

**DATE:** January 18, 2018

**TO:** WCA Governing Board

**FROM:** Debbie Enos, Deputy Executive Officer

**THROUGH:** Mark Stanley, Executive Officer

**SUBJECT:** Item 13: Consideration of a resolution to ratify a contract for appraisal services for the Rio Hondo Trailhead Acquisition Project.

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**RECOMMENDATION:** To ratify a contract for appraisal services for the Rio Hondo Trailhead Acquisition Project.

**BACKGROUND:** The proposed project consists of acquiring up to 11 acres fee simple land or up to 22 acres of conservation easement for open space, wildlife habitat, and future trailhead development adjacent to the Rio Hondo tributary of the Los Angeles River. The project location is included in Exhibit A.

The property is currently under consideration for development—including potential development through the Montebello Hills Specific Plan. Conservation on portions of these properties is of high importance to the RMC and other local, state and federal conservation agencies, such as the U.S. Fish and Wildlife Services. The U.S. Fish and Wildlife Service in coordination with the California Department of Fish and Wildlife have been working with the landowner’s representatives on the acquisition of a portion of this property.

Increasing the extent of conserved habitat in the Montebello Hills will reduce habitat fragmentation, supporting a significant California gnatcatcher population which is a federally threatened species, as well as suitable habitat for coastal cactus wren—a California species of special concern—and other associated species. Acquisition of the proposed project (Exhibit A) will conserve habitat for 18 known pairs of California gnatcatchers—habitat which is also immediately adjacent to an active restoration effort which has greatly increased the California gnatcatcher population in recent years. Although focused surveys have not been conducted, cactus wrens have been observed in suitable habitat within the project site. If the acquisition takes place, a large block of habitat will be conserved at the east end of the Montebello Hills, adjacent to open space contiguous with the Chino/Puente Hills.

A Request for Quote (RFQ) was released in November 2017 to three consulting firms, two of which were recommended by US Fish and Wildlife Service. They are (1) Thomas W. Erickson, MAI, (2) Anderson & Brabant, Inc., and (3) The Doré Group. The acquisition area includes portions of Assessor’s Parcel Numbers (APN) 5271-001-048 and 5271-001-049. Since the property is located within the City of Montebello, and federal funds are involved with possible property acquisition, the RFQ was circulated with specific instructions for consultant services to provide an appraisal that is compliant with:

1. WCB / DGS requirements (see attachments)
2. Uniform Appraisal Standards for Federal Land Acquisitions (USFLA / Yellow Book)
3. Uniform Standards of Professional Appraisal Practice (USPAP)

Three quotes were received and carefully reviewed by WCA staff approximately three weeks after the RFQ was initially released. Currently, the property is under immediate development pressure from the Montebello Hills Specific Plan and there is an urgency to complete the appraisal in partnership with US Fish and Wildlife Service and the California Wildlife Conservation Board. Out of all proposals received, Thomas W. Erickson, MAI was determined as the consultant offering the highest benefit to the WCA and its partners in providing the requested appraisal services. They have provided adequate knowledge and experience with conducting appraisal reports that meet both state and federal requirements in addition to providing a low fee amount. The table below summarizes the fees proposed by each consultant.

<b><i>Consultant Group</i></b>	<b><i>Total Proposed Quote</i></b>
Thomas W. Erickson, MAI	\$6,500
Anderson & Brabant, Inc.	\$13,750
The Doré Group	\$9,500

Given the cancellation of the last WCA Board meeting and the urgency of the appraisal required by WCA and its partners to understand the current highest and best use market value of the property for possible acquisition, the executive officer moved to contract appraisal services from Thomas W. Erickson, MAI on December 19, 2017. Staff is recommending the ratification of a contract with Thomas W. Erickson, MAI for appraisal services for the Rio Hondo Trailhead Acquisition Project for an amount not to exceed \$6,500. The contract is included in Exhibit B of this report.

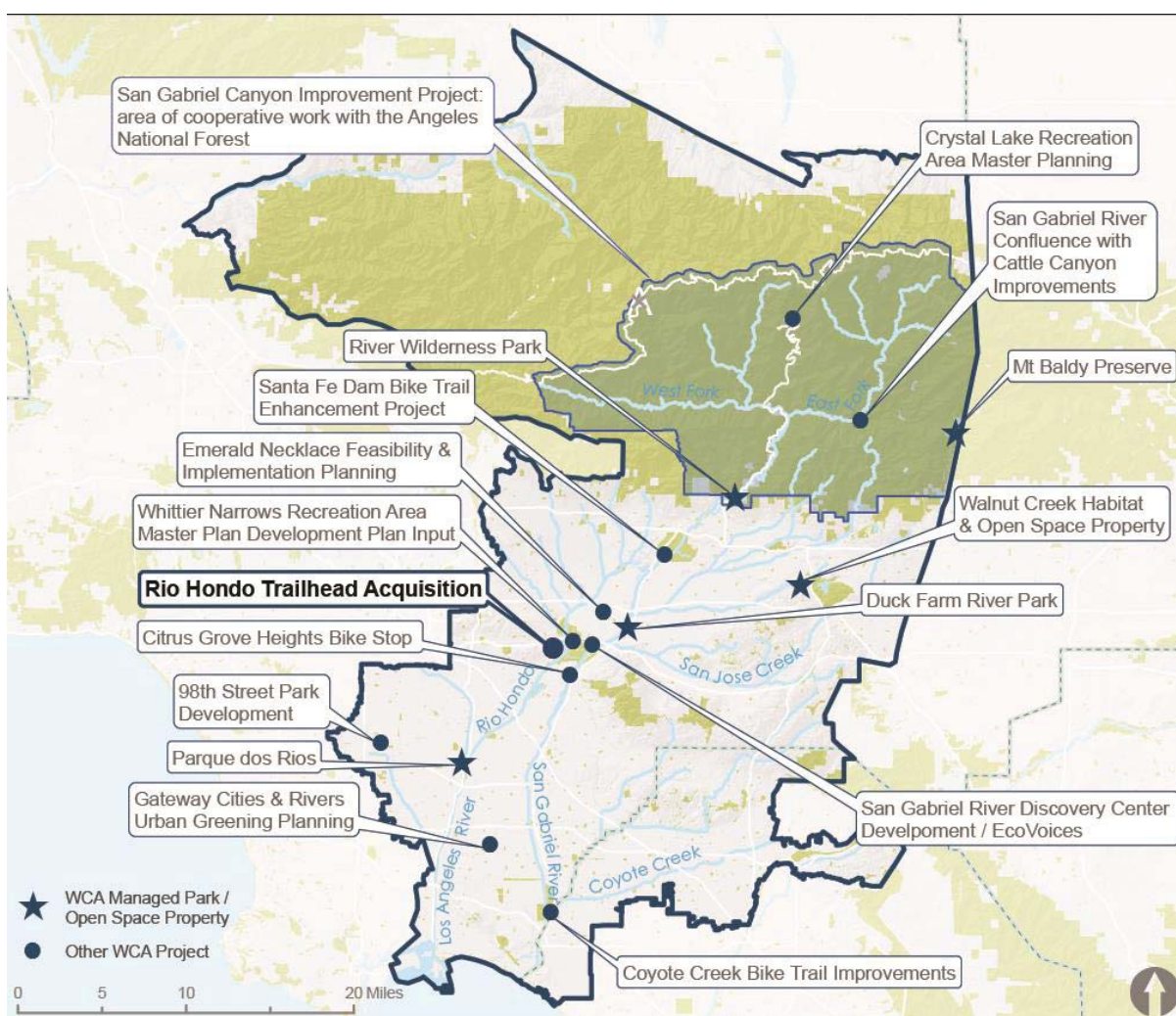
#### **FISCAL INFORMATION:**

\$65,000 of the RMC14004 \$1,000,000 grant has been allocated towards Rio Hondo Trailhead Acquisition costs, including appraisals. Therefore, the not to exceed amount of \$6,500 contract for appraisal services will be funded by the RMC14004 grant. The expenditure has no impact on the WCA FY 2017/18 budget.



## Exhibit A

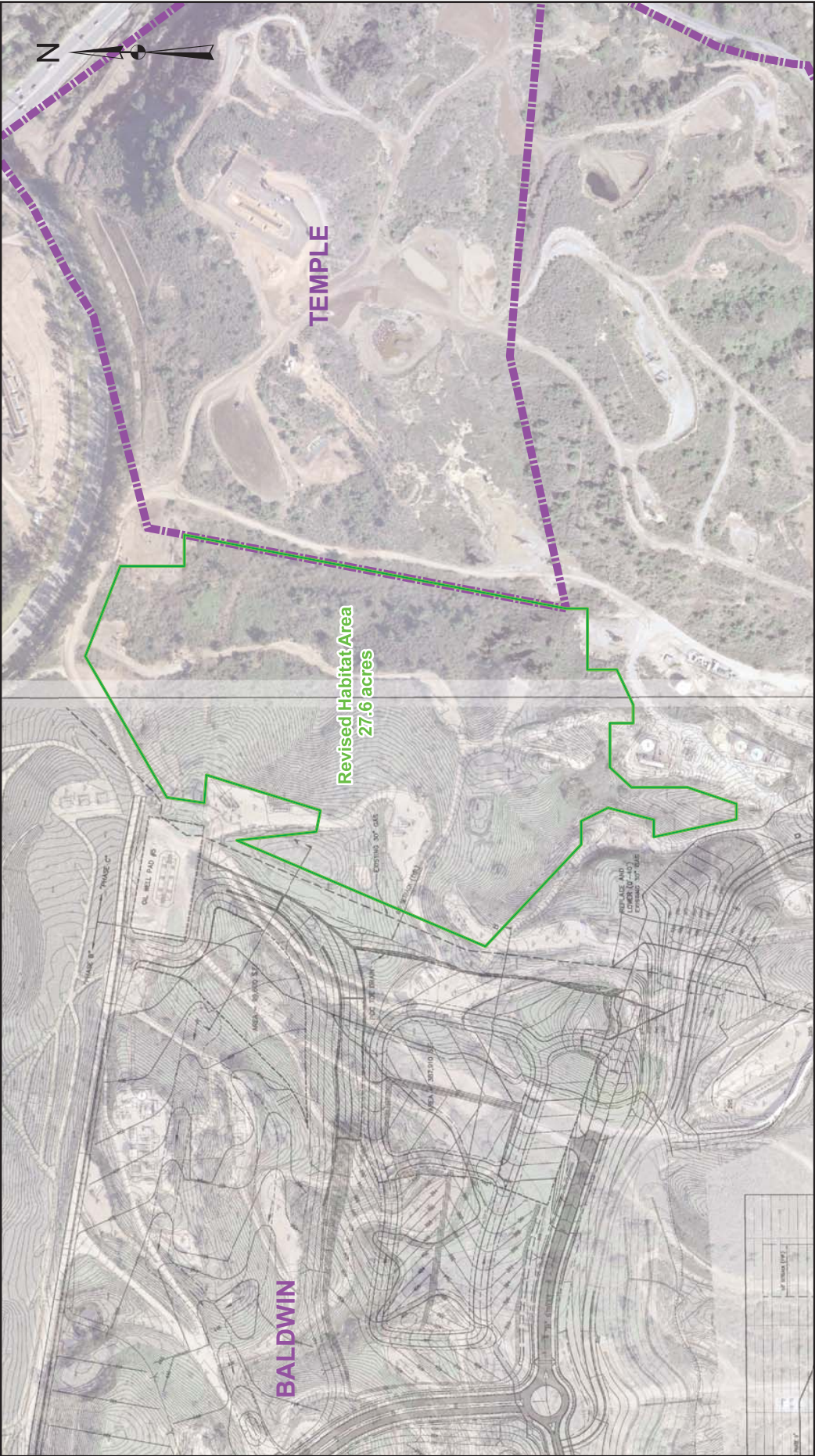
### Territory Map: Rio Hondo Trailhead Acquisition











Montebello Oil Field  
Habitat Area Draft  
7/26/2017

Lease line



Thomas W. Erickson, MAI

Real Estate Appraiser • Consultant

909 19th STREET, Ste. B, SANTA MONICA, CA 90403

310/453-1978 . FAX 310/453-1970

November 15, 2017 - Via Email [rwitters@wca.ca.gov](mailto:rwitters@wca.ca.gov)

Ms. Roxana Witters  
Project Manager  
Watershed Conservation Authority  
100 N. Old San Gabriel Cyn. Road  
Azusa, CA 91702

Re: Request for Proposal  
Montebello Hills  
27.6 Acres Habitat Area  
Market Value Appraisal

Dear Ms. Witters:

In accordance with your request this writing represents my proposal to provide appraisal service concerning the above referenced 27.6 acres of habitat area. It is my understanding that you desire a current date highest and best use market value appraisal of the property for possible acquisition purposes.

You have requested that the appraisal conform to the Uniform Appraisal Standards for Federal Land Acquisitions (Yellow Book). I have performed these types of appraisals in the past. The planned acquisition is a partial acquisition. These are their requirements:

- \* The Yellow Book Standards require the use of the "Before and After" method valuation for partial acquisitions, referred to as the *federal rule*. This method calls for the appraisal of the market value of the whole property before the acquisition and a second appraisal of the market value of the property remaining after the acquisition.

- \* The value of the land taken is not valued directly.

- \* The difference between the "before" and "after" values represents the value of what was taken, plus any damages to the remainder property, less any specific benefits to the remainder property.

To conform to these standards, I propose to provide a narrative Appraisal Report, in an electronic file format, which will contain my description of the property, all market data included in the Market Data Approach to value in the "before" and "after" conditions, and my final value conclusion. This appraisal will be conducted in accordance with the Standards of Professional Practice of the Appraisal Institute, with the Uniform Standards of Professional Appraisal Practice (USPAP), with the appraisal specifications of the State of California, Department of General Services (DGS), and with the Uniform Appraisal Standards for Federal Land Acquisitions (USFLA/Yellow Book).

My fee for this assignment is \$6,500 for delivery of an electronic report within 5 weeks after receipt of notice to proceed with the assignment. The appraisal fee will be due and payable at time of delivery of the report.

Ms. Roxana Witters  
November 15, 2017  
Page Two

I look forward to undertaking this task on your behalf.

Respectfully submitted,

*Thomas W. Erickson*

Thomas W. Erickson, MAI  
Certified General Appraiser  
CA License No. AG002373

ACCEPTED

A handwritten signature in black ink, appearing to be "N. K. S.", written over a horizontal line.

DATED

12.19.2017

**MAILED** DE  
12-22-17 out 17-1296



January 18, 2018 - Item 13

**RESOLUTION 2017-03**

**RESOLUTION OF THE WATERSHED CONSERVATION AUTHORITY TO RATIFY A CONTRACT FOR APPRAISAL SERVICES FOR THE RIO HONDO TRAILHEAD ACQUISITION PROJECT.**

**WHEREAS**, the Watershed Conservation Authority (WCA) has been established as a joint powers agency between the Rivers and Mountains Conservancy and the Los Angeles County Flood Control District; and

**WHEREAS**, the Watershed Conservation Authority (WCA) has further been established to focus on projects which will provide open space, habitat restoration, and watershed improvement projects in both the San Gabriel and Lower Los Angeles Rivers watershed; and

**WHEREAS**, this action authorizes the approval of ratifying a contract for appraisal services for the Rio Hondo Trailhead Acquisition Project; and

**WHEREAS**, the proposed action is exempt from the provisions of the California Environmental Quality Act (CEQA); NOW

*Therefore be it resolved that the WCA hereby:*

1. **FINDS** that this action is consistent with the purposes and objectives of the WCA.
2. **FINDS** that the actions contemplated by this resolution are exempt from the environmental impact report requirements of the California Environmental Quality Act (CEQA).
3. **ADOPTS** the staff report dated January 18, 2018.
4. **APPROVES** the ratification of a contract for appraisal services for the Rio Hondo Trailhead Acquisition Project.

*~ End of Resolution ~*

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Motion: \_\_\_\_\_ Second: \_\_\_\_\_

Ayes: \_\_\_\_\_ Nays: \_\_\_\_\_ Abstentions: \_\_\_\_\_

Passed and Adopted by the Board of the  
**WATERSHED CONSERVATION AUTHORITY**  
On January 18, 2018

\_\_\_\_\_  
M. Janet Chin, Governing Board Chair

ATTEST: \_\_\_\_\_  
David Edsall  
Deputy Attorney General