractor or by anyone directly or indirectly employed by either of them. Such insurance shall be combined single limit bodily injury and property damage for each occurrence and shall be not less than \$1,000,000 unless another amount is specified below and shows approval by the Department of Employee and Public Services, Risk Management Division.

Required insurance: (Approval by Risk Management required if under \$1,000,000.)

Motor Vehicle Liability Coverage	\$500,000	Approved:
	Risk Management	By: P. Morse

4. The Appraiser agrees to indemnify and defend County, its employees, and agents, from any and all claims, damages, and liability in any way occasioned by or arising out of the negligence of the Appraiser in the performance of this Agreement.

The duty to indemnify and hold harmless, as set forth hereinabove, shall include the duty to defend as set forth in Section 2778 of the California Civil Code.

5. The Appraiser shall maintain all books, documents, papers, accounting records and other evidence pertaining to costs incurred on the Services and to the Services themselves and shall make all such materials available at any reasonable time during the term of work on the services and for a period of three (3) years from the date of payment to the Appraiser by the County for work performed by the Appraiser on the services as authorized by the County. The County, State, Federal Highway Administration, U.S. Department of Transportation, Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers and records of the Appraiser which are directly pertinent to this Agreement for the purpose of making audit, examination, excerpts and transcriptions. Also, records supporting cost proposals shall be available for review by authorized representatives of the County, State, and Federal

government, and if such data is used to support any contracts entered into with any Consultants, it shall be subject to a three-year retention period. After the three-year retention period, should the Appraiser determine to destroy such data, the Appraiser shall transfer such records to the County.

All reports, information, data, and exhibits prepared or assembled by Appraiser in connection with the performance of services pursuant to this Agreement, if any, are confidential until released by the County or the City of Half Moon Bay to the public, and except as provided above, the Appraiser shall not make any of these documents or information available to any individual or organization not employed by the County or the City without the written consent of the County before any such release.

6. This Agreement shall be effective upon execution by both parties, and shall terminate upon completion of the Services by the Appraiser or on June 30, 2002, whichever occurs first unless otherwise extended by written agreement between the parties.
7. The cost principles and procedures for use in the determination of the allowability of individual items of cost shall be those set forth in 48 C.F.R., Part 31, Chapter 1, and are herein incorporated by reference.
8.
 - A) County agrees to pay Appraiser for the Services in accordance with the fees listed in Appendix "B" attached hereto and incorporated herein by reference. Appraiser shall invoice County upon submission of the final initial appraisal (s). In no event shall the cost to the County for the initial appraisal reports exceed Eighty Seven Thousand Five Hundred Dollars (\$87,500).
 - B) County agrees to pay Appraiser within 30 days following the receipt of any invoice submitted under this Agreement.
 - C) An hourly rate of \$200.00 shall be paid to Appraiser for any additional work or subsequent consultation request by County in connection with the appraisal of the parcels described herein. Appraiser shall submit invoices for any subsequent consultation and County shall pay such invoices in accordance with Section C above. In no event shall the total amount payable under this Agreement exceed Ninety Thousand Dollars (\$90,000).
9. If major changes in the scope, character, or total costs of the Services becomes necessary, the County and the Appraiser may enter into a Supplemental Agreement or new Agreement in writing to address these changes.
10. No modification, waiver, termination, or amendment of this Agreement is effective unless made in writing signed by the County and Appraiser.
11. County agrees to:

- A. Provide to Appraiser copies of maps, correspondence, title reports, and any other documents pertaining to the parcels listed in Appendix "A" necessary to Appraiser to perform the Services described herein.
 - B. Provide all plats of the parcels to be acquired.
 - C. Provide such information as is generally available from County files applicable to the Project.
 - D. Provide assistance, if necessary, in obtaining information from the City of Half Moon Bay other governmental agencies, and/or private parties. However, it shall be Appraiser's responsibility to make all initial contact with respect to the gathering of such information.
12. Appraiser agrees to:
- A. Prepare written narrative appraisal report(s) of the fair market value of the parcels listed in Appendix "A". Said appraisal report (s) shall be performed in accordance with Caltrans Appraisal Standards set forth in Appendix "A", the Uniform Standards Professional Appraisal Act (USPAP), sound appraisal practice and the code of professional ethics and standards of professional conduct of the American Institute of Real Estate Appraisers.
 - B. Submit a draft appraisal(s) of the parcels listed in Appendix A, Section A.1.a., for review by the County (or independent review appraiser hired by County) within 60 days of execution of this Agreement by both parties. Submit a draft appraisal of the parcels listed in Appendix A, Section A.1.b., for review by the County (or independent review appraiser hired by County) within 120 days of execution of Agreement by both parties. The draft reports will be reviewed and, following consultation between Appraiser and County staff (or independent review appraiser) Appraiser shall then make any additions, corrections and/or revisions necessary and submit final reports within 2 weeks after completion of County's review.
13. Any and all notices, demands, invoices and written communication between the parties hereto shall be addressed as follows:
- Appraiser: Dean Chapman, MAI
Ashley, Chapman & DeVoe
1349 "A" Street
Hayward, CA
- County: Steve Alms, Manager
Real Property Services
County of San Mateo
455 County Center, 5th Floor
Redwood City, CA 94063-1663

