



# Board of Directors AGENDA

PLEASANT HILL RECREATION & PARK DISTRICT

147 Gregory Lane  
Pleasant Hill, CA 94523  
(925) 682-0896  
(925) 682-1633 fax  
pleasanthillrec.com

## MISSION STATEMENT

***In order to serve the diverse recreational needs of individuals and families and to enrich the quality of life for all residents, the Pleasant Hill Recreation & Park District is committed to providing park facilities, open space, and programs and activities for all ages.***

**ADMINISTRATION OFFICE  
CONFERENCE ROOM  
147 GREGORY LANE, PLEASANT HILL**

**Tuesday, April 19, 2016  
3:00 p.m.  
Regular Meeting**

Chair: Bobby Glover  
Member: Sandy Bonato

## Est. Time

1. Public Comment  
Five minutes may be allotted to each speaker and a maximum of twenty (20) minutes to each subject matter. The public may speak regarding agenda items at the time the matter is taken up. Non-agenda items can be addressed under Public Comment.
2. To Consider the Usage of Chilpancingo Park by Merlone Geier Partners (MGP)
3. Review of Appraisal of the School House
4. To Consider Options & Alternatives for the School House
5. Update on Gate at Dinosaur Hill Park

*Documents that are disclosable public records required to be made available under California Government Code Section 54957.5 (b) (1) and (2) are available to the public for inspection at no charge during business hours at our administrative office located at 147 Gregory Lane, Pleasant Hill, California.*

*The Pleasant Hill Recreation & Park District will provide reasonable disability-related modification or accommodations to a person who requires such in order to participate in the meeting of the Board of Directors. Please contact Susie Kubota (925) 682-0896 at least 48 hours before the meeting.*



## **MEMORANDUM**

TO: Land and Facility Development Committee

FROM: General Manager

DATE: April 15, 2016

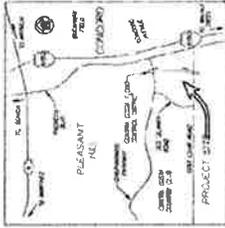
RE: April 19, 2016 Land and Facility Development Committee Meeting

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### **To Consider the Usage of Chilpancingo Park by Merlone Geier Partners (MGP)**

Following the last Land and Facility Development Committee meeting, I invited Merlone Geier Partners (MGP) to meet the Land and Facility Development Committee regarding the operations of Chilpancingo Park and the plans that MGP had for the site. I have requested materials prior to the Land and Facility Development Committee, however, they indicated to me that they will be presenting the materials at the presentation on April 19th. There is a map of the development site plan that you have seen before for the Diablo Valley Plaza that is included in your packet.

VICINITY MAP:



**SITE SUMMARY - SOUTH SITE**

LAND AREA:	±594,687 SF	8.83 AC
FUTURE PAD SITE AREA:	18,666 SF	0.38 AC
TOTAL LAND AREA:	(±401,803 SF)	9.21 AC

**EXISTING BUILDING AREA:**

SHOPS A:	18,164 SF
SHOPS B:	19,078 SF
SHOPS C:	3,128 SF
MAJOR 1:	2,807 SF
MAJOR 2.1:	11,827 SF
MAJOR 2.2:	10,372 SF
MAJOR 3:	10,628 SF
MAJOR 4:	25,885 SF
MAJOR 4:	11,185 SF
PROPOSED PAD 1:	1,360 SF

**TOTAL BUILDING AREA:** 90,514 SF

**BUILDING COVERAGE:** 10.83 %

**LANDSCAPING AREA:** 60,092 SF (10%)

**OPEN SPACE AREA:** 23,265 SF (3.7%)

**PAVING AREA:** 228,658 SF (37.7%)

**TOTAL PARKING PROVIDED:** 483 STALLS

**PARKING RATIO:** 5.11/1000

NOTES (LANDSCAPE)

