



AMERICAN RIVER CONSERVANCY
CONSERVATION • EDUCATION • STEWARDSHIP

El Dorado County Board of Supervisors
Louis B. Green, County Counsel
330 Fail Lane, Bldg. A
Placerville, CA 95667

August 25, 2008

Re: Acquisition of the Carriage Hill Property (20 Acres)
Agenda Item #34; August 26th BOS Meeting

Dear Members of the Board of Supervisors,

Enclosed, please find a quick reference fact sheet for the subject Carriage Hill property proposed for acquisition and inclusion within the Pine Hill Preserve.

One of the issues raised over the past few weeks regarding this proposed acquisition is the issue of fair market value. I would like to point out that the current, assessed value of the property by El Dorado County is \$2,652,000. In addition, there have been four (4) appraisals completed in 2008 of the subject property by three different appraisers. A summary of these appraisals is provided below.

<u>Date of Appraisal</u>	<u>Appraiser</u>	<u>Appraised Value</u>	<u>Comments</u>
January 11, 2008	Ribacchi, Weck, Inc.	\$2,800,000	Appraisal conducted for Temecula Valley Bank.
June 18, 2008	Ferguson & Associates	\$3,500,000	This market valuation was reduced in response to comments by ARC.
June 18, 2008	Ferguson & Associates	\$3,320,000	Reduced appraised value equal to current contract amount.
June 25, 2008	Larry L. Hand, Appraisals	\$2,800,000	Appraisal prepared in accordance with federal and State (DGS) specifications.

Appraisals are opinions of value. The proposed purchase price is 20% more than the County's assessed value and 15% more than the lowest appraised value. I do not think there will be added benefit to the commissioning of another appraisal. I have provided a copy of these appraisals to County Counsel for El Dorado County review. Thank you for your review and attention to this letter.

Sincerely,
Alan Ehrgott
Alan Ehrgott
Executive Director

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BOARD OF SUPERVISORS
EL DORADO COUNTY

Pine Hill Preserve
Carriage Hill Acquisition
Fact Sheet

1. Property acreage/APN's: Four 5-acre parcels (20 acres total)
APN's: 070-261-77; -79; -80; -81
2. Current owners: CA CAMERON PARK L.P.
11682 El Camino Real, Suite 300
San Diego, CA 92130
3. Current zoning: RE-5 (Residential estate, 5-acre min.)
4. G.P. land use Designation: R2-PD (Multifamily residential w/Planned Development)
5. Highest and best use: Multifamily (300-400 units)
6. Terrain: Level to gentle sloping
7. Rare plant mitigation zone/fee: Zone #1: \$885 per unit – single family residential
\$663.75 per unit – multifamily residential
8. Current county assessed value: \$2,652,000 (4 parcels x \$663,000 per parcel)
9. Legal access: Palmer Drive (to the west)
Loma Drive (off Meder Road to the north)
10. Last purchased/price: Nov. 2, 2005 \$2,600,000
11. Current contract: Under purchase contract to the American River Conservancy
For a purchase price of \$3,320,000
12. Proposed source of purchase funding: El Dorado County's Rare Plant Mitigation Fund
13. Rare plant species present: Stebbin's morning glory (*Calystegia stebbinsii*) – federal endangered
Pine Hill ceanothus (*Ceanothus roderickii*) – federal endangered
Layne's butterweed (*Packera layneae*) – federal threatened
El Dorado mule ears (*Wyethia reticulata*) – California rare
Red Hills soap root (*Chlorogalum grandiflorum*) California rare
14. U.S. Fish and Wildlife Service Acquisition Ranking:

RECONCILIATION WITH SALES HISTORY/CONCLUSION OF VALUE

The property last transferred ownership on November 2, 2005 for \$1,950,000 and this sale represented land without any site improvements. A tentative map application was filed in April 2007 for 107 residential lots, which has not yet been approved. A zoning change was applied for in April 2007 for a change from RE-5 to R2-PD. As of December 6, 2007, the costs spent to date are:

Costs Spent as of 12/6/2007	
Site Plan	\$113,863
Preliminary Utility Plan	\$99,070
Phase I Environmental Report	\$9,600
Preliminary Soils Report	\$14,485
Cultural Resource Investigation	\$4,600
Preliminary Landscape Site Plan and Typical Front Yard Designs	\$28,600
Traffic Impact Analysis	\$34,126
Wetland Delineation, Rare Plant Survey, Oak Tree Inventory, Oak Tree Preservation Plan	\$89,520
Floorplans, elevations, color boards for three floorplans	\$237,870
County fees paid to date	\$40,000
Total Costs	\$671,734