Any such notices, demands, invoices, and written communication by mail shall be deemed to have been received by the addressee ninety-six (96) hours after deposit thereof in the United States mail, postage prepaid, first class and properly addressed as set forth above.

14. The following individuals shall be primarily responsible for the day-to-day management and oversight of the performance of this Agreement:

For Appraiser: Dean Chapman, MAI

For County: Lynda Green, Real Property Agent or
Steve Alms, Real Property Services
Manager

Should this designation change, the changing party shall notify the other party in writing.

15. This Agreement may be terminated by either party upon the giving of a written notice of termination at least fifteen (15) days prior to the date of termination specified in said notice. In the event this Agreement is so terminated, Appraiser shall be compensated at Appraiser's applicable rates as set forth in Section 8. C) and Appendix "B" for costs incurred and services performed before Appraiser received notice of termination. In no event, however, shall Appraiser receive any more than the maximum specified in Section 8. C) above.
16. The County is required to comply with Title VI of the Civil Rights Act of 1964, as amended. Accordingly, Title 49, Code of Federal Regulations, Part 21 through Appendix H, and Title 23, C.F.R., Section 710.405(b) are made applicable to reference and are hereinafter considered a part of this Agreement.

Appraiser shall comply with §504 of the Rehabilitation Act of 1973, which provides that no otherwise qualified handicapped individual shall, solely by reason of a disability, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination in the performance of this Agreement.

No person shall, on the grounds of race, color, religion, ancestry, sex, age (over 40), national origin, medical condition (cancer), physical or mental disability, sexual orientation, pregnancy, childbirth or related medical condition, marital status, or political affiliation be denied any benefits or subject to discrimination under this Agreement.

Appraiser shall ensure equal employment opportunity based on objective standards of recruitment, classification, selection, promotion, compensation, performance evaluation, and management relations for all employees under this agreement. Appraiser's equal employment policies shall be made available to County of San Mateo upon request

Violation of Non-discrimination provisions.

Violation of the non-discrimination provisions of this Agreement shall be considered a breach of this Agreement and subject the Contractor to penalties, to be determined by the County Manager, including but not limited to

- i) termination of this Agreement;
- ii) disqualification of the Contractor from bidding on or being awarded a County contract for a period of up to 3 years;
- iii) liquidated damages of \$2,500 per violation;
- iv) imposition of other appropriate contractual and civil remedies and sanctions, as determined by the County Manager.

To effectuate the provisions of this paragraph, the County Manager shall have the authority to:

- i) examine Contractor's employment records with respect to compliance with this paragraph;
- ii) set off all or any portion of the amount described in this paragraph against amounts due to Contractor under the Contract or any other Contractor between Contractor and County.

Contractor shall report to the County Manager the filing by any person in any court of any complaint of discrimination or the filing by any person of any and all charges with the Equal Employment Opportunity Commission, the Fair Employment and Housing Commission or any other entity charged with the investigation of allegations within 30 days of such filing, provided that within such 30 days such entity has not notified Contractor that such charges are dismissed or otherwise unfounded. Such notification shall include the name of the complainant, a copy of such complaint and a description of the circumstance. Contractor shall provide County with a copy of their response to the Complaint when filed.

