
LONG-RANGE PROPERTY MANAGEMENT PLAN

Successor Agency to the
Firebaugh Redevelopment Agency

September 10, 2013

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INTRODUCTION

Assembly Bill (“AB”) 1484, enacted in June of 2012, allows all successor agencies to former redevelopment agencies to prepare a Long Range Property Management Plan (“PMP”). The PMP governs the disposition and use of property held by the former redevelopment agency at the time of dissolution in 2012, pursuant to legal requirements detailed in the next section.

This is the Long Range Property Management Plan for the Successor Agency to the Firebaugh Redevelopment Agency (“Successor Agency”).

EXECUTIVE SUMMARY

The former Firebaugh Redevelopment Agency (“Agency”) is the owner of record on the title for 7 properties (comprised of 8 parcels) in Firebaugh.

- One of these properties is an existing governmental use property that is proposed to be transferred to the City to continue its exclusive and continued governmental use.
- The remaining 6 properties are to be sold by the Successor Agency, with the proceeds of the sale to be remitted to the Fresno County Auditor-Controller for distribution in accordance with the law.

STATEMENT OF LEGAL REQUIREMENTS

Pursuant to Health and Safety Code section 34191.5 (part of AB 1484), each successor agency that holds property from a former redevelopment agency is allowed to submit a PMP to the State Department of Finance (“DOF”) within six months of receiving a “Finding of Completion” from DOF. Prior to the submittal of the PMP to DOF, the successor agency’s oversight board must approve the PMP.

In general, the PMP addresses the disposition and use of the former Agency’s real properties. AB 1484 requires that the PMP include all of the following components:

1. Inventory of all properties in the Community Redevelopment Property Trust Fund (“Trust Fund”), established to serve as the repository of the former redevelopment agency’s real properties. This inventory shall consist of all of the following information:
 - a. **Date of acquisition** of the property and the value of the property at that time, and an estimate of the current value of the property.
 - b. **Purpose** for which the property was acquired.
 - c. **Parcel data**, including address, lot size, and current zoning in the former redevelopment agency redevelopment plan or specific, community, or general plan.
 - d. **Estimate of the current value** of the parcel including, if available, any appraisal information.

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- e. **Estimate of any lease, rental, or any other revenues** generated by the property, and a description of the contractual requirements for the disposition of those funds.
 - f. **History of environmental contamination**, including designation as a brownfield site, and related environmental studies, and history of any remediation efforts.
 - g. Description of the **property's potential for transit-oriented development and the advancement of the planning objectives** of the successor agency
 - h. Brief history of **previous development proposals** and activity, including the rental or lease of property.
2. Address the use or disposition of all the properties in the Trust Fund. Permissible uses include:
- a. **Retention for governmental use** pursuant to subdivision (a) of Section 34181;
 - b. **Retention for future development**;
 - c. **Sale** of the property; or
 - d. **Use of property to fulfill an enforceable obligation.**
3. Separately identify and list properties in the Trust Fund dedicated to governmental use purposes, and properties retained for purposes of fulfilling an enforceable obligation. With respect to the use or disposition of all other properties, all the following shall apply:
- a. If the PMP directs the use or liquidation of the property for a project identified in an approved redevelopment plan, the property shall transfer to the city, county, or city and county.
 - b. If the PMP directs the liquidation of the property or the use of revenues generated from the property, such as lease or parking revenues, for any purpose other than to fulfill an enforceable obligation or other than that specified in subsection 3(a) above, the proceeds from the sale shall be distributed as property tax to the affected taxing entities.
 - c. Property shall not be transferred to a successor agency, city, county, or city and county, unless the PMP has been approved by the oversight board and DOF.

This PMP shall be adopted by the Successor Agency as well as its Oversight Board by resolution, and submitted to the DOF for approval. The submittal will include this summary document, as well as the DOF's property inventory form, included as Attachment 1. The DOF may then request any information it deems necessary to validate the PMP for review, and may request modifications to the PMP. Following DOF approval, the Successor Agency may proceed with its execution of the PMP. However, at this time, all actions to transfer properties must be individually approved by the Oversight Board, by resolution, and submitted for second approval to the DOF.

PROPERTY VALUATION ESTIMATES AND LIMITATIONS

AB 1484 requires that a PMP include an estimate of the value of property, or, if available, recent appraisal information. DOF has stated they do not expect successor agencies to obtain appraisals on properties if none currently exist, so no such appraisals have been prepared for this PMP.

Instead, an estimate of property value was prepared by the Successor Agency's independent consultant based on a limited amount of analysis, short of what would normally be conducted for an appraisal – but at least useful for providing some information on property market values that are often difficult to assess, given the unique deficiencies (size, contamination, location, etc.) of many former redevelopment properties. Coming out of a real estate recession, it is still challenging to identify comparable properties in the area because recent sales volumes of small, infill parcels are limited.

The limitations of this methodology aside, the value estimates themselves (or even appraisal values) are not necessarily representative of what the properties could be worth when put on the open market for sale by the Successor Agency. Many redevelopment agencies had a number of blighted properties in their inventory that were not yet restored to a marketable condition at the time of dissolution. Additionally, the market's appetite for purchase of small parcels, in a time where commercial development standards generally require larger properties, may not justify the listing price equal to an appraised value.

PROPERTY INVENTORY – FORMER AGENCY PROPERTIES

The former Agency owned 7 properties (consisting of 8 parcels) at dissolution. The properties are associated with property numbers shown in the DOF's Property Inventory Data table attached. The property sites are organized by "Permissible Uses" under AB 1484 and a detailed description of the properties is provided below.

The Property Inventory Data table (Attachment 1) utilizes the DOF-created database that provides a matrix of all of the information required pursuant to Health and Safety Code Section 34191.5(c) (part of AB 1484).

Estimates of current value of property were provided by RSG based on comparable property sales in the area and/or a residual land value analysis to determine warranted investment. As the DOF has provided to RSG in written communication, the DOF does not require a new appraisal report to be prepared for the purposes of a PMP, even if a recent appraisal does not exist. The ultimate value of the properties sold will be determined based on what the market bears and not what an appraisal estimates. Where a property is to be retained for governmental use, the value estimate is based on the value of the property at the current land use and Zoning; which in all cases yields a \$0 market value because the property in question is an existing public use and designated as such under the current Zoning Ordinance. A government use property holds no value to anyone other than the City. More details for each value estimate are provided in the individual property profiles.

Retention of Properties for Governmental Use

The property listed below is proposed to be transferred to the City of Firebaugh ("City") pursuant to Health and Safety Code Section 34181 (a) that allows properties of a former redevelopment agency to be transferred to a public jurisdiction.

BIRCH DRIVE (PROPERTY 1)

Address: Northeast Corner of Helm Canal Road and Birch Drive, (No situs address available)

APN: 007-100-25ST

Lot Size: 29.3 Acres

Acquisition Date: August 25, 1980

Value at Time of Purchase: \$193,000

Purpose of Acquisition: Wastewater treatment facility

Property Type (DOF Category): Other

Property Type (City Proposed): Transfer to City for Public Purpose

Current Zoning: Governmental Zone

Estimate of Income Revenue: None



Contractual Requirements for Use of Income/Revenue: Not applicable

History of Environmental Contamination, Studies, and/or Remediation, and Designation as Brownfield Site: The site is located adjacent to the City's wastewater treatment plant. The site is part of a 160-acre block of land that is subject to an industrial wastewater discharge permit issued in 1994 by the California State Water Quality Control Board and granted jointly to the City of Firebaugh and the Toma-Tek tomato processing plant. The permit is referred to as Order No. 94-072 and is attached to this document as Attachment 2.

Order No 94-072 was issued in response to a City technical report from 1989 in support of the ongoing discharge of wastewater from the Toma-Tek plant onto the subject property. In addition, the City and Toma-Tek entered into an agreement on June 5, 1989 obligating the City to provide wastewater collection and disposal services to Toma-Tek for a 30 year period (Agreement attached as Attachment 3)

Description of Property's Potential for Transit Oriented Development: None

History of Previous Development Proposals: *On July 16, 2009, Solar Gen USA Inc. signed a lease with the City to lease the subject property and 13 adjacent acres to construct and operate a solar farm. The lease included an early termination clause in which the lessee could terminate the lease at any point during the 45-year term with only a 30 day notice. In 2012, it was determined that the property was already pledged and needed for long term wastewater treatment and could not be leased to Solar Gen USA Inc. In November 2012, the lease was officially terminated and the proposed solar farm project was cancelled. It is not expected that a similar proposal for use of the property will be offered.*

Estimated Current Value: *In 2012, the City hired Peter S. Cooper to conduct an appraisal of the subject property. The appraisal was dated July 2, 2012 and has been included as Attachment 4. The appraiser concluded that the property would have a market value of \$30,000 as of May 25, 2012. This opinion was based largely on the site's potential as farmland. However, the appraisal clearly states that due to the history of wastewater discharge on the site, only non-human-edible crops could be farmed, such as cotton. The appraiser did not obtain any data on potential environmental contamination on the site, so it is reasonable to assume that even non-edible crops could not be farmed on the site. Therefore, the value of \$30,000 is generally unsubstantiated.*

In addition, the appraisal assumes that if the subject property were to be converted to farmland, the agreement between the City and Toma-Tek would have to be terminated and the California State Water Quality Control Board order would have to be lifted. Both actions could be considered a breach of contract or serious violation of the law and either could result in penalties or legal action. This is unnecessarily burdensome for the City and cannot be considered a feasible option. Due to the reasons given above, it is not reasonable to expect that the subject property will ever realize any value as farmland and the appraised value of \$30,000 based on that use is erroneous. The property is devoid of value and should remain a public use.

Advancement of Planning Objectives: *Not applicable - retain existing public use*

Retention of Properties for Future Development

There are no properties proposed to be transferred to the City of Firebaugh pursuant to Health and Safety Code Section 34191.5(c)(2)(A) to use for a project identified in an approved redevelopment plan.

Properties to be Sold by Successor Agency

The properties listed below are proposed for sale pursuant to Health and Safety Code Section 34191.5(c)(2)(B).

Gateway Project (PROPERTY 2)

Address: 1264 and 1268 P Street

APN: 008-075-11 and 008-075-03

Lot Size: 0.83 Acres

Acquisition Date: March 18, 2010

Value at Time of Purchase: Both parcels purchased for a total of \$457,681

Purpose of Acquisition: This property was purchased to develop affordable housing

Property Type (DOF Category): Residential

Property Type (City Proposed): Sale of Property

Current Zoning: Residential

Estimate of Income Revenue: The property currently has two residential tenants. The combined income is \$775 per month.

Contractual Requirements for Use of Income/Revenue:
None

History of Environmental Contamination, Studies, and/or Remediation, and Designation as Brownfield Site: None

Description of Property's Potential for Transit Oriented Development: None

History of Previous Development Proposals: On May 29, 2012, the Successor Agency entered into a Disposition and Development Agreement ("DDA") with the Fresno County Housing Authority ("Housing Authority") (included as Attachment 5). The Housing Authority intended to build 20 to 34 housing units for use as senior rental affordable housing. At that time in the dissolution process, the Successor Agency was not authorized to enter into any contracts pertaining to former Agency assets. As such, the DDA was invalidated, though intentions remained the same. The Successor Agency issued a letter to release it from the aforementioned DDA on April 4, 2013 (included as Attachment 6).



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Estimated Current Value: Included below are 4 comparable sales from 2010 to the present:

Comparable Analysis - Gateway Property

Residential Land - 10 Mile Radius	Property Type	Sale Date	Area (AC)	Price	Price/AC	Notes
1 SW Shaw Blvd Clovis	Land	12/17/2010	375.83	\$ 396,000	\$ 1,054	Much larger property; price per acre is low
2 W Behymer Ave Firebaugh	Land	3/23/2012	181.40	\$ 1,000,000	\$ 5,513	Much larger property; price per acre is low
3 7416 Road 7 Firebaugh	Multi-Family	9/16/2011	7.36	\$ 650,000	\$ 88,315	Larger property; similar location; developed
4 1050 7th St Mendota	Multi-Family	7/30/2010	0.48	\$ 135,000	\$ 281,250	Half the size; existing building in good condition
Subject Gateway Property Firebaugh	Multi-Family	Not Listed	0.83	\$ 129,480	\$ 156,000	Tear-down buildings; small size; location does not command top dollar

Source: CoStar, August 2013

Comparable properties 1 through 3 in the table above are much larger properties than the subject property. While a larger property may seem to have greater potential for development, the properties are located in remote locations, making development costs higher and the marketability lower. In addition, a larger property may sell for a lower price/acre because the buyer may receive a discount in price because the property is so large. Property 4 is similar to the subject property; however it is located in a different city and is already developed. The buyer would not have to spend money to develop the property. Therefore, it can be considered more valuable than the subject property.

The value of the subject property would be somewhere in the middle of Properties 1 through 3 and Property 4. The average price/acre for Properties 1 through 3 is \$31,000. The average of \$31,000 and \$281,000 is \$156,000. That results in an estimated value of about \$130,000.

Included below is a residual land value analysis for this site based on the proposed Housing Authority Gateway Project.

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Land Residual Analysis Firebaugh Successor Agency PMP Sites Firebaugh /August 2013

Development Costs		Property 2: Gateway			Total
Footprint	sf	MF Res	Surf Pk (R)	Landscaping	
Building Area (Gross)	sf	17,424	16,065	1,359	34,848
Net Area	sf	34,848	-		34,848
Units		34	51		
Type		Multiple Residences - Senior Citizen D	Surface Parking		
Class		Average	Average	Average	
Quality					
Total Direct Cost		\$ 4,604,778	\$ 105,722	\$ 11,747	\$ 4,710,500
Total Indirect Costs		1,909,086	43,831	4,870	1,952,917
Total Development Cost		6,513,864	149,553	16,617	6,700,000
Unit Cost		187	2,932		192
		/sf	/stall		SF
Development Value Estimate					
ADR / Monthly Lease Rate					\$ 922
Annual Net Operating Income					161,508
Total Development Value					2,307,263
Per SF					66
Net Land Residual Value					\$ (4,392,737)

The Residual Land Value Analysis indicates that this property would not be attractive to a potential for-profit developer because the costs to develop the property outweigh the potential profit. Development costs of approximately \$6.7 million exceed by over \$4 million the value of the project (assuming market-rate rents) of about \$2.3 million. Because of this, the property has a value of \$0 on the open market.

The estimated current value is between \$0 and \$130,000.

Date of Estimated Current Value: August 22, 2013

Proposed Sale: The Fresno County Housing Authority has expressed continued interest in purchasing the property and fulfilling its plan to develop it as affordable housing. The Housing Authority has access to housing subsidies, tax credits, and other forms of financing to help offset the costs of development and low potential revenue.

Proposed Sale Date: The Housing Authority will seek to purchase of the property immediately following Oversight Board and DOF approval of the PMP.

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Advancement of Planning Objectives: Increasing the available stock of affordable housing is a planning objective stated in the Ten-Year Affordable Housing Compliance Plan for 2004-05 to 2013-14 (included as Attachment 7).

1284 N Street (PROPERTY 3)

Address: 1284 N Street

APN: 008-080-42

Lot Size: 0.44 Acres

Acquisition Date: March 28, 2011

Value at Time of Purchase: Property purchased for \$516,654

Purpose of Acquisition: The property was purchased, "for the purpose of establishing one or more retail outlets located on "N" street in the City of Firebaugh, for the purpose of creating jobs, enhancing economic development, enhancing sales tax growth, and eliminating blighting influences..." (Memorandum of Understanding, March 15, 2012; included as Attachment 8).



Property Type (DOF Category): Commercial

Property Type (City Proposed): Sale of Property

Current Zoning: Commercial

Estimate of Income Revenue: The subject property is currently being leased to Giant Burger for \$1,200 a month.

Contractual Requirements for Use of Income/Revenue: None

History of Environmental Contamination, Studies, and/or Remediation, and Designation as Brownfield Site: None known.

Description of Property's Potential for Transit Oriented Development: None

History of Previous Development Proposals: The former Agency purchased the property with the intention of developing more retail along the main commercial corridor of the City. There have not been any specific proposals submitted to develop the property since purchase. The Giant Burger restaurant has been a tenant of the subject property since the former Agency purchased the property.

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Estimated Current Value: Four comparable sales are included below:

Comparable Analysis - Firebaugh Commercial Properties

Residential Land - 10 Mile Radius	Property Type	Secondary Type	Sale Date	Area (AC)	Price	Price/AC	Notes
1 2385 N Street Firebaugh	Land	Commercial	12/12/2011	11.72	\$ 245,000	\$ 20,904	Much larger property; price per acre is low
2 990 N Street Firebaugh	Land	Commercial	4/10/2012	0.69	\$ 450,000	\$ 652,174	14k square foot building planned; larger property
3 1067 P Street Firebaugh	Retail	Freestanding	4/19/2011	0.26	\$ 75,000	\$ 288,462	Half the size of subject property
4 988 O Street Firebaugh	Retail	Storefront Retail/Residential	9/28/2012	0.24	\$ 70,000	\$ 291,667	Half the size of subject property
Subject	1284 N Street Firebaugh	Retail	Commercial	Not Listed	0.44	\$ 154,000	\$ 350,000 Existing business; central location

Source: CoStar, August 2013

The average price per acre for the properties listed above is about \$315,000. The properties that sold on P Street and O Street are smaller than the subject property and not as centrally located. The property on N Street was much larger and had a 14,000 square foot development planned for the property when it was purchased. Adjusting up from the average price/acre of \$315,000 because of the existing business and the central location of the subject property, it would be reasonable to place a value of \$350,000 per acre on the property. The estimated value of the subject property based on the Sales Comparable Analysis is about \$154,000.

As mentioned earlier, the subject property is currently being leased for \$1,200 per month. A simple Rental Income Analysis was conducted using the current lease rate and a capitalization rate of 7.25%. The capitalization rate was obtained from CoStar Group and is the average capitalization rate in the Fresno Market area. This analysis is shown below.

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Rental Income Analysis

Income:

Rent	\$1,200.00 month	\$ 14,400
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Vacancy & Collection	5.00%	(720)
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Gross Effective Income		13,680
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Operating Expenses:

Management	5.00%	(684)
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Reserves	2.00%	(274)
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Non-reimbursables	2.00%	(274)
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Subtotal - Operating Expenses		(1,231)
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Net Operating Income		12,449
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Capitalization Rate		7.25%
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Value		171,708
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Source: CoStar Group, RSG

*The estimated value for the subject property based on the Residual Income Analysis is about \$172,000. **The average of the two estimated values based on the Sales Comparable Analysis and Residual Income Analysis is about \$163,000.***

Date of Estimated Current Value: August 22, 2013

Advancement of Planning Objectives: Eventual development of the property could bring in additional commercial or retail options. This could help to revitalize the City's downtown district and generate additional tax revenue.

1320 N Street (PROPERTY 4)

Address: 1320 N Street

APN: 008-140-35

Lot Size: 0.45 Acres

Acquisition Date: March 28, 2011

Value at Time of Purchase: Property purchased for \$391,961

Purpose of Acquisition: This property was purchased at the same time and for the same purpose as 1284 N Street. It was acquired; "for the purpose of establishing one or more retail outlets located on "N" street in the City of Firebaugh, for the purpose of creating jobs, enhancing economic development, enhancing sales tax growth, and eliminating blighting influences..." (Memorandum of Understanding, March 15, 2012; included as Attachment 8).



Property Type (DOF Category): Commercial

Property Type (City Proposed): Held for future commercial development

Current Zoning: Commercial

Estimate of Income Revenue: The subject property was being leased to Carnitas Ortega for \$1,100 a month. However, the tenant has not paid rent since Jan 2013. The Successor Agency is currently following lawful procedures and terminated the lease.

Contractual Requirements for Use of Income/Revenue: None

History of Environmental Contamination, Studies, and/or Remediation, and Designation as Brownfield Site: None known.

Description of Property's Potential for Transit Oriented Development: None

History of Previous Development Proposals: The former Redevelopment Agency purchased the property along with 1284 N Street with the intention of developing more retail along the main commercial corridor of the City. There have not been any specific proposals submitted to develop

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the property since purchase. The Carnitas Ortega restaurant has been a tenant of the subject property since the former Agency purchased the property.

Estimated Current Value: *The same analysis was conducted for this property as for the previous property. The same four comparable sales have been included below:*

Comparable Analysis - Firebaugh Commercial Properties

Residential Land - 10 Mile Radius	Property Type	Secondary Type	Sale Date	Area (AC)	Price	Price/AC	Notes
1 2385 N Street Firebaugh	Land	Commercial	12/12/2011	11.72	\$ 245,000	\$ 20,904	Much larger property; price per acre is low
2 990 N Street Firebaugh	Land	Commercial	4/10/2012	0.69	\$ 450,000	\$ 652,174	14k square foot building planned; larger property
3 1067 P Street Firebaugh	Retail	Freestanding	4/19/2011	0.26	\$ 75,000	\$ 288,462	Half the size of subject property
4 988 O Street Firebaugh	Retail	Storefront Retail/Residential	9/28/2012	0.24	\$ 70,000	\$ 291,667	Half the size of subject property
Subject	1320 N Street Firebaugh	Retail	Commercial	Not Listed	0.45	\$ 157,500	\$ 350,000 Existing business; central location

Source: CoStar, August 2013

The average price per acre for the properties listed above is about \$315,000. The properties that sold on P Street and O Street are smaller than the subject property and not as centrally located. The property on N Street was much larger and had a 14,000 square foot development planned for the property when it was purchased. Adjusting up from the average price/acre of \$315,000 because of the existing business and the central location of the subject property, it would be reasonable to place a value of \$350,000 per acre on the property. The estimated value of the subject property based on the Sales Comparable Analysis is \$157,500.

The subject property is currently being leased for \$1,100 per month. A simple Rental Income Analysis was conducting using the current lease rate and a capitalization rate of 7.25%. The capitalization rate was obtained from CoStar Group and is the average capitalization rate in the Fresno Market area. This analysis is shown below.

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Rental Income Analysis

Income:

Rent	\$1,100.00 month	\$ 13,200
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Vacancy & Collection	5.00%	(660)
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Gross Effective Income		12,540
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Operating Expenses:

Management	5.00%	(627)
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Reserves	2.00%	(251)
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Non-reimbursables	2.00%	(251)
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Subtotal - Operating Expenses		(1,129)
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Net Operating Income		11,411
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Capitalization Rate		7.25%
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Value		157,399
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Source: CoStar Group, RSG

*The estimated value for the subject property based on the Residual Income Analysis is also about \$157,500. **The estimated value of the subject property based on the Sales Comparable Analysis and Residual Income Analysis is \$157,500.***

Date of Estimated Current Value: August 22, 2013

Advancement of Planning Objectives: Eventual development of the property could bring in additional commercial or retail options. This could help to revitalize the City's downtown district and generate additional tax revenue.

1415 14th Street (PROPERTY 5)

Address: 1415 14th Street

APN: 008-132-07

Lot Size: 0.21 Acres

Acquisition Date: January 1, 2010

Value at Time of Purchase: Parcel was purchased for \$211,116

Purpose of Acquisition: This property was purchased in an effort to assemble commercial properties in the downtown district for economic and commercial development

Property Type (DOF Category): Vacant Lot/Land (aerial photo shows a structure that has since been demolished)



Property Type (City Proposed): Sale of Property

Current Zoning: Commercial

Estimate of Income Revenue: None

Contractual Requirements for Use of Income/Revenue: None

History of Environmental Contamination, Studies, and/or Remediation, and Designation as Brownfield Site: None known

Description of Property's Potential for Transit Oriented Development: None

History of Previous Development Proposals: There are no known previous development proposals

Estimated Current Value: Included below are the same 4 comparable commercial sales shown earlier in the report:

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Comparable Analysis - Firebaugh Commercial Properties

Residential Land - 10 Mile Radius	Property Type	Secondary Type	Sale Date	Area (AC)	Price	Price/AC	Notes
1 2385 N Street Firebaugh	Land	Commercial	12/12/2011	11.72	\$ 245,000	\$ 20,904	Much larger property; price per acre is low
2 990 N Street Firebaugh	Land	Commercial	4/10/2012	0.69	\$ 450,000	\$ 652,174	14k square foot building planned; larger property
3 1067 P Street Firebaugh	Retail	Freestanding	4/19/2011	0.26	\$ 75,000	\$ 288,462	Similar size; developed property
4 988 O Street Firebaugh	Retail	Storefront Retail/Residential	9/28/2012	0.24	\$ 70,000	\$ 291,667	Similar size; developed property
Subject 1415 14th Street Firebaugh	Vacant Land	Commercial	Not Listed	0.21	\$ 42,000	\$ 200,000	Central location; no existing structure

Source: CoStar, August 2013

*The aerial photo of the subject property shows an existing structure, however, that structure no longer exists; the property is vacant. Properties 3 and 4 above are similar in size and location to the subject property, but both have existing buildings. The buyers of Properties 3 and 4 would not have to spend money to develop the property, thus making Properties 3 and 4 more valuable than the subject property. Adjusting for that condition, it would be reasonable to apply a land value of \$250,000 per acre to the subject property. **That would result in an estimated value of \$42,000.***

Date of Estimated Current Value: August 22, 2013

Proposed Sale: The property will be sold on the open market or at auction as necessary

Proposed Sale Date: The property will be put up for sale after Oversight Board and DOF approval of the PMP.

Advancement of Planning Objectives: Eventual development of the property could bring in additional commercial or retail options. This could help to revitalize the City's downtown district and generate additional tax revenue.

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1185 N Street (PROPERTY 6)

Address: 1185 N Street

APN: 008-074-10

Lot Size: 0.23 Acres

Acquisition Date: March 28, 2011

Value at Time of Purchase: Parcel was purchased for \$181,017

Purpose of Acquisition: This property was purchased in an effort to assemble commercial properties in the downtown district for economic and commercial development



Property Type (DOF Category): Vacant Lot/Land

Property Type (City Proposed): Sale of Property

Current Zoning: Commercial

Estimate of Income Revenue: None

Contractual Requirements for Use of Income/Revenue: None

History of Environmental Contamination, Studies, and/or Remediation, and Designation as Brownfield Site: None known

Description of Property's Potential for Transit Oriented Development: None

History of Previous Development Proposals: There are no known previous development proposals

Estimated Current Value: Included below are the same 4 comparable commercial sales shown earlier in the report:

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Comparable Analysis - Firebaugh Commercial Properties

Residential Land - 10 Mile Radius	Property Type	Secondary Type	Sale Date	Area (AC)	Price	Price/AC	Notes
1 2385 N Street Firebaugh	Land	Commercial	12/12/2011	11.72	\$ 245,000	\$ 20,904	Large property
2 990 N Street Firebaugh	Land	Commercial	4/10/2012	0.69	\$ 450,000	\$ 652,174	14k square foot building planned; larger property
3 1067 P Street Firebaugh	Retail	Freestanding	4/19/2011	0.26	\$ 75,000	\$ 288,462	Larger property; developed
4 988 O Street Firebaugh	Retail	Storefront Retail/Residential	9/28/2012	0.24	\$ 70,000	\$ 291,667	Larger property; developed
Subject 1185 N Street Firebaugh	Vacant Land	Commercial	Not Listed	0.23	\$ 46,000	\$ 200,000	Central location; no existing structure

Source: CoStar, August 2013

*The subject property is a vacant commercial lot. Properties 3 and 4 above are similar in size and location to the subject property, but both have existing buildings. The buyers of Properties 3 and 4 would not have to spend money to develop the property and could generate revenue immediately. Adjusting for that condition, it would be reasonable to apply a land value of \$200,000 per acre to the subject property. **That would result in an estimated value of \$46,000.***

Date of Estimated Current Value: August 22, 2013

Proposed Sale: The property will be sold on the open market or at auction as necessary.

Proposed Sale Date: The property will be put up for sale after Oversight Board and DOF approval of the PMP.

Advancement of Planning Objectives: Eventual development of the property could bring in additional commercial or retail options. This could help to revitalize the City's downtown district and generate additional tax revenue.

1458 11TH STREET (PROPERTY 7)

Address: 1458 11th Street

APN: 008-074-01

Lot Size: 0.12 Acres

Acquisition Date: March 15, 2010

Value at Time of Purchase: Parcel was purchased for \$75,220

Purpose of Acquisition: This property was purchased in an effort to assemble commercial properties in the downtown district for economic and commercial development

Property Type (DOF Category): Commercial

Property Type (City Proposed): Sale of Property

Current Zoning: Commercial

Estimate of Income Revenue: None

Contractual Requirements for Use of Income/Revenue: None

History of Environmental Contamination, Studies, and/or Remediation, and Designation as Brownfield Site: None known

Description of Property's Potential for Transit Oriented Development: None

History of Previous Development Proposals: There are no known previous development proposals

Estimated Current Value: Included below are the same 4 comparable commercial sales shown earlier in the report:



Successor Agency to the Firebaugh Redevelopment Agency

Long-Range Property Management Plan

Comparable Analysis - Firebaugh Commercial Properties

Residential Land - 10 Mile Radius	Property Type	Secondary Type	Sale Date	Area (AC)	Price	Price/AC	Notes
1 2385 N Street Firebaugh	Land	Commercial	12/12/2011	11.72	\$ 245,000	\$ 20,904	Large property
2 990 N Street Firebaugh	Land	Commercial	4/10/2012	0.69	\$ 450,000	\$ 652,174	14k square foot building planned; larger property
3 1067 P Street Firebaugh	Retail	Freestanding	4/19/2011	0.26	\$ 75,000	\$ 288,462	Larger property; developed
4 988 O Street Firebaugh	Retail	Storefront Retail/Residential	9/28/2012	0.24	\$ 70,000	\$ 291,667	Larger property; developed
Subject 1458 11th Street Firebaugh	Retail	Commercial	Not Listed	0.12	\$ 6,000	\$ 50,000	No parking to meet zoning code

Source: CoStar, August 2013

*The subject property has an unoccupied existing commercial structure that covers the entire property. With the existing structure, the property does not have sufficient room to meet the Citywide parking standards for commercial properties as dictated by the zoning code (1 square foot of parking for every square foot of commercial space). This is a significant drawback that greatly devalues the property. Anyone wishing to purchase the property would have to purchase additional parcels within 500 feet to provide parking to the subject property. Given these challenges and potential costs, it would be reasonable to apply a land value of \$50,000/acre to the subject property. **This would result in an estimated current value of \$6,000.***

Date of Estimated Current Value: August 22, 2013

Proposed Sale: The property will be sold on the open market or at auction as necessary

Proposed Sale Date: The property will be put up for sale after Oversight Board and DOF approval of the PMP.

Advancement of Planning Objectives: Eventual development of the property could bring in additional commercial or retail options. This could help to revitalize the City's downtown district and generate additional tax revenue.

Properties Retained For Purposes Of Fulfilling An Enforceable Obligation

There are no properties to be retained for the purpose of fulfilling an Enforceable Obligation, as defined in AB x1 26.

ATTACHMENTS

- 1. Property Inventory Data (DOF Form)**
- 2. Order No. 94-072**
- 3. Wastewater Collection and Disposal Services Agreement between City and Toma-Tek**
- 4. Birch Drive Property Appraisal**
- 5. Disposition and Development Agreement (“DDA”) with the Fresno County Housing Authority for the Gateway Project**
- 6. The Successor Agency letter to release it from Gateway DDA**
- 7. Ten-Year Affordable Housing Compliance Plan - 2004-05 through 2013-14**
- 8. Memorandum of Understanding, March 15, 2012**

Attachment 1 - Property Inventory Data (DOF Form)

Successor Agency: Firebaugh
County: Fresno County

LONG RANGE PROPERTY MANAGEMENT PLAN: PROPERTY INVENTORY DATA

No.	Property Type	HSC 34191.5 (c)(2)		HSC 34191.5 (c)(1)(A)			Value Basis	Date of Estimated Current Value	SALE OF PROPERTY		HSC 34191.5 (c)(1)(B)	HSC 34191.5 (c)(1)(C)			
		Permissible Use	Permissible Use Detail	Acquisition Date	Value at Time of Purchase	Estimated Current Value			Proposed Sale Value	Proposed Sale Date	Purpose for which property was acquired	Address	APN #	Lot Size (acres)	Current Zoning
10	Residential	Sale of Property	sell to Housing Authority	3/18/2010	\$286,299	\$0 to \$130,000	Market	22-Aug-13	between \$0 and \$130,000	after DOF approval	construct affordable housing	1264 P Street	008-075-11	0.50	residential
11	Residential	Sale of Property	sell to Housing Authority	3/18/2010	\$171,382	part of above value	Market	22-Aug-13	part of above value	after DOF approval	construct affordable housing	1238 P Street	008-075-03	0.33	
13	Other	Governmental Use	Wastewater discharge area	8/25/1980	\$193,000	0	Market	22-Aug-13	NA	NA	wastewater discharge	Birch Drive	007-100-25ST	29.3	government zone
14	Vacant Lot/Land	Sale of Property	sell for future commercial use	1/20/2010	\$211,116	\$42,000	Market	22-Aug-13	determined by market	after DOF approval	commercial assemblage	1415 14 th Street	008-132-07	0.21	commercial
15	Commercial	Sale of Property	sell for future commercial use	3/28/2011	\$181,017	\$46,000	Market	22-Aug-13	determined by market	after DOF approval	commercial assemblage	1185 N Street	008-074-10	0.23	commercial
16	Commercial	Sale of Property	sell for future commercial use	3/28/2011	\$516,654	\$163,000	Market	22-Aug-13	determined by market	after DOF approval	commercial assemblage	1284 N Street	008-080-42	0.442	commercial
17	Commercial	Sale of Property	sell for future commercial use	3/28/2011	\$391,961	\$157,500	Market	22-Aug-13	determined by market	after DOF approval	commercial assemblage	1320 N Street	008-140-35	0.45	commercial
18	Commercial	Sale of Property	sell for future commercial use	3/15/2010	\$75,220	\$46,531	Market	22-Aug-13	determined by market	after DOF approval	commercial assemblage	1458 11 th Street	008-074-01	0.12	commercial

Successor Agency: Firebaugh
County: Fresno County

LONG RANGE PROPERTY MANAGEMENT PLAN: PROPERTY

		HSC 3411	HSC 34191.5 (c)(1)(D)	HSC 34191.5 (c)(1)(E)		HSC 34191.5 (c)(1)(F)	HSC 34191.5 (c)(1)(G)		HSC 34191.5 (c)(1)(H)
No.	Property Type	Permissible Use	Estimate of Current Parcel Value	Estimate of Income/Revenue	Contractual requirements for use of income/revenue	History of environmental contamination, studies, and/or remediation, and designation as a brownfield site	Description of property's potential for transit oriented development	Advancement of planning objectives of the successor agency	History of previous development proposals and activity
10	Residential	Sale of Property	\$0 to \$130,000	\$775/month	none	none	none	construct affordable housing	Fresno County Housing Authority proposed to build senior affordable housing
11	Residential	Sale of Property	part of above value	part of above	none	none	none	construct affordable housing	Fresno County Housing Authority proposed to build senior affordable housing
13	Other	Governmental Use	\$0	none	NA	subject to an industrial wastewater discharge permit	none	maintain industrial wastewater discharge area	solar farm wanted to lease the land but couldn't because it is pledged to the wastewater discharge permit
14	Vacant Lot/Land	Sale of Property	\$42,000	none	none	none	none	commercial development could revitalize downtown	none
15	Commercial	Sale of Property	\$46,000	none	none	none	none	commercial development could revitalize downtown	none
16	Commercial	Sale of Property	\$163,000	\$1200/month	none	none	none	commercial development could revitalize downtown	none
17	Commercial	Sale of Property	\$157,500	\$1100/month	none	none	none	commercial development could revitalize downtown	none
18	Commercial	Sale of Property	\$6,000	none	none	none	none	commercial development could revitalize downtown	none

Attachment 2 - State Water Board Order 94-072

**CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD
CENTRAL VALLEY REGION**

ORDER NO. 94-072

**WASTE DISCHARGE REQUIREMENTS
FOR
TOMATEK, INC.
AND
CITY OF FIREBAUGH
TOMATO WASTEWATER FACILITY
FRESNO COUNTY**

The California Regional Water Quality Control Board, Central Valley Region, (hereafter Board) finds that:

1. The City of Firebaugh submitted a Report of Waste Discharge (RWD) and a technical report, dated 7 March 1989, in support of the ongoing unregulated discharge of waste from a tomato processing facility owned by Tomatek, Inc. (Tomatek), a California Corporation, to a storage pond within the City of Firebaugh wastewater treatment facility (WWTF) and/or 160 acres of reclamation area adjacent to the WWTF owned by the City, (Assessor's Parcel Nos. 07-010-22 and 07-010-26). Cotton is the primary crop grown on the reclamation area. The City of Firebaugh and Tomatek are hereafter jointly referred to as the Discharger.
2. Waste Discharge Requirements (WDRs) Order No. 92-227, adopted by the Board on 4 December 1992, prescribes requirements for discharge of treated domestic wastewater from the WWTF.
3. Tomatek produces a maximum of 2.16 mgd of wastewater for a 90-day average operating season from late June through September. The operating season varies from year-to-year depending on climate and crop ripening conditions.
4. The wastewater is generated from washing and transporting tomatoes and from tomato paste processing, including condensation from tomato paste processing and other steam heated operations, cooling of the product after thermal processing, plant washdown, boiler supply, and boiler blowdown. Domestic waste is discharged to the WWTF.
5. Effluent from Tomatek is piped by gravity flow to an existing irrigation system for land treatment and surface irrigation of the 160-acre cotton field. In 1993, only 82 acres of the cotton field were used for reclamation. Effluent from the WWTF may be discharged to the reclamation area only if Tomatek is not in operation and not discharging to the reclamation area. Treated domestic wastewater and tomato process water are not disposed of concurrently on the cotton field.

WASTE DISCHARGE REQUIREMENTS
TOMATEK, INC. AND CITY OF FIREBAUGH
TOMATO WASTEWATER FACILITY
FRESNO COUNTY

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6. During the processing season, all of the produced wastewater will be used for irrigation. If a shutdown in the irrigation system occurs, wastewater will automatically flow into the storage pond owned and operated by the City of Firebaugh. The storage pond has capacity for the maximum discharge flow of 2.16 mgd for 90 days. Upon restart of irrigation, water from the storage pond will be pumped back into the irrigation system.
7. The tomato processing facility and the 160-acre cotton field are in Sections 33 and 34, T12S, R14E, MDB&M, with surface water drainage to the San Joaquin River between Madera Dam and Sack Dam, as shown in Attachment A, which is attached hereto and part of this Order by reference. The site lies within the Los Banos Hydrologic Area (No. 541.20) in the Delta-Mendota Canal Hydrologic Unit, as depicted on interagency hydrologic maps prepared by the Department of Water Resources in August 1986.
8. The reclamation area will be leveled annually. After leveling, normal farm practices of disking, seeding, and rolling will be used before wastewater is applied.
9. Effluent from Tomatek contains about 5.4 mg/l of iron [17 times the secondary Maximum Contaminant Level (MCL)], 0.48 mg/l of manganese (9 times the secondary MCL), pH of 4, an electrical conductivity of 1,400 μ mhos/cm (1.5 times above secondary MCL), 210 mg/l of chloride (1.9 times above secondary MCL), a BOD₅ of 450 to 1,000 mg/l, and 200 to 900 mg/l of suspended solids, 0.05 to 0.4 mg/l of nitrates, and 0.05 mg/l of copper.
10. The U.S Environmental Protection Agency publication no. 625/3-77-0007, titled *Pollution Abatement in the Fruit and Vegetable Industry*, recommends a maximum BOD₅ loading rate of 100 lbs/acre-day on well aerated soils. Based on a maximum flow of 2.16 mgd, the BOD₅ loading rate on the 120-acre reclamation area could vary from about 67.6 to 150 lbs/acre-day.
11. Depth to first ground water varies from 13 to 16 feet below ground surface (bgs). The ground water gradient in the area is generally to the north.
12. Pursuant to Order No. 79-19 for the Firebaugh WWTF, a ground water monitoring well was constructed about 1,000 feet north of the evaporation and percolation ponds. An abandoned city water supply well (well no. 5) about one-half of a mile northwest of the ponds has also been used for ground water monitoring. The EC of ground water in well no. 5 and the test well are about 1,300 and 960 μ mhos/cm, respectively. The EC of drinking water from the City's water distribution system is

**WASTE DISCHARGE REQUIREMENTS
TOMATEK, INC. AND CITY OF FIREBAUGH
TOMATO WASTEWATER FACILITY
FRESNO COUNTY**

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about 915 μ mhos/cm. Results of ground water samples collected in April 1990 from two other domestic wells roughly three miles northwest of the WWTF show iron concentrations of 0.5 and 0.3 mg/l in ground water. The secondary MCL for iron is 0.3 mg/l. The City currently treats ground water to reduce iron below 0.3 mg/l prior to distribution in the water system.

13. The general topography of the site is of low relief, with surface drainage to the San Joaquin River. The soils are sandy clay loams, with an underlying clay layer.
14. The Board adopted a Water Quality Control Plan, 2nd edition, for the San Joaquin River Basin (5C) (hereafter Basin Plan), which contains water quality objectives for all waters of the Basin. These requirements implement the Basin Plan.
15. Title 23, California Code of Regulations (CCR), Section 2501, et seq., (hereafter Chapter 15) defines 'designated wastewater' in subsection 2552(a)(1) as:

"nonhazardous waste which consists of or contains pollutants which, under ambient environmental conditions at the waste management unit, could be released at concentrations in excess of applicable water quality objectives, or which could cause degradation of waters of the state."

16. The Basin Plan identifies the beneficial uses of the San Joaquin River between Mendota Dam and Sack Dam as agricultural; industrial; water contact and non-contact water recreation; warm fresh water habitat; and warm and cold migration and spawning.
17. The beneficial uses of the ground water underlying the Los Banos Hydrologic Area are domestic and agricultural supply.
18. The Discharger's proposed wastewater could be considered a 'designated waste' according to Chapter 15 because it exhibits high concentrations of iron, manganese, and TDS, which under environmental conditions in the disposal ponds, could be released to ground water at concentrations in excess of applicable water quality objectives and cause ground water degradation.
19. Chapter 15 requires that 'designated liquid wastes' be contained by a Class II surface impoundment, unless exempted.

**WASTE DISCHARGE REQUIREMENTS
TOMATEK, INC. AND CITY OF FIREBAUGH
TOMATO WASTEWATER FACILITY
FRESNO COUNTY**

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20. Pursuant to Section 2511 of Chapter 15, the following activities are exempt from Chapter 15 under the following divisions:

- (b) Discharges of wastewater to land if the following conditions are met:
 - 1. The Board issues waste discharge requirements,
 - 2. The discharge complies with the Basin Plan, and
 - 3. The wastewater does not need to be managed according to Title 22, CCR, Division 4, Chapter 30, as a hazardous waste.
- (f) Use of nonhazardous decomposable waste as a soil amendment pursuant to applicable best management practices (BMPs), provided that regional boards may issue waste discharge or reclamation requirements for such use.
- (h) Recycling or other use of materials salvaged from waste, or produced by waste treatment such as scrap metal, compost, and recycled chemicals, provided that discharges of residual waste from recycling or treatment operations to land shall be according to applicable provisions of this chapter.

