

**SPECIAL MEETING AGENDA**

**OVERSIGHT BOARD TO THE SUCCESSOR AGENCY  
TO THE DISSOLVED EL MONTE COMMUNITY REDEVELOPMENT AGENCY  
OF THE CITY OF EL MONTE**

**City of El Monte  
City Council Chambers  
City Hall East  
11333 Valley Boulevard  
El Monte, California 91731**

**Thursday, May 10, 2018  
5:00 P.M.**

**CALL TO ORDER**

**FLAG SALUTE**

**ROLL CALL**

**Members of the Oversight Board**

Andre Quintero, City of El Monte, Chair  
Carrie Sutkin, County of Los Angeles  
Velma Perdomo, County of Los Angeles  
Kris Olaffson, El Monte City School District  
Javier Hernandez, County of Los Angeles  
Michelle Solorzano, City of El Monte  
Norma Garcia, Community College

**CITY STAFF**

Alex Hamilton, City Manager  
Jason Mikaelian, Interim Economic Development Director  
David F. Gondek, Deputy City Attorney

**APPROVAL OF AGENDA**

**ORAL COMMUNICATION**

**PUBLIC COMMENT:**

As provided under Government Code Section 54954.3, this time has been set aside for persons in the audience to provide comment or make inquiries on matters within this Special Meeting agenda only. Although no person is required to provide their name and address as a condition to attending a meeting, persons who wish to address the body are asked to state their name and address. Each speaker will be limited to three (3) continuous minutes. Speakers may not lend any portion of their speaking time to other persons or borrow additional time from other persons. All comments or queries presented by a speaker shall be addressed to the body as a whole and not to any specific member thereof. No questions shall be posed to any member of the body except through the presiding official of the meeting, members of the body are under no obligation to respond to questions posed by speakers but may provide brief clarifying responses to any comment made or questions posed.

Except as otherwise provided under the Brown Act (Gov. Code Section 54950 et seq.), the Board may not deliberate or take action upon any matter not listed on this posted agenda but may order that any such matter be placed on the agenda for a subsequent meeting. The Board may also direct staff to investigate certain matters for consideration at a future meeting.

All comments or queries presented by a speaker shall be addressed to the Board as a body and not to any specific member thereof. No questions shall be posed to any member of the Board except through the presiding official of the meeting, the Chair and/or Vice-Chair. Members of the Board are under no obligation to respond to questions posed by speakers but may provide brief clarifying responses to any comment made or questions posed. The Board may not engage in any sort of prolonged discussion or deliberation with any speaker or group of speakers on matters that are not listed on this agenda.

Enforcement of Decorum: The Chief of Police, or such member, or members of the Police Department as the Chief of Police may designate, shall serve as the Sergeant-at-Arms of any Oversight Board meeting. The Sergeant-at-Arms shall carry out all orders and instructions given by the presiding official for the purpose of maintaining order and decorum at the meeting. While members of the public are free to level criticism of Board policies and the action(s) or proposed action(s) of the Board or its members, members of the public may not engage in behavior that is disruptive to the orderly conduct of the proceedings, including, but not limited to, conduct that prevents other members of the public from being heard when it is their opportunity to speak or which prevents members of the audience from hearing or seeing the proceedings. Members of the public may not threaten any person with physical harm or act in a manner that may reasonably be interpreted as an imminent threat of physical harm. All persons attending the meeting must adhere to the Board's policy barring harassment based upon a person's race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status, gender, sexual orientation or age.

**APPROVAL OF MINUTES**

Special Meeting Minutes of November 7, 2017 and Special Meeting Minutes of January 25, 2018.

**NEW BUSINESS**

1. Report by Successor Agency staff regarding authorization by the El Monte Oversight Board for El Monte Successor Agency to issue a Request for Proposals pertaining to the disposition of Area Y Lands (El Monte Property Management Plan Part A, dated October 22, 2013, Pages 7-16; approximately 4.8 acres).

Successor Agency staff presentation of Area Y Appraisal Report, dated March 7, 2018 and request for Oversight Board to prepare and adopt a resolution authorizing the El Monte Successor Agency to prepare and circulate a request for proposals for disposition of Area Y.

