

COMMUNITY & ECONOMIC DEVELOPMENT DEPARTMENT

City of Arts & Innovation

August 28, 2024

Sent Certified Mail and Email
7016 3560 0000 0536 9896

State of California – Department of Motor Vehicles
Attn: Kelly Piceno
2415 1st Ave., M/S A156
Sacramento, California 95818

RE: Palm and Brockton Avenue Quiet Zone Rail Project
APN: 225-041-007
Address: Vacant land, Riverside, California 92506

Dear Kelly Piceno:

The City of Riverside (City) recently appraised your property located in the city of Riverside, bearing Assessor's Parcel Number 225-041-007, in conjunction with the Palm and Brockton Avenue Quiet Zone Rail Project (Project). The Project includes constructing a new pedestrian and rail crossings to replace the existing at-grade crossing at the Union Pacific railroad tracks. This will minimize noise rail disruptions for improved connectivity.

The City is hereby offering to purchase a 156 square foot permanent easement and a 150 square foot temporary construction easement for a duration of twelve (12) months described and depicted in the enclosed offer package for a lump sum of **\$7,200**. This offer is subject to City Council or Departmental approval.

The City's offer has been determined to be the fair market value of the permanent and temporary construction easement, which was based on an appraisal from an independent third-party appraiser. The basis for that determination is explained in the enclosed "Statement of Just Compensation" and "Appraisal Summary Statement". Should you elect to obtain your own independent appraisal, the City will reimburse you for actual reasonable costs up to \$5,000 pursuant to California Code of Civil Procedures Section 1263.025. For more information on your rights as a property owner, see the enclosed "Property Acquisition and Relocation Brochure".

This offer is subject to your ability to convey clear title to the interests being acquired (i.e. property free of encumbrances or liens, other than liens for taxes and any utility encumbrances acceptable to the City). Similarly, it is your obligation to pay the current and past due taxes.

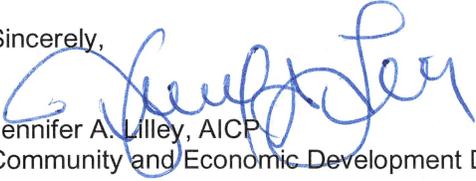
Please be advised that the offer stated above also presumes the property is free of hazardous substances (as that term is defined under California Health and Safety Code Section 33459(b) and all other subsurface soil contamination. In the event that any facts or circumstances arise which indicate the presence of such subsurface soil contamination, the City reserves the right to rescind or modify the offer stated above at any time prior to written acceptance, to reflect the estimated or actual costs to remediate the property to the satisfaction and approval of all applicable regulatory agencies. Further, in the event the City purchases the property and afterwards discovers such soil contamination, the City reserves all rights and remedies it may have against you and all prior owners to seek damages or other obligations the City incurs as a result of the contamination, as may be permitted or authorized by any law, including, but not limited to, CERCLA (42 U.S.C. Section 9601 et seq.), the Hazardous Waste Control Law (CA Health & Safety Code Section 25100 et seq.) the Porter Cologne Act (CA Water Code Section 13000 et seq.), CA Health & Safety Code Section 25280 et seq., Section 33459 et seq., and the provisions of Proposition 65.

If the property is acquired as anticipated, it is scheduled to be used within one year of acquisition and is therefore not available to be leased back under the provisions of California Code of Civil Procedure Section 1263.615.

If you are in agreement with the City's offer, an Agreement of Conveyance of Easements is enclosed to you for your review.

Should you need additional information, please contact Ron Duran, Real Property Agent at (951) 826-5115, or via email at rduran@riversideca.gov.

Sincerely,

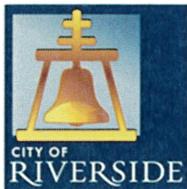


Jennifer A. Lilley, AICP
Community and Economic Development Director

- Enclosures
1. Offer to Purchase
 2. Statement of Just Compensation
 3. Appraisal Summary Statement and Sales Comparables
 4. Agreement for Conveyance of Easement
 5. Deeds (Grant of Easement & Temporary Construction Easement)
 6. Property Acquisition and Relocation Brochure

cc: Public Works Department

RD:
8/19/2024
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COMMUNITY & ECONOMIC DEVELOPMENT DEPARTMENT

City of Arts & Innovation

PROJECT: Palm and Brockton Avenue Quiet Zone Rail Project

APN: 225-041-007

ADDRESS: 6280 Brockton Avenue, Riverside, CA 92506

OWNER: State of California

THIS DOCUMENT IS NOT A CONTRACT TO PURCHASE, BUT MERELY AN OFFER TO PURCHASE FOR THE AMOUNT INDICATED BELOW, WHICH IS SUBJECT TO CITY COUNCIL OR DEPARTMENTAL APPROVAL.

The CITY OF RIVERSIDE (City), through its COMMUNITY & ECONOMIC DEVELOPMENT DEPARTMENT, hereby makes you an offer of \$7,200 for the purchase of land commonly known as a portion of 6280 Brockton Avenue, Riverside, CA 92506, also identified as Assessor Parcel Number: 225-041-007 (Property). The City's valuation is explained in the attached "Statement of Just Compensation", "Appraisal Summary Statement", and "Property Acquisition and Relocation Brochure." The attached pamphlet explains your rights as a property owner.

This offer is tendered subject to the City's approval of an environmental document prepared in compliance with the California Environmental Quality Act ("CEQA"). This offer is further tendered subject to the assumption that the soil and environmental conditions on the Property will not reduce the value of the Property. Any loss in value due to environmental or soil conditions will result in a reduction of the Purchase Price.

Whether you accept this offer or not, please sign the Acknowledgment of Receipt below and return within two (2) weeks from the date of this offer.

Dated: 9/5/2024

CITY OF RIVERSIDE

By: [Signature] Jennifer A. Lilley, AICP Community and Economic Development Director

ACKNOWLEDGMENT OF RECEIPT

Your signature on this Offer to Purchase/Rent serves only as acknowledgment that you have received this offer. [] Offer accepted [] Offer not accepted [] Offer Acknowledged

Received a copy of the above offer this _____ day of _____.

State of California _____

State of California _____

Print Name: _____

Print Name: _____

Title: _____

Title: _____

STATEMENT OF JUST COMPENSATION

The City of Riverside, through the Community & Economic Development Department, is in the process of acquiring private property for a public use. This offer to purchase your property is subject only to existing easements or restrictions of record.

In compliance with Section 301 of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601 *et seq.*), Public Law 91-646, and/or Chapter 16 of Division 7 of Title I of the Government Code, an estimate of just compensation in the amount of **\$7,200**, has been made for the interest to be acquired in your property (see "Legal Description"). This amount is based upon an approved appraisal and is not less than the appraiser's opinion of fair market value which he determined after a personal inspection of your property, at which time, you or your representative were given the opportunity to accompany him.

The appraisal takes into consideration the location of your property, its highest and best use, and current sales of properties similar to your property.

DEFINITION OF FAIR MARKET VALUE

The definition of fair market value as it applies herein is contained in Section 1263.320 of the Code of Civil Procedure of California, which is quoted in part as follows:

"(a) The fair market value of the property taken is the highest price on the date of valuation that would be agreed to by the seller, being willing to sell but under no particular or urgent necessity for so doing, nor obliged to sell, and a buyer, being ready, willing and able to buy but under no particular necessity for so doing, each dealing with the other with full knowledge of all the uses and purposes for which the property is reasonably adaptable and available.

(b) The fair market value of property taken for which there is no relevant, comparable market is its value on the date of valuation as determined by any method of valuation that is just and equitable."

Just Compensation includes amounts for the land, improvements, severance damage if any, and other elements as follows:

PERMANENT EASEMENT (156 SF x \$25)	\$	3,900
TEMPORARY CONSTRUCTION EASEMENT (150 ± SF)	\$	300
IMPROVEMENTS	\$	2,981
DAMAGE TO THE REMAINDER	\$	0
OTHER	\$	0
TOTAL (Rounded)	\$	7,200

Any increase or decrease in the market value caused by the public improvement or project for which the property is to be acquired, or by the likelihood that the property would be acquired for such improvement or project, other than due to physical deterioration within the reasonable control of the owner, has been disregarded in making the determination of just compensation.

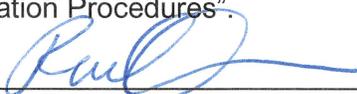
A written statement of and a summary of the basis for the amount established as the Purchase Price, is set forth in the attached Appraisal Summary Statement. This amount does not reflect any consideration of an allowance for any relocation assistance and payments or other benefits that the owner may be entitled to receive under an agreement with the City.