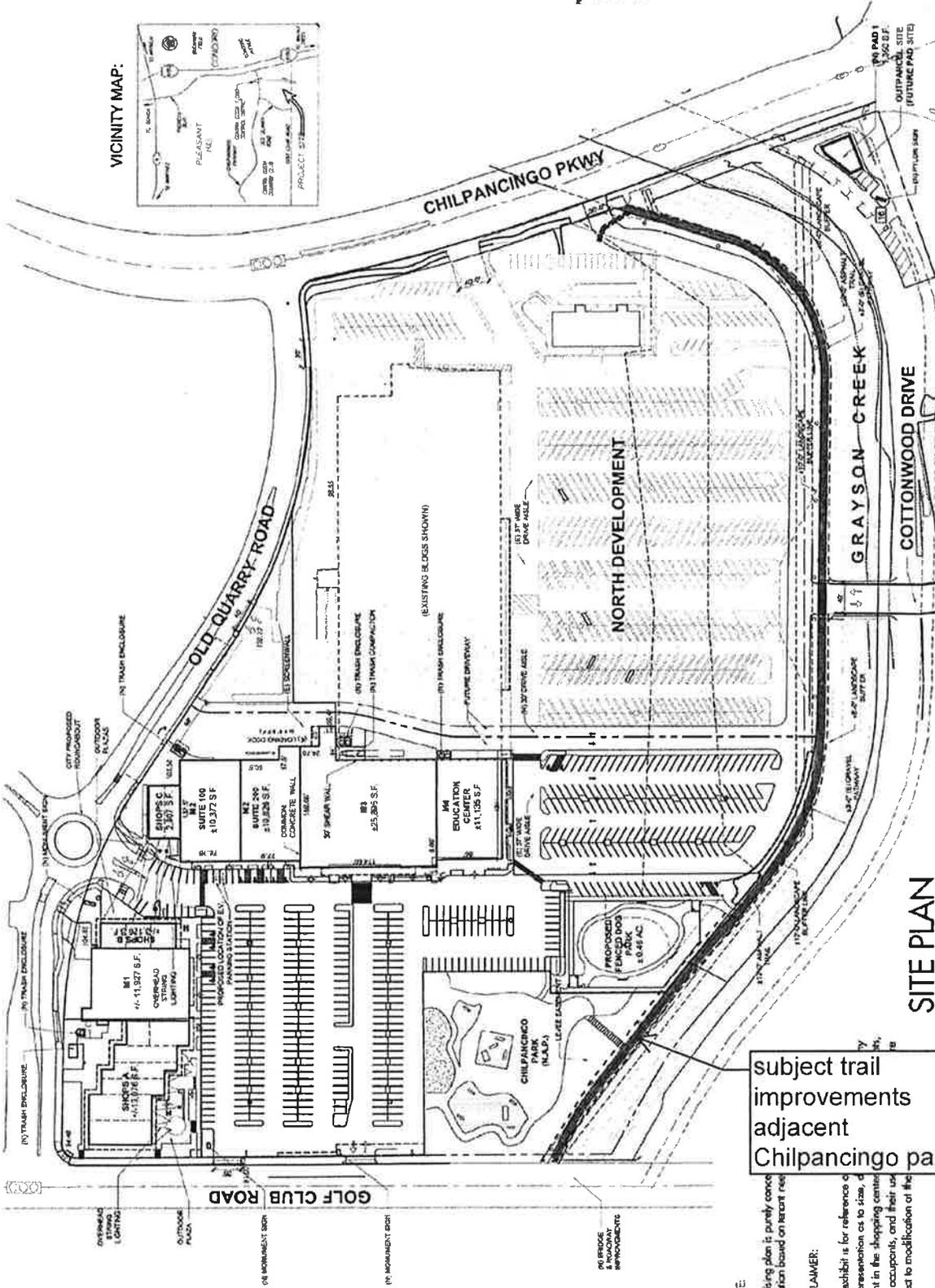
1. ALL TREES AND GROUND COVER AREAS WITH SLIPPED TAGS THAT 1.5" SHALL RECEIVE A 2" LAYER OF MULCH.
2. ALL TREES AND GROUND COVER AREAS TO BE REPLACED WITH NEW PLANTINGS.
3. APPROXIMATE LANDSCAPE AREA BEFORE RENOVATION: 60,000 SF.
4. APPROXIMATE LANDSCAPE AREA AFTER RENOVATION: 57,348 SF.

**SITE SUMMARY - NORTH SITE (FUTURE DEVELOPMENT)**

SITE AREA: ±433,343 S.F. (9.95 AC)

LEGEND:

- (E) PROPERTY LINE
- ART PIECES (LOCATION)



SITE PLAN

Leasing: Greg Coertsen  
 (415) 693-9052  
 gcoertsen@metromegastar.com  
 March 2015

DATE:	02/10/2015
REVISION:	02/10/2015
DATE:	02/10/2015
REVISION:	02/10/2015

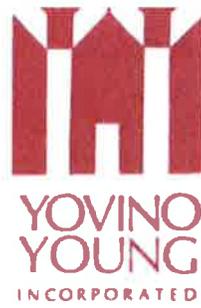
subject trail improvements adjacent Chilpancingo park

**NOTE:**  
 Demising plan is purely conceptual and subject to change without notification based on tenant needs.

**DISCLAIMER:**  
 This exhibit is for reference only and is not intended to be used as a construction document. Merlonne & Partners are not responsible for any errors or omissions in the drawings, and their use is subject to modification of the drawings.

**Merlonne & Partners**

**DIABLO VALLEY PLAZA**  
 NEC Golf Club Road & Old Quarry Road, Pleasant Hill, California



***APPRAISAL REPORT***

***Oak Park Boulevard  
Pleasant Hill, California  
March 24, 2016***

G. MICHAEL YOVINO YOUNG  
M.B.A., SRA., ASA, ISVA  
PRESIDENT



ALISON J. F. TEEMAN  
EUB  
VICE-PRESIDENT

YOVINO  
YOUNG  
INCORPORATED  
VALUATION  
CONSULTANTS

March 24, 2016

**Robert B. Berggren, General Manager**

Pleasant Hill Recreation and Parks District  
147 Gregory Lane  
Pleasant Hill, CA 94523

**APPRAISAL REPORT**

Re: Oak Park Boulevard  
(APN 166-142-003-2)  
Pleasant Hill, California

Our Reference No. 160184

**Dear Mr. Berggren:**

At your request and authorization, I have completed an appraisal of the above-referenced property, consisting of a vacant, level site fronting on Oak Park Boulevard, Pleasant Hill Road, and Wendell Lane. The total site area is estimated at ±1.87 acres. The site is comprised of one complete assessor's parcel under ownership of the Pleasant Hill Recreation and Parks Department (PHRPD). It is improved with a former school building in poor condition and one smaller assembly type structure.

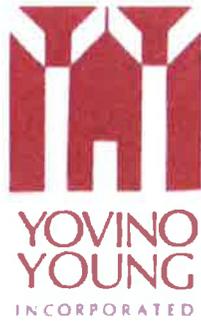
The purpose of the appraisal is to estimate the property's market value as of March 21, 2016, the date of inspection. The function and intended use of this report is to assist the PHRPD in evaluating the property for asset management purposes.