Motion of Oversight Board to direct Successor Agency to take such action as may be directed by the Oversight Board based upon the presentation.

2. Discussion regarding schedule for upcoming Oversight Board meetings.
3. Comments from Oversight Board Members.

**ADJOURNMENT**

The next regular Oversight Board meeting will take place on Thursday, June 7, 2018, at El Monte City Hall – East, City Council Chambers, 11333 Valley Boulevard, El Monte, California.

This Agenda will be posted on the City’s website, [www.ci.el-monte.ca.us](http://www.ci.el-monte.ca.us), and physically posted as of not less than 72 hours prior to the start of the subject meeting. Although it is the City’s practice and desire to electronically post a copy of this Agenda *along with* supporting material as part of its website posting, the size or formatting of certain supporting materials may render their website posting infeasible. Nevertheless, all supporting materials related to any item on this Agenda, that is made available to the members of the Board may be inspected by members of the public at the Secretary’s Office located at 11333 Valley Boulevard, El Monte, Monday through Thursday, 7:30 am – 5:30 pm. For more information, please call the Secretary’s Office at (626) 580-2016.

All public meetings and events sponsored or conducted by the City of El Monte are held in sites accessible to persons with disabilities. Requests for accommodations may be made by calling the office of the Secretary at (626) 580-2016 at least three (3) working days prior to the event, if possible. This Agenda and copies of documents distributed at the meeting are available in alternative formats upon request.

*Posted: May 9, 2018 at 11:30 a.m.*

MINUTES OF APPROVAL

SPECIAL MEETING AGENDA

OVERSIGHT BOARD TO THE SUCCESSOR AGENCY  
TO THE DISSOLVED EL MONTE COMMUNITY REDEVELOPMENT AGENCY  
OF THE CITY OF EL MONTE

City of El Monte  
City Council Chambers  
City Hall East  
11333 Valley Boulevard  
El Monte, California 91731

Tuesday, November 7, 2017  
5:00 P.M.

CALL TO ORDER

**5:19 p.m.**

FLAG SALUTE

**Chair Quintero**

ROLL CALL

Members of the Oversight Board  
Andre Quintero, City of El Monte, Chair – **present**  
Carrie Sutkin, County of Los Angeles – **present**  
Velma Perdomo, County of Los Angeles – **absent**  
Kris Olaffson, El Monte City School District – **present**  
Javier Hernandez, County of Los Angeles – **absent**  
Michelle Solorzano, City of El Monte – **present**  
Norma Garcia, Community College District – **absent**

CITY STAFF

Jesus M. Gomez, City Manager – **present**  
Alex Hamilton, Assistant City Manager – **present**  
Minh Thai, Economic Development Director – **present**  
David F. Gondek, Assistant City Attorney – **present**

APPROVAL OF AGENDA

**m) Chair Quintero**  
**Approved with no objection**

ORAL COMMUNICATION: **None**

PUBLIC COMMENT: **None**

As provided under Government Code Section 54954.3, this time has been set aside for persons in the audience to provide comment or make inquiries on matters within this Special Meeting agenda only. Although no person is required to provide their name and address as a condition to attending a meeting, persons who wish to address the body are asked to state their name and address. Each speaker will be limited to three (3) continuous minutes. Speakers may not lend any portion of their speaking time to other persons or borrow additional time from other persons. All comments or queries presented by a speaker shall be addressed to the body as a whole and not to any specific member thereof. No questions shall be posed to any member of the body except through the presiding official of the meeting, members of the body are under no obligation to respond to questions posed by speakers but may provide brief clarifying responses to any comment made or questions posed.

Except as otherwise provided under the Brown Act (Gov. Code Section 54950 et seq.), the Board may not deliberate or take action upon any matter not listed on this posted agenda but may order that any such matter be placed on the agenda for a subsequent meeting. The Board may also direct staff to investigate certain matters for consideration at a future meeting.