LEGAL DESCRIPTION: Fee simple title to the real property in the City of Riverside, State of California, described as follows:

See Exhibit "A" attached hereto and made a part hereof for complete legal descriptions.

Attached is a copy of the City's "Property Acquisition and Relocation Procedures".

Dated: 8-30-2024

By: 
Ron Duran
Real Property Agent

STATEMENT OF OWNER(S)

We have been informed of my/our rights under Public Law 91-646 and State Statutes. (Initials) _____

We have read and understand the Statement of Just Compensation. (Initials) _____

There are persons living on the property. Yes _____ No _____

There are businesses being conducted on the property by others. Yes _____ No _____

The following are living or are conducting business on the property (including owner if in occupancy): Give name(s) and address(es).

Signatures on this form do not constitute agreement on value, but only serve to indicate receipt of the form. Signature by owner(s) regarding relocation assistance information does not in any way obligate owner(s), but only serves to provide the agency with information for relocation planning.

Received a copy of the above offer this _____ day of _____, 2024.

STATE OF CALIFORNIA

STATE OF CALIFORNIA

Print Name: _____

Print Name: _____

Title: _____

Title: _____

SUMMARY STATEMENT OF VALUATION

Subject Property:	6280 Brockton Avenue, Riverside, CA 92506
Owner:	According to the submitted title report, title to the subject parcel is vested in State of California. The property has not experienced any arms-length transactions during the past 5 years and the property is not currently listed for sale.
Assessor Parcel Number (APN):	225-041-007
Parcel Size:	1.97 acres
Date of Value:	March 13, 2024
Intended User(s):	The client for this appraisal assignment is Phaedra A. Norton, City Attorney with the city of Riverside. There are no other intended users. Anyone else using or relying on this appraisal is considered an unintended user and no fiduciary obligation is owed by the appraiser to that party.
Intended Use:	The intended use of this appraisal report is as a basis for potential acquisition of the interests being appraised. The appraisal cannot be used for evaluation for collateral for a loan, collateral for bond funding, appealing taxes, settling an estate, partnership dissolution, etc.
Highest and Best Use:	<p>Before Condition</p> <p>Physically Possible - The subject property is a relatively level, irregular shaped parcel that is in a primarily residential neighborhood, with retail and commercial uses along the major arterials. Due to the existence of train tracks and rail corridor along the south side of the property, access to the property from the south is eliminated. However, the property still has frontage on and primary access from Brockton Avenue as well as secondary access from Nogales Street on the east side. Consisting of three adjoining parcels, the property is larger than the average size of parcels in the immediate area, has all utilities available, and could accommodate a variety of legally permissible uses. The physical characteristics of the site contribute well to the existing use of the property for a Department of Motor Vehicles building.</p> <p>Legally Permissible – The property is zoned O (Office) within the city of Riverside and N-MU (Neighborhood – Mixed-use) per the General Plan of the city. The Office Zone (O) is intended for the location of offices for administrative, business and professional activities that involve a relatively low volume of direct customer</p>

contact. The Zone is also established to allow limited commercial uses that support the office users and their employees. This zone allows for a variety of commercial/retail uses. The existing use of the property as an office building is a legally permissible use under current zoning.

The General Plan Designation (MU-N – Mixed-Use – Neighborhood) is intended to allow for a neighborhood mixed-use, retail, office and residential uses. While the maximum density allowed in the zone is 10 dwelling units per acre and a 1.0 FAR (floor area ratio), the typical density found in this zone is 5 dwelling units per acre with a 2.0 FAR.

Financially Feasible – In addition to the legally permissible uses and the physical characteristics of a site, the surrounding land uses in the immediate area have a big impact on the financially feasible uses of a property. In the immediate area of the subject to the north and south, there are numerous office buildings and some retail buildings along Brockton Avenue. All of the interior streets (away from the major arterials), there are older single-family residences. The existing use of the property for office use is compatible with surrounding land uses and would appear to be the most financially feasible use of the property. Therefore, it is concluded that the continued use of the property as an office building is the most financially feasible use of the property.

Maximally Productive – Considering the legally permissible, physically possible, and financially feasible uses in the current market, the highest and best use is for development of some form of office building or for continued use of the property as a DMV office.

After Condition

In the after condition, the larger parcel will have the same use and development potential as in the before condition. As the acquisition is relatively small and does not have an impact on existing buildings or site utility, there is no negative impact on the remainder parcel due to the acquisition. Therefore, the highest and best use of the property in the after condition is the same as in the before condition.

Appraisal Procedures Followed, Methodologies

For the appraisal of the subject property, only the sales comparison approach will be undertaken. Neither the cost approach nor the income capitalization approach are appropriate valuation methods when valuing vacant land. The sales comparison approach derives a market value opinion by making a comparative analysis of recently sold properties having similar characteristics to the property being appraised. Each sale property is compared to the subject property focusing on similarities and

differences that influence value.

Sales Comparison Approach

The sales comparison approach is a primary valuation methodology in valuing unimproved land, in cases where existing building improvements contribute no value to the property, or when building improvements are unaffected in partial acquisition valuations. As such, this methodology will be undertaken in valuing the subject property. A summary of comparable properties in the surrounding market area is shown in the following chart.

Zoning:

O (Office); R-1-7000 (Residential)

Principal Transactions for the Sales Comparison Approach:

Land Sales Summary									
Data No.	Location APN	Land (SF)	Zone	Sale Date Due No.	Buyer Seller	Sales Price	\$/SF Land		
A	1213 Center Street Riverside 92507 247-042-009	47,916	CPS (Scenic Hwy Comm) 7 R-1	2/21/2024 24-0045100	Dan Foster Family Trust Lainig International LLC	\$1,100,000	\$22.96		
B	4870 La Sierra Avenue Riverside 92505 146-220-041	34,530	CG (Commercial General)	7/1/2022 22-0296687	City of Riverside Encore Five Points LP	\$848,000	\$24.56		
C	1775-1795 University Avenue Riverside 92507 211-183-023, 024	27,443	MU-U (Mixed-Use Urban)	1/5/2023 N/A	Edward T. Chang UCR 1775 Development LLC	\$1,050,000	\$38.26		
D	Van Buren Blvd. & Gamble Ave Riverside 92508 274-400-047	43,560	CPS (Scenic Hwy Commercial)	9/14/2022 22-0294536	SDG Investments LLC Orangocrest Pacific Properties LLC	\$1,200,000	\$27.55		
E	Van Buren Blvd @ Arlington Riverside 92503 155-290-063	77,537	CR (Commercial Retail)	Listing N/A	Arthur Demichyuan N/A	\$2,000,000	\$25.79		
F	11144 Pierce Street Riverside 92505 146-220-040	68,825	CG (Commercial General)	7/1/2022 22-0296686	Redevelopment Agency City of Riverside Encore Five Points LP	\$1,653,000	\$24.02		
Subject	6280 Brockton Ave 92506 Riverside 225-041-007	85,813	O (Office)						
	Average Land Size (SF)	49,969							
	Average Sales Price Per SF	\$23.31							
	Minimum Sales Price Per SF	\$22.96							
	Maximum Sales Price Per SF	\$38.26							

Adjustment Analysis

Adjustment Summary						
	Data A	Data B	Data C	Data D	Data E	Data F
Address	1213 Center Street	4870 La Sierra Avenue	1775-1795 University Avenue	Van Buren Blvd. & Gamble Ave	Van Buren Blvd @ Arlington	11144 Pierce Street
Sale Price (PSF)	\$22.96	\$24.56	\$38.26	\$27.55	\$25.79	\$24.02
<i>Transactional</i>						
Interest Conveyed	Similar	Similar	Similar	Similar	Similar	Similar
Conditions of Sale	Similar	Similar	Similar	Similar	Superior	Similar
Financing	Similar	Similar	Similar	Similar	Similar	Similar
Market Conditions Comparison	<u>Similar</u>	<u>Similar</u>	<u>Similar</u>	<u>Similar</u>	<u>Similar</u>	<u>Similar</u>
<i>Physical</i>						
Location	Inferior	Similar	Superior	Superior	Similar	Similar
Access/Exposure	Inferior	Similar	Superior	Superior	Similar	Similar
Topography	Similar	Similar	Similar	Similar	Similar	Similar
Parcel Size/Shape	Inferior	Similar	Superior	Similar	Similar	Similar
Zoning	Similar	Similar	Similar	Similar	Similar	Similar
Utilities/Site Imp.	Similar	Similar	Similar	Similar	Similar	Similar
Entitlements	<u>Similar</u>	<u>Similar</u>	<u>Similar</u>	<u>Similar</u>	<u>Similar</u>	<u>Similar</u>
Overall Comparison	Inferior	Similar	Superior	Superior	Superior	Similar
Value Per SF	>\$22.96	=\$24.56	<\$38.26	<\$27.55	<\$25.79	=\$24.02

Market Data Summary

After considering differences between these data items and the subject property, they demonstrate that the subject property should be worth something less than \$25.79 per square foot, something greater than \$22.96 per square foot, and something similar to the range of \$24.02 to \$24.56 per square foot.