This appraisal is communicated in an Appraisal Report, as defined and regulated in Standard Rule 2-2 of the Uniform Standards of Professional Appraisal Practice (USPAP), effective January 1, 2016. It has been performed in accordance with standards and requirements of USPAP, and with the Code of Professional Ethics of the Appraisal Institute.

This appraisal is subject to two extraordinary assumptions: 1) that a sale of the site to an unrelated private party would be feasible, and that the buyer could obtain a General Plan amendment to change the property's land use designation to Medium Density Residential, consistent with the pattern of development of the surrounding neighborhoods; and,

**(Continued)**

Robert B. Berggren  
Re: Oak Park Boulevard



10/29/15  
Page Two

2) that the property is clear of existing structures, and not subject to hazardous contamination.

Based on this investigation and analysis, it is my opinion that the market value of a Fee Simple Interest in the property, subject to the Assumptions and Limiting Conditions contained in Section 4 of this report, as of March 21, 2016, in "as is" condition, is:

**ONE MILLION FIVE HUNDRED FORTY THOUSAND DOLLARS (\$1,540,000).**

Attached as Exhibit B is a statement of the professional qualifications of the appraiser.

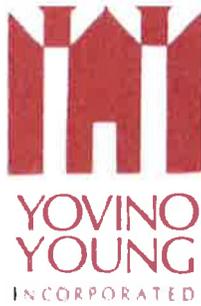
Thank you for providing us this opportunity to be of service. We will retain all relevant data and research material in file should you require further appraisal services concerning this property.

Very truly yours,  
YOVINO-YOUNG, INCORPORATED

A handwritten signature in black ink, appearing to read "Peter D. Overton", is written over a horizontal line.

Peter D. Overton, MAI  
Appraiser  
Certified General R.E. Appraiser,  
California State License No. AG002631

PO:po



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**ADDENDA**

    Exhibit A   Comparable Sales Data

    Exhibit B   Professional Qualifications of the Appraiser

**Subject Property**  
Oak Park Boulevard,  
Pleasant Hill, California

*Westerly looking overview of Subject Property*



*Looking south to north  
along easterly westerly  
side of property (Wendell  
Lane)*



*Looking west to east  
along south property  
boundary at Oak Park  
Boulevard*



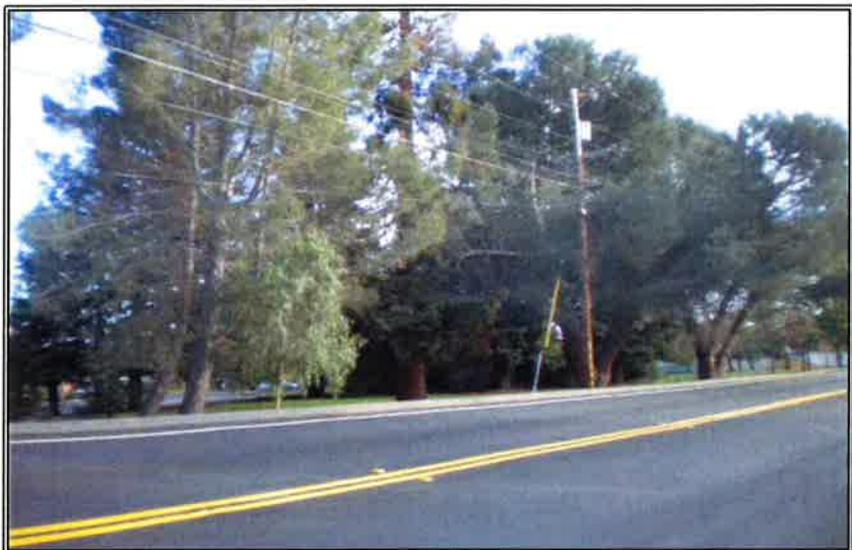
Yovino-Young Inc.  
Our Reference No 160184

**Subject Property**  
**Oak Park Boulevard,**  
**Pleasant Hill, California**

**Pleasant Hill road**  
**looking southwesterly**



**Looking easterly across**  
**subject property from**  
**Pleasant Hill Road**



**Existing (vacant) former**  
**school house**



**Yovino-Young Inc.**  
**Our Reference No 160184**

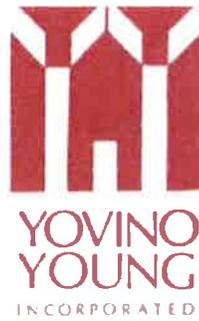
*Subject Property  
Oak Park Boulevard,  
Pleasant Hill, California*

*Accessory assembly  
building*



*Accessory assembly  
building Viewed from  
Wendell Lane*





1. SUMMARY OF IMPORTANT FACTS AND CONCLUSIONS

**Subject Property:** Oak Park Boulevard, Pleasant Hill, California. Assessor's Parcel 166-142-003-2. Total site area is ±1.87 acres.

**Zoning:** R-10; Single Family Residential, 10,000 square foot lots.

**General Plan:** Park

**Occupancy:** Month to month occupancy of smaller assembly structure by local chapter of VFW.

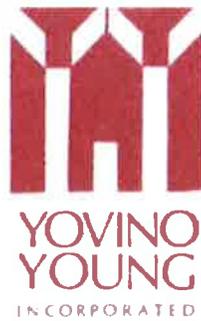
**Property History:** The property has been under the same ownership for approximately 30 years. It was originally improved with a school building which has been declared unsafe, and is not occupied.