17. The Services to be provided to the County, as set forth in this Agreement, shall be provided by Appraiser as an independent contractor as defined in Labor Code 3353, under the control of the County as to the result of the work but not the means by which the result is accomplished, and nothing herein contained shall be construed to make the Appraiser an agent or employee of the County while providing these services. Appraiser shall be entitled to no other benefits or compensation except as provided in this Agreement.
18. This Agreement supersedes any and all other agreements, either oral or in writing, between the parties with respect to the subject matter herein. Each party to this Agreement acknowledges that no representation by any party which is not embodied herein nor any other agreement, statement, or promise not contained in this Agreement shall be valid and binding. Any modification of this Agreement shall be effective only if it is in writing and signed by all parties.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first set forth above:

COUNTY

Michael D. Nevin
PRESIDENT, BOARD OF SUPERVISORS

ATTEST:

Clerk of the Board

APPRAISER

Dean Chapman, President
Ashley, Chapman & DeVoe

APPENDIX "A"

CALTRANS APPRAISAL REPORT FORMAT AND GUIDE FOR PRENEGOTIATION APPRAISALS (LOCAL AGENCY)

Section A - Description of Work

1. a. The following parcels are to be appraised within 60 days for acquisition for the Highway 92/Main Street Improvement Project:

Caltrans	APN	Owner	Type Acquired
57566	056-250-060	Nerhan	Fee & TCE
57571	056-250-160	Lennox	Fee & TCE
57572	056-250-090	Nerhan	Fee & TCE
	056-250-100		
57573	056-250-110	Alves	Fee & TCE
57574	056-250-120	Nerhan	Fee & TCE
57576	056-260-090	Nurserymen's	Fee & TCE
57577	056-310-050	Gil-Vista	Fee & TCE
	056-310-390		
57578	056-310-060	Gonzales	Fee & TCE
57579	056-310-140	HMB	TCE
57585	056-240-010	Apartment	TCE
	056-240-020		
57586	056-220-090	JLS	TCE
57587	056-220-110	Miller	TCE
	056-220-120		
57588	056-220-080	Guglielmi	TCE
57589	056-220-070	JYW	TCE
57590	056-220-060	Half Moon	TCE
57789	056-220-010	Chevron	TCE
57791	056-230-120	Johnson	TCE
57792	056-310-080	Nerhan	TCE
57793	056-310-120	Podesta	TCE
57790	SBE117-41-1 &	P.G. & E.	TCE
	134-41-28A&29A		TCE

b. The following parcels are to be appraised within 120 days for acquisition for the Highway 92/Main Street Improvement Project:

Caltrans	APN	Owner	Type Acquired
57567	056-250-050	Cunha	FEE & TCE
57568	056-250-030	Nerhan	FEE & TCE
	056-250-180		
	056-250-250		
	056-250-260		
57569	056-250-200	Equilon	FEE & TCE
57570	056-250-150	Cardoni	FEE & TCE
57575	056-250-130	Nerhan	FEE & TCE
	056-250-140		
57581	056-250-210	Nerhan	FEE & TCE
57582	056-230-090	Nerhan	FEE & TCE
57583	056-230-080	Bertetta	FEE & TCE

An appraisal map showing the right-of-way take areas will be provided to Appraiser by County.

2. One (1) copy of the draft Appraisal Report will be submitted to County for review, comment and acceptance prior to submission of the final appraisal report. Three (3) copies of the final appraisal report will be submitted to County.
3. Following Sections B, C and D cover, generally, the appraisal policies, format, standards and content. However, the appraisal shall be prepared in accordance with Standards and Procedures as set forth in the Right of Way Manual, Chapter 7 - Appraisals, State of California, Department of Transportation (Caltrans). This handbook is hereinafter referred to as the Caltrans Appraisal Handbook.

References to the various chapters and sections of Caltrans Appraisal Handbook are made throughout the following Sections B, C and D. Although references are not stated for each item in Sections B, C and D, the Appraisal Handbook covers all items in more detail.