The proposed discharge will comply with (b), (f), and (h), above.

- 21. Under terms of this Order, organic loading shall be regulated to assure BMPs and soils beneath the storage pond and the 160 acre reclamation area will be monitored to assure TDS, iron, and manganese concentrations in excess of MCLs do not migrate downwards in the soil column and reach or threaten to reach and pollute ground water.
- 22. The City of Firebaugh adopted a mitigated negative declaration on 28 January 1988 in accordance with the California Environmental Quality Act (CEQA) (Public Resources Code Section 21000, et seq.), and the State CEQA Guidelines. The project as approved will not have a significant impact on water quality if operated in accordance with the proposed Order.
- 23. The Board has notified the Discharger and interested agencies and persons of its intent to prescribe waste discharge requirements for this discharge and has provided them with an opportunity for a public hearing and an opportunity to submit their written views and recommendations.

**WASTE DISCHARGE REQUIREMENTS
TOMATEK, INC. AND CITY OF FIREBAUGH
TOMATO WASTEWATER FACILITY
FRESNO COUNTY**

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24. The Board, in a public meeting, heard and considered all comments pertaining to the discharge.

IT IS HEREBY ORDERED that Tomatek, Inc., and the City of Firebaugh, their agents, assigns and successors, in order to meet the provisions contained in Division 7 of the California Water Code and Regulations adopted thereunder, shall comply with the following:

A. Discharge Prohibitions:

1. Discharge of wastes to surface waters or surface water drainage courses is prohibited.
2. Bypass or overflow of untreated or partially treated waste from the tomato processing facility is prohibited.
3. Discharge of waste classified as 'hazardous' or 'designated', as defined in Sections 2521(a) and 2522(a) of Chapter 15, is prohibited except in compliance with the terms of this Order.
4. Co-disposal of domestic and tomato process wastewater is prohibited.

B. Discharge Specifications:

1. The daily maximum discharge shall not exceed 2.2 mgd.
2. The maximum BOD₅ loading rate on any subarea of the reclamation area shall not exceed 100 lbs/acre-day.
3. Objectionable odors originating at the 125 acre-reclamation area shall not be perceivable beyond the limits of the area.
4. As means of discerning compliance with Discharge Specification No. B.3, the dissolved oxygen content in the upper zone (1 foot) of the storage pond shall not be less than 1.0 mg/l.
5. Wastewater retained in the storage pond shall not have a pH less than 6.0 or greater than 9.5.

**WASTE DISCHARGE REQUIREMENTS
TOMATEK, INC. AND CITY OF FIREBAUGH
TOMATO WASTEWATER FACILITY
FRESNO COUNTY**

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- 6.** The maximum total inorganic dissolved solids of any discharge shall not exceed the weighted monthly average total inorganic dissolved solids of the source water plus 320 mg/l.
- 7.** When used, the storage pond shall be managed to prevent breeding of mosquitos. In particular:
 - a.** An erosion control program should assure that small coves and irregularities are not created around the perimeter of the water surface.
 - b.** Weeds shall be minimized through control of water depth, harvesting, or herbicides.
 - c.** Dead algae, vegetation, and debris shall not accumulate on the water surface.
 - d.** Vegetation shall be removed before each seasonal use.
- 8.** The discharge shall not exceed the pH buffering capacity of the soil profile (see Provision F.3).
- 9.** Public contact with wastewater shall be precluded through such means as fences, signs, or other acceptable alternatives.
- 10.** The storage pond shall have sufficient capacity to accommodate allowable wastewater flow and design seasonal precipitation during the processing season. Design seasonal precipitation shall be based on a 25-year, 24-hour storm for each month the storage pond is in operation. Freeboard shall never be less than 2 feet (measured vertically).

C. Reclamation Requirements

- 1.** Reclaimed water used for irrigation shall be managed to minimize erosion, runoff, and movement of aerosols from the disposal area.
- 2.** Areas irrigated with wastewater shall be managed so as to prevent breeding of mosquitos. More specifically:
 - a.** Tail water must be returned and all irrigation water must infiltrate completely within a 24-hr period.

**WASTE DISCHARGE REQUIREMENTS
TOMATEK, INC. AND CITY OF FIREBAUGH
TOMATO WASTEWATER FACILITY
FRESNO COUNTY**

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- b. Ditches must be maintained free of emergent, marginal, and floating vegetation.
 - c. Low-pressure and unpressurized pipelines and ditches accessible to mosquitoes shall not be used to store reclaimed waters.
 - d. Reclaimed wastewater shall be uniformly distributed on the entire reclamation area.
- 3.** The Discharger shall not irrigate with effluent during periods of precipitation.
- 4.** The perimeter of the reclamation area shall be graded to prevent ponding along public roads or other public areas.
- 5.** Application of reclaimed water to the reclamation area shall be at reasonable rates considering the crop, soil, climate, and irrigation management system, as well as the potential for off-site odors.
- 6.** Storm water runoff from the reclamation area shall not be discharged to any surface drainage course within 30 days of the last wastewater application.

D. Solids Disposal:

- 1. Collected screenings, sludges, and other solids removed from liquid wastes shall be disposed of in a manner that is consistent with Chapter 15 and approved by the Executive Officer.
- 2. Solids applied to land shall be disced and incorporated into the soil within 24 hours of application.
- 3. Any proposed change in solids or disposal practice shall be reported to the Executive Officer at least 90 days in advance of the change.

E. Ground Water Limitations:

The discharge, in combination with other sources, shall not cause underlying ground water to:

- 1. Contain waste constituents in concentrations statistically greater than receiving water limits, where specified below, or background water quality where not

**WASTE DISCHARGE REQUIREMENTS
TOMATEK, INC. AND CITY OF FIREBAUGH
TOMATO WASTEWATER FACILITY
FRESNO COUNTY**

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specified. (For purposes of comparison, background water quality shall be determined when background monitoring provides sufficient data. Quality determined in this manner establishes "water quality protection standards.")

2. Contain chemicals, heavy metals, or trace elements in concentrations that adversely affect beneficial uses or exceed maximum contaminant levels specified in the California Code of Regulations, Title 22, Division 4, Chapter 15.
3. Contain taste or odor-producing substances in concentrations that cause nuisance or adversely affect beneficial uses.
4. Contain concentrations of chemical constituents in amounts that adversely affect agricultural use.

F. Provisions:

1. The Discharger shall comply with Monitoring and Reporting Program No. 94-072, which is part of this Order, and any revisions thereto as ordered by the Executive Officer.
2. The Discharger shall comply with the "Standard Provisions and Reporting Requirements for Waste Discharge Requirements," dated 1 March 1991, which are attached hereto and by reference a part of this Order. This attachment and its individual paragraphs are commonly referenced as "Standard Provision(s)."
3. By 30 May 1994, the Discharger shall provide a reclamation management plan that includes:
 - a. A scale map identifying the reclamation area; with BOD₅, iron, copper, manganese, potassium, nitrogen, and chloride loading rates. The plan shall discuss compliance with Discharge Specification B.2 and Reclamation Requirements C.4, 5, and 6.
 - b. A technical report for achieving compliance with Specification B.8 in accordance with one of the following two options.
 - 1) Provide an appropriate analysis based on soil characteristics of the disposal area and composition of the discharge which demonstrates that the resulting effect of the discharge on soil pH will not exceed the buffering capacity of the soil profile.

**WASTE DISCHARGE REQUIREMENTS
TOMATEK, INC. AND CITY OF FIREBAUGH
TOMATO WASTEWATER FACILITY
FRESNO COUNTY**

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- 2) Provide soil test data and historical discharge data which demonstrates that application of wastewater in the past has not resulted in an adverse change in soil pH.

These technical reports shall be prepared by a qualified professional such as California registered civil engineer experienced in the agricultural wastewater treatment and disposal facilities.

4. In the event of any change in control or ownership of land or waste discharge facilities described herein, the Discharger shall notify the succeeding owner or operator of the existence of this Order by letter, a copy of which shall be immediately forwarded to this office.

To assume operation under this Order, the succeeding owner or operator must apply in writing to the Executive Officer requesting transfer of the Order. The request must contain the requesting entity's full legal name, the State of incorporation if a corporation, the name and address and telephone number of the persons responsible for contact with the Board, and a statement. The statement shall comply with the signatory paragraph of Standard Provision B.3 and state that the new owner or operator assumes full responsibility for compliance with this Order. Failure to submit the request shall be considered a discharge without requirements, a violation of the California Water Code. Transfer shall be approved or disapproved by the Executive Officer.

5. The Discharger shall submit the technical reports described in Standard Provisions A.7 and B.3 and a copy of the operation and maintenance manual for the facility by 30 May 1994.
6. The Discharger must comply with all conditions of this Order, including timely submittal of technical and monitoring reports as directed by the Executive Officer. Violations may result in enforcement action, including Board or court orders requiring corrective action or imposing civil monetary liability, or in revision or rescission of this Order.
7. A copy of this Order shall be kept at the WWTF and Tomatek for reference by operating personnel. Key operating personnel shall be familiar with its contents.
8. The Board will review this Order periodically and will revise requirements when necessary.

**WASTE DISCHARGE REQUIREMENTS
TOMATEK, INC. AND CITY OF FIREBAUGH
TOMATO WASTEWATER FACILITY
FRESNO COUNTY**

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I, WILLIAM H. CROOKS, Executive Officer, do hereby certify the foregoing is a full, true, and correct copy of an Order adopted by the California Regional Water Quality Control Board, Central Valley Region, on 25 March 1994.


WILLIAM H. CROOKS, Executive Officer

RA:cjs: 3/25/94

**CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD
CENTRAL VALLEY REGION**

MONITORING AND REPORTING PROGRAM NO. 94-072

**FOR
TOMATEK, INC.
AND
CITY OF FIREBAUGH
TOMATO WASTEWATER FACILITY
FRESNO COUNTY**

EFFLUENT MONITORING

Effluent samples shall be collected just prior to the reclamation site and the storage pond. Effluent samples should be representative of the volume and nature of the discharge. Time of collection of a grab sample shall be recorded. Effluent monitoring shall be effective throughout the processing season and include at least the following:

<u>Constituents</u>	<u>Units</u>	<u>Type of Sample</u>	<u>Sampling Frequency</u>
Flow ¹	mgd	Estimate	Continuous
Specific Conductivity @ 25° C	μ mhos/cm	Grab	Daily
pH	pH units	Grab	Daily
BOD ₅	mg/l	Composite ²	Weekly
Total and Inorganic Dissolved Solids ³	mg/l	Composite ²	Monthly
Standard Minerals ⁴	mg/l	Composite ²	Seasonal

¹ To be measured prior to discharge.

² A representative sample of the effluent may be obtained by compositing four samples collected at uniform intervals over an 8-hour period.

³ The total and inorganic TDS shall be determined using EPA Test Method Nos. 160.1 and 160.4, respectively.

⁴ Standard minerals as used in this program shall include all major cations and anions and include a verification that the analysis is complete (i.e., cation/anion balance).

MONITORING AND REPORTING PROGRAM
TOMATEK, INC. AND CITY OF FIREBAUGH
TOMATO WASTEWATER FACILITY
FRESNO COUNTY

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POND MONITORING

When in use, pond monitoring shall include the following:

<u>Constituents</u>	<u>Units</u>	<u>Type of Sample</u>	<u>Sampling Frequency</u>
Dissolved Oxygen ¹	mg/l	Grab	Daily
Freeboard ²	feet	Observation	Daily
pH	pH units	Grab	Daily

¹ Samples shall be collected at a depth of one foot from each pond, opposite the inlet, and analyzed for dissolved oxygen. Samples shall be collected between 0800 and 0900 hours.

² Permanent markers shall be placed in the pond with calibrations indicating the water level at design capacity and available operational freeboard, which shall be determined to the nearest one-half of a foot and shall be in effect so long as the pond contains wastes.

WATER SUPPLY MONITORING

A sampling station shall be established at the tomato processing facility where a representative sample of the water supply can be obtained. Water supply monitoring shall include at least the following:

<u>Constituents</u> ¹	<u>Units</u>	<u>Sampling Frequency</u>
TDS	mg/l	Once/season
Electrical Conductivity @ 25° C ²	μmhos/cm	Once/season

¹ If supply water is provided by a water purveyor, information on TDS and EC may be obtained from the Purveyor for the period of operation.

² If the source water is from more than one well, the EC shall be reported for the blend or as a weighted average and include copies of supporting calculations.

MONITORING AND REPORTING PROGRAM
TOMATEK, INC. AND CITY OF FIREBAUGH
TOMATO WASTEWATER FACILITY
FRESNO COUNTY

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RECLAMATION SITE MONITORING

The following is the reclamation site monitoring program:

- a. The areas of land utilized for discharge of the wastewater shall be reported monthly.
- b. Representative locations shall be established for soil profile sampling of the storage pond and reclamation site. At least one location shall be sampled in the bottom of the storage pond and at least one location shall be sampled in the reclamation area. One additional location outside of the reclamation site shall be established to represent background conditions.

<u>Constituent</u>	<u>Unit</u>	<u>Depth of Soil Profile¹</u>	<u>Sampling Frequency</u>	
			<u>Reclamation Site</u>	<u>Storage Pond</u>
Nitrate-Nitrogen	mg/kg	6 feet	September	April
Kjeldahl-Nitrogen	mg/kg	6 feet	September	April
Total Nitrogen	mg/kg	6 feet	September	April
pH	pH units	6 feet	September	April
General Minerals ²	mg/kg	6 feet	September	April

¹ Samples shall be taken at 2-foot depth increments.

² General Minerals shall include boron, copper, iron, manganese, chloride, nitrate, and sulfate.

The Discharger shall monitor the reclamation site daily through the processing season and while there is a discharge. Monitoring shall describe the type of crop grown and include calculations on the BOD₅, iron, copper, manganese, potassium, nitrogen, and chloride loading rates (in lbs/acre-day). It shall also include notations based on visual observations on whether wastewater and whether significant number of nuisance insects and/or objectionable odors are present in the reclamation area. These monitoring data and observations during any month shall be submitted the following month. Where remedial action is necessary, the

**MONITORING AND REPORTING PROGRAM
TOMATEK, INC. AND CITY OF FIREBAUGH
TOMATO WASTEWATER FACILITY
FRESNO COUNTY**

-4-

Discharger shall briefly explain in the transmittal what action has been taken or is scheduled to be taken.

SOLIDS DISPOSAL MONITORING

Solid disposal shall be monitored daily throughout the processing season. Monitoring shall include, but is not be limited to, the quantity of solids disposed of (in pounds); method of disposal (e.g., landspreading); area used for drying and disposal (location and acreage); and the presence or absence of potential nuisance (e.g., vectors and objectionable odors) at the disposal area. Notes on these conditions shall be summarized in the monthly monitoring report.

REPORTING

In reporting the monitoring data, the Discharger shall arrange the data in tabular form so that the date, the constituents, and the concentrations are readily discernible. The data shall be summarized in such a manner to illustrate clearly compliance or noncompliance with waste discharge requirements.

Monitoring reports for each month that discharge takes place shall be submitted to the Board by the 20th day of the following month.

The results of any monitoring done more frequently than required at the locations specified in the Monitoring and Reporting Program shall be reported to the Board.

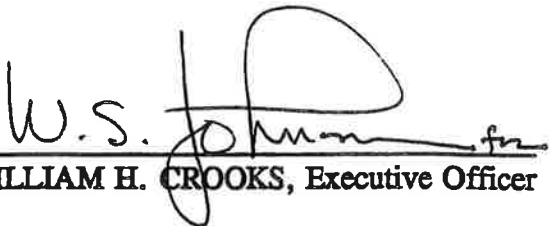
Upon written request of the Board, the Discharger shall submit a report to the Board by 30 January of each year. The report shall contain both tabular and graphical summaries of the monitoring data obtained during the previous year, including a certified statement of when flow meter and other monitoring instruments and devices were last calibrated (Standard Provision C.4). In addition, the Discharger shall discuss the compliance record and the corrective actions taken or planned which may be needed to bring the discharge into full compliance with the waste discharge requirements. All reports submitted in response to this Order shall comply with the signatory requirements in Standard Provision B.3.

**MONITORING AND REPORTING PROGRAM
TOMATEK, INC. AND CITY OF FIREBAUGH
TOMATO WASTEWATER FACILITY
FRESNO COUNTY**

-5-

The Discharger shall implement the above monitoring program as of the date of this Order.

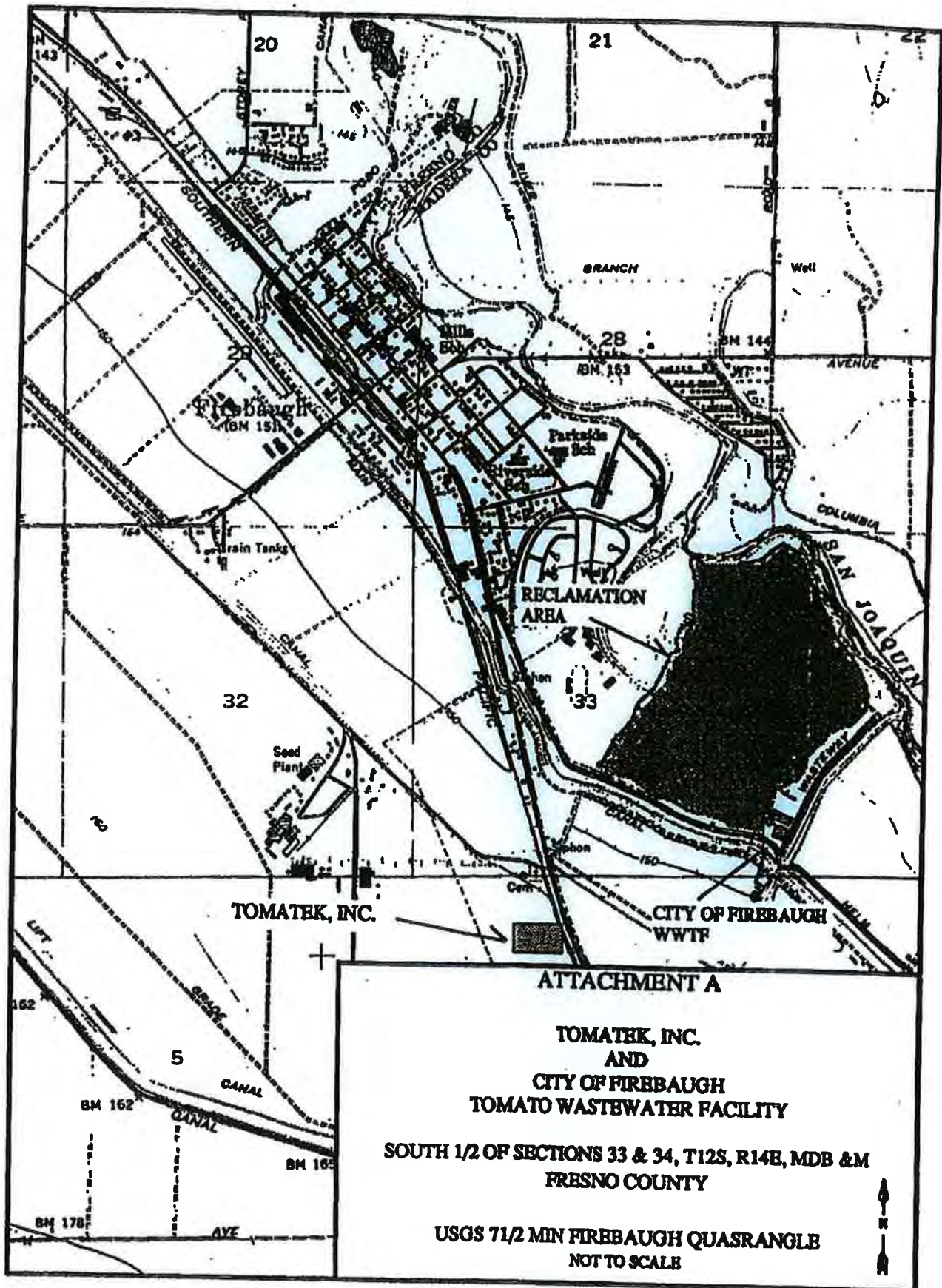
Ordered by:


WILLIAM H. CROOKS, Executive Officer

25 March 1994

(Date)

RA:cjs: 3/25/94



INFORMATION SHEET

TOMATEK, INC. AND CITY OF FIREBAUGH TOMATO WASTEWATER FACILITY FRESNO COUNTY

The City of Firebaugh submitted a Report of Waste Discharge (RWD) in support of the ongoing unregulated discharge of treated waste from a tomato processing plant owned by Tomatek, Inc. (Tomatek) to a storage pond within the City of Firebaugh wastewater treatment facility (WWTF) and/or to 160 acres of cotton field owned by the City adjacent to the WWTF. Discharge of domestic waste from the WWTF is regulated by Waste Discharge Requirements Order No. 92-227. Tomatek and the City of Firebaugh are jointly referred to as the Discharger.

In order to accept the discharge from the tomato plant one mile south of the City, the City purchased additional land for wastewater reclamation, constructed a pipeline from the plant to the treatment site, constructed a wastewater storage pond, and installed necessary pumps and piping for irrigation. Effluent from the WWTF may be discharged to the reclamation area only if Tomatek is not in operation and does not discharge to land. Treated domestic sewage and tomato process water are not jointly disposed of on the reclamation area.

Wastewater is generated from washing and transporting tomatoes, and from processing tomato paste. The tomato plant also produces wastewater from cooling and condensation during tomato processing and other steam-heated operations, cooling of the product after thermal processing, plant washdown, boiler supply and boiler blowdown.

Effluent from Tomatek has about 5.4 mg/l of iron (17 times above secondary MCL), 0.48 mg/l of manganese (9 times above secondary MCL), pH of 4, an electrical conductivity (EC) of 1,400 μ mhos/cm (1.5 times above secondary MCL), 210 mg/l of chloride (1.9 times above secondary MCL), 450 to 1,000 mg/l of BOD₅, 200 to 900 mg/l of suspended solids, 0.05 to 0.4 mg/l of nitrates (well below primary MCL), and 0.05 mg/l of copper (well below secondary MCL).

The reclamation area is bounded on the northeast by the San Joaquin River. Cited beneficial uses of the San Joaquin River between Mendota Dam to Sack Dam are agricultural supply; industrial supply; water contact and noncontact water recreation; warm fresh water habitat; and warm and cold migration and spawning. Ground water, found at depths that vary seasonally from about 13 to 23 feet below ground surface, is used primarily for irrigation and domestic supply. Ground water gradient is to the north.

The EC of drinking water from the City's water distribution system is about 915 μ mhos/cm. Results of ground water samples collected from two domestic wells roughly three miles northwest of the WWTF show iron concentrations of 0.5 and 0.3 mg/l in ground water. The secondary MCL for iron is 0.3 mg/l. The City currently treats ground water to reduce iron below 0.3 mg/l prior to distribution in the water system.

INFORMATION SHEET - Continued

**TOMATEK, INC. AND CITY OF FIREBAUGH
TOMATO WASTEWATER FACILITY
FRESNO COUNTY**

-2-

Average precipitation and evaporation rates are 6.6 and 64 inches per year, respectively. Soils in the area consist of alternating and irregular sand, clay, sandy clay, and clay sand layers.

The City of Firebaugh adopted a mitigated negative declaration on 28 Jan 1988 in accordance with the California Environmental Quality Act (CEQA) (Public Resources Code Section 21000, et seq.), and the State CEQA Guidelines. The project as approved will not have a significant impact on water quality.

The Regional Board has reviewed the findings and concurs that the project as approved will not have a significant impact on water quality.

RA:cjs

**Attachment 3 - Wastewater Collection and Disposal
Services Agreement between City and Toma-Tek**

WASTEWATER TREATMENT AND DISPOSAL AGREEMENT

This agreement is entered into this 5th day of June, 1989, by and between the CITY OF FIREBAUGH (hereinafter "City") and TOMA-TEK, INC., an Oregon corporation, (hereinafter the "Developer").

R E C I T A L S

A. The City of Firebaugh has authority pursuant to state law to operate a wastewater treatment plant and pursuant thereto operates and provides public utilities services to persons within the City including wastewater collection and treatment services. The City is willing to provide said wastewater collection and treatment services to the Developer in the manner provided hereinafter.

B. Developer owns and operates or intends to construct, own and operate a tomato processing facility, (hereinafter the "Facility") on a site located within the City as shown on Exhibit "A" attached hereto. (hereinafter the "Site"), to process tomatoes in the manner described in Exhibit "B" attached hereto.

C. The operation of the Facility by the Developer will generate wastewater, washwater and other effluent (hereinafter the "wastewater"). Developer has requested that the City provide wastewater collection and disposal services to the Facility, subject to the terms and conditions described hereinafter.

NOW, THEREFORE, in consideration of the foregoing and the covenants and conditions provided hereinafter, the parties

agree as follows:

ARTICLE I

SELECTION OF THE EFFLUENT DISPOSAL SYSTEM

1.01 On execution of this agreement or no later than July 1, 1989, the City shall notify the Developer of the City's election of one of the Effluent Disposal System (hereinafter "EDS") options listed in this section. The EDS options shall be one of the following:

- (a) The City's existing sewer treatment plant location.
- (b) The City may elect to sell, or otherwise transfer and deliver wastewater from the site to the owners of adjacent properties for use as crop irrigation water subject to Developer's prior right to approve of the sale.
- (c) Any other means of disposal which becomes available to the City provided, however, that no other obligation of the City to the Developer hereunder is adversely affected, reduced or limited, and no obligation of the Developer to the City is increased or expanded.

we can change plan

During the term of this Agreement, the use of (a), (b), or (c) as the EDS may change, from time to time, at the City's sole discretion after consultation with the Developer.

1.02 Operation of the EDS.

For the term of this Agreement, Developer shall have the right to discharge and the City agrees to accept discharge into the EDS consisting of daily flows of wastewater from the Facility in quantities not to exceed 2 million gallons per day, from July 1 to October 1 of each year (or such additional periods before July 1 or after October 1, not to exceed 60 days on an

06/05/89.deb
fb\toma.was

*During 2009 -
averaged between
3-3.5 MGD*

annual basis, after 30 days notice to the City). During the months not included within the foregoing time period, the City will accept for disposal at a location and manner described in Section 1.01 a sum not to exceed 100,000 gallons per day. The City hereby represents that capacity exists or will exist, on or before June 31, 1989, and during the term of this agreement to accommodate the wastewater quantities herein described.

1.03 Ownership and Control of the Industrial Pond.

The Developer agrees that it has no interest or property right whatsoever in the EDS and that the EDS shall be operated and managed by the City as part of the City's wastewater collection and treatment system.

1.04 Environmental Clearances and Permits.

- (a) The City has obtained informal approval from the Regional Water Quality Control Board (hereinafter the "Board") for the use and operation of the EDS in the manner described herein. Upon execution of this Agreement, the City will exercise it's best efforts to obtain final approvals from the Board or any other agency with jurisdiction for the use of the EDS in the manner contemplated herein as promptly as is practicable. The City will promptly notify Developer as said approvals are obtained.
- (b) As part of the Board approval process, the City shall undertake and complete such environmental reviews and or mitigation measures as required by the Board, other governmental agencies or the California Environmental Quality Act.
- (c) All costs associated with undertaking and completing environmental reviews and obtaining permits from the Board, but limited to engineering and consultant fees incurred by Provost and Pritchard Engineers, Fresno, California, shall be paid by Developer, subject to such reimbursements as may be available from the Firebaugh Redevelopment Agency as shown on Exhibit "B", attached

hereto.

ARTICLE II

OBLIGATIONS OF THE DEVELOPER

2.01 Pretreatment.

Developer shall install, on the Site, such pretreatment equipment and facilities as shall be required by the Board and the City Engineer to insure that wastewater delivered to the City at the point of delivery is at a strength (measured in ph, B.O.D. and S.S.) acceptable to the Board, and if disposal occurs at the City's plant, to the City Engineer.

The parties acknowledge that federal or state agencies may, from time to time, impose limitations different or more stringent than those initially imposed or required by the Board or the City Engineer and that, if imposed, said limitations shall govern this agreement.

2.02 Construction of Onsite Facilities.

Developer shall construct, operate and maintain on the site, such devices as may be necessary to deliver, to the point of delivery, wastewater to be disposed of by the EDS. For purposes of this agreement the "point of delivery" shall mean that particular location, to be precisely agreed upon by and between the City and the Developer, located at the edge of the site and shall be that point at which waste-water from the Facility at the site is transferred into City-Owned facilities located in the public right of way. In addition to the forego-

ing, the Developer shall handle, treat, deliver or transport wastewater from the Facility to the edge of the property line and the point of delivery.

2.03 The Developer's obligations described in this Article II shall be undertaken and completed at Developer's sole cost and expense.

2.04 Payment of City's Expenses.

Within 30 days after receiving invoices from the City pursuant to Sections 3.02, 3.03 and 3.04 of Article III hereof the Developer shall pay, in full and without claim of damage or offset, invoices received by the City.

ARTICLE III

OBLIGATIONS OF THE CITY

3.01 Acceptance and Transport of Wastewater.

Subject to the terms and conditions of this Agreement, the City will accept at point of delivery and transport to the EDS, wastewater originating on the site, and dispose of such wastewater in a manner consistent with all applicable laws and the permit issued by the Board.

3.02 Preparation and Construction at the Industrial Pond.

On or before July 1, 1989, the City shall design, undertake and complete such improvements to the EDS as may be necessary to receive wastewater from the site. Said improvements may include, but are not limited to, the following types of facilities: lift station, pumping devices, aerators, filtration devices, monitoring and measuring devices, collection and

recycling facilities and devices, grading and other related equipment necessary to meet all environmental requirements and the cost of consultants and engineers associated with the foregoing.

The costs and expenses associated with the City's activities pursuant to this subsection shall be paid by the City and/or the Developer as described in Section 3.03.

3.03 Construction of Transmission Mains.

The City shall construct, in the public right of way or otherwise, such transmission mains or facilities which may be necessary to transport wastewater from the point of delivery to the EDS. The construction and completion of said transmission facilities shall be completed on or before July 1, 1989. All capital costs and expenses associated with the City's obligations pursuant to this subsection shall be borne by the City, or its assignee, the Firebaugh Redevelopment Agency, but only to the extent of available funds as shown on Exhibit "C" attached hereto. Any costs or expenses exceeding available funds, as shown on Exhibit "C", shall be borne and paid by Developer in the manner described in Section 2.04. The City shall acquire, at City's sole cost and expense, such rights-of-way or easements necessary to construct and locate the transmission lines.

*need
exh. C*

3.04 Operation and Maintenance Costs.

Following completion of the transmission mains, pursuant to the foregoing subsection, and completion of all improvements to the EDS, pursuant to subsection 3.03, the City

shall notify the Developer in writing that said facilities are complete.

Following the date of said notification, the City shall record and account for all costs and expenses associated with the ongoing operation and maintenance of the transmission main and the EDS, excluding work covered by warranty. Said costs and expenses shall include a 20% surcharge for overhead expenses associated with the City's management and operation of the EDS and transmission main.

Periodically, but no later than quarterly, the City shall compile all costs, expenses (including the 20% surcharge) as described herein, arising from the operation, maintenance and management of the lift station, transmission main and the EDS, and shall deliver the said costs to the Developer in the form of an invoice for payment. The invoice shall show all direct costs and expenses (including a ratable share of employee time actually expended) plus the 20% surcharge.

ARTICLE IV

TERM OF THE AGREEMENT

4.01 This agreement shall have a term of 30 years commencing on the execution hereof.

ARTICLE V

GENERAL PROVISIONS

5.01 This agreement and the exhibits hereto contain the entire agreement between the City and the Developer with regard to its subject matter. This agreement supercedes any prior

written or oral representations, warranties, promises understandings or agreements.

5.02 No amendment, alteration, modification or addition to this agreement will be valid or binding unless expressed in writing and signed by and between the City and the Developer.

5.03 The contract obligations, rights and benefits created herein may be assigned by either party, without the prior consent of the other, provided, however, that said assignment does not materially alter or affect the rights, obligations or burdens of the other.

5.04 In the event of a material breach by either party of its obligations or duties under this agreement, and the breaching party's refusal or failure to cure or correct its default 30 days after written notice by the nonbreaching party, the nonbreaching party may pursue such legal or equitable remedies as may be available under the laws of the State of California. In any action to remedy the breach of this agreement, the prevailing party in said action and any appeal therefrom shall be entitled to an award of its reasonable attorney's fees and costs.

5.05 This agreement will be governed and interpreted in accordance with the laws of the State of California.

5.06 Any notice, request, demand or approval or other communication required or permitted under this agreement must be in writing and will be deemed to be given when personally delivered or deposited in any depository regularly maintained by the United States Postal Service, postage prepaid, certified

mail, return receipt requested, addressed to the party for whom it is intended at its address set forth below:

CITY OF FIREBAUGH
1575 ELEVENTH STREET
FIREBAUGH, CA 93622

TOMA-TEK, INC.
P.O. BOX 876
VANCOUVER, WA 98666

5.07 During the term of this Agreement, Developer shall have the right to examine and inspect, after reasonable notice, all books and records of the City pertaining to the construction, operation and maintenance of the EDS.

5.09 Developer warrants and represents to the City as follows, effective as of the date hereof, and which shall continue during the term hereof:

- (a) The Developer is a corporation duly organized, validly existing and in good standing under the laws of the State of California.
- (b) The Developer has all requisite power and authority to enter into and perform all of its obligations under this Agreement, subject to it obtaining any licenses, authorizations or governmental permits required under applicable law.

5.10. The City hereby warrants and represents to Developer, effective as of the date hereof, and which shall continue during the term hereof:

- (a) The City has all requisite power and authority to enter into and perform all of its obligations under this Agreement and other documents related hereto.
- (b) The City has taken all actions necessary to authorize it to enter into and perform its obligations under this Agreement and to

DESCRIPTION

PARCEL 1:

A portion of Parcel 1 according to the "Parcel Map No. 2205" recorded in Book 15 Page 29, Parcel Maps, Fresno County Records, described as follows:

Beginning at the North quarter corner of Section 4, Township 13 South, Range 14 East, Mount Diablo Base and Meridian, said quarter corner also being on the South line of Section 33, Township 12 South, Range 14 East, Mount Diablo Base and Meridian; thence along the North line of Section 4 and the South line of Section 33 North 89° 12' 50" West 415.00 feet to the true point of beginning said point being on the East line of said Parcel 1; thence North 58° 29' 58" West 269.11 feet; thence North 87° 50' 52" West 663.79 feet; thence South 16° 07' 07" East 571.37 feet; thence along a 12,909.20 foot radius curve concaved to the Northeast through a central angle of 03° 36' 19" an arc length of 812.32 feet; thence South 87° 50' 52" East 1,388.70 feet to a point on the East line of said Parcel 1; thence along the East line of said Parcel the following courses and distances: North 20° 49' 04" West 848.27 feet; thence along 190.00 foot radius curve concaved to the Southwest through a central angle of 37° 40' 57" an arc length of 124.96 feet; thence North 58° 29' 58" West 614.22 feet to the true point of beginning.

PARCEL 2:

Portions of Section 33, Township 12 South, Range 14 East, Mount Diablo Base and Meridian and Section 4, Township 13 South, Range 14 East, Mount Diablo Base and Meridian, described as follows:

Beginning at the North quarter corner of said Section 4 also being on the South line of said Section 33; thence North 01° 24' 00" East 153.13 feet; thence South 70° 37' 0" East 178.25 feet to a point on the Westerly line of the right-of-way for Southern Pacific Railroad; thence along the Westerly line of said right-of-way North 16° 07' 0" West 99.84 feet to a point on the South line of the Outside Canal; thence along the South line of the Outside Canal the following courses and distances; North 70° 10' 05" West 130.33 feet; thence North 86° 37' 23" West 663.670 feet to a point on the East line of the San Luis Drain; thence leaving the South line of the Outside Canal and running along the East line of the San Luis Drain the following courses and distances South 58° 30' 00" East 517.53 feet to a point on the South line of Section 33 and the North line of Section 4; thence continuing South 58° 30' 00" East 230.73 feet; thence leaving the East line of the San Luis Drain North 01° 24' 00" East 117.85 feet to the point of beginning.

Reserving, however, to the Grantor all mineral rights on, or under said property, and entitlements in and to water stock and shares in and to Firebaugh Canal Company which pertain to the property. The rights hereby reserved shall not include and shall specifically exclude all rights of surface or subsurface access, on or over the property, all rights of entry upon the property for any purpose whatever including, but not limited to the right to drill, prospect, tunnel, or conduct any mining, exploration or extraction activity for any minerals, water, gas or other resource, whether arising under the mineral reservation herein described or otherwise.

Exhibit "A"

EXHIBIT "B"

SCOPE OF DEVELOPMENT

PROJECT DESCRIPTION

The proposed Project consists of the acquisition of a 40-acre parcel, located on Highway 33 at the outside Canal, City of Firebaugh, County of Fresno, State of California. The site will be developed into a tomato processing facility initially utilizing approximately 20 of the 40 acres, which will include a 36,400 square foot metal tomato processing building and a small administration building, a 6,000 square foot metal shipping building. This site is currently vacant and unimproved, being utilized for growing crops. Off-site improvements including streets, curbs, gutters, fencing, sewer and water are necessitated by this development.

Ownership of the facility and the tomato processing business will be by TOMA-TEK, INC., Vancouver, WA. Mr. Neil Jones will be the President of the Company. He has substantial management experience in tomato processing, and the food business in general.

The Design Engineer for the plant layout, and the manufacturer and supplier of much of the processing equipment is the Fenco Food Engineering Co., Parma, Italy. The processing and shipping buildings will be built by Shaw Steel Structures, Inc., Fresno, CA. Both of these companies have extensive experience in their respective areas in the food industry. Site development and construction of the administrative building will be contracted separately.

The products to be produced include bulk tomato paste and peeled, diced tomatoes packed in drums for the industrial market. Both of these items will be produced from fresh tomatoes received during the harvest period of late June through early October. The paste operation will commence in late June 1989 and the diced operation in late June 1990. There will also be installed a pouch packaging line in sizes for the food service market, such line being operational year 'round, utilizing a portion of the bulk paste and diced produced seasonally.

PROJECT OPPORTUNITIES

Being located in a geographical area adjacent to the tomato growing fields, along with the services being provided by the City (including providing the land and its improvements as well as handling of the waste) all combine to provide strong, favorable economic conditions compared with competition in the industry.

The market for tomato products in the United States and probably for export as well is improving due to the decline of imports primarily because of the devalued dollar, but also due to some curtailment of production or of product availability—particularly from the Mediterranean countries. The growth in consumption of ethnic foods which utilize significant volumes of tomato products (i.e., pizza, Mexican dishes and Italian entrees) would support the long-term expansion in consumption of tomatoes.

NATURE OF THE PROCESSING OPERATION

TOMA-TEK, INC. TOMATO PLANT

PROCESS DESCRIPTION

- - - 125 T.P.H. PASTE PLANT

After tomatoes have been received and graded in trailer mounted gondolas, they are unloaded into a dump flume for initial washing and conveyance. The tomatoes are then elevated, washed and conveyed by a series of elevators and flumes to inspection sorting tables, where culls and debris are removed.

The plant is designed to process one hundred twenty five (125) tons per hour of raw product (tomatoes). The one hundred twenty five tons of fruit will pass over three sort tables. The sorted tomatoes are crushed and heated to 210°F prior to further processing.

The course, chopped fruit is then pumped through a juice extraction unit which separates the juice from the stems, seed and peels. The juice goes to a surge tank that feeds the evaporator, and the waste product goes to a waste hopper. The product is then concentrated into tomato paste in the evaporator. Upon discharge from the evaporator, the paste is heated to 220°F for sterilization, then cooled to 98°F for aseptic packaging.

The tomato paste is packaged and stored in aseptic 30 gallon bag-in-box containers, or aseptic 55 gallon drums, which are also readily transportable by truck, rail or ship.

Diced tomatoes will be processed into 55 gallon drums at a rate of 40 drums per hour. These tomatoes are received and dumped into a separate flume, since their variety is specific to the diced tomato process.

During the off-season tomato paste and/or diced tomatoes will be pumped into mixing kettles, where water and condiments are added. Then the product is aseptically sterilized, cooled and aseptically packaged into pouches.

Waste water from the plant would be pre-screened to remove solids and then disposed of. Solid waste (pumice, in the form of skins, seeds and coarse fiber, which is discharged from the

consummate the transactions contemplated hereby.

- (c) This Agreement constitutes the legal, valid and binding obligation of the City, enforceable in accordance with its terms.
- (d) Neither the execution of this Agreement nor the consummation of the transactions contemplated hereby will violate any statute or law or any judgment, decree, order, regulation or rule of any governmental agency or court to which the City, the Facility, or the Site may be subject.

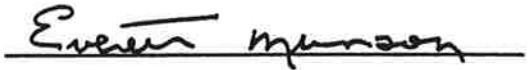
DATED: June 5, 1989

CITY OF FIREBAUGH

By 
RON LEYVA, Mayor

TOMA-TEK, INC.

DATED: May-1, 1990

By 

Attachment 4 - Birch Drive Property Appraisal

SUMMARY APPRAISAL REPORT

VALUATION OF

29.30 Acres Vacant Public Land
NEC Helm Canal Road & Birch Drive
Firebaugh, California

PREPARED FOR

Ms. Laura Weyant, City Manager
City of Firebaugh
1133 P Street
Firebaugh , California 93622

PREPARED BY

Peter S. Cooper, MAI
1255 West Shaw Avenue, Suite 102
Fresno, California 93711

EFFECTIVE DATE OF VALUATION

May 25, 2012

DATE OF APPRAISAL REPORT

July 2, 2012

Peter S. Cooper, MAI

Real Estate Appraiser and Consultant
1255 West Shaw Avenue, Suite 102
Fresno, California 93711
(559) 226-5025 FAX (559) 226-4523

E-mail: cooper.appraisals@sbcglobal.net

July 2, 2012

Ms. Laura Weyant, City Manager
City of Firebaugh
1133 P Street
Firebaugh, California 93622

RE: Market Valuation
29.3 Acres Vacant Public Land
NEC Helm Canal Road & Birch Drive
Firebaugh, CA

Dear Ms. Weyant:

In response to your recent request, I have conducted the required investigation, gathered the necessary data, and made certain analyses that have enabled me to form an opinion of the market values of the fee simple interest for each of the above captioned properties.