According to the developer as of December 12, 2007, the approval of the tentative map/zoning change should take approximately nine months and an additional \$100,000-\$150,000 of development expenses plus \$10,000 per month in interest. As mentioned earlier, the housing market began to decline in late 2005, the same time the property was purchased. However, since that time \$671,734 have been spent for the entitlement process, bringing the total investment to \$2,621,734, which is just slightly less than the concluded as-is market value of \$2,800,000.

The value conclusions derived are based upon the data and analysis discussed in the preceding paragraphs, subject to the Assumptions and Limiting Conditions contained in this report, the final opinion of market value of the Fee Simple interest of the property is as follows:

"As Is" Market Value as of January 2, 2008
Two Million Eight Hundred Thousand Dollars
\$2,800,000

June 18, 2008

CA Cameron Park LP
P.O. Box 9890
Rancho Santa Fe, California 92067

Re: Carriage Hills
3615 Palmer Drive and 4021-41 Loma Drive
Cameron Park, California

To Whom It May Concern:

In accordance with your request, we have conducted a "Summary Appraisal Report" of the above referenced property. The depth of the discussion contained in this report is specific to the needs of the client and for the intended use stated later in this report. The appraiser is not responsible for unauthorized use of this report.). This report is intended to comply with the report requirements of: the *Uniform Standards of Professional Appraisal Practice (USPAP)* as adopted by the Appraisal Foundation and the Appraisal Institute, pursuant to the *FIRREA (Federal Institutions Reforms, Recovery and Enforcement Act)*, as revised 1990; *Regulation 12 CFR Part 34* of the OCC (Office of the Comptroller of the Currency), FDIC (Federal Deposit Insurance Corporation), OTS (Office of Thrift Supervision), titled *Real Estate Appraisals*.

As a general overview, the subject property consists of 107 high density residential tentatively mapped lots within a sub-division development known as Carriage Hills, in the an unincorporated portion of the El Dorado County. The site is described in this report. A zoning change and subdivision map was filed in April 2007 and have not yet been approved. According to the developer, the cost spent to bring the site to its current status has been \$671,734. According to the developer, the approval of the tentative map/zoning change should take nine months and additional \$150,000 of development expenses plus \$10,000 per month in interest. The "As-Is" Valuation is estimated by deducting the costs to achieve the tentative map and zoning change from the Prospective Market Value. Based upon an investigation and analysis of available information, the fee simple Market Values as of June 13, 2008, are:

Prospective Market Value	\$3,750,000
"As-Is" Market Value	\$3,500,000

Ferguson & Associates, Inc.

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CA Cameron Park LP

June 18, 2008

Page 2

It is an **extraordinary assumption** that the prospective market value is a hypothetical condition in that the tentative map and zoning change have not been completed. The market conditions reflect the current expectations and perceptions of market participants along with available factual data.

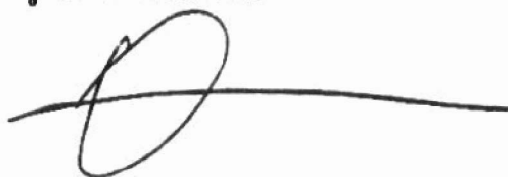
It is a **limiting condition** that the market value opinion was made and the appraiser cannot be held responsible for unforeseeable events that alter market conditions that occur subsequent to the date of the preparation of the report, but prior to the effective date of the appraisal.

The Market Values of the subject property are base on the contrary-to-fact **hypothetical condition** that the tentative map and zoning change will be approved.

The appraisal service was performed in such a manner that the results of the analysis, opinions, or conclusion are those of a disinterested third party. This valuation is subject to the conditions and comments presented in this report. This appraisal report is intended for use as an aid in proper underwriting, loan classification, and/or disposition of the asset. The analysis has been prepared by the undersigned.

Sincerely,

Ferguson & Associates, Inc.

A handwritten signature in black ink, consisting of a large, stylized 'C' followed by a horizontal line extending to the right.

Christopher P. Ferguson
Certified General Real Estate Appraiser
State of California License #AG00844

Doc. I.D. #f08-159

Ferguson & Associates, Inc.

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