Section B - Policies

1. Real property will be appraised before the initiation of negotiations with an owner.
2. The owner or the designated representative will be given an opportunity to accompany the appraiser during the inspection of the property. This must be in the form of a written letter to the owner. See Section 7.01.09.00 of Caltrans Appraisal Handbook.
3. Any decrease or increase in the fair market value of real property prior to the date of valuation caused by the public improvement for which such property is acquired for such improvements, other than that due to physical deterioration within the reasonable control of the owner, will be disregarded in determining the compensation for the property.
4. Appraisers will not give consideration to nor include in their appraisals any allowance for relocation assistance benefits.
5. The appraiser will initiate and include a parcel diary in the appraisal report. Include in the diary that a Notice of Decision to Appraise was sent to the owner and he/she was invited to accompany the appraiser during the Appraiser's inspection of the property. A copy of the Notice of Decision to Appraise letter sent to the owner will be included in the appraisal report. See Section 7.01.10.00 of Caltrans Appraisal Handbook.
6. The appraisal report may be subject to Caltrans cumulative review process to ensure consistent standards of quality for staff appraisals. Each independent appraiser should be familiar with the Caltrans appraisal policies and review procedures when subject to such a review.
7. The appraiser, at the beginning of the appraisal process (property inspection), will identify the owners of any business(es) conducted on the subject property.

The reason for this is so that necessary steps can be taken to notify the business owners of their rights to compensation for loss of goodwill and to start the process for the evaluation of any potential loss. (In accordance with Eminent Domain Code Sections 1263.510 - 510).

Section C - Format

A. Narrative Appraisal Reports:

The text should be set forth, insofar as possible, as outlined below:

1. Introduction
 - a. Title Page
 - b. Letter of Transmittal
 - c. Certificate of Appraiser (CalTrans Form RW 7-6)
 - d. Appraisal Summary Sheet (CalTrans Form RW 7-4)
 - e. Table of Contents
 - f. Statement of Limiting Conditions and Assumptions
 - g. Federal-Aid Project Number (if applicable)
 - h. Pictures of outdoor advertising

2. General Data
 - a. Date of Appraisal. Also, state date(s) parcel(s) inspected.
 - b. Purpose of Appraisal
 - c. Area, City and Neighborhood Data. This data should be kept to a minimum to reflect only information and trends directly affecting the appraised property.

3. Parcel Data
 - a. Appraisal Page - Insert at the front of each section for an individual parcel (Form RW 7-9)
 - b. Photographs
 - c. Ownership Interests
 - d. Occupancy Data - Owner and Tenant
 - e. Site Description - Include topography, mineral deposits, easements, access, and location factors.
 - f. Real Property Improvements - Including "Improvements Pertaining to the Realty." Include description, measurements, purposes, ownerships, condition and quality.
 - g. History of Conveyances - Five-year minimum
 - h. Zoning/General Plan
 - i. Utilities
 - j. Discussion of hazardous waste material on subject property. (See Sections 7.04.12.00 through 7.04.12.07 of Caltrans Appraisal Handbook.)
 - k. Copy of letter to the property owner - "Notice of Decision to Appraise" (See Section 7.01.09.00 of Caltrans Appraisal Handbook.)

4. Valuation (See Section D for specific standards and content required.)
 - a. Analysis of Highest and Best Use
 - b. Land value
 - c. Value estimate by comparative (market) approach
 - d. Value estimate by cost approach (if applicable)
 - e. Value estimate by income approach (if applicable)
 - f. Interpretation and reconciliation of estimates
 - g. Miscellaneous valuations/improved parcels - leaseholds, easements, equipment, salvage value, rental rates, etc.
 - h. Damage and Special Benefits Analysis
 - i. Description of proposed project requiring acquisition of the property. Also for part takes, a detailed description of how acquisition of part take and construction of the project in the manner proposed will affect the value of the remaining property.

5. Exhibits/Addenda
 - a. Location Map
 - b. Comparative Sales Location Map
 - c. Comparative Sales Data Detail Sheets
 - d. Plot Plan
 - e. Floor Plan - When needed to explain value estimates
 - f. Other pertinent exhibits
 - g. Appraiser Qualifications - Including all appraisers/ technicians contributing to report
 - h. Subject Parcel Map (appraisal map)

B. Form Type Appraisal Reports:

1. Memorandum Appraisals

A memorandum appraisal may be used in lieu of the standard narrative report for non-complex parcel valuations of \$10,000 or less.

Please refer to Section 7.02.12.00 of Caltrans Appraisal Handbook for the particulars on the format to be used in memorandum appraisals.

2. Form Appraisals for Single Family Residences (total acquisitions only)

The Uniform Residential Appraisal Report (URAR) may be used for appraisals of single family residences (total acquisitions only).

Please refer to Section 7.07.02.00 of Caltrans Appraisal Handbook for further details on use of the form appraisal.