Based on the inspection of the properties and the investigation and analyses undertaken, I have formed the opinion that, as of the effective date of the appraisal, May 25, 2012, and subject to the assumptions and limiting conditions set forth in this Summary Appraisal Report, the property under appraisal have a market value of:

“As Is” Market Value On Date of Property Inspection
29.3 Acres Vacant Public Land
(Fee Simple Interests)
as of May 25, 2012
\$30,000

The aforementioned value is subject to the value definitions, assumptions and limiting conditions set forth in this report.

This appraisal has been prepared in accordance with the current economic definition of market value as set forth in the fifth edition of *The Dictionary of Real Estate Appraisal*, Appraisal Institute, 2010, page 122-123.

"The most probable price which a property should bring in competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, 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:

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised, and acting in what they consider their own best interests;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
5. 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.

This appraisal report conforms to the Uniform Standards of Professional Practice (USPAP) adopted by the Appraisals Standards Board of the Appraisal Foundation and the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute.

The undersigned appraiser hereby certifies that he has no present or future intended interest in the subject property, that neither the fee nor employment of this assignment was contingent upon the value reported herein, and that the appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.

This letter must remain attached to the report, which contains 39 pages plus related exhibits and Addenda, in order for the value opinion contained herein to be considered valid.

The right to photocopy all or part of this appraisal is strictly prohibited, unless prior arrangements have been made with Peter S. Cooper Appraisals Inc. Thank you for the opportunity of serving you.

If you have any questions, please feel free to call.

Sincerely



Peter S. Cooper, MAI
CA Cert No. AG007287

PSC/KCW/ss

SUMMARY OF SALIENT FACTS AND CONCLUSIONS

<u>CLIENT:</u>	City of Firebaugh
<u>APPRAISAL REPORT TYPE:</u>	Summary Appraisal Report
<u>PROPERTY OWNERSHIP:</u>	City of Firebaugh Redevelopment Agency
<u>APPRAISAL REPORT TYPE:</u>	Summary Appraisal Report
<u>PROPERTY LOCATION:</u>	NEC Helm Canal Road & Birch Drive Firebaugh, CA
<u>DATE OF INSPECTION AND EFFECTIVE DATE OF VALUE:</u>	May 25, 2012
<u>DATE OF APPRAISAL REPORT:</u>	July 2, 2012
<u>TYPE OF PROPERTY:</u>	Vacant Public Land
<u>PROPERTY RIGHTS APPRAISED:</u>	Fee Simple Interest
<u>ASSESSOR'S PARCEL NUMBER:</u>	APN 007-100-25ST
<u>THOMAS BROS. MAP CODE:</u>	1194/H-6 & J-6
<u>ZONING:</u>	"G" -- Government Zone District
<u>HIGHEST AND BEST USE:</u>	Considering the physical constraints on the property - particularly the industrial discharge permit - the highest and best of the property is farming on an interim basis. When and if the discharge permit is amended or cancelled, the maximum productivity of the property would be its eventual development to a governmental or public use as set forth in the code.
<u>PARCEL AREA:</u>	29.30 acres
<u>PARCEL CHARACTERISTICS:</u>	The subject parcel is vacant land with no on- or off-site improvements in place. It is located adjacent to the city of Firebaugh's waste water treatment facility. Levees border the property on the west and on the south. The property is below the grade of Helm Canal Road which borders the property on the south. The bulk of the

property is fairly level, though a fenced storm drain basin is on the northern portion of the portion of the site. Access to the property is from Helm Canal Road.

VALUE INDICATIONS:

**“As Is” Market Value On Date of
Property Inspection as of May 25, 2012
of 29.3 Acres Vacant Land
(Fee Simple Interest):**

= \$30,000

EXPOSURE TIME:

“As Is” Market Value 12 to 24 months

MARKETING TIME:

“As Is” Market Value 12 to 24 months

APPRAISAL CONDITIONS:

Extraordinary Assumptions: None.

Hypothetical Condition: None.

ASSUMPTIONS AND LIMITING CONDITIONS

1. No survey was made of the property and the dimensions are those taken from the maps in the office of the County Assessor.
2. Unless otherwise specifically noted in the body of the report, it is assumed that title to the property or properties which are identified as the subject of the report are clear and marketable and there are no recorded or unrecorded matters or exceptions to title that would adversely affect marketability or value. Peter S. Cooper Appraisals Inc. has not examined title and makes no representations relative to the condition thereof
3. No separation of land and building values may be used for any other purpose than that delineated elsewhere in this report.
4. Neither all nor any part of the contents of this report shall be conveyed to the public through advertising, public relations, news, sales or other media without the written consent and approval of the author, particularly as to the valuation conclusion, the identity of the appraiser or appraisers, or firm with which it is connected, or any reference to the American Institute of Real Estate Appraisers or to the MAI or RM designations.
5. No right to expert testimony is included with this report and the fee for this appraisal does not include payment for pre-trial conferences or taking of depositions.
6. No responsibility is assumed for matters legal in nature.
7. No survey or soil tests of the land have been made by the appraiser or appraisers.
8. Possession of this report or any copy thereof does not carry with it the right of publication, nor may the same be used for any purpose by anyone except the employer of the appraiser or appraisers, without the previous written consent of the appraiser or appraisers and, in any event, only in its entirety.
9. The information and data reported in this appraisal have been obtained from sources which are deemed to be reliable. They are believed to be correct, but cannot be guaranteed by the appraiser or appraisers. This condition applies generally throughout the appraisal report and specifically to square footage calculations and descriptions of comparable properties.
10. The appraiser or appraisers have no personal interest or bias with respect to the subject matter of this appraisal or the parties involved.
11. This appraisal report sets forth all of the limiting conditions (imposed by the terms of the assignment or by the appraiser or appraisers) affecting the analyses, opinions and conclusions contained in this report.
12. Kathleen C. Woods provided significant assistance in preparing the analyses, conclusions and opinions concerning real estate that are set forth in this appraisal report.

13. The appraiser or appraisers have no expertise with respect to toxic wastes, hazardous materials or undesirable substances. Proper inspections of the property by qualified experts are an absolute necessity to determine whether or not there are any current or potential toxic wastes, hazardous materials or undesirable substances in or on the property. The appraiser or appraisers have not made, nor will make, any representations, either express or implied, regarding the existence or nonexistence of toxic wastes, hazardous materials or undesirable substances in or on the property. Problems involving toxic wastes, hazardous materials or undesirable substances can be extremely costly to correct. It is the responsibility of the client or recipient of this report to retain qualified experts to deal with the detection and correction of such matters.
14. This report and all matters contained herein were prepared for the sole and exclusive benefit of the client specified herein, and is intended for his use only. Neither all, nor any part of the contents of this report, or copy thereof, shall be used for any purpose by anyone but the client specified herein nor shall it be conveyed or disseminated by anyone to the public through advertising, public relations, news, sales or other media, without the express written consent and approval of the appraiser or appraisers. No one, except the client specified herein, may rely on this report for any purpose. Any person or entity who obtains or reads this report, or a copy thereof, other than the client specified herein, expressly assumes all risk of damages to himself or third persons arising out of reliance thereon or use thereof and waives the right to bring any action based on the appraisal, directly or indirectly, and the appraiser or appraisers shall have no liability to any such person or entity. In short, those who did not pay for this report cannot rely upon it.
15. The Americans with Disabilities Act (ADA) became effective January 26, 1992. A compliance survey and analysis of this property was not prepared to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that compliance survey of the property, together with a detailed analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative effect upon the value of the property. Since the appraiser or appraisers have no direct evidence relating to this issue, the appraiser or appraisers did not consider possible noncompliance with the requirements of ADA in estimating the value of the property.

Real estate brokers indicate that there has not been a pricing discount for properties that were out of compliance with the ADA requirements at this point in time. However, this could change depending on the property type and investment size, and the potential costs to bring a property in compliance.

16. The projections of income and expenses, including the reversion at time of resale used in any discounted cash flow analysis presented within the appraisal report, are not predictions of the future. Rather, they are the best estimate of current market thinking of what future trends will be. No warranty or representation is made that these projections will materialize. The real estate market is constantly fluctuating and changing. It is not the task of the appraiser or appraisers to estimate the conditions of a future real estate market, but rather to reflect what the investment community envisions for the future, and upon what assumptions of the future investment decisions are based.

17. The conclusions of this report are estimates based on known current trends and reasonably foreseeable future occurrences. These estimates are based partly on property information, data obtained in public records, interviews, existing trends, buyer-seller decision criteria in the current market, and research conducted by third parties, and such data are not always completely reliable. Peter S. Cooper Real Estate Appraisals, Inc., and the undersigned are not responsible for these and other future occurrences that could not have reasonably been foreseen on the effective date of this assignment. Furthermore it is inevitable that some assumptions will not materialize and that unanticipated events may occur that will likely affect actual performance. While the appraiser or appraisers are of the opinion that our findings are reasonable based on current market conditions, appraiser or appraisers do not represent that these estimates will actually be achieved, as they are subject to considerable risk and uncertainty. Moreover, appraiser or appraisers assume competent and effective management and marketing for the duration of the projected holding period of this property.

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SUMMARY APPRAISAL REPORT

I. PROPERTY LOCATION AND DESCRIPTION:

The subject property is located in the southern sector of the City of Firebaugh at the northeast corner of Helm Canal Road and Birch Drive. It is adjacent to the city's wastewater treatment plant. The parcel is vacant land with no on- or off-site improvements in place. Levees extend along the property's western and southern boundaries. The southerly portion of the property is fairly level and below the grade of Helm Canal Road, a levee road which borders the property on the south. An area in the northern portion of the property is a 4±acre flood control drainage basin. In the city's general plan the property is designated for Public/Quasi Public land use and is zoned "G," a government zone district that would allow for a variety of public and quasi-public uses.

II. PURPOSE OF THE APPRAISAL:

The purpose of the appraisal is to estimate the "as is" market values of the fee simple interest in the subject property as of May 25, 2012.

III. SCOPE OF WORK:

The appraiser has been requested by the client's representative, Ms. Laura Weyant, City Manager, to provide a summary appraisal report for the client, the City of Firebaugh, on 29.3 acres of vacant open land adjacent to the city's wastewater treatment plant. The client requested the appraiser provide an "as is" market value for the property in its present condition.

On May 25, 2012, Peter Cooper and Kathleen Woods, performed an inspection of the subject property and the surrounding market area. The property inspection involved viewing the site from the levees, taking photographs, and observing the readily apparent property characteristics. The scope of inspection is not consistent with that which would be performed by a licensed professional property inspector, as the appraiser is not qualified to perform that level of inspection. It is sufficient to reliably ascertain the property characteristics relevant to the valuation problem subject to the extraordinary assumptions and limiting conditions identified later in this report

As part of this appraisal process for this assignment, the appraiser has taken the following steps to gather, confirm, and analyze relevant data. The following scope of work was performed:

- ! Information regarding the physical and legal condition of the subject properties was gathered from a physical inspection of site and employees of the city of Firebaugh including Laura Weyant, City Manager; Carl Schoettler, City Planner; and Ben Gallegos, Director of Public Works. The property inspection included viewing the property from the levee roads, taking pictures, and noting the obvious characteristics of the site and the general area.

- ! Information regarding the neighborhood, market area, and market trends affecting the subject property was gathered from published secondary sources and interviews with market participants and knowledgeable sources.
- ! Prepared a highest and best use analysis for the property under appraisal.
- ! Information regarding the subject property and the market was collected and confirmed with various sources. Some of the sources included the following: market data published by MetroScan, DataQuick, Comps Inc., the Fresno Multiple Listing Service, Hanley Wood Market Intelligence, the appraiser's current sales and development costs files for residential properties and interviews with various brokers who are actively involved in the sale of residential properties.
- ! Prepared an appraisal report setting forth the conclusions developed in this analysis as well as the information upon which the conclusions were based.

All the primary and secondary data collected during the course of the appraisal relative to the subject property has been analyzed and confirmed by the appraiser(s), whenever possible, leading to the value conclusion set forth in this report. All data considered material to the appraisal was reported. The valuation process involved utilizing all techniques and procedures considered appropriate to the assignment and the scope of work as determined between the appraiser(s) and the client's representative. The scope of this appraisal is subject to any extraordinary assumptions or hypothetical conditions that may be detailed in the Conditions of Appraisal section of this report.

The appraisal report has been prepared so as to comply with the requirements of:

1. The Uniform Standards of Professional Appraisal Practice (USPAP) including the Ethics and Competency Provisions as promulgated by the Appraisal Standards Board of the Appraisal Foundation.
2. The Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute.
3. The email dated May 2, 2012, between the client, City of Firebaugh, and the appraiser, Peter S. Cooper, MAI.

IV. APPRAISAL REPORTING OPTIONS:

The most recent edition of the Uniform Standards of Professional Appraisal Practice (USPAP) states that under Standards Rules 2-2 and 8-2 each written real property appraisal report must be prepared under one of the following three formats: Self-Contained Appraisal Report [Standards Rules 2-2(a) and 8-2(a)], Summary Appraisal Report [Standards Rules 2-2(b) and 8-2(b)], or Restricted Use Appraisal Report [Standards Rules 2-2(c), 8-2(c), and 10-2(b)].

After discussing the various reporting options with the client, it was mutually agreed that a Summary Appraisal Report was to be completed and defined as:

- Summary Report: A written report intended to comply with the reporting requirements set forth under all Standards Rule 2-2 (b) of the Uniform Standards of Professional Appraisal Practice for a Summary Appraisal Report.

V. INTENDED USER:

This appraisal report has been prepared for the intended user, the City of Firebaugh, and is to be directed to Ms. Laura Weyant, City Manager, City of Firebaugh, 1133 P Street, Firebaugh, California 93622.

VI. INTENDED USE OF THE APPRAISAL:

This appraisal report is intended to be used by the client to ascertain the “as is” market value of the property for acquisition purposes.

VII. PREVIOUS APPRAISAL OF SUBJECT PROPERTY:

Peter S. Cooper, MAI and/or other appraisers associated with Peter S. Cooper Appraisals have not completed an appraisal nor been involved in any property management or property consulting assignments for the subject property within the last three years.

VIII. CONDITIONS OF THE APPRAISAL:

Definition of Hypothetical Condition: that which is contrary to what exists but is supposed for the purpose of analysis.

Comment: Hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. (*USPAP 2012-2013, The Appraisal Foundation, 2012, Definitions, pg. U-3*)

There are no hypothetical conditions associated with this appraisal

Definition of Extraordinary Assumption: an assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser’s opinions or conclusions.

Comment: Extraordinary assumptions presume as fact other wise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. (*USPAP 2012-2013, The Appraisal Foundation, 2012, Definitions, pg. U-3*)

There are no extraordinary assumptions associated with this appraisal

IX. COMPETENCY STATEMENT:

The principal appraiser, Peter S. Cooper, MAI, has the necessary education and experience to be able to perform an appraisal on vacant land such as the subject property to meet the competency provisions of USPAP adopted by the Appraisal Institute.

Peter S. Cooper, MAI has performed an inspection of the subject property, supervised and provided professional guidance to Kathleen C. Woods during the course of his data collection and appraisal analysis, assisted in performing valuation analysis, reviewed the completed report, and concurs with all opinions of value expressed herein.

X. DATE OF INSPECTION AND EFFECTIVE DATE OF VALUE:

On May 25, 2012, Peter S. Cooper, MAI, and Kathleen Woods inspected the subject property and this date is also considered to be the effective date of value.

XI. DATE OF APPRAISAL:

The date of the appraisal is July 2, 2012. This represents the date the appraisal was written and is indicated on the letter of transmittal. This date is not necessarily synonymous with the date of inspection nor the effective date of value.

XII. VALUATION SCENARIOS:

Depending upon the nature of the appraisal assignment, estimates of market values at certain points in time may be required. Based on the appraisal requirements of the client, the scope of work discussed, and the physical and economic characteristics of the property, the following is the valuation scenario used in this summary appraisal report:

- Market Value “As Is” on Date of Property Inspection (May 25, 2012)

The following is a description of the valuation scenario:

- **Market Value “As Is” On Date Of Property Inspection**

Market value of a property in the condition observed upon inspection and as it physically and legally exists without hypothetical conditions, assumptions or qualifications as of the effective date the appraisal is prepared.

For proposed projects, the “as is” value represents the current market value of the vacant site.

XIII. MARKET VALUE DEFINITION:

This appraisal has been prepared in accordance with the current economic definition of market value as set forth in the fifth edition of *The Dictionary of Real Estate Appraisal*, Appraisal Institute, 2010, page 122-123.

"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:

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised, and acting in what they consider their own best interests;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
5. 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.

The values reported in this appraisal are stated in terms of typical market financing, on terms generally available in the community at the specified time and typical for the property type and its locale. The values represent a normal consideration to be expected for the property, unaffected by special financing amounts and/or terms, services, fees, costs, or credit incurred in the transaction. Attempts were made to verify the financing terms on all market data used in this appraisal report, although, in some cases, this data was unavailable. If such data was found to have financing terms different than that currently available for the subject property, the data was adjusted for cash equivalency to the terms which are considered to be currently available for the subject property or other similar developments.

XIV. PROPERTY RIGHTS APPRAISED:

The property rights appraised are those of the fee simple interest. Fee simple is defined as follows:

"Absolute ownership unencumbered by any other interest or estate; subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power and escheat." (The Dictionary of Real Estate Appraisal, 5th Edition, Chicago: Appraisal Institute, 2010, page 78)

XV. PERSONAL PROPERTY:

Personal property is defined by USPAP as: identifiable tangible objects that are considered by the general public as being “personal” – for example, furnishings, artwork, antiques, gems and jewelry, collectibles, machinery and equipment; all tangible property that is not classified as real estate. (*USPAP 2012-2013, The Appraisal Foundation, 2012, Definitions, pg. U-4*)

This appraisal reflects the value of the real property rights and does not include any contributing value of furniture, fixtures or equipment utilized in the operation of the property or any good will that may be associated with the real estate.

XVI. LEGAL DESCRIPTION:

The property referred to in this appraisal report is situated in the State of California, County of Fresno, City of Firebaugh, and is described as a portion of Section 33, Township 12 South, Range 14 East, Mount Diablo Base and Meridian. A complete legal description may be found in the *Addenda* of this report.

The property is also identified as Fresno County Assessor's Parcel Number 007-100-25ST.

XVII. STATEMENT OF OWNERSHIP:

County records show title to the property to be vested in the name of Firebaugh Redevelopment Agency.

XVIII. REAL PROPERTY TAXES:

Article XIII A of the California Tax and Revenue Code states that "properties shall be taxed on their full cash assessed value as of March 1, 1975," the base year lien date. Beyond this date, assessments may /be increased only 2 percent per year until the property is sold, substantial new construction occurs, or the use of the property is significantly changed. In such cases, the property assessment may be increased to current market levels.

The 2011/2012 fiscal year is the most recent year for which assessed valuation and property tax information is available. Since the property is owned by a governmental entity, it carries no assessed values, and thus is not subject to property taxes. However, fees for services that are paid with property taxes, such as the Mosquito Abatement, must be paid. The following is a breakdown of the assessments and real estate taxes that affect the subject property:

Assessed Value 2011/2012 for:	APN 007-100-25ST
Land:	\$0
Improvements:	0
Trade Fixtures:	0
Personal Property:	0
TOTAL:	0
Tax Rate Area:	003-000
Tax Rate:	\$1.208714/\$100 of Assessed Value
Total Real Estate Taxes	\$38.20
Special Assessments: Mosquito & Vector Control	(included in taxes) \$38.20
Delinquent Taxes:	None

XIX. PROPERTY HISTORY:

There has been a recent change of ownership of the subject property. The Firebaugh Redevelopment Agency (grantor) transferred title to the City of Firebaugh (grantee) on October 13, 2011, per document #2011-0138464.

XX. AREA ANALYSIS:

Fresno County Data:

Fresno County is located in the great southern San Joaquin Valley of Central California. The San Joaquin Valley extends from Stockton in the north to Bakersfield in the south, a distance of 227 miles. It is bounded on the west by the Coast Ranges, on the east by the Sierra Nevada Mountains, on the south by the Tehachapi Range, and on the north by the Sacramento Valley.

Since 1950, Fresno County has ranked as the first county in the nation for annual gross value of agricultural production. Fresno is the sixth largest county in California, extending from the Coast Ranges in the west across the Central San Joaquin Valley, to the crest of the Sierra Nevada in the east, a distance of 138 miles. Approximately half of the county is mountainous. The valley floor is 50 to 60 miles wide, consisting largely of prime alluvial soils. The Fresno Slough, a trough at the low point of the valley floor between the east and west sides, formerly served as a natural drainage system for runoff flood waters from the mountains. Besides the Kings and San Joaquin Rivers, the man-made California Aqueduct and the Friant-Kern Canal traverse the county, supplementing and recharging groundwater supplies that have been heavily over drafted in some areas.

About 40% of the county is contained within national forests and Kings Canyon National Park. Two-thirds of the county remains in a natural or semi-natural condition and the remaining one-third is extensively developed for agriculture and industry and supports most of the population. The east side of the valley is in relatively small farm holdings, but the more arid west side is characterized by large land holdings. Parcelization of farmland for rural residential development in the Fresno-Clovis area and in the foothills on the Valley's east side.

Area Economics:

Population: Over the last decade the San Joaquin Valley grew faster than most of California and now claims two of the state's largest cities – #5 Fresno with a population of 427,652 and #9 Bakersfield with a population of 347,483. The growth underscored a trend of more Californians moving inland to flee the coastal areas which have higher living costs in. Among the eight counties in the San Joaquin Valley all saw population growth of 15% or more over the last decade. Tulare, Madera, San Joaquin and Kern Counties drove the population growth in the Valley with these counties posting population growth above 20%. In contrast to this the state grew by 10% over the decade.

The following table compares the geographic sizes, populations and changes in population of Fresno County and the neighboring five counties that comprise the central and southern San Joaquin Valley.

**Population Change 2000-2010
Central & Southern San Joaquin Valley Counties**

County	Size Sq Miles	Total Population		Change, 2000-2010	
		April 1, 2000	April 1, 2010	Number	Percent
Fresno	5,962	799,407	930,450	131,043	16.4%
Kern	8,162	661,645	839,631	177,986	26.9%
Kings	1,392	129,461	152,982	23,521	18.2%
Madera	2,153	123,109	150,865	27,756	22.5%
Merced	1,972	210,554	255,793	45,239	21.5%
Tulare	4,839	368,021	442,179	74,158	20.2%

Residents of Fresno County are concentrated in the cities of Fresno and Clovis who share a common jurisdictional boundary. The city of Fresno, the county seat, has a population of 494,665 residents while the city of Clovis, the county's second largest city, has 95,631 residents. Historically, between 65%-70% of the county's population live within the the Fresno-Clovis Metropolitan Area (FCMA), which includes both cities as well as unincorporated neighborhoods within and adjacent to these communities. Over the last decade Fresno City's population grew 15.7% while Clovis grew by 39.7%.

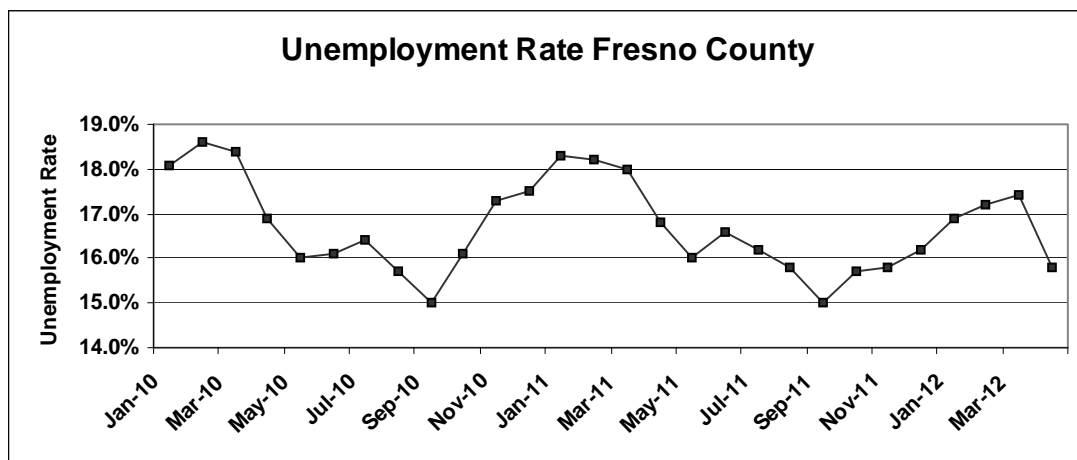
The following table lists the incorporated communities in Fresno.

**Population Change 2000-2010
Incorporated Communities of Fresno County**

City	Total Population		Change, 2000-2010	
	April 1, 2000	April 1, 2010	Number	Percent
Cities in Fresno County along the Freeway 99 Corridor				
Fresno	427,652	494,665	67,013	15.7%
Clovis	68,468	95,631	27,163	39.7%
Selma	19,444	23,219	3,775	19.5%
Kerman	8,551	13,544	4,993	58.4%
Kingsburg	9,199	11,382	2,183	23.7%
Fowler	3,979	5,570	1,591	40.0%
East Fresno County Cities				
Sanger	18,931	24,270	5,339	28.2%
Reedley	20,756	24,194	3,438	16.6%
Parlier	11,145	14,494	3,349	30.0%
Orange Cove	7,722	9,078	1,356	17.6%
West Fresno County Cities				
Coalinga	16,213	13,380	-2,833	-17.5%
Mendota	7,890	11,014	3,124	39.6%
Firebaugh	5,743	7,549	1,806	31.4%
Huron	6,306	6,754	448	7.1%
San Joaquin	3,270	4,001	731	22.4%

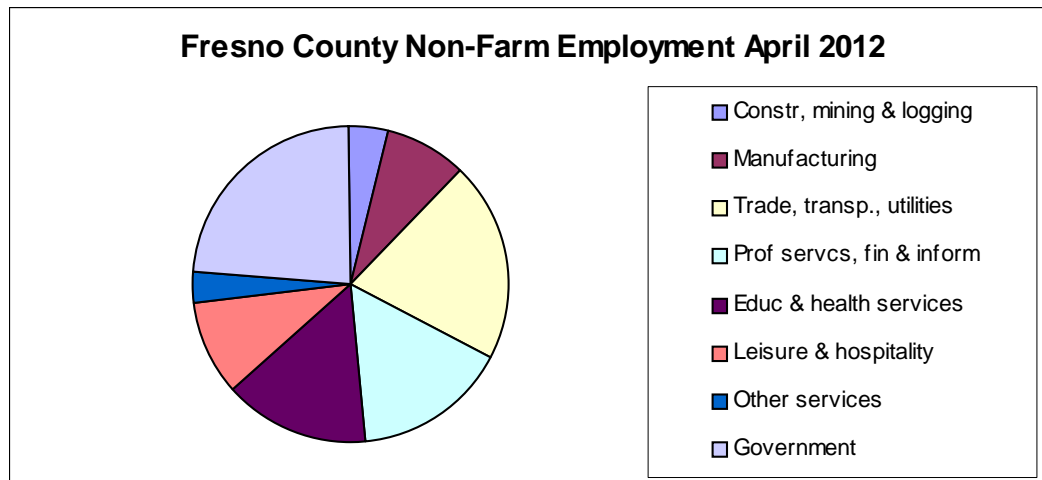
Population projections published by the California Department of Finance in May 2012 forecast a 16% population growth for Fresno County over the next decade. By 2020, Fresno County is forecast to have a population of 1,083,889 residents. Assuming the FCMA continues to capture about 65% of the county's total population, approximately 780,000 people will reside within the Fresno-Clovis urban area.

Employment: Over the last two decades the labor force in Fresno County has grown from 313,000 workers in 1990 to 441,100 workers (preliminary) in April 2012. Because of the region's agricultural base and the seasonality of work in this industry, annual unemployment in the county typically fluctuate between 10% and 15%. Fresno and surrounding countries in the San Joaquin Valley tend to have higher unemployment levels than the much larger and more economically diverse regions in southern and northern California. The lowest period of unemployment was between 2005 and 2007 during the recent housing boom when the county's annual unemployment averaged between 8.0% to 9.0%. With the collapse of the housing market and the 2008-09 recession, employment levels declined dramatically. For the last three years Fresno County's unemployment rate has been above 14% each month. The following table shows the seasonal fluctuations of employment patterns in the county since January 2012.



California Employment Development Department reported April 2012 unemployment in Fresno County was 15.8%, which was a decline of 1.6 percentage points from the prior month. For this same period California showed a 10.5% unemployment rate in April, a one percentage point decline from the March. The level of unemployment is forecast to remain high in Fresno County as this region struggles to recover from the recent recession.

The economic base of the Fresno County is a mix of farming, government and services. According to the California State Employment Development Department, preliminary estimates for wage and salary employment in all industry sectors in Fresno County totaled 328,000 workers in April 2012. This is an increase from March 2012 (319,000 workers) as well as from a year ago (324,000 total workers April 2011). Federal, state and local government comprise the largest share with 23% of the non-farm payroll employment. Other major employment sectors include trade/transportation/utilities comprising 20.3% of the non-farm payroll jobs and education and health services that comprising 14.8% of the workers. The combined sectors of information, financial activities and professional/business services comprise 14.3% of the non-farm employment. While agricultural is the major export industry of the county in terms of gross dollars, this sector employed 43,000 workers in April 2012 or 13% of total workers. The following graph and table show non-farm employment trends by industry sector over the last year.



Fresno County Non-Farm Payroll Employment by Industry Sector							
(Thousands of jobs not seasonally adjusted)							
Non-Farm Industry Sector	Year Ago April 2011	Month Ago March 2012	Current April 2012	Month-Over Change		Year-Over Change	
				#	%	#	%
Total, Non-Farm	282,100	284,200	285,000	800	0.3%	2,900	1.0%
Constr, mining & logging	11,600	11,800	11,500	(300)	-2.5%	(100)	-0.9%
Manufacturing	22,800	24,300	23,800	(500)	-2.1%	1,000	4.4%
Trade, transp., utilities	55,500	57,500	58,000	500	0.9%	2,500	4.5%
Information	3,100	3,200	3,200	0	0.0%	100	3.2%
Financial activities	13,100	13,100	13,100	0	0.0%	0	0.0%
Prof. & business services	27,200	27,500	27,800	300	1.1%	600	2.2%
Educ & health services	42,000	42,200	42,300	100	0.2%	300	0.7%
Leisure & hospitality	27,100	27,600	27,700	100	0.4%	600	2.2%
Other services	10,000	9,900	9,900	0	0.0%	(100)	-1.0%
Government	69,700	67,100	67,700	600	0.9%	(2,000)	-2.9%

While agriculture is a major industry in Fresno County and the economic base for the region, many other industry sectors help complement and stabilize the economy. Some of the larger private and public employers in Fresno County include the following enterprises and organizations:

MAJOR EMPLOYERS IN FRESNO COUNTY		
Major Employer – Private	Activity	Number of Employees
Community Medical Centers	Health care	6,000
Kaiser Permanente	Health care	2,603
Pelco	Manufacturing video security	2,150
Saint Agnes Medical Center	Health care	2,031
Quinn Group, Inc.	Manufacturing	1,178
Foster Farms	Food processing - poultry	1,100
AT&T	Telecommunications	1,000
Cargill Meat Solutions	Meat production	999
Zacky Farms	Food processing - poultry	975
Aetna	Insurance	950
Harris Ranch Beef Company	Meat production	700
Sun-Maid Growers of California	Raisin & dried food processing	600
The Nelson Group	Automotive sales	515
Guarantee Real Estate	Real estate sales	491
Fresno Truck Centers	Transportation sales	460
Sunrise Medical	Home care & mobility products	450
Lyons Magnus	Food processing	420
Guardian Industries	Float glass manufacturing	365
Educational Employees Credit Union	Financial institution	359
Producers Dairy Foods	Dairy product processing	350
Turner Security Systems	Security services & alarm response	338
Securitas Security Services USA	Security services & alarm response	325
Anlin Industries	Manufacturing windows & doors	310
The Fresno Bee	Newspaper publisher	307
Grundfos Pumps & Manufacturing	Manufacturing water pumps	276
MAJOR EMPLOYER – PUBLIC		
Internal Revenue Service	Federal government	NA
Fresno Unified School District	Education	11,500
County of Fresno	County government	6,500
City of Fresno	City government	3,780
Clovis Unified School District	Education	3,370
California State University, Fresno	Education	1,671
State Center Comm. College Dist.	Education	4,155
VA Central Calif. Health Care System	Health care	897
Fresno County Office of Education	Education	759
San Joaquin Valley Air Pollution Control District	Air quality	306
Source: Fresno County Economic Development Corporation		

The Business Forecasting Center at the University of the Pacific Eberhardt School of Business, publishes a quarterly economic report, *California & Metro Forecast 2010-2015*, forecasting population, employment, and income trends in California and ten metropolitan areas from Sacramento to Fresno including the San Francisco Bay Area. In the January 2011 publication, they project a long slow economic recovery for California with the state's real gross product averaging a modest 2.8% annual increase through 2014. Non-farm payroll employment is forecast to grow 1% for the state and less than one-half percent for the Central Valley region. As the economy continues its slow recovery over the next four years, annual non-farm payroll employment growth will average between 1.9% and 2.3% for the state and region.

With 26,600 jobs lost in the recession in Fresno County, or 8.9% the non-farm payroll jobs, the Business Center forecasts it will take until the second half of 2015 before jobs recover their 2007 peak. Annual job growth in 2012 will be a modest 0.8% and will be led by the construction and mining, transportation and utilities, health care and other service sectors. As the economy continues to recover, job growth will see modest rises of 1% to 2% over the next two years. Over this same period unemployment levels in Fresno County are expected to fall and average about 14 % for the next several years.

Sales Tax: The State Board of Equalization has reported taxable sales in retail outlets of \$6,918,513 in 2010 for Fresno County. Sales growth in Fresno County turned negative in 2007, down 3.1% from the prior year. Negative sales growth continued through 2009. Over this three-year period retail sales declined a total of 25.6%. In 2010 retail sales turned positive with a growth of 2.7%, which indicates the decline in sales has reached bottom. Forecasts call for retail sales to maintain a moderate pace of growth going forwards.

Fresno and Clovis are the largest cities in the county and capture the bulk of the retail activity in the county. In 2010, the City of Fresno had \$4,456,469 in taxable sales and the City of Clovis had \$1,048,537. The difference between the sales for Fresno County and the total for Fresno and Clovis is attributable to the sales generated in other cities in the county. Between 2007 and 2009 these cities saw similar rates of decline in their retail sales as did the county. In 2010 Fresno and Clovis saw modest increases of 2.6% and 2.1%, respectively, from the prior year.

The following table shows the taxable retail sales in Fresno County over the last 20 years.

SUMMARY OF FRESNO COUNTY TRENDS						
<i>Year End Except as of April 1st in Census Yrs</i>	<i>Population Fresno County ^a</i>	<i>Average Industry Employment^b</i>		<i>Average Unemploy ment Rate^b</i>	<i>Taxable Retail Sales ^c (1000's)</i>	<i>Per Capita Personal Income^d</i>
		<i>Farm</i>	<i>Non-Farm</i>			
1990	667,490	52,700	244,500	11.7%	\$4,023,360	\$16,928
1991	686,000	59,600	227,300	13.5%	\$4,002,240	\$17,023
1992	706,100	47,900	230,200	15.6%	\$4,089,075	\$17,539
1993	722,600	51,500	233,600	15.5%	\$4,181,708	\$18,036
1994	735,200	56,900	237,200	14.3%	\$4,345,645	\$18,105
1995	746,500	58,200	243,500	14.1%	\$4,426,605	\$18,563
1996	760,900	62,000	246,800	13.4%	\$4,566,309	\$18,874
1997	776,200	60,300	249,800	13.6%	\$4,666,414	\$19,059
1998	786,779	58,700	253,500	14.3%	\$4,868,469	\$19,839
1999	799,407	56,300	262,000	13.6%	\$5,338,431	\$20,662
2000	799,407	55,600	270,600	10.4%	\$5,857,841	\$21,508
2001	808,611	48,700	275,900	10.7%	\$6,110,890	\$22,592
2002	821,809	46,600	282,000	11.5%	\$6,513,761	\$23,492
2003	837,256	46,200	282,700	11.8%	\$7,048,496	\$24,399
2004	853,057	46,000	286,900	10.5%	\$7,730,818	\$25,225
2005	866,058	46,400	294,300	9.0%	\$8,556,886	\$26,052
2006	879,128	46,500	203,600	8.0%	\$9,058,802	\$27,081
2007	893,088	48,100	306,400	10.0%	\$8,776,111	\$28,181
2008	906,521	48,900	303,000	10.5%	\$7,872,783	n/a
2009	918,560	47,200	286,600	15.1%	\$6,735,619	n/a
2010	930,450	47,100	229,800	16.8%	\$6,918,513	n/a
^a California Department of Finance (CDF) estimates for non-census years are reported as of January 1st but listed in this table at year-end of preceding year.						
^b California Employment Development Department: Labor Market Information Division (Benchmark March 2010)						
^c State Board of Equalization and <i>California Retail Survey</i> , 2011; unadjusted dollars						
^d State Employment Development Department (Fresno County)						

Agricultural Production: The total gross production value of Fresno County's agricultural commodities in 2010 was \$5,944,758,000. This represents a 11.17% increase from the 2009 production value. Fruit and nut crops accounted for 45% of the gross production value followed by vegetable crops at 25% and livestock and poultry at 20%. Those commodities with the highest year-over-year increases were fruit and nut crops with a \$403 million increase, livestock and poultry products (that include milk, eggs and wool) with a \$95 million increase, field crops with a \$67 million increase and vegetable crops with a \$63 million increase. A season of abundant rain fall led to an improved and consistent supply of water, which in turn contributed to a record year for crop values and yields. According to the Agricultural

Commissioner, Ms. Carol N. Hafner, the outlook for 2011 is “guardedly optimistic . . . [though] the guarantee of water and of the cost of production is beyond the control of the grower.”

Agriculture continues as the major industry in Fresno County and is a driving force in the county's economy. According to the Fresno County Department of Agriculture, every dollar received by Fresno County producers results in the economic extension benefit of \$3.50 to the total economy of the county.

The following table shows the Fresno County's ten leading crops for Year 2010.

FRESNO COUNTY'S 10 LEADING CROPS					
<i>Crop</i>	<i>2010 Rank</i>	<i>2010 Dollar Value</i>	<i>2009 Rank</i>	<i>2000 Rank</i>	<i>1990 Rank</i>
Grapes	1	\$820,300,000	1	1	1
Almonds	2	619,004,000	4	7	14
Tomato	3	583,283,000	2	4	3
Poultry	4	486,160,000	3	2	+
Milk	5	393,266,000	6	5	5
Cattle & Calves	6	291,877,000	5	6	6
Garlic	7	264,948,000	10	12	15
Pistachio	8	222,480,000	11	26	*
Oranges	9	207,086,000	8	11	8
Cotton	10	150,562,000	18	13	2
Top Ten Total		\$4,038,966,000			
+ Not previously combined for ranking purposes.					
* Not in top 30 ranking					
Note: Data provided by the County of Fresno Department of Agriculture, <i>2010 Agricultural Crop & Livestock Report</i> .					

Public Transportation: Fresno, a designated United States Port-of-Entry, is a hub of transportation facilities of all kinds, connecting Central California to designations anywhere in the world.

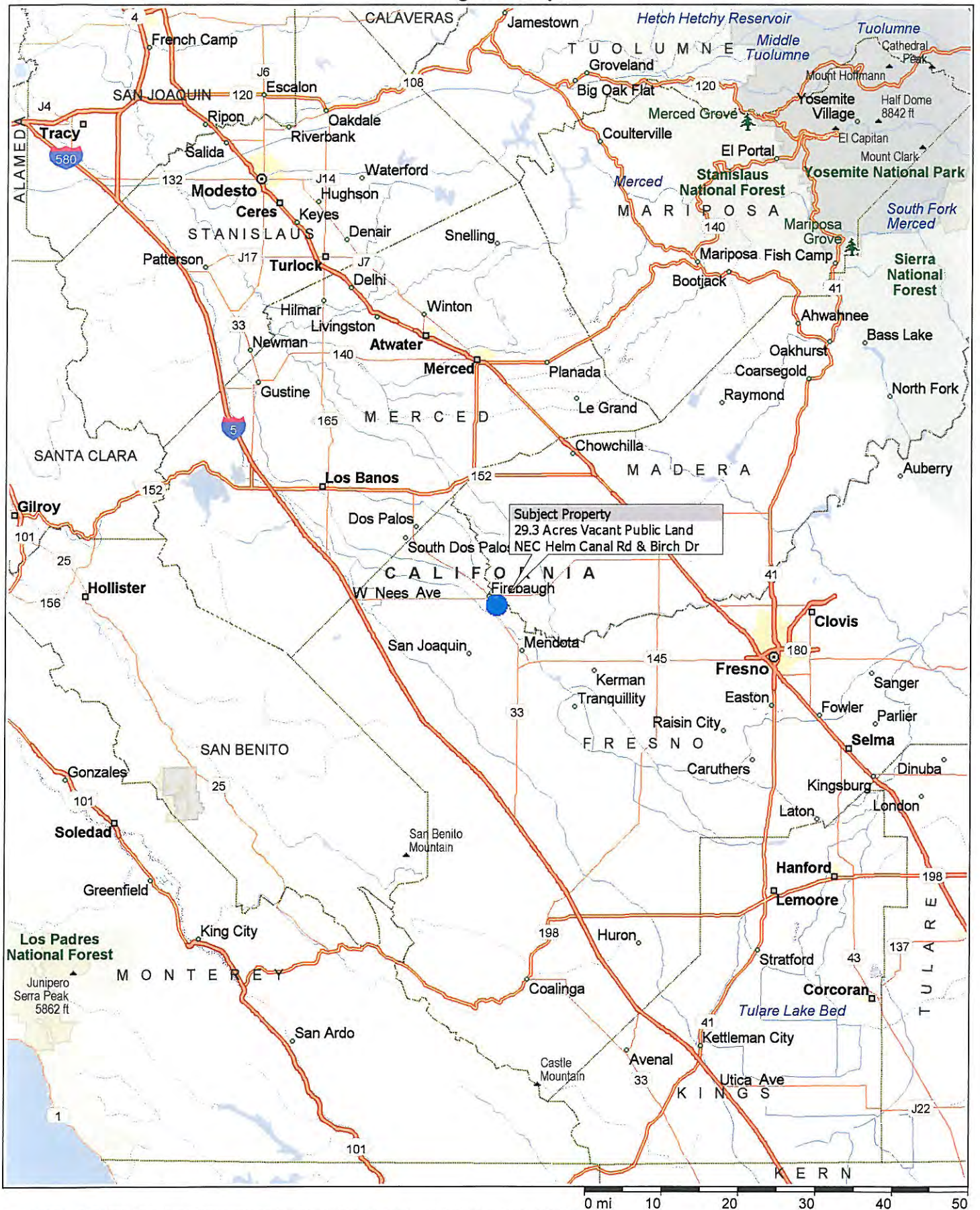
With two municipal airports, Fresno provides facilities for both private and commercial aviation services. Allegiant Air, American Airlines, American Eagle, American West Express, United Express, Delta/Sky West, and Horizon Air operate regularly scheduled flights from the Fresno Yosemite International Airport. Both the Burlington Northern Santa Fe and Union Pacific Railroads have extensive freight terminal facilities. Amtrak also serves the Fresno market. Greyhound bus line has a terminal in Fresno, in addition to Fresno Area Express, which provides local metropolitan area bus service. Dozens of trucking firms provide service of every description to all parts of the country.

Community Facilities: The Fresno area provides all of the service and supply, cultural and recreational facilities of a large metropolitan area, including police and fire protection; public elementary; junior high

and high schools; one public junior college; one state university; 16 private schools; medical and dental facilities; churches; a library system; motels; restaurants; and numerous shopping facilities.

Climate: The county climate varies from subtropical to alpine. Fresno County's mean maximum temperatures average from 55 degrees Fahrenheit in January to 99 degrees Fahrenheit in July. Precipitation ranges from an average of only 6 to 7 inches in the Westlands District, which is in the shadow of the Coast Ranges, to over 50 inches in parts of the Sierra Nevadas. Foggy periods are frequent in the valley during the winter months; however, the year-round sunshine more than offsets winter foggy periods.

Region Map



City of Firebaugh:

The city of Firebaugh is situated in western Fresno County approximately 43 miles west of the City of Fresno, the county seat, and 18 miles east of Interstate 5, the main north-south link between San Francisco and Los Angeles. The city extends along State Highway 33 which is a north-south route serving the agricultural areas in western Fresno and Madera Counties. Residential and commercial land uses are extending east of the highway to the San Joaquin River while industrial land uses are concentrated on the west side of town. The Fresno-Los Banos branch of the Union Pacific Railroad Line parallels Highway 33 and has one at grade crossing in the city at Nees Avenue.

Incorporated in 1914, Firebaugh has grown from ferry crossing to a small farming community that serves as a population and service/commercial center for the surrounding agricultural region. Before the railroad, the San Joaquin River was the major thoroughfare to upstream communities. The ferry, located in Firebaugh, was the major crossing for prospectors heading for gold country. Ferries were the only way to cross the river until the late 1800's when the first bridges were built. The San Joaquin River played a major role in the settling of the valley and Firebaugh is one of the earliest settlements in Fresno County and on the Westside of the San Joaquin Valley.

Firebaugh is the eleventh largest city in Fresno County and has maintained a steady but modest rate of growth over the last twenty years attracting residents who primarily work in the agricultural sector. Between 1990 and 2010, Firebaugh grew from 4,429 residents to 7,549 residents, a 70% increase over the 20-year period or an average of 3.5% per year. This rate of growth is similar to other west side communities that are heavily dependent of the agricultural sector, such as Mendota, which is 10 miles to the south on Highway 33 and has averaged 3.0% growth per year; and San Joaquin which is 15 miles to the southwest which has averaged 3.7% per year over the last two decades. Kerman, which is 30 miles southeast of Firebaugh and benefits from a closer proximity to the Fresno-Clovis metropolitan area, has grown at a much faster rate of 7.4% per year over the last twenty years. Current population estimates from the California State Department of Finance show slower growth trends for most west side communities. The slow economic recovery and lack of job growth throughout the region contribute to slower population growth. Below is a summary of the population changes between 1990 and 2012 in Mendota and other nearby westside communities.

**Population Change in Selected Cities of the
West Side Fresno County 1990 - 2012**

	Population April 1, 1990	Population April 1, 2000	% Change	Population April 1, 2010	% Change	Population Jan. 1, 2012	% Change
Fresno Co.	667,490	799,407	18.3%	930,450	16.4%	945,711	1.7%
Kerman	5,448	8,551	57.0%	13,544	58.4%	13,942	2.9%
Mendota	6,821	7,890	15.7%	11,014	39.6%	11,167	1.4%
Firebaugh	4,429	5,743	29.7%	7,549	31.4%	7,794	3.2%
Huron	4,766	6,306	32.3%	6,754	7.1%	6,786	0.5%
San Joaquin	2,311	3,270	41.5%	4,025	23.1%	4,031	0.1%

Source: U.S. Census & California State Department of Finance

Agriculture remains the dominant industry in the region and is the economic base of the local economy as well. Most of the major private employers in the area are related to agriculture and include farming operations, food processors, ag equipment sales/service or ag suppliers. Below is a list of the major public and private employers in the Firebaugh area.

MAJOR EMPLOYERS	
<i>Employer</i>	<i>Employees</i>
Toma-Tek, Inc.	60-650
Firebaugh Las Deltas USD	305
Davis, N. F. Drier & Elevator	20-55
Broadview Co-op Gin, Inc.	9-54
Farmers Firebaugh Ginning Co.	3-43
Panoche Ginning Co.	5-40
City of Firebaugh	40
Firebaugh Equipment Co.	32
West Hills North District	5-26
Panoche Creek Packing Corp.	5-22
Quality Fiber Drum	20
Fresno County Housing Authority	16
Britz Chemical	15
Thomason Tractor	15
Quinn Caterpillar	10
United Security Bank	7
Kerman State Bank	6
Westside Ford	40
Champion Chevrolet	40

Source: City of Firebaugh, Community Profile

While the city of Firebaugh has experienced a steady population growth over the last decade, unemployment in the community is high. Because of the seasonality of agricultural work, higher unemployment is characteristic of rural communities that serve as population centers for the surrounding agricultural area. Though Firebaugh has averaged higher unemployment levels than the county as a whole, other Westside communities such as Mendota or San Joaquin usually average even higher unemployment levels. The following chart compares the unemployment levels in the city and the county over the last decade.

Unemployment Rates 2000-April 2012

<i>Year</i>	<i>Unemployment Rate</i>	
	City of Firebaugh	Fresno County
April-2012	27.1%	15.8%
2011	28.1%	16.6%
2010	28.5%	16.8%
2009	25.8%	15.0%
2008	18.8%	10.5%
2007	15.6%	8.6%
2006	14.7%	8.0%
2005	16.4%	9.0%
2004	18.5%	10.5%
2003	20.6%	11.8%
2002	20.2%	11.5%
2001	18.8%	10.7%
2000	18.4%	10.4%

Source: State of California Employment
Development Dept. Benchmark March
2011

A regional economic boost will come from the opening of the Mendota Federal Correctional Institution. This 1,280 bed medium-security prison is located in southern Mendota and will house 1,152 inmates and employ approximately 360 people. The prison was started in 2005, but construction stalled when federal funding was temporarily cut. The prison was completed in 2010 and had a scheduled opening date of mid-2011. Though the warden and some start up staff were hired, the federal hiring freeze put a stop to further staffing of the prison. The hiring freeze was lifted in April 2011, and the activation process was restarted which included hiring and training staff and purchasing equipment and supplies. Staff for the Mendota facility includes career employees who have transferred from other institutions and new hires. In early 2012 the prison was open to receive inmates. As of April 12, 2012, the prison had a population of 286 inmates in medium security and 127 inmates in security prison camp. Inmates typically arrive in a slow, steady increments over an extended period of time until the facility is nearly full. Staffing will likely follow a similar pattern.

The central commercial/business district in Firebaugh is located along O Street between 9th and 13th Streets and along Highway 33. The local government offices including City Hall, Police and Fire Departments are situated in this area. The city offers minimal shopping facilities for the residents. There is one larger grocery store, several smaller food markets, a few clothing and variety stores, and several restaurants and small cafes. Most of the commercial space are older properties. The newer commercial improvements in the community include two small strip centers with gas and mini-food-marts that were developed on Highway 33 at 13th Street and further north along this arterial.

Educational facilities in the city are administered by the Firebaugh Las Deltas Unified School District. There are two elementary schools, one junior high school, one high school, and a continuation school. Higher education, in the form of junior colleges, California State University-Fresno, and various parochial, law and trade schools can be found elsewhere in Fresno County, most of which are located within the City of Fresno. West Hills Community College District serves residents of Firebaugh with facilities located in the city and in the neighboring town of Mendota.

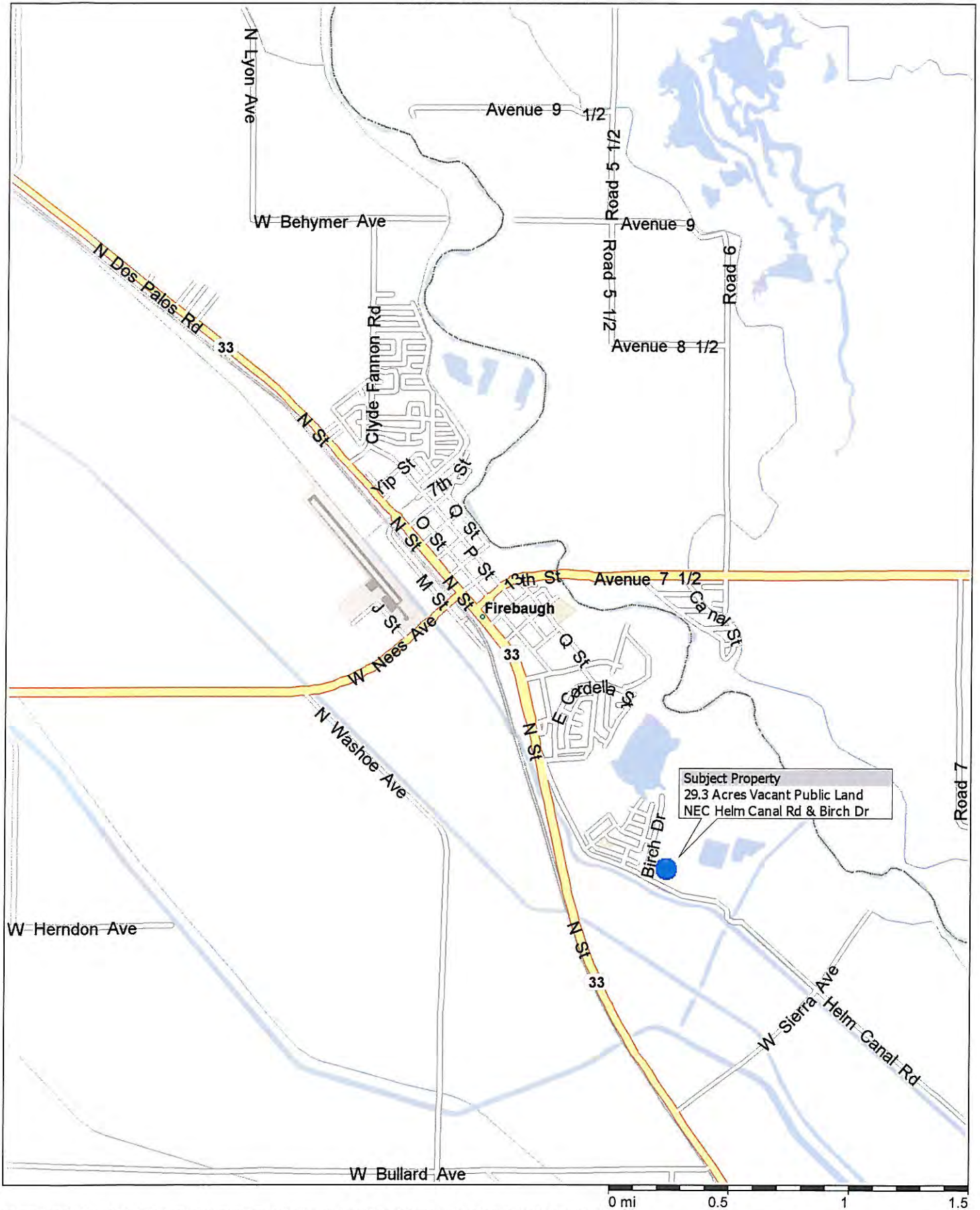
Hospitals serving the Firebaugh area include the Madera Community Hospital (20 miles) Chowchilla District Memorial Hospital (25 miles) and Dos Palos Memorial Hospital (15 miles).

Transportation facilities are available on a local basis and include primarily vehicular modes such as truck, bus, and rail. Bus service includes local transit with Greyhound providing long distance passenger bus service. The Southern Pacific Railroad handles freight, and passenger service is available through Amtrak from Fresno. The City of Firebaugh does have an airport; however, the planes are limited to single engine private planes due to the length of the runway. The nearest port facility is located in the town of Stockton, which is approximately 125 miles north of Firebaugh. The Fresno-Yosemite International Airport handles all commercial air transportation and is served by various commuter carriers.

The climate in Firebaugh is mild, ranging from a yearly average minimum of 49.9° to an average maximum of 73.2° with an average annual rainfall of 16.086", predominantly occurring between November and April. Winters are usually mild with prevailing sunny weather; although, some fog exists predominantly in the December to February months which sometimes poses a problem for air and ground transportation. Summers are hot with maximum temperatures ranging from about 80° to 112°.

In summary, Firebaugh can be characterized as a residential and commercial center for the surrounding rural and agricultural areas of western Fresno County. The community has experienced modest but steady growth over the last two decades and will likely maintain a similar slow pace. Like the rest of the region and state, the community is struggling with the economic recession, high unemployment and a depressed housing market. Historically the community has averaged higher unemployment rates than the county average, because of its connection to the agricultural industry. Though opportunities are expanding for the area, such as the federal prison, higher unemployment levels likely will remain a factor in the local economy.

City Location Map



Neighborhood Data:

The subject property is immediately adjacent to 200 acres of city owned land that sits on the southern edge of the city of Firebaugh. The city acreage extends north from the Helm Canal Road to the San Joaquin River and east from Birch Drive alignment to an irrigation canal on the city's eastern boundary. A portion of this acreage is developed to the city's wastewater treatment plant. The subject lies just west of the treatment facility. Levees border subject property on the west and south which separate it from the urban areas to the north.

Surrounding land uses include a mix of residential, industrial, agricultural and public land uses. Immediately west of the subject is a recently developed single family subdivision, Los Laureles by K. Hovnanian Homes. The 186-lot tract opened in mid-2007 and is nearly sold out with about 15 units left to sell. Current pricing is from \$140,000 to \$175,000. To the north of this subdivision is Firebaugh High School campus. An older, more established single family neighborhood extends north of the high school to the central business district. Housing values in this area show a wide range from \$90,000 to \$200,000 and vary as to quality and condition of the homes.

South of the subject between the Helm Canal Road and Highway 33 is a block of land that is presently under agricultural production. This acreage lies within the city's sphere of influence and has been designated for medium density residential development. The area southeast of the wastewater treatment facility lies outside the city's sphere of influence boundary. Agricultural land uses extend to the south, east and west of the urban area. Agricultural practices include irrigated row crop land and some permanent plants of fruit and nut nuts.

In the city's general plan industrial land uses are reserved for those areas west of Highway 33. On the very southern edge of the city at the southwest corner of Highway 33 and the Delta-Mendota Canal is the Toma-Tek tomato processing plant, one of the larger employers in the city.

There are a number of waterways that cross through the subject neighborhood. Some of the larger canals are part of the Central Valley Water Project. These and another other irrigation and drainage canals move water through the area. Some of those close by include the Helm Main Canal, which is just south of the subject; the Outside Canal which lies between Highway 33 and the Helm Main Canal; and the Delta-Mendota Canal which crosses Highway 33 about 1 mile south of the subject. Another important waterway in the immediate vicinity of the subject is the San Joaquin River which is north of the subject property. This waterway is the eastern boundary of the city and most of the acreage along the river channel is designated for open space and recreational uses. In the current city general plan the river and the irrigation canals are intended to eventually be developed with pedestrian trails, bike paths, parks, etc that will enhance the recreational and urban landscape of the community.

Access to the property is from Helm Canal Road, a designated collector street that connects to Highway 33 about one-half mile northwest of the subject. West of the subject Helm Canal Road has been developed to this standard with an 80' right-of way, curbs, gutters, sidewalks and streetlights. East of Birch Drive, however, it is a single lane, asphalt paved rural road with no curbs, gutters, sidewalks or streetlights.

In summary, the subject is on the southern edge of the city of Firebaugh in an area that is dominated by public land uses. The subject is adjacent to 200 acres of city owned land where the city's wastewater

treatment plant has been built. This area is somewhat isolated with levees bordering it on the south and west, the San Joaquin River to the north and the sewer plant to the east; and will likely remain a pocket of public use land over the long term. Thus, the trend for the immediate neighborhood is considered to be fairly stable.

XXI. SITE DESCRIPTION:**Location:**

The subject property is located in the southern sector of the City of Firebaugh at the northeast corner of Helm Canal Road and Birch Drive. It is adjacent to the city's wastewater treatment plant.

Thomas Bros. Map Code, Census Tract and A.P.N.:

T.B.M.C.:

C.T.:

A.P.N.: 007-100-25ST

Size and Shape:

The subject parcel contains 29.3 acres, per the Fresno County Assessor Parcel Map and is generally rectangular in shape. The parcel has 845'± frontage along the north line of Helm Canal Road and 1,515'± frontage along the east line of Birch Drive.

Off-Site and On-Site Improvements

The property is vacant undeveloped land with no on- or off-site improvements.

Utilities:

Municipal and public utilities are in the area. These services and providers are listed below. Electricity is in the immediate area. Existing city sewer and water lines are in the area of the property. The subject property has no developed source of irrigation water.

<u>Utility</u>	<u>Provider</u>
Water	City of Firebaugh
Sewage Disposal	City of Firebaugh
Trash Collection	Private
Electricity	Pacific Gas and Electric Company
Natural Gas	Pacific Gas and Electric Company
Telephone	AT&T
Flood Control	City of Firebaugh
Police	City of Firebaugh
Fire	Firebaugh Volunteer Fire Department

Topography/Drainage:

Much of the property is fairly level. Storm drainage is by surface runoff and ponding. Levees along the property's western and southern boundary, would dam any flow of water across the property from the river (north) or the sewer plan (east).

There is a fenced storm drainage basin in the northern portion of the parcel. The basin collects excess water run-off from the neighboring single family subdivision to the north. Based on a site plan of the proposed solar farm, the ponding basin area contains about 4± acres.

Soils Condition:

A soils report for the subject property was not provided to the appraiser. Based on information from a USDA web site, it appears the subject has combination of 472-Wekoda clay and 320-Elnido sandy loam. A more complete description of these soil series may be found in the *Addenda* of this report. These soil series are typical of the area.

Streets:

The subject has frontage along Helm Canal Road. This road is the main access to the subject neighborhood and the wastewater treatment plant. In the city's general plan Helm Canal Road is designated as a collector street. West of the subject it has been developed to this standard with an 80' right-of way, curbs, gutters, sidewalks and streetlights. East of Birch Drive, however, Helm Canal Road has not been developed to this standard. It is a single lane, asphalt paved rural road with no curbs, gutters, sidewalks or streetlights. Though Birch Drive borders the subject on the west, the levee lies between the road and the subject property acting as a barrier.

Access and Exposure:

The subject has average access and visibility.

Zoning:

In the city's general plan the property is designated Public/Quasi Public land use. It is zoned "G", a Government zone district that is intended for uses of a governmental or public nature. Specific uses that are allowed in this district include civic centers, courthouses, educational institutions, fire stations, governmental offices, jails, municipal corporation yards, public airports and public health clinics. Uses permitted subject to a conditional use permit include communications buildings and structures and electrical transmissions and distribution substations. While there are no requirements for lot area, dimensions or coverage; other development standards for such things as building heights, access, off-street parking, etc. are the same as for the C-1 zone district.

Conditional Use Permit:

The subject property is part of a 52-acre block of land that is planned for development to a 5-megawatt solar electricity generating facility. This proposed project encompasses the subject 29 acres and 13± acres of the adjacent city owned parcel that is part of the reclamation area of the wastewater treatment facility (APN 007-100-26ST). On August 9, 2010, the City of Firebaugh Planning Commission approved Conditional Use Permit 2009-1 that would allow for the construction and operation of this facility and a transmission line to the Pacific Gas and Electric substation at Nees and Washoe Avenues. The planning commission approved a 2-year extension of CUP 2009-01, which has a new expiration date of June 11, 2014.

CUP-2009-01 sets forth the specific conditions of development and required mitigation measures. A copy of CUP 2009-01 and a site plan of the proposed solar project have been included in the *Addenda* of this report.

Industrial Wastewater Discharge Permit:

According to information from Mr. Ben Gallegos, Director of Public Works for the city, the subject property is part of a 160-acre block of land that is subject to an “industrial wastewater discharge” permit. This permit allows wastewater from the Toma-Tek tomato processing plant to be discharged on the 160 acres that include the subject parcel and two adjacent city owned parcels (007-100-26 ST and portions of 007-100-22ST) that are part of the wastewater treatment facility. The permit was issued by the California State Water Quality Control Board and granted jointly to the City of Firebaugh and to Toma-Tek. The permit is referenced as Order #94-072. Though Toma-Tek has not discharged any wastewater on the this acreage in many years, the permit is still active and they have the right should the need arise. According to Mr. Gallegos the property can be farmed but any crops grown on the acreage cannot be consumed by humans. In other words the crops must be either non-edible, such as cotton, or grown only for the consumption by animals, such as alfalfa or silage, or grass for grazing animals.

Easements:

A current title report was not reviewed. Other than the above described industrial waste discharge permit and the ground lease discussed in the following section of this report, this appraisal assumes that the subject property is free of any liens or encumbrances which would negatively affect value.

Environmental Conditions:

Toxic or Hazardous Waste: The appraiser has no expertise with respect to toxic wastes, hazardous materials or undesirable substances. Proper inspections of the property by qualified experts should be undertaken at the client's request to determine whether or not there are any current or potential toxic wastes, hazardous materials or undesirable substances in or on the property. The appraiser has not made, nor will make, any representations, either express or implied, regarding the existence or nonexistence of toxic wastes, hazardous materials, or undesirable substances in or on the property. Problems involving toxic wastes, hazardous materials, or undesirable substances can be extremely costly to correct. It is the responsibility

of the client or recipient of this report to retain qualified experts to deal with the detection and correction of such matters.

Earthquake Hazard: The subject is **not** located in a special study zone as set forth by the Alquist-Priolo Special Studies Zones Act of December 22, 1972, which went into effect March 7, 1973. This act pertains to properties that are located in active earthquake areas.

Significant Natural, Cultural, Recreational or Scientific Value: The subject property is **not** located in an area that has any natural, cultural, recreational or scientific significance.

Flood Hazard: The subject property is located in Flood Zone “AH” as indicated by Community Panel #06019C1430H, dated February 18, 2009. FEMA labels this flood hazard zone as “high risk.” For communities that participate in the National Flood Insurance Program, mandatory flood insurance purchase requirements apply for this zone.

Wetlands and Endangered Species: In the process of this appraisal assignment the appraiser did not conduct any investigations, studies or analyses to determine if the property is affected by any sensitive or special-status plant or animal species or habitats. Such an investigation is beyond the scope of the original appraisal assignment. A biological evaluation and/or field study would need to be conducted by qualified persons to determine the subject property’s existing biological resources. If the property were found to harbor special status or sensitive plants, wildlife or habitat; then federal, state and local government agencies would require mitigation for impacts to these resources

As part of our investigation, it was learned there are wetland areas on adjacent acreage that could impact the subject. According to the site plan for the proposed solar farm, there is a 2 to 3 acre seasonal freshwater marsh area located north of the subject property and an “ephemeral stream” that crosses over the adjacent acreage and possibly the subject. The appraiser is not qualified to assess how or if these features impact the subject.

XXII. GROUND LEASE:

The subject property is part of a 52-acre block of land that is planned for development to a 5-megawatt solar electricity generating facility. The construction and operation of the solar farm and the electrical transmission line to a PG & E substation was approved by the city under Conditional Use Permit 2009-01. The city planning commission recently granted a 2-year extension of CUP 2009-01 to June 14, 2014. The developer and operator of the solar electricity generating facility is leasing the land from the city for the project that includes the subject 29 acres and 13± acres of an adjacent city-owned parcel. Below is a summary description of the ground lease between the city and SolarGen USA, the original lessee. Subsequent to this lease SolarGen USA assigned their interest to another entity SR Solis Firebaugh LLC who in turn assigned their interest to another entity GCL-SR Solar Energy.

In the valuing the subject property, the appraiser considered this lease. However, because of the tenant’s early right of termination which can be exercised with 30 days notice at any time during the lease term; the lease generates minimal investment value to the property. Consequently, the lease has not been considered in valuation of the property.

LAND LEASE OVERVIEW

Date of Lease:	7-16-2009		
Location:	NEC of Helm Road and Birch Drive, Firebaugh, CA		
Type of Property:	52+ acres of undeveloped land		
Lessor:	City of Firebaugh		
Lessee:	Solar Gen USA Inc.		
Lease Term:	45 years – because of the lessee's right of early termination the lease is considered to be a month to month rental agreement from an investor's standpoint.		
Options to Extend:	None		
Leased Area:	52+ acres of undeveloped land		
Type of Lease:	Triple net		
Rental Payment:	Years 1-45 = \$1,000 per acre per year Rent is to be increased by 2% per year on a compound basis. Payments to be made in two equal semi-annual installments.		
Lease Concessions:	None		
Early Termination Clause:	Lessee has the right to terminate the lease as to all or any part of the property at any time without cause, effective upon 30 days written notice to the owner from lessee. Lessor has no early termination rights.		
Expense Obligations: <u>Item:</u>	<u>Lessor:</u>	<u>Lessee:</u>	<u>Lease Ref.:</u>
Real Estate Taxes:			
Base Year		x	
Escalations		x	
Insurance: Public Liability		x	
Management:		x	
Utilities: Electricity		x	
Maintenance: Solar Equipment		x	
Miscellaneous:	<u>Yes:</u>	<u>No:</u>	<u>Remarks:</u>
Assignment/Subletting	x		See ¶ 10.1
Option to Purchase		x	
Right of First Refusal		x	
Comments:	1). Lessee must remove all above-ground and below-ground solar power facilities from the property upon termination of the lease. 2). The property owner shall not grow crops within the immediate area around roads, solar arrays and other solar power facilities.		

XXIII. HIGHEST AND BEST USE:

The term "*Highest and Best Use*," as used in this report is defined as follows:

"The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability." (The Dictionary of Real Estate Appraisal, 5th Edition, Chicago: Appraisal Institute, 2010, page 73)

The above definition applies specifically to the highest and best use of land or sites as though vacant. When a site contains improvements, the highest and best use may be determined to be different from the existing use. The existing use will continue unless and until land value in its highest and best use exceeds the sum of the value of the entire property in its existing use and the cost to remove the improvements.

In determination of the highest and best use of both the land as though vacant and property as if improved, four criteria must be met. They are as follows:

1. Legal Permissibility: Zoning restrictions are highly important factors when considering potential uses. If a particular use is restricted by law to a property, the property is not available for that particular use.
2. Physical Possibility: This criterion will take into consideration size, shape, area and terrain of the parcel.
3. Financial Feasibility: Those uses that meet the preceding criteria will be analyzed further to determine which uses will produce a positive return above operating expenses, financial obligation and capital amortization. At this point in time, the appraiser will consider the supply and demand forces which influence the possible uses.
4. Maximum Productivity: Those uses which produce a positive rate of return are analyzed further to determine which will produce the highest rate of return.

In analyzing each property as to its highest and best use as vacant, the four criteria as outlined above have been considered. These criteria will be discussed as they relate to the property under appraisal.

Highest and Best Use As Vacant:

1. Legal Permissibility: The subject property is zoned "G," a Government district that is intended for uses of a governmental or public nature. Allowable uses under this district include such development as civic centers, court houses, education institutions, fire stations, government offices, jails, municipal corporation yards, etc. There are no requirements in this district for lot area or dimensions. Thus, under its current zoning the parcel legally be developed for a governmental use and not for residential, commercial or industrial uses.
2. Physical Possibility: Though there are no physical conditions that would bar the use and the eventual development of the property, there are some issues that would have to be taken into consideration and addressed if the property were to be developed. First, the property lies within

a high risk flood hazard area as defined by FEMA. Second, a portion of the property is a ponding basin area that was developed to collect storm water drainage from the neighboring single family subdivision. Any other use of this 4± acre area other than as a ponding basin would be restricted. Third, the property is part of the 160-acre city reclamation area that is subject to an industrial discharge permit issued by the State Water Quality Control Board that allows Toma-Tek to discharge wastewater from their processing facility onto this acreage. Though the plant has not discharged any wastewater in a number of years, the permit is active and the possibility exists that they may need to at some point in the future. The discharge permit also stipulates that any crops grown on this discharge ground must be non-edible (i.e. cotton) or for animal consumption only (i.e. alfalfa, silage, etc.). Even if the discharge permit were cancelled, the fact that the property is adjacent to the wastewater treatment plant affects the suitability or “marketability” of the parcel for many of the more public oriented uses (i.e. government office, health clinic, etc.) that would be allowed under this zone district. Thus, though there are no physical conditions that would prohibit future development of the parcel, the site has physical constraints that severely restrict or limit the development potential of the property.

3. Financial Feasibility: Since the property is zoned for use to a specific category of government or public improvements, the issue of financial feasibility is not relevant.
4. Maximum Productivity: Considering the physical constraints on the property - particularly the industrial discharge permit - the maximum productivity of the site would be to farm the property on an interim basis. When and if the discharge permit is amended or cancelled, the maximum productivity of the property would be its eventual development to a governmental or public use as set forth in the code.

Conclusion: The highest and best use of the property is to hold for eventual development to an allowable governmental/public use. On an interim basis the property could be used for agricultural purposes including grazing or the farming of only non-edible or animal food crops.

XXIV. VALUATION METHODOLOGY:

There are three generally accepted approaches available in the valuation of real property. They are the Sales Comparison, Cost and Income Approaches. In appraisal practice, an approach to value is included or omitted based on its applicability to the property type being valued and the quality of information available.

This assignment involves the appraisal of a vacant undeveloped parcel of land. To value the subject property the Sales Comparison Approach has been used. The market recognizes this approach as the most meaningful and relevant when valuing vacant land.

Sales Comparison Approach:

DEFINITION: "A set of procedures in which a value indication is derived by comparing the property being appraised to similar properties that have been sold recently, applying appropriate units of comparison, and making adjustments to the sale prices of the comparables based on the elements of comparison. The sales comparison approach may be used to value improved properties, vacant land, or land being considered as though vacant; it is the most common and preferred method of land valuation when comparable sales data are available. (The Dictionary of Real Estate Appraisal, 5th Edition, Chicago: Appraisal Institute, 2010, page 175)

The Sales Comparison Approach to value utilizes sales of comparable properties, adjusted for differences, to indicate a value for the subject property. This is done for both land and improved property. Valuation is often accomplished using a unit of comparison such as price per square foot, price per unit, gross or net rent multipliers. Adjustments are applied to the unit of comparison from the comparable sales, and the unit of comparison chosen for the subject is then used to yield a total value.

XXV. SALES COMPARISON APPROACH:

A search was conducted for sales of governmentally zoned properties similar to the subject, but no sales of properties with this type of zoning were discovered. Based on the characteristics of the subject property and the highest and best use analysis of the property, agricultural and grazing land sales were considered the most appropriate and reasonable types of land sales to use in valuing the subject property.

Below is a brief description of the sale properties selected for this analysis. Sales 1 and 2 are agricultural parcels located near treatment facilities. Sales 3 through 7 are purchases of smaller agricultural properties in western Fresno County.

Comparable Land Sales:

Sale No. 1 5158 W. Central Avenue, Fresno County
APN 327-050-07
Document No: 11-151539
Grantor: Leonard Matsuyama
Grantee: Scott Arnett & Secil Atlay

A 19.55-acre parcel of agricultural land was acquired on November 9, 2011 for \$285,000, all cash, or an average of \$14,578 per acre. The property is located about 4 miles southwest of the city of Fresno at the northwest quadrant of Central and Cornelia Avenues. The property is one parcel east of the City of Fresno Wastewater Reclamation Facility.

The property is zoned AE-20, an agricultural district with 20-acre minimum. It is located in and receives water from the Fresno Irrigation District and also has an onsite irrigation well with pump. The property is irrigated field crop land. The property had a market exposure of two months.

Sale No. 2 25300 Colorado Avenue, Tranquillity, Fresno County
APN 030-260-35
Document No: 12-60391
Grantor: John L. Peterson
Grantee: James & Janet Armas

A 38.55-acre parcel of agricultural land was acquired on May 1, 2012, for \$323,000, all cash. The triangular-shaped parcel is located at the northeast corner of Colorado and Sonoma Avenues and is adjacent to Tranquillity, a small unincorporated farming town in western Fresno County. The property is open row crop land and included a shop building in a fenced yard area. These improvements are estimated to have a contributing value of \$25,000. Deducting this amount from the purchase price, shows an adjusted purchase price of \$298,000 or an average of \$7,775 per acre.

The property is zoned AE-20, an agricultural district with 20-acre minimum. At the time of sale it was open farm ground. It is located in and receives irrigation water from the Tranquillity Irrigation District. There is no irrigation well or pump, but the shop building is connected to Tranquillity's city water. The property is located less than 1/4-mile southwest of Tranquillity's wastewater treatment facility. The property had a market exposure of over six months.

Sale No. 3 8480 S. Sutter Avenue, San Joaquin, Fresno County
APN 033-160-13s & 14
Document No: 10-63858
Grantor: Irene Underwood
Grantee: Stanley & Lynda Bulla

Two parcels totaling 10.45 acres were acquired on May 20, 2010, for \$125,000, all cash. The property is located at the northwest corner of Sutter and Parlier Avenues (also known as Fresno Avenue) in the northwest sector of the city of San Joaquin. Though not annexed to the city, the property is within the city's sphere of influence and is across the street from the current city limit boundary.

The property is agricultural acreage that included a rural homestead with 1,920 square foot single family residence built in 1968. The home had been vacant for five years and had been heavily vandalized (broken windows, damaged interior finishes and fixtures, vermin, etc.) and was in very deteriorated condition at time of sale. The buyer estimated the contributing value of the building improvements at \$25,000 to \$35,000. Deducting \$35,000 from the purchase price shows an adjusted price of \$90,000 or an average \$8,612 per acre. The buyer spent \$65,000 to rebuild the house and are presently renting it.

The buyer's mother owns and farms the adjacent 40 acres to the west and the family had been interested in acquiring this property for a number of years. When the property came on the market the buyers made at a full price offer and the transaction closed within five weeks.

The property is zoned AE-20, an agricultural district with 20-acre minimum. It is located in and receives water from the James Irrigation District. In addition there is a domestic well that had not been working for a few years. In the past the property had been farmed primarily to lettuce, but also birdseed, corn and cotton.

Sale No. 4 150' North of W. America Avenue on the east line of the Amadore Avenue alignment, Tranquillity, Fresno County
APN 015-140-91T (a portion of old APN 015-140-25)
Document No: 11-30439
Grantor: Stanley Bulla III, etal
Grantee: Tranquillity Irrigation District

A 22.49-acre parcel of open agricultural land was acquired for \$72,500 or an average of \$3,224 per acre on August 1, 2011. The property is located about 1-1/2 miles north of the city of Tranquillity, a small rural farming community in western Fresno County. The site is located 150' north of American Avenue on the east side of a railroad spur line of the San Joaquin Valley Railroad Company which is also the Amadore Avenue alignment. The sale parcel has no street access. It was originally part of a larger site to the west that had frontage on American and Alpine Avenues. The railroad tracks separated the sale parcel from the bulk of the acreage on the west and acted as a barrier. It made farming the easterly sale parcel more difficult and inconvenient. The buyer Tranquillity Irrigation District owned adjacent acreage to the north and east and wanted to this site to expand drainage basin.

At the time of sale the property was open row crop land. It is zoned AE-20, an agricultural district with 20-acre minimum. It is located in and receives water from the Tranquillity Irrigation District.

Sale No. 5 South of Whitesbridge (Highway 180), 3/4 miles west of James Road, Mendota, Fresno County
APN 015-110-11
Document: 09-050047
Grantor: Davis, Rhode, Gassett, etal
Grantee: G. Singh & B. Bagri

A 120.94-acre property of dry farmland was acquired in April of 2009 for \$275,000, all cash, or an average of \$2,274 per acre. The property is located south of Whitesbridge Road, also known as State Highway 180, and approximately 3/4-mile west of James Road. The property is mid-way between Kerman and Firebaugh. Access is from Whitesbridge Road via an easement on a gravel road over an adjacent parcel.

The property is zoned AE-20, an agricultural zoning with 20-acre minimum. The property had never been farmed and was totally undeveloped. It was relatively level, but had no source of water. Nearby properties have been planted to almonds, prunes and pistachios. The buyers plans to develop the property to

permanent plantings, but the property will need to be leveled and a water source developed (i.e. wells drilled). The property had a market exposure of approximately 10 months.

Sale No. 6 NWC Jefferson & San Mateo Avenues, Tranquillity, Fresno County
APN 028-040-43s & 45s
Document: 11-157303
Grantor: Nella & William Bettinsoli, etal
Grantee. S3 Group, LLC

Two parcels containing 100.24 acres were acquired in November of 2011 for \$375,900 or an average of \$3,750 per acre. The property is located at the northwest corner of Jefferson Avenue and the alignment of San Mateo Avenue. The property is about 4 miles northwest of Tranquillity, a rural community in western Fresno County. It is located just south of the Mendota Wildlife Area, a low area along the San Joaquin River channel that is a drainage/marsh area for migratory waterfowl and other wildlife.

The property is open row crop land that is level to grade. There are no irrigation wells, but most of the property is located in the Westlands Water District and has district water available. Twelve acres of the property lies outside the Westland District and has no district water allotment. Electrical service is in the area, but none has been extended to the site. The property has good access from a public road. The property is zoned AE-40, an exclusive agricultural zoning with 40-acre minimum parcel size.

Sale No. 7 9246 S. El Dorado Avenue, San Joaquin, Fresno County
NEC El Dorado & Springfield Avenues
APN 033-020-70
Document: 11-85317
Grantor: Amy Hussain
Grantee Gurdeep Billan & Ranjodh Pahal

A 39.44 acre parcel was acquired in June of 2011 for \$240,000. The buyer received a \$4,500 credit which shows an adjusted purchase price of \$235,500. Dividing this by the number of acres purchased shows a unit price of \$6,085 per acre. The property is located about one mile west of the urban boundaries City of San Joaquin, a small rural community in western Fresno County. The buyers made a \$40,000 down payment and the seller carried a note for the balance for a term of 5 years at 5% interest.

At the time of the property was irrigated row crop land and zoned AE-40, an exclusive agricultural district with a minimum parcel size of 40 acres. The property had recently been farmed with onion crops. The property is located in the James Irrigation District and receives district water. The delivery canal is adjacent to the property. There are no developed ag wells or any building improvements on the property. The buyers will farm the property. They

originally intended to plant pistachio trees, but since the purchase have signed a contract with Gallo Winery to plant wine grapes. The property is level and has good access from two paved streets. No building improvements were included with this sale.

Summary and Reconciliation of the Land Sales:

On the *following* page is a table outlining these sales used in this analysis. The sales were compared to the subject properties and considerations were made with respect to property rights conveyed, financing, conditions of sale, date of sale, location, and physical characteristics. Following the sales summary chart is an adjustment grid chart that show the various the various adjustments.

Each of the elements of comparison will be discussed as follows:

Property Rights Conveyed: No adjustment is required for property rights conveyed as the sales all involved fee simple properties as does the subject, therefore, no adjustments were warranted.

Financing: All of the sales were cash equivalent transactions, thus, no adjustments were warranted.

Market Conditions or Date of Sale: Sales 2 and 3 took place in 2010 and warrant slight downward adjustments for market conditions. Housing market conditions have continued to weaken since then as indicated by declining home prices. These sales warrant slight downward adjustments of 5%. The remaining sales are more recent transactions and warrant no adjustments.

Conditions of Sale: Most of the sales are considered to be arms-length transactions and warrant no adjustments. In the appraiser's opinion, Sale 3 warrants an adjustment for conditions of sale because the property was acquired for assemblage purposes. This sale involves the purchase of 10.45-acres in the urban area of the city of San Joaquin by the adjacent land owner. The buyer had been interested in the property for a number of years. When the property came on the market, they immediately made an offer at the asking price. According to the sales agent who represented the buyer and is a relative of the buyer, it was important to the family have this parcel since it "squared off" their holdings in the area. Since the property was acquired for assemblage purposes, the sales warrants a slight downward adjustment for conditions of sale and was adjusted downwards 10%.

Location: The relevant characteristic of the subject's location are that it is in Fresno County's west side agricultural district, is in an urban area and is adjacent to the city's wastewater treatment plant. For the most part the comparable sales have similar locations and warrant no adjustments.

Sales 2 and 3 are the most similar as to location in that both are located adjacent to urban areas of two small communities in western Fresno County – Tranquillity and San Joaquin. Sale 2 is also within 1/4-mile of Tranquillity's wastewater treatment facility. Sales 4, 6 and 7 have less of urban influence since they within 1 to 4 miles of these same westside communities. Sale 5 is also in Fresno County's west side agricultural district, but it is situated between Kerman and Mendota, about 15 miles southeast of Firebaugh.