Reconciliation of Value – Before Analysis

The adjusted data indicated a value range of \$24.56 to \$25.79 per square foot. The subject is irregular in shape, larger in size, and has good access from multiple streets. The location of the property is adequate to support a variety of commercial/retail developments based on its surrounding residential land use patterns. Based on these factors compared to the comparables, the subject's value is concluded to be at \$25.00 net per square foot. This results in a total fee simple value of \$2,145,325, rounded to \$2,145,000 for the subject property (85,813 square feet x \$25.00).

Value of the Part Acquired

A street & highway easement acquisition is required to accomplish the planned project. There will be no residual use of the easement area by the property owner after the granting occurs. As such, the easement is tantamount to a fee acquisition of the property, with the concluded land unit value discussed in the valuation of the larger parcel being used to value the acquisition. As concluded, a land value of \$25.00 will be applied to the acquisition area (156 square feet), resulting in a value for the acquisition area of \$3,900.

Value of the Remainder in the After Condition

The value of the remainder after the acquisition but before consideration of benefits can be discussed based primarily on the previously discussed value conclusions and market data. Due to the relatively large size of the larger parcel and the relatively small size and location of the proposed acquisition, it is concluded that the highest and best use would not be impacted in the after condition by the proposed acquisition.

Severance Damages

Severance damages are equal to the difference between the value of the remainder as a portion of the whole before any acquisition and the value of the remainder in the after condition before consideration of benefits. If the value of the remainder in the after condition is less than the value of the remainder as a portion of the whole before, the property suffers permanent severance damages. Damages can be caused by the actual taking or construction of the improvements in the manner proposed.

It is concluded that the larger parcel would have the same highest and best use after the acquisition and completion of the project, with no permanent damages concluded.

Project Benefits

In the after condition, the subject property will have similar utility to its before condition. Under California law, project benefits may only be used to offset severance damages. I have considered the potential benefits accruing to the subject property as a result of the construction of the improvements in the manner proposed. Because there are no damages to offset, the amount of the benefits, if any, from this project have not been calculated. Should it be determined there are damages, the appraiser reserves the right to calculate benefits.

Site Improvements in the Acquisition Area

No staking of the proposed acquisition area had occurred at the time of property inspection. However, based on inspection of the property, submitted engineers plat map, and aerial photos, it appears that the acquisition area is in a landscaped area (concrete strip/curb, mature tree, block wall, shrub hedge) that does not impact parking area, building area or access to the property. Site Improvements in this area are minimal. While the mature tree adjacent to the acquisition area will be protected in place, compensation to the property owners will be provided for the following impacted site improvements:

- 5 feet of brick wall
- 10-feet of concrete curb and gutter
- 5 feet of shrub hedge and accompanying irrigation

Per information from the client, it is assumed that the inlet drain in the acquisition area will be relocated, and that the irrigation serving the shrub hedge will be reconfigured to serve the balance of the hedge. A summary of the site improvement compensation is presented as follows:

Site Improvement Compensation											
Item	Type	Size (l/sf)	RCN (l/s ft)	Cost Mult.	Local Mult.	Adj. Cost	Dep %	DRCN/PSF	DRCN	Install 50%	Total
Low-lying Wall	Brick	20	\$14.80	1.05	1.19	\$18.35	25%	\$13.76	\$275	\$138	\$413
Curb & Gutter	Concrete	10	\$32.00	1.05	1.19	\$39.68	25%	\$29.78	\$298	\$149	\$446
Shrub Hedge	Natal Plum	24	\$28.25	1.05	1.19	\$35.03	0%	\$35.03	\$841	\$420	\$1,261
Irrigation	Planter	24	\$10.60	1.05	1.19	\$13.14	0%	\$13.14	\$315	\$158	\$473
Fencing	Chain Link	10	\$27.75	1.05	1.19	\$34.41	25%	\$25.81	\$258	\$129	\$387
Totals									\$1,987	\$994	\$2,981

Valuation of TCE

TEMPORARY CONSTRUCTION EASEMENT							
	LAND VALUE/SF	SIZE (sf)	LAND VALUE	RATE OF RETURN	MONTHLY EASEMENT VALUE	MONTHS	VALUE
LAND RENT	\$25.00	150	\$3,750	8.0%	\$25	12	\$300
TEMPORARY CONSTRUCTION EASEMENT							\$300

Final Value Conclusions:

VALUATION SUMMARY		
	VALUE OPINIONS	VALUE OF PROPERTY RIGHTS
Value of the Larger Parcel	\$2,145,000	
Part Taken As Part of the Whole	\$3,900	\$3,900
Value of Remainder As Part of the Whole	\$2,141,100	
Value of Remainder in the After Condition	\$2,141,100	
Severage Damages	\$0	
Project Benefits	Not Calculated	
Net Severance Damages	\$0	
Temporary Construction Easement	\$300	\$300
Value of Improvements in Acquisition Area	\$2,981	\$2,981
TOTAL FAIR MARKET VALUE OF PROPOSED PROPERTY AND RIGHTS TAKEN		\$7,181
TOTAL FAIR MARKET VALUE OF PROPOSED PROPERTY AND RIGHTS TAKEN (ROUNDED)		\$7,200

**AGREEMENT FOR CONVEYANCE OF EASEMENT WITH ESCROW
STATE OF CALIFORNIA**

1.0 PARTIES AND DATE

THIS AGREEMENT is entered into by and between the STATE OF CALIFORNIA ("Grantor") and CITY OF RIVERSIDE, a California charter city and municipal corporation ("City").

2.0 RECITALS

2.1 Grantor owns certain real property located at 6280 Brockton Avenue, Riverside, California, bearing Assessor Parcel No. 225-041-007 ("Property").

2.2 City desires to purchase a permanent easement for a portion of the Property as described and depicted in Exhibit "A," attached hereto and incorporated herein by reference ("Easement"), and Grantor desires to sell and convey the Easement to City.

2.3 City desires to purchase a temporary construction easement for a portion of the Property as described and depicted in Exhibit "B," attached hereto and incorporated herein by reference ("TCE"), and Grantor desires to sell and convey the TCE to City.

2.4 The parties desire by this Agreement to provide the terms and conditions for the purchase and sale of the Easement and TCE.

3.0 AGREEMENT

3.1 **Purchase.** City agrees to buy and Grantor agrees to sell and convey the Easement and TCE for the purchase price and upon the terms and conditions hereinafter set forth.

3.2 **Purchase Price.** The total purchase price for the Easement and TCE shall be the lump sum of Seven Thousand Two Hundred Dollars (\$7,200.00), which shall be paid by City to Grantor through Escrow Holder at close of this transaction.

3.3 **Escrow.** Upon execution of this Agreement by all parties, City shall open an escrow ("Escrow") with an escrow company ("Escrow Holder") to be selected by City for the purpose of consummating the purchase and sale of the Easements. The parties hereto shall execute and deliver to Escrow Holder such escrow instructions prepared by Escrow Holder as may be required to complete this transaction. Any such instructions shall not conflict with, amend, or supersede any provision of this Agreement. If there is any inconsistency between such instructions and this Agreement, this Agreement shall control unless the parties agree in writing otherwise.

3.4 **Closing Date.** This transaction shall close on or before sixty (90) days following the execution of this Agreement ("Closing Date"). If the Escrow is not in a condition to close by Closing Date, any party who is not then in default may, upon notice in writing to the Escrow Holder, demand the return of their money and/or documents. Upon receipt of the written consent of City, and the return of

the money and/or documents, all obligations and liabilities of the parties under this Agreement shall cease and terminate. If no such demand is made, the transaction shall be closed as soon as possible.