All comments or queries presented by a speaker shall be addressed to the Board as a body and not to any specific member thereof. No questions shall be posed to any member of the Board except through the presiding official of the meeting, the Chair and/or Vice-Chair. Members of the Board are under no obligation to respond to questions posed by speakers but may provide brief clarifying responses to any comment made or questions posed. The Board may not engage in any sort of prolonged discussion or deliberation with any speaker or group of speakers on matters that are not listed on this agenda.

Enforcement of Decorum: The Chief of Police, or such member, or members of the Police Department as the Chief of Police may designate, shall serve as the Sergeant-at-Arms of any Oversight Board meeting. The Sergeant-at-Arms shall carry out all orders and instructions given by the presiding official for the purpose of maintaining order and decorum at the meeting. While members of the public are free to level criticism of Board policies and the action(s) or proposed action(s) of the Board or its members, members of the public may not engage in behavior that is disruptive to the orderly conduct of the proceedings, including, but not limited to, conduct that prevents other members of the public from being heard when it is their opportunity to speak or which prevents members of the audience from hearing or seeing the proceedings. Members of the public may not threaten any person with physical harm or act in a manner that may reasonably be interpreted as an imminent threat of physical harm. All persons attending the meeting must adhere to the Board's policy barring harassment based

*Oversight Board Special Meeting Minutes of November 7, 2017*

upon a person's race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status, gender, sexual orientation or age.

APPROVAL OF MINUTES

Special Meeting Minutes of September 28, 2017.

**m) Chair Quintero**

**s) Board Member Solorzano**

**4-0 (Board Members Garcia, Hernandez and Perdomo absent)**

NEW BUSINESS

1. Consideration and Approval of a Resolution of the Oversight Board for the City of El Monte as Successor Agency to the El Monte Community Redevelopment Agency Rescinding El Monte Oversight Board Resolution No. 69 and Reaffirming the Fair Market Value of the Norms Project Site, Accepting and Approving a Cost Allocation Table Presented by the City of El Monte for Public Funds Expended for Right-of-Way Acquisition for the Santa Anita-Valley Public Street Intersection Improvement Project and Approving the Disposition of the Norms Project Site by the Successor Agency on the Terms Set forth Herein.

(Requested Action: Approval of a Resolution of the Oversight Board Making Findings and Approving a Purchase and Sale Agreement by and between the City of El Monte and the El Monte Successor Agency (Norms Project Site)).

(Resolution OB-71)

**m) Chair Quintero**

**s) Board Member Sutkin**

**4-0 (Board Members Garcia, Hernandez and Perdomo absent)**

2. Report by Successor Agency staff regarding Preparations for Disposition of the Area Y Lands.

(Requested Action: Receive and file report from Successor Agency staff to commence remarketing of the Area Y Lands for sale to City for redevelopment purposes.)

**m) Chair Quintero**

**s) Board Member Solorzano**

**4-0 (Board Members Garcia, Hernandez and Perdomo absent)**

*Oversight Board Special Meeting Minutes of November 7, 2017*

3. Comments from Oversight Board Members. **None**

ADJOURNMENT

**With no objection Chair Quintero adjourned the Oversight Board meeting at 5:23 p.m.**

APPROVED:

---

Andre Quintero, Chairman  
Oversight Board to the Successor Agency to the  
Dissolved El Monte Community Redevelopment Agency  
City of El Monte

MINUTES OF APPROVAL

SPECIAL MEETING AGENDA

OVERSIGHT BOARD TO THE SUCCESSOR AGENCY  
TO THE DISSOLVED EL MONTE COMMUNITY REDEVELOPMENT AGENCY  
OF THE CITY OF EL MONTE

City of El Monte  
City Council Chambers  
City Hall East  
11333 Valley Boulevard  
El Monte, California 91731

Thursday, January 25, 2018  
5:00 P.M.