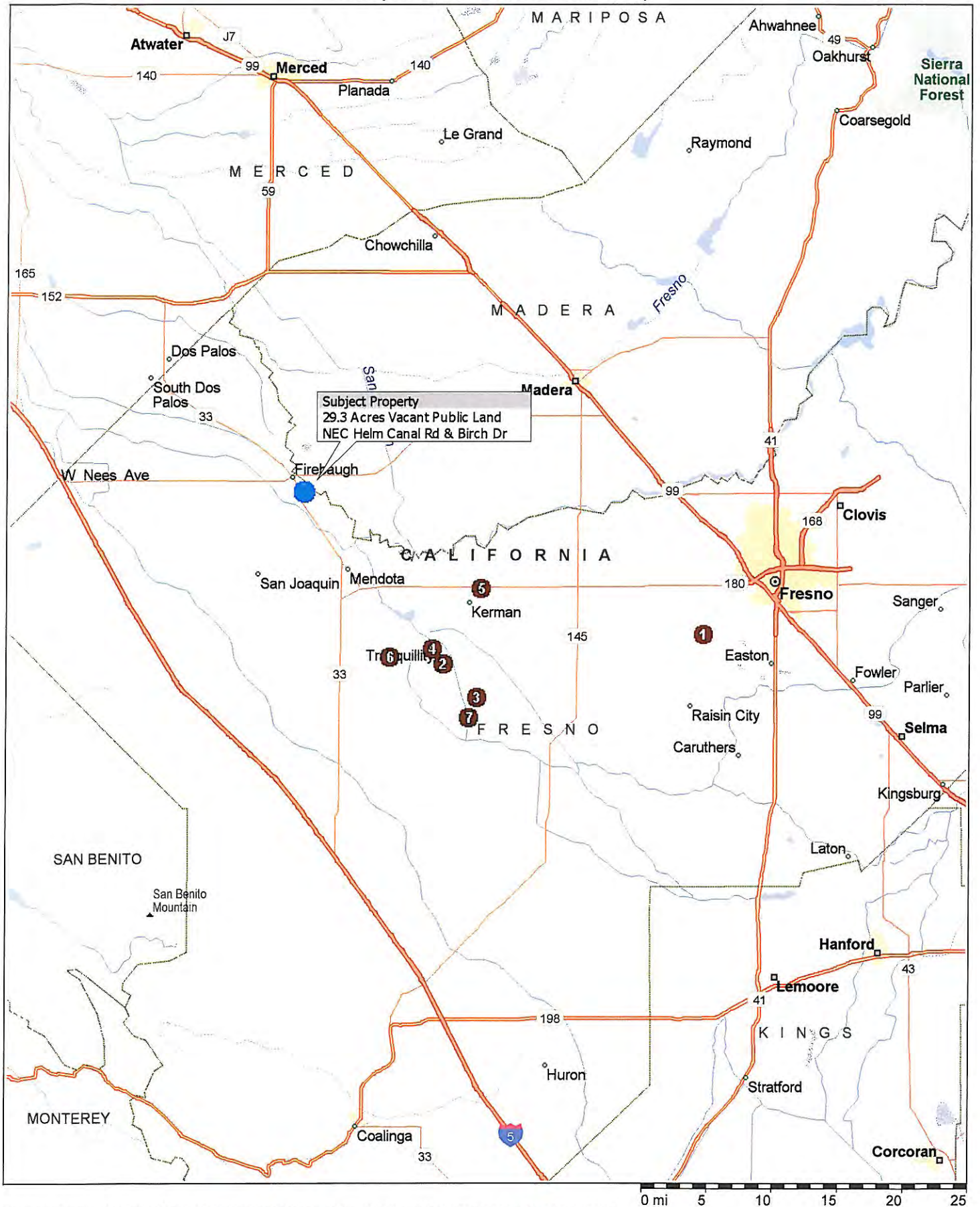
Comparable Land Sales

Sale	Property Location APN	Sale Date COE	Sales Price	Size: Acs	Price/Ac	Zoning Ag Preserve Existing Use	Off Sites Utilities Water Source	Grantor Grantee Document #	Comments
1	5158 W. Central Ave. NWQ Central & Cornelia Aves. Fresno, Fresno Co. 327-050-07	11/9/11	\$285,000 Cash	19.55	\$14,578	AE-20 Irrigated field cropland	Paved road Electricity Ag well & FID	Leonard Matsuyama Scott Arnett & Cecil Atlay 11-151539	Property is located one parcel east of the City of Fresno Wastewater Reclamation Facility.
2	25300 Colorado Ave. NWC Colorado & Sonoma Tranquility, Fresno Co. 030-260-35	5/1/12 <i>purchase price allocated to land</i>	\$323,000 -\$25,000 buildings \$298,000	38.33	\$7,775 Adjusted purchase price	AE-20 Open irrigated cropland	Paved road Electricity City water to shop & district water for ag	John L. Peterson James & Janet Almas 12-60391	Property is a triangular shaped parcel that sits at the northwest corner of Colorado & Sonoma Avenues. Though not annexed to the city, the property is across the street from current city boundaries. City water has been extended to the shop buildings on site. The shop and fenced yard area is estimated to have a contributing value of \$25,000. Property is in
3	8480 S. Sutter Ave. NWC Fresno & Sutter Aves. San Joaquin, Fresno Co. 033-160-13s & 14	5/20/10 <i>purchase price allocated to land</i>	\$125,000 -\$40,000 buildings \$85,000	10.45	\$8,134 Adjusted purchase price	AE-20 Open irrigated cropland	Paved street Electricity	Irene L. Underwood Stanley & Lynda Bulla 10-63858	Rural home site with a 1,920 SF, 3 bdrm-2 bath home built in 1968. The home had been vacant for 5 yrs. It had been vandalized & was in very poor repair at time of sale. Estimated contributing value of improvements is \$40,000. Property is within the city's sphere of influence but not annexed. It is across the street from incorporated acreage. Property acquired by adjacent land owner. Mk exp. 7 days
4	E/s San Joaquin RR spur 150' north of American 1.5 miles north of Fresno County 015-140-91T	3/1/11	\$72,500	22.49	\$3,224	AE-20 Ag Preserve Open irrigated cropland	No road access None District irrigation water	Stanley Bulla III, et al Tranquility Irrigation District 11-30439	Property was originally part of a 161-acre site that sits at the NEC of American & Alpine Aves. Sale parcel is separated from the bulk of the acreage by a spur line of the San Joaquin RR Co. The tracks acted a barrier & made it difficult to farm the site. Property was acquired by the adjacent land owner Tranquility Irrigation Dist., who wanted to expand drainage basin. Property was open row crop land at sale. Not listed for sale.
5	S/s Whitesbridge 3/4 miles W/o James Rd., mid-way betwn Mendota & Kerman Fresno County 015-110-11	4/15/09	\$275,000	120.94	\$2,274	AE-20 Ag Preserve Never farmed	Paved road None No developed source of water	Davis, Gassett, et al G. Singh & B. Magri 09-050047	Property is located mid-way between Kerman & Mendota. It is relatively level site that is undeveloped and is reported as never having been farmed. There is no source of water to the land. Nearby there are almond, prunes & pistachio orchards nearby. The buyer plans to develop the property to permanent plantings after leveling & developing wells & pumps. Mkt exp: 10± mos.

Comparable Land Sales

Sale	Property Location APN	Sale Date COE	Sales Price	Size: Acs	Price/Ac	Zoning Ag Preserve Existing Use	Off Sites Utilities Water Source	Grantor Grantee Document #	Comments
6	NWC Jefferson & San Matedo Tranquility, Fresno County 028-040-43s & 45s	11/22/2011	\$375,900	100.24	\$3,750	AE-40 Open irrigated cropland	None District irrigation water	Nella & William Bettinsoli et al S3 Group LLC 11-157303	Property is located 4 miles NW of the city of Tranquility, a rural community in western Fresno County. The property is located just south of the Mendota Wildlife Area, a low area along the San Joaquin River channel that collects water and is marsh area for migratory waterfowl and habitat other wildlife. All but 12 acres of the property is located in the Westlands Water District. At the time of sale the property was open ground. Mkt exp: 78 days
7	9246 S. El Dorado Ave. NEC El Dorado & Springfield San Joaquin, Fresno Co. 033-020-70	6/28/2011	\$240,000 -\$4,500 credit to buyer \$235,500 adjusted purchase price	39.44	\$6,085	AE-40 Irrigated	None District irrigation water	Amy Hussain Gurdeep Billan & Ranodh Pahal 11-85317	Property is located 1± miles west of the city of San Joaquin. Property is in the James Irrigation District & is adjacent to a delivery canal. The property is irrigated row crop land and was most recently farmed to onions. There are no building improvements included with sale. Mkt exp: 7 months

Comparable Land Sales Map



LAND SALES ADJUSTMENT GRID

Category/Sale Number:	Subject	Sale 1	Sale 2	Sale 3	Sale 4
Property Location	NEC Helm Canal & Birch Firebaugh, Fresno Co. 29.30	5158 W. Central Ave. NWC Central & Cornelia Fresno, Fresno Co. 19.55 \$285,000 \$285,000 \$14,578 Nov-11 Fee Simple	25300 Colorado Ave. NWC Colorado & Sonoma Tranquillity, Fresno Co. 38.33 \$323,000 \$298,000 less bldg imprv \$7,775 May-12 Fee Simple	8480 S. Sutter Ave. NWC Sutter & Fresno San Joaquin, Fresno Co. 10.45 \$125,000 \$85,000 \$8,134 May-10 Fee Simple	NEQ San Joaquin RR spur line & American Ave. Tranquillity, Fresno Co. 22.49 \$72,500 \$72,500 \$3,224 Mar-11 Fee Simple
Size of Parcel (Acres):					
Unadjusted Sale Price:					
Adjusted Sales Price:					
Adjusted Price Per Acre					
Sales Date:					
Property Rights Conveyed:					
SEQUENTIAL ADJUSTMENTS:					
Property Rights:	Fee Simple	0.0%	0.0%	0.0%	0.0%
Percentage Adjustment:					
Financing Terms:	Cash				
Percentage Adjustment:					
Date of Sale:	Current	Nov-11 0.0%	May-12 0.0%	May-10 0.0%	Mar-11 0.0%
Percentage Adjustment:					
Conditions of Sale:	Market	0.0%	0.0%	Assemblage -15.0%	0.0%
Percentage Adjustment:					
Adjusted Price Per SF:		\$14,578	\$7,775	\$6,914	\$3,224
CUMULATIVE ADJUSTMENTS:					
Location:	City of Firebaugh Adjacent to wastewater treatment plant	superior -5.0%	similar 0.0%	similar 0.0%	similar 0.0%
Dollar Adjustment:		-\$729	\$0	\$0	\$0
Access:	Paved road access				
Percentage Adjustment:		0.0%	0.0%	0.0%	10.0%
Dollar Adjustment:		\$0	\$0	\$0	\$322
Size (Acres):	29.30, gross acres 25± useable acres				
Percentage Adjustment:		comparable 0.0%	comparable 0.0%	comparable 0.0%	comparable 0.0%
Dollar Adjustment:		\$0	\$0	\$0	\$0
Soils:	Wekoda clay & Elnido sandy loam	superior -10.0%	similar 0.0%	similar 0.0%	similar 0.0%
Percentage Adjustment:					
Dollar Adjustment:		-\$1,458	\$0	\$0	\$0
Utilities:	Electricity	superior - FID -15.0%	superior - TID -15.0%	superior - JID -15.0%	superior - TID -15.0%
Percentage Adjustment:					
Dollar Adjustment:		-\$2,187	-\$1,166	-\$1,037	-\$484
Topography:	No developed irrigation water	comparable 0.0%	comparable 0.0%	comparable 0.0%	comparable 0.0%
Percentage Adjustment:					
Dollar Adjustment:		\$0	\$0	\$0	\$0
Zoning/Restrictions/H&BU	Gov't or Public Use Zoning Subject to permit for industrial discharge	superior -60.0%	superior -60.0%	superior -60.0%	superior -60.0%
Percentage Adjustment:					
Dollar Adjustment:		-\$8,747	-\$4,665	-\$4,148	-\$1,934
Total Net Adjustments:		-\$13,120	-\$5,831	-\$5,185	-\$2,095
Indicated Subject Unit Price:					
		\$1,458	\$1,944	\$1,728	\$1,128

Correlated Unit Value (\$/Ac): **\$1,000**
 Subject Size - Acres 29.30
 Indicated for Subject \$29,300
 Adjusted to **\$30,000**

 Maximum Adjusted Price/Acre: All Sales \$910
 Minimum Adjusted Price/Acre: All Sales \$1,944
 Average Adjusted Price/Acre \$1,371
 Median Adjusted Price/Acre Sales \$1,458

LAND SALES ADJUSTMENT GRID

Category/Sale Number:	Subject	Sale 5	Sale 6	Sale 7
Property Location	NEC Helm Canal & Birch Firebaugh, Fresno Co. 29.30	Whitesbridge & James Rod Mid-way betwn Kerman & Mendota, Fresno Co. 120.94 \$275,000 \$275,000 \$2,274 Apr-09 Fee Simple	NWC Jefferson & San Mateo Tranquillity, Fresno Co. 100.24 \$375,900 \$375,900 \$3,750 Nov-11 Fee Simple	9246 S. El Dorado Ave. NEC El Dorado & Springfield San Joaquin, Fresno Co. 39.44 \$240,000 less \$4,500 credit \$235,500 \$5,971 Jun-11 Fee Simple
Size of Parcel (Acres):				
Unadjusted Sale Price:				
Adjusted Sales Price:				
Adjusted Price Per Acre				
Sales Date:				
Property Rights Conveyed:				
SEQUENTIAL ADJUSTMENTS:				
Property Rights:	Fee Simple			
Percentage Adjustment:		0.0%	0.0%	0.0%
Financing Terms:	Cash			
Percentage Adjustment:		0.0%	0.0%	0.0%
Date of Sale:	Current	Apr-09	Nov-11	Jun-11
Percentage Adjustment:		0.0%	0.0%	0.0%
Conditions of Sale:	Market			
Percentage Adjustment:		0.0%	0.0%	0.0%
Adjusted Price Per SF:		\$2,274	\$3,750	\$5,971
CUMULATIVE ADJUSTMENTS:		\$2,274	\$3,750	\$5,971
Location:	City of Firebaugh Adjacent to wastewater treatment plant	similar 0.0%	similar 0.0%	similar 0.0%
Percentage Adjustment:				
Dollar Adjustment:		\$0	\$0	\$0
Access:	Paved road access	similar 0.0%	similar 0.0%	similar 0.0%
Percentage Adjustment:				
Dollar Adjustment:		\$0	\$0	\$0
Size (Acres):	29.30, gross acres 25± useable acres	comparable 0.0%	comparable 0.0%	comparable 0.0%
Percentage Adjustment:				
Dollar Adjustment:		\$0	\$0	\$0
Soils:	Wekoda clay & Elnido sandy loam	similar 0.0%	similar 0.0%	similar 0.0%
Percentage Adjustment:				
Dollar Adjustment:		\$0	\$0	\$0
Utilities:	Electricity	comparable 0.0%	superior - WWD -15.0%	superior - JID -15.0%
Percentage Adjustment:	No developed irrigation water			
Dollar Adjustment:		\$0	-\$563	-\$896
Topography/Flood Hazard:	AH Flood Hazard Zone	comparable 0.0%	comparable 0.0%	comparable 0.0%
Percentage Adjustment:	Fairly level; portion is in drainage basin			
Dollar Adjustment:		\$0	\$0	\$0
Zoning/Restrictions/H&BU:	Gov't or Public Use Zoning	superior -60.0%	superior -60.0%	superior -60.0%
Percentage Adjustment:	Subject to permit for industrial discharge			
Dollar Adjustment:		-\$1,364	-\$2,250	-\$3,583
Total Net Adjustments:		-60.00%	-75.00%	-75.00%
Indicated Subject Unit Price:		-\$1,364	-\$2,813	-\$4,478
		\$910	\$938	\$1,493

Note: FID is Fresno Irrigation District; TID is Tranquillity Irrigation District; JID is James Irrigation District; WWD is Westland Water District

In one respect Sale 1 is the very similar to the subject in that it is one parcel away from Fresno's wastewater treatment facility. The close proximity of the plant appears to have had little impact on the parcel's land value. However, this property is considered to have a slightly superior location because it is only five miles southeast of the city of Fresno and has greater market appeal. In the appraiser's opinion this sale warrants a downward adjustment of 5%.

Access: The subject property has frontage along a paved, public street. Except for Sale 4, all the properties have similar access and warrant no adjustments. Sale 4 is the purchase of a 22.49-acre parcel that is separated by a railroad tract from the larger block of land of which it was a part and had the road frontage. The farmer who leased this acreage, did not farm the smaller parcel east of the railroad line because of the difficulty and inconvenience of getting to the parcel. This sale is considered inferior as to access and was adjusted upwards 10%.

Parcel Size: The subject contains 29.30 gross acres. The sale properties range from 10.45 acres to 120.94 acres and are considered comparable as to size. No adjustments are warranted.

Soils: Like the subject, Sales 2 through 7 are located on the west side of the valley and are considered to fairly comparable soils to the subject. Sale 1 is in an area of better quality soil and warrants a downward adjustment.

Utilities: The subject property has no developed source of water for irrigation purposes. Electricity is in the area and can be extended to the property. Except for Sale 5, all the sales are considered superior as to irrigation water. These properties are located in various irrigation districts and have access to district water. These sales are superior to the subject and were adjusted downwards 15%. Sale 5 is the purchase of a 120.94-acre parcel that had reportedly never been farmed and had no developed source for irrigation water. The buyer planned to drill irrigation wells and develop the property to permanent plantings. This sale is similar to the subject as status of irrigation water and warrants no adjustment.

Topography: No adjustments for topography area warranted. The subject is fairly level as are the sale properties.

Zoning/Restrictions/Highest and Best Use: Though the property is zone for government and public uses, the site has physical constraints that limit development to these uses. These constraints include the high risk flood designation, the close proximity of the sewer plant which impacts its market appeal, and most importantly, the industrial waste discharge permit. Until the discharge permit is cancelled or amended, the highest and best use of the subject property is grazing or the farming of only non-edible or animal food crops on an interim basis. None of the sale properties have restrictions that limit what may or may not be grown and are considered much superior as to highest and best use. In the appraiser's opinion, the sales warrant a substantial downward adjustment of 60%.

Value Conclusions: The adjusted sale prices for the comparables used in these analyses show a range from \$910 to \$1,944 per acre, and a median adjusted price \$1,458 per acre. Considering the characteristics of the subject property and its limited utility due to its location and restricted agricultural uses, a value from the low end of the range is considered reasonable. Thus it is the appraiser's opinion, the subject property has a value of \$1,000 per acre. Multiplying this by the 29.3 acres shows a value of \$29,300, rounded to \$30,000.

Hence, the following valuation:

Price Per Acre:

29.3 Acres @ \$1,000/acre = \$29,300

Adjusted to = **\$30,000**

**MARKET VALUE "AS IS"
ON DATE OF PROPERTY INSPECTION
29.3 Acres Vacant Public Land
(Fee Simple Interest)
as of
May 25, 2012

\$30,000**

XXVI. EXPOSURE AND MARKETING TIME:

Market value is the value of a property on the effective date of valuation. It represents the most probable price which the property would bring if it were sold on that date and following a reasonable time of exposure to the open market. Market value is valid only on the date it is made, and there is no guarantee that this is the same value the property will bring at a later time. Economic and market conditions as well as the physical status of the property could change to cause the value of the property to increase or decrease over time. Therefore, to completely understand the context surrounding the value estimate being made in this appraisal, it is important to understand the underlying estimate of both the exposure and marketing times associated with selling the subject property at its appraised value. These two time estimates are defined as follows:

The Exposure period 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; a retrospective estimate based upon an analysis of past events assuming a competitive and open market.

The Marketing period means the amount of time necessary to achieve an open market sale of the property under current market conditions and market trends, assuming normal market exposure and the

consummation of a sale consistent with the terms and conditions of the definition of market value. Marketing period is not to be confused with absorption period or holding period.

In the appraiser's opinion the exposure and marketing times of the properties under appraisal are as follows:

Exposure Times:

"As Is" Market Value	12 to 24 months
----------------------	-----------------

Marketing Time:

"As Is" Market Value	12 to 24 months
----------------------	-----------------

A D D E N D A

Certification Statement

CERTIFICATION STATEMENT

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

- * The statements of fact contained in this report are true and correct.
- * The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- * I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- * I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- * My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- * My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- * The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the *Uniform Standards of Professional Appraisal Practice*.
- * The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- * Peter S. Cooper, MAI and Kathleen Woods have made a personal inspection of the property that is the subject of this report on May 25, 2012.
- * Kathleen Woods provided significant real property appraisal assistance to the person signing this certification.
- * As of the date of this report, Peter S. Cooper has completed the requirements of the continuing education program of the Appraisal Institute.
- * I have the knowledge and experience to complete this appraisal assignment and have appraised this property type before. Please see my accompanying qualifications for additional information.
- * **Disclosure of Prior Appraisal and/or Other Services ~ I CERTIFY THAT, to the best of my knowledge and belief:**

Peter S. Cooper, MAI and/or other appraisers associated with Peter S. Cooper Appraisals have not completed an appraisal nor been involved in any property management or property consulting assignments for the subject property within the last three years.

Dated July 2, 2012, at Fresno, California



PETER S. COOPER, MAI
Certified General Real Estate Appraiser
California License AG007287
License Expiration Date: 8/20/14

Readdressing/Reassigning Appraisal Reports

Peter S. Cooper Appraisals Inc. adheres to the requirements of the 2012-2013 Edition of the Uniform Standards of Professional Appraisal Practice (USPAP). This edition is effective January 1, 2012 through December 31, 2013. The following excerpts pertain to readdressing/reassigning appraisal reports:

Advisory Opinion 26, Page A-86:

Once a report has been prepared for a named client(s) and any other identified intended users and for an identified intended use, the appraiser cannot "readdress" (transfer) the report to another party.

Advisory Opinion 27, Page A-88/89:

Situations often arise in which appraisers who have previously appraised a property are asked by a different party to appraise the same property Accepting the assignment from the subsequent prospective client is not prohibited by USPAP, assuming appropriate disclosure is made to the client before being engaged and any existing confidential information is handled properly If there is a new potential client, valuation services performed for that new client would constitute a new assignment and the assignment results would be specific to that new assignment.

Frequently Asked Questions, Page F-56:

It is never permissible to "readdress" a report by simply changing the client's name on a completed report, regardless of whether the first client gave a release. The request from Lender B must be treated as a new assignment.

Qualifications of the Appraisers

QUALIFICATIONS OF PETER S. COOPER, MAI

State Certified General Real Estate Appraiser

CA Cert No. AG007287

EDUCATION:

California State University, Fresno

Bachelor Science Degree in Business Administration & Agriculture

Appraisal Institute

Cap A	Capitalization Theory, University of Oregon
Course 1-A	Basic Principles; Methods of Techniques, Univ. of CA, Los Angeles
Course 1-B	Capitalization Theory & Techniques, University of San Francisco
Course II	Urban Properties, University of San Francisco
Course VI	Investment Analysis, University of San Francisco
Course 300GR	Real Estate Finance Statistics and Valuation Modeling, University of Phoenix
Course 510	Advanced Income Capitalization
Course 530	Advanced Sales Comparable and Cost Approaches
Course 672	Lease Abstracting and Analysis
SPP	Standards of Professional Practice, National University, Sacramento
---	Supporting Capitalization Rates

Peter S. Cooper has completed the requirements of the continuing education program of the Appraisal Institute.

Society of Real Estate Appraisers

Course 201	Principles of Income Property Appraising, Modesto Junior College
Course 301	Special Applications of Real Estate Analysis, Mesa, Arizona

AFFILIATIONS:

Appraisal Institute/Member

Urban Land Institute/Member

American Real Estate Society/Member

EXPERIENCE:

1981-Present:	Independent Real Estate Appraiser (self-employed)
1974-1981:	Independent Real Estate Appraiser with James G. Palmer, MAI
1971-1974:	Real Estate Appraiser for First Interstate Bank
1969-1971:	Trust Real Estate Department, Security Pacific National Bank
1967-1969:	Manager, Property Management Dept., CB Commercial - Fresno Office

EXPERIENCE: (continued)

Mr. Cooper has appraised on a fee basis the following types of properties:

Apartments	Mountain Properties
Office Buildings	Vacant Land
Retail Centers (community, neighborhood, strip)	Agricultural Land
Warehouse and Light Industrial	Planned Unit Developments
Subdivisions	Multi-Parcel Estates
Condemnation/Partial Takings	Special Use Properties

CLIENTS:

Financial Entities:	Bank of America, Wells Fargo Bank, Union Bank, Sanwa Bank, Great Western Bank, Sumitomo Bank, Bank of the West, U.S. Bancorp., Mitsui Manufacturers Bank, United Security Bank, Clovis Community Bank, Regency Bank, Bank One of Arizona, and Comerica Bank
Insurance and Mortgage	PPM Finance & Jackson National Life Ins. Co., Column Financial, AEGON, GNA Corp., Safeco Credit Co. Midland Com'l Funding, The Lincoln Financial Group, Industrial-Alliance Pacific Life Insurance Co., Symetra Life Insurance Company or First Symetra National Life Insurance Company of New York, Assurity Life Insurance Company, Emeritus Life Insurance Co., Southern Farm Bureau Life Insurance Co., Protective Life Insurance Co.
Conduit Entities:	Metlife Capital, Indianapolis Life, Lafayette Life, Green Park Financial, GMAC Commercial Mortgage, Westmark Realty Advisors
Industries:	American Forest Products, Buchmin Industries, Eli Lilly, General Electric, Chevron Land, Dow Chemical Company, Kaiser Industries, Transamerica Corporation, Community Hospitals of Central California, St. Agnes Medical Center
Schools:	Districts of Fresno, Kerman, Madera, Central and Clovis
Public:	Federal Deposit Insurance Corporation, Resolution Trust Corporation, City and County of Fresno, Cities of Sanger, Reedley, Madera and Clovis
Appraisal:	Purchase and sales price, estates, tax purposes, insurance, mortgages, rental analysis and condemnation.
Consulting:	Market and feasibility studies for residential and commercial projects
General Area:	Counties of Fresno, Kern, Kings, Madera, Merced, Mono, Sacramento, San Joaquin, Stanislaus and Tulare

COURT EXPERIENCE:

Qualified as an expert witness in the Superior Court of Fresno County and the Federal Bankruptcy Court.



STATE OF CALIFORNIA

Business, Transportation & Housing Agency

OFFICE OF REAL ESTATE APPRAISERS

REAL ESTATE APPRAISER LICENSE

Peter S. Cooper

has successfully met the requirements for a license as a general real estate appraiser in the State of California and is, therefore, entitled to use the title "Certified General Real Estate Appraiser".

This license has been issued in accordance with the provisions of the Real Estate Appraisers' Licensing and Certification Law.

OREA APPRAISER IDENTIFICATION NUMBER

A 007287

Date Issued: August 21, 2012

Date Expires: August 20, 2014

Audit No. **140950**

Diane Westphal

Deputy Director, OREA

THIS DOCUMENT CONTAINS A TRUE WATERMARK - HOLD UP TO LIGHT TO SEE "CHAIN LINK"

**QUALIFICATIONS
OF
KATHLEEN C. WOODS**

EDUCATION:

University California, Berkeley
Bachelor of Arts Degree, Rhetoric

California State University, Fresno
California Secondary Teaching Credential

Appraisal Institute Courses

Market Analysis
Capitalization Theory and Technique, Part A
Capitalization Theory and Technique, Part B
Case Studies
Standards of Professional Practice

Appraisal Institute Sponsored Seminars

Commercial Construction Overview
Feasibility Analysis and Highest and Best Use: Nonresidential Properties
Rates, Ratios and Reasonableness
Subdivision Analysis

Society of Real Estate Appraisers Courses

Introduction to Appraising Real Property
Applied Residential Property Valuation

EXPERIENCE:

2004-Present:	Real Estate Research with Peter S. Cooper, MAI
1984-1997:	Real Estate Appraiser with Peter S. Cooper, MAI
1979-1984:	Marketing Manager, Simi Real Estate Company
1976-1979:	High School English Teacher, Dixon Unified School District

Assignment Engagement Email

Cooper Appraisals

From: Laura Weyant [citymanager@ci.firebaugh.ca.us]
Sent: Wednesday, May 02, 2012 6:43 PM
To: Cooper Appraisals
Cc: Rita Lozano
Subject: RE: Quotation for Appraisal Services

Thank you Mr. Cooper, please take this e-mail as my authorization to proceed.

Laura Weyant
City Manager
City of Firebaugh
(559) 659-2043

From: Cooper Appraisals
Sent: Wed 5/2/2012 4:53 PM
To: citymanager@ci.firebaugh.ca.us
Subject: Quotation for Appraisal Services

Laura,

Attached is Pete's quotation for appraisal services regarding the 29.3 acres on Birch Drive adjacent to the Helm Canal.

Regards,

Stella
for Peter S. Cooper, MAI

Peter S. Cooper Appraisals Inc.
1255 W. Shaw Ave., Suite 102
Fresno, CA 93711
PH 559-226-5025
FX 559-226-4523

Peter S. Cooper, MAI

Real Estate Appraiser and Consultant
1255 West Shaw Avenue, Suite 102
Fresno, California 93711
(559) 226-5025 FAX (559) 226-4523

E-mail: cooper.appraisals@sbcglobal.net

May 2, 2012

Ms. Laura Weyant, City Manager
City of Firebaugh
1133 P Street
Firebaugh, California 93622

RE: Quotation for Appraisal Services
29.30 acres along the south line of Birch Drive,
adjacent to the north line of the Helm Canal
Firebaugh, California

Dear Ms. Weyant,

As per our telephone conversation, I can prepare a self-contained appraisal report on the 29.30 acres along the south line of Birch Drive, adjacent to the north line of the Helm Canal in Firebaugh, for a fee of \$4,000. The time frame to complete the assignment would be 4-5 weeks from the date you authorize me to start the assignment.

The appraisal is to provide a current "as is" market value of the fee simple interest in the property. The client is to be the City of Firebaugh and the appraisal is to be used by the city to assist in the transfer of the property between public agencies.

Once I receive your authorization to proceed, I will contact you to setup a meeting to go over the information I will need to start the assignment.

If you have any questions regarding this quotation, please do not hesitate to call.

Sincerely,



PETER S. COOPER, MAI
Certified General Real Estate Appraiser
California License AG007287

PSC/s

Grant Deed
(includes Legal Description)

RECORDING REQUESTED BY
AND FOR THE BENEFIT OF

City of Firebaugh

WHEN RECORDED MAIL TO

Dale E. Bacigalupi, Esq.
Lozano Smith
7404 N. Spalding Avenue
Fresno, California 93720

FRESNO County Recorder
Paul Dictos, C.P.A.

DOC- 2011-0138464

Thursday, OCT 13, 2011 09 45 29

Ttl Pd \$0.00

Nbr-0003530307

JZG/R3/1-4

No recording or filing fee required. This document exempt from
fee pursuant to California Government Code §§ 6103, 27383

APN 007-100-25ST

GRANT DEED

The Undersigned Grantor(s) Declare(s): DOCUMENTARY TRANSFER TAX \$0.00, CITY
TRANSFER TAX \$0.00, SURVEY MONUMENT FEE \$0.00

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

the **FIREBAUGH REDEVELOPMENT AGENCY**

hereby GRANTS to the **CITY OF FIREBAUGH**, the following described property in the City
of **FIREBAUGH**, County of **FRESNO**, State of **CALIFORNIA**:

That parcel of real property, identified as APN 007-100-25ST, a complete legal description of
which is found in Exhibit "A" attached hereto and incorporated herein

Dated October 13, 2011

FIREBAUGH REDEVELOPMENT AGENCY

By Laura Weyant
Laura Weyant, Executive Director

EXHIBIT A

LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF FRESNO, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

All that portion of Section 33, Township 12 South, Range 14 East, Mount Diablo Base and Meridian, according to the Official Plat thereof, described as follows.

COMMENCING at the Northwest corner of said Section 33, thence as follows

South 00°08'30" West, 29.62 feet; South 32°59'30" East, 687.44 feet; South 29°01'30" East, 317.78 feet; South 14°03'00" West, 158.70 feet; South 19°10'56" East, 458.00 feet; South 53°32'45" East, 248.86 feet; South 16°59'30" East, 135.02 feet; North 77°37'30" East, 348.92 feet to a point on the Westerly right-of-way line of State Highway No. 33 (record dimension is 248.92 feet); thence along said Westerly right-of-way line South 12°22'30" East, 327.28 feet; thence North 77°38'00" East, 233.97 feet to a point on the Northeasterly right-of-way line of the Helm Canal; thence along said Northeasterly right-of-way line of the Helm Canal as follows:

South 23°16' East, 632.00 feet; South 29°04' East, 1261.70 feet; South 71°05' East, 968.10 feet; South 60°56' East, 461.01 feet to the True Point of Beginning of this description; thence from said point and continuing along said Northeasterly right-of-way line of the Helm Canal as follows.

South 60°56' East, 335.79 feet and South 64°27' East, 510.50 feet; thence leaving said Northeasterly right-of-way line of the Helm Canal, North 20°50' East, 1,035.30 feet to a point on a curve whose radius bears South 53°37'09" West, thence Northwesterly along the curve, with a radius of 550.00 feet, through a central angle of 17°08'04", an arc length of 164.48 feet; thence Northwesterly along a tangent curve concave Northeasterly, with a radius of 600.00 feet, through a central angle of 18°54'00", an arc length of 197.92 feet; thence Northwesterly and Northerly along a tangent curve concave Northeasterly, with a radius of 140.0 feet, through a central angle of 70°29'28", an arc length of 172.24 feet; thence Northerly along a tangent curve concave Westerly, with a radius of 275.00 feet, through a central angle of 34°02'33", an arc length of 163.39 feet; thence Northwesterly, along a tangent curve concave Southwesterly, with a radius of 180.00 feet, through a central angle of 83°24'26", an arc length of 262.03 feet, thence Northwesterly, along a tangent curve concave Northeasterly, with a radius of 600.00 feet, through a central angle of 13°29'44", an arc length of 141.33 feet, thence Northwesterly along a tangent curve concave Northeasterly with a radius of 325.00 feet, through a central angle of 28°30'00", an arc length of 161.66 feet; thence North 89°47'01" West, 144.00 feet and South 13°46'00" West, 1,515.00 feet to the True Point of Beginning.

APN: 007-100-255T

2

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Fresno

On 10-13-11

Date

before me,

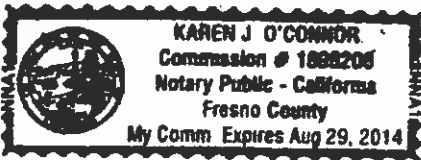
Karen J. O'Connor, Notary Public

Here Insert Name and Title of the Officer

personally appeared

Laura Weyant

Name(s) of Signer(s)



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

Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document

Description of Attached Document

Title or Type of Document Grant Deed

Document Date 10-13-11

Number of Pages 2 + Acknowledgment

Signer(s) Other Than Named Above N/A

Capacity(ies) Claimed by Signer(s)

Signer's Name Laura Weyant

☒ Individual

☐ Corporate Officer — Title(s) _____

☐ Partner — ☐ Limited ☐ General

☐ Attorney in Fact

☐ Trustee

☐ Guardian or Conservator

☐ Other _____

Signer Is Representing _____

RIGHT THUMBPRINT
OF SIGNER
Top of thumb here

Signer's Name _____

☐ Individual

☐ Corporate Officer — Title(s) _____

☐ Partner — ☐ Limited ☐ General

☐ Attorney in Fact

☐ Trustee

☐ Guardian or Conservator

☐ Other _____

Signer Is Representing _____

RIGHT THUMBPRINT
OF SIGNER
Top of thumb here

3

CERTIFICATE OF ACCEPTANCE
(Government Code § 27281)

This is to certify that the interest in real property, as shown on Exhibit "A" attached hereto, conveyed by the Grant Deed dated October 13, 2011, from the FIREBAUGH REDEVELOPMENT AGENCY to the CITY OF FIREBAUGH, is hereby accepted by order of the City of Firebaugh, by City Council approval on July 18, 2011. The City of Firebaugh hereby consents to recordation thereof by its duly authorized officer.

Dated Oct 13, 2011

By Laura Weyant
Laura Weyant, City Manager

13

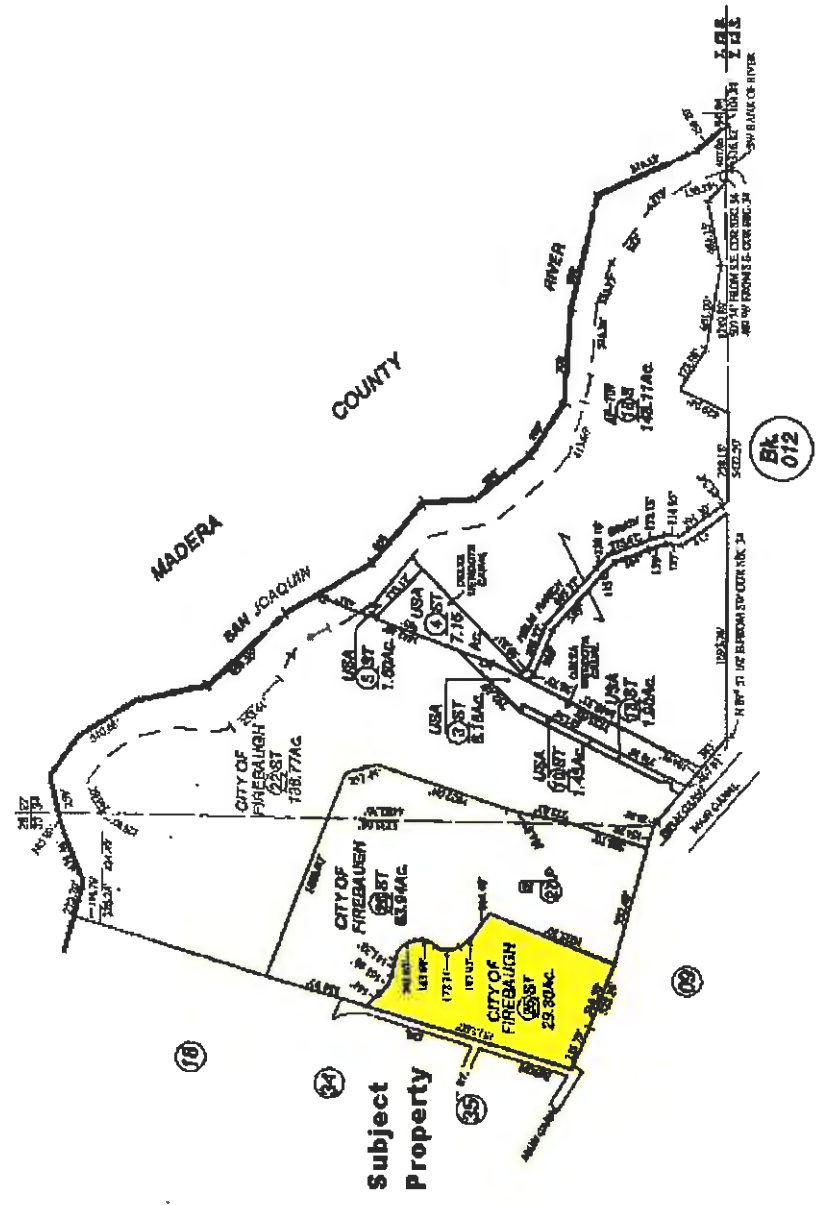
Parcel Map

SUBDIVIDED LAND IN POR. SECS. 33 & 34 t. 12 S., R. 14 E., M. D. B. & M.

007-10

Tax Rate Area
1-00
1-05
2-00

NOTE ...
This map is for Assessment purposes only.
It is not to be construed as a warranty
of accuracy or division of land for
purpose of zoning or subdivision etc.



Agricultural Preserve

Plat Map

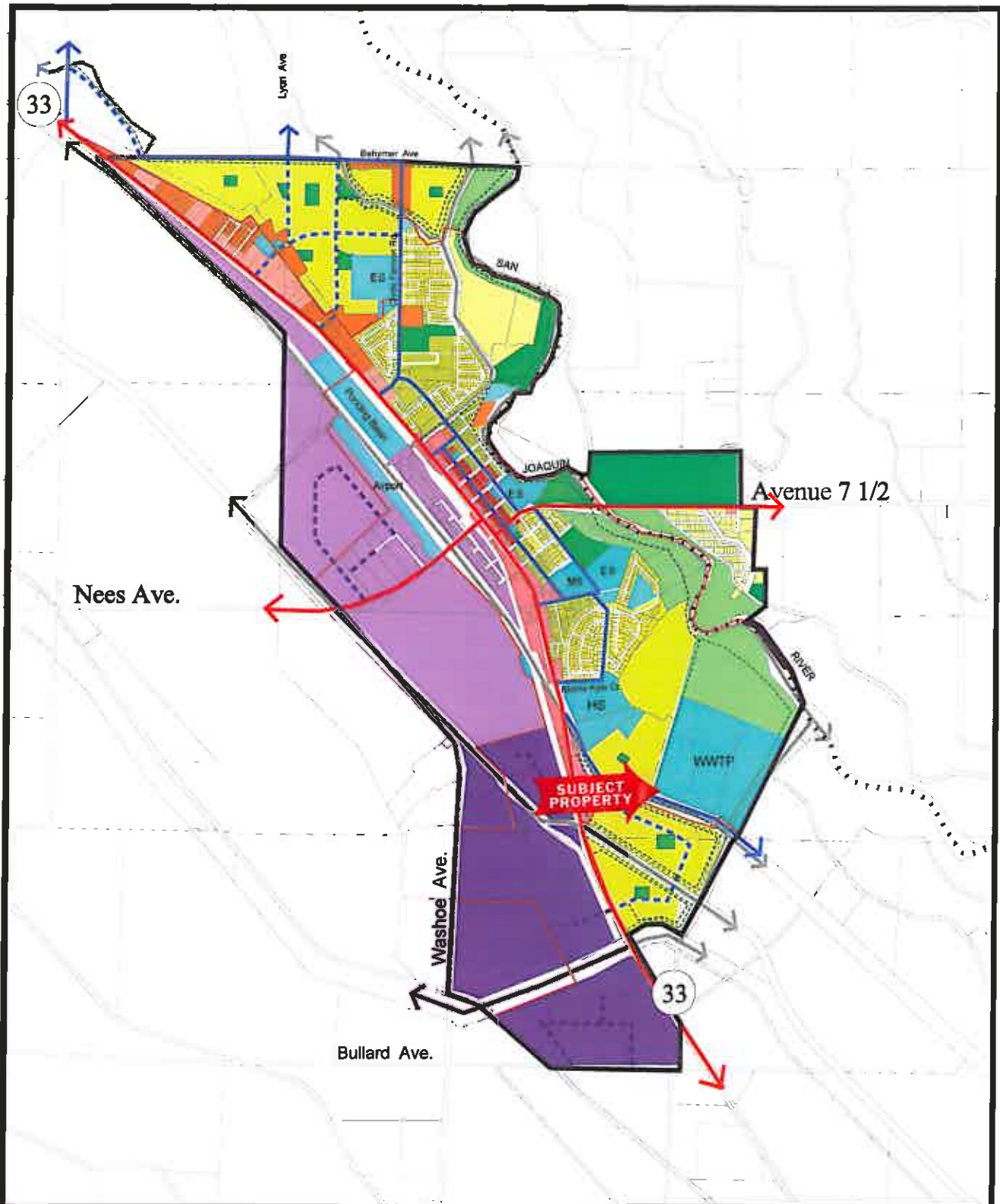
Assessor's Map Blk 007 - Pg. 10
County of Fresno, Calif.

NOTE: Assessor's Block Numbers Shown in Square
Assessor's Parcel Numbers Shown in Circle.