**Highest and Best Use:** Change of General Plan Designation to Medium Density Residential, and development with up to seven single family homes.

**Marketing / Exposure Time:** Six to nine months

**Value Indications As Is:** Market Data Comparison: \$1,540.000

**Final Value Estimate:** (Assuming Site Cleared of Improvements)  
\$1,540.000



**2. SCOPE OF APPRAISAL ASSIGNMENT**

**Client(s):** Robert B. Berggren, General Manager  
Pleasant Hill Recreation and Parks District  
147 Gregory Lane  
Pleasant Hill, CA 94523

**Intended User(s):** Client

**Purpose:** Estimate the market value of the subject property.

**Intended Use:** Assist the PHRPD in evaluating the property for asset management purposes.

**Rights Appraised** Fee Simple

**Effective Date:** March 21, 2016

**Special Conditions:** This appraisal is subject to two extraordinary assumptions: 1) that a sale of the site to an unrelated private party would be feasible, and that the buyer could obtain a General Plan amendment to change the property's land use designation to Medium Density Residential, consistent with the pattern of development of the surrounding neighborhoods; and, 2) that the property is clear of existing structures, and not subject to hazardous contamination..

**Valuation Methodology:** Market Data Comparison Approach (applicable)  
Income Capitalization Approach (not applicable)  
  
Replacement Cost Approach (not applicable)

**Extent of Research & Analysis:** Physical inspection and verification of land areas, identification and analysis of applicable land use controls (zoning), analysis of market conditions relevant to the subject property, investigation into relevant market sales of competitive properties, qualitative analysis of competitive sales, leading to conclusions supporting an estimate of market value.

**Report Type:** Appraisal Report (USPAP 2.2)



3. IDENTIFICATION OF THE PROPERTY

The subject property is commonly known as Oak Park Boulevard, Pleasant Hill, Contra Costa County, California. It is comprised of one assessor's parcel (166-142-003-2). The diagram (annotated Assessor's plat) below indicates the size and shape of the subject parcel.

Legal Description: No legal description or preliminary title report was furnished to the appraisal

Owner of Record: Pleasant Hill Recreation and Park District





4. LIMITING CONDITIONS AND ASSUMPTIONS

A. General

This appraisal investigation and analysis is communicated in an Appraisal Report, as defined and regulated under Standard Rule 2-2 of the Uniform Standards of Professional Appraisal Practice (USPAP), effective January 1, 2016. Extensive background data, reasoning and analyses developed in the appraisal process for this assignment are not necessarily included in this summary report. Supporting documentation is retained in the appraisal files of Yovino-Young, Incorporated.

The information contained in this report is specific to the requirements of the named client and for the intended use stated in this report. The appraiser is not responsible for the unauthorized use of this reporting document by any third party unless prior consent is obtained.

The estimates of value and supporting conclusions presented in this appraisal represent our personal, unbiased and professional analysis of the valuation issues and objectives addressed in this assignment. These opinions and conclusions are subject to certain limiting conditions and assumptions as set forth in this section of the report.

Except as may be set forth as the specific purpose of this study, or, as special conditions stated elsewhere in this document, this appraisal is of an assumed marketable, Leased Fee interest to the property, free of debt obligations, liens, encumbrances, or any other restrictions affecting title, ownership or use of the property or properties in question. No representation is made or implied as to the actual conditions of title, ownership or encumbrances, or matters legal in nature.

Utility of the property is assumed to be restricted only by normal zoning, publicized governmental laws and governmental controls, and its use under responsible ownership and adequate management.

The appraiser does not survey the property. All statements describing parcel boundaries, dimensions, topography, utilities, and other descriptive physical information have been obtained from available official county maps and records or references as otherwise identified. The appraiser may recognize the need for and recommend the employment of other experts, but will not render an expert opinion which may require engineering expertise as to



structural conditions, soil composition, site stability or geotechnical characteristics of the property.

All statements of fact and data gathered from others for this appraisal are from sources deemed correct and reliable, and verified when possible to do so, but in no sense can they be guaranteed. Should disclosure subsequent to this appraisal indicate errors or omissions that may alter the conclusions and opinions expressed herein, the authors reserve the right to review the same and prepare an addendum setting forth the corrected facts and their effect, if any, on the original appraisal.

Under certain assumptions for special valuation problems, estimated values of limited interests and/or portions of a property need not, when combined, accurately state or coincide with the value of the property in its entirety.

**B. As Is Condition**

The property is appraised in its as is condition as of the date of valuation unless otherwise indicated elsewhere in this report, or specified under Special Conditions. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures, which would render it more or less valuable.

**C. Special Limitations: Only Properties With Public Access**

The Americans with Disabilities Act (ADA) became effective January 26, 1992. The appraisers signing this appraisal document have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the requirements of the ADA. The reader should be aware that if a compliance survey revealed non-compliance with one or more requirements of the Act, that a negative effect upon the value of the property might result. Unless otherwise stated in this document, we have no direct evidence relating to this issue and did not consider possible non-compliance with ADA in estimating the value of the property.



**D. Special Limitations: Possible Impairment By Hazardous Contamination**

Unless otherwise stated in this report, the existence of hazardous substances, including, without limitation, asbestos, polychlorinated biphenyls, petroleum products, urea formaldehyde, agricultural chemicals, or other adverse environmental conditions which may or may not be present on the property, were not identified to the appraiser, nor did the appraiser become aware of such conditions during the appraiser's inspection.