3.5 Condition of Title. Grantor shall convey title to the Easement and TCE to City as evidenced by a CLTA Standard Form Policy or Binder of Title Insurance ("Title Policy") issued by a title insurance company to be selected by City in an amount equal to the purchase price. Title Policy shall show as exceptions with respect to the Easement and TCE only matters approved in writing by City. Any exceptions to title representing monetary liens or encumbrances may, at the discretion of the City, be disapproved by City.

3.6 Property Taxes and Assessments. Grantor has, or shall have paid, before Closing Date, any and all current and past due taxes, assessments, penalties and interest levied and assessed against Property. If not paid prior to Closing Date, upon demand by City to pay, Grantor hereby authorizes Escrow Holder to disburse to the taxing authority from funds otherwise due to Grantor an amount sufficient to discharge said taxes, assessments, penalties and interest.

3.7 Closing Costs. City shall pay the cost of Title Policy, all Escrow fees (including reconveyance fees, trustee's fees or forwarding fees for any partial reconveyance or subordination of a deed of trust or mortgage) if applicable, and all recording costs incurred herein. All parties acknowledge that City is exempt from payment of documentary transfer taxes.

3.8 Deposit of Funds and Documents. Prior to Closing Date, City shall deposit into Escrow (i) all Escrow and Closing Costs as described above; (ii) the purchase price to be paid to Grantor through Escrow; and (iii) such other documentation as is necessary to close Escrow in conformance herewith. Prior to Closing Date, Grantor shall deposit into Escrow (i) the properly executed grant of easements, in the same forms as Exhibits "A" and "B"; and (ii) such other documents and sums, if any, as are necessary to close this transaction.

3.9 City's Conditions Precedent to Close of this Transaction. The close of this transaction is subject to the following conditions:

(a) All representations and warranties of Grantor set forth in this Agreement shall be true and correct as of close of this transaction; and

(b) Grantor shall timely perform all obligations required by the terms of this Agreement to be performed by them.

3.10 Grantor's Conditions Precedent to Close of this Transaction. For the benefit of Grantor, the close of this transaction shall be conditioned upon the timely performance by City of all obligations required of City by the terms of this Agreement.

4.0 REPRESENTATIONS AND WARRANTIES OF GRANTOR

Grantor makes the following representations and warranties, each of which shall survive Closing Date:

(a) The execution and delivery of this Agreement by Grantor, Grantor's performance hereunder, and the consummation of this transaction will not constitute a violation of any order or decree or result in the breach of any contract or agreement to which Grantor is a present party, or by which Grantor is bound; and

(b) Grantor will not enter into any agreements or undertake any new obligations prior to Closing Date which will in any way burden, encumber or otherwise affect Property and/or Easement or TCE without the prior written consent of City; and

(c) To Grantor's knowledge, no litigation and no governmental, administrative or regulatory act or proceeding regarding the environmental, health and safety aspects of Property is pending, proposed, or threatened.

5.0 **ACKNOWLEDGMENT OF FULL BENEFITS AND RELEASE**

5.1 By execution of this Agreement, Grantor, on behalf of itself and its respective heirs, executors, administrators, successors and assigns, hereby acknowledge that this Agreement provides full payment for the acquisition of the Easement and TCE by City, and Grantor hereby expressly and unconditionally waives any and all claims for damages, improvements, relocation assistance benefits, severance damages, interest, loss of goodwill, claims for inverse condemnation or unreasonable pre-condemnation conduct, or any other compensation or benefits, other than as already expressly provided for in this Agreement, it being understood that this is a complete and full settlement of all acquisition claims, liabilities, or benefits of any type or nature whatsoever relating to or in connection with the acquisition of the Easement and TCE.

5.2 This Agreement arose out of City's efforts to acquire the Easement and TCE through its municipal authority. The parties acknowledge and agree that the consideration paid to Grantor shall be deemed the fair market value and total amount of "just compensation" for the Easement and TCE. Grantor, on behalf of itself and its respective heirs, executors, administrators, successors and assigns, hereby fully releases City, its successors, agents, representatives, and assigns, and all other persons and associations, known or unknown, from all claims and causes of action by reason of any damage which has been sustained, or may be sustained, as a result of City's efforts to acquire the Easement, or to construct works of improvement thereon, or any preliminary steps thereto.

5.3 Grantor hereby acknowledges that it has or has had an opportunity to speak with an or has been advised by an attorney and is familiar with the provisions of California Civil Code section 1542, which provides as follows:

"A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor or released party."

Grantor acknowledges that it may have sustained damage, loss, costs or expenses which are presently unknown and unsuspected, and such damage, loss, costs or expenses which may have been sustained, may give rise to additional damage, loss, costs or expenses in the future. Nevertheless,

Grantor hereby acknowledges that this Agreement has been negotiated and agreed upon in light of that situation, and hereby expressly waives any and all rights which it may have under California Civil Code section 1542, or under any statute or common law or equitable principal of similar effect.

This acknowledgment and release shall survive Closing Date.

6.0 REMEDIES

If Grantor defaults under this Agreement, then City may, at City's option, terminate the transaction or initiate an action for specific performance of this Agreement, or pursue any other rights or remedies that City may have at law or in equity. If City defaults under this Agreement, then Grantor may, at Grantor's option, terminate the transaction or pursue any rights or remedies that Grantor may have at law or in equity.

7.0 MISCELLANEOUS

7.1 **Notice.** Any notice to be given or other document or documents to be delivered to either party by the other hereunder may be delivered in person or may be deposited in the United States Mail in the State of California, duly registered or certified, with postage prepaid, and addressed as follows:

Grantor: California Department of Motor Vehicles
Attn: Kelly Piceno
2415 1st Ave., M/S A156
Sacramento, CA 95818
Phone: (916) 257-7102
Email: Kelly.Piceno@dmv.ca.gov

City: CITY OF RIVERSIDE
Community & Economic Development Department
3900 Main Street
Riverside, CA 92522
(951) 826-5938 (phone)
(951) 826-5744 (fax)

Any notice or other documents sent by registered or certified mail as aforesaid shall be deemed to have been effectively served or delivered at the expiration of twenty-four (24) hours following the deposit of said notice or other documents in the United States mail.

7.2 **Time of Essence.** Time is of the essence with respect to each and every provision hereof.

7.3 **Governing Law.** All questions with respect to this Agreement, and the rights and liabilities of the parties hereto, shall be governed by the laws of the State of California.

7.4 **Venue.** Any action at law or in equity brought by either of the parties hereto for the purpose of enforcing a right or rights provided for by this Agreement shall be tried in the Superior Court

in the County of Riverside, State of California, and the parties hereby waive all provisions of law providing for a change of venue in such proceedings to any other county.

7.5 **Severability.** If any provision of this Agreement, or its application to any party or circumstances, is determined to be invalid or unenforceable to any extent by a court of competent jurisdiction, then the remainder of this Agreement, and the application of such provision to persons or circumstances other than those to which said provision has been determined to be invalid or unenforceable, shall not be affected thereby and each provision thereof shall be valid and enforced to the fullest extent permitted by law.

7.6 **Binding Effect.** This Agreement shall inure to the benefit of, and shall be binding upon, the assigns, successors in interest, personal representatives, estates, heirs and legatees of each of the parties hereto.

7.7 **Entire Agreement.** This Agreement contains the entire Agreement of the parties hereto, and supersedes any prior written or oral agreements between them concerning the subject matter contained herein. There are no representations, agreements, arrangements, or understandings, oral or written, between the parties hereto, relating to the subject matter contained in this Agreement which are not fully expressed herein.

7.8 **Amendments.** This Agreement may be amended or supplemented only by written documents signed by all parties.

7.9 **Nondiscrimination.** The parties shall not discriminate on the grounds of race, religious creed, color, national origin, ancestry, age, physical disability, mental disability, medical condition, including the medical condition of Acquired Immune Deficiency Syndrome (AIDS) or any condition related thereto, marital status, sex, genetic information, gender, gender identity, gender expression, or sexual orientation, military and veteran status, in connection with the performance of this Agreement. The parties further agree to conform to the requirements of the Americans with Disabilities Act in the performance of this Agreement.

7.10 **Additional Documents.** The parties hereto agree to execute any and all additional documents and instruments necessary to carry out the terms of this Agreement.

7.11 **No Merger.** All representations, warranties, acknowledgments, releases, covenants and obligations contained in this Agreement shall survive delivery and recordation of the Grants of Easement.