DEC 14 2011

15/01/11 10

City of Firebaugh General Plan Map



2030 Firebaugh General Plan - Proposed Land Use Map with Circulation and Open Space Features

- Low Density Residential
- Medium Density Residential
- High Density Residential
- Neighborhood Commercial
- Central Commercial
- Service Commercial
- Light Industrial
- Heavy Industrial
- Public/Quasi Public
- Park/Recreation
- Open Space
- Agriculture

- | | | |
|-------------------|--------------------|------------------|
| Existing | Future | Arterial Streets |
| Collector Streets | Industrial Streets | Local Streets |
| Pedestrian Trails | Waterways | |

- City Limits
- Sphere of Influence
- County Boundary

City of Firebaugh

Map 2-3A

1000 0 1000 Feet



Collins & Schoettler
PLANNING CONSULTANTS

200 West Main Street, Suite 100, Modesto, CA 95201

Map data provided by Google and Microsoft Bing.
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Zoning Map



SCALE 1" = 100'

LEGEND

0.1	0.2	0.3	0.4	0.5	0.6	0.7	0.8	0.9	1.0	1.1	1.2	1.3	1.4	1.5	1.6	1.7	1.8	1.9	2.0	2.1	2.2	2.3	2.4	2.5	2.6	2.7	2.8	2.9	3.0	3.1	3.2	3.3	3.4	3.5	3.6	3.7	3.8	3.9	4.0	4.1	4.2	4.3	4.4	4.5	4.6	4.7	4.8	4.9	5.0	5.1	5.2	5.3	5.4	5.5	5.6	5.7	5.8	5.9	6.0	6.1	6.2	6.3	6.4	6.5	6.6	6.7	6.8	6.9	7.0	7.1	7.2	7.3	7.4	7.5	7.6	7.7	7.8	7.9	8.0	8.1	8.2	8.3	8.4	8.5	8.6	8.7	8.8	8.9	9.0	9.1	9.2	9.3	9.4	9.5	9.6	9.7	9.8	9.9	10.0	10.1	10.2	10.3	10.4	10.5	10.6	10.7	10.8	10.9	11.0	11.1	11.2	11.3	11.4	11.5	11.6	11.7	11.8	11.9	12.0	12.1	12.2	12.3	12.4	12.5	12.6	12.7	12.8	12.9	13.0	13.1	13.2	13.3	13.4	13.5	13.6	13.7	13.8	13.9	14.0	14.1	14.2	14.3	14.4	14.5	14.6	14.7	14.8	14.9	15.0	15.1	15.2	15.3	15.4	15.5	15.6	15.7	15.8	15.9	16.0	16.1	16.2	16.3	16.4	16.5	16.6	16.7	16.8	16.9	17.0	17.1	17.2	17.3	17.4	17.5	17.6	17.7	17.8	17.9	18.0	18.1	18.2	18.3	18.4	18.5	18.6	18.7	18.8	18.9	19.0	19.1	19.2	19.3	19.4	19.5	19.6	19.7	19.8	19.9	20.0	20.1	20.2	20.3	20.4	20.5	20.6	20.7	20.8	20.9	21.0	21.1	21.2	21.3	21.4	21.5	21.6	21.7	21.8	21.9	22.0	22.1	22.2	22.3	22.4	22.5	22.6	22.7	22.8	22.9	23.0	23.1	23.2	23.3	23.4	23.5	23.6	23.7	23.8	23.9	24.0	24.1	24.2	24.3	24.4	24.5	24.6	24.7	24.8	24.9	25.0	25.1	25.2	25.3	25.4	25.5	25.6	25.7	25.8	25.9	26.0	26.1	26.2	26.3	26.4	26.5	26.6	26.7	26.8	26.9	27.0	27.1	27.2	27.3	27.4	27.5	27.6	27.7	27.8	27.9	28.0	28.1	28.2	28.3	28.4	28.5	28.6	28.7	28.8	28.9	29.0	29.1	29.2	29.3	29.4	29.5	29.6	29.7	29.8	29.9	30.0	30.1	30.2	30.3	30.4	30.5	30.6	30.7	30.8	30.9	31.0	31.1	31.2	31.3	31.4	31.5	31.6	31.7	31.8	31.9	32.0	32.1	32.2	32.3	32.4	32.5	32.6	32.7	32.8	32.9	33.0	33.1	33.2	33.3	33.4	33.5	33.6	33.7	33.8	33.9	34.0	34.1	34.2	34.3	34.4	34.5	34.6	34.7	34.8	34.9	35.0	35.1	35.2	35.3	35.4	35.5	35.6	35.7	35.8	35.9	36.0	36.1	36.2	36.3	36.4	36.5	36.6	36.7	36.8	36.9	37.0	37.1	37.2	37.3	37.4	37.5	37.6	37.7	37.8	37.9	38.0	38.1	38.2	38.3	38.4	38.5	38.6	38.7	38.8	38.9	39.0	39.1	39.2	39.3	39.4	39.5	39.6	39.7	39.8	39.9	40.0	40.1	40.2	40.3	40.4	40.5	40.6	40.7	40.8	40.9	41.0	41.1	41.2	41.3	41.4	41.5	41.6	41.7	41.8	41.9	42.0	42.1	42.2	42.3	42.4	42.5	42.6	42.7	42.8	42.9	43.0	43.1	43.2	43.3	43.4	43.5	43.6	43.7	43.8	43.9	44.0	44.1	44.2	44.3	44.4	44.5	44.6	44.7	44.8	44.9	45.0	45.1	45.2	45.3	45.4	45.5	45.6	45.7	45.8	45.9	46.0	46.1	46.2	46.3	46.4	46.5	46.6	46.7	46.8	46.9	47.0	47.1	47.2	47.3	47.4	47.5	47.6	47.7	47.8	47.9	48.0	48.1	48.2	48.3	48.4	48.5	48.6	48.7	48.8	48.9	49.0	49.1	49.2	49.3	49.4	49.5	49.6	49.7	49.8	49.9	50.0	50.1	50.2	50.3	50.4	50.5	50.6	50.7	50.8	50.9	51.0	51.1	51.2	51.3	51.4	51.5	51.6	51.7	51.8	51.9	52.0	52.1	52.2	52.3	52.4	52.5	52.6	52.7	52.8	52.9	53.0	53.1	53.2	53.3	53.4	53.5	53.6	53.7	53.8	53.9	54.0	54.1	54.2	54.3	54.4	54.5	54.6	54.7	54.8	54.9	55.0	55.1	55.2	55.3	55.4	55.5	55.6	55.7	55.8	55.9	56.0	56.1	56.2	56.3	56.4	56.5	56.6	56.7	56.8	56.9	57.0	57.1	57.2	57.3	57.4	57.5	57.6	57.7	57.8	57.9	58.0	58.1	58.2	58.3	58.4	58.5	58.6	58.7	58.8	58.9	59.0	59.1	59.2	59.3	59.4	59.5	59.6	59.7	59.8	59.9	60.0	60.1	60.2	60.3	60.4	60.5	60.6	60.7	60.8	60.9	61.0	61.1	61.2	61.3	61.4	61.5	61.6	61.7	61.8	61.9	62.0	62.1	62.2	62.3	62.4	62.5	62.6	62.7	62.8	62.9	63.0	63.1	63.2	63.3	63.4	63.5	63.6	63.7	63.8	63.9	64.0	64.1	64.2	64.3	64.4	64.5	64.6	64.7	64.8	64.9	65.0	65.1	65.2	65.3	65.4	65.5	65.6	65.7	65.8	65.9	66.0	66.1	66.2	66.3	66.4	66.5	66.6	66.7	66.8	66.9	67.0	67.1	67.2	67.3	67.4	67.5	67.6	67.7	67.8	67.9	68.0	68.1	68.2	68.3	68.4	68.5	68.6	68.7	68.8	68.9	69.0	69.1	69.2	69.3	69.4	69.5	69.6	69.7	69.8	69.9	70.0	70.1	70.2	70.3	70.4	70.5	70.6	70.7	70.8	70.9	71.0	71.1	71.2	71.3	71.4	71.5	71.6	71.7	71.8	71.9	72.0	72.1	72.2	72.3	72.4	72.5	72.6	72.7	72.8	72.9	73.0	73.1	73.2	73.3	73.4	73.5	73.6	73.7	73.8	73.9	74.0	74.1	74.2	74.3	74.4	74.5	74.6	74.7	74.8	74.9	75.0	75.1	75.2	75.3	75.4	75.5	75.6	75.7	75.8	75.9	76.0	76.1	76.2	76.3	76.4	76.5	76.6	76.7	76.8	76.9	77.0	77.1	77.2	77.3	77.4	77.5	77.6	77.7	77.8	77.9	78.0	78.1	78.2	78.3	78.4	78.5	78.6	78.7	78.8	78.9	79.0	79.1	79.2	79.3	79.4	79.5	79.6	79.7	79.8	79.9	80.0	80.1	80.2	80.3	80.4	80.5	80.6	80.7	80.8	80.9	81.0	81.1	81.2	81.3	81.4	81.5	81.6	81.7	81.8	81.9	82.0	82.1	82.2	82.3	82.4	82.5	82.6	82.7	82.8	82.9	83.0	83.1	83.2	83.3	83.4	83.5	83.6	83.7	83.8	83.9	84.0	84.1	84.2	84.3	84.4	84.5	84.6	84.7	84.8	84.9	85.0	85.1	85.2	85.3	85.4	85.5	85.6	85.7	85.8	85.9	86.0	86.1	86.2	86.3	86.4	86.5	86.6	86.7	86.8	86.9	87.0	87.1	87.2	87.3	87.4	87.5	87.6	87.7	87.8	87.9	88.0	88.1	88.2	88.3	88.4	88.5	88.6	88.7	88.8	88.9	89.0	89.1	89.2	89.3	89.4	89.5	89.6	89.7	89.8	89.9	90.0	90.1	90.2	90.3	90.4	90.5	90.6	90.7	90.8	90.9	91.0	91.1	91.2	91.3	91.4	91.5	91.6	91.7	91.8	91.9	92.0	92.1	92.2	92.3	92.4	92.5	92.6	92.7	92.8	92.9	93.0	93.1	93.2	93.3	93.4	93.5	93.6	93.7	93.8	93.9	94.0	94.1	94.2	94.3	94.4	94.5	94.6	94.7	94.8	94.9	95.0	95.1	95.2	95.3	95.4	95.5	95.6	95.7	95.8	95.9	96.0	96.1	96.2	96.3	96.4	96.5	96.6	96.7	96.8	96.9	97.0	97.1	97.2	97.3	97.4	97.5	97.6	97.7	97.8	97.9	98.0	98.1	98.2	98.3	98.4	98.5	98.6	98.7	98.8	98.9	99.0	99.1	99.2	99.3	99.4	99.5	99.6	99.7	99.8	99.9	100.0	100.1	100.2	100.3	100.4	100.5	100.6	100.7	100.8	100.9	101.0	101.1	101.2	101.3	101.4	101.5	101.6	101.7	101.8	101.9	102.0	102.1	102.2	102.3	102.4	102.5	102.6	102.7	102.8	102.9	103.0	103.1	103.2	103.3	103.4	103.5	103.6	103.7	103.8	103.9	104.0	104.1	104.2	104.3	104.4	104.5	104.6	104.7	104.8	104.9	105.0	105.1	105.2	105.3	105.4	105.5	105.6	105.7	105.8	105.9	106.0	106.1	106.2	106.3	106.4	106.5	106.6	106.7	106.8	106.9	107.0	107.1	107.2	107.3	107.4	107.5	107.6	107.7	107.8	107.9	108.0	108.1	108.2	108.3	108.4	108.5	108.6	108.7	108.8	108.9	109.0	109.1	109.2	109.3	109.4	109.5	109.6	109.7	109.8	109.9	110.0	110.1	110.2	110.3	110.4	110.5	110.6	110.7	110.8	110.9	111.0	111.1	111.2	111.3	111.4	111.5	111.6	111.7	111.8	111.9	112.0	112.1	112.2	112.3	112.4	112.5	112.6	112.7	112.8	112.9	113.0	113.1	113.2	113.3	113.4	113.5	113.6	113.7	113.8	113.9	114.0	114.1	114.2	114.3	114.4	114.5	114.6	114.7	114.8	114.9	115.0	115.1	115.2	115.3	115.4	115.5	115.6	115.7	115.8	115.9	116.0	116.1	116.2	116.3	116.4	116.5	116.6	116.7	116.8	116.9	117.0	117.1	117.2	117.3	117.4	117.5	117.6	117.7	117.8	117.9	118.0	118.1	118.2	118.3	118.4	118.5	118.6	118.7	118.8	118.9	119.0	119.1	119.2	119.3	119.4	119.5	119.6	119.7	119.8	119.9	120.0	120.1	120.2	120.3	120.4	120.5	120.6	120.7	120.8	120.9	121.0	121.1	121.2	121.3	121.4	121.5	121.6	121.7	121.8	121.9	122.0	122.1	122.2	122.3	122.4	122.5	122.6	122.7	122.8	122.9	123.0	123.1	123.2	123.3	123.4	123.5	123.6	123.7	123.8	123.9	124.0	124.1	124.2	124.3	124.4	124.5	124.6	124.7	124.8	124.9	125.0	125.1	125.2	125.3	125.4	125.5	125.6	125.7	125.8	125.9	126.0	126.1	126.2	126.3	126.4	126.5	126.6	126.7	126.8	126.9	127.0	127.1	127.2	127.3	127.4	127.5	127.6	127.7	127.8	127.9	128.0	128.1	128.2	128.3	128.4	128.5	128.6	128.7	128.8	128.9	129.0	129.1	129.2	129.3	129.4	129.5	129.6	129.7	129.8	129.9	130.0	130.1	130.2	130.3	130.4	130.5	130.6	130.7	130.8	130.9	131.0	131.1	131.2	131.3	131.4	131.5	131.6	131.7	131.8	131.9	132.0	132.1	132.2	132.3	132.4	132.5	132.6	132.7	132.8	132.9	133.0	133.1	133.2	133.3	133.4	133.5	133.6	
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Flood Map

InterFlood

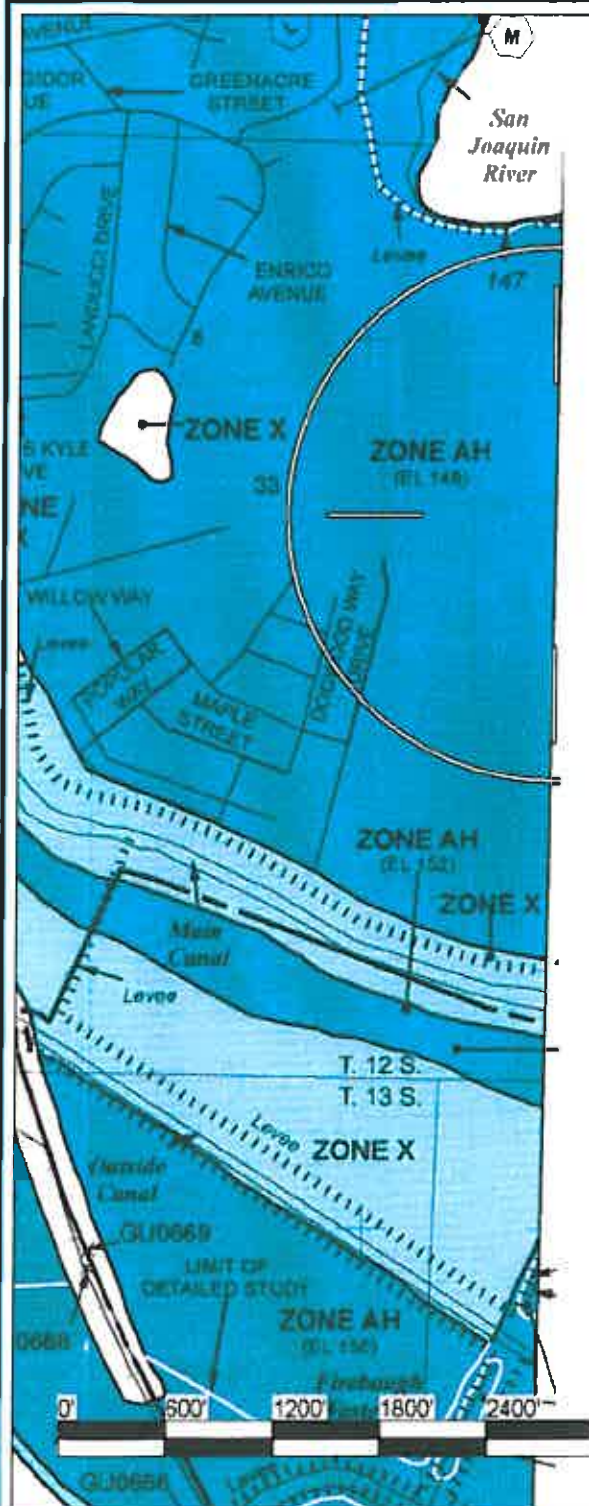


www.interflood.com • 1-800-252-6633

Prepared for:

Peter S. Cooper Real Estate Appraisals, Inc.

Firebaugh, CA



FLOODSCAPE

Flood Hazards Map

Map Number

06019C1430H

Effective Date

February 16, 2009

Powered by FloodSource

877.77.FLOOD

www.floodsource.com

Soils Series Description

Fresno County, California, Western Part

472—Wekoda clay, partially drained, 0 to 1 percent slopes

Map Unit Setting

- *Elevation:* 110 to 180 feet
- *Mean annual precipitation:* 8 to 9 inches
- *Mean annual air temperature:* 62 to 63 degrees F
- *Frost-free period:* 230 to 250 days

Map Unit Composition

- *Wekoda, clay, partially drained, and similar soils:* 85 percent
- *Minor components:* 15 percent

Description of Wekoda, Clay, Partially Drained

Setting

- *Landform:* Flood plains on basin floors
- *Landform position (two-dimensional):* Toeslope
- *Landform position (three-dimensional):* Talf
- *Down-slope shape:* Linear
- *Across-slope shape:* Linear
- *Parent material:* Alluvium derived from sedimentary rock

Properties and qualities

- *Slope:* 0 to 1 percent
- *Depth to restrictive feature:* More than 80 inches
- *Drainage class:* Poorly drained
- *Capacity of the most limiting layer to transmit water (Ksat):* Low to moderately low (0.00 to 0.06 in/hr)
- *Depth to water table:* About 18 to 30 inches
- *Frequency of flooding:* Very rare
- *Frequency of ponding:* None
- *Calcium carbonate, maximum content:* 4 percent
- *Gypsum, maximum content:* 4 percent
- *Maximum salinity:* Nonsaline to slightly saline (2.0 to 8.0 mmhos/cm)

- *Sodium adsorption ratio, maximum: 12.0*
- *Available water capacity: Moderate (about 8.4 inches)*

Interpretive groups

- *Land capability classification (irrigated): 3w*
- *Land capability (nonirrigated): 4w*

Typical profile

- *0 to 7 inches: Clay*
- *7 to 12 inches: Clay*
- *12 to 22 inches: Clay*
- *22 to 35 inches: Clay*
- *35 to 47 inches: Clay*
- *47 to 60 inches: Clay*

Minor Components

Tranquillity, clay, saline-sodic

- *Percent of map unit: 4 percent*
- *Landform: Fan skirts*

Chateau, clay, partially drained

- *Percent of map unit: 4 percent*
- *Landform: Fan skirts*

Tachi, clay

- *Percent of map unit: 2 percent*
- *Landform: Flood plains on basin floors*

Dospalos, clay

- *Percent of map unit: 2 percent*
- *Landform: Flood plains on basin floors*

Armona, loam, partially drained

- *Percent of map unit: 1 percent*

- *Landform:* Flood plains on basin floors

Deldota, clay, partially drained

- *Percent of map unit:* 1 percent
- *Landform:* Fan skirts

Agnal, silty clay

- *Percent of map unit:* 1 percent
- *Landform:* Fan skirts

Fresno County, California, Western Part

320—Elnido sandy loam, drained, 0 to 1 percent slopes

Map Unit Setting

- *Elevation:* 110 to 170 feet
- *Mean annual precipitation:* 8 to 9 inches
- *Mean annual air temperature:* 62 to 63 degrees F
- *Frost-free period:* 230 to 250 days

Map Unit Composition

- *Elnido, sandy loam, drained, and similar soils:* 85 percent
- *Minor components:* 15 percent

Description of Elnido, Sandy Loam, Drained

Setting

- *Landform:* Flood plains on basin floors
- *Landform position (two-dimensional):* Toeslope
- *Landform position (three-dimensional):* Talf
- *Down-slope shape:* Linear
- *Across-slope shape:* Linear
- *Parent material:* Alluvium derived from igneous rock

Properties and qualities

- *Slope:* 0 to 1 percent
- *Depth to restrictive feature:* More than 80 inches
- *Drainage class:* Poorly drained
- *Capacity of the most limiting layer to transmit water (Ksat):*
High (1.98 to 5.95 in/hr)
- *Depth to water table:* More than 80 inches
- *Frequency of flooding:* Rare
- *Frequency of ponding:* None
- *Calcium carbonate, maximum content:* 3 percent
- *Maximum salinity:* Nonsaline to very slightly saline (1.0 to 4.0 mmhos/cm)
- *Sodium adsorption ratio, maximum:* 20.0

- *Available water capacity:* Moderate (about 6.6 inches)

Interpretive groups

- *Land capability classification (irrigated):* 2w
- *Land capability (nonirrigated):* 4w

Typical profile

- *0 to 14 inches:* Sandy loam
- *14 to 32 inches:* Sandy loam
- *32 to 40 inches:* Fine sandy loam
- *40 to 53 inches:* Sandy loam
- *53 to 60 inches:* Sand

Minor Components

Palazzo, sandy loam, drained

- *Percent of map unit:* 2 percent
- *Landform:* Flood plains on basin floors

Tachi, clay

- *Percent of map unit:* 2 percent
- *Landform:* Flood plains on basin floors

Wekoda, clay, partially drained

- *Percent of map unit:* 2 percent
- *Landform:* Flood plains on basin floors

Armona, loam, partially drained

- *Percent of map unit:* 2 percent
- *Landform:* Flood plains on basin floors

Bisgani, sandy loam, drained

- *Percent of map unit:* 2 percent
- *Landform:* Flood plains on basin floors

Bolfar, loam, drained

- *Percent of map unit:* 2 percent
- *Landform:* Flood plains on basin floors

Dospalos, clay loam, drained

- *Percent of map unit:* 2 percent
- *Landform:* Flood plains on basin floors

Unnamed, river channel

- *Percent of map unit:* 1 percent
- *Landform:* Flood plains
- *Microfeatures of landform position:* Channels

Condition Use Permit 2009-01
(for proposed 5-megawatt solar electricity generating facility.)

RESOLUTION PZ 2012-06

**BEFORE THE PLANNING COMMISSION
CITY OF FIREBAUGH
COUNTY OF FRESNO, STATE OF CALIFORNIA**

**A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF FIREBAUGH
APPROVING A TWO YEAR EXTENSION OF TIME FOR CONDITIONAL USE
PERMIT 2009-01 (GCL-SR SOLAR ENGERY.)**

WHEREAS, a Conditional Use Permit application was submitted by SR Solis Firebaugh, LLC (Carmine Iadarola, Principal) PO Box 271390, Littleton, CO 80127 (the project was subsequently purchased by GCL-SR Solar Energy, 2425 Olympic Boulevard, Suite 500 East, Santa Monica, CA 90404) for the construction and operation of a 5-megawatt solar electricity generating facility on a 52±acre portion of the City of Firebaugh's Wastewater Treatment Plant, as well as construction and operation of a transmission line along a 2± mile route from the plant to an electrical substation operated by Pacific Gas & Electric situated on the south side of Nees Avenue, east of Washoe Avenue, and

WHEREAS, the City has prepared an Initial Environmental Study (consistent with requirements of the California Environmental Quality Act) to document potential impacts on the environment that may result from the project, and

WHEREAS, the Firebaugh Planning Commission conducted a public hearing to consider the project on August 9, 2010 and voted unanimously to approve the project, and

WHEREAS, the project was originally approved for a period of one year, expiring on August 9, 2011, and that date has since elapsed, and

WHEREAS, the applicant contacted the City about the expiration and has requested a two year extension of the Conditional Use Permit, and

WHEREAS, the City has examined the applicant's request and determined it to be appropriate. No conditions related to the project or site have changed significantly that would necessitate the project undergoing a new Conditional Use Permit and environmental review, and

WHEREAS, the Planning Commission has considered the staff report and related materials and conducted a review to gather testimony regarding the proposed project.

NOW, THEREFORE, BE IT RESOLVED that the Planning Commission, after considering all the evidence presented, determined the following findings were relevant in evaluating this request:

1. The project is still consistent with the Firebaugh General Plan and the Firebaugh Zoning Ordinance.
2. The project will not have a significant impact on the environment provided that mitigation measures are incorporated into the project design, construction and operation. Accordingly a Mitigated Negative Declaration has been prepared and previously adopted in accordance with the California Environmental Quality Act, and is still in effect
3. The project will not have an adverse impact on the health, safety and welfare of residents in the neighborhood or community.

NOW, THEREFORE BE IT RESOLVED THAT a two year extension of time for Conditional Use Permit 2009-01 is approved subject to the following conditions:

1. A grading and drainage plan conforming to the City Standard Specifications and City Engineer requirements shall be prepared and submitted for review and approval by the City Engineer, prior to the issuance of permits.
2. A preliminary soils report conforming to the requirements of the City Engineer shall be prepared and submitted for review and approval by the City Engineer, prior to the issuance of permits.
3. The applicant shall obtain permission for construction within the rights of way of Caltrans, Central California Irrigation District, Union Pacific Railroad, Pacific Gas and Electric and other affected property owners, as necessary. An encroachment permit shall be obtained from Caltrans prior to work within the right of way of State Highway 33.
4. The applicant shall improve the entrance to and pave the top of the levee on the west side of the site and install landscaping and irrigation, consistent with requirements of the City Engineer.
5. A 6-inch water line shall be installed along Helm Canal Road consistent with requirements of the City Engineer
6. A fire hydrant shall be installed near the project entrance, consistent with requirements of the Fire Chief. The Fire Department shall be provided with keys to the lock(s) for the site.

Firebaugh Planning Commission
Resolution PZ 2012-06
C.U.P. 2009-01 (GCL-SR Solar Energy)

7. Construction plans shall show entry details and also provide detail/s for the proposed drainage outfall structure/relocation of existing structure on the west side of the development.
8. Should any underground tanks be encountered during construction the applicant must apply for an Underground Storage Tank Removal Permit from Fresno County Environmental Health Department.
9. Prior to operation of the project the applicant must complete and submit either a Hazardous Materials Business Plan, or a Business Plan Exemption form to the Fresno County Environmental Health Department.
10. The applicant shall submit a landscape and irrigation plan for on-site landscaping for review and approval by the City Planner, prior to construction.
11. Any new outdoor light fixtures shall be hooded and adjusted to prevent unnecessary illumination of adjoining properties and street right-of-way.
12. The applicant shall comply with requirements of the San Joaquin Valley Unified Air Pollution Control District, including fugitive dust control and Rule 9510. Further, the project shall submit an air quality analysis along with an Air Impact Assessment.
13. The transmission line shall be placed underground between the generating site and the Highway 33 crossing point.
14. Razor wire shall be eliminated from the proposed perimeter fencing for the project.
15. Approval of the extension for Conditional Use Permit 2009-01 is granted for two years from the date of approval by the Planning Commission, expiring on June 11, 2014.
16. The project shall comply with all mitigation measures listed below:

MM-1.Biological Resources

Giant Garter Snake (Thamnophis gigas)

Avoidance and Minimization Measures:

1. Avoid construction activities within 200 feet of the banks of giant garter snake aquatic habitat. Confine movement of heavy equipment to existing roadways to minimize habitat disturbance.
2. Construction activity within habitat should be conducted during the snake's active period of 1 May to 1 October. The potential for direct mortality is lessened during the active period because snakes are expected to actively move and avoid danger. If construction must occur during the snake's inactive period of 2 October to 30 April, the applicant shall contact the U.S. Fish and Wildlife Service (USFWS) Sacramento Field Office to determine if additional measures are necessary to avoid take.
3. Confine clearing to the minimal area necessary to facilitate construction activities. Flag and designate avoided giant garter snake habitat within or adjacent to the project area as Environmentally Sensitive Areas. This area shall be avoided by all construction personnel.
4. Construction personnel shall receive worker environmental awareness training. This training instructs workers to recognize giant garter snakes and their habitat(s).
5. 24-hours prior to construction activities, the project area shall be surveyed for giant garter snakes. Survey of the project area shall be repeated if a lapse in construction activity of two weeks or greater has occurred. If a snake is encountered during construction, activities shall cease until appropriate corrective measures have been completed or it has been determined that the snake will not be harmed. Report any sightings to the USFWS immediately by telephone at (916) 414-6600.
6. After completion of construction activities, remove any temporary fill and construction debris and, wherever feasible, restore disturbed areas to pre-project conditions. Restoration work may include such activities as replanting species removed from banks or replanting emergent vegetation in the active channel.

Swainson's Hawk (Buteo swainsoni)

Under California Department of Fish and Game (CDFG) mitigation guidelines, loss of suitable foraging habitat within 10 miles of a Swainson's hawk nest site should be mitigated by protecting or creating equally suitable foraging habitat elsewhere within the territory's 10-mile radius (CDFG 1994 [Appendix C]). The acreage of Habitat Management (HM) land provided would be derived from the following recommendations included in the 1994 CDFG staff report:

- a. If the project site is determined to be within 1 mile of an active nest, the project proponent shall provide:
 - One acre of HM land (at least 10% of the HM land requirements shall be met by fee-title acquisition or a conservation easement allowing for the active management of the habitat, with the remaining 90% of the HM land protected by a conservation easement acceptable to the California Department of Fish and Game [CDFG] on agricultural lands or other suitable habitats that provide foraging habitat for Swainson's hawk) for each acre of development authorized (1:1 ratio); or
 - One-half acre of HM land (all of the HM land requirements shall be met by fee title acquisition or a conservation easement, acceptable to the CDFG, which allows for the active management of the habitat for prey production on the HM land) for each acre of development authorized (0.5:1 ratio).
- b. If the project site is determined to be within 5 miles of an active nest but greater than 1 mile from the nest tree, the project proponent shall provide 0.75 acres of HM land for each acre of urban development authorized (0.75:1 ratio). All HM lands protected under this requirement may be protected through fee title acquisition or conservation easement (acceptable to the CDFG) on agricultural lands or other suitable habitats that provide foraging habitat for Swainson's hawks.
- c. If the project is determined to be within 10 miles of an active nest but greater than 1 mile from the nest tree, the project proponent shall provide 0.5 acres of HM land for each acre of urban development authorized (0.5:1 ratio). All HM lands protected under this requirement may be protected through fee title acquisition or conservation easement (acceptable to the CDFG) on agricultural lands or other suitable habitats that provide foraging habitat for Swainson's hawks.

Management Authorization holders/project sponsors shall provide for the long-term management of the HM land by funding a management endowment (the interest on which shall be used for managing the HM land).

San Joaquin Kit Fox (*Vulpes macrotis mutica*)

- a. Occurrence records of kit foxes within the region mandate caution against harming a kit fox during construction. As such, the *U.S. Fish and Wildlife Service Standardized Recommendations for Protection of The San Joaquin Kit Fox Prior to or During Ground Disturbance* (Appendix D of the biological report) shall be fully implemented to reduce impacts to less-than-significant levels.

Western Pond Turtle (*Actinemys marmorata*)

- a. If construction is initiated between 15 March and 31 October, a qualified biologist shall conduct a daytime pre-construction survey at the project site for pond turtles during the day prior to the initiation of construction activities. If construction begins outside this period, a pre-construction survey is not required. If, after construction has begun, a lapse in construction of 7 or more days occurs between 15 March and 31 October, a daytime pre-construction survey shall be conducted the day prior to the resumption of construction. Any individual western pond turtle encountered within the construction area shall be relocated to away from the impact area. The precise location of the release site depends on the availability of suitable habitat and shall be determined by the biologist in consultation with the CDFG. Released animals shall be monitored until they are free from immediate danger.
- b. The project proponent shall implement the following avoidance and minimization measures during site preparation and construction:
 1. A qualified biologist shall be on call during all activities, including groundbreaking, earthmoving, and construction activities that could result in injury or mortality to western pond turtles.
 2. Project-related vehicles will observe a 15 mph speed limit in all project areas, except on City and County roads and State highways. To the maximum extent practicable, nighttime construction shall be minimized.
 3. If at any time a pond turtle is discovered in the construction area by the on-call biologist or anyone else, the on-call biologist shall move the animal to a safe location in suitable habitat. The biologist shall monitor translocated animals until safe from immediate danger.

4. Because pond turtles may take refuge within and under cavity-like and den-like structures, such as pipes, and may enter stored pipes and become trapped, all construction pipes, culverts, or similar structures that are stored at a construction site for one or more overnight periods shall be either securely capped prior to storage or thoroughly inspected by the on-call biologist or construction foreman for these animals before the pipe is subsequently buried, capped, or otherwise used or moved. If a pond turtle is discovered inside or under a pipe, the on-call biologist shall translocate the animal as previously described.
5. To prevent inadvertent entrapment of pond turtles during construction, the on-call biologist and/or construction foreman/manager shall ensure that all excavated, steep-walled holes or trenches more than 1-foot deep are completely covered at the close of each working day by plywood or similar materials or provided with one or more escape ramps constructed of earth fill or wooden planks. Before such holes or trenches are filled, they shall be thoroughly inspected for trapped animals by the on-call biologist or construction foreman. If at any time the on-call biologist or anyone else discovers a trapped turtle, the on-call biologist shall translocate the animal as previously described
6. To eliminate an attraction for the predators of pond turtles, all food-related trash items such as wrappers, cans, bottles, and food scraps will be disposed of in solid, closed containers (trash cans) and removed at the end of each working day from the entire construction site.
7. An employee education program shall be conducted for contractors and their employees involved in the project prior to the initiation of construction activities. The program shall consist of a brief presentation by a person knowledgeable about pond turtles. The program shall include the following: a description of the species and their habitat needs, photographs, an explanation of the legal status of the species, and a list of measures being taken to reduce effects to these species during project construction. A fact sheet conveying this information shall be prepared for distribution to contractors and their employees and anyone else who may enter the construction site. Upon completion of training, employees shall sign a form stating that they attended the training and understand all the conservation and protection measures. The original form(s) shall be submitted to the CDFG.
8. A representative shall be appointed to serve as the contact source for any employee, contractor, or agency personnel who might inadvertently kill or injure a pond turtle, or who finds a dead, injured or entrapped individual. The representative shall be identified during the employee education program. The representative's name and telephone number shall be provided to the CDFG.
9. If a pond turtle or any turtle that construction personnel believe may be a pond turtle

is encountered during project construction, the following protocol shall be followed:

- All work that could result in direct injury, disturbance, or harassment of the individual turtle shall immediately cease.
 - The foreman and on-call biologist shall be immediately notified.
 - The on-call biologist shall translocate the turtle to Lake Joallan and monitor it until safe from induced exposure to predators or other dangers.
10. Tightly woven fiber netting or similar material shall be used for erosion control or other purposes at the project site to ensure that juvenile western pond turtles do not get trapped. This limitation will be communicated to the contractor through use of Special Provisions included in the bid solicitation package. Plastic monofilament netting (erosion control matting) or similar material shall not be used in construction areas because juvenile turtles may become entangled or trapped in it.
11. Pesticides, rodenticides, and herbicides in construction areas shall be used in a manner that avoids primary or secondary poisoning of pond turtles and the depletion of prey populations on which they depend. All uses of such compounds shall observe label and other restrictions mandated by the U.S. Environmental Protection Agency, California Department of Food and Agriculture, and other appropriate state and federal regulations, as well as additional project-related restrictions deemed necessary by the CDFG.
12. During all construction in the vicinity of Lake Joallan, Best Management Practices (BMPs) shall be used to minimize erosion and impacts to water quality to protect water quality in downstream areas used by pond turtles.

Burrowing Owl (*Athene cunicularia*)

- a. In conformance with federal and state regulations regarding the protection of raptors, a habitat assessment in accordance with CDFG recommendations for burrowing owls (CBOC 1993 [Appendix E], CDFG 1995 [Appendix F],) shall be completed prior to land conversion. All ground squirrel colonies, if present, shall be mapped at an appropriate scale.
- b. A pre-activity survey for burrowing owls consisting of 4 site visits, in conformance with CDFG recommendations (CDFG 1995 [Appendix F]), shall be completed no more than 30 days prior to the start of construction activities within suitable habitat in the proposed activity area and throughout a 500-ft buffer zone. If owls are detected, occupied burrows shall not be disturbed during the nesting season (1 February through 31 August) unless a qualified biologist approved by CDFG verifies through non-invasive methods that either the birds have not begun egg-laying and incubation or that juveniles from the occupied burrows are foraging independently and are capable of independent survival. Eviction

outside the nesting season may be permitted pending evaluation of eviction plans and receipt of formal written approval from CDFG. A 250-foot buffer, within which no activity would be permissible, shall be maintained between project activities and nesting burrowing owls during the nesting season. This protected area would remain in effect until 31 August or at CDFG's discretion and based upon monitoring evidence, until the young owls are foraging independently.

- c. If avoiding development of occupied areas is not feasible, then habitat compensation on off-site mitigation lands shall be implemented (CBOC 1993 [Appendix E], CDFG 1995 [Appendix F]). Habitat Management (HM) lands comprising existing burrowing owl foraging and breeding habitat shall be acquired and preserved. An area of 6.5 acres (the amount of land necessary to sustain a pair or individual owl) shall be secured for each pair of owls or individual in the case of an odd number of birds. As part of an agreement with CDFG, the project proponent shall secure the performance of its mitigation duties by providing CDFG with security in the form of funds that would 1) allow for the acquisition and/or preservation of HM lands; 2) provide initial protection and enhancement activities on the HM lands, potentially including, but not limited to, such measures as fencing, trash clean-up, artificial burrow creation, grazing or mowing, and any habitat restoration deemed necessary by CDFG; and 3) establish an endowment for the long-term management of the HM lands.

Native Non-Game Birds

- a. To the extent practicable, construction shall be scheduled to avoid the nesting season, which extends from January through August.

If it is not possible to schedule construction between August and January, pre-construction surveys for nesting birds shall be conducted by a qualified biologist to ensure that no nests of rare or protected species will be disturbed during project implementation. A pre-construction survey shall be conducted no more than 14 days prior to the initiation of site-preparation construction activities during the early part of the breeding season (January through April) and no more than 30 days prior to the initiation of these activities during the late part of the breeding season (May through August). During this survey, the biologist shall inspect all potential nest substrates in and immediately adjacent to the impact areas for nests. If an active nest is found close enough to the construction area to be disturbed by these activities, the biologist, in consultation with CDFG, shall determine the extent of a construction-free buffer zone to be established around the nest.

Habitat (Disturbed Riparian, swale and seasonal freshwater marsh)

- a. The project proponent shall acquire offsite compensatory replacement habitat at a 1:1 ratio (1 acre of replacement habitat for each acre impacted) for the disturbed riparian, swale, and seasonal freshwater marsh habitats to be lost as a result of project development. All mitigation land shall be approved by CDFG and shall be of equal or greater habitat value than the habitats impacted. The project proponent shall enter into a binding agreement regarding the preservation of offsite lands describing the terms of the acquisition, enhancement, and management of those lands. Fee title to acquire habitat lands or a conservation easement over these lands shall be transferred to CDFG or to an entity approved by CDFG, along with money for enhancement of the land and an endowment for permanent management of the land.

Wetland Delineation

- a. The applicant shall prepare a wetland delineation and submit that to the US Army Corps of Engineers for review and approval, prior to construction.

MM-2. Cultural Resources

- a. The project site shall be surveyed for cultural resources by a qualified specialist prior to construction. A report shall be submitted to the City Planner, prior to construction occurring.

MM-3. Greenhouse Gas Emissions

1. The following measures shall be taken during construction.
 - a. Require truck idling to be restricted during construction to fifteen minutes maximum. During construction, post signs that restrict truck idling
 - b. Reuse and recycle construction and demolition waste;
 - c. Use low or zero-emission vehicles, including construction vehicles;
 - d. Create car sharing programs;
 - e. Conservative use of both potable and non-potable water to the maximum extent practicable;

- f. Use graywater. (Graywater is untreated household waste water from bathtubs, showers, bathroom wash facilities, and water from washing machines).

4. Hazards and Hazardous Materials

- a. To reduce the potential to encounter contaminated soils, the applicant shall contact the Chevron Environmental Management Company to determine the location of the TAOC pipeline and avoid installation of improvements on or adjacent to the route of the pipeline. Contact information is as follows: Chevron Environmental Management Company, 6111 Bollinger Canyon Road, San Ramon, CA 94583. Telephone: (925) 543-2365. Contact person: Lee Higgins.
- b. Prior to final design and construction, the project shall be reviewed by the Fresno County Airport Land Use Commission to ensure compliance with ALUC rules and regulations.

5. Hydrology and Water Quality

- a. Water hoses used during construction and panel washing operations shall be equipped with automatic shut-off (e.g. spray gun).
- b. Landscaping shall be drought-tolerant species, and irrigation shall be a low-flow drip (or equivalent) system. A landscaping and irrigation plan shall be submitted for review and approval by the City Planner, prior to installation.

6. Noise

- a. Noise-generating construction activities at the site shall be limited to daylight hours, Monday through Saturdays.

7. Transportation/Traffic

- a. The project shall be reviewed and approved by the Fresno County Airport Land Use Commission prior to final design and construction.

Firebaugh Planning Commission
Resolution PZ 2012-06
C.U.P. 2009-01 (GCL-SR Solar Energy)

The foregoing resolution was adopted upon a motion of Commissioner _____ second
by Commissioner _____, at a regular meeting of the Firebaugh Planning
Commission on the 11th of June, 2011, by the following roll call vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Chairperson, Firebaugh Planning Commission

Secretary, Firebaugh Planning Commission

Subject Photos

SUBJECT PHOTOGRAPHS



Subject Property
Looking north from Helm
Canal Road.



Subject Property
Looking east from levee
on west side of property.
(Birch Drive alignment)



Looking northwest along
Helm Canal Road toward
Birch Drive. Subject
property on right.

SUMMARY APPRAISAL REPORT

VALUATION OF

29.30 Acres Vacant Public Land
NEC Helm Canal Road & Birch Drive
Firebaugh, California

PREPARED FOR

Ms. Laura Weyant, City Manager
City of Firebaugh
1133 P Street
Firebaugh , California 93622

PREPARED BY

Peter S. Cooper, MAI
1255 West Shaw Avenue, Suite 102
Fresno, California 93711

EFFECTIVE DATE OF VALUATION

May 25, 2012

DATE OF APPRAISAL REPORT

July 2, 2012

SUMMARY APPRAISAL REPORT

VALUATION OF

29.30 Acres Vacant Public Land
NEC Helm Canal Road & Birch Drive
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PREPARED FOR

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Peter S. Cooper, MAI
1255 West Shaw Avenue, Suite 102
Fresno, California 93711

EFFECTIVE DATE OF VALUATION

May 25, 2012

DATE OF APPRAISAL REPORT

July 2, 2012

SUMMARY APPRAISAL REPORT

VALUATION OF

29.30 Acres Vacant Public Land
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Peter S. Cooper, MAI
1255 West Shaw Avenue, Suite 102
Fresno, California 93711

EFFECTIVE DATE OF VALUATION

May 25, 2012

DATE OF APPRAISAL REPORT

July 2, 2012

**Attachment 5 - Disposition and Development Agreement
("DDA") with the Fresno County Housing Authority for
the Gateway Project**

Recorded at the Request of
and When Recorded Return to:

City of Firebaugh
Successor Housing Agency
Attention: Laura Weyant
1133 P Street
Firebaugh, California 93622

(SPACE ABOVE THIS LINE FOR RECORDER'S USE ONLY)

This Agreement is recorded at the request and for the benefit of the City of Firebaugh, Successor Housing Agency and is exempt from the payment of a recording fee pursuant to Government Code Section 6103.

CITY OF FIREBAUGH, SUCCESSOR HOUSING AGENCY

By: Laura Weyant
Laura Weyant
City Manager

Date: May 29, 2012

DISPOSITION AND DEVELOPMENT AGREEMENT

by and between

THE CITY OF FIREBAUGH, SUCCESSOR HOUSING AGENCY,
a municipal corporation

and

THE HOUSING AUTHORITY OF FRESNO COUNTY, CA
a body corporate and politic

regarding

"THE GATEWAY PROJECT"

APNs: 008-075-03 & 008-075-11

(NWC of P Street and 13th Street, Firebaugh, CA)

This Disposition and Development Agreement (hereinafter referred to as the "Agreement") is entered into this July 31st, 2012, by and between the **CITY OF FIREBAUGH, SUCCESSOR HOUSING AGENCY**, a municipal corporation (hereinafter referred to as the "Agency"), and **THE HOUSING AUTHORITY OF FRESNO COUNTY**, a body corporate and politic (hereinafter referred to as "HA").

RECITALS

A. Agency and HA are parties to a 2/27, 2012, Exclusive Negotiating Agreement as amended/extended (hereinafter referred to as the "ENA"), pursuant to which HA proposes to construct an Affordable Project consisting of an approximately Twenty (20) to Thirty-Four (34) housing units, a community building and related improvements on the Property owned by the Agency, more specifically identified in EXHIBIT "A," which will be owned in fee by a limited partnership ("Owner") in which HA and/or an affiliate of HA will be general partner(s) and an institutional investor(s) will be the limited partner ("Partnership").

B. The Affordable Project will further the City of Firebaugh's goal to increase the supply of Affordable Senior Rental Housing within the City of Firebaugh, the City of Firebaugh desires to assist HAFC by donating the land located at the Northwest corner of 13th and P Streets and providing a total of \$450,000 Dollars. If additional funding of \$450,000 is not available at the start of construction, the City shall waive impact and other otherwise applicable fees in an amount to equal the shortfall, but not to exceed \$450,000.

C. The Affordable Project will further the Agency's goal to increase the supply of Affordable Senior Rental Housing within the City of FIREBAUGH, the Agency desires to assist HA by contributing the property, APN: 008-075-03 & 008-075-11 (more specifically identified in Exhibit "A"), to the Affordable Project.

D. The Agency has determined that this Agreement is in the best interests of, and will materially contribute to, the Housing Element. Further, the Agency has found that the Affordable Project: (i) will have a positive influence in the neighborhood and surrounding environment; (ii) is in the vital and best interests of the City of Firebaugh, and the health, safety, and welfare of Agency residents; (iii) complies with applicable federal, state, and local laws and requirements; (iv) will increase, improve, and preserve the community's supply of Low Income Housing available at Affordable Senior Rental Housing cost to persons of Low Income, as defined hereunder; (v) will incur reasonable planning and administrative expenses in pursuit hereof that are necessary for the production, improvement, or preservation of Low Income Housing; and (vi) will comply with any and all owner participation rules and criteria applicable thereto.

NOW, THEREFORE, IN CONSIDERATION of the above recitals, which recitals are contractual in nature, the mutual promises herein contained, and for other good and valuable consideration hereby acknowledged, the parties agree as follows:

ARTICLE 1. DEFINITIONS

The following terms have the meaning and content set forth in this Article wherever used in this Agreement, attached exhibits or attachments that are incorporated into this Agreement by reference.

1.1 ADA means the Americans with Disabilities Act of 1990, as most recently amended.

1.2 Affirmative Marketing means a good faith effort to attract eligible persons of all racial, ethnic and gender groups, in the housing market area, to rent the proposed Affordable Project units, as hereinafter defined.

1.3 Affordability Period means twenty-five (25) years commencing from the date of the Certificate of Completion for the Affordable Project, as more fully described in the Declaration of Restrictions. The HA, in its sole discretion, may increase the Affordability Period to a period not to exceed fifty-five (55) years commencing from the date of the certification of completion for the Affordability Project.

1.4 Affordable Project means the construction of Twenty (20) to Thirty-Four (34) unit Senior apartment complex and related improvements and related on-site and off-site improvements, all as generally described in the Project Description attached hereto and incorporated herein as EXHIBIT "B", to be located upon the Affordable Project Property.

1.5 Affordable Project Property means the Property on which the Affordable Project will be located which is described on Exhibit "A".

1.6 "Affordable Rent" means with respect to the Lower-Income Units, monthly rent (which includes a Utility Allowance, and excluding any supplemental rental assistance from the State of California, the federal government or any other public agency) not in excess of thirty percent (30%) of one-twelfth (1/12th) of sixty percent (60%) of the Median Income for the Area; based upon the following assumed household sizes of residential units in the Project:

Unit Size	Assumed # Persons
Studio	1
1 Bedroom	2
2 Bedroom	3
3 Bedroom	4

1.7 Affordable Senior Rental Housing means the rental housing units to be constructed on the Affordable Project Property.

1.8 Certificate of Completion means a certificate evidencing completion of the Affordable Project.

1.9 CFR means the Code of Federal Regulations.

1.10 Commencement of Construction means the date that HA's construction contractor begins substantial physical work on the Affordable Project Property, including, without limitation, delivery of materials and any work, beyond maintenance of the Affordable Project Property in its status quo condition which shall occur with respect to the Affordable Project Property at the times set forth in the Project Schedule, as shown on Exhibit "B".

1.11 Completion Date means the date that a Certificate of Completion is issued for the Affordable Project.

1.12 Declaration of Restrictions means the Declaration of Restrictions, consented by HA, which shall be recorded against the Affordable Project Property, setting out the Affordable Senior Rental Housing covenants and requirements of this Agreement which shall run with the land.

1.13 Family has the same meaning given that term in 24 CFR 5.403.

1.14 Hazardous Materials means any hazardous or toxic substances, materials, wastes, pollutants or contaminants which are defined, regulated or listed as "hazardous substances," "hazardous wastes," "hazardous materials," "pollutants," "contaminants" or "toxic substances" under federal or state environmental and health safety laws and regulations, including without limitation, petroleum and petroleum byproducts, flammable explosives, urea formaldehyde insulation, radioactive materials, asbestos and lead. Hazardous Materials do not include substances that are used or consumed in the normal course of developing, operating or occupying a housing project, to the extent and degree that such substances are stored, used and disposed of in the manner and in amounts that are consistent with normal practice and legal standards.

1.15 Household means one or more persons occupying a Unit in the proposed Affordable Project.

1.16 Project Schedule means the projected performance timeline for starting and completion of the Affordable Project included in Exhibit "B"

1.17 Property means the property located on the northwest corner of P Street and 13th Street, APNs: 008-075-03 & 008-075-11, Firebaugh, California, more specifically described in the attached EXHIBIT "A" which shall be used for development of the Affordable Project.

1.18 Rent does not include payments for any optional services provided by HA.

1.19 Unit means a dwelling unit of the Affordable Project.

1.20 Low Income Seniors means Seniors (62yrs +) whose annual income does not exceed sixty percent (60%) of the median income as established by HUD for the Fresno, California metropolitan statistical area as determined by HUD, except as HUD

may establish income ceilings higher or lower than 60% of the median for the area on the basis of HUD findings that such variations are necessary.

ARTICLE 2. TRANSFER OF AFFORDABLE PROJECT PROPERTY

2.1 Transfer of Property. The Agency agrees to transfer the Affordable Project Property to HA and HA agrees to develop the Affordable Project Property upon the terms and conditions set forth in this Agreement.

A. Within 30 days after this Agreement is approved and fully executed by both HA and the Successor Agency's oversight board, the parties shall open an escrow (the "Escrow") with title company of the HA's reasonable choice.

2.2 Condition of Title. Agency shall convey to HA marketable and insurable fee simple title to the Affordable Project Property by duly executed and acknowledged standard Title Company form grant deed ("Deed"). HA shall pay all costs of escrow and for a policy of title insurance.

2.3 Conditions Precedent to Closing. The following are conditions precedent to HA's obligation to take the Affordable Project Property and perform its obligations under this Agreement (the "Affordable Project Conditions Precedent"). The Affordable Project Conditions Precedent are intended solely for the benefit of HA and may be waived only by HA in writing. In the event of the failure of the satisfaction of any of the Affordable Project Conditions Precedent, HA shall have the right, but not the obligation, to terminate this Agreement with respect to the Affordable Project.

A. HA shall have received the unconditional commitment of Title Company to issue the Title Policy upon the Closing in the form approved by HA.

B. HA shall have received an allocation of 9% low income housing tax credits from the California Tax Credit Allocation Committee that is acceptable in HA's sole and absolute discretion.

C. HA shall obtain construction financing and equity contributions which are required for the acquisition of the Affordable Project Property and they are acceptable to the HA in its sole and absolute discretion.

D. HA shall have 90 days after the effective date of this Agreement to inspect the Affordable Project Property, perform any inspections it wishes at its sole cost. If HA, after its inspection(s) of the Affordable Project Property and review of any environmental reports, disapproves the Affordable Project Property's environmental or other condition or aspect of the Affordable Project Property or Affordable Project in its sole and absolute discretion, then HA may terminate this Agreement by written notice to the Agency without liability for breach or otherwise.

E. HA shall have obtained building permits or a permit ready letter stating that a building permit shall be issued upon payment of fees for the Affordable

Housing Project. Building permits and/or a permit ready letter can be issued only after the Firebaugh Planning Commission and City Council has granted the land use approvals needed for the Affordable Project, including a rezone, site plan and design reviews, as provided by the Firebaugh Municipal Code.

2.4 Access to the Property. HA shall be permitted to enter the Affordable Project Property during reasonable hours.

2.5 Joint Escrow Instructions. This Agreement, when signed by both parties and deposited with the Escrow holder will be the parties' joint escrow instructions. HA and the Agency will sign any other form instructions required by Escrow Holder. Agency and HA will deposit all instruments, documents, money, and other items with the Escrow holder that are: (i) identified in this Agreement; or (ii) required by the Escrow holder to effect the closing. Either party may tender supplemental escrow instructions consistent with this Agreement.

2.6 Escrow; Closing. The parties intend for the Closing to take place on a date selected by HA but in no event later than the date set forth in the Project Schedule as the date HA acquires the Affordable Project Property (the "Affordable Project Closing Date").

A. At or before the Closing, Agency shall deliver to Escrow Holder or HA the following:

- (i) a duly executed and acknowledged Deed;
- (ii) any other instruments, records or correspondence called for hereunder which have not previously been delivered.

B. At or before the Closing, HA shall deliver to Escrow Holder or Agency the following:

- (i) funds sufficient to pay the escrow fees and title insurance costs; and
- (ii) any other instruments, records or correspondence called for hereunder which have not previously been delivered.

2.7 Possession. Possession of the Affordable Project Property shall be delivered to HA on the Closing Date free of any and all other tenancies and/or occupancy rights, except for the tenancies set forth and described in **Exhibit C** hereto.

ARTICLE 3. REPRESENTATIONS AND WARRANTIES OF HA

3.1 Existence and Qualification. HA represents and warrants to the Agency as of the date hereof, that HA is a duly organized corporation in good standing with the State of California; HA has the requisite power, right, and legal authority to execute,

deliver, and perform its obligations under this Agreement and has taken all actions necessary to authorize the execution, delivery, performance, and observance of its obligations under this Agreement. This Agreement, when executed and delivered by HA and the Agency, shall constitute the legal, valid, and binding obligations of HA enforceable against HA in accordance with its respective terms, except as such enforceability may be limited by: (a) bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium, or other similar laws of general applicability affecting the enforcement of creditors' rights generally; and (b) the application of general principles of equity without the joinder of any other party.

3.2 No Conflict of Interest. HA represents and warrants to the Agency as of the date hereof that no official, officer, agent, or employee of the Agency directly or indirectly owns or controls any interest in HA, and no person, directly or indirectly owning or controlling any interest in HA, is an official, officer, agent, or employee of the Agency

3.3 No Legal Bar. HA represents and warrants to the Agency as of the date hereof that the execution, delivery, performance, or observance by HA of this Agreement will not, to the best of HA's knowledge, materially violate or contravene any provisions of: (a) any existing law or regulation, or any order of decree of any court, governmental authority, bureau, or agency applicable to HA; (b) governing documents and instruments of HA; or (c) any mortgage, indenture, security agreement, contract, undertaking, or other agreement or instrument to which HA is a party or that is binding on any of its properties or assets, the result of which would materially or substantially impair HA's ability to perform and discharge its obligations or its ability to complete the Affordable Project under this Agreement.

ARTICLE 4. COVENANTS OF HA

4.1 Accessibility. HA covenants and agrees with the Agency that it shall comply with all federal regulations concerning accessibility requirements in federally funded housing, including, but not limited to the following:

A. The Affordable Project will be constructed with dwelling units accessible for persons with mobility disabilities in accordance with the Uniform Federal Accessibility Standards (UFAS) or a standard that is equivalent or stricter. These mandates can be found in 24 CFR Part 8, which implements Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794). To the extent permitted by law, these units shall be rented on a priority basis to person(s) who are eligible as disabled and/or families of which a member is eligible as disabled, provided that these units may be rented to non-disabled person(s)/families in the absence of an eligible disabled person/family.

B. The design and construction requirements of the Fair Housing Act (Title VIII of the Civil Rights Act of 1968, as amended), including the following seven (7) requirements of the Fair Housing Accessibility Guidelines:

- (i) Provide at least one accessible building entrance on an accessible route.
- (ii) Construct accessible and usable public and common use areas.
- (iii) Construct all doors to be accessible and usable by persons in wheelchairs.
- (iv) Provide an accessible route into and through the covered dwelling unit.
- (v) Provide light switches, electrical outlets, thermostats and other environmental controls in accessible locations.
- (vi) Construct reinforced bathroom walls for later installation of grab bars around toilets, tubs, shower stalls and shower seats, where such facilities are provided.
- (vii) Provide usable kitchens and bathrooms such that an individual who uses a wheelchair can maneuver about the space.

C. Title III of the ADA as it relates to the required accessibility of public and common use areas of the Affordable Project.

4.2 Affirmative Marketing. HA warrants, covenants and agrees that it shall comply with all affirmative marketing requirements, including without limitation, those set out at 24 CFR 92.350, 24 CFR 92.351, in order to provide information and otherwise attract eligible persons from all racial, ethnic and gender groups in the housing market. HA shall maintain records of actions taken to affirmatively market units, and to assess the results of these actions.

4.3 Conflict of Interest. HA warrants, covenants and agrees that it shall comply with the Conflict of Interest requirements of 24 CFR 92.356 including, without limitation, that no officer, employee, agent or consultant of HA (other than an employee or agent of HA who occupies a unit as the property manager or maintenance worker) may occupy an Affordable Project Unit. HA understands and acknowledges that no employee, agent, consultant, officer or elected official or appointed official of the Agency, who exercises or has exercised any functions or responsibilities with respect to the Affordable Project, or who is in a position to participate in a decision making process or gain inside information with regard to these activities, may obtain a financial interest or benefit from the Affordable Project, or have an interest in any contract, subcontract or agreement with respect thereto, or the proceeds thereunder, either for him or herself or for anyone with which that person has family or business ties, during his or her tenure or for one year thereafter. To the extent provided at 24 CFR 92.356(f), no owner, developer or sponsor of the Affordable Project, or officer, employee, agent or consultant thereof, may occupy an Affordable Project Unit.

4.4 Construction Standards. HA shall construct the proposed housing Units assisted under this Agreement in compliance with all applicable local codes, ordinances and zoning requirements in effect at the time of issuance of the building permits.

4.5 Covenants and Restrictions to Run with the Land. The Agency and HA expressly warrant, covenant and agree to ensure that the covenants and restrictions set forth in this Agreement are recorded and will run with the land, provided, however, that, on expiration of this Agreement such covenants and restrictions shall expire.

A. HA covenants and agrees that after issuance of a Certificate of Completion for the Affordable Project until the expiration of the Affordability Period it shall cause the Affordable Project to be used for Affordable Senior Housing.

B. Without waiver or limitation, the Agency shall be entitled to injunctive or other equitable relief against any violation or attempted violation of any covenants and restrictions, and shall, in addition, be entitled to damages available under law or contract for any injuries or losses resulting from any violations thereof.

C. All present and future owners of the Affordable Property, and other persons claiming by, through, or under them, shall be subject to and shall comply with the covenants and restrictions. The acceptance of a deed of conveyance to the Property shall constitute an agreement that the covenants and restrictions, as may be amended or supplemented from time to time, are accepted and ratified by such future owners, tenant or occupant, and all such covenants and restrictions shall be covenants running with the land and shall bind any person having at any time any interest or estate in the Property, all as though such covenants and restrictions were recited and stipulated at length in each and every deed, conveyance, mortgage or lease thereof.

D. The failure or delay at any time of the Agency or any other person entitled to enforce any such covenants or restrictions shall in no event be deemed a waiver of the same, or of the right to enforce the same at any time or from time to time thereafter, or an estoppel against the enforcement thereof.

4.6 Initial and Annual Income Certification. HA covenants that it shall comply with the procedures for annual income determinations at 24 CFR 92.203. HA shall obtain, complete and maintain on file, immediately prior to initial occupancy, and annually thereafter, income certifications from each tenant Household renting any Unit. HA shall make a good faith effort to verify that the income provided by an applicant or occupying Household in an income certification is accurate by taking one or more of the following steps as part of the verification process: (1) obtain a pay stub for the most recent pay period; (2) obtain an income verification form from the applicant's current employer; (3) obtain an income verification form from the Social Security Administration and California Department of Social Services if the applicant receives assistance from either of such agencies; or (4) if the applicant is unemployed, obtain another form of independent verification.

4.7 Lead-Based Paint. HA covenants and agrees with the Agency that it shall comply with all applicable requirements of the Lead-Based Paint Poisoning Prevention

Act of 42 U.S.C. 4821 et seq., 24 CFR Part 35 including the HUD 1012 Rule, and 24 CFR 982.401(j), including any amendments thereto.

4.8 Minority Outreach Activities. HA shall comply with all federal laws and regulations described in Subpart H of 24 CFR Part 92.

4.9 Other Laws and Regulations. HA shall comply with all other federal laws and regulations, including, without limitation, requirements of 24 CFR 58.6 and the Flood Disaster Protection Act of 1973, as amended (42 U.S.C. 4001-4128) and the following:

B. HA and its contractors, subcontractors and service providers for the Affordable Project, shall comply with all applicable local, state and federal requirements concerning equal employment opportunity, including compliance with E.O. 11246, "Equal Employment Opportunity," as amended by E.O. 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and as supplemented by regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."

C. The provisions of the Copeland "Anti-Kickback" Act (18 U.S.C. 874), as supplemented by Department of Labor regulations (29 CFR part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States").

D. The provisions of the Clean Air Act (42 U.S.C. 7401 et seq.) and the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.), as amended.

E. The provisions of the Byrd Anti-Lobbying Amendment (31 U.S.C. 1352).

F. The provision of E.O.s 12549 and 12689, "Debarment and Suspension," as set forth at 24 CFR part 24.

G. The provisions of the Drug-Free Workplace Act of 1988 (42 U.S.C. 701), in accordance with the Act and with HUD's rules at 24 CFR part 24, subpart F.

H. Title 8 of the Civil Rights Act of 1968 PL. 90-284.

I. Executive Order 11063 on Equal Opportunity and Housing.

J. Section 3 of the Housing and Urban Development Act of 1968.

K. The Housing and Community Development Act of 1974.

L. Clean Water Requirements 33 U.S.C. 1251

M. Civil Rights Requirements, 29 U.S.C. § 623, 42 U.S.C. § 2000, 42 U.S.C. § 6102, 42 U.S.C. § 12112, 42 U.S.C. § 12132, 49 U.S.C. § 5332, 29 CFR Part 1630, 41 CFR Parts 60 et seq.

4.10 Housing Affordability. HA covenants and agrees with the Agency that the Affordable Project will meet be affordable to Low Income Families and other requirements of 24 CFR 92.252 during the Affordability Period. The Units shall, at a minimum, be rented to and occupied by, or, if vacant, available for rental and occupancy by (a) person(s) whose annual household income at the time of initial occupancy is not greater than sixty percent (60%) of the most recent annual median income calculated and published by HUD for the Fresno Metropolitan Statistical Area applicable to such household's size. Said units shall be rented at an Affordable Rent based upon the following assumed household sizes of residential units in the Project:

Unit Size	Assumed # Persons
Studio	1
1 Bedroom	2
2 Bedroom	3
3 Bedroom	4

ARTICLE 5. PROPERTY MAINTENANCE

HA covenants and agrees with the Agency to the following, for the entire term of the Agreement.

5.1 Adequate Repair and Maintenance. After completion of construction of the Affordable Project, HA shall maintain the Affordable Project and Affordable Project Property in compliance with all applicable codes, laws, and ordinances.

5.2 Affordable Senior Rental Housing. The Affordable Project shall constitute Affordable Senior Rental Housing with units preserved as Low-Income Senior Rental Housing (as provided at 24 CFR 92.252) during the entire Affordability Period. This covenant shall remain in effect and run with and restrict the land during the entirety of the Affordability Period.

5.3 Compliance With Environmental Laws. HA shall cause the Affordable Project to be in compliance with, and not to cause or permit the Affordable Project to be in violation of, any Hazardous Materials law, rule, regulation, ordinance, or statute.

Additionally, HA agrees:

A. That the Agency shall not be directly or indirectly responsible, obligated or liable with the inspection, testing, removal or abatement of asbestos or other hazardous or toxic chemicals, materials, substances, or wastes and that all cost, expense and liability for such work shall be and remain solely with HA;

B. To give prompt written notice to the Agency of the following:

(i) Any proceeding or inquiry by any governmental authority with respect to the presence of any hazardous or toxic chemicals, materials, substance,

or waste in or on the eligible Property or the surrounding real estate or the migration thereof from or to other property; and

(ii) All claims made or threatened by any third party against HA or such properties relating to any loss or injury resulting from any hazardous or toxic chemicals, materials, substance, or waste; and

(iii) HA's discovery of any occurrence or condition on any real property adjoining or in the vicinity of such properties that would cause such properties or underlying or surrounding real estate or part thereof to be subject to any restrictions on the ownership, occupancy, transferability, or use of the property under any environmental law, rule, regulation, ordinance or statute.

5.4 Compliance With Laws. HA shall be responsible for and promptly and faithfully comply with, conform to and obey all present and future federal, state and local statutes, regulations, rules, ordinances and other legal requirements applicable by reason of this Agreement or otherwise to the Affordable Project. Notwithstanding anything to the contrary contained herein, nothing in this Agreement shall be construed as imposing any independent prevailing wage requirements that are different from those imposed by applicable federal or state law.

5.5 Nondiscrimination. HA shall comply with and cause any and all contractors and subcontractors to comply with any and all federal, state, and local laws with regard to illegal discrimination, and HA shall not illegally discriminate against any persons on account of race, religion, sex, family status, handicap, or place of national origin in its performance of this Agreement and the completion of the Affordable Project.

ARTICLE 6. DEVELOPMENT AND CONSTRUCTION

Without waiver of limitation, the parties agree as follows:

6.1 Groundbreaking Ceremony. Prior to breaking ground, HA shall schedule a groundbreaking ceremony open to local dignitaries, applicable Agency staff, and selected members of the community, as well as send a press release about the Affordable Project and ceremony to local media to cover the event.

6.2 Commencement and Completion of Affordable Project. HA shall commence construction and file a Notice of Completion upon completion of construction of the Affordable Project, in accordance with the Projected Project Schedule.

6.3 Contracts and Subcontracts. All demolition, hazardous waste abatement, construction work and professional services for the Affordable Project shall be performed by persons or entities licensed or otherwise legally authorized to perform the applicable work or service in the State of California, as provided by and in accordance with Firebaugh Municipal Code section 13-2.5.

6.4 Damage to Property. If any building or improvement constructed on the Affordable Project Property is damaged or destroyed by an insurable cause, HA shall diligently undertake to repair or restore said buildings and improvements consistent with the original Plans and Specifications of the Affordable Project, and fully utilize all insurance proceeds for such repairs and restoration. Such work or repair shall commence within one hundred fifty (150) days after the insurance proceeds are made available to HA and shall be complete within two (2) years thereafter.

6.5 Identification Signage. Before the start of construction, HA shall place a poster or sign, with a minimum four feet by four feet in size, identifying the Agency as an Affordable Project participant. The sign shall also include the Agency's Housing Logo, as well as the Equal Housing Opportunity logo, as mandated by HUD. Font size shall be a minimum of 4 inches. The poster/sign shall be appropriately placed, and shall remain in place throughout the Affordable Project construction.

6.6 Project Responsibilities. HA shall be solely responsible for all aspects of HA's conduct in connection with the Project, the quality and suitability of the work completed, the supervision of all contracted work, qualifications and financial conditions of and performance of all contractors, subcontractors, consultants and suppliers. Any review or inspection undertaken by the Agency with reference to the Affordable Project is solely for the purpose of determining whether HA is properly discharging its obligation to the Agency, and shall not be relied upon by HA or by any third parties as a warranty or representation by the Agency as to the quality of the work completed for the Affordable Project.

6.7 Property Condition. HA shall maintain the Affordable Project Property and all improvements on site in a reasonably good condition and repair, all according to the basic design and related plans, as amended from time to time.

6.8 Quality of Work. HA shall ensure that construction of the proposed Affordable Project employs building materials of a quality suitable for the requirements of the Affordable Project. HA shall cause completion of construction of the proposed Affordable Project in full conformance with applicable local, state and federal laws, statutes, regulations, and building and housing codes.

6.9 Certificate(s) of Completion. Upon completion of the construction of the Affordable Project, HA shall: 1) submit to the Agency a Certificate of Occupancy for the Affordable Project; and 2) recorded Notice of Completion for the Affordable Project

6.10 Grand Opening. Upon completion of the Affordable Project, HA shall schedule and arrange for a Grand Opening ceremony on the premises open to local dignitaries, applicable Agency staff, and selected members of the community, as well as send a press release about the Grand Opening ceremony to local media to cover the event.

ARTICLE 7.
AFFORDABLE PROJECT OPERATIONS

7.1 Occupancy Requirements. Affordable Project shall be rented and occupied by, or if vacant, available for rental occupancy by (a) Families whose annual household income at the time of initial occupancy is not greater than sixty percent (60%) of the most recent annual median income, calculated and published by HUD for the Fresno Metropolitan Statistical Area, applicable to such household's size, and at an affordable rent consistent with Agency Program regulations for the term of this Agreement. HA shall comply with the income targeting requirements of 24 CFR 92.216. One (1) of the approximate twenty (20) to thirty-four (34) Affordable Project Units shall be reserved as an on-site manager unit.

7.2 Property Management.

A. Management Responsibilities. HA directly and/or through its designated management entity, is specifically responsible for all management functions with respect to the Affordable Project including, without limitation, the selection of tenants, certification and re-certification of Household size and income, evictions, collection of Rents and deposits, construction management, affirmative marketing, maintenance, landscaping, routine and extraordinary repairs, replacement of capital items and security. The Agency shall have no responsibility for such management of the Affordable Project.

7.3 Maintenance and Security. HA shall maintain the Affordable Project in good condition, in good repair and in decent, safe, sanitary, habitable and tenantable living conditions for the benefit of the Unit occupants. HA shall not commit or permit any waste on or to the Affordable Project, and shall prevent and/or rectify any physical deterioration of the housing. HA shall maintain the housing in conformance with all applicable federal, state and local laws, ordinances, codes and regulations, the Final Management Plan, and this Agreement.

7.4 Nondiscrimination. HA shall otherwise comply with all applicable local, state and federal laws concerning nondiscrimination in housing.

ARTICLE 8.
INDEMNITY.

8.1 Indemnity. HA shall indemnify, hold harmless and defend (with counsel of the HA's reasonable choice) the Agency and each of its officers, officials, employees, agents and volunteers from any and all loss, liability, fines, penalties, forfeitures, costs and damages (whether in contract, tort or strict liability, including but not limited to personal injury, death at any time and property damage) incurred by the Agency, HA or any other person, and from any and all claims, demands and actions in law or equity (including reasonable attorney's fees and litigation expenses), arising or alleged to have arisen directly or indirectly out of performance of this Agreement. HA's obligations hereunder shall apply regardless of whether the Agency or any of its officers, officials, employees, agents or volunteers are passively negligent, but shall not apply to any loss,

liability, fines, penalties, forfeitures, costs or damages caused by the sole negligence or by the willful misconduct of the Agency or any of its officers, officials, employees, agents or volunteers. This section shall survive termination or expiration of this Agreement.

ARTICLE 9. GENERAL PROVISIONS.

Without waiver of limitation, the parties agree that the following general provisions shall apply in the performance hereof:

9.1 Amendments. No modification or amendment of any provision of this Agreement shall be effective unless made in writing and signed by the parties hereto.

9.2 Binding on All Successors and Assigns. Unless otherwise expressly provided in this Agreement, all the terms and provisions of this Agreement shall be binding on and inure to the benefit of the parties hereto, and their respective nominees, heirs, successors, assigns, and legal representatives.

9.3 Counterparts. This Agreement may be executed in counterparts, each of which when executed and delivered will be deemed an original, and all of which together will constitute one instrument. The execution of this Agreement by any party hereto will not become effective until counterparts hereof have been executed by all parties hereto.

9.4 Disclaimer of Relationship. Nothing contained in this Agreement, nor any act of the Agency or of HA, or of any other person, shall in and by itself be deemed or construed by any person to create any relationship of third party beneficiary, or of principal and agent, of limited or general partnership, or of joint venture.

9.5 Effective Date. This Agreement shall be effective upon the date first above written on Page 1, upon the Parties' complete execution following Agency Council approval.

9.6 Entire Agreement. This Agreement represents the entire and integrated agreement of the parties with respect to the subject matter hereof. This Agreement supersedes all prior negotiations, representations or agreements including without limitation the ENA in its entirety, either written or oral.

9.7 Exhibits. Each exhibit and attachment referenced in this Agreement is, by the reference, incorporated into and made a part of this Agreement.

9.8 Governing Law and Venue. Except to the extent preempted by applicable federal law, the laws of the State of California shall govern all aspects of this Agreement, including execution, interpretation, performance, and enforcement. Venue for filing any action to enforce or interpret this Agreement will be Fresno, California.

9.9 Headings. The headings of the articles, sections, and paragraphs used in this Agreement are for convenience only and shall not be read or construed to affect the meaning or construction of any provision.

9.10 Interpretation. This Agreement in its final form is the result of the combined efforts of the parties. Any ambiguity will not be construed in favor or against any party, but rather by construing the terms in accordance with their generally accepted meaning.

9.11 No Third-Party Beneficiary. No contractor, subcontractor, mechanic, materialman, laborer, vendor, or other person hired or retained by HA shall be, nor shall any of them be deemed to be, third-party beneficiaries of this Agreement, but each such person shall be deemed to have agreed (a) that they shall look to HA as their sole source of recovery if not paid, and (b) except as otherwise agreed to by the Agency and any such person in writing, they may not enter any claim or bring any such action against the Agency under any circumstances. Except as provided by law, or as otherwise agreed to in writing between the Agency and such person, each such person shall be deemed to have waived in writing all right to seek redress from the Agency under any circumstances whatsoever.

9.12 Notice. Any notice to be given to either party under the terms of this Agreement shall be given by certified United States mail, postage prepaid, return receipt requested, at the addresses specified below, or at such other addresses as may be specified in writing by the parties.

If to the Agency: City of FIREBAUGH, Successor Housing Agency
Attn.: Laura Weyant, City Manager
1133 P Street
Firebaugh, CA93622

With copy to: Lozano Smith Attorneys at Law
Attn: Dale E. Bacigalupi
7404 North Spalding
Fresno, CA93720

If to HA: Housing Authority of FresnoCounty
Attn.: Preston Prince, CEO/Executive Director
1331 Fulton Mall
Fresno, CA93721

With copy to: Law Firm of Campagne, Campagne & Lerner
Attn: Thomas Campagne
AirportOfficeCenter
1685 N. Helm Avenue
Fresno, CA93727

9.13 Precedence of Documents. In the event of any conflict between the body of this Agreement and any exhibit or attachment hereto or document incorporated herein, the terms and conditions of the body of this Agreement will control.

9.14 Remedies Cumulative. All powers and remedies given by this Agreement shall be cumulative and in addition to those otherwise provided by law.

9.15 Severability. The invalidity, illegality, or un-enforceability of any one or more of the provisions of this Agreement shall not affect the validity, legality, or enforceability of the remaining provisions hereof or thereof.

ARTICLE 10. COMPLETION OF THE PROJECT

10.1 HA covenants and warrants to the Agency that upon the commencement of the construction of the apartment complex and related improvements, that said construction will be continued to completion within a reasonable time frame pursuant to normal construction practices, unless delayed by reasons beyond the reasonable control of the HA, including but not limited to adverse weather conditions, labor strife, material shortages, natural disasters, etc. Further, prior to the commencement of construction, the HA or its affiliate will obtain payment and performance bonds for the construction in an amount equal to one hundred percent (100%) of the scheduled costs of construction. Said bonds shall be issued by an insurance company which is licensed to do business in California and has a rating equivalent to AAA or AA+ by an insurance company listed in the current year's Federal Register or otherwise approved by the Agency. Said bonds shall name the Agency as a co-obligee or assignee.

ARTICLE 11. TERMINATION FOR CONVENIENCE

11.1 Notwithstanding anything in this Agreement to the contrary, HA shall have the right to terminate this agreement for its convenience, in its sole and absolute discretion, at any time, by written notice to the Agency prior to the commencement of construction (see paragraph 1.10). The Agency shall also have the right to terminate this Agreement if HA fails to commence construction by February 28, 2014, by written notice to HA. In the event of termination as provided herein, HA shall immediately convey the Affordable Project Property to the Agency, without further obligation to HA. The Agency shall not exercise its termination rights under this section 11.1 if it has received delivery of the bonds referenced in paragraph 10.1.

ARTICLE 12. DISPUTE RESOLUTION

12.1 Any and all (material and non-material) disputes or controversies between the parties hereto involving either: (1) the construction or application of any of the terms, covenants or conditions of this Agreement or (2) otherwise arising in any respect with regard to this Agreement, or (3) relating to, arising out of, or resulting from either this Agreement, the performance of this Agreement, or the lack of performance of this Agreement, and/or (4) in any other manner relating to or involving this Agreement or otherwise between the parties thereto (and/or their respective agents, employees, parent or subsidiary entities, etc.), shall not be litigated in any federal or state court or before any state, federal or administrative agency, and shall not be litigated before the Federal or State Court, but rather shall upon written request of one party served on the other be submitted and shall be solely and exclusively resolved by "final and binding" arbitration before a neutral retired Judge, which arbitration shall comply with and be governed by the provisions of the California Arbitration Act (CCP §§1280, et seq.) This Arbitration Agreement constitutes a waiver of any right to a jury trial; and it also waives

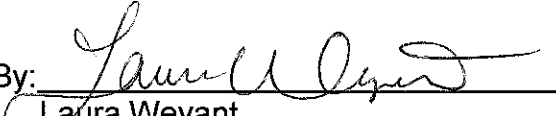
any right to proceed before any federal or state court or any federal or state administrative agency with regard to the disputes resolution. Said waivers are agreed to because the parties hereto prefer neutral and binding arbitration over any other means of dispute resolution. The neutral (retired Judge) arbitrator shall be mutually agreed upon by the parties; if such an Agreement is not promptly forthcoming, then the retired Judge to serve as arbitrator shall be selected by the Superior Court in accordance with the California Arbitration Act. The Arbitration hearing shall be conducted before a Certified Court Reporter and shall take place in the County of Fresno unless otherwise agreed by both parties. The hearing before the arbitrator of the matters to be arbitrated shall be at a time and place within the County of Fresno as selected by the Arbitrator. The Arbitrator shall select such time and place promptly after his/her appointment, and the arbitrator shall give written notice thereof to each party at least thirty days prior to the date so fixed. The arbitrator shall follow California substantive and procedural law; except only at the hearing, any relevant evidence may be presented by either party, and the formal rules of evidence applicable to judicial proceedings (in the sole discretion of the arbitrator) need not govern, so that evidence may be admitted or excluded in the discretion of the arbitrator as long as it is trustworthy. The arbitrator shall hear and determine the matter and shall execute and acknowledge the award in writing explaining the basis for his/her ruling. The Arbitrator shall cause a copy of the award to be delivered to each of the parties within twenty (20) calendar days after the conclusion of the evidentiary hearing, unless otherwise agreed by the parties. Said award shall follow California substantive and procedural law. All the arbitrators' fees and all of the certified court reporter's fees (for daily attendance and for providing the arbitrator with the original transcript) shall be shared equally (50/50) by the parties; and all the parties shall bear their own legal fees and their own litigation costs and expenses.

12.2 Further, notwithstanding the foregoing, it is agreed that prior to appearing before and conducting the aforementioned binding arbitration hearing, the parties shall promptly engage in a fully privileged and confidential Mediation before a neutral retired Judge. The Mediator retired Judge shall be a different person from the arbitrator retired Judge unless the parties stipulate otherwise. The Mediator shall be mutually selected by the parties; however, if they are unable to agree, then the Mediator shall be selected by the arbitrator. The Mediator's fees and costs shall be shared equally by the parties. Communications during the Mediation process shall remain confidential and barred from introduction into evidence at the arbitration pursuant to the provisions of California Evidence Code §§ 1152 and 1119 and Fed. Rules of Evidence, Rule 408.

12.3 Petition to Compel Arbitration, And/Or Petition To Enforce The Arbitrator's Award. Notwithstanding anything herein to the contrary, if either party to this Agreement brings any court action or proceeding to either compel arbitration or to enforce an arbitration award, then the prevailing party shall be entitled to recover reasonable attorneys' fees as well as costs and expenses. The arbitration process itself is not an action or proceeding for purposes of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement in
FIREBAUGH, California, the day and year first above written.

CITY OF FIREBAUGH, SUCCESSOR HOUSING AGENCY, a municipal corporation

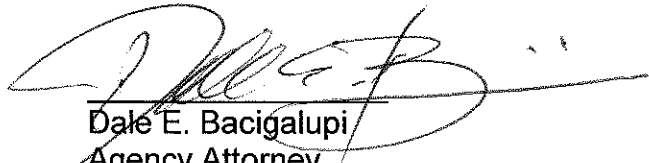
By: 
Laura Weyant
City Manager

Date: May 29, 2012

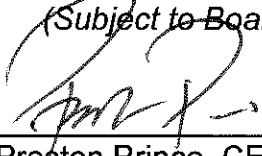
ATTEST:


Rita Lozano
City Clerk

APPROVED AS TO FORM:


Dale E. Bacigalupi
Agency Attorney

HOUSING AUTHORITY OF FRESNO COUNTY, a body corporate and politic
(Subject to Board Approval)

By: 
Preston Prince, CEO/Executive Director

Date: 7/3/12

The Board of Commissioners for the Housing Authority of Fresno County, having
conducted a public meeting on the 4-25-12, due hereby acknowledge that the
Board has accepted the aforementioned Disposition and Development Agreement
including all conditions and covenants contained therein.

Signature: 

Print Name: Preston Prince

Board Title: Secretary

Dated: 7/3/12

Attachments:

EXHIBIT A:	LEGAL DESCRIPTION
EXHIBIT B:	PROJECT DESCRIPTION, SCOPE OF WORK AND PERFORMANCE TIMELINE
EXHIBIT C:	RELOCATION – TENANT INFORMATION

EXHIBIT A

LEGAL DESCRIPTION

LAND SITUATED IN THE STATE OF CALIFORNIA, COUNTY OF FRESNO:

PARCEL 1:

All that certain real property situate, lying, and being a portion of Sections 28 and 29, Township 12 South, Range 14 East, Mount Diablo Base and Meridian, in the City of Firebaugh, County of Fresno, State of California, being more particularly described as follows:

Lots 7, 8, 9, and 10 in Block 35 as shown on the "Map of the Town of Firebaugh" filed for record in Book 1 of Miscellaneous Maps, at Page 13, Fresno County Records.

PARCEL 2:

All that certain real property situate, lying, and being a portion of Sections 28, Township 12 South, Range 14 East, Mount Diablo Base and Meridian, in the City of Firebaugh, County of Fresno, State of California, being more particularly described as follows:

Lots 1, 2,3,4,5, and 6 in Block 35 as shown on the "Map of the Town of Firebaugh" filed for record in Book 1 of Miscellaneous Maps, at Page 13, Fresno County Records.

ASSESSOR'S PARCEL NO.: **008-075-03AND 008-075-11**

EXHIBIT B

PROJECT DESCRIPTION, SCOPE OF WORK, AND PERFORMANCE TIMELINE

PROJECT DESCRIPTION

The proposed development of the “**The Gateway Project**” will help redevelop blighted parcels within the local neighborhood and provide much needed affordable rental housing. HACCF’s vision for the project consists of twenty (20) to thirty-four (34) affordable, very-low to moderate income apartment rental homes and a community building on the subject parcels. The HACCF may also, in its sole and absolute discretion, choose to include a commercial component to the Project. The community building will feature a laundry facility and a community multipurpose room. The project design will also include open space for the residents.

The project architect will be determined in the near future. The selected architect will be known for designing quality, innovative and attractive senior residential architecture.

SCOPE OF WORK

The project design consists of the new construction of housing units consisting of twenty (20) to thirty-four (34) individual units, a manager’s unit, and a Community Building. The HACCF may also, in its sole and absolute discretion, choose to include a commercial component to the Project. The site amenities will include a laundry facility and open space.

PERFORMANCE TIMELINE

The anticipated development schedule for The Gateway Project is represented below. Milestone dates are determined from HACCF’s experience with the TCAC application and allocation timelines, and incorporate assumed review periods by the City and Agency for their respective tasks (e.g., design and permit reviews).

HA applies for City land use approvals:	July, 2012
TCAC application:	July, 2013
TCAC Award:	September, 2013
Construction Start:	February, 2014
Construction Completion:	February, 2015
Lease Up/Stabilization:	July, 2015

EXHIBIT C

RELOCATION – TENANT INFORMATION

List of all current households/units occupied as of date of DDA execution. Include the following: head of household name, household size with identification of adults and minors, total annual household income, address/unit number, unit size and current rent paid.

**Attachment 6 - The Successor Agency letter to release it
from Gateway DDA**

CITY OF FIREBAUGH



FRESNO COUNTY, CALIFORNIA

1133 "P" STREET
FIREBAUGH, CALIFORNIA 93622-2547
(559) 659-2043
FAX (559) 659-3412

April 4, 2013

Housing Authority of Fresno County
Attn: Mr. Preston Price, Secretary Board of Commissioners
1331 Fulton Mall
Fresno, CA 93721

RE: Gateway Project in Firebaugh - Disposition and Development Agreement between City of Firebaugh, Successor Housing Agency and Housing Authority of Fresno County

Per my meeting with Housing Authority staff, Daniel Guerra and Michael Duarte, I explained that the Successor Housing Agency did not obtain Department of Finance (DOF) approval to designate the Gateway Property (APNs: 008-075-03 & 008-075-11 located on NWC of P Street & 13th Street in Firebaugh, CA) as a housing asset. DOF's decision directly affects the terms detailed in the Development and Disposition Agreement (DDA) executed on May 29, 2012 between the Housing Authority and Successor Housing Agency.

The Successor Housing Agency submitted their Housing Asset Transfer list to DOF on August 1, 2012. DOF denied the Gateway Property and related rental income as a housing asset because of insufficient documentation to support that the property was acquired for affordable housing purposes. The Successor Housing Agency requested a meet and confer with DOF which was held on January 28, 2012 to dispute this decision and provide additional documentation to support the Gateway Property classification as a housing asset. On February 6, 2012, DOF made its final decision regarding this issue and ruled that this property was still not eligible to qualify for the designation as a housing asset.

The unfortunate result is the Gateway Property has been classified as non-housing asset and must be returned to the Successor Agency and disposed of through the Property Management Plan (PMP) process along with the other non-housing properties. As such, the Successor Housing Agency cannot proceed with the terms detailed in the DDA. The Gateway Property will be included in the PMP and is subject to both Oversight Board and DOF approval. The PMP must include an inventory of information for each Successor Agency property and identify the ultimate use or disposition of each property. Once the PMP is approved, the properties subject to disposition are placed in a Community Redevelopment Property Trust Fund administered by the Successor Agency. The proceeds from the sale of the properties are distributed amongst

the taxing entities serving the Firebaugh Redevelopment Project Area. Therefore, the City of Firebaugh Successor agency is requesting to be released from the DDA.

We will keep you and your staff informed of the progress of PMP and if there are any future options to use this property to development affordable senior housing in Firebaugh.

Sincerely,

Ron Manfredi
Interim City Manger of the City of Firebaugh

Cc: Successor Agency Board, Oversight Board, and Rosenow Spevacek Group, Inc.

**Attachment 7 - Ten-Year Affordable Housing
Compliance Plan - 2004-05 through 2013-14**



Ten-Year Affordable Housing Compliance Plan

(2004-05 through 2013-14)

**Appendix A-to the Redevelopment Agency of the City of Firebaugh
5-Year Implementation Plan (2004-05 through 2008-09)**

March 6, 2006

Redevelopment Agency of the City of Firebaugh
1575 11th Street
Firebaugh, California 93622

Prepared By:



ROSENOW SPEVACEK GROUP INC.

309 West 4th Street
Santa Ana, California 92701-4502
Phone: (714) 541-4585
Fax: (714) 541-1175
E-Mail: info@webrsg.com

Ten-Year Affordable Housing Compliance Plan

Firebaugh Redevelopment Agency

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Ten Year Housing Compliance Plan

(FY 2004-05 through 2013-14)

Firebaugh Redevelopment Project Area

Introduction

This document is the Ten-Year Affordable Housing Compliance Plan ("Compliance Plan") for the Redevelopment Agency of the City of Firebaugh ("Agency"). The Compliance Plan incorporates a summary of the Agency's affordable housing production activities since adoption of the Firebaugh Redevelopment Project and presents an affordable housing plan for the second ten year planning period, July 1, 2004 to June 30, 2009. The Compliance Plan covers the following:

- The original Firebaugh Redevelopment Project, adopted by Ordinance No. 83-4 on June 21, 1983;
- The Rubi Gardens Amendment Area, adopted by Ordinance No. 84-6 on November 21, 1984; and
- The Storey Avenue Amendment Area, adopted by Ordinance No. 89-3 on May 15, 1989.

The City Council of the City of Firebaugh established the Redevelopment Agency of the City of Firebaugh on January 14, 1980, by the adoption of Ordinance No. 361. On June 21, 1983, the Council adopted Ordinance No. 83-4, which created the 766 acre Firebaugh Redevelopment Project. By taking this action, the City embarked on a comprehensive effort to promote the elimination of blight, reverse the trend of economic stagnation, ensure the realization of the Project Area and provide an opportunity for potential new development.

The Project Area is located in the City of Firebaugh, Fresno County, California, along Highway 33, east of Interstate 5. The City of Firebaugh was incorporated in 1914, and is approximately 150 miles southeast of San Francisco, 305 miles north of Los Angeles, and 18 miles east of Interstate 5. According to State Department of Finance estimates, the City had a total of 6,585 residents and 1,768 housing units as of January 1, 2004.

The focus of the City's revitalization efforts have been channeled through the adoption and implementation of its Redevelopment Plan. Since the adoption of the Firebaugh Redevelopment Plan, the Agency has added territory to the Redevelopment Plan twice by amendment. The Rubi Gardens Amendment Area, composed of 44 acres of predominantly residential parcels, was created on November 21, 1984 by Ordinance 84-6. Four and a half years later, the 33 acre Storey Avenue Amendment was created on May 15, 1989 via Ordinance 89-3. Over the past 23 years, the Agency has accomplished numerous redevelopment, development, and infrastructure projects that have revitalized many properties within the Project Area. However, the blighting conditions that required the adoption of the Project Area still exist or have been exacerbated over time. The Agency has continued to pursue the revitalization of the Project Area by utilizing the mechanisms of redevelopment provided by California Redevelopment Law.

Legal Requirements for Compliance Plans

Pursuant to the requirements of Sections 33413(b)(4) and 33490(a)(2) and (3) of the California Community Redevelopment Law, Health and Safety Code Section 33000 et seq. ("Law"), this Compliance Plan sets forth the Agency's program for ensuring that the appropriate number of very low, low, and moderate-income housing units will be produced as a result of new construction or substantial rehabilitation in the Firebaugh Project Area.

The Law defines and limits assisted income categories as follows:

Very Low Income - persons or households whose gross income does not exceed 50% of the area's median income;

Low Income - persons or households whose gross income are greater than 50% but do not exceed 80% of the area's median income; and

Moderate-Income - persons or households whose gross income are greater than 80% but do not exceed 120% of the area's median income.

The adoption of Assembly Bill 315 in 1992 (as amended by AB 1290 in 1993 and subsequent amendments) requires all redevelopment agencies to adopt and periodically update a plan to ensure compliance for each project area, regarding the reservation of new or rehabilitated housing units to persons or families of low to moderate income at affordable housing costs.

The Law defines Affordable Housing Cost as:

- Very Low - Not more than 30% of 50% of the County median household income;

- Low - Not more than 30% of 70% (or 60% for rental projects) of the County median household income; and

- Moderate - Not more than 35% of 110% (or 30% of 120% for rental projects) of the County median household income.

Compliance with AB 637 and SB 701

This Compliance Plan is consistent with recent changes enacted into the Law pursuant to Assembly Bill 637 (Lowenthal) and Senate Bill 701 (Torlakson).

Contents of the Compliance Plan

This Compliance Plan has been developed to accomplish the following goals:

- To account for the number of affordable dwelling units, either constructed or substantially rehabilitated in the Firebaugh Project Area, since its adoption;
- To forecast the estimated number of dwelling units to be privately developed or substantially rehabilitated between fiscal years 2004-05 through 2013-2014 and over the duration of the remaining effectiveness of the Redevelopment Plan;

- To forecast the estimated number of dwelling units to be developed or substantially rehabilitated by the Agency between fiscal years 2004-05 through 2013-2014;
- To project the availability of Agency revenue for funding affordable housing production;
- To identify implementation policies/programs and potential sites for affordable housing development;
- To establish a timeline for implementing this Compliance Plan to ensure that the requirements of Section 33413 are met during the ten-year period between fiscal years 2004-05 and 2013-2014; and
- To review the consistency of Agency affordable housing goals, objectives, and programs pursuant to the City's Housing Element.

Purpose

Since 1976, redevelopment agencies have been required to assure that at least 30% of all new or substantially rehabilitated units developed by an agency are available at affordable costs to households of very low, low, or moderate-income. Of this 30%, not less than 50% are required to be available at affordable costs to very low-income households. Further, for all units developed in the Firebaugh Project Area by entities other than the Agency, the Law requires that at least 15% of all new or substantially rehabilitated dwelling units within the Firebaugh Project Area be made available at affordable costs to low- or moderate-income households. Of these, not less than 40% of the dwelling units are required to be available at affordable costs to very low-income households. These requirements are applicable to housing units as aggregated, and not on a project-by-project basis to each dwelling unit created or substantially rehabilitated, unless so required by the Agency.

In 1994, the Law was amended to require redevelopment agencies to prepare a housing compliance plan that demonstrated how the Agency would achieve the aforementioned affordable housing mandates.

Methodology and Data Compilation

This Compliance Plan takes into account all residential construction or substantial rehabilitation that has occurred within the Firebaugh Project Area since adoption of the Redevelopment Plan to determine affordable housing production needs. It also accounts for existing residential construction and substantial rehabilitation and includes projections of new dwelling units that may be constructed or substantially rehabilitated during this ten-year planning period.

Historical construction and substantial rehabilitation statistics were obtained via an analysis of MetroScan data obtained through First American Real Estate Solutions and City building records. It should be noted that neither the existing housing stock nor projections for future dwelling units include any units to be developed by the Agency. However, the Agency will continue to cooperate with and provide assistance and incentives to private developers, in order to meet affordable housing production needs.

Affordable Housing Production Needs

This section describes the Agency's production needs for the planning period (2004-05 through 2013-14) and over the greater duration of the life of the Redevelopment Plan. According to the data obtained through the use of the MetroScan software, a total of 182 units were built in the Firebaugh Project Area between 1983 and 1994. Housing needs for the first ten year period (1994 – 2004) period include a proportionate share of those units built between 1982 through 1994, plus units required by housing production during the first 10-year period. Table 1 details that the Agency's 1994-2004 housing needs equal the need for 62 affordable units, 25 of which must be restricted for very low-income and the remaining 37 restricted for low to moderate-income households.

TABLE 1
REDEVELOPMENT AGENCY OF THE CITY OF FIREBAUGH
FIREBAUGH PROJECT AREA INCLUSIONARY HOUSING NEEDS

Firebaugh Project Area		Developed /Agency or Private /1	Units Produced	Total Number of Very Low, Low & Moderate Units Required	VL Income Units	L & M Income Units	
Prior to 1994	1983 - 1994	Built from 7/1/1983 through 6/30/94	Private	182	27	11	16
1st 10-Yrs	94/95-03/04	Built from 7/1/1994 through 6/30/04	Private	233	35	14	21
		Substantially Rehabilitated 7/1/94 - 6/30/04	Private	0	0	0	0
	SUBTOTAL through 6/30/04			415	62	25	37
2nd 10-Yrs 2004/05 -2013/14	1st 5 Yr. Period 04/05 -08/09	New Units Anticipated to be Built/2	Private	66	10	4	6
		Anticipated-Substantially Rehabilitated Units	Private	0	0	0	0
		Subtotal 5 Year Period			66	10	4
	2nd 5 Yr. Period 09/10 - 13/14	New Units Anticipated to be Built/2	Private	66	10	4	6
		Anticipated-Substantially Rehabilitated Units	Private	0	0	0	0
		Subtotal 5 Year Period			66	10	4
Units Expected to be Provided Over Remaining Project Term			250	38	15	23	
TOTAL UNITS OVER TERM OF PLAN			797	120	48	72	

1/ All units have been or are anticipated to be produced by private parties

2/ City estimates for anticipated units to be constructed during the next 10 year planning period

Planning Period Production Needs

Section 33413(b) of the Law requires that not less than 15% must be affordable to low- and moderate-income households. The Law also requires that 40% of the required affordable units be affordable to very low-income households. These affordable housing production requirements must be met during the planning period, which ends after fiscal year 2013-2014. As detailed in Table 1, it is expected that the Agency must produce or restrict a total of 20 affordable housing units during the second planning period of which 8 must be restricted for very low-income and 12 for low- to moderate-income.

To satisfy the Agency's production needs, units that are either developed or substantially rehabilitated must feature 45 (owner occupied) or 55 (rental) year very low, low and moderate income affordability covenants under current Law. Units may be constructed inside or outside the Firebaugh Project Area, but units provided outside a Firebaugh Project Area count on a 2-for-1 basis. The Agency may also purchase 55-year affordability covenants on multifamily units.

Production Needs over Duration of Redevelopment Plan

The Regional Housing Needs Assessment ("RHNA") is a key tool for the Fresno Council of Governments ("FCOG") and its member governments to plan for the growth trends that have been experienced throughout the region. The RHNA quantified the need for housing within each jurisdiction from 2000 - 2007. Communities plan, consider, and decide how to address this need through the process of completing the Housing Elements of their General Plans. The RHNA does not necessarily encourage or promote growth, but rather allows communities to anticipate growth, so that they can develop in ways that enhance quality of life, improve access to jobs, transportation, and housing, and not adversely impact the environment.

Jurisdictions are required to provide for their share of regional housing needs. As part of RHNA, FCOG determines the five-year housing growth needs by income category. Housing needs reflect the number of new units needed in a jurisdiction based on households which are expected to reside within the jurisdiction (future demand), plus an adequate supply of vacant housing to assure mobility and new units to replace losses.

Table 2 represents the RHNA allocations for Firebaugh as of 2000. Of the 398 units needed to meet regional goals, 48% are affordable units (moderate, low, and very low), while the remaining are unrestricted.

TABLE 2
REDEVELOPMENT AGENCY OF THE CITY OF FIREBAUGH
2000 - 2007 REGIONAL HOUSING NEEDS ASSESSMENT

Income Category	RHNA Units 2000-2007	Percent of Expenditures
Very-Low Income	112	28%
Low-Income	79	20%
Unrestricted/2	207	52%
Total Affordable	398	100%

1/ Based upon the Fresno Council of Government's Regional Housing Needs Assessment.

2/ May be expended on very low, low, and moderate income households.

Inventory of Existing Deed-Restricted Units

The Agency is obligated under Section 33490 of the Law to ensure that 15% of non-Agency developed units (and 30% of all Agency developed units) are affordable to very low, low and moderate income households, featuring covenants that extend to at least the duration of the Redevelopment Plan.

To satisfy the Agency's production needs, units that are either developed or substantially rehabilitated must be covered by restrictive covenants. Housing units created or assisted after 2001 must carry 45-year covenants for single family units and 55-year affordability covenants on multifamily units.¹ Units may be constructed inside or outside the Project Area, but units provided outside a project area count on a 2-for-1 basis. The Agency may also purchase 55-year affordability covenants on multifamily units.

TABLE 3
REDEVELOPMENT AGENCY OF THE CITY OF FIREBAUGH
LIST OF INCLUSIONARY HOUSING UNITS

Projects	Year Built	# Units Very Low		# Units Low and Mod		Total # of Units		Funding Assistance	Term of Affordability
PRIOR TO 1994 INCLUSIONARY UNITS									
		Total	Credited	Total	Credited	Total	Credited		
Hacienda Villa Apartments	1989	24	24	96	96	120	120	HUD	2004
Subtotal		24	24	96	96	120	120		
FIRST TEN YEAR INCLUSIONARY UNITS									
Valle De Paz		16	16	88	88	104	104	State Farmworker Housing Grant	
Zozoya Street		0	0	4	4	4	4	Low/Mod Housing Funds	
San Joaquin Vista Apartments	2000	48	48	0	0	48	48	USDA Grant	2015
Tract No. 4850 (Circa Del Rio)	2000	0	0	44	22	44	22	Low/Mod Housing Funds	
Tract No. 4851(Circa Del Rio)	2000	0	0	122	61	122	61	Low/Mod Housing Funds	
Subtotal		64	64	258	175	322	239		
TOTAL		88	88	354	271	442	359		

As required by Section 33490 of the Law, Table 3 above presents an inventory of the Agency's existing deed-restricted affordable units. The Agency has assisted with 442 units to date, however 166 of these units lie outside the project area and are credited on a 2 for 1 basis. The Agency's efforts have been credited with 359 affordable units. Of the 359 restricted units provided, 88 affordable units are have been credited for very low income and 271 have been reserved as low and moderate income units. As detailed and projected in Table 1, the Agency would be obligated to provide 120 affordable units over the remaining life of the Redevelopment Plan, 48 of which must be reserved for very-low income households. As the Agency has provided in excess of the required number of affordable units, the Agency now finds itself in a position of having a surplus in the total number of affordable housing units. As such, given the data provided in Tables 1 & 2 , the Agency has met and exceeded its inclusionary housing unit needs as currently calculated and projected for the future. While the Agency has exceeded their regional housing needs for moderate and low income housing, it still needs to provide 24 very low-income units to meet its RHNA goal of 112 units.

Replacement Housing Production Needs

The Law requires that whenever dwelling units housing low and moderate-income households are destroyed as part of an Agency project, the Agency is responsible for ensuring that an equivalent number of replacement units are constructed or substantially rehabilitated. These units must provide at least the same number of bedrooms destroyed, and 100% of the replacement units must be affordable to the same income categories (i.e.

¹ 45 years for ownership units or 55 years for rental units. Prior to January 1, 2002, affordability covenants could be as little as the duration of the redevelopment plan to count for meeting a redevelopment agency's affordable housing production requirements.

very low, low, and moderate) as those removed. The Agency receives a full credit for replacement units created inside or outside the Firebaugh Project Area.

According to Agency staff, no units have been destroyed by Agency activity, redevelopment projects or Agency-assisted projects. Additionally, no units are expected to be destroyed or removed as a part of an Agency project during the planning period.

Estimated Housing Program Resources

One of the Agency's primary sources of revenues for housing program implementation is the annual 20% housing set-aside deposits. The Law requires that not less than 20% of all tax increment revenue allocated to the Agency must be used to increase, improve, and preserve the community's supply of housing available, at affordable housing cost, to persons and families of very low, low-, and moderate-incomes.

Table 3 presents projected housing fund revenues that may be available for housing production activities over the planning period. The forecast of revenues is based on a conservative 2% growth rate in Firebaugh Project Area secured assessed values. Based on these projections, the Agency may have approximately \$5.7 million of revenue available for projects and programs over the ten year period.

Targeting of Housing Fund Expenditures

As set forth by Section 33333.4 of the Law, each agency shall expend, over the duration of the planning period (the Compliance Plan period), the moneys in the Housing Fund in proportion to the community need, both in terms of the income categories and the number of senior households assisted.

Over the next ten year planning period, the Agency plans on spending approximately \$1.24 million on projects and programs. Of this total, the Agency will spend \$340,065 on the purchase of affordability covenants. Also, through the assistance of various grants, the Agency will spend approximately \$600,000 on the First Time Homebuyer Program, \$150,000 on the Owner Occupied Rehabilitation Program, and \$150,000 on the Tenant Based Rental Assistance Program.

It should be noted that the Agency may near the limits of "excess surplus" over the term of this Compliance Plan. Excess surplus is defined as any unexpended and unencumbered amount that exceeds the greater of either \$1,000,000 or aggregate amount deposited into the Low and Moderate Income Housing Fund during the preceding four fiscal years.

If excess surplus exists, or is expected to exist, in its low and moderate income housing fund, the Agency will prepare an appropriate course of action to eliminate the excess in the following fiscal year. In effect, during the first year that the excess surplus exists, the Agency has one year to either expend, encumber, or transfer the funds to a local housing authority. If these events do not occur, the Agency has two more years (i.e., a total of three years) to either expend or encumber the funds, or else be assessed statutory penalties. By allocating additional moneys from the Housing Fund to new or existing housing programs, the Agency will be able avoid creating excess surplus.

TEN -YEAR AFFORDABLE HOUSING COMPLIANCE PLAN
REDEVELOPMENT AGENCY OF THE CITY OF FIREBAUGH

TABLE 3
REDEVELOPMENT AGENCY OF THE CITY OF FIREBAUGH LOW AND MODERATE INCOME HOUSING FUND EXPENDITURES

	Year 1 2004-05	Year 2 2005-06	Year 3 2006-07	Year 4 2007-08	Year 5 2008-09	Total 5-Year Period	Year 6 2009-10	Year 7 2010-11	Year 8 2011-12	Year 9 2012-13	Year 10 2013-14	Total 10 Year Period
Beginning Cash Balance	\$301,835	\$86,987	\$211,926	\$939,833	\$432,442		\$269,280	\$406,707	\$867,823	\$1,038,740	\$1,223,228	
Tax Increment Set Aside Revenue	\$121,423	\$123,851	\$126,328	\$128,855	\$131,432	\$631,890	\$134,061	\$136,742	\$139,477	\$139,477	\$142,266	\$1,323,913
Home Investment Partnership Program Grant	\$0	\$0	\$900,000	\$0	\$0	\$900,000	\$0	\$0	\$0	\$0	\$0	\$900,000
Interest Income, Loans & Misc.	\$3,794	\$1,087	\$1,579	\$11,748	\$5,406	\$23,614	\$3,366	\$5,084	\$10,848	\$12,984	\$15,290	\$71,186
TOTAL	\$125,217	\$124,939	\$1,027,908	\$140,603	\$136,838		\$137,427	\$141,826	\$150,325	\$152,461	\$157,557	\$2,295,099
TOTAL AVAILABLE FUNDS	\$427,052	\$211,926	\$1,239,833	\$1,080,436	\$569,280	\$3,528,528	\$406,707	\$548,533	\$1,018,148	\$1,191,201	\$1,380,785	
Debt Service and Administration												
Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Operations, Administration & Other Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
NET REVENUE AVAILABLE FOR PROJECTS	\$427,052	\$211,926	\$1,239,833	\$1,080,436	\$569,280	\$3,528,528	\$406,707	\$548,533	\$1,018,148	\$1,191,201	\$1,380,785	\$8,073,900
Projects & Programs Costs												
Purchase of Affordability Covenants	\$340,065	\$0	\$0	\$0	\$0	\$340,065	\$0	\$0	\$0	\$0	\$0	\$340,065
First Time Homebuyer Program	\$0	\$0	\$200,000	\$200,000	\$200,000	\$600,000	\$0	\$0	\$0	\$0	\$0	\$600,000
Owner Occupied Rehabilitation Program	\$0	\$0	\$50,000	\$50,000	\$50,000	\$150,000	\$0	\$0	\$0	\$0	\$0	\$150,000
Tenant Based Rental Assistance Program	\$0	\$0	\$50,000	\$50,000	\$50,000	\$150,000	\$0	\$0	\$0	\$0	\$0	\$150,000
Subtotal	\$340,065	\$0	\$300,000	\$300,000	\$300,000	\$1,240,065	\$0	\$0	\$0	\$0	\$0	\$1,240,065
TOTAL	\$340,065	\$0	\$300,000	\$300,000	\$300,000		\$0	\$0	\$0	\$0	\$0	
Ending Cash Balance	\$86,987	\$211,926	\$939,833	\$780,436	\$269,280		\$406,707	\$867,823	\$1,038,740	\$1,223,228	\$1,421,710	

Income Categories Assisted

Pursuant to Section 33334.4(a) of the Law, Housing Fund expenditures must be expended in proportion to the City's fair share of the Regional Housing Need Assessment (RHNA). The number of units in each income category in the City's RHNA figures may be adjusted for units not assisted by the Agency that feature 55 or 45-year covenants.

The current RHNA figures for the City cover the time period of 2000 through 2007, and indicate a need for 207 unrestricted income units, 79 low-income units, and 112 very low-income units. Based on these figures, the Agency's Housing Fund expenditures must be spread among the following categories: Unrestricted (moderate-income and higher) 52% Low-Income 20%, and Very Low- Income 28%. The \$1,323,913 of available Housing Fund revenue would need to be allocated based on these RHNA-based ratios, as summarized in Table 4 below.

TABLE 4
REDEVELOPMENT AGENCY OF THE CITY OF FIREBAUGH
2000 - 2007 ALLOWABLE RHNA EXPENDITURES BY INCOME

Income Category	RHNA Units 2000-2007	Percent of Expenditures	Allowable Expenditures
Very-Low Income	112	28%	\$372,558
Low-Income	79	20%	\$262,787
Unrestricted/2	207	52%	\$688,568
Total	398	100%	\$1,323,913

1/ Based upon the Fresno Council of Government's Regional Housing Needs Assessment.

2/ May be expended on very low, low, and moderate income households.

Family and Senior Housing

Section 33334.4(b) requires that Housing Fund expenditures for senior housing also be in proportion to the community's population of that age, according to the most recent Census. Accordingly, since 6.4% of the City's Census 2000 population was over the age of 65, not more than 6.4% of the Agency's available housing fund revenues (approximately \$84,730 of the \$1,323,913 projected for the planning period) may be expended on senior housing projects.

TABLE 5
REDEVELOPMENT AGENCY OF THE CITY OF FIREBAUGH
2000-2007 ALLOWABLE RHNA EXPENDITURES BY AGE

Age Group	Total Population	Allocation of Housing Set-Aside Funds	Allowable Expenditures
Under 65 Years of Age	5,376	93.6%	\$1,239,310
65 Years of Age or Older	367	6.4%	\$84,603
Total	5,743	100.0%	\$1,323,913

1/ Based upon 2000 Census.

Proposed Implementation Initiatives

To meet the housing production needs for the current planning period, the Agency anticipates undertaking affordable housing projects in order to meet long-term affordable housing needs for the Firebaugh Project Area and the community as a whole. These projects are described below.

Future Affordable Housing Projects

The Agency may, to the extent permitted by law and land use designation, inside or outside the Firebaugh Project Area, acquire land, sell or lease land, donate land, improve sites, price restrict units, construct or rehabilitate structures, or use any other method authorized by the Law, in order to provide housing for persons and families of low or moderate-income.

The Agency will continue its efforts to seek motivated property owners, developers and builders to partner and meet the affordable housing standards set for the Agency by California Community Redevelopment Law. Through its General Plan and CDBG Consolidated Plan, the City will explore programs and funding (in addition to tax increment set-aside funds) for citywide production of affordable housing. It is expected the Agency's affordable housing production requirements to build very-low, low and moderate income units will benefit from this action. The Agency is also exploring the potential of utilizing housing set aside funds to acquire severely substandard properties for the purpose of rehabilitation/ construction of housing for low and moderate income families.

Owner Occupied Rehabilitation Program

Through a grant received from the Home Investment Partnership Program, the Agency will conduct a single family rehabilitation programs geared towards repairs and renovations such as roofing, HVAC, electrical and plumbing deficiencies, etc. The program is available to qualified homeowners within the Firebaugh Project Area.

First-Time Homebuyer Program

The City of Firebaugh and the Agency will create an ongoing First-Time Homebuyer Program with CDBG, HOME and other identified sources (including a portion of the Redevelopment Agency's annual 20 percent set aside funds). This program will serve those households who are otherwise excluded from the market rate purchase of a home within the community (households earning less than 115% of the area median income). Buyers will be first-time homebuyers (not having owned a home for the previous three years). Financial participation in these programs will include assistance with down payment costs, closing costs and other secondary financing mechanisms.

Tenant Based Rental Assistance Program

The City of Firebaugh and the Agency will continue the Tenant Based Rental Assistance Program in conjunction with the Westlands Land Retirement and the neighboring community of Mendota. The Agency is looking to create a Security Deposit Program in addition to the Rental Assistance Program to assist families getting into the affordable housing they need.

Potential Sites for Future Production Housing

The City is presently undergoing a General Plan revision. As such, sites suitable for future production housing may be modified as part of this process. The Agency, during the update of the 2004-05 through 2008-09 Implementation Plan will include a discussion of those sites identified as suitable for future production housing within the revised General Plan.

Housing Element Consistency

As this Compliance Plan focuses on providing housing for low to moderate-income households, who are generally the most difficult segment of the community to provide housing for, it is clearly consistent with the General Plan Housing Element's goal to ensure that a variety of housing types including larger multifamily units, are constructed and rehabilitated throughout the City in all price ranges. Both this Compliance Plan and the Housing Element state that there is a definite need to ensure an adequate supply of housing for the lower income segments of the community.

A major focal point of the goals, policies, and objectives of the Housing Element is to provide housing for all economic segments of the City, especially lower income families. Because the major goal of this Compliance Plan is also to provide housing for these lower income households, and the proposed plans and programs for improving the supply of affordable housing in the Firebaugh Project Area presented in this Compliance Plan are similar to plans and policies of the Housing Element, there is clearly consistency between the Compliance Plan and the Housing Element.

Affordable Housing Costs

The affordability of housing is a major concern in all regions of California including Fresno County. Over the past five years, both Fresno County and the City of Firebaugh have experienced a rapid increase in housing costs in the rental area as well as for ownership products. The February 2006 median price for a new home in the City of Firebaugh was \$300,000.¹ In addition, a review of vacancy listings for rental properties listed on Apartments.com within the City and surrounding communities established that the average rate for a one-bedroom unit was approximately \$692, \$850 for a two-bedroom unit and \$920 for a three-bedroom apartment unit. Both the City and Agency will continue to make efforts to ensure that housing is available and affordable for all segments of the City's population.

¹ According to information found on www.yourfresnobroker.com

Affordable Housing Cost Limitations

Tables 6 and 7 provide information on the limits on income for households in Fresno County to qualify as low to moderate income households, as well as limitation on what constitutes affordable rent and affordable housing costs for ownership housing units.

TABLE 6 FRESNO COUNTY 2005 AFFORDABLE RENT LIMITS											
1 Person Household Median Income: \$34,350			2 Person Household Median Income: \$39,300			3 Person Household Median Income: \$44,200			4 Person Household Median Income: \$49,100		
Income Category	Annual Income ⁽¹⁾	Monthly Affordable Rent ⁽²⁾	Income Category	Annual Income	Monthly Affordable Rent	Income Category	Annual Income	Monthly Affordable Rent	Income Category	Annual Income	Monthly Affordable Rent
Very Low	\$17,200	\$429	Very Low	\$19,650	\$491	Very Low	\$22,100	\$553	Very Low	\$24,550	\$614
Low	\$27,500	\$515	Low	\$31,400	\$590	Low	\$35,350	\$663	Low	\$39,300	\$737
Moderate	\$41,250	\$945	Moderate	\$47,100	\$1,081	Moderate	\$53,000	\$1,216	Moderate	\$58,900	\$1,350

5 Person Household Median Income: \$53,050			6 Person Household Median Income: \$56,950			7 Person Household Median Income: \$60,900			8 Person Household Median Income: \$64,800		
Income Category	Annual Income	Monthly Affordable Rent	Income Category	Annual Income	Monthly Affordable Rent	Income Category	Annual Income	Monthly Affordable Rent	Income Category	Annual Income	Monthly Affordable Rent
Very Low	\$26,500	\$663	Very Low	\$28,500	\$712	Very Low	\$30,450	\$761	Very Low	\$32,400	\$810
Low	\$42,400	\$796	Low	\$45,550	\$854	Low	\$48,700	\$914	Low	\$51,850	\$972
Moderate	\$63,600	\$1,459	Moderate	\$68,300	\$1,566	Moderate	\$73,050	\$1,675	Moderate	\$77,750	\$1,782

TABLE 7 FRESNO COUNTY 2005 AFFORDABLE OWNERSHIP HOUSING LIMITS											
1 Person Household Median Income: \$34,350			2 Person Household Median Income: \$39,300			3 Person Household Median Income: \$44,200			4 Person Household Median Income: \$49,100		
Income Category	Annual Income ⁽¹⁾	Monthly Affordable Housing Cost ⁽²⁾	Income Category	Annual Income	Monthly Affordable Housing Costs	Income Category	Annual Income	Monthly Affordable Housing Costs	Income Category	Annual Income	Monthly Affordable Housing Costs
Very Low	\$17,200	\$429	Very Low	\$19,650	\$491	Very Low	\$22,100	\$553	Very Low	\$24,550	\$614
Low ⁽³⁾	\$27,500	\$601	Low	\$31,400	\$688	Low	\$35,350	\$774	Low	\$39,300	\$859
Moderate ⁽⁴⁾	\$41,250	\$1,102	Moderate	\$47,100	\$1,261	Moderate	\$53,000	\$1,418	Moderate	\$58,900	\$1,575

5 Person Household Median Income: \$53,050			6 Person Household Median Income: \$56,950			7 Person Household Median Income: \$60,900			8 Person Household Median Income: \$64,800		
Income Category	Annual Income	Monthly Affordable Housing Costs	Income Category	Annual Income	Monthly Affordable Housing Costs	Income Category	Annual Income	Monthly Affordable Housing Costs	Income Category	Annual Income	Monthly Affordable Housing Costs
Very Low	\$26,500	\$663	Very Low	\$28,500	\$712	Very Low	\$30,450	\$761	Very Low	\$32,400	\$810
Low	\$42,400	\$928	Low	\$45,550	\$997	Low	\$48,700	\$1,066	Low	\$51,850	\$1,134
Moderate	\$63,600	\$1,702	Moderate	\$68,300	\$1,827	Moderate	\$73,050	\$1,954	Moderate	\$77,750	\$2,079

Table 8 illustrates the gap in affordability in the hypothetical purchase of ownership units utilizing the Firebaugh median single family home cost for a family of four qualifying as very low and low income. As the table demonstrates, the gaps for all three income categories are substantial compared to the market value of a home, emphasizing the need for affordable housing in the community.

TABLE 8				
CITY OF FIREBAUGH AFFORDABILITY ANALYSIS				
AFFORDABLE FOR SALE HOUSING - 4 PERSON HOUSEHOLD				
		Very Low Income	Low Income	Moderate Income
% of County Median		50%	70%	110%
Annual Gross Incomes		\$24,550	\$39,300	\$58,900
% of Income to Housing		30%	30%	35%
Annual Housing Cost		\$7,365	\$11,790	\$20,615
Monthly Housing Cost		\$614	\$983	\$1,718
less: Property Tax	1.10%	(\$275)	(\$275)	(\$275)
Insurance	0.15%	(\$38)	(\$38)	(\$38)
Common Area		(\$75)	(\$75)	(\$75)
Utilities		(\$100)	(\$100)	(\$100)
Available for Mortgage		\$126	\$495	\$1,230
Qualified Mortgage	5.85%	\$21,400	\$83,907	\$208,566
Down Payment	5%	\$1,126	\$4,416	\$10,977
Total Affordable Home Price		\$22,527	\$88,323	\$219,543
Median Cost of New SFR in Firebaugh		\$300,000	\$300,000	\$300,000
Unfunded Gap		\$277,473	\$211,677	\$80,457

Table 9 illustrates the gap in what a family of four can afford for rent (pursuant to the Law) as compared to those categorized as very low, low and moderate income households. There is no gap for low and moderate income households; however for a very-low income household, there is a monthly gap of \$323.

TABLE 9 CITY OF FIREBAUGH AFFORDABILITY ANALYSIS AFFORDABLE RENTAL HOUSING - 3 PERSON HOUSEHOLD			
	Very Low Income	Low Income	Moderate Income
% of County Median	50%	60%	110%
Annual Gross Incomes	\$22,100	\$35,350	\$53,000
% of Income to Housing	30%	30%	30%
Annual Housing Cost	\$6,630	\$10,605	\$15,900
Monthly Housing Cost	\$553	\$884	\$1,325
less: Utilities	(\$75)	(\$75)	(\$75)
Available for Monthly Rent	\$478	\$809	\$1,250
Average Rent 2 BR Unit	\$800	\$800	\$800
Unfunded Gap	\$323	No Gap	No Gap

Administration of the Housing Compliance Plan

As detailed in the Introduction of this document, the Agency is required to produce an Implementation Plan every five years, an integral part of which is the Housing Compliance component. After adoption of the first implementation plan, a new plan is to be adopted every five years either in conjunction with the housing element cycle or the implementation plan cycle.

Implementation Plan Adoption Process

Each Implementation Plan must be presented and adopted at a duly notice public hearing of the Agency. Notice of the public hearing must be conducted pursuant to Section 33490 of the Law. The Notice must be published pursuant to Section 6063 of the Government Code, mailed at least three weeks in advance to all persons and agencies that have requested notice, and posted in at least four permanent places within the Project Area for a period of three weeks. Publication, mailing, and posting shall be completed not less than 10 days prior to the date set for hearing.

The Agency may amend the implementation plan, including the housing compliance component, at any time after conducting a public hearing on the proposed amendment.

Mid-Term Implementation Plan Review Process

At least once within the five-year term of this Implementation Plan, the Agency must conduct a public hearing and hear testimony of all interested parties for the purpose of reviewing the redevelopment plan and the corresponding implementation for each redevelopment project. This hearing must take place no earlier than two years and no later than three years after the adoption of the Implementation Plan.

**Attachment 8 - Memorandum of Understanding,
March 15, 2012**

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding ("MOU") is between the City of Firebaugh ("City") and the Firebaugh Redevelopment Agency ("Agency") and is subject to the following terms and conditions:

RECITALS

A. The Firebaugh Redevelopment Agency is desirous of retaining the services of the City in pursuing activities that will further eliminate blight and blighting influences in the City and further spur economic development, job creation and economic growth, all in conformity with the goals and policies of the Firebaugh Redevelopment Plan and 5-Year Implementation Plan of the Agency.

B. The Redevelopment Agency is in possession of cash deposits in the sum of \$1,630,000.00 ("Agency Funds") which it intends to use to acquire certain parcels of real estate, described herein, for the purpose of facilitating Agency policies and goals as described in Recital A.

C. The City is willing to contract with the Agency pursuant to the terms of this MOU, accept receipt of the Agency Funds and acquire real property, described herein, for the purposes and goals of the Agency described in Recital A.

D. The City also believes in and has pursued economic development and growth within the City for the welfare and benefit of its citizens and the community and carrying out the purposes and goals of the Agency, as described in Recital A, also carry out purposes and goals of the City, as established by the City Council, and thus this MOU will be of great public benefit the citizens of the City of Firebaugh.

NOW, THEREFORE, the parties hereto agree as follows:

1. Upon execution of this MOU, the Redevelopment Agency will transfer to the City the sum of \$1,630,000.00 of Agency Funds and hereby hires and employs the City to use said funds for the following purposes:

- a. To acquire property located at 1284 "N" Street ("Lorenzetti").
- b. To acquire property located at 1320 "N" Street ("Singh").
- c. To acquire property located at 1185 "N" Street ("Firebaugh LLC").
- d. To acquire property located at 1200 "N" Street ("Daliwahl").

2. In acquiring said properties, the City agrees to use said funds for the purpose of the costs of real estate acquisition, incidental escrow and closing costs, legal and other fees associated with the transactions, real estate brokerage commissions as necessary, and such other costs and fees which the City may incur to facilitate these acquisitions.

3. In acquiring the properties described in paragraph 1, the City shall use its best efforts to assemble said properties for the purpose of establishing one or more retail outlets located on "N" street in the City of Firebaugh, for the purpose of creating jobs, enhancing economic development, enhancing sales tax growth, and eliminating blighting influences that otherwise exist in this area of town.

4. The City is also authorized to use said funds for the purpose of relocating and establishing a business now located at 1200 "N" Street to a new location at 1185 "N" Street and to provide such financial and other assistance as the City determines is reasonably necessary, in the discretion and subject to the decisions of the Firebaugh City Council.

5. The City hereby agrees to accept the Agency funds and to expend the Agency funds in accordance with the foregoing provisions.

6. In carrying out its duties hereunder, the City shall use reasonable business judgment, as determined by the City Manager and City Council and subject to the guidance and advice on legal matters of the City Attorney and further subject to all covenants, rules and regulations to which the Agency agreed at the time the said funds were acquired.

7. The City shall provide periodic reports to the Agency about its progress in accomplishing the goals and objectives described herein at reasonable intervals, at least twice annually.

8. In the event the Redevelopment Agency is dissolved or otherwise ceases to exist by virtue of an act of the State legislature, it is the intent of the parties that the City's obligations shall continue in full force and effect thereafter and the City is hereby authorized to expend said funds for the purposes specified herein, or, if said purposes being impossible or infeasible to accomplish, for other similar or related purposes which, in the sole discretion of the City Council, shall be deemed to accomplish the goals of economic development, increased employment, elimination of blight and blighting influences within the areas which are now included in the project area of the Firebaugh Redevelopment Agency.

9. Notices. All notices required or permitted to be given under this Agreement shall be in writing and shall be personally delivered, or sent by telecopier or certified mail, postage prepaid and return receipt requested, addressed as follows:

To City:

City of Firebaugh
Attn: City Manager
1133 "P" Street
Firebaugh, California 93622
(559) 659-2043 (phone)
(559) 659-3412 (fax)

To Agency:

Firebaugh Redevelopment Agency
Attn: Executive Director
1133 "P" Street
Firebaugh, California 93622
(559) 659-2043 (phone)
(559) 659-3412 (fax)

Notice shall be deemed effective on the date personally delivered or transmitted by facsimile or, if mailed, three (3) days after deposit of the same in the custody of the United State Postal Service.

9. Modification of Agreement. No amendment to or modification of this Agreement shall be valid unless made in writing and approved by the City and by the Agency. The parties agree that this requirement for written modifications cannot be waived and that any attempted waiver shall be void.

10. Attorney's Fees, Costs and Expenses. In the event litigation or other proceeding is required to enforce or interpret any provision of this Agreement, the prevailing party in such litigation or other proceeding shall be entitled to any award of reasonable attorney=s fees, costs and expenses, in addition to any other relief to which it may be entitled.

11. Entire Agreement. This Agreement, including the attached Exhibit, is the entire, complete, final and exclusive expression of the parties with respect to the matters addressed therein and supersedes all other agreements or understandings, whether oral or written, or entered into between User and District prior to the execution of this Agreement. No statements, representations or other agreements, whether oral or written, made by any party which is not embodied herein shall be valid and binding. No amendment to this Agreement shall be valid and binding unless in writing duly executed by the parties or their authorized representatives.

IN WITNESS WHEREOF, the City and Agency have caused this instrument to be executed on their behalf by their respective officers thereunto duly authorized this 15th day of March, 2011.

CITY:

AGENCY:

City of Firebaugh

Firebaugh Redevelopment Agency

By, Tore 1 Ramirez

By, Tore 1 Ramirez