Section D - Standards and Content

1. Appraisal. The term "appraisal" as used herein, is a written statement setting forth an opinion of the market value of an adequately described property as of a specified date, supported by the presentation and analysis of relevant data.
2. Appraisal Data. Each appraisal report must be sufficiently supported by pertinent factual data and in such detail as to reveal that the appraiser has made an adequate study and analysis of property value data in the area involved, that he/she has considered all pertinent and reliable data, and that he/she has used sound, logical reasoning in developing the conclusions as to the fair market value of the property involved. Such conclusions will be based upon acceptable appraisal techniques and standards.
3. Appraisals for Easement Takings. The appraisal will reflect the restrictive elements of the easement to be acquired and the potential effect of such elements on the highest and best use. Full details with respect to any interference with the highest and best use of the property affected must be explained and supported.

a. Valuation of Temporary Easement Takings:

Right of way requirements for such items as detours and temporary construction areas will be valued by the loss of utility and desirability, of the encumbered area and other affected portions, for the period needed. This loss may be expressed as a discounted land rental for the period of the loss of owner's actual use of the area.

The period of loss of owner's actual use of the area may vary considerably. For example, actual use of a parking lot may be lost only during actual construction.

Conversely, the loss may occur for the full term of the agreement if a commercial property is precluded from development or profitable use until the termination date.

Describe the basis of valuation and term of loss of actual use. Damages for restorative work after termination may also be necessary.

b. Valuation of Permanent Easement Takings:

Permanent requirements of less than fee title, such as drainage easements, will be valued by the loss of utility and desirability before and after the imposition of the encumbrance. This loss may be expressed as a percentage of unencumbered fee value. The requirement may also involve improvements and possible damages and special benefits to the remaining property.

Care must be exercised that easements existing within the subject fee acquisition are properly valued and that double payment is not proposed for easement replacement requirements.

4. Partial Taking. Where the taking involves only a part of the property, the appraiser will estimate the severance damages and special benefits to the remainder, if any, including

reasoning and market data to support the conclusion. The "before" and "after" method of valuation, as interpreted by California State law will be used. In these instances, the appraiser will indicate if the remainder constitutes an economic or uneconomic unit in the market and to the present owner. See Section 7.03.04.02 of Caltrans Appraisal Handbook regarding alternate appraisal requirements if the remainder constitutes an uneconomic remnant to the owner.

5. Purpose of Appraisal. The purpose of the appraisal which includes a statement of defining the values to be estimated and the rights or interest being appraised.
6. Description of Property. Description of the property to be appraised will include:
 - a. Parcel number
 - b. Names of apparent owner of each interest being valued
 - c. Location of property
 - d. Total area of property in acres or square feet
 - e. Area of each interest in property being acquired in acres or square feet
 - f. A minimum of five years delineation of title
 - g. Present use and zoning
 - h. General Plan
 - i. Utilities
 - j. Type and condition of improvements and special features that may add or detract from the value of the property
 - k. Hazardous waste information (See Sections 7.04.12.00 through 7.04.12.07 of Caltrans Appraisal Handbook.)
7. Highest and Best Use. The highest and best use of the subject property in the before condition (before the taking) must be determined and supported.

Also, if a partial taking is involved, the highest and best use of the property in the after condition (after the taking) must be determined and supported.

In either instance, if the existing use is not the premise on which the valuation is based, the appraisal will contain an explanation justifying the determination that the property is available and adaptable for a different highest and best use and there is demand for that use in the market.

8. Approaches to Value. The appraisal should include applicable approaches to value. If an approach is not considered applicable, the appraiser will state why. All pertinent calculations used in developing the approaches will be shown.
 - a. In the MARKET APPROACH, the appraisal report will contain a direct comparison of pertinent sales to the property being appraised. The appraiser will include a statement setting forth his analysis and reasoning for each item of adjustment to comparable sales. See Section 7.05.02.01 of Caltrans Appraisal Handbook.