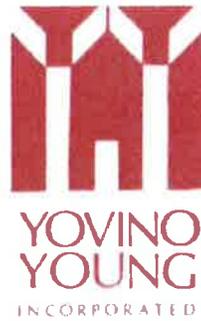
The appraiser has no knowledge of the existence of such materials on or in the property unless otherwise stated and is not qualified to test for such substances or conditions. The presence of such hazardous materials or environmental conditions might effect the value of the property. Therefore, the value estimate in this appraisal is predicated upon the assumption that there is no such adverse conditions on, in or under the property, or in such proximity thereto that it would cause a loss in value. No responsibility is assumed for any such conditions, nor for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in the field of environmental assessment on real estate, if subsequent investigation reveals their existence.

**E. Reservation of Authorship Rights**

All rights to this report are reserved, including the right to reproduce or to publish in whole or in part, it being understood that this report may be a portion of the services being rendered and the client may use the report incident to the specific purposes stated herein for the appraisal, without further conveyance to the public or unnamed third parties of the value conclusion, identity or the professional designations of the author unless prior written consent is obtained.

**F. Confidentiality Statement**

Appraisers who are signatories to this report and certification statement are dedicated to upholding the confidentiality of the appraiser-client relationship regarding the disclosure of personal, financial or other information provided the appraiser that has been identified by the client as confidential under the definitions provided in the Ethics Rule of the Uniform



Standards of Professional Appraisal Practice, and/or identified in the Gramm-Leach-Bliley Act of 1999.

**G. Limitations on Obligation to Perform Services**

Submission of this appraisal constitutes full completion of the requested service and does not obligate the author to any subsequent consultation, services prerequisite to a legal action, or testimony in a deposition or trial, unless specific arrangements are made prior to the rendering of such services.

**H. Special Conditions**

This appraisal is subject to an extraordinary assumption that a sale of the site to an unrelated private party would be feasible, and that the buyer could obtain a General Plan amendment to change the property's land use designation to Medium Density Residential, consistent with the pattern of development of the surrounding neighborhoods.

Further, the appraisal assume that the property is not subject to hazardous contamination and is cleared of all improvements.



5. DEFINITION OF MARKET VALUE

Market Value means 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 each acting in what he or she considers his or her own best interest;
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 compared thereto;
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.

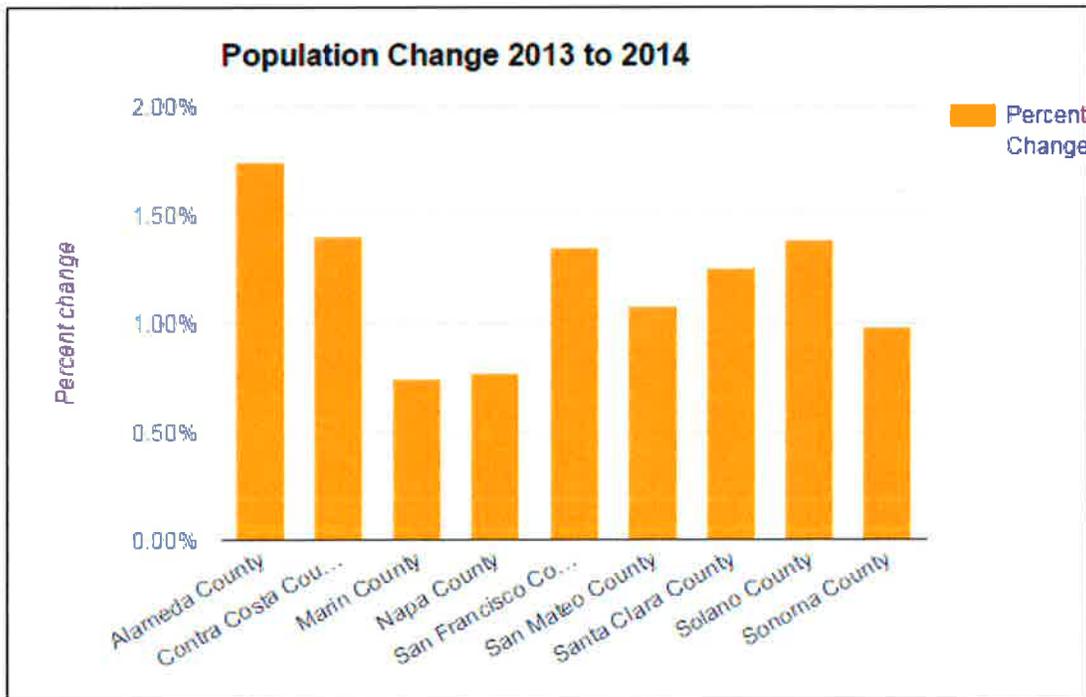
Source: (12 F.C.R. Part 34.42(g) 55 Federal Register 34696. August 24, 1990, as amended 57 Federal Register, April 9, 1992, Federal Register 39499, June 7, 1994. This source for the above definition is cited in the Dictionary of Real Estate Appraisal, Fifth Edition, The Appraisal Institute, page 123.