CALL TO ORDER                   **5:10 p.m.**

FLAG SALUTE                   **Chair Quintero**

ROLL CALL                   Members of the Oversight Board  
Andre Quintero, City of El Monte, Chair – **present**  
Carrie Sutkin, County of Los Angeles – **present**  
Velma Perdomo, County of Los Angeles – **absent**  
Kris Olaffson, El Monte City School District – **present**  
Javier Hernandez, County of Los Angeles – **absent**  
Michelle Solorzano, City of El Monte – **present**  
Norma Garcia, Community College District – **absent**

CITY STAFF                   Jesus M. Gomez, City Manager – **present**  
Alex Hamilton, Assistant City Manager – **present**  
Minh Thai, Economic Development Director – **present**  
David F. Gondek, Deputy City Attorney – **present**

APPROVAL OF AGENDA

**m) Chair Quintero**

**s) Board Member Solorzano**

**4-0 (Board Members Garcia, Hernandez and  
Perdomo absent)**

ORAL COMMUNICATION: **None**

PUBLIC COMMENT: **None**

As provided under Government Code Section 54954.3, this time has been set aside for persons in the audience to provide comment or make inquiries on matters within this Special Meeting agenda only. Although no person is required to provide their name and address as a condition to attending a meeting, persons who wish to address the body are asked to state their name and address. Each speaker will be limited to three (3) continuous minutes. Speakers may not lend any portion of their speaking time to other persons or borrow additional time from other persons. All comments or queries presented by a speaker shall be addressed to the body as a whole and not to any specific member thereof. No questions shall be posed to any member of the body except through the presiding official of the meeting, members of the body are under no obligation to respond to questions posed by speakers but may provide brief clarifying responses to any comment made or questions posed.

Except as otherwise provided under the Brown Act (Gov. Code Section 54950 et seq.), the Board may not deliberate or take action upon any matter not listed on this posted agenda but may order that any such matter be placed on the agenda for a subsequent meeting. The Board may also direct staff to investigate certain matters for consideration at a future meeting.

All comments or queries presented by a speaker shall be addressed to the Board as a body and not to any specific member thereof. No questions shall be posed to any member of the Board except through the presiding official of the meeting, the Chair and/or Vice-Chair. Members of the Board are under no obligation to respond to questions posed by speakers but may provide brief clarifying responses to any comment made or questions posed. The Board may not engage in any sort of prolonged discussion or deliberation with any speaker or group of speakers on matters that are not listed on this agenda.

Enforcement of Decorum: The Chief of Police, or such member, or members of the Police Department as the Chief of Police may designate, shall serve as the Sergeant-at-Arms of any Oversight Board meeting. The Sergeant-at-Arms shall carry out all orders and instructions given by the presiding official for the purpose of maintaining order and decorum at the meeting. While members of the public are free to level criticism of Board policies and the action(s) or proposed action(s) of the Board or its members, members of the public may not engage in behavior that is disruptive to the orderly conduct of the proceedings, including, but not limited to, conduct that prevents other members of the public from being heard when it is their opportunity to speak or which prevents members of the audience from hearing or seeing the proceedings. Members of the public may not threaten any person with physical harm or act in a manner that

*Oversight Board Special Meeting Minutes of January 25, 2018*

may reasonably be interpreted as an imminent threat of physical harm. All persons attending the meeting must adhere to the Board's policy barring harassment based upon a person's race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status, gender, sexual orientation or age.

APPROVAL OF MINUTES: **None**

NEW BUSINESS

**Board Member Perdomo joined the Oversight Board meeting at approximately 5:12 p.m.**

1. Consideration and Approval of the Recognized Obligation Payment Schedule ("ROPS") 18-19 for the 12-month Fiscal Period Beginning July 1, 2018 and ending June 30, 2019 and Accompanying Resolution.

(Requested Action: Adopt a Resolution of the Oversight Board for the Successor Agency to the former El Monte Community Redevelopment Agency approving the Recognized Obligation Payment Schedule for the 12-month fiscal period beginning July 1, 2018 and ending June 30, 2019.)

(Resolution OB-72)

**m) Chair Quintero**

**s) Board Member Solorzano**

**5-0 (Board Members Garcia and Hernandez absent)**

2. Consider and Adopt a Resolution Making a Finding that the Nelson Honda Expansion Project from the City of El Monte (the "City") to the Former El Monte Community Redevelopment Agency was for Legitimate Redevelopment Purposes.

(Requested Action: Receive and file report from Successor Agency staff and consider and adopt the Resolution.)

(Resolution OB-73)

**m) Chair Quintero**

**s) Board Member Sutkin**

**5-0 (Board Members Garcia and Hernandez absent)**

3. Consider and Adopt a Resolution Making a Finding that the Longo Toyota Expansion Project Loan from the City of El Monte (the "City") to the Former El Monte Community Redevelopment Agency was for Legitimate Redevelopment Purposes.

(Requested Action: Receive and file report from Successor Agency staff and consider and adopt the Resolution.)

(Resolution OB-74)

**m) Chair Quintero**

**s) Board Member Sutkin**

**5-0 (Board Members Garcia and Hernandez absent)**

4. Consider and Adopt a Resolution Making a Finding that the Orchard Street Extension Project Loan from the City of El Monte (the "City") to the Former El Monte Community Redevelopment Agency was for Legitimate Redevelopment Purposes.

(Requested Action: Receive and file report from Successor Agency staff and consider and adopt the Resolution.)

(Resolution OB-75)

**m) Chair Quintero**

**s) Board Member Sutkin**

**5-0 (Board Members Garcia and Hernandez absent)**

5. Update by Successor Agency staff on the Norms Project.

(Requested Action: Receive and file report from Successor Agency staff.)

**m) Chair Quintero**

**s) Board Member Solorzano**

**5-0 (Board Members Garcia and Hernandez absent)**

*Oversight Board Special Meeting Minutes of January 25, 2018*

6. Review and Consideration of Authorization for Successor Agency to Proceed with Land Value Appraisal of Successor Agency Owned Lands (Area "Y").

(Requested Action: Receive and file report from Successor Agency staff and authorize new appraisal of Area Y Lands. City/Successor Agency staff shall present PowerPoint for background on requested action.)

**m) Chair Quintero**

**Approved with no objection**

7. Comments from Oversight Board Members. **None**

**ADJOURNMENT:**

**With no objection Chair Quintero adjourned the Oversight Board meeting at 5:36 p.m.**

APPROVED:

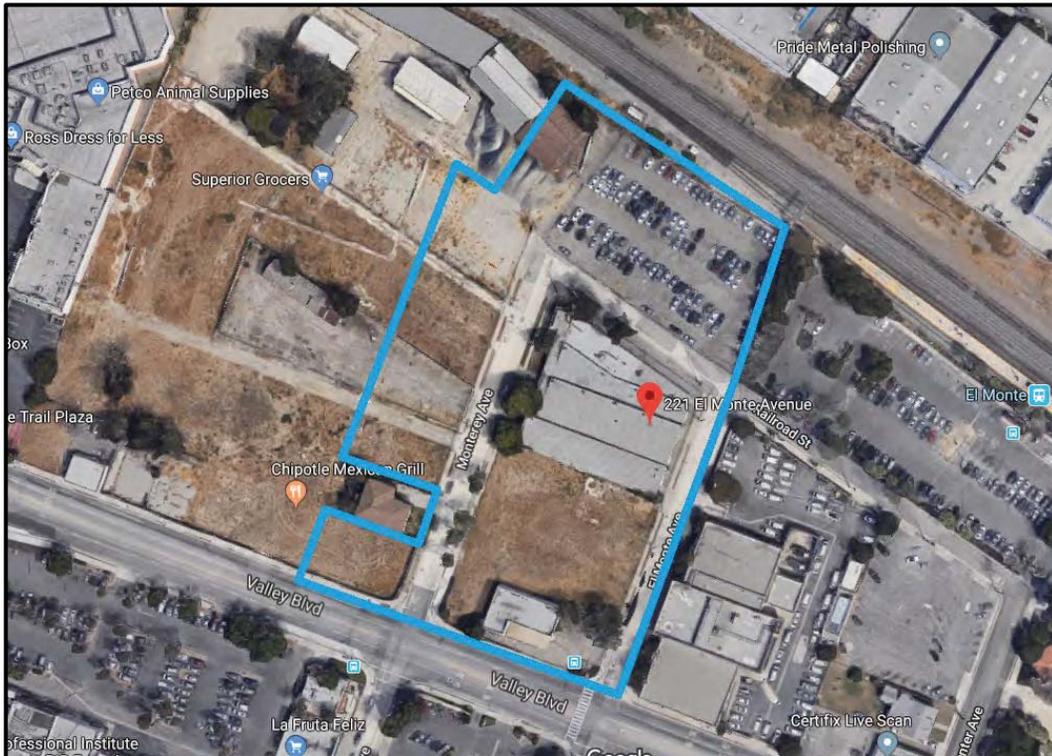
---

Andre Quintero, Chairman  
Oversight Board to the Successor Agency to the  
Dissolved El Monte Community Redevelopment Agency  
City of El Monte

