



OVERSIGHT BOARD TO THE CITY OF WINTERS SUCCESSOR AGENCY TO
THE WINTERS COMMUNITY DEVELOPMENT AGENCY

City Council Chambers
318 First Street
Monday, June 2, 2014

2:00 p.m. – Regular Meeting

AGENDA

Members of the Oversight Board

Harold Anderson- City of Winters
Sarah Chapman- Solano College District
Diane Cirolini- Yolo County Office of Education
Larry Justus- Winters Cemetery District
Nanci Mills- City of Winters CDA Employees
Jiley Romney- Yolo County Public Appointee
Don Saylor- Yolo County

Staff to Oversight Board

John W. Donlevy, Jr., City Manager
Shelly Gunby, Director of Financial Management
Dan Maguire, Housing Programs Manager
Mary Jo Rodolfa, Secretary to Oversight Board

PLEASE NOTE – The numerical order of items on this agenda is for convenience of reference. Items may be taken out of order upon request of the Chairman of other Board Members. Public comments time may be limited and speakers will be asked to state their name.

Roll Call

Pledge of Allegiance

Approval of Agenda

BOARD COMMENTS

PUBLIC COMMENTS

At this time, any member of the public may address the Oversight Board on matters, which are not listed on this agenda. Citizens should reserve their comments for matter listed on this agenda at the time the item is considered by the Board. An exception is made for members of the public for whom it would

create a hardship to stay until their item is heard. Those individuals may address the item after the public has spoken on issues that are not listed on the agenda. Presentations may be limited to accommodate all speakers within the time available. Public comments may also be continued to later in the meeting should the time allotted for public comment expire.

CONSENT CALENDAR

All matters listed under the consent calendar are considered routine and non-controversial, require no discussion and are expected to have unanimous Board support and may be enacted by the Oversight Board in one motion in the form listed below. There will be no separate discussion of these items. However, before the Oversight Board votes on the motion to adopt, members of the Oversight Board, staff, or the public may request that specific items be removed from the Consent Calendar for separate discussion and action. Items(s) removed will be discussed later in the meeting as time permits.

- A. Minutes of the May 5, 2014 meeting of the Oversight Board to the City of Winters Successor Agency to the Winters Community Development Agency (pp 4-8)

PRESENTATIONS

None at this meeting.

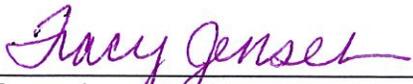
DISCUSSION ITEMS

- 1. Purchase and Sale Agreement for 311 First Street, Winters (pp 9-66)
- 2. Setting a New Regular Meeting Day for the Oversight Board (pp 67)

STAFF REPORT

ADJOURNMENT

I declare under penalty of perjury that the foregoing agenda for the June 2, 2014 meeting of the Winters Oversight Board was personally delivered to each Board member by electronic mail, and by United States Postal Service in a sealed envelope with postage prepaid and posted on the outside public bulletin board at City Hall, 318 First Street on May 29, 2014, and made available to the public during normal business hours.



Tracy Jensen, Management Analyst

Questions about this agenda – Please call the City Manager’s office at (530) 795-4910 ext. 110. Agendas and staff reports are available on the city web page www.cityofwinters.org

General Notes: Meeting facilities are accessible to persons with disabilities. To arrange aid or services to modify or accommodate persons with disability to participate in a public meeting, contact the City Clerk.

Staff recommendations are guidelines to the Oversight Board. On any item, the Board may take action, which varies from that recommended by staff.

The city does not transcribe its proceedings. Anyone who desires a verbatim record of this meeting should arrange for attendance by a court reporter or for other acceptable means of recordation. Such arrangements will be at the sole expense of the individual requesting the recordation.

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City Clerk’s Office – City Hall – 318 First Street

During Board meetings – Right side as you enter the Council Chambers



MINUTES OF THE OVERSIGHT BOARD
TO THE CITY OF WINTERS SUCCESSOR AGENCY TO THE
WINTERS COMMUNITY DEVELOPMENT AGENCY

City Council Chambers
318 First Street
April 7, 2014

2:00 p.m. – Regular Meeting

Meeting was called to order by Chairman Justus at 2:03 p.m.

Present – Board Members Sarah Chapman, Diane Cirolini, Nanci Mills, Jiley Romney, Don Saylor and Chairman Larry Justus.

Absent – Board Member Harold Anderson

Staff - City Attorney John Wallace, Director of Financial Management Shelly Gunby and Management Analyst Tracy Jensen

Pledge of Allegiance – Board member Don Saylor

Approval of Agenda – Board Member Saylor moved to approve the agenda, Board Member Mills seconded the motion. The motion was approved with the following vote:

Ayes: Board Members Chapman, Cirolini, Mills, Romney, Saylor and
Chair Justus
Noes: None
Absent: Board Member Anderson
Abstain: None

BOARD COMMENTS – None

PUBLIC COMMENTS – None

CONSENT CALENDAR

A. Approval of Minutes of the February 24, 2014 meeting of the Oversight Board to the City of Winters Successor Agency to the Winters Community Development Agency.

Board Member Mills moved the approval of the minutes of the February 24, 2014 meeting of the Oversight Board, Board Member Romney seconded the motion. The motion was approved with the following vote:

Ayes: Board Members Chapman, Cirolini, Mills, Romney, Saylor and
Chair Justus
Noes: None
Absent: Board Member Anderson
Abstain: None

DISCUSSION ITEMS

1. Resolution OB-2014-05, A Resolution of the Oversight Board to the Successor Agency to the Dissolved Winters Community Development Agency Approving a Bond Expenditure Agreement between the City of Winters as Successor Agency to the Dissolved Winters Community Development Agency and the City of Winters

Director of Financial Management Gunby introduced the item and explained that the Bond Expenditure Agreement would allow the Successor Agency to transfer 2007 bond proceeds to the City of Winters so that the funds are available to be spent in accordance with the bond covenants within the former Redevelopment Project Area, ie: housing proceeds to be spent for low income housing projects, and non-housing proceeds to be used on projects not related to housing.

Board Member Saylor moved approval of Resolution OB-2014-05, a Resolution of the Oversight Board to the Successor Agency to the Dissolved Winters Community Development Agency, Approving the Bond Expenditure Agreement with the provision that the signed Bond Expenditure Agreement be added to the resolution as Exhibit A as indicated under Attachments on the Staff Report. Board Member Mills seconded the motion. The motion was approved with the following vote:

Ayes: Board Members Chapman, Cirolini, Mills, Romney, Saylor and
Chair Justus
Noes: None
Absent: Board Member Anderson
Abstain: None

2. Resolution OB-2014-06 a Resolution of the Oversight Board to the Successor Agency to the Dissolved Winters Community Development Agency Approving the Granting of a Private Utility Easement on the Real Property Owned by the City of Winters as Successor Agency (APN's 003-370-028, 029, 030)

Director of Financial Management Gunby introduced the item and explained that the piece of property is currently being used as a parking lot and may later become part of a downtown hotel project. An appraisal of the property came back at \$90,000. Gunby recommended that the property be sold to the City so there would not be a lag time like was experienced with the Grant Avenue properties due to the Department of Finance's approval process. She reported that she obtained the tax rate for each of the taxing agencies from the County so that each agency would receive it's respective percentage share from the sale.

Board Member discussion centered on how the appraisal was obtained and clarification as to the location of the piece of property to be sold.

Chairman Justus then opened the item up for public input. Dennis Kilkenny of 5125 Putah Creek Road, Winters addressed the board on behalf of the Winters Cemetery District.

Kilkenny indicated that the cemetery district was not opposed to the project but had an issue with a redevelopment pass through obligation of \$177,531.31 owed to the cemetery district. The amount had been approved by the Oversight Board but was denied by the Department of Finance. The cemetery district has been working with the City to resolve the issue but this has been going on for years with no resolution. Kilkenny reported that on December 8, 2013 the Winters Cemetery Board voted to not authorize the sale of any properties by the Successor Agency until there is something in writing regarding the arrears. He then requested a no vote by the board.

Board Member discussion included a request for a copy of the timeline of events from the cemetery board, the possibility of cemetery board dissolution and the value of the property currently as opposed to its value once developed.

Board Member Mills moved approval of Resolution OB-2014-02 a Resolution of the Oversight Board to the Successor Agency to the Dissolved Winters Community Development Agency Approving the Purchase and Sale Agreement for 311 First Street. Board Member Romney seconded the motion. The motion was not approved with the follow vote:

Ayes: Board Members Mills and Romney
Noes: Board Members Chapman, Cirolini and Chair Justus
Absent: Board Member Saylor

Abstain: Board Member Anderson recused himself prior to the item being heard.

3 Resolution OB-2014-03, A Resolution of the Oversight Board for the Successor Agency to the Dissolved Winters Community Development Agency Approving a Loan and Repayment Agreement Between the City of Winters and the Dissolved Winters Community Development Agency and Making a Finding Related Thereto.

Director of Financial Management Gunby introduced the item and explained that in 2010 the City loaned the Community Development agency \$781,448 for the Supplemental Education Revenue Augmentation Fund. The payment was required by the State but at the time the CDA did not have the funds to pay it. The money was sent to Yolo County as required. Originally this loan could not be considered an enforceable obligation of the Successor Agency until the State extracted all possible cash from the Agency. Once the all of the cash was extracted the Department of Finance was ordered to issue a Finding of Compliance. That finding now allows this loan to be included on the ROPS for repayment. The City will receive 80% of the repayment and the balance will go to the Low and Moderate Housing Fund. Gunby explained that there were three City-Agency loans and it is required that this one be paid first.

Board Member Mills moved approval of Resolution OB-2014-02. Board Member Anderson seconded the motion. The motion was approved with the following vote:

Ayes: Board Members Anderson, Cirolini, Mills, Romney and Chair Justus
Noes: None
Absent: Board Member Saylor and Board Member Chapman (Chapman left the meeting at 3:15 p.m. prior to this item being heard).
Abstain: None

4. Resolution OB-2014-04, a Resolution of the Oversight Board to the Successor Agency to the Dissolved Winters Community Development Agency Approving ROPS 14-15A.

Director of Financial Management Gunby introduced the item and walked the Board through the ROPS 14-15A schedule indicating that the ROPS has to be submitted every six months. The only new item is the payment on the Supplemental Education Revenue Augmentation Fund loan. It was noted that on the third Whereas of the resolution need to be corrected to reflect the correct ROPS number of 14-15A.

Board Member Anderson moved approval of Resolution OB-2014-04 with the correction noted. Board Member Mills seconded the motion. The motion was approved with the following vote:

Ayes: Board Members Anderson, Cirolini, Mills, Romney and Chair Justus
Noes: None
Absent: Board Member Saylor and Board Member Chapman (Chapman left the meeting at 3:15 p.m. prior to this item being heard).
Abstain: None

STAFF REPORT None

ADJOURNMENT – Meeting adjourned at 3:34 p.m.

Larry Justus, Chair

ATTEST:

Oversight Board Secretary



OVERSIGHT BOARD
STAFF REPORT

TO: Honorable Chair and Board Members
DATE: June 2, 2014
THROUGH: John W. Donlevy, Jr., City Manager
FROM: Shelly A. Gunby, Director of Financial Management
SUBJECT: Purchase and Sale Agreement for 311 First Street

RECOMMENDATION:

Staff recommends that the Board adopt Resolution OB-2014-02, A Resolution of the Oversight Board of the Successor Agency of the Dissolved Winters Community Development Agency approving a Purchase and Sale Agreement between the Successor Agency to the Dissolved Winters Community Development Agency and the City of Winters.

BACKGROUND:

The State of California dissolved all the Redevelopment Agencies in February 2012, and as a part of the dissolution, the Successor Agency was required to submit a Long Range Property Management Plan for the disposition of each of the properties owned by the dissolved redevelopment agency. The Successor Agency prepared and submitted the Long Range Property Management Plan to the Department of Finance for Approval. Approval of the Plan was received on December 20, 2013.

311 First Street was included on the Long Range Property Management Plan as Property 6. The disposition of this property was to be transferred to the City of Winters for future redevelopment use. Currently, this site is used as a parking lot, however, an RFP has been issued for construction of a downtown hotel that would utilize this property, as well as other adjacent properties.

The Successor Agency had the property appraised on 12/4/13, and the appraised amount was \$90,000.

FISCAL IMPACT:

The City will pay \$90,000 for the property per the attached appraisal report, and then proceeds of the sale will be distributed to the affected taxing entities by the Successor Agency. Estimated amounts due to each of the affected entities, based upon the tax rates for the Tax Rate Area the property is in, as provided by the Yolo County is included in the Purchase and Sale Agreement.

ATTACHMENTS

Resolution OB-2014-02

Purchase and Sale Agreement

December 4, 2013 Appraisal Report

RESOLUTION OB-2014-02

RESOLUTION OF THE OVERSIGHT BOARD FOR THE DISSOLVED WINTERS COMMUNITY DEVELOPMENT AGENCY APPROVING THE REAL PROPERTY PURCHASE AND SALE AGREEMENT BY AND BETWEEN THE CITY OF WINTER AND THE SUCCESSOR TO THE WINTERS COMMUNITY DEVELOPMENT AGENCY

WHEREAS, pursuant to the Community Development Law (the "CRL") (Health and Safety Code Sections 33000 et seq.) the City Council of the City of Winters ("City") created the Winters Community Development Agency ("Redevelopment Agency"); and

WHEREAS, in May 2009, the Winters CDA ("Redevelopment Agency") purchased the property described as 311 First Street, more particularly described on Exhibit A to the attached purchase and sale Agreement; and

WHEREAS, as part of the Fiscal Year 2011-2012 State budget bill, the California state legislature enacted, and the Governor signed, Assembly Bill X126 ("AB 26"), which added Parts 1.8 and 1.85 to the CRL, and which laws caused the dissolution and winding down of all redevelopment agencies in California (the Dissolution Act); and

WHEREAS, on December 29, 2011, in the petition California Redevelopment Association v Matosantos, Case No S194861, the California Supreme Court upheld the Dissolution Act and thereby all redevelopment agencies in California were dissolved as of February 1, 2012 under the dates in the Dissolution Act that were reformed and extended thereby; and

WHEREAS, by Resolution considered and approved by the City Council in 2011 the City elected to become and serve as the successor agency to the Redevelopment Agency (the "Successor Agency"), with the responsibility to wind down the affairs of the Redevelopment Agency and dispose of its assets under the direction of and oversight board (the "Oversight Board"); and,

WHEREAS, as of February 1, 2012 the Redevelopment Agency dissolved and the Successor Agency became operational; and

WHEREAS, the Successor Agency has authority to sell assets of the former Redevelopment Agency pursuant to the requirement of AB26 and AB1484; and

WHEREAS, Health and Safety Code Section 34191.59b) requires the Successor Agency to submit the Long Range Property Management Plan to the Successor Agency's oversight board and the Department of Finance for approval no later than six months following the issuance to the Successor Agency of the finding of completion pursuant to Health and Safety Code Section 34179.7; and

WHEREAS, the Successor Agency has received a Finding of Completion from the Department of Finance and submitted the Long Range Property Management Plan to the Department of Finance and the Oversight Board; and

WHEREAS, the Successor Agency received notification from the Department of Finance on December 20, 2013 that the Long Range Property Management Plan was approved as submitted.

NOW, THEREFORE , THE CITY COUNCIL OF THE CITY OF WINTERS DOES HEREBY RESOLVE THE FOLLOWING:

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 City of Winters has determined that the proposed Purchase and Sale contract qualifies as a governmental funding mechanism pursuant to 14 CCRE section 15378 which does not involve a commitment to any specific project which may result in a potentially significant environmental impact. As such the Purchase and Sale Agreement does not qualify as a project for purposes of the California Environmental Quality Act. The City Clerk of the City of Winters has filed a Notice of Exemption with the appropriate official of the County of Yolo, California within five days following the February 18, 2014 adoption of the Resolution.

Section 3. Authority- Approval of Purchase and Sale Agreement. Under California Health and Safety Code Section 341779e), the Successor Agency must dispose of assets and properties of the Dissolved CDA as directed by the Oversight Board. The disposition of this Real Property to the City of Winters is approved.

Section 4. Authorization to Take Action. Pursuant to California Health and Safety Code Section 34181(a), the Oversight Board directs the Successor Agency to the dissolved Winters Community Development Agency, and hereby authorizes and directs the City Manager of the City of Winters, acting on behalf of the Successor Agency, to execute the document and instruments as are appropriate, in consultation with the counsel to the Successor Agency, to effectuate and implement the terms of this Resolution.

Section 5. Certification The Successor Agency shall certify to the adoption of this Resolution.

Section 6. Effectiveness. This Resolution shall take effect at the time and in the manner prescribed in Health and Safety Code Section 34179(h) and Section 34181 (f).

PASSED AND ADOPTED at a regular meeting of the Oversight Board to The Successor Agency to the Dissolved Winters Community Development Agency, this 2nd day of June 2014 by the following roll call vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Woody Fridae, Chair

ATTEST:

Nanci G. Mills, Clerk

PURCHASE AND SALE AGREEMENT
(311 First Street, Winters, CA)

This PURCHASE AND SALE AGREEMENT (311 First Street, Winters, CA) (“**Agreement**”) is dated as of February 24, 2014, for reference purposes only, and is entered into by and between the SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF WINTERS, a California municipal corporation (“**Successor Agency**”), the CITY OF WINTERS, a municipal corporation (“**City**”), the COUNTY OF YOLO, a California political subdivision (“**County**”), the WINTERS JOINT UNIFIED SCHOOL DISTRICT (“**School District**”), WINTERS CEMETERY DISTRICT, SACRAMENTO YOLO MOSQUITO VECTOR DISTRICT, YOLO COUNTY FLOOD CONTROL, YOLO COUNTY OFFICE OF EDUCATION, WINTERS JOINT UNIFIED SCHOOL DISTRICT, and SOLANO COMMUNITY COLLEGE. With the exception of the Successor Agency, each of the undersigned parties is a taxing entity as defined by Health & Safety Code section 34171(k), and are referred to individually in this Agreement as a “**Taxing Entity**” and collectively as the “**Taxing Entities.**” The Successor Agency and the Taxing Entities are collectively referred to herein as the “**Parties**” and individually as a “**Party.**” Successor Agency and the Taxing Entities enter into this Agreement with reference to the following recitals of fact (each, a “**Recital**”):

RECITALS

A. The Community Development Agency of the City of Winters (“**Community Development Agency**”) previously existed and operated as a redevelopment agency operating within the corporate boundaries of the City pursuant to the provisions of the California Community Redevelopment Law (Health & Safety Code §33000 *et seq.*).

B. The Community Development Agency owned that certain real property constituting approximately 9,017 square feet of real property located at 311 First Street (APN 003-204-002), as more particularly described in Exhibit A, attached hereto and incorporated herein by reference (the “**Property**”). The Property is located directly across from City Hall, and is improved with a parking lot. The parking lot is utilized by City staff and visitors to City Hall, as well as visitors to businesses located in downtown Winters.

C. The Community Development Agency was dissolved by operation of law on February 1, 2012, and all Community Development Agency assets, including the Property, were transferred to the Successor Agency, and the Successor Agency became responsible for disposing of the Agency’s real property assets. In connection with this responsibility, the Successor Agency prepared a Long Range Property Management Plan (“**LRPMP**”), which was approved by the Oversight Board of the Successor Agency and submitted to the State of California Department of Finance (“**DOF**”) on July 12, 2013. DOF approved the LRPMP on December 20, 2013.

D. In the LRPMP, the Successor Agency declared that it would convey the Property

to the City for future development in accordance with the Redevelopment Plan. Health & Safety Code section 34180(f)(1) requires that in the event the City wishes to retain a property for future redevelopment activities, it must reach a compensation agreement with the other taxing entities to provide payments to them in proportion to their shares of the base property tax, as determined pursuant to Section 34188, for the value of the property retained. The LRPMP specifically states that the City and Successor Agency will reach a compensation agreement with the affected taxing entities prior to development of the Property.

E. The City desires enter into this Agreement to acquire the Property from the Successor Agency pursuant to the LRPMP, and to compensate the Taxing Entities for such acquisition of the Property in accordance with Section 34180(f)(1). In order to determine the appropriate compensation for the Property, the City retained Lee Bartholomew of Bartholomew Associates, Inc., a California Certified General Real Estate Appraiser, to conduct an appraisal of the Property (the "Appraisal"). The Appraisal finds that the fair market value of the Property is Ninety Thousand Dollars (\$90,000.00) as of December 2, 2013.

F. The purpose of this Agreement is to provide for the purchase and sale of the Property from Successor Agency to City, and to compensate the Taxing Entities for such acquisition in accordance with Section 34180(f)(1).

AGREEMENT

NOW, THEREFORE, IN CONSIDERATION OF THE PROMISES AND COVENANTS OF SUCCESSOR AGENCY AND THE TAXING ENTITIES SET FORTH IN THIS AGREEMENT AND OTHER GOOD AND VALUABLE CONSIDERATION, SUCCESSOR AGENCY AND THE TAXING ENTITIES AGREE, AS FOLLOWS:

TERMS AND CONDITIONS

1. **EFFECTIVE DATE.** This Agreement shall become effective on the first date on which all of the following have occurred: ("Effective Date"): (a) this Agreement has been approved by the governing boards for each of the Taxing Entities and executed by an authorized representative of each of the Taxing Entities; (b) this Agreement has been approved by the Oversight Board and executed by the Executive Director of the Successor Agency; (c) the Agreement and the Oversight Board Resolution approving this Agreement has been submitted to DOF for review and approval and DOF has either granted such approval or DOF does not object to this Agreement within the review period provided, and the Oversight Board's action is deemed final and conclusive under Health & Safety Code §34181(f).

2. **PURCHASE AND SALE OF PROPERTY**

2.1 **Purchase of Property.** Following the Effective Date, the Successor Agency shall sell and convey the Property to City, and City shall purchase and acquire the Property from Successor Agency pursuant to the terms and subject to the conditions set forth in this Agreement.

2.2 **Purchase Price.** The total purchase price for the Property shall be Ninety Thousand Dollars (\$90,000.00), which is equal to the current fair market value of the Property as

determined by an appraisal conducted by Bartholomew Associates, Inc., dated as of December 2, 2013.

2.3 Payment of Purchase Price. The Purchase Price shall be paid in cash by the City to the Taxing Entities in accordance with the requirements of this Agreement upon execution and delivery of a grant deed conveying the Property from the Successor Agency to the City in substantially the form set forth as **Exhibit B**, attached hereto and incorporated by reference herein (the "Grant Deed"). The Purchase Price shall be divided amongst the Taxing Entities on a proportionate basis based on their respective shares of the base property tax as determined pursuant to Section 34188. Each Taxing Entity's proportionate share of the Purchase Price is set forth in **Exhibit C**, attached hereto and incorporated herein by this reference.

3. CONVEYANCE OF PROPERTY

3.1 Time of Conveyance. Subject to the terms and conditions of this Agreement, the Successor Agency's delivery of the Grant Deed to the City shall occur no later than thirty (30) calendar days following the Effective Date.

3.2 "AS-IS" Acquisition. The Property is sold to City in the Property's AS IS, WHERE IS, SUBJECT TO ALL FAULTS CONDITION, WITHOUT WARRANTY as to character, quality, performance, condition, title, physical condition, soil conditions, the presence or absence of fill, shoring or bluff stability or support, subsurface or lateral support, zoning, land use restrictions, the availability or location of utilities or services, the location of any public infrastructure on or off of the Property (active, inactive or abandoned), and with full knowledge of the physical condition of the Property, the nature of Seller's interest in and use of the Property, all laws applicable to the Property and any and all conditions, covenants, restrictions, encumbrances and all matters of record relating to the Property.

3.3 Possession: Maintenance. The City shall be entitled to sole possession of the Property immediately upon recordation of the Grant Deed. Prior to the recordation of the Grant Deed, the Successor Agency shall continue to maintain the Property to current maintenance standards.

3.4 Risk of Loss. The Successor Agency shall bear the risk of any loss to the Property which occurs prior to the recordation of the Grant Deed and the City shall be responsible for any such loss occurring following the recordation of the Grant Deed.

4. GENERAL PROVISIONS

4.1 Notices, Demands and Communications Between the Parties.

4.1.1 Delivery. Any and all Notices submitted by any Party to another Party pursuant to or as required by this Agreement shall be proper, if in writing and sent for immediate personal delivery to the address of the recipient Party, as designated in Section 4.1.2. Notices may be sent in the same manner to such other addresses as either Party may from time to time designate by Notice in accordance with this Section 4.1. Notice shall be deemed received by the addressee, on the day that the Notice is delivered to a Party in accordance with this Section 4.1. Any attorney representing a Party may give any Notice on behalf of such Party.

4.1.2 **Addresses.** The Notice addresses for the Parties, as of the Effective Date, are as follows:

To City: City of Winters
318 First Street
Winters, CA 95694
Attn: City Manager

To Successor Agency: Successor Agency of the Community
Development Agency of the City of
Winters
318 First Street
Winters, CA 95694
Attn: Executive Director

To Yolo County: Office of the County Counsel
County of Yolo
625 Court Street, Room 201
Woodland, CA 95695

To Winters Cemetery
District: Larry Justus, Chairman
Winters Cemetery District
PO Box 402
Winters, CA 95694

To Sacramento-Yolo
Mosquito and Vector
Control District: Sacramento-Yolo Mosquito Abatement
and Vector Control District
Attn: District Manager
1650 Silica Ave
Sacramento, CA 95815

To Solano Community
College: Solano County Community College
District
Administrative and Business Services
4000 Suisun Valley Road
Suisun, CA 94585

To Winters Joint Unified
School District: Winters Joint Unified School District
909 Grant Ave
Winters, CA 95694

Yolo County Flood
Control: Yolo County Flood Control and Water
Conservation District
34274 California 16
Woodland, CA 95695

4.2 Risk of Loss. The Successor Agency shall bear the risk of any loss to the Property which occurs prior to the recordation of the Grant Deed and the City shall be responsible for any such loss occurring following the recordation of the Grant Deed.

4.3 Calculation of Time Periods. Unless otherwise specified, all references to time periods in this Agreement measured in days shall be to consecutive calendar days, all references to time periods in this Agreement measured in months shall be to consecutive calendar months and all references to time periods in this Agreement measured in years shall be to consecutive calendar years.

4.4 Principles of Interpretation. No inference in favor of or against any Party shall be drawn from the fact that such Party has drafted any part of this Agreement. The Parties have both participated substantially in the negotiation, drafting and revision of this Agreement, with advice from legal and other counsel and advisers of their own selection. A word, term or phrase defined in the singular in this Agreement may be used in the plural, and vice versa, all in accordance with ordinary principles of English grammar, which shall govern all language in this Agreement. The words "include" and "including" in this Agreement shall be construed to be followed by the words: "without limitation." Each collective noun in this Agreement shall be interpreted as if followed by the words "(or any part of it)," except where the context clearly requires otherwise. Every reference to any document, including this Agreement, refers to such document, as modified from time to time (excepting any modification that violates this Agreement), and includes all exhibits, schedules, addenda and riders to such document. The word "or" in this Agreement includes the word "and." Every reference to a law, statute, regulation, order, form or similar governmental requirement refers to each such requirement as amended, modified, renumbered, superseded or succeeded, from time to time.

4.5 Governing Law. The procedural and substantive laws of the State of California shall govern the interpretation and enforcement of this Agreement, without application of conflicts or choice of laws principles or statutes. The Parties acknowledge and agree that this Agreement is entered into, is to be fully performed in and relates to real property located in the County of Yolo, State of California. All legal actions arising from this Agreement shall be filed in the Superior Court of the State in and for the County or in the United States District Court with jurisdiction in the County.

4.6 No Third-Party Beneficiaries. Nothing in this Agreement, express or implied, is intended to confer any rights or remedies under or by reason of this Agreement on any Person other than the Parties and their respective permitted successors and assigns, nor is anything in this Agreement intended to relieve or discharge any obligation of any third person to any Party or give any third person any right of subrogation or action over or against any Party.

4.7 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective heirs, executors, administrators, legal representatives, successors and assigns.

4.8 Time Declared to be of the Essence. As to the performance of any obligation under this Agreement of which time is a component, the performance of such obligation within the time specified is of the essence.

4.9 Entire Agreement. This Agreement integrates all of the terms and conditions mentioned in this Agreement or incidental to this Agreement, and supersedes all prior or contemporaneous negotiations or previous agreements between the Parties, whether written or oral, with respect to all or any portion of the Site.

4.10 Waivers and Amendments. All waivers of the provisions of this Agreement must be in writing and signed by the authorized representative(s) of the Party making the waiver. All amendments to this Agreement must be in writing and signed by the authorized representative(s) of both Successor Agency and City.

4.11 No Implied Waiver. Failure to insist on any one occasion upon strict compliance with any term, covenant, condition, restriction or agreement contained in this Agreement shall not be deemed a waiver of such term, covenant, condition, restriction or agreement, nor shall any waiver or relinquishment of any rights or powers under this Agreement, at any one time or more times, be deemed a waiver or relinquishment of such right or power at any other time or times.

[Signatures on following page]

**SIGNATURE PAGE
TO
PURCHASE AND SALE AGREEMENT
(311 First Street, Winters, CA)**

IN WITNESS WHEREOF, the Parties have signed and entered into this Agreement by and through the signatures of their respective authorized representative(s) as follow:

SUCCESSOR AGENCY:

CITY:

SUCCESSOR AGENCY TO THE
COMMUNITY DEVELOPMENT AGENCY
OF THE CITY OF WINTERS, a public body,
corporate and politic

CITY OF WINTERS, a California municipal
corporation

By: _____
John W. Donlevy, Jr.
Executive Director

By: _____
John W. Donlevy, Jr.
City Manager

**WINTERS JOINT UNIFIED SCHOOL
DISTRICT:**

SOLANO COMMUNITY COLLEGE:

Winters Joint Unified School District, a public
body, corporate and politic

Solano County Community College District, a
public body (District)

By: _____

By: _____

**SACRAMENTO-YOLO MOSQUITO
ABATEMENT AND VECTOR DISTRICT:**

Sacramento-Yolo-Mosquito Abatement and
Vector District, a public body, District

By: _____

WINTERS CEMETERY DISTRICT:

Winters Cemetery District, a public body
(District)

By: _____

YOLO COUNTY:

Yolo County, a public body

By: _____

**YOLO COUNTY FLOOD CONTROL
AND WATER CONSERVATION
DISTRICT:**

Yolo County Flood Control (District)

By: _____

EXHIBIT A

**EXHIBIT A
TO
PURCHASE AND SALE AGREEMENT
(311 First Street, Winters, CA)**

Legal Description

According to Yolo County Quitclaim document #7663, which evidenced the 2011 transfer of the subject property, the legal description of the subject property is as follows:

Lots 17, 18 and 21, Block 10, Town (now city) of Winters, shown on the map thereof filed May 22, 1875, Book S of Deeds, Page 154, Yolo County Records.

EXHIBIT A

82573.00022\8507561.2

**EXHIBIT B
TO
PURCHASE AND SALE AGREEMENT
(311 First Street, Winters, CA)**

Grant Deed

[Attached behind this cover page]

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

City of Winters
318 First Street
Winters, CA 95694
Attn: City Manager

APN: 003-204-002

SPACE ABOVE FOR RECORDER'S USE ONLY
EXEMPT FROM RECORDING FEES - GOVT. CODE § 27383

GRANT DEED

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

THE SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT AGREEMENT OF THE CITY OF WINTERS, a public body, corporate and politic ("Transferor"), does hereby grant to **CITY OF WINTERS**, a California municipal corporation ("Transferee"), all right, title and interest of Transferor in that certain real property in the City of Winters, County of Yolo, State of California, specifically described in Exhibit "1" attached to this Grant Deed ("Property") and made a part of this Grant Deed by this reference.

Dated: _____

**SUCCESSOR AGENCY TO THE
COMMUNITY DEVELOPMENT AGENCY OF
THE CITY OF WINTERS**, a public body,
corporate and politic

By: _____

John W. Donlevy, Jr.
City Manager

**EXHIBIT "1"
TO
GRANT DEED**

Property Legal Description

That certain property situated in the City of Winters, County of Yolo, State of California described as follows:

According to Yolo County Quitclaim document #7663, which evidenced the 2011 transfer of the subject property, the legal description of the subject property is as follows:

Lots 17, 18 and 21, Block 10, Town (now city) of Winters, shown on the map thereof filed May 22, 1875, Book S of Deeds, Page 154, Yolo County Records.

CERTIFICATE OF ACCEPTANCE OF GRANT DEED

This is to certify that the interest in real property conveyed by the foregoing Grant Deed from the SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF WINTERS, a public body, corporate and politic, to CITY OF WINTERS, a California municipal corporation, is hereby accepted by the undersigned officer on behalf of Transferee, through his signature below, and Transferee consents to recordation thereof by its duly authorized officer.

CITY OF WINTERS, a California municipal corporation

By: _____
John W. Donlevy, Jr.
City Manager

STATE OF CALIFORNIA
COUNTY OF _____

On _____ before me, _____ (here insert name and title of the officer), personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature _____

(Seal)

STATE OF CALIFORNIA
COUNTY OF _____

On _____ before me, _____ (here insert name and title of the officer), personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature _____

(Seal)

**EXHIBIT C
TO
PURCHASE AND SALE AGREEMENT
(311 First Street, Winters, CA)**

Taxing Entity Proportionate Shares of Purchase Price

TAXING ENTITY	Percentage Share	Proceeds
County General Fund	0.27096342	\$ 24,386.71
County ACO Fund	0.01110556	\$ 999.50
County Library	0.02517451	\$ 2,265.71
City of Winters	0.30729203	\$ 27,656.28
Winters Cemetary District.	0.02304678	\$ 2,074.21
Sacramento Yolo Mosquito	0.0078089	\$ 702.80
Yolo County Flood	0.00920365	\$ 828.33
Yolo County Schools	0.02805045	\$ 2,524.54
Winters Joint Unified School District	0.28161651	\$ 25,345.49
Solano Community College	0.03573819	\$ 3,216.44
	1	\$ 90,000.00

Above percentages per Yolo County Auditor's Office.

December 4, 2013

Dan Maguire
Housing Program Manager
City of Winters
318 1st Street
Winters, CA 95694

John C. Wallace
Winters City Attorney
29605 The Horseshoe
Winters, CA

RE: 311 1st Street, Winters, CA

Gentlemen,

At your request I have developed, and with this letter, am transmitting an appraisal of the above referenced property. This report contains a market analysis, sales data, and conclusions regarding the property. This document provides adequate information and analysis to fully understand the property as of the date of this report. The subject property is more fully identified in the contents of the report which follows. This appraisal is complete in its development, and reported summarily.

A Sales Comparison approach to value was utilized in the development and reporting of this appraisal. A cost approach and an income approach were not completed for this property as these approaches are not meaningful for the subject property in the market.

This appraisal report was prepared in conformance to the rules set forth in the Uniform Standards of Professional Appraisal Practice (USPAP), effective 1/2012, which is the most current USPAP edition. The property was appraised subject to the Certification, Statements of Limiting Conditions, and Definitions, which are included within the body of the report.

This is an appraisal of a 9,017 square foot commercial lot, improved with a parking lot. It is located on the east side of Railroad Avenue south of Abbey Street in the town of Winters, CA. The intended use of the appraisal is to assist the City in the transfer of the real estate interest.

Subject to the stated assumptions and conditions, my opinion of the market value of the fee simple interest in the subject property, as of December 2, 2013 is as follows:

Market Value December 2, 2013: \$90,000

Thank you for the opportunity to be of service to you. Please don't hesitate to call if I can be of further help.

Sincerely,



Lee Bartholomew
CA Cert. Gen. R.E Appraiser #AG004317

Table of Contents

SUMMARY OF SALIENT FACTS	Page 2
SUMMARY INFORMATION	Page 3
Purpose of this Appraisal	Page 3
Appraisal Firm.....	Page 3
Interest Valued	Page 3
Assumptions & Limiting Conditions.....	Page 3
Certifications	Page 5
Dates of Appraisal.....	Page 6
Scope of Appraisal and Reporting Process	Page 6
DEFINITIONS	Page 7
Definition of Market Value	Page 7
MARKET AREA ANALYSIS..	Page 8
Demographics.....	Page 11
Market Trends in Real Estate	Page 16
SUBJECT PROPERTY DESCRIPTION.....	Page 17
HIGHEST AND BEST USE ANALYSIS	Page 21
VALUATION OF THE SUBJECT PROPERTY	Page 22
Sales Comparison Approach	Page 22
Reconciliation.....	Page 32
ADDENDA	Page 33
Appraiser's Resume	Page 33

Summary of Salient Facts

Street Address	311 First Street
Municipality	Winters, CA
County	Yolo
Assessor's Parcel Number	003-204-002
Owner of Record	City of Winters
Dates of Value	December 2, 2013
Date of Inspection	November 8, 2013
Property Rights Valued	Fee simple
Date of Report	December 2, 2013
Intended Use	To assist client in an internal transfer of the property
Intended Users	Dan Maguire, John Wallace, City of Winters
Current Land Use	Parking lot - commercially zoned parcel
Property Size	9,017 sf (0.207 acres)
Lot Shape	Irregular
Topography	Nearly flat & level
Flood Zone	X, not a flood hazard zone
Planning Zone	C2, Central Business District
Highest & Best Use Determination	Commercial shop or warehouse
Opinion of Value	December 2, 2013: \$90,000

APPRAISAL PREMISES—SUMMARY INFORMATION

Purpose/Intended Use of the Appraisal

This appraisal was developed to furnish an opinion of value of the subject property, as of the date specified in the report. It is explicitly and solely for the use of the named clients, Dan Maguire, Housing Programs Manager and John C. Wallace, City Attorney. The intended use of the appraisal is to assist with the accounting associated with an internal transfer of the property.

Appraisal Firm

This report was prepared by Lee Bartholomew, Bartholomew Associates Inc. All of the contents of this report are the full responsibility of the signatory to this document. Kevin Ice, Appraisal Trainee of Bartholomew Associates Inc. provided assistance for the report.

Interest Valued

This is an appraisal of the fee simple interest in the real estate appraised.

Extraordinary Assumption

No extraordinary assumptions were used in this report.

Hypothetical Condition

No extraordinary assumptions were used in this report.

Assumptions and Limiting Conditions

This appraisal report has been made with the following assumptions and limiting conditions:

1. No responsibility is assumed for the legal description or matters including legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.
2. The property is appraised free and clear of any or all liens or encumbrances unless otherwise stated.
3. Responsible ownership and competent property management are assumed.
4. The information furnished by others is believed to be reliable. However, no warranty is given for its accuracy.
5. All engineering is assumed to be correct. The plot plans and illustrative material in this report are included only to assist the reader in visualizing the property.
6. 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.
7. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a nonconforming issue has been stated, defined, and considered in the appraisal report.

8. It is assumed that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.
9. It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described, and that there is no encroachment or trespass unless noted in the report.
10. The distribution, if any, of the total valuation in this report between land and improvements applies only under the stated program of utilization. The separate allocations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.
11. Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person, other than the party to whom it is addressed, without written consent of the appraiser, and in any event only with properly written qualifications and only in its entirety.
12. The appraiser herein by reason of this appraisal is not required to give further consultation, testimony, or be in attendance in court with reference to the property in question unless arrangements have been previously made.
13. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected) shall be disseminated to the public through advertising, public relations, news, sales, or other media without the prior written consent and approval of the appraiser.
14. The appraiser has not considered the potential for adverse environmental conditions. The appraisal was developed under the explicit condition that the property is not adversely affected by any subsurface issues, including but not limited to potential toxic substances. While we have no reason to believe that the property has environmental issues, if they prove to be found, we reserve the right to re-analyze our findings and render new opinions based on the findings.

Certifications

I certify that, to the best of my knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The report analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased professional analyses, opinions, and conclusions.
3. In accordance with the competency provision of the Uniform Standards of Professional Appraisal Practice, I hereby verify that my knowledge and experience is sufficient to allow me to competently complete this appraisal agreement.
4. I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
5. My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event. Additionally, the appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.
6. My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
7. I have made a personal inspection of the property that is the subject of this report.
8. The reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Appraisal Institute's Code of Professional Ethics and Standards of Professional Appraisal Practice, which includes the Uniform Standards of Professional Appraisal Practice.
9. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
10. Bartholomew Associates has completed prior assignments associated with the subject property. In all cases the client (City of Winters) is the same client as for the prior assignments.
11. Kevin Ice, Appraisal Trainee, provided significant assistance to this appraisal report. His duties included data collection and analysis, research and analysis, income research and analysis.



Lee Bartholomew
Ca. Cert. Gen. R.E. Appraiser
#AG004317

Dates of Appraisal

This appraisal property was inspected by the undersigned on November 8th, 2013. The effective date of appraisal is December 2, 2013. The report date is December 2, 2013, the date this report was developed.

Scope of Appraisal and Reporting Process

This appraisal report includes a market/marketability analysis, a highest and best use conclusion, and a valuation of the subject property assuming the use(s) concluded in the property analysis. This document is a complete summary appraisal, and all pertinent information is included in this report. The scope of the assignment included an inspection of the specific appraisal property and its surrounding market/trade area, an analysis of its surrounding uses, and a study of the market within which it competes. A fundamental market/marketability analysis was made. This included a study of trends involving both real estate and economic issues in the subject's market area, and an inventory of existing and potential competitive supply was measured and analyzed.

Source information was extracted from the following:

- NAIBT Commercial (www.naibtcommercial.com)
- Multiple Listing Service (www.prospector.metrolist.net)
- ReaList (www.reaList.com)
- CoStar Comps (www.costarcomps.com)
- STDB Online (www.stdbonline.com)
- City of Winters (www.cityofwinters.org)
 - Interviews with Planners
 - General Plan (www.cityofwinters.org/pdf/GeneralPlan.pdf)
 - Zoning Ordinance (www.municipalcodes.lexisnexis.com/codes/winters)
 - Chamber of Commerce (530) 795-2329
- SACOG (www.sacog.org)
- U.S. Census Bureau (www.census.gov)
- State of California, Employment Development Department (www.edd.ca.gov)
- Marcus & Millichap Office Research Report (www.MarcusMillichap.com)
- Freddie Mac (www.freddiemac.com)
- DataQuick Real Estate News (www.dqnews.com)
- Lake Berryessa Visitor's Center (707) 966-2111
- Yolo County Visitor's Bureau (www.davisvisitor.org)
- Other sources as referenced in the text or footnotes of the report

Once a highest and best use conclusion was reached, which includes market timing and most probable use conclusions, comparable market data were found. These were researched from Costar, the local MLS system, and internal office file data. The best available data were analyzed, adjusted, and reconciled into values for the subject. All of the information derived from this data gathering process was considered and utilized in the development and reporting of the value estimate and the market timing. The result of the analysis is a valuation of the property assuming the utilization provided in the highest and best use conclusion. Both the sales comparison and the income approaches were completed for the valuation of the subject property. The cost approach is not considered an appropriate method for determining the fair market value of the property.

DEFINITIONS

The following definitions were extracted from "The Dictionary of Real Estate Appraisal", 5th Ed., published by the Appraisal Institute, dated 2010.

Market Value

The subject property appraisal is an appraisal of the "market value" of the property. The Appraisal Institute source for this definition is The Federal Register, Vol. 55, No. 163, August 22, 1990; pages 34228 and 34229.

For the purposes of this appraisal, market value is defined as:

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:

- *buyer and seller are typically motivated;*
- *both parties are well informed or well advised, and each acting in what they consider their best interests;*
- *a reasonable time is allowed for exposure in the open market;*
- *payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and*
- *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.*

Market Value "As Is"

The "as-is" value is the value of specific ownership rights to an identified parcel of real estate as of the effective date of the appraisal; relates to what physically exists and is legally permissible and excludes all assumptions concerning hypothetical market conditions or possible rezoning.

Exposure Time

Exposure time is 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.

Surplus Land

Land not necessary to support the highest and best use of the existing improvement but, because of physical limitations, building placement, or neighborhood norms, cannot be sold off separately. Such land may or may not contribute positively to value and may or may not accommodate future expansion of an existing or anticipated improvement.

Stabilized Value

A value opinion that excludes from consideration any abnormal relationship between supply and demand such as is experienced in boom periods, when cost and sale price may exceed the long-term value, or during periods of depression, when cost and sale price may fall short of long-term value.

MARKET AREA ANALYSIS

Market Analysis--Introduction

The appraisal property is a 0.108 acre commercially approved parcel. The site is located on Railroad Avenue between and 1st Street in the town of Winters. In this portion of the report, the market within which the subject property competes is defined and discussed, and conclusions are reached as to the possible uses associated with the subject property. Conclusions reached here are carried forward in the highest and best use portion of the appraisal, later in the document.

Analysis

This portion of the appraisal report is a study of local and regional characteristics that influence real estate demand within a market area. The analysis here forms the basis for conclusions reached within the valuation portion of the report, and provides the foundation for highest and best use conclusions as well. This is a study of demographic and economic trends, transportation and economic linkage, and it includes a summary of geographic, social, economic, and governmental issues as they relate to real estate supply and demand within the area.



Geographic Issues

The subject property is located in the incorporated city of Winters, in Yolo County, CA. This community is located at the west side of the Sacramento Valley, about 10 miles north of Vacaville, and 30 miles west of Sacramento. Winters, which was originally developed in the early 1900's, was a rail-stop used by Central Valley growers to ship agricultural products to the San Francisco Bay markets. The foothills of the California Coastal range are just west of the town; this range forms a western boundary to the Sacramento Valley agricultural area. The area has suitable soils for most agricultural commodity cropping patterns, including fruit and nut permanent plantings. Agricultural activities are still predominating in the market area.

In the 1960's the state dammed Putah Creek, which is a coastal range tributary, to form Lake Berryessa, a source for irrigation and drinking water, and recreation. Lake Berryessa is one of the largest fresh water lakes in California containing about 1.6 million acre feet of water. It has 165 miles of shoreline and almost 10,000 acres of land for public use surrounding the lake. According to the Lake Berryessa Visitor's Center, the lake receives about

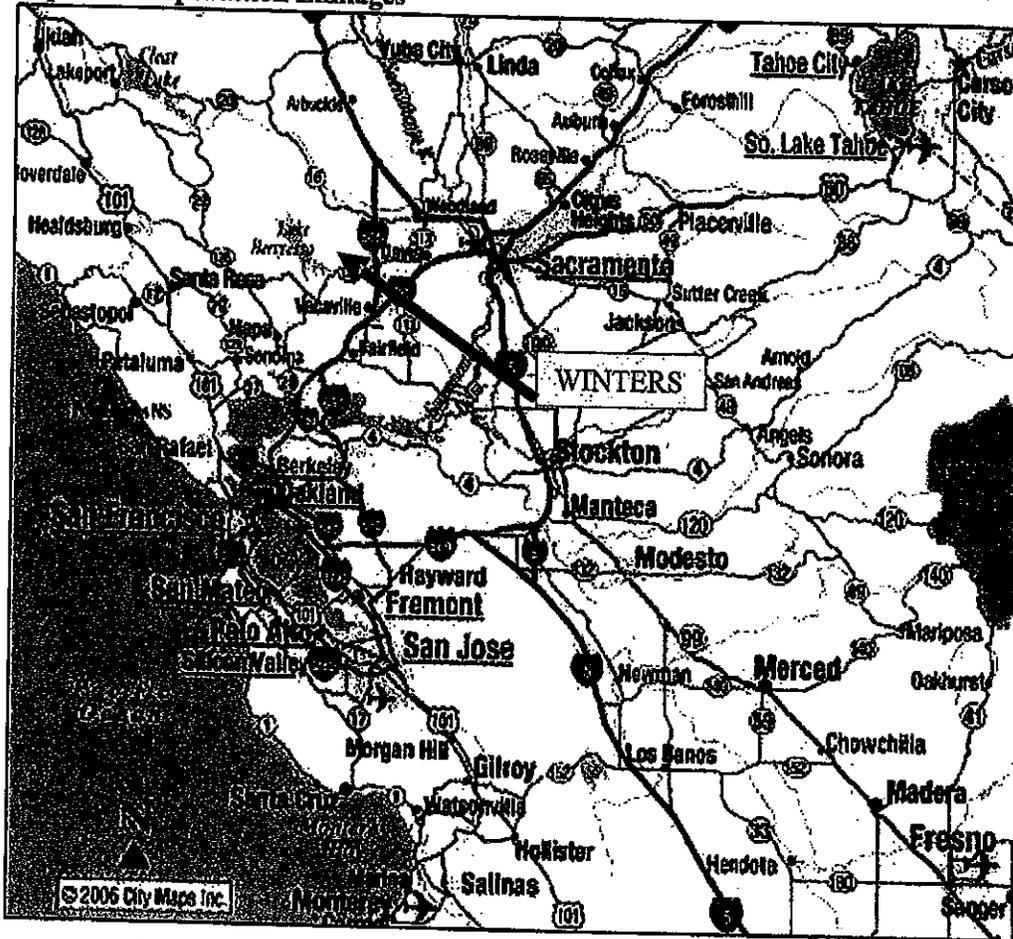
1.2 million visitors per year, mostly in the summer and mostly traveling west along Highway 128 through Winters. The bulk of these visitors are day users for hiking and boating, though there are several lodging options set up around and near the lake for longer stays including two motels and four clusters of cabins. These lodgings are open year round and provide 130 rooms for overnight

guests. Interviews with office staff at each location indicated that the winter months are very slow and summer is the primary season for guests. The Bureau of Reclamation also manages campgrounds and marinas at the lake. Winters is known as the "Gateway to Lake Berryessa," and the tourist trade accounts for some measure of the area's economy.

Transportation and Linkages

No significant rail transit exists in the area now; the north-south rail lines have been replaced by Highway 505, which connects Interstate 80 (at Vacaville in Solano County) with Interstate 5 (at Dunnigan in Yolo County). Interstate 505 forms the eastern boundary of the city limits of Winters where it intersects Highway 128. Highway 128 is a two lane highway that runs from Route 1 on the west coast (in Mendocino County) through California's wine country and reaches its eastern terminus at its intersection with Highway 505 at the eastern city limits of Winters. East of Winters the highway is known as Russell Boulevard which runs through the city of Davis. As can be seen on the map (next page), an international airport exists in Sacramento, about 30 miles east of Winters, and easily accessible from the market area. The San Francisco Bay Area is about an hour southwest of Winters, along Interstate 80; this makes a reasonable commute to the economic and financial centers of the San Francisco Bay Area. Sacramento, which is the nearest second-tier metro area, is about 30 miles east on interstate freeways, as well. The state Capital, Sacramento, is the nearest financial center and government hub, and has the most economic size in the Sacramento Valley.

Map of Transportation Linkages



Regional Influences

Winters is a small city and it relies heavily on nearby urban centers and larger cities for employment and services. The economic ties to surrounding communities are crucial in the assessment of the growth trends in Winters. Traffic patterns indicate that the majority of commuters from Winters find work to the east in Davis or Sacramento and to the south in Vacaville or Fairfield. Services, such as hospital facilities, colleges and regional shopping are located in the surrounding cities of Davis, Sacramento, Vacaville and Fairfield. The Kaiser Permanente group has a large facility in Vacaville, about 8 miles south of the subject.

These cities are located in two distinct economic areas. Davis, Sacramento, and Winters are within the Sacramento Metropolitan Statistical Area.¹ Vacaville and Fairfield are within the Vallejo-Fairfield-Napa PMSA.² Linkages to two economic hubs suggests that the population of Winters has access to a wide array of economic opportunities.

Social Considerations

The area west of Winters is marked by coastal range topography and vegetation. Compared to the Central Valley, the climate in the area is more moderate, and this has attracted residents and visitors who wish to escape the hot, intensively farmed Sacramento Valley. Winters is about 14 miles west of the UC campus in Davis, which developed prominently during the 1970's and later. Currently the campus is the most significant economic driver in the market area. The campus owns about 5,000 acres and boasts roughly 30,000 students, including the medical center in Sacramento. Because of these factors, Winters has become home to a large population segment interested in the arts. While it is difficult to measure the effect of this segment of the society, it is clear that Winters benefits economically and socially from it. A recent City of Winters job posting described the town as follows: "Winters offers award-winning restaurants, an entertainment venue featuring world-renowned musicians, a thriving art community and unique shops, all within the heart of a rich agricultural region." It is clear that the City of Winters includes both culture and agriculture in its branding, and the connection of these two elements continues to be emphasized. There are 14 restaurants in Winters, and several wineries are located within a 20 mile radius of town. These offer a range of dining choices, many of which feature locally grown produce. As well, there has recently been an emphasis on art and music. The Palms Playhouse, which operates from the newly renovated Winters Opera House, is a favorite venue for national progressive music talent. Winters has a monthly art walk, where local artists display and sell their work. Recreationally, a very popular bicycle route leads from Davis (the bike capital of the US) along Putah Creek Road into Winters, and cyclists often stop in Winters for breakfast or lunch after a morning ride.

Summarizing, socially, this is an area with great benefit. The "cultural creative" community has taken to Winters, and this has enabled a melding of social benefits with agriculture, which historically was the primary economic driver for the area.

¹ An MSA, as designated by the Federal Office of Management & Budget, consists of a nucleus of high population related to adjacent communities through a significant level of economic and social integration. These statistical areas are updated every ten years based on reviews of economic dependency factors and commute patterns. The Sacramento MSA is currently composed of Sacramento County (the core of the MSA), El Dorado County (to the east), Yolo County (to the west) and Placer County (to the north).

² This is a Primary Metropolitan Statistical Area which is a sub-area of a MSA. These are areas that have ties to a major urban area (in this case the Bay Area) but also have strong economic links within the PMSA communities and could, in a sense, represent a unique MSA.

Traffic Counts

The traffic counts along the main thoroughfares within Winters are significant to any analysis of commercial property within the city. This is due to the large percentage of retail income attributed to tourism within the city each year. Traffic counts provide a snapshot of exposure along the roads to tourists and others passing through the city. For a retail establishment this is especially imperative as each passing auto is a potential customer. As such, study of the traffic counts along Highway 128 is summarized in the following paragraph.

Traffic counts³ along Highway 128 are low for most of its length (ranging from 930 to 4,600 average daily counts). There are four peaks, beginning with two sequential points in Napa County at Tubbs Road and at Petrified Forest Road. These points each showed AADT of 8,650 and 11,900 respectively. The second two points are both located in Winters. The first is at Railroad Avenue with an AADT of 9,200. The second is at the highway's terminus, its intersection with Highway 505, with an AADT of 11,200. Cal Trans also has data regarding the AADT for on and off ramps along Highway 505. The most recent count were reported for 2005. According to this data, the traffic traveling north on Highway 505 and exiting at Highway 128 averaged 2,770 daily. For south bound traffic, the average was 580. Traffic entering Highway 505 at this point averaged 410 bound north and 2,620 bound south. The amount of traffic entering and exiting the highway remained relatively stable between 2002 and 2006. They indicate strong economic ties to the communities located south of Winters. These figures of traffic at 505 most likely indicate commute patterns for local residents traveling outside Winters for work but may also be indicative of the day-users at Berryessa and surrounding attractions.

Demographics

Growth and development in communities often are driven by specific changes in demographics. For instance, residential development is directly correlated to population and employment growth. Retail growth is impacted by changes in the number of households and income. Office growth is directly related to job growth. In order to understand the current potential for growth, trends in population, income and employment are included below. These data are relevant specifically to the City of Winters but regional data is also included inasmuch as it impacts Winters. It should be noted that these are general drivers and more specific information relevant to the subject property will be discussed later.

Population⁴

Winters is a small community that has shown slow but steady growth over the past several years. In the 2000 census, the community recorded a population of 6,125. The 2010 census showed a population of 6,624. This represents growth of 0.82% per year. The age composition of Winters is slightly younger than state averages, but is relatively close. Household size is also similar, with both Winters and California averaging close to 3 people per household. Educational attainment in Winters is below state levels. About 77% of the population of the age of 25 has a high school diploma or equivalent (in California the figure is about 81%). The proportion of residents with a bachelor's degree or higher is 21%, significantly lower than the California figure of 31%. These data are consistent with areas with a large agricultural component.

³ All traffic count data within this section was extracted from the Cal Trans database and references the AADT – average annual daily traffic. This is a measurement based on samples of the estimated average traffic expected to travel on the road at a given point.

⁴ Sources for population data are as follows: 2000 and 2005-2009 data from the U.S. Census Bureau (www.census.gov), and 2035 data from Sacramento Area Council of Governments (www.sacog.org).

Employment

As mentioned earlier, Winters is in the Sacramento-Arden-Arcade-Roseville MSA, but is heavily influenced by the Vallejo-Fairfield MSA. Both of these regions have suffered from greatly decreased employment over the past several years. Regional unemployment figures for 2007 and 2012 are shown on the following table.

Regional Employment Data (EDD)				
	Sacramento MSA	Vallejo-Fairfield MSA (Solano County)	Yolo County	Winters
Unemployment Rate (March 2007)	5.2%	5.0%	6.0%	6.9%
Unemployment Rate (March 2012)	11.5%	11.1%	14.0%	15.8%

Unemployment has increased drastically throughout the region between 2007 and the value dates. The figures for Yolo County and Winters are higher than the Sacramento and Vallejo MSAs. Much of this can be attributed to the fact that these data are not seasonally adjusted, and the labor force in Winters and Yolo County has a large agricultural component. As such, peak unemployment tends to be in January and February of each year, with substantially lower unemployment rates during the summer and early fall. Irrespective of seasonal trends, the employment situation remains bleak, and this directly translates into reduced demand for residential property. Regional industry data is discussed in the following section.

Sacramento Region

The City of Sacramento is the state's capital, and as a result the primary economic driver in the Sacramento area is government. According to reports from the Employment Development Department, 25% of all jobs fall within the government sector in the Sacramento MSA as of March 2012, or about 227,000 jobs related to local, state and national government. This represents a slightly larger share of total employment than in March 2007 (24%) even though the total number of government jobs has decreased by about 8,000.

Secondary drivers within the economy are service related including retail and hospitality associated with regional shopping centers and tourism. Additionally, rural areas of the MSA, including large parts of Yolo and Placer Counties, have strong agricultural components.

Estimates of the fastest growing jobs in the area favor the Education sector with a 35% (23,390 new jobs) growth expected between 2004 and 2014. However, recent budget issues in California suggest major cuts in public education.⁵ This will likely impact any potential growth in this sector negatively. Health care is also one of few strong sectors and is expected to grow substantially in the next few years. Overall, however, the economic indicators emanating from national and state levels suggest a slower than normal growth in all areas.

⁵ Source: California School Finance, www.californiaschoolfinance.org.

City of Davis

Davis is the neighboring town to the east. Most of the area surrounding Winters has its basic economic strength in agriculture and agricultural support uses. Davis, since the growth of the UC campus, has been the exception. The primary economic stimulus within Davis is provided by the university. This is geographically the largest University of California campus; the UC Regents own over 5,000 acres between Davis and Winters.⁶ At its core Davis is a small university town with additional growth attributable to its proximity to the state capital. The residents of Davis are predominantly either students or professionals, commuting to the Sacramento or San Francisco Bay Area, or employed within the university system.⁷ The university is by far the largest employer in Davis, providing about 29,000 jobs in the Sacramento region.⁸ Because of its direct linkages to Davis, Winters benefits from the location of the university as well.

Eastern Solano County

In Solano County, Fairfield and Vacaville are the nearest cities to the south of Winters. These are similar to the Sacramento region in that they are also impacted by the national and state issues discussed previously. The employment in this region is primarily service related. However, several biotech and pharmaceutical R&D corporations have established sites in Vacaville, including Large Scale Biology Corporation, Genentech, ALZA Corporation, Novartis International AG, and Durect Corporation. Travis Air Force Base is located in Fairfield, as well, and is considered to be one of the primary local economic drivers. This military installation employs 14,353 military personnel and civilian employees. Approximately 25% of these are civilian workers and the balance is made up of active duty and reserve military personnel from various branches of the military. Additional drivers in this area include manufacturing, mining and technology.

City of Winters

According to the 2006-2010 American Community Survey (ACS) conducted by the Census Bureau, 67% of the total population in Winters was employed (3,233). The largest share of occupations in the workforce was Natural Resources, Construction, and Maintenance Operations (26.2%), followed by Management, Business, Science and Art Occupations (23.9%) and Sales and Office Occupations (23.0%). The balance of the workforce was occupied in Service (16.1%) and Production, Transportation, and Material Moving (10.8%). Overall, the Winters economy is fairly well diversified.

According to the 2006-2010 ACS, the average commute time was 25.8 minutes, suggesting that the bulk of the workforce commutes outside of Winters to find employment. Employment within Winters is largely service-related, including retail sales, restaurant and food services. Additionally, there are public sector jobs in education and local government.

⁶ Source: UC Davis, www.ucdavis.edu.

⁷ Source: U.S. Census 2000, www.census.gov.

⁸ Source: UC Davis Economic Impact Report, www.news.ucdavis.edu/special_reports/economic_impact

While ancillary to a discussion of the subject property, the economy of Winters is contingent on the health of the local agricultural community in and around Winters. While large corporate farming is evident, there is still a wide array of small family-operated farms in the immediate area. Typical plantings exist on 20- to 160-acre parcels, and while economic viability is difficult on these smaller parcels, the growers are finding creative ways to sell their product; farmer's markets, direct to restaurants, and retailing from local farm stands are among these. Weather and soils, irrigated from the Putah Creek aquifer, are suited to stone fruit, nut crops, olives and vines. Much of the area just south of Winters along Putah Creek is planted to walnuts—this is the highest grossing permanent planting in the market area. Row cropping is less prevalent in the Winters area than in the Sacramento Valley to the east, but there are some sizeable row crop growers in the Winters area.

Income

There are two measures of income used in the U.S. Census data, per capita income and household income. Per capita income is calculated by taking the total income reported for the community and dividing it by the total number of people living in the community. This provides an average income for all residents or citizens. Household income is reported in averages and medians by the Census. Average household income is calculated by taking the aggregate income for the entire population and dividing it by the total number of households in the population. This is the primary measure of income used in determining demand for goods and services as households typically function as a single economic unit. The median household income is more precise as it uses actual income for each household and then determines the median for the community. This also provides more precision in graphing the income distribution within a community. Roughly half of the households will have incomes below the median household income and the remaining half above the median.

In 2009, the median household income for Winters was \$61,146; this showed about 2.9% per annum growth over the 2000 figure of \$48,609.⁹ The median income levels are slightly higher than California income, and in fact the proportion of the Winters population living below the poverty line is one of the lowest in the area. Projections indicate this growth to continue for the next several years. In 2014, median income is projected to be \$62,573 for the City of Winters. Per capita income in Winters has grown at a slightly higher rate which suggests that disparity between higher and lower income households has grown in the past several years.¹⁰ This is consistent with most areas during this period.

⁹ Source: Site to Do Business report for the City of Winters at www.stdbonline.com

¹⁰ The per capita income uses the average of all income to the total population essentially assigning an equal amount to every person within the population. The median household income shows the midpoint of all household incomes. According to the U.S. Census Bureau, if the lower and higher income levels were growing at the same rate, the midpoint of household incomes would shift at about the same rate as the average income. Higher rates of growth in per capita income indicate that income growth is primarily attributable to the higher income streams. For Winters, the change in median household income between 2000 and 2009 was 25.8%; the change to per capita income was 29.1% over the same period. This is almost 5% difference in growth and indicates that there is a growing disparity between low earning households and high earning households.

Summary Conclusions

Overall, the city of Winters is the smallest incorporated city in Yolo County, but it has the unique quality of economic ties to two counties (Yolo and Solano) and it has proximity to nearby major economic regions (the Sacramento MSA and the San Francisco Bay Area MSA). Transportation linkages are favorable, with I-80, Freeway 505, and the Sacramento International Airport all very close to Winters. The city's population is characterized by young families with primary income generated through commuting to nearby economic centers. Although educational attainment levels are slightly below other areas, this is a community with indicators for growth in population and income. Despite steady, albeit slow growth, the city is likely to retain its agricultural ties and continue to meld family farming operations with the local social opportunities. This reflects a very positive and diverse future in respect to the local economy. As well, the proximity to recreational destinations such as Lake Berryessa and Lake Solano Park, contribute to the development of a tourist economy, which is tangible but still in its infancy as far as driving growth in the area. In general, growth in the city is likely to be slow and well-managed by city planning efforts to retain a community that appeals to residents and tourists alike.

In researching the community, several items are of interest. First, the income and education levels within town are diverse—there is a wide gap between two segments: residents who lack higher education and are mostly at the low end of the income levels,¹¹ and those who are well educated and are at the top of the economic spectrum. This is not unusual for valley towns, but the economic disparity between these groups does tend toward a social bifurcation. This bifurcation has implications for real estate demand analyses. The most important is that the lower income households tend to be under-served as a result of average figures often used in these studies. Understanding that there is a large segment of the population earning below the average income levels provides an indication that commercial, public and residential developments must be apportioned to accommodate this population segment, and that the community must be opportunistic in narrowing the gap between the population segments. Second, Winters has had, and continues to have, infrastructure barriers to new development. This hampers the city in regard to developing a critical mass of economic and population strength, without which local services and economic opportunities will be limited. These are discussed in more detail in the following sections, but it should be noted that it is anticipated that these barriers will be removed over the next several years. Third, there are a remarkably small number of seniors or retired people living within Winters. This market segment is one that, if encouraged, would tend to additionally stabilize the current position of Winters. With positive geographic characteristics and very good transportation linkages, it would seem as though this segment of the population should be encouraged to locate within the Winters market area. Many communities are currently striving to develop neighborhoods around senior needs. The seniors demographic is the fastest growing segment of society and is viewed as a group with substantial savings and retirement income.

¹¹ A guide to education and socioeconomic status is drawn from the Department of Education statistical database. Source data is from the California Department of Education (www.ed-data-k12.ca.us) and from the U.S. Department of Education (http://nces.ed.gov/ipeds/datasearch/district_list.asp). While there were discrepancies between the two data sets, the results regarding school district performance were consistent. In Winters, roughly 30% of students are English learners. This is relatively high when compared to Davis (9.4%), Yolo County (22.4%), Vacaville (12.1%) and Solano County (13.4%). About 45% are entitled for the free or reduced lunch program. Again this is a high number when compared with surrounding areas: Davis (19.2%), Yolo County (44.5%), Vacaville (27.9%) and Solano County (36.2%). 42% of the 1,800 total students from the 2006-2007 survey are characterized as socioeconomically disadvantaged, again a relatively high number when compared with surrounding regions: Davis (9.3%), Yolo County (42.5%), Vacaville (19.5%) and Solano County (24.4%). This, coupled with the relatively high income levels within Winters, indicates a wide disparity between the "haves" and the "have nots".

Market Trends in Real Estate

The subject of this appraisal is an improved commercial property. Although residential uses are not specifically allowed under the current zoning for the property, the health of the residential real estate market has a significant effect on commercial properties. Residential development tends to attract population growth, and a growing population drives new demand for retail and office space. This portion of the study is an analysis of potential commercial uses for the property, which is preceded by a brief summary of the current residential real estate market and its supply/demand issues. Excluded from this section is a discussion of the industrial, special purpose and agricultural markets. The primary reason for this exclusion is that the subject property does not have the potential for development to these uses.

Analysis of Available and Expired Listings

There is a noted dearth of market evidence with which to analyze the Winters commercial market. One sale in the past year is noted as informative to such a discussion, and is included in the sales comparison approach to value in this report. As such it is not possible to derive any meaningful trending for the Winters commercial market over the past 3 years. To better understand market conditions we analyzed the available and expired market listings throughout recent past in Winters. The following table lists the active and expired data.

Improved Property Listings

Address	PSF Asking Price	Active or Expired
3 Grant Ave Winters	\$287.50	Active
723 Railroad Ave Winters	\$50	Active
41 Main Street Winters	\$55.03	Active
1123 W Grant Ave Winters	\$216.67	Active
101 Abbey Street Winters	\$289	Expired
41 Main Street Winters	\$53	Expired

The listings data fall in two categories, roughly those offerings at roughly \$50 psf for very poor condition space, and those offerings above \$200 psf. In our analysis of the Winters commercial sales, we have not seen a transaction take place above \$200 psf. The \$200 psf level is noted to not be born by the marketplace, as indeed many of these listings are expired. In conclusion our analysis of available and expired listings has not produced any meaningful data with which to inform the value opinion of the subject.

It is our opinion, based on interviews with agents and city staff, that Winters is beginning to see some correction to the prior adverse market conditions. There is finally, in Winters, some development occurring, including the planning of the Hudson-Ogando property, which will add about 80 housing units within the near term. Additionally, there is ongoing tenant improvement construction, and the Main Street/Railroad Avenue core, which has been updated within the past ten years, is bringing new businesses to town. Among these are restaurant, retail, wine sales, and miscellaneous service commercial. The Main Street corridor is essentially occupied, with some exceptions, and overall, demand for properties along Main Street and Railroad Avenue is considered to be pretty strong. Retail locations off of this core, however, have not fared as well. In respect to rental levels, we have not seen any increase to speak of. Rent levels have hovered at about a dollar per square foot on a gross level for quite a while. Our 2011 rent survey, as well as the current survey, indicate about this level for downtown retail space that would directly compete with the subject property. As indicated on the table above, very few recent sales have occurred in town. While there is not enough market evidence for statistical analysis, our conclusion as to market conditions tends to a recent increase in prices.

SUBJECT PROPERTY DESCRIPTION

Site Description

This parcel is a rectangular lot, totaling 9,017 square feet in area (see parcel map, below). The Yolo APN for the parcel is 003-204-002. There are no building improvements on the parcel, it is asphalt paved and used as a parking lot. There is a contiguous parking lot located northwest of the subject. There is warehouse space to the east. There is some landscaping on the west and east edges of the parcel. This is a level parcel, without adverse drainage or flooding constraints.

Utilities and Services

The property is accessed by public roadway, First Street and an alley (Newt Expressway) on the south side. It features connections to the municipal water and sewer system. PG&E gas and electric, and city owned curbs, gutters, and sidewalks serve the site. Storm drainage is underground. The city maintains street lighting on First Street.

Flood Map

According to FEMA flood panel # 06113C0563G, dated June 18, 2010, the property is located in FEMA zone X, indicating that the property is not in a flood hazard area and is located outside both the 100- and 500-year floodplains.

Surrounding Uses

The City of Winters Fire Department is located adjacent to the subject to the east, and occupies a majority of the city block. Across First Street to the west is the Winters City Hall, and beyond that the neighborhood is exclusively residential. Uses to the north are primarily residential, and to the south across the alley are Central Business District buildings with frontage on Main Street.

Building Improvements

There are no building improvements on the site. Historically there was a steel building, which has recently been removed. The site is currently used as a paved parking lot for the Winters City Hall and Winters Community Parking.

Property Ownership/Sales History

The property is owned by the Dissolved Winters Community Development Agency (Successor agency to the Winters Community Development Agency). The property was owned by William and Mary Portello from the early 1970's until it was purchased by the Winters Community Development Agency in 2009. There was no cash involved in the transaction; rather it was a direct exchange for a rental house. The Agency then transferred the fee interest to its successor agency in June 2013, as evidenced by Quitclaim Deed #20914.

Taxes and Assessments

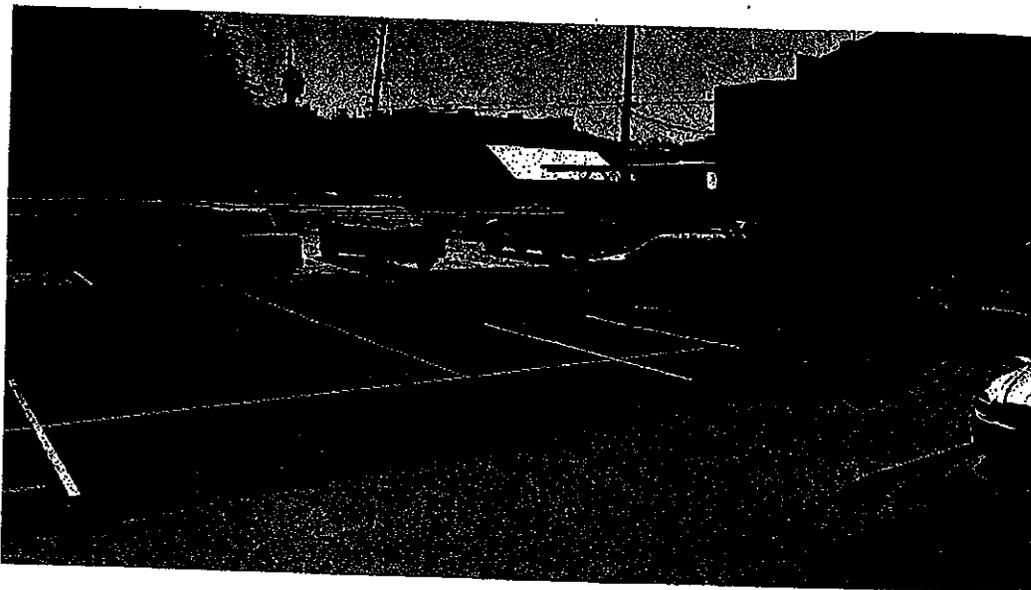
The subject property is exempt from property taxes as it is owned by a government entity.

Subject Photos

From the South



From the North



Site Description

Component	Discussion
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SITE

Size/Topography

The site is 311 First Street, which is a rectangle with a protrusion to Abbey Street. There is a strip with frontage on Abbey, suitable for a narrow commercial building. The subject is located on the east side of First Street, and the south side of Abbey. The subject is less than a block from Main Street in downtown Winters. The total lot size is 9,017 square feet (roughly a fifth of an acre). Topography is generally level. The site is adjacent to a parking lot to the north and a commercial building across the alley to the south. The Abbey frontage is adjacent the current city fire station to the east.

Fronting Streets

Access is from three sides, although the alley (south) is not designed to be a useful or desirable access point. Frontage is roughly 25 feet on Abbey Street, and roughly 60 feet on First Street.

Access

Access is via public streets, First Street borders the subject to the west, and Newt Expressway borders the south. There is a narrow strip of Abbey Street frontage. The site is one and a half blocks from Railroad and Main, a central downtown Winters location.

Landscape

The subject is primarily paved parking, though it has trees along its western and southern edges.

Utility/Off-sites

The site is fully useable. It has curb, gutter and sidewalk to all the fronting streets except the alley. The City of Winters maintains street lighting.

Site Infrastructure

The property is fully served by City of Winters utilities, including water, sewer, and undergrounded drainage. PG&E provides electricity (on overhead lines) and natural gas to the property. Telecommunications are provided to the site as well.

HIGHEST AND BEST USE ANALYSIS

The highest and best use is defined as "The reasonable and probable use that supports the highest present value, as defined, as of the date of the appraisal", and alternatively, "The reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported and financially feasible, and that results in the highest value" (source: The Appraisal of Real Estate, 12th edition, published by the Appraisal Institute, 2001, page 305). Implicit in this definition is that a particular use must meet four criteria in order to be considered as the highest and best use; the use must be physically possible, legally permissible, financially feasible, and maximally productive.

Highest & Best Use as Vacant

The C-2 zoning for the subject property allows for a variety of retail, professional and residential uses. There are no improvements currently contributing to the value of the property. Legal uses of the subject parcel are commercial in nature. Physical characteristics of the lot allow for almost any legal use, with the exception of those which require a larger land size than exists on this relatively small parcel. Financial feasibility is unlikely to be met with the development of a retail use or restaurant. In our analysis of market lease rates, we suggest that Winters retail space seems to be hovering at a gross rental rate around a dollar per square foot. Based on feasibility rent levels, the current predominant rent level is insufficient to incentivize new development at this time. This would lead to a "hold for a feasible development in the future" conclusion.

The subject is surrounded by City of Winters holdings, and is positioned well for inclusion in a scaled development, which would also include city-owned sites along Railroad Avenue, Abbey Street, and the alley. Because of the uses surrounding the subject property, there is not much natural pedestrian traffic at the present time. This may change, as the city grows and demand for downtown space increases. It is noted that the assemblage associated with the subject and the rest of the properties on its block (excluding the Winters Express property at 310-312 Railroad Avenue) limit the likely buyer of the subject, assuming it to be available to the marketplace for sale. The existing assemblage essentially creates a captive marketplace—the City of Winters is the only likely buyer of the property at the present moment. In valuing the property, which requires a hypothetical sale of the property to a market participant, we considered potential uses by typical participants. Given the enhanced value of the property by virtue of the existing assemblage with contiguous City of Winters parcels, the likely buyer is the city.

Given the economic reality, and the current feasibility associated with new development within Winters, the highest and best use of the subject (in its current vacant status) is to hold the parcel for development to a retail, restaurant, or other commercial use once demand for this type of development further increases in the market. A secondary highest and best use is to hold it in its current assemblage (along with the contiguous city owned parcels), and to develop it with a scaled project.

Exposure Period

In consideration of the data used within the value analysis, it is our opinion that the property would have required six to eighteen months in order to have achieved a successful contract/COE. Marketing period, which is prospective, may be as much as a year also.

VALUATION

In valuing real estate, three valuation methodologies are accepted as normative in the appraisal process. These are the Cost Approach, the Income Approach, and the Sales Comparison Approach.

The cost approach identifies market-supported improvements costs, subtracts a market-supported amount assignable to accrued depreciation, adds land value, and derives a value based on the cost to reproduce the improvements. This "cost approach" presumes that a typical buyer would not pay more for an existing improved property (or finished lot) than it would cost to reproduce the same improvements on a highly similar site. The cost approach was not undertaken in this assignment—the property is a vacant site.

The sales comparison approach utilizes the principle of substitution, wherein recently sold "substitute" properties are found, adjusted for market conditions, and then adjusted to account for differences between them and the subject property. The underlying assumption is that market support will be either similar to or identical to any of a group of adjusted substitute properties; thus, the indicated value for the subject is based on a range of adjusted values for the "substitute" or "comparable" transactions. The sales comparison approach is considered to be a reliable indicator of value for properties like the subject and was undertaken for this assignment.

The income approach seeks to identify market level income from a property, typically from rents, and either utilizes a gross rent multiplier or an overall capitalization rate to value the income stream from a property. The income approach to value was not undertaken for this assignment.

Sales Comparison Approach to Value

The sales comparison approach applies the principle of substitution, which assumes that a willing and prudent buyer will not pay more for a similar property than the cost to acquire a similar competitive property. The methodology in comparison includes identifying these similar, competitive properties that have sold, making appropriate adjustments to the consideration paid for them based on comparison with the subject, and reconciling the adjusted values into a value estimate for the subject.

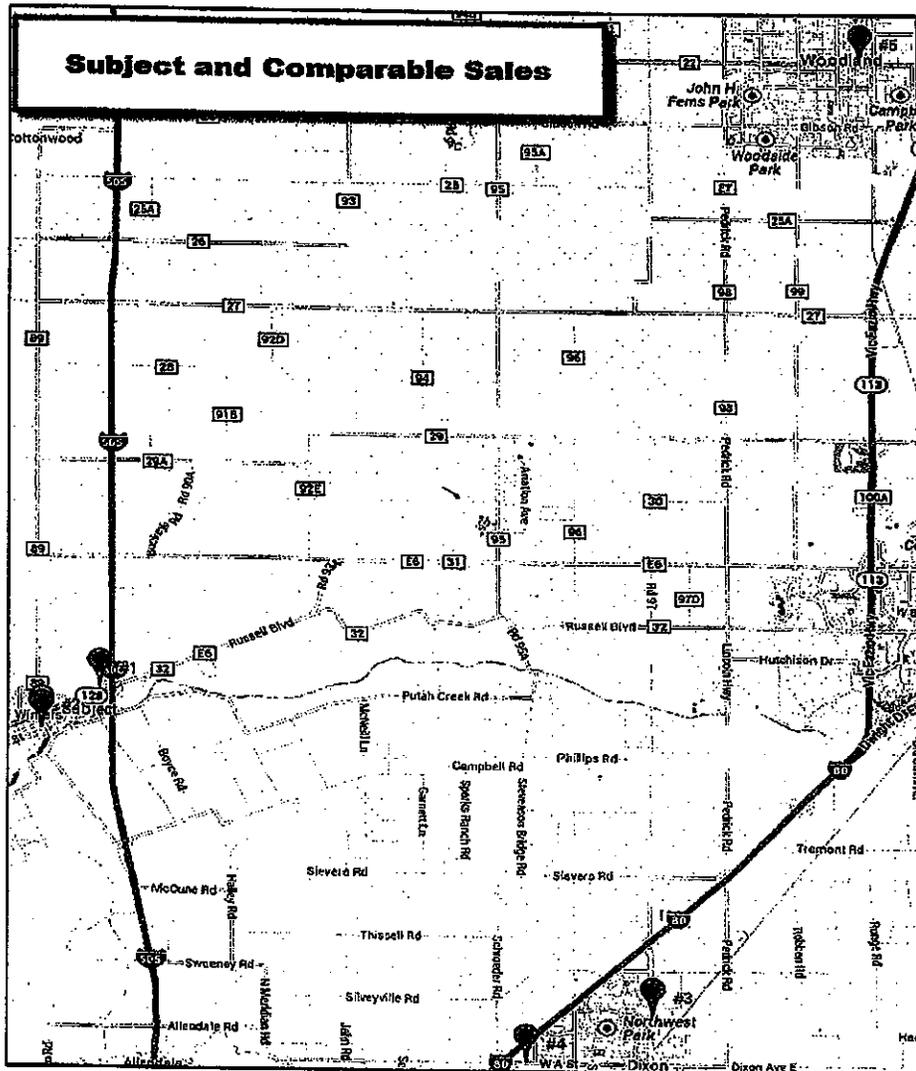
The comparison approach is applicable, particularly when there is enough information in a market to develop meaningful data with respect to market interaction. This implies that there is enough data to identify significant value patterns in the general market.

The process of developing a comparison approach for the subject property included interviewing brokers and agents and searching the public record and published data sources for sale transactions. These sales were verified and adjusted to account for changing market conditions as well as differences between the sale property and the subject property. Various elements of comparison were utilized in the analysis; they are described below.

The following chart summarizes the properties used as comparable transactions for this value approach.

Comparable Property Sales Summary

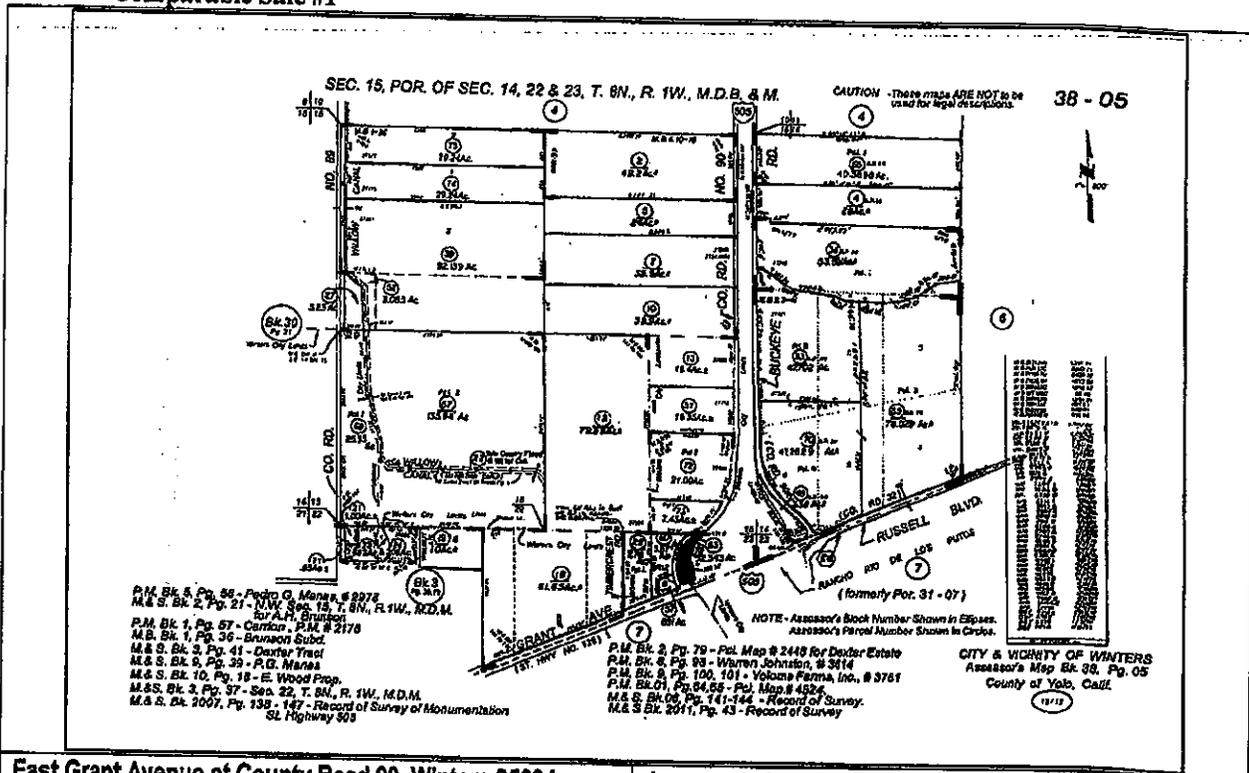
Property	Comp #1	Comp #2	Comp #3	Comp #4	Comp #5
Address	701 Matsumoto Lane	4 Edwards Street	1140 North First Street	2200 West A Street	901 Main Street
Location	Winters	Winters CBD	Dixon	Dixon	Woodland CBD
Sale Date	12/22/2010	1/24/2005	6/7/2013	4/18/2013	1/18/2013
Sale Price	\$500,000	\$117,500	\$117,500	\$125,000	\$185,000
Lot Size	2.34 acres	.124 acres	1 acre	1.02 acres	.38 acres
Zoning	Commercial	Commercial	Commercial	Commercial	Commercial
Financing	Cash	Conventional	Cash	Cash	Cash



The sales are described on data sheets on the following pages, and then adjusted for equivalency to the subject's market area and market timing.

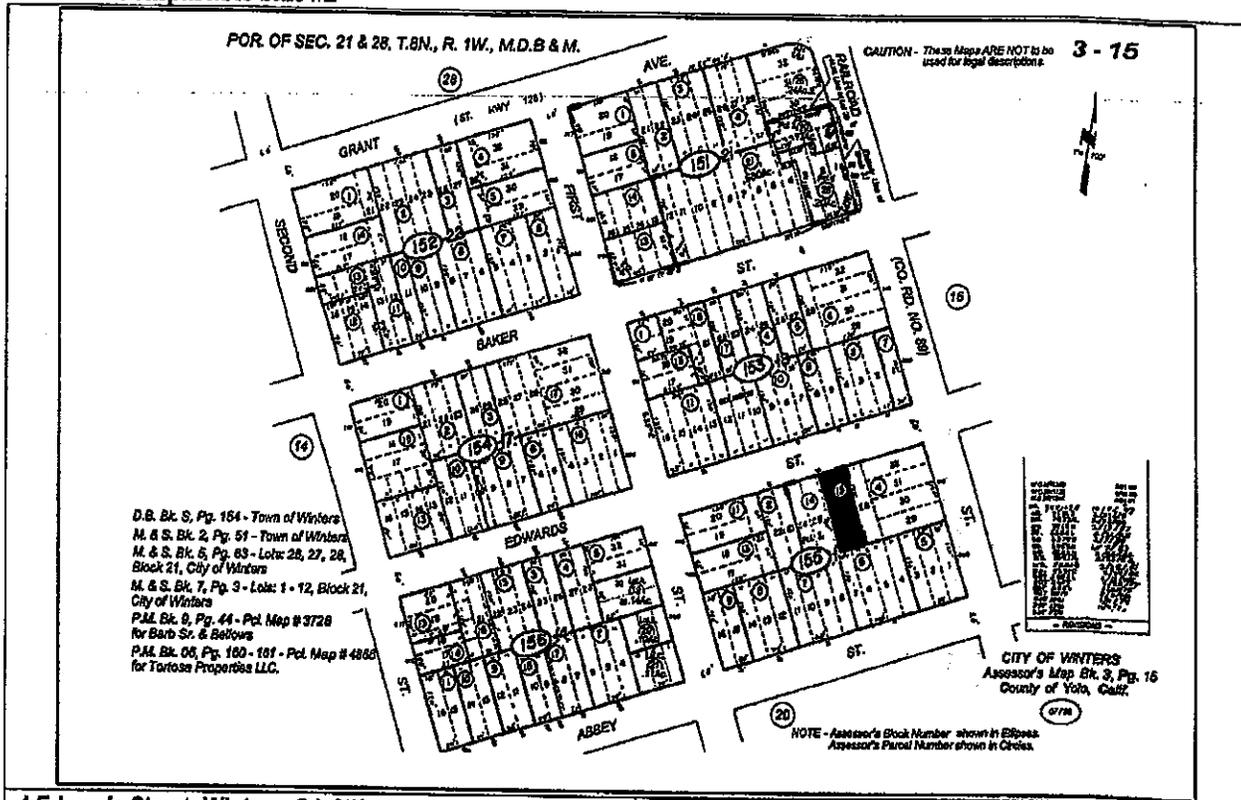
Comparable Sales Data Sheets

Comparable Sale #1



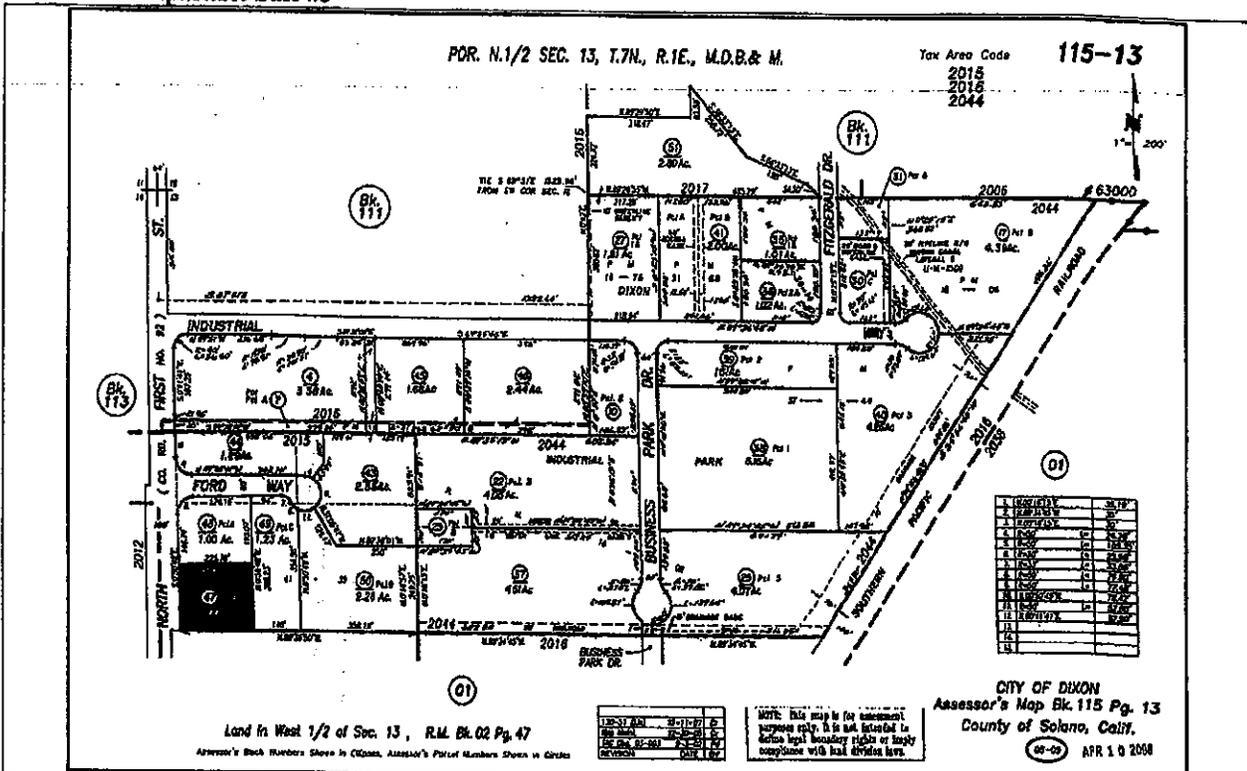
East Grant Avenue at County Road 90, Winters 95694		Assessor's Parcel Number: 038-050-063		
Site	County	Yolo	Zoning	C-H, M-1
	City	Winters	Intended Use	Fast Food
Transaction	Seller	Winters LLC	Sale Date	12/22/2010
	Buyer	Winters Gateway Inc	Conditions of Sale	Arm's Length
	Listing Broker	Chuck Krouse	Marketing Time	Unknown
			Rights Conveyed	Fee simple
	Selling Broker	Chuck Krouse	Financing	Cash
	Sale Price	\$500,000	Loan Amount	N/A
	Unit Price	\$4.91 per sq. ft.	Lender	N/A
Confirmation: Chuck Krouse, broker; Public Records		Prepared by: Kevin Ice, 12/5/2013		
Property Characteristics	Site Size	2.34 acres	Topography	Level
	Street Frontage	Paved public street	Bonds	None
	Comments - This is the December 2010 sale of a 2.34 acre site located at the northeast corner of East Grant Avenue (Highway 128) and County Road 90 in Winters. It lies between the off ramp for Interstate 505 and County Road 90. It sold for \$500,000, or \$4.91 on a per square foot basis. The buyer paid all cash. The property has split zoning; the front portion of the site is zoned highway commercial, while the rear is zoned light industrial. Accordingly, the buyer intended to develop a fast food restaurant on the front portion of the site and a truck refueling station on the rear portion, with Arco AMPM and Burger King the tenants. The parcel was assigned the address 701 Matsumoto Ln.			

Comparable Sale #2



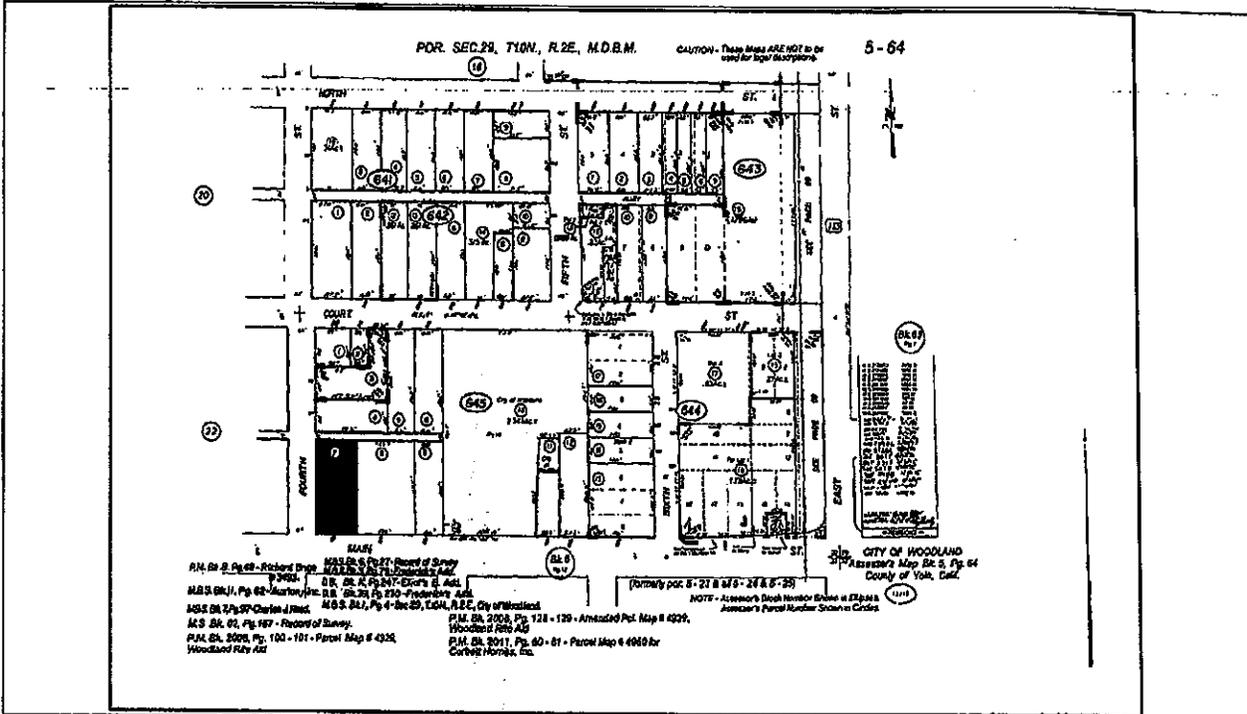
4 Edwards Street, Winters, CA 95694		Assessor's Parcel Number: 003-155-15		
Site	County	Yolo	Zoning	C-2 CBD
	City	Winters	Intended Use	Unknown
Transaction	Seller	Berteaux	Sale Date	January 24, 2005
	Buyer	Platt	Conditions of Sale	Arm's Length
	Listing Broker	Kim Lamb, Coldwell Banker	Marketing Time	287 days
	Selling Broker	Kim Lamb, Coldwell Banker	Rights Conveyed	Fee simple
			Financing	Conventional
	Sale Price	\$117,500	Loan Amount	N/A
	Unit Price	\$21.76 per sq. ft.	Lender	Unknown
Confirmation: MLS 40082723, Listing agent Kim Lamb, public records		Prepared by: Kevin Ice, 12/5/2013		
Property Characteristics	Site Size	5,400 square feet, .124 acres	Topography	Flat
	Street Frontage	Paved public street	Bonds	None
	Comments – This sale is of a downtown Winters commercial lot. Location is on Edwards, close to Railroad Ave. The sale took place at the height of the market boom. The buyer is Platt's Construction, a home remodeling company. As of May 2012 the parcel had a sign for the now defunct Platt's Construction company, with a trailer on the property.			

Comparable Sale #3



1140 North First Street		Assessor's Parcel Number: 0115-130-470		
Site	County	Solano	Zoning	CS
	City	Dixon	Intended Use	Unknown
Transaction	Seller	Wells Fargo Bank	Sale Date	6/7/2013
	Buyer	Mark & Hsiuhua Raymond	Conditions of Sale	REO
	Listing Broker	Randy Dawson Premier Commercial, Inc.	Marketing Time	108 days
	Selling Broker	Randy Dawson Premier Commercial, Inc.	Rights Conveyed	Fee simple
			Financing	Cash
	Sale Price	\$117,500	Loan Amount	N/A
	Unit Price	\$2.70 per sq. ft.	Lender	N/A
Confirmation: CoStar, MLS #21226028, public records		Prepared by: Sean Morrow, 9/9/2013		
Property Characteristics	Site Size	1 acre	Topography	Flat
	Street Frontage	Paved public street	Bonds	None
	Comments – This is the sale of a 1 acre commercial site located on the east side of North First Street. The property is rectangular and level. The site is bordered on the east by another vacant site, on the north by a flex building, and on the south by a residence. The flex building to the north is ¾ vacant, indicative of the weak Dixon commercial market. All utilities are to the site. The property has relatively easy access to Interstate 80 and excellent visibility along North First Street. It was a real estate owned transaction (REO). The seller, Wells Fargo Bank, was described by Randy Dawson as "highly motivated".			

Comparable Sale #5



901 Main Street		Assessor's Parcel Number: 005-645-007		
Site	County	Yolo	Zoning	CBD, Central Business District
	City	Woodland	Intended Use	Hold for development
Transaction	Seller	Stacey Hatten Trust	Sale Date	1/18/2013
	Buyer	Stephen & Vicki Machado	Conditions of Sale	Arm's length
	Broker	John Reddoch Woodland Davis Real Estate	Marketing Time	222 days
	Rights Conveyed	Fee simple	Financing	Cash
	Sale Price	\$185,000	Loan Amount	N/A
	Unit Price	\$11.18/SF	Lender	N/A
	Confirmation: MLS #12023035, John Reddoch, public records			
Property Characteristics	Site Size	0.38 acres	Topography	Flat
	Street Frontage	Corner	Improvements	Small block office
	Comments – This is the sale of a vacant parcel located at the northwest corner of Main Street and Fourth Street in downtown Woodland. The site is paved, and was formerly used as a car dealership, though it has been vacant for a lengthy period of time. According to the agent, who represented both sides, the buyer has no immediate plans for the property, but wanted to purchase while the market is depressed. There is a small block office on the site that is fully depreciated and did not contribute to the price. There is also a billboard on the site which reportedly earns around \$900 per year; however, the buyer plans to remove the billboard and did not allocate any value to it.			

Adjustments to the Comparable Data

Transaction Adjustments

The comparable sales are initially adjusted for equivalency to the market according to the following criteria. These adjustments are made to elements of the individual transactions which are affected by these market forces.

Rights Conveyed - The bundle of rights in real property includes all the ownership rights in a parcel of real estate. All of the comparable properties transferred the fee simple estate, and no adjustments were necessary.

Immediate Post-sale Expenditures - These are adjustments made to account for expenditures that buyers are expecting to make upon purchase of a property. Typically, the estimated amount of these expenditures is known by the buyer and factored into their decision. An expense to bring utilities to the site is an example of these costs. None of the sales necessitated adjustment for this element.

Financing - Financing adjustments, also known as cash-equivalency adjustments, relate to favorable or unfavorable sale terms, relative to typical market terms in place at the time of sale. All of the transactions were made with cash or cash-equivalent financing. Therefore, no adjustments were made for financing.

Conditions of Sale - As they affect a comparable property, conditions of sale tend to be tied to either buyer or seller motivation. Some conditions which may require adjustment include bank owned transactions (REO), 1031 exchanges, sales between related parties, and assemblages. Both of the Dixon data (#3 & #4) were Real Estate Owned (REO) properties, and warranted an adjustment for this element.

Market Conditions - Market condition adjustments reflect price trending within the market between the date of the comparable sale and the date of appraisal. The quantities for this adjustment are derived from the market conditions trending discussed in the economic analysis of the subject's market, earlier in the report. Data #2, from 2005, occurred near the historic peak of the market boom of the mid-2000s. The commercial land market fell precipitously during the time period between ~2007 and 2011 or even later. Then, and within the past year or so, this asset type has begun to rebound, and in some markets, it has increased significantly. Our belief is that the "small town" markets within the valley are still feeling the imbalance in supply/demand, and land values, while increasing, have not yet reached the price points of the peak of the market. In light of this, Data #2 was adjusted downward by 33%, which reflects the decline and the increase seen more recently. This data was used due to its other similarities with the subject—it is in Winters, within the CBD, and shares many of the subject's physical (property related) characteristics.

Adjustments for Property Related Elements

The transactions were then adjusted to account for property elements. These are physical, functional, and locational issues associated with the property. The adjustments are made in comparison to the subject property to account for the differences between the sales and the subject. The elements of comparison considered in this valuation include location, lot size, site elements, size of the improvements, and quality/condition of the improvements.

Location—these adjustments reflect the difference in price based on location. Data #5 is located on Main Street in Woodland. It is our view that the Woodland CBD and the Winters CBD are generally quite comparable. The data property is located on Main Street in Woodland, near the location of the courthouse, which is under construction. The subject does not front a primary retail/commercial street. As a result, the data is seen as slightly superior. This data was adjusted slightly downward.

Data #3 and #4 are in Dixon, which is seen as significantly inferior to the subject. They are located on arterial streets very near the freeway, but not in a CBD pedestrian-friendly location. In addition, the Dixon commercial market has high vacancy and is seen as generally weaker than the Winters commercial market. The data were adjusted upward.

Data #1 is a highway commercial location in Winters off of an I-505 off-ramp. While it enjoys a good amount of traffic, its location is seen as generally inferior to the Central Business District of Winters.

Site Size and Economies of Scale—these adjustments reflect differences in pricing attributable to lot size. Because the unit of comparison in the study is the price per square foot, the data were adjusted to account for economies of scale. Larger properties tend to sell for less on a per square foot basis, and smaller properties tend to sell for more on a per square foot basis. Data #1, 2, 3, and 4 were adjusted for this condition.

Access and Visibility – This adjustment category accounts for traffic and street frontage, vital issues for commercial development. All of the data were determined to have high visibility and sufficient access, and no adjustments were made for this element.

Zoning – The zoning of a vacant lot of land can considerably hinder or promote value. All of the data share comparable, general commercial zoning and no adjustments were made for this element.

Adjustment Grid

Item	Subject	Data 1	Data 2	Data 3	Data 4	Data 5
Address	311 First Street	701 Matsumoto Lane	4 Edwards Street	1140 North First Street	2200 West A Street	901 Main Street
City	Winters	Winters	Winters	Dixon	Dixon	Woodland
Price	N/A	\$500,000	\$117,500	\$117,500	\$125,000	\$185,000
Price/SF	N/A	\$4.91	\$21.76	\$2.70	\$2.81	\$11.18
Sale Date	N/A	12/22/2010	1/24/2005	6/7/2013	4/18/2013	1/18/2013
Rights Conveyed	N/A	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Adjustment		0%	0%	0%	0%	0%
Subtotal		\$500,000	\$117,500	\$117,500	\$125,000	\$185,000
Financing	N/A	Cash	Conventional	Cash	Cash	Cash
Adjustment		0%	0%	0%	0%	0%
Subtotal		\$500,000	\$117,500	\$117,500	\$125,000	\$185,000
Conditions of sale	N/A	Arm's Length	Arm's Length	REO	REO	Arm's Length
Adjustment		0%	0%	20%	20%	0%
Subtotal		\$500,000	\$117,500	\$141,000	\$150,000	\$185,000
Market conditions	N/A	Similar	Declining	Similar	Similar	Similar
Adjustment		0%	-33%	0%	0%	0%
Subtotal		\$500,000	\$78,725	\$141,000	\$150,000	\$185,000
Post-sale expenditures	N/A	\$0	\$0	\$0	\$0	\$0
Adjustment		0%	0%	0%	0%	0%
Analysis: Price Per Square Foot		\$4.91	\$14.57	\$3.24	\$3.38	\$11.18
Location	Winters CBD	Winters	Winters CBD	Dixon	Dixon	Woodland CBD
Adjustment		+2.5%	0%	+50%	+50%	-2.5%
Site size/ economies of scale	0.207	2.340	0.124	1.000	1.020	0.380
Adjustment		+15%	-10%	+5%	+5%	--
Access/ Visibility	Average	Average	Average	Average	Average	Average
Adjustment		--	--	--	--	--
Zoning/Use	Commercial	Commercial	Commercial	Commercial	Commercial	Commercial
Adjustment		0%	0%	0%	0%	0%
Total adjustments		+17.5%	-10%	+55%	+55%	-2.5%
Indicated Price Per Square Foot		\$5.77	\$13.11	\$5.02	\$5.23	\$10.90
Average Per Square Foot Price	\$8.01					

Analysis & Reconciliation

The adjustment procedure results in a range of per square foot prices for the comparable properties from \$5.02 to \$13.11. While the average of all the data psf values is \$8.01. The data and their indicated values are discussed below.

Data #2 stands out on the high end of the value range at \$13.11 per square foot. It is our belief that the subject would not achieve this level if exposed to the market. This data is from 2005, and was included due to the dearth of recent comparable data from Winters. The market is significantly lower as of the current value date for the subject. The gross adjustments for Data #2 total 43%. As such it is our opinion that the data, while useful to note as a high end for the price range of the subject, indicates a level below \$13.11.

Data #3 and #4 are recent Dixon sales. We believe that they indicate a per square foot price above the ~\$5.00 level. This is because Dixon has an inferior commercial market, and both the sales took place under duress. The gross adjustments for both data #3 and #4 are 75%. These data are useful as a reflection of the extreme low end of the indicated range. Given the economic and property related differences between these data and the subject, we have less confidence in these as a value indicator for the subject. Given the total array of market information, we believe the subject's value is greater than these data.

Sale #1, the highway commercial location in Winters, indicates a price at \$5.77 psf. While it has a comparably low gross adjustment level at 17.5%, we believe that highway commercial location does not achieve the same price levels as the central business district location of the subject. Given the total array of market information, we believe the subject's value is greater than these data.

In our opinion, the most comparable sale is data #5, which indicates a per square foot value of \$10.90. The sale is a recent transaction of a comparable central business district location in Woodland. The data has a low gross adjustment of 2.5%. The roughly \$10 per square foot indication is consistent with the range suggested by the other data; less than \$13.11, and more than \$5 to \$6. The quality of data #5 leads us to reconcile to a \$10 per square foot price point. Reconciliation of market value for the subject is accordingly well supported at \$90,170. A final value indication for the fee simple interest in the subject property as of December 2, 2013, and subject to the assumptions and limiting conditions mentioned herein, is reconciled at \$90,000.

Market Value, Fee Simple December 2, 2013: \$90,000

This concludes the valuation report.

ADDENDA

Professional Resume

Lee Bartholomew

Appraisal Experience:

- 1985-1986 Cypress Valuation Group—Staff appraiser.
- 1986-1987 Smith-Denton Associates; Staff Appraiser. Assignments included residential and commercial appraisal in the 9-bay county region.
- 1987-present: Bartholomew Associates: Owner of an independent fee appraisal firm.

Education, Certification, Designations:

- 1972 B.A., California State Univ., San Jose (Social Sciences, music, & philosophy)
- 1976 M.Div.; Fuller Theological Seminary
- 1989 Lifetime Community College Teaching Credential; Real Estate
- 1990+ Appraisal Institute, General Associate Member
- 1992 General Appraisal Certification, State of California (number AG004317)
- 1999 California Real Estate Broker's License (number 00767609; exp.)
- 1990+ Testified in Sacramento, Solano, & Yolo County Superior Courts as expert.

Specific Appraisal/Real Estate Coursework:

- Real Estate Appraisal Principles, 1986 (AIREA Course 1a-1)
- Residential Valuation, 1986 (AIREA Course 8-2)
- Capitalization Theory & Techniques, Part A, 1986 (AIREA Course 1b-a)
- Residential Demonstration Report Writing, 1987 (AIREA Workshop)
- Standards of Professional Appraisal Practice, part A & B, 1988 (AIREA Course)
- Farm Valuation, 1991 (AIREA Workshop)
- Subdivision Analysis, 1993 (AIREA Workshop)
- Small Residential Income Property Valuation, 1993 (AI Workshop)
- Appraisal Report Writing, 1994 (Audit) (AI Course 500)
- Small Office Appraisal Software/Hardware, 1995 (AI Workshop)
- FIRREA; Overview & Application, 1995 (REEI Workshop)

- Course 410; Standards of Practice, Part A, 1996 (AI Course)
- Course 410, Standards of Practice, Part B, 1996 (AI Course)
- Large Scale Developments—Issues, solutions, and risks, 1996 (AI Workshop)
- Federal & State Laws & Regulations, 1996 (AI-Workshop)
- Appraiser's Technology Workshop, 1996 (AI Workshop)
- Forecast '97 Workshop, 1997 (AI Workshop)
- Course 600—Valuation of Small Mixed Use Properties, 1999 (AI Course)
- FHA Seminar, 1999 (AI Seminar required for FHA appraisal)
- The Ugly House Seminar, 2003 (AI four hour Seminar)
- Counting Costs, 2003 (AI Seminar on Marshall-Swift cost guide)
- Course 510, Advanced Income Capitalization, 2005 (AI Course)
- Residential Construction Defect Litigation, 2006 (Lorman Seminar)
- Course 520, Highest & Best Use and Market Analysis, 2006 (AI Course)
- Uniform Standards of Professional Appraisal Practice (15 hour), 2006 (AI Course)
- Course 540, Report Writing and Valuation Analysis, 2006 (AI Course)
- Course 810, Lease by Lease Analysis; Computer cash flow modeling, 2004 (AI Course)
- Uniform Appraisal Standards for Federal Land Acquisitions, 2006 (AI Seminar)
- Course 530, Advanced Sales Comparison and Cost Approach, 2007 (AI Course)
- Office Building Valuation—a Contemporary Perspective, 2007 (AI Seminar)
- Course 550, Advanced Applications, 2007 (AI Course)
- Current Issues in Appraising, 2007 (AI Workshop)
- Appraisal in Litigation, 2007 (AI Workshop)
- Appraisal Institute 2008 Economic Update, 2008 (AI Seminar)
- Appraisal Institute 2009 Economic Update, 2009 (AI Seminar)
- Appraisal Institute 2010 Economic Update, 2010 (AI Seminar)
- Appraisal Institute 2009 Summer Conference (AI Seminar)
- Forecasting Revenue; AI Seminar, October, 2009
- Appraising Distressed Properties; AI Seminar, October, 2009
- The DCF Model: Concepts, Issues & Applications AI Seminar, April, 2010
- Using Spreadsheets in RE Appraisal; AI Seminar, April, 2010

Professional Experience:

25 years full-time appraisal experience. Assignments have included simple and complex properties in several Northern California Counties.

Client List:

Law Firms:

- Bair & Bair, Attorneys at Law
- Bartholomew, Wasznicky & Molinaro
- Calfee & Young
- Christine Callahan
- Law Offices of Les Hait
- Law Offices of Charles R. Jensen
- Downey Brand Attorneys LLP
- Harry D. Roth, Attorney at Law
- William D. Kopper, Attorney at Law

- Andrew Thompson Jr.
- Zipperian & Chediak Law Corporation
- Law Offices of Karen Ehler
- Law Offices of Christine Callahan
- Law Offices of Hoppin & Hoppin, Inc
- Law Offices of Poulos & Fullerton
- Law Offices of Randall L. Blake
- Law Offices of Roger Hahn
- Law Offices of Stanley Wells
- Law Offices of Henry Wang
- Michael Rand & Associates
- Yasmin Cogswell Spiegel
- Mark Y. Umeda, Attorney at Law
- Charlotte Keeley, Attorney at Law
- Larsen & Chaffin, LLP
- Ronald C. Hufft
- Caulfield, Davies & Donahue, LLP
- Michael Hanson, Attorney at Law
- Lewis & Blevans, Attorneys at Law
- Peyton & Associates
- Robert Millsap
- Roger L. Gambatese
- Law Division of NRT Incorporated
- Law Offices of Bailey & Brown
- Telles Walker & Kochenderfer, LLP
- UC Davis Family Protection Clinic
- Kronick Moskovitz Tiedemann & Girard
- William E. Woodcock, Attorney
- Gardner, Janes, Nakken, Hugo & Nolan
- Diepenbrock & Cotter LLP
- Offices of Borton, Petrini & Conron
- Goodman & Associates
- Christopher H. Engh, Attorney
- Diepenbrock-Harrison
- Moyer, Parshall & Tweedy, LLP
- Hollingshead & Associates
- David Michael Young, Attorney
- Ben-Ezra & Katz, PA
- Law Offices of Malovos & Mendoza
- Law Offices of Stephen M. Reynolds
- John C. Wallace, Attorney at Law
- Hauser & Mouzes
- Hakeem, Ellis & Marengo
- Law office of Palmer J. Swanson
- Wilson Petty Kosmo & Turner, LLP
- Law Offices of Lundgren & Reynolds
- Law Offices of Bailey & Brown
- Borton Petrini, LLP
- Cantor & Company, A Law Corporation
- Wendell, Rosen, Black & Dean, LLP

Accounting Firms:

- Brown, Fink, Boyce & Astle LLP
- Foothill Securities
- Garbahal & Company

Municipalities:

- University of California
- City of Dixon
- City of Winters
- City of Woodland
- Esparto Unified School District
- Davis Joint Unified School District

Private Entities:

- First Baptist Church of Woodland
- University of California
- Monley Cronin Properties
- KB Home Corporation
- Centex Homes
- Streng Brothers' Homes
- Pacific Gas & Electric Co.
- Russell Ranch Development
- Brandenburg Properties
- Davis Commercial Properties, Inc.
- Stonyford Land Company
- Tower Investments, LLC
- Harvest Valley School
- Cohousing Partners
- McCamant & Durett, LLC
- Sacramento Suburban Cohousing, LLC

Lenders:

- Napa Valley Bank
- Sacramento Valley Farm Credit
- Farm-Credit West
- First Northern Bank of Dixon
- First Community Bank
- Yolo Federal Credit Union



**OVERSIGHT BOARD
STAFF REPORT**

TO: Honorable Chair and Board Members
DATE: June 2, 2014
THROUGH: John W. Donlevy, Jr., City Manager
FROM: Shelly A. Gunby, Director of Financial Management 
SUBJECT: Setting a new regular meeting day for the Oversight Board

RECOMMENDATION:

Staff recommends that the Board select a new regular meeting day for the Oversight Board.

BACKGROUND:

The State of California dissolved all the Redevelopment Agencies in February 2012, and as a part of the dissolution, the Successor Agency was created as well as the Oversight Board to the Successor Agency. At the time the Oversight Board began to meet, the first Monday of each month was selected to be the regular scheduled meeting date of the Oversight Board. Various changes to the dissolution process have taken place, and the first Monday of the month regular meeting date does not fit in the schedule adopted by the Department of Finance for the submittal of the Recognized Obligation Payment Schedule (ROPS) twice a year.

Staff would like the board to consider setting the last Monday of the month as the regularly scheduled meeting of the Oversight Board so that special meetings are not required for ROPS submittal.

FISCAL IMPACT:

None.

ATTACHMENTS

None