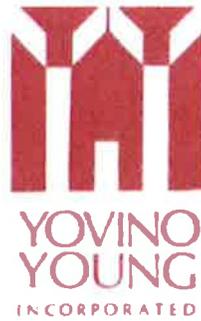


**6. DESCRIPTIVE DATA**

**A. San Francisco Bay Region**

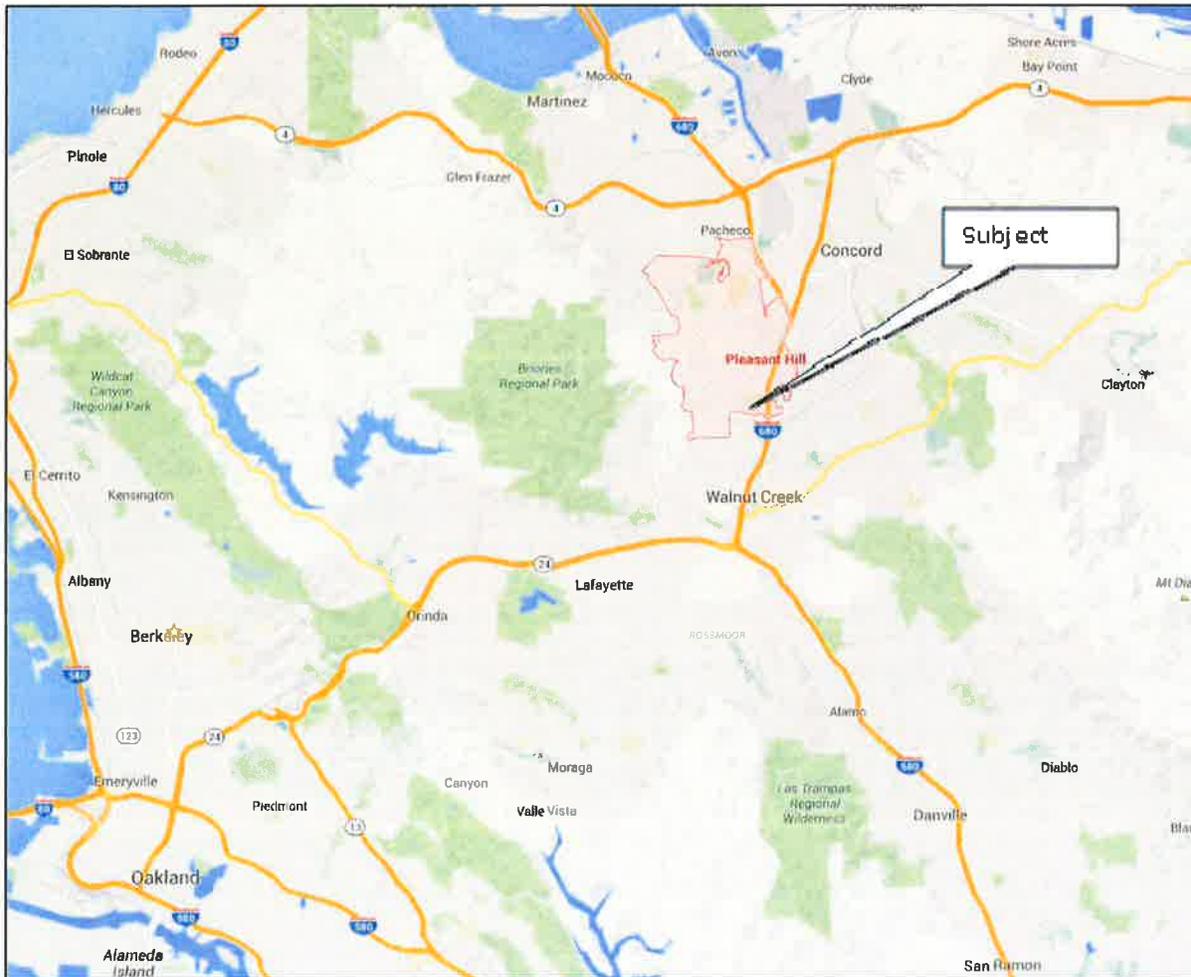
The San Francisco Bay region consists of nine counties which surround San Francisco and San Pablo Bays. Its highly diversified physical features and mild climate allow for a wide range of industry and lifestyles and contribute to a desirable living environment. Economically, the region is similarly varied, although there has been a marked shift from manufacturing to service industries, principally high-tech related, over the last few decades. This diverse economic base has proved itself relatively resilient during recessionary periods, most recently experienced in 2008-2011. Governmental regulation of land use is enacted at the municipal and county levels, although there is a well-established research and advisory body, the Association of Bay Area Governments (ABAG), which has been in existence since 1961. The population of the region as of 1995 was over 6,400,000, and having grown at a compounded annual rate of  $\pm 1.4\%$  since 1980. The current (2010) population of the region is 7,150,739, reflecting a lower compounded rate of growth over the last ten years of  $\pm 0.53\%$ , however, the recent years of economic growth following the recession have resulted in marked increase in population increase as shown in the table below:

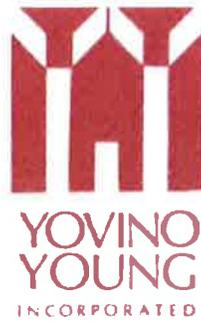




**B. Alameda and Contra Costa Counties**

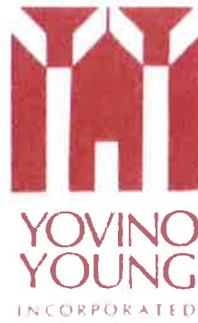
The immediate sub-regional context for the subject property is the East Bay which includes Alameda and Contra Costa Counties, although the location of the subject property is well within the daily commute sphere of San Francisco, the central economic locus of the Bay region. The East Bay counties encompass intensively developed inner urban areas immediately adjoining San Francisco Bay, and bordered on the east by low-lying hills paralleling the shoreline from Richmond to Fremont. The East Bay is developed with an extensive freeway network, rail services, Oakland International Airport, and is well served by the Bay Area Rapid Transit District (BART) and regional bus services. Along with the University of California campus at Berkeley, there are several other colleges and universities in the East Bay and numerous cultural recreational resources. The total population of these two counties as of 2010 was ±2,559,296 with Alameda County accounting for ±1,510,271, with Oakland the largest city and the county seat.