7.12 **Ratification.** This Agreement is subject to approval and ratification by the City Council of the City of Riverside.

7.13 **Authorization to Sign.** Grantor hereby represents and warrants to City that it is the sole owner of the referenced Property, and that it has the authority to enter into this Agreement.

7.14 **Counterparts.** This Agreement may be executed in two (2) or more identical counterparts, each of which shall be deemed to be an original and each of which shall be deemed to be one and the same instrument when each party signs each such counterpart.

7.15 **Digital and Counterpart Signatures.** Each party to this Agreement intends and agrees to the use of digital signatures that meet the requirements of the California Uniform Electronic Transactions Act (Civil Code §§ 1633.1, et seq.), California Government Code § 16.5, and California Code of Regulations Title 2 Division 7 Chapter 10, to execute this Agreement. The parties further agree that the digital signatures of the parties included in this Agreement are intended to authenticate this writing and to have the same force and effect as manual signatures for purposes of validity, enforceability, and admissibility. For purposes of this section, a “digital signature” is defined in subdivision (d) of Section 16.5 of the Government Code and is a type of “electronic signature” as defined in subdivision (h) of Section 1633.2 of the Civil Code. This Agreement may be executed in any number of counterparts, each of which will be an original, but all of which together will constitute one instrument. Each certified or authenticated electronic copy of an encrypted digital signature shall be deemed a duplicate original, constituting one and the same instrument and shall be binding on the parties hereto.

[SIGNATURES ON FOLLOWING PAGE.]

IN WITNESS WHEREOF, City and Grantor have caused this Agreement to be duly executed the day and year first above written.

CITY:

CITY OF RIVERSIDE

By: _____
Community & Economic Development
Deputy Director

Dated: _____

ATTEST:

By: _____
City Clerk

CERTIFIED AS TO AVAILABILITY OF FUNDS:

By: _____
Chief Financial Officer

APPROVED AS TO FORM:

By: _____
Susan Wilson
Assistant City Attorney

GRANTOR:

STATE OF CALIFORNIA

By: _____
Name:
Title:

Dated: _____

By: _____
Name:
Title:

Dated: _____

EXHIBIT "A"

Permanent Easement

When recorded mail to:

City Clerk's Office
City of Riverside
City Hall, 3900 Main Street
Riverside, California 92522

FREE RECORDING

This instrument is for the benefit of the City of Riverside and is entitled to be recorded without fee (Government Code §6103)

FOR RECORDER'S OFFICE USE ONLY

Project: Brockton Avenue Quiet Zone
Address: 6280 Brockton Avenue
Por. APN: 225-041-007

D-

GRANT OF EASEMENT

State of California, as Grantor(s), FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, do(es) hereby grant to the **CITY OF RIVERSIDE**, a California charter city and municipal corporation, as Grantee, its successors and assigns, an easement and right-of-way for public street and highway purposes, together with all rights to construct and maintain the same, as well as pedestrian walkway facilities, manufactured slopes, utilities, including but not limited to electric energy distribution, transmission and telecommunications facilities, waterline distribution and transmission facilities, sanitary sewers, storm drains, traffic signals and related electrical facilities, gas line facilities, and other improvements consistent with the use as a public street and highway, in, under, upon, over and along that certain real property as described in **EXHIBIT "A"** attached hereto and incorporated herein by this reference, located in the City of Riverside, County of Riverside, State of California.

State of California

Dated _____

By: _____

Print: _____

Title: _____

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of _____

}

ss

On _____, before me, _____

notary public, 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.

Notary Signature

**CERTIFICATE OF ACCEPTANCE
(Government Code Section §27281)**

THIS IS TO CERTIFY that the interest in real property conveyed by the within instrument to the City of Riverside, a California charter city and municipal corporation, is hereby accepted by the undersigned officer on behalf of the City Council of said City pursuant to authority conferred by Resolution No. 23439 of said City Council adopted May 14th, 2019, and the grantee consents to recordation thereof by its duly authorized officer.

DATED _____

CITY OF RIVERSIDE

By: _____
Jennifer A. Lilley, AICP
Community & Economic
Development Director

EXHIBIT "A"
LEGAL DESCRIPTION

Street and Highway Easement
Project: Brockton Avenue Quiet Zone
Address: 6280 Brockton Avenue
Por. APN: 225-041-007

That portion of Government Lot 3 in the Fractional Northwest Quarter of Section 34, Township 2 South, Range 5 West, San Bernardino Meridian located in the City of Riverside, County of Riverside, State of California, described as follows:

BEGINNING at the Southeast corner of Parcel 1 of Grant of Easement in favor of the City of Riverside recorded June 29, 1962, Instrument No. 61418 of Official Records of Riverside County, California, being the intersection of the Northerly line of the Union Pacific Railroad Right of Way and a line parallel with and distant 44.00 feet Easterly, measured at right angles from the centerline of Brockton Avenue;

Thence North 89°28'12" East, along the Northerly line of said Union Pacific Railroad Right of Way, a distance of 13.00 feet;

Thence North 0°05'19" West, along a line parallel to the Easterly line of said Parcel 1, a distance of 12.00 feet;

Thence South 89°28'12" West, along a line parallel to said Northerly line, a distance of 13.00 feet to said Easterly line,

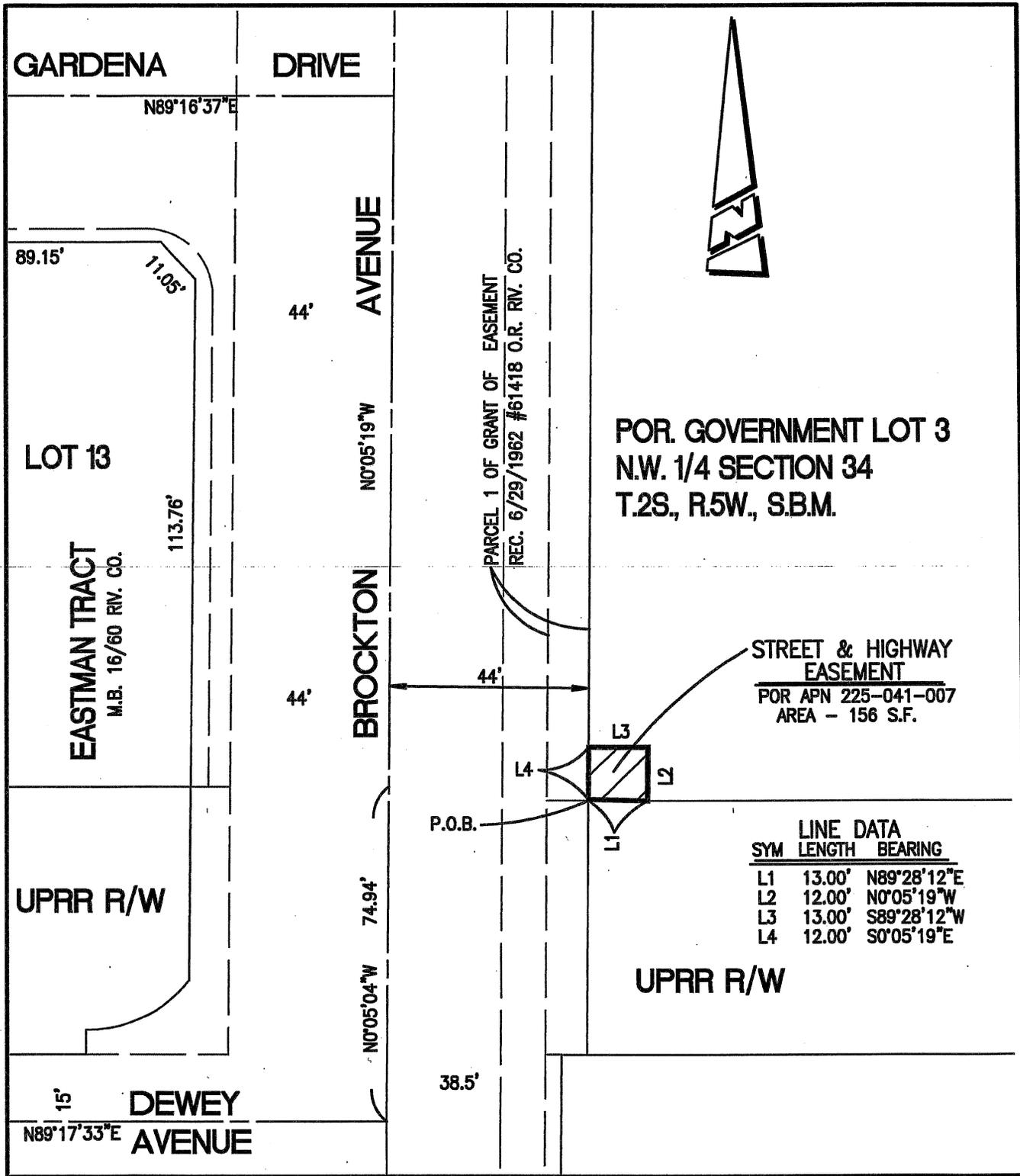
Thence South 0°05'19" East, along said Easterly line, a distance of 12.00 feet, to the **POINT OF BEGINNING**;

Area – 156 S.F. more or less

This description was prepared by me or under my direction in conformance with the requirements of the Land Surveyors Act.

DB Webb 8/1/2024 Prep. CS
Douglas B. Webber, L.S. 9477 Date





• CITY OF RIVERSIDE, CALIFORNIA •

THIS PLAT IS SOLELY AN AID IN LOCATING THE PARCEL(S) DESCRIBED IN THE ATTACHED DOCUMENT. IT IS NOT A PART OF THE WRITTEN DESCRIPTION THEREIN.

SHEET 1 OF 1

SCALE: 1"=30'

DRAWN BY: CURT

DATE: 5/12/23

SUBJECT: 6280 BROCKTON AVENUE - APN 225-041-007

EXHIBIT "B"

Temporary Construction Easement

When recorded mail to:

City Clerk's Office
City of Riverside
City Hall, 3900 Main Street
Riverside, California 92522

FREE RECORDING

This instrument is for the benefit of the City of Riverside and is entitled to be recorded without fee (Government Code §6103)

FOR RECORDER'S OFFICE USE ONLY

Project: Brockton Avenue Quiet Zone
Address: 6280 Brockton Avenue
Por. APN: 225-041-007

D-

TEMPORARY CONSTRUCTION EASEMENT

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, the **State of California**, as Grantor(s), hereby grant(s) a temporary easement and right of way to the CITY OF RIVERSIDE, a California charter city and municipal corporation, as Grantee, its successors and assigns.

The property subject to this temporary easement and right of way is located in the City of Riverside, County of Riverside, State of California, as described in **Exhibit "A"** attached hereto and incorporated herein by this reference.

This temporary easement and right of way allows Grantee the right to use the above described property for the purpose of installing public improvements. Such use may include, but is not limited to ingress and egress of persons and vehicles, the deposit of tools, equipment, machinery, and materials used in the performance of the construction, and for similar purposes by the City of Riverside, its officers, employees, agents or contractors.

Upon completion of construction, Grantee promises to remove all debris, waste, brush, or other materials deposited or placed upon the property subject to this temporary easement. Grantee further promises to make all reasonable efforts to return the surface of the property, with the exception of vegetation, to its original condition prior to entry.

This temporary easement and right-of-way shall terminate 12 months after issuance of the notice to proceed or upon completion of the public improvements and acceptance by City as demonstrated by recordation of a notice of completion, whichever occurs first.

Dated _____

State of California

By: _____

By: _____

Print Name: _____

Print Name: _____

Title: _____

Title: _____

ACKNOWLEDGMENT

State of California

County of _____

} ss

On _____, before me, _____,

notary public, 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.

Notary Signature

**CERTIFICATE OF ACCEPTANCE
(Government Code Section §27281)**

THIS IS TO CERTIFY that the interest in real property conveyed by the within instrument to the City of Riverside, a California charter city and municipal corporation, is hereby accepted by the undersigned officer on behalf of the City Council of said City pursuant to authority conferred by Resolution No. 23439 of said City Council adopted May 14th, 2019, and the grantee consents to recordation thereof by its duly authorized officer.

Dated _____

CITY OF RIVERSIDE

By: _____
Jennifer A. Lilley, AICP
Community & Economic
Development Director

EXHIBIT "A"
LEGAL DESCRIPTION

Temporary Construction Easement
Project: Brockton Avenue Quiet Zone
Address: 6280 Brockton Avenue
Por. APN: 225-041-007

That portion of Government Lot 3 in the Fractional Northwest Quarter of Section 34. Township 2 South, Range 5 West, San Bernardino Meridian located in the City of Riverside, County of Riverside, State of California, described as follows:

COMMENCING at the Southeast corner of Parcel 1 of Grant of Easement in favor of the City of Riverside recorded June 29, 1962, Instrument No. 61418 of Official Records of Riverside County, California, being the intersection of the Northerly line of the Union Pacific Railroad Right of Way and a line parallel with and distant 44.00 feet Easterly, measured at right angles from the centerline of Brockton Avenue;

Thence North 89°28'12" East, along the Northerly line of the Union Pacific Railroad Right of Way, a distance of 13.00 feet to the **POINT OF BEGINNING**;

Thence North 0°05'19" West, along a line parallel to the Easterly line of said Parcel 1, a distance of 12.00 feet,

Thence South 89°28'12" West, along a line parallel to said Northerly line, a distance of 13.00 feet to said Easterly line;

Thence North 0°05'19" West, along said Easterly line, a distance of 5.00 feet

Thence North 89°28'12" East, along a line parallel to said Northerly line, a distance of 18.00 feet;

Thence South 0°05'19" East, along a line parallel to said Easterly line, a distance of 17.00 feet to said Northerly line;

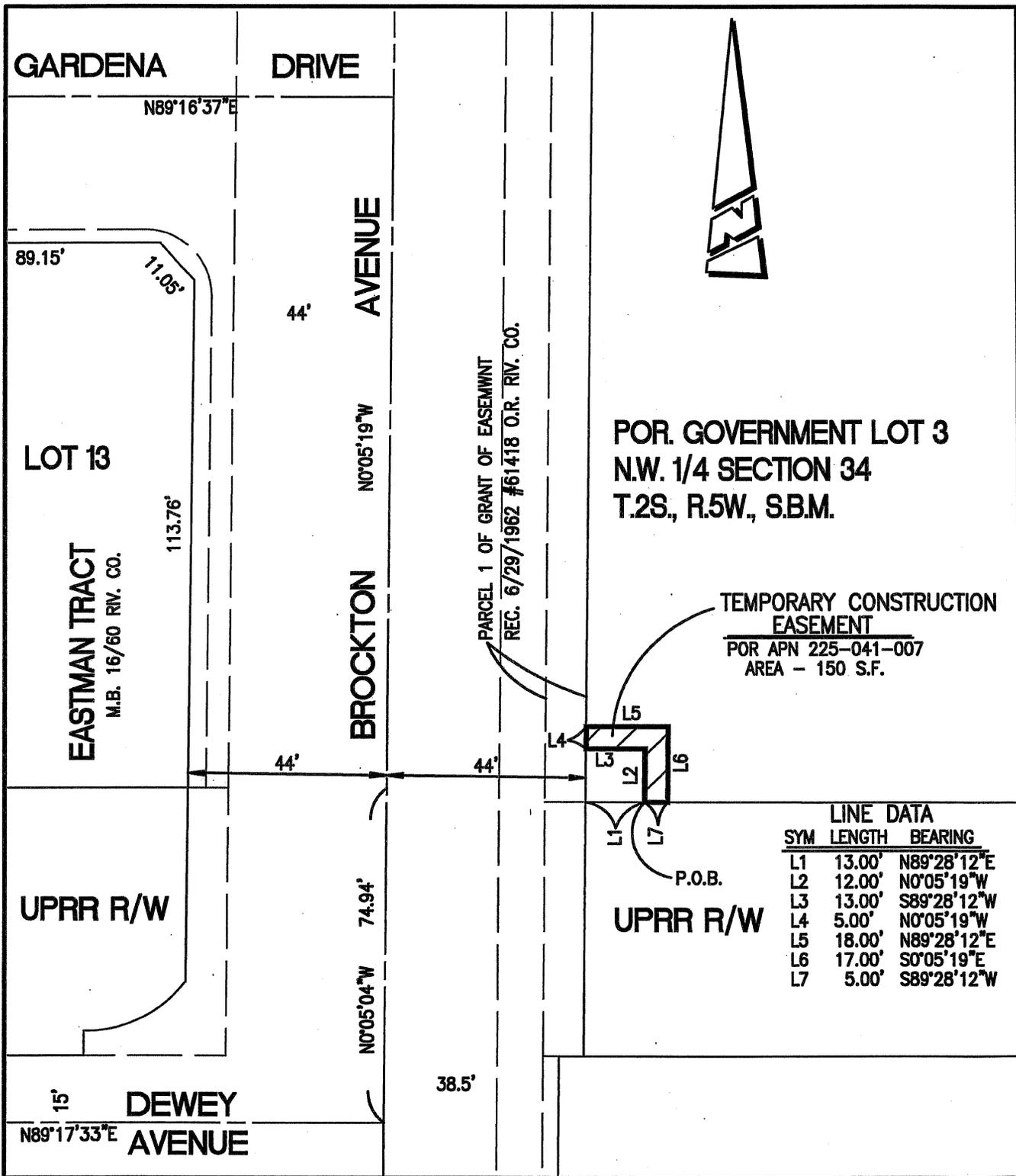
Thence South 89°28'12" West, along said Northerly line, a distance of 5.00 feet to the **POINT OF BEGINNING**;

Area – 150 S.F. more or less

This description was prepared by me or under my direction in conformance with the requirements of the Land Surveyors Act.

DB Webb 8/1/2024 Prep. CS
Douglas B. Webber, L.S. 9477 Date





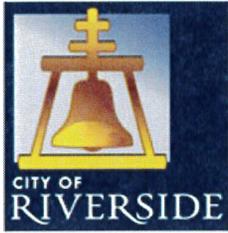
POR. GOVERNMENT LOT 3
N.W. 1/4 SECTION 34
T.2S., R.5W., S.B.M.

• CITY OF RIVERSIDE, CALIFORNIA •

THIS PLAT IS SOLELY AN AID IN LOCATING THE PARCEL(S) DESCRIBED IN THE ATTACHED DOCUMENT. IT IS NOT A PART OF THE WRITTEN DESCRIPTION THEREIN.

SHEET 1 OF 1

SCALE: 1"=30' DRAWN BY: CURT DATE: 5/12/23 SUBJECT: 6280 BROCKTON AVENUE - APN 225-041-007



City of Arts & Innovation

CITY OF RIVERSIDE

Property Acquisition and Relocation Procedures Brochure

Real Property Services Division
3900 Main Street, 5th Floor
Riverside, California 92522
(951) 826-5649
www.RiversideCA.gov

Dear Property Owner:

Occasionally, in order to build or improve a modern transportation system, public utility system, or other types of City or Housing Authority facilities, the City of Riverside, or other Public Entity (“Public Entity”) must purchase real property, or easements in real property, on which to construct the needed facilities.

If you own real property to be acquired, in whole or in part for a Public Entity project, you are protected by the Uniform Relocation Assistance and Real Property Acquisitions Policies Act of 1970 (“Uniform Act”), or similar state legislation, and the Eminent Domain Laws of the State of California. This brochure describes many of the important facts about public acquisition of real property under state and federal law of which you should be aware.

If you own a business, you may have the right to claim loss of business goodwill as applicable under California Civil Code of Procedure § 1263.510.

§ 1263.510. Mandatory compensation: proof required

(a) The owner of a business conducted on the property taken, or on the remainder if such part of a larger parcel, shall be compensated for loss of goodwill if the owner proves all of the following:

(1) The loss is caused by the taking of the property or the injury to the remainder.

(2) The loss cannot reasonably be prevented by a relocation of the business or by taking steps and adopting procedures that a reasonably prudent person would take and adopt in preserving the goodwill.

(3) Compensation for the loss will not be included in payments under Section 7262 of the Government Code.

(4) Compensation for the loss will not be duplicated in the compensation otherwise awarded to the owner.

(b) Within the meaning of this article, “goodwill” consists of the benefits that accrue to a business as a result of its location, reputation for dependability, skill or quality, and any other circumstances resulting in probable retention of old or acquisition of new patronage.

We are available to answer your questions and to assist you in understanding the acquisition program. Should you desire further information, please contact the Real Property Services Division at (951) 826-5649.

What Right Does the Public Entity Have to Acquire My Property?

Every Public Entity has certain powers, which are necessary for it to operate effectively. For example, states have the power to levy taxes and the power to maintain order. Another power is the power to acquire property for public purposes. This is known as the power of eminent domain.

The rights of each of us are protected by the Fifth and Fourteenth Amendments of the United States Constitution, and by the California State Constitution and eminent domain laws, which guarantee that if a Public Entity takes private property, it must pay “just compensation” to the owner.

Further, under the Uniform Relocation Assistance and Real Property Acquisitions Policy Act of 1970, the owner and lessee of the property have additional protections, some of which are explained in this brochure.

Who Made the Decision to Buy My Property?

The decision to acquire property for a Public Entity project usually involves many persons and many decisions. The final decision to proceed with the project is made by the Public Entity after a thorough review of the need for the project, and in many cases includes public hearings to obtain the views of interested citizens.

If you have any questions about the project or the selection of your property for full or partial acquisition, you should contact a representative of the City’s Real Property Services Division at (951) 826-5649.

How Will the Public Entity Determine How Much to Offer for My Property?

Before making an offer, the Public Entity will obtain an appraisal of your property by a competent, licensed real property appraiser who is familiar with local property values. The appraiser will inspect your property and state his or her professional opinion of its current fair market value in an appraisal report. After the appraiser has completed the report, a review appraiser may check the work to assure that the estimate is fair and the work conforms with professional appraisal standards.

The Public Entity is required to offer you “just compensation” for your property. This amount cannot be less than the appraised fair market value of your property. You can elect to obtain an independent appraisal and the Public Entity will reimburse you for the actual reasonable costs up to Five Thousand Dollars (\$5,000). You, not the Public, Entity must order the appraisal and the appraiser must be licensed with the Office of Real Estate Appraisers (OREA). Your request for reimbursement must be made in writing and submitted with a copy of the paid invoice. A copy of the appraisal should be submitted as well.

What is Fair Market Value?

Fair market value is sometimes defined as the highest price which would be paid for a property in a sale between a willing seller, who does not have to sell, and a willing buyer, who does not have to buy.

The fair market value of a property is generally considered to be “just compensation.” Fair market value does not take into account intangible elements such as sentimental value, good will, business profits, or any other “special” value that your property may have for you as an individual.

How Does an Appraiser Determine the Fair Market Value of My Property?

Each parcel of real property is different and therefore no single formula can be devised to appraise all properties. Among the factors an appraiser typically considers in estimating the value of real property are:

How it compares with similar properties in the area that have recently sold (Comparable Sales Approach).

How much it would cost to reproduce the buildings and other structures, less any depreciation (Cost Approach).

How much rental income it could produce (Income Approach).

Will I Have a Chance to Talk to the Appraiser?

Yes. You must be contacted and given the opportunity to accompany the appraiser on the inspection of your property. You may then inform the appraiser of any special features which you believe may add to the value of your property. It is in your best interest to provide the appraiser with all the useful information you can in order to insure that nothing of allowable value will be overlooked. If you are unable to meet with the appraiser, you may wish to have a person who is familiar with your property represent you.

How Soon Will the Public Entity Give Me a Written Offer to Purchase?

The timing of a purchase offer depends on the following factors:

The amount of work required to appraise your property;

The availability of funding; and

Possible project delays caused by factors outside the Public Entity's control.

Typically, barring unforeseen delays caused by factors beyond the Public Entity's control, you can expect a written purchase offer within 60 days of completion of the appraisal. The appraisal of a single family residence takes approximately four weeks to complete from the date the property is inspected. A business or industrial property, on the other hand, can take 60 days or longer to complete due to the greater complexity involved.

The Public Entity must give you a written offer to purchase your property for the full amount determined to be just compensation, and it must do so promptly. Along with the offer, you will receive a written statement explaining the basis for the determination of just compensation. No negotiations can take place before you receive this statement and the written purchase offer.

What is in the Public Entity's Statement of the Basis For Its Determination of Just Compensation?

A statement of the basis for the Public Entity's determination of just compensation for your property, often referred to as an "Appraisal Summary Statement," must be provided to you with the written purchase offer. Among other things, this statement must include:

A description of the property to be acquired.

A list of the improvements covered by the offer.

The amount of the offer.

An indication that the offer does not include any relocation payments or other relocation assistance to which you may be entitled under other regulations.

The recognized definition of the term "fair market value" or equivalent term.

Must I Accept the Public Entity's Offer?

No. You are entitled to present evidence as to the amount you believe to be the value of your property and to make suggestions for changing the terms and conditions of the offer. The Public Entity must make reasonable efforts to consider and respond to your evidence and suggestions. When fully justified by available evidence of value, such as an independent appraisal obtained by you, an adjustment to the offer may be made. Pursuant to Code of Civil Procedure section 1263.025: "A public entity shall offer to pay the reasonable costs, not to exceed five thousand dollars (\$5,000), of an independent appraisal ordered by the owner of a property that the public entity offers to purchase under a threat of eminent domain, at the time the public entity makes the offer to purchase the property." Certain requirements may exist for reimbursement of appraisal costs.

May I Have Someone Represent Me During Negotiations?

Yes. If you would like an attorney or anyone else to represent you during negotiations, please so inform the Public Entity in writing. However, there are no provisions for the Public Entity to pay the costs of any such representation.

If I Agree to Accept the Public Entity's Offer, How Soon Will I Be Paid?

If you reach a voluntary agreement to sell your property and your ownership (title) is clear, payment will be made at a mutually acceptable time. Generally, this should be within 30 to 60 days after you sign a purchase contract. If the title evidence obtained by the Public Entity indicates that further action is necessary to show that your ownership is clear, you may be able to hasten the payment by helping the Public Entity to obtain the necessary clearances. (Title evidence is a legal record of ownership of the property. It identifies the owners of record and lists the restrictive deed covenants and recorded mortgages, liens and other instruments affecting your ownership of the property.)

What Happens If I Do Not Agree to the Final Purchase Offer by the Public Entity?

If you are unable to reach a voluntary agreement through negotiations, the Public Entity may file a suit in court to acquire your property through an eminent domain proceeding. Eminent domain proceedings are often referred to as condemnations. If your property is to be acquired by condemnation and you would like it done promptly, the Public Entity must file the condemnation suit without unreasonable delay.

What Happens if the Public Entity Condemns My Property?

You will be notified of the action and given at least 15 days' written notice of a public hearing to be held before the Public Entity's governing body (the Public Entity Board) to determine the need and necessity for the project. After the hearing, assuming need and necessity have been substantiated, the Public Entity will file a condemnation lawsuit.

During the condemnation proceedings, you will be provided an opportunity to introduce your evidence as to the value of your property. Of course, the Public Entity will have the same right. After hearing the evidence of all parties, the court will determine the amount of just compensation.

To help you in presenting your case in a condemnation proceeding, you may wish to consider employing an attorney and an appraiser. However, the costs of these professional services and other costs which you incur in presenting your case to the court are your responsibility.

What is an Order For Possession?

An order for possession is a process within a condemnation action which allows the Public Entity to have the use of your property prior to a negotiated settlement or an award of just compensation in court. This procedure is used typically only where the use of your property is necessary to accomplish timely construction of the project for which your property is required.

In order to obtain an order for possession, the Public Entity must deposit with the court (usually in the State of California Condemnation Deposits Fund) an amount not less than the appraised fair market value of the property. Ordinarily, the property owner is then permitted to withdraw his or her share of this amount, LESS any amounts necessary to pay off any property taxes, mortgages or other liens on the property, and any sums necessary to resolve any special ownership problems. Early withdrawal of your share of the money will not affect your right to seek additional compensation for your property. It is recommended that you have the help of an attorney if you intend to do this. Should the negotiated settlement or court award exceed the amount deposited by the Public Entity, you will be paid the difference, plus any interest that may be provided by state law.

What Can I Do If I Am Not Satisfied With the Court's Determination?

If you are not satisfied with the court's judgment, you may file an appeal with the appropriate Appellate Court for the area in which your property is located. The Public Entity may also file an appeal if it believes the amount of the judgment is too high.

Will I Have to Pay Any Settlement Costs?

You will be responsible for the payment of any current and past due property taxes, penalties and interest, the balance on any mortgages on your property, and any other liens which may affect your

property. Also, if your ownership (title) is not clear, you may have to pay the cost of clearing it. You will not be responsible for the reasonable and necessary costs of:

Typical services required to complete the sale, including escrow fees, title insurance fees, recording fees, transfer taxes, or any other similar expenses which are incidental to transferring ownership to the Public Entity.

Penalty costs and other charges necessary to permit prepayment of an earlier recorded mortgage on the property which was entered into in good faith.

Real property taxes covering the period after the Public Entity acquires your property.

These items will be identified in a Settlement Cost Statement to be given to you in escrow, if a voluntary settlement is reached, or soon after the court's award of compensation, if the property is acquired by condemnation. Ordinarily, if you have paid any of these expenses yourself, you will be repaid at that time. If you later discover other costs for which you should be repaid, you should request repayment from the Public Entity within six months after the acquisition. The Public Entity will assist you in filing a claim for these costs. Finally, if you believe that you were not properly repaid, you may appeal -- first to the Public Entity, and, if not satisfied, then to the courts.

May I Keep Any of The Buildings or Other Improvements on My Property?

Sometimes improvements on a property are not required by the Public Entity. This might include such items as a fireplace mantel, your favorite shrubbery, or even an entire house. If you wish to keep any improvements, please let us know as soon as possible.

If you do arrange to keep any improvements, the Public Entity will deduct the salvage value from the purchase price you would otherwise receive. (The salvage value of an item is its probable selling price if offered for sale on the condition that the buyer will remove it at his or her own expense.) If you arrange to keep any real property improvements (such as a fireplace mantel or a shrub), you will not be entitled to receive payment for the cost of moving it to a new location.

Can the Public Entity Take Only a Part of My Property?

Yes. But if the purchase of only a part of your property reduces the value of the remaining part, you must be paid for the loss in value ("severance damages"). Also, if any remaining part would have little or no utility or value to you, the Public Entity must offer to buy the remaining part from you, if you so desire.

Will I Have to Pay Rent to the Public Entity After My Property is Acquired?

If you remain on the property after acquisition, you will be required to pay a fair rent to the Public Entity. Generally, such rent will not be more than what is charged as rent for the use of a property similar to yours in a similar area.

How Soon Must I Move?

Every reasonable effort will be made to give you ample time to relocate after the acquisition of your property. In most cases, a mutually satisfactory arrangement can be worked out. Except in an unusual instance where there is an urgent need for your property in order to begin construction, you

cannot be required to move from your residence, business, or farm operation without at least 90 days' advance written notice of the date by which your move is required.

If you reach a voluntary agreement to sell your property, you cannot be required to move before you receive the agreed purchase price. In the case of condemnation, you cannot be required to move before the estimated fair market value of the property has been deposited with the court so that you can withdraw your share.

If you are being displaced from your residence, decent, safe and sanitary replacement housing must be available before you are required to move.

I Am a Veteran, How About My GI Loan?

After your GI home mortgage loan has been repaid, you will be permitted to obtain another GI loan to purchase another property. Check on such arrangements with your nearest VA office.

What is Title II of the Uniform Act?

Title II (Uniform Relocation Assistance) of the Uniform Act specifies certain relocation payments and other assistance which the Public Entity must provide to families, individuals, businesses, farms and nonprofit organizations when they are displaced.

The Public Entity must furnish you with a full explanation of the relocation benefits to which you may be entitled. If you have any questions about those benefits, or your right to receive them, please contact the Real Property Services Division at (951) 826-5649. In order for the Public Entity to fulfill its relocation obligations to you, you must keep the Public Entity informed of your plans.

My Property is Worth More than When I Bought It. Must I Pay Capital Gains Tax on the Increase?

In most cases when the Public Entity acquires real property, the property owner may postpone the payment of federal capital gains taxes on any profits from the sale if the money is reinvested in similar property within a certain period of time. To take advantage of this right, you should include the details of the sale in a statement with your federal income tax return for the tax year in which you realize the gains.

Internal Revenue Service (IRS) Publication 544, "Sales and Other Dispositions of Assets," is available from the IRS. It explains how federal income tax would apply to a gain or loss resulting from the condemnation of real property or its sale under the threat of condemnation for public purposes. If you have any questions about the IRS rules, you should discuss your particular circumstances with your personal tax advisor or your local IRS office.

Is it Possible to Donate Property to the Public Entity?

Yes. However, prior to accepting any donation of real property, the Public Entity must inform the owner in writing of the amount it believes to be just compensation for the property. The property owner must indicate in writing that although he or she understands that he/she cannot be required to sell the property for less than just compensation, he/she voluntarily agrees to do so.

Again, if you have any questions about any aspect of these procedures, call the Real Property Services Division at (951) 826-5649. We are here to serve you.