# DMD APPRAISALS, INC.

555 South Brand Boulevard, San Fernando, CA 91340 Office: (818) 898-2202 Fax: (818) 898-1770 Email: [DMDIncorp@Aol.com](mailto:DMDIncorp@Aol.com)

**APPRAISAL OF  
AREA "Y" – 4.87± ACRES  
13 LAND PARCELS & STREET VACATIONS OF  
KING COURT, ADAIR COURT, MONTEREY AVENUE,  
RAILROAD STREET & EL MONTE AVENUE  
EL MONTE, CALIFORNIA 91731**



*Blue outline is approximate boundary*

**Effective Date: February 8, 2018**

---

# DMD APPRAISALS, INC.

555 South Brand Boulevard, San Fernando, CA 91340 Office: (818)898-2202 Fax: (818)898-1770 Email: [DMDIncorp@Aol.com](mailto:DMDIncorp@Aol.com)

March 7, 2018

Attn: Ms. Minh Thai, Economic Development Dept.

## CITY OF EL MONTE

11333 Valley Boulevard,  
El Monte, CA 91731

**RE: AREA "Y" – 4.87± ACRES; 13 LAND PARCELS & STREET VACATIONS OF KING COURT, ADAIR COURT, MONTEREY AVENUE, RAILROAD STREET & EL MONTE AVENUE, EL MONTE, CALIFORNIA 91731**

Dear Ms. Thai,

As per your request, we have prepared a **LAND ONLY Appraisal**. The subject property consists of 13 land parcels and 5 streets to be vacated. The 13 parcels are as follows:

ADDRESS	APN	SIZE (±')
221 El Monte Avenue	8575-019-907	31,330
3649 El Monte Avenue	8575-019-908	4,475
10819 Valley Boulevard	8575-019-910	8,390
3637 El Monte Avenue	8575-019-911	7,780
3645 El Monte Avenue	8575-019-912	8,240
3716 Monterey Avenue	8575-019-913	4,990
3704 Monterey Avenue	8575-019-914	7,190
10821 Railroad Street	8575-017-909	60,940
3721 Monterey Avenue	8575-021-936	5,860
NO SITE ADDRESS	8575-021-932	7,900
NO SITE ADDRESS	8575-021-934	7,910
NO SITE ADDRESS	8575-022-922	6,825
NO SITE ADDRESS	8575-022-925	5,200
<b>TOTAL LOT SIZES:</b>		<b>167,030</b>
<b>PLUS 5 STREET VACATIONS:</b>		<b>45,000</b>
<b>TOTAL SQUARE FOOTAGE:</b>		<b>212,030</b>

The 5 streets to be vacated are King Court, Adair Court, Monterey Avenue, Railroad Street and El Monte Avenue. The total square footage is approximately 212,030 square feet, or 4.87± acres. These parcels are zoned C2-D and are located within the Monte Vista and Station Sub Areas of the Downtown Main Street Transit-Oriented District Specific Plan. The subject property is adjacent to the El Monte Metrolink Station. **We are making the extraordinary assumption that the 5 streets will be vacated by the city and will be part of the total 4.87± acres. We are valuing the 13 parcels and 5 streets as one entity.**

**TRANSMITTAL LETTER - Page 2**

**RE: AREA "Y" – 4.87± ACRES; 13 LAND PARCELS & STREET VACATIONS OF KING COURT, ADAIR COURT, MONTEREY AVENUE, RAILROAD STREET & EL MONTE AVENUE, EL MONTE, CALIFORNIA 91731**

The appraisers have been requested to value the **Fee Simple** estate based on an "**as is**" condition, per drive by inspection.

This appraisal report is prepared for the sole and exclusive use of the client and intended user, City of El Monte, to assist with long-range planning. No third parties are authorized to rely upon this report without the express written consent of the appraiser. The appraiser is not an expert in the field of environmental inspection, and this report does not guarantee that the property is free of defects or environmental problems.

The property has been visually inspected. A survey of local land sales was done. No soils or geology report was provided. No title search was conducted. Upon drive-by inspection, no adverse easements or encroachments were noted.

Based on our analysis of all the relevant data and the Statement of Limiting Conditions, it is the opinion of the appraisers that the estimated Market Value of the **Fee Simple** estate of the subject property **LAND ONLY**, as of February 8, 2018, is:

**\$7,421,000**

Cordially,

**Dale Donerkiel** Digitally signed by Dale Donerkiel  
DN: cn=Dale Donerkiel, o=DMD Appraisal's, Inc.,  
ou=AGOO2740 Exp. 01/20/2018,  
email=dmdincorp@aol.com, c=US  
Date: 2018.03.07 10:53:53 -08'00'

Dale Donerkiel, SRPA, SRA  
CA Certified General R.E. Appraiser  
AGOO2740, Exp. 1/20/2020  
DD/mw/Enc:

**SUMMARY OF SALIENT FACTS AND CONCLUSIONS**

<b>ADDRESS</b>	<b>APN</b>	<b>SIZE (±')</b>
221 El Monte Avenue	8575-019-907	31,330
3649 El Monte Avenue	8575-019-908	4,475
10819 Valley Boulevard	8575-019-910	8,390
3637 El Monte Avenue	8575-019-911	7,780
3645 El Monte Avenue	8575-019-912	8,240
3716 Monterey Avenue	8575-019-913	4,990
3704 Monterey Avenue	8575-019-914	7,190
10821 Railroad Street	8575-017-909	60,940
3721 Monterey Avenue	8575-021-936	5,860
NO SITE ADDRESS	8575-021-932	7,900
NO SITE ADDRESS	8575-021-934	7,910
NO SITE ADDRESS	8575-022-922	6,825
NO SITE ADDRESS	8575-022-925	5,200
<b>TOTAL LOT SIZES:</b>		<b>167,030</b>
<b>PLUS 5 STREET VACATIONS:</b>		<b>45,000</b>
<b>TOTAL SQUARE FOOTAGE:</b>		<b>212,030</b>

MAP REFERENCE: 597-C7

OWNER: City of El Monte

ZONING: C2-D within the Monte Vista and Station Sub Areas of the Downtown Main Street Transit-Oriented District Specific Plan

CENSUS TRACT: 4327.00/2

TYPE OF PROPERTY: Land

HIGHEST & BEST USE: Future Development

FLOOD HAZARD ZONE: Zone X, Community Panel: 060658/06037C/1675F, Dated 9/26/2008

EFFECTIVE DATE OF APPRAISAL: February 8, 2018

**VALUATION**

<b>COST APPROACH:</b>	<b>Not applicable</b>
<b>INCOME APPROACH:</b>	<b>Not applicable</b>
<b>SALES COMPARISON APPROACH:</b>	<b>\$7,421,000</b>

**VALUE CONCLUSION**

<b>MARKET VALUE:</b>	<b>\$7,421,000</b>
----------------------	--------------------

## **LOGIC USED TO RESOLVE UNIQUE APPRAISAL PROBLEMS**

### **PROBLEM(S) INHERENT IN SUBJECT PROPERTY APPRAISAL:**

This is a Land Only appraisal, and the Sales Comparison Approach is the only approach utilized to value the subject. The Cost and Income Approaches are eliminated from this report.

This is a 4.87± acre site comprised of 13 parcels and 5 streets being valued as one entity. The parcels are located in Area “Y” and are zoned C2-D within the Monte Vista and Station Sub-Areas of the Downtown Main Street Transit-Oriented Specific Plan. This is located adjacent to the El Monte Metrolink Station. This location is envisioned as a higher-intense, pedestrian oriented mixed-use district with a more urban character.

This report values only the real estate. No Furniture, Fixtures, and Equipment (FF&E), Goodwill, Business Interest, or Going Concern issues are valued.

Under the Sales Comparison Approach, we will utilize similar size and zoned land sales. These sales will be analyzed on a price per square foot of Gross Land Area (G.L.A.).

We assume no responsibility or liability for unknown easements or soil rights, which may or may not adversely impact the utility of the site. For purposes of this report, we assume there are no soil toxicity problems or adverse easements. We have relied on the Assessor's Tax Roll for ownership information.

We saw no evidence of underground storage tanks, active or inactive.

## MARKETING TIME

The marketing time is estimated from the marketing period exhibited in local sales, as follows:

#	Address	Date Sold	Market Time
1	4123-4131 Peck Road	08/2017	21 Days
2	4304 Temple City Boulevard	06/2017	346 Days
3	12700 Elliott Avenue	04/2017	450 Days
4	4200 Baldwin Avenue	01/2017	450 Days
5	11401 Garvey Avenue	06/2016	300 Days
6	9048 Garvey Avenue	02/2017	362 Days
7	10613 E. Garvey Avenue	07/2017	540 Days

The marketing times found in local sales ranges from 21 to 540 days. Interest rates are below 8.0%.

Commercial land sales are in demand for development of mixed-use projects. Properties close to public transit stops are now being developed with high-density residential units. These sales take longer to close as developers want to get entitlements in place before escrow closes.

We ran a CoStar Analytic report on 31 sales in the El Monte Market. The average marketing time is 4 months.

We estimate the subject's marketing time to be from 120 to 180 days.

### Marketing Time:

*The time it takes an interest in real property to sell on the market subsequent to the date of an appraisal. Reasonable marketing time is an estimate of the amount of time it might take to sell an interest in real property at its estimated market value during the period immediately after the effective date of the appraisal; the anticipated time required to expose the property to a pool of prospective purchasers and to allow appropriate time for negotiation, the exercise of due diligence, and the consummation of a sale at a price supportable by current market conditions. Marketing time differs from exposure time which is always presumed to precede the effective date of the appraisal. Market value estimates imply that an adequate marketing effort and reasonable time for exposure occurred prior to the effective date of the appraisal. In the case of the disposition value, the time frame allowed for marketing the property rights is somewhat limited, but the marketing effort is orderly and adequate. With liquidation value, the time frame for marketing the property rights is so severely limited that an adequate marketing program cannot be implemented.*

### **EXPOSURE TIME (USPAP REQUIREMENT):**

Reasonable exposure time is one of a series of conditions in most market value definitions. Exposure time is always presumed to precede the effective date of the appraisal.

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 estimate based upon an analysis of past events assuming a competitive and open market.

Exposure time is different for various types of real estate and under various market conditions. It is noted that the overall concept of reasonable exposure encompasses not only adequate, sufficient and reasonable time but also adequate, sufficient and reasonable effort. This statement focuses on the time component.

The fact that exposure time is always presumed to occur prior to the effective date of the appraisal is substantiated by related facts in the appraisal process: supply/demand conditions as of the effective date of the appraisal; the use of current cost information; the analysis of historical sales information (sold after exposure and after completion of negotiations between the seller and buyer); and the analysis of future income expectancy estimated from the effective date of the appraisal.

The subject property has an estimated Exposure Time of 30 to 365 days. This is based on the appraised value, with a 75% loan to value available at competitive interest rates and upon discussions with local Brokers, Buyers, and Sellers. Local brokers confirm very short exposure time is required in this market. Small buildings sell quickly.

### **COMPETENCY PROVISION**

The appraiser(s) has the appropriate knowledge and experience to complete this assignment competently. The signatories on this appraisal report are currently certified under the State of California. We certify the writer(s) of this report have attained a level of competency necessary to complete the assignment in a diligent manner, utilizing all the commonly recognized analysis techniques considered normal for a prudent evaluation report. The appraiser(s) qualifications are included in the addendum of this report.

### **USPAP COMPLIANCE:**

This report is prepared in compliance with Standard Rules 1 and 2 of USPAP. This report is an Appraisal Report, as defined in the regulations which became effective January 1, 2018.