- b. Where the INCOME (CAPITALIZATION) APPROACH is used, there will be documentation to support the income, expenses, capitalization rate and remaining economic life. The economic rent will be supported by market information.
 - c. Where the COST APPROACH is utilized, the appraisal report will contain the specific source of cost data and an explanation and support of each type of accrued depreciation.
 - d. When using the cost approach for either building improvements or other improvements pertaining to the realty, i.e., fixtures, machinery, equipment, etc., the appraiser must include in the appraisal report the cost source used for each item. If a cost manual or service is used, the appraisal report must include the specific reference by cost manual section and page. See Section 7.05.04.00 of Caltrans Appraisal Handbook.
9. Damages and Benefits. The "before and after" method of valuation, as interpreted by California State law, will be used in partial acquisitions. Benefits are to be offset against the damages to the remainder in accordance with California State law. The after value appraisal will eliminate any consideration of damages that are not compensable or benefits not allowable under California State law even though they may, in fact, exist in the ultimate value of the remaining property in the market. See Section 7.09.00.00 of Caltrans Appraisal Handbook.
10. Appraisal of the After Value. The appraisal of the after value will be supported to the same extent as the appraisal of the before value. This support will include one or more of the following:
- a. Sales comparable to the remainder properties
 - b. Sales of comparable properties from which there have been similar acquisitions or takings for like usages.
 - c. Development of the income approach on properties which show economic loss or gain as a result of similar acquisitions or takings for like usages.
 - d. Public sales of comparable lands by the State or other public agencies.
 - e. In the event the data described in a through d above, are not available, the appraisal will so state and give the appraiser's reasoning for the value estimate.
11. Reconciliation of Valuation Approaches. Where two or more of the approaches of value are used, the appraisal will show the reconciliation of the separate indications of value derived by each approach along with a reasonable explanation for the final conclusion of value. This reconciliation will be included for both before and after appraisals.

12. For alternate appraisals and appraisals proposing the purchase of excess land, see Sections 7.03.00.00 and 7.14.00.00 of Caltrans Appraisal Handbook for specific instructions.
13. For appraisals proposing "Construction Contract Work," that is, curative work on the owner's remaining property to be done by the project contractor, see Section 7.09.09.00 of Caltrans Appraisal Handbook for specific instructions.
14. Tenant-Owned Improvements. Separate contributory and salvage values should be assigned to all tenant-owned improvements. The greater of the two values should be assigned to each tenant-owned improvement. See Section 7.07.14.00 Tenant-Owned Improvements, of Caltrans Appraisal Handbook.
15. Valuation/Ownership of "Improvements Pertaining to Realty" (Eminent Domain Code Section 1263.205). For properties which include machinery, equipment or fixtures, itemize in detail such items to be acquired. To the extent possible, determine the ownership claims of "Improvements Pertaining to the Realty." See Section 7.08.00.00 of Caltrans Appraisal Handbook.
16. Leasehold Interests - "Bonus Values." The valuation of parcels will first be made as if free and clear of any leasehold interests. In addition, the appraisal report will contain the value accruing to a tenant owning a business operated on the property. This is separate from, and in addition to, the valuation of any tenant-owned fixtures, equipment or other improvements considered "improvements pertaining to the realty." The appraiser must state both the economic and contract rents in the appraisal report. (See Section 7.04.06.00 of Caltrans Appraisal Handbook.)
17. Retention/Salvage Value. Assign a salvage value to the real property improvements on the site. This amount will be used if owners or tenants choose to retain improvements and move them from the site. See Section 7.07.00.00 of Caltrans Appraisal Handbook to determine when the retention value should be estimated and shown in the appraisal report.
18. Photographs. All appraisals should include identified photographs of the subject property including all principal above-ground improvements, machinery, equipment, trade fixtures and unusual features affecting the value of the property to be taken or damaged.
19. Comparable Data. Each appraisal report will contain or make reference to the comparables which were used in arriving at the fair market value. Analysis of comparable data shall be done in conformance with Section 7.05.02.02 of Caltrans Appraisal Handbook.
 - a. The appraiser will state the date of sale, names of parties to the transaction, consideration paid, financing, conditions of sale and with whom and when these were verified, the location, total area, type of improvements, appraiser's estimate of highest and best use of sale, zoning and any other data pertinent to the analysis and evaluation thereof.

- b. If the appraiser is unable to verify the financing and conditions of the sale from the usual sources, such as buyer, seller, broker, title or escrow company, etc., he/she will so state.
 - c. Captioned photographs of each comparable should be included with all major above-ground improvements or unusual features affecting the value of the comparable shown.
 - d. The appraiser will prepare and include a comparable sales map showing the location of each comparable.
 - e. Listings of comparable properties may be used as supporting data in the staff reports.
20. Inspection of Properties. All property appraised and the comparable sales which were relied upon in arriving at the fair market value estimate will be personally inspected in the field by the appraiser and all dates of inspection will be shown in the appraisal report.
21. Limiting Conditions. Statement of appropriate contingent and limiting conditions, if any.
22. Certification and Signature. The certification, signature and date of signature of the appraiser. (Certificate of Appraiser - Form RW 7-6)

CERTIFICATE OF APPRAISER

I Hereby Certify:

That I have personally inspected the property herein appraised and that the property owner has been afforded an opportunity to be present at the time of the inspection. A personal field inspection of the comparable sales relied upon in making said appraisal has also been made. The subject and the comparable sales relied upon in making said appraisal were as represented by the photographs contained in said appraisal.

That to the best of my knowledge and belief of the statements contained in the appraisal herein set forth are true, and the information upon which the opinions expressed therein are based is correct, subject to limiting conditions therein set forth.

That I understand that such appraisal is to be used in connection with the acquisition of right of way for a project to be constructed with the assistance of Federal Aid highway funds, or other Federal or State funds, or is to be included in the State highway system.

That such appraisal has been made in conformity with the appropriate State laws, regulations and policies and procedures applicable to appraisal of right of way for such purposes; and that to the best of my knowledge no portion of the value assigned to such property consists of items which are noncompensable under the established law of said State.

That neither my employment nor my compensation for making this appraisal and report are in any way contingent upon the values reported herein.

That I have no direct or indirect present or contemplated future personal interest in such property or in any benefit from the acquisition of such property appraised.

That I have not revealed the findings and results of such appraisal to anyone other than the proper officials of the public agency, the California Department of Transportation or officials of the Federal Highway Administration, and I will not do so until so authorized by said officials, or until I am required to do so by due process of law, or until I am released from this obligation by having publicly testified as to such findings.

That my opinion of the total fair market value _____ included in this report and made a part hereof by reference, as of the ____ day of _____, 2001, is \$ _____; as that such conclusion was derived without collusion, coercion or direction as to value.

(Signature)

Date: _____

APPRAISAL REVIEW CHECKLIST

Federal Aid Project No. _____

References:		Yes	No
RWPH 301.017, 301.019, 305.002	1. Parcel identification adequate?	_____	_____
RWPH 49 CFR 24.102(c)	2. Parcel inspection -- Owner or his representative invited to accompany appraiser? Date of inspection _____	_____	_____
49 CFR 24.103(a)	3. Five-year delineation of title indicated? All sales verified?	_____ _____	_____ _____
49 CFR 24.103(a)	4. Purpose of appraisal indicated? Statement of limiting conditions, date of value, value to be estimated, rights or interests to be appraised.	_____	_____
49 CFR 24.103(a)	5. Description of property adequate? Location, present use, total area, zoning special features, identification-condition of improvements, similar description for remainder where applicable.	_____	_____
	6. Photographs of subject included? Identify principal improvements and unusual features.	_____	_____
	7. Sketch of plat of subject included?	_____	_____
49 CFR 24.103(a)	8. Highest and best use -- Stated and justified if different from present use? Similar information for remainder where applicable.	_____	_____
	9. Before and after method used?	_____	_____
49 CFR 24.103(a)	10. Cost approach applicable? If not applicable, reason why not, cost data source, all depreciation -- reasoning.	_____	_____
49 CFR 24.103(a)	11. Market approach applicable? If not applicable, reason why not, direct comparison to subject, each adjustment-analysis and reasoning included?	_____	_____

ATTACHMENT TO APPENDIX "A" - 1 of 3

References:

Yes No

RWPH
302.011

12. Comparable sales in appraisal or referenced?
Information relative to date, type of improvement, consideration-amount paid, financing, zoning verified and source, location, seller and buyer, total area, conditions of sale, highest and best use at time of sale, photographs-identified and includes highest principal.
Improvements or unusual features included?

49 CFR
24.103(a)

13. Income approach applicable?
If not applicable, reason why not, income, expenses, interest and cap. rates, estimated economic life.
Difference in economic rent and contract rent supported?

49 CFR
24.102(k)
24.103(a)

14. Benefits and compensable damages considered in accordance with State law?

49 CFR
24.103(a)
24.105(a)

15. Value conclusion allocated?
Value of property to be acquired.
Damages to remainder.

49 CFR
24.103(a)

16. Correlation and conclusion of value included?
Correlation of the separate indications of value derived by each approach when more than one approach is used?
Reasonable explanation for final conclusion of value?

49 CFR
24.103(a)

17. Subject and comparable sales personally inspected?

49 CFR
24.103(a)

18. Appraiser's signature and date?

49 CFR
24.103(a)

19. Affidavit acceptable?
Personal inspection?
Statement true and information correct?
Federal funds in project?
Complies with State laws and regulations?
Employment or compensation not contingent on value?
No personal interest or benefit from acquisition?
Findings not revealed?

References:

		Yes	No
	20. Specialty items (if applicable)? Report distinguishes between realty and personalty?	_____	_____
RWPH 301.013	21. RAP information. Identifies number of tenants, owners, and gives residential value?	_____	_____
	22. Local agency reviewing appraiser's certificate included?	_____	_____
RWPH 301.010	23. Dual appraisals prepared where required?	_____	_____

Remarks:

Reviewed By _____
(Print)
Date _____

Signature

APPENDIX "B"

Owner	Caltrans	APN	Size (s.f.)	Use	Type Acquired	Possible Severance	Allocated Fee
Nerhan	57566	056-250-060	10,483	Commercial	Fee & TCE	Not Likely	\$2,000
Cunha	57567	056-250-050	10,453	Commercial	Fee & TCE	Possible	\$2,500
Nerhan	57568	056-250-030 056-250-180 056-250-250 056-250-260	43,060	Commercial	Fee & TCE	Possible	\$3,500
Equilon	57569	056-250-200	22,715	Gas Station	Fee & TCE	Likely	\$8,500
Cardoni	57570	056-250-150	43,535	Auto Repair	Fee & TCE	Not likely	\$2,000
Lennox	57571	056-250-160	70,487	Raw	Fee & TCE	Not likely	\$2,000
Nerhan	57572	056-250-090 056-250-100	87,663	Raw & Home	Fee & TCE	Possible	\$2,500
Alves	57573	056-250-110	26,769	Ag.	Fee & TCE	Not likely	\$2,000
Nerhan	57574	056-250-120	19,437	Mobile Home Park	Fee & TCE		\$2,500
Nerhan	57575	056-250-130	46,110	Mobile Home Park	Fee & TCE	Likely	\$5,000
		056-250-140		& Bldg.			
Nurserymen's	57576	056-260-090	43,575	Ag.	Fee & TCE	Not likely	\$2,500
Gil-Vista	57577	056-310-050 056-310-390	1,312,934	Ag.	Fee & TCE	Not likely	\$2,500
Gonzales	57578	056-310-060	43,530	Ag. & House	Fee & TCE	Not likely	\$2,000
HMB	57579	056-310-140	216,414	School & Road	TCE	Not likely	\$2,000
Nerhan	57581	056-250-210	22,671	Commercial	Fee & TCE	Likely	\$6,000
Nerhan	57582	056-230-090	40,335	Commercial	Fee & TCE	Likely	\$7,500
Berretta	57583	056-230-080	15,146	Gas Station	Fee & TCE	Yes	\$8,500

Owner	Caltrans No.	APN	Size (s.f.)	Use	Type Acquired	Possible Severance	Allocated Fee
Apartment	57585	056-240-010	229,209	Vacant	TCE	Not likely	\$2,500
		056-240-020					
JLS	57586	056-220-090	20,331	Commercial	TCE	Not likely	\$2,000
Miller	57587	056-220-110 056-220-120	20,807	Commercial	TCE	Not likely	\$2,000
Guglielmi	57588	056-220-080	71,424	Commercial	TCE	Not likely	\$2,000
JYW	57589	056-220-070	61,637	Commercial	TCE	Not likely	\$2,000
Half Moon	57590	056-220-060	99,134	Commercial	TCE	Not likely	\$2,000
Chevron	57789	056-220-010	38,419	Commercial	TCE	Not likely	\$2,000
PG&E	57790	SBE 117-41-1 135-41-28A & 29B	40,888	Public Utility	TCE	Not likely	\$2,000
Johnson	57791	056-230-120	31,012	Commercial	TCE	Not likely	\$2,000
Nerhan	57792	056-310-080	1,786,802	Commercial	TCE	Not likely	\$3,000
Podesta	57793	056-310-120	1,005,959	SFR/Ag	TCE	Not likely	\$2,500