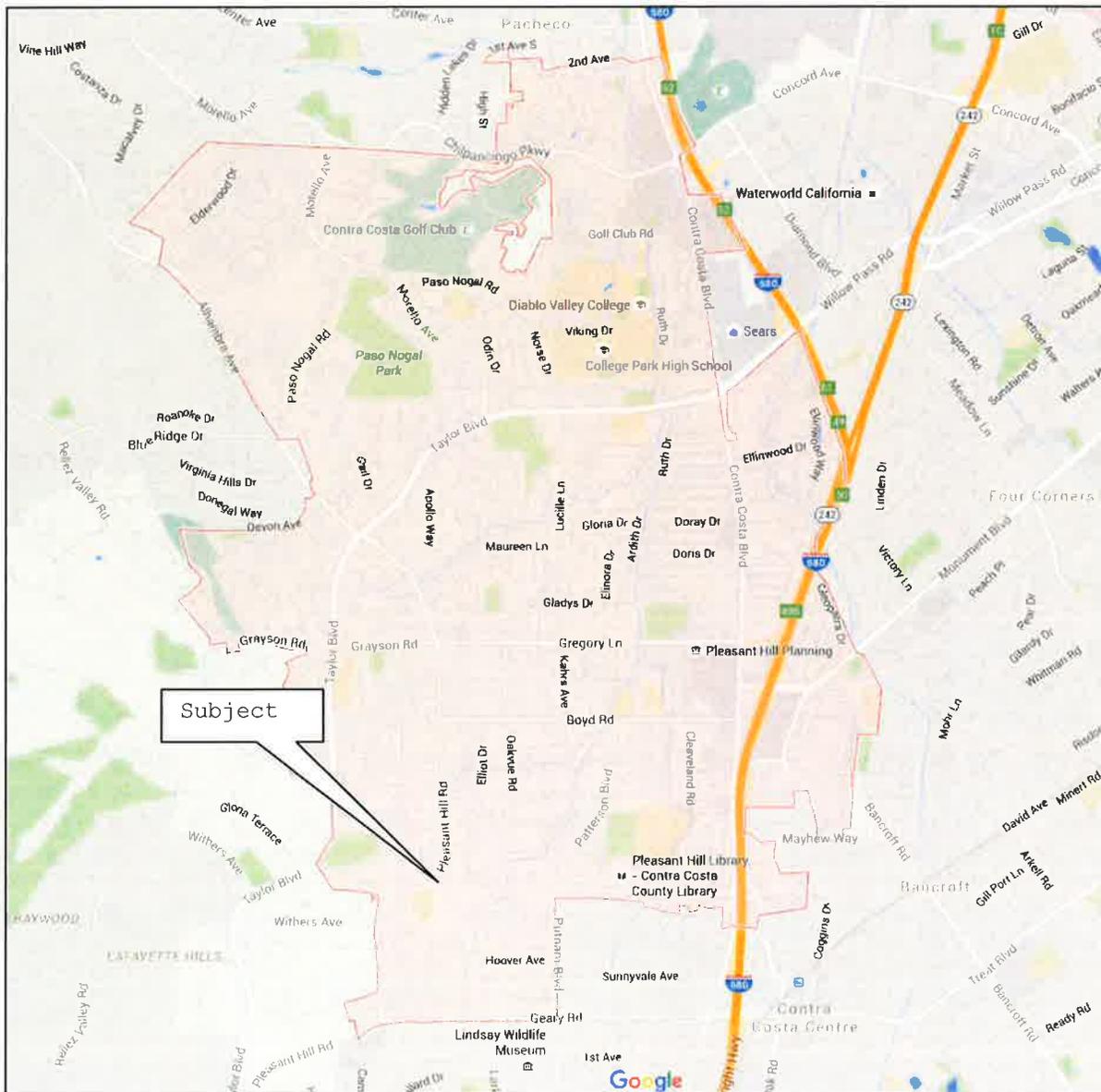
In central Contra Costa County, where the subject property is located, the sub-regional business hub is the City of Walnut Creek, which includes the largest concentration of office space, public transportation and freeway networks, and the best quality retail district.

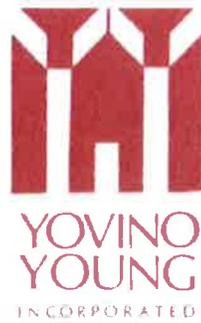
The subject is four miles north in Pleasant Hill, which does not have a significant office district but has a number of retail shopping centers. The median household income in Pleasant Hill is very similar to that of Walnut Creek.



**C. City of Pleasant Hill**

The City of Pleasant Hill encompasses approximately 7.1 square miles of land area. Pleasant Hill is bordered on the west by Briones Regional Park, on the south by Walnut Creek, on the east by Concord, and on the north by Martinez. The population in 2010 was 33,152.





The City of Pleasant Hill is provided with transit service by the Contra Costa Transit Authority (CCTA), and Bay Area Rapid Transit (BART), which benefits the City on a local and regional level by providing the community with a reliable transit alternative to key employment, retail and leisure centers within the San Francisco Bay Region.

The focal point of downtown Pleasant Hill is the Crescent Plaza Shopping Center and adjacent City hall, which encompasses ±23 acres, and features a multi-screen cinema and numerous restaurants. Pleasant Hill has historically been primarily a bedroom community for San Francisco and Oakland. The city is also home to Diablo Valley College.

Below are the most recent census data figures for Pleasant Hill and its larger geographical context.

Item	Pleasant Hill	Contra Costa County	Bay Region	California
Population	121,780	1,016,300	6,783,760	33,871,648
Mean HH Income	\$55,597	\$61,071	\$65,268	\$47,493
Median Age	35.10	36.40	29.40	33.30
Average HH Size	2.74	2.72	2.69	2.87
Mean Travel Time/Work	31.9	34.4	27.3	27.7
% Owner Occupied Housing	62.00%	70.60%	57.70%	56.90%
% Population Bachelor Degree	18.70%	22.80%	23.20%	17.10%

Source: Association of Bay Area Governments, US Census 2000.

D. Subject Property Location

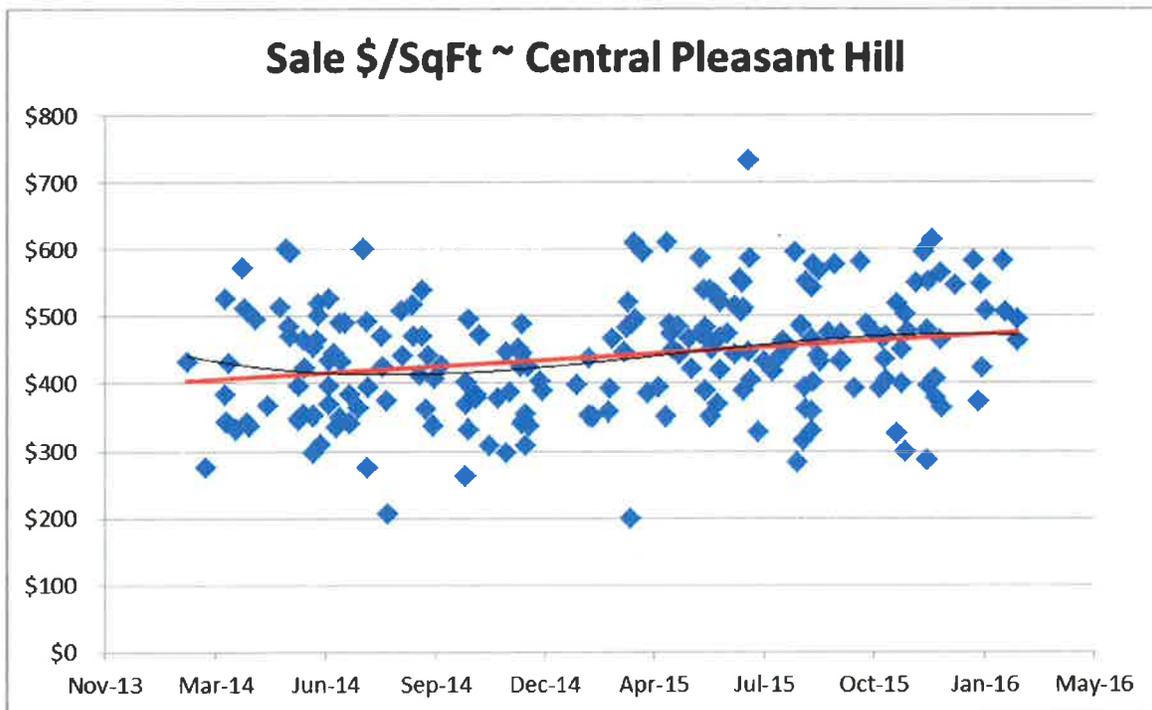
The property is located in the southwesterly quadrant of Pleasant Hill (as shown on the previous map) in an area predominantly developed with single family residences. It is located at the confluence of two local traffic arteries, Pleasant Hill Road (turns east to north at the subject) and Oak Park Boulevard. Pleasant Hill Road connects to Hwy 24 to the south in Lafayette. Oak Park Boulevard connects to central Pleasant Hill south of the downtown.

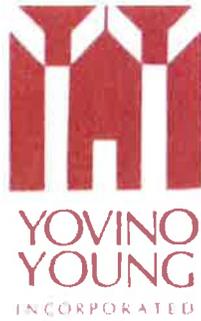
**Overview Of Subject Neighborhood Looking Northerly**





Across Oak Park Bouevard is a public elementary school and a private religoius church/school facility. Local shopping is about ½ mile east along Oak Park Boulevard. The median sale price for homes within ½ mile of the subject, over the last 12 months is approximately \$720,000. Prices for single family residences in this part of Pleasant Hill have been stable, and increasing at a rate of approximately 1% per month over the last two years. Most homes were built in the 1940's and 1950's. The mean and median home prices in the area are close, indicating and balanced housing stock, relatively uniform in terms of age and quality.



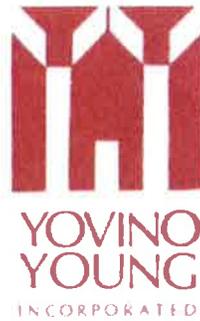


**E. Subject Site & Zoning**

The subject site has a triangular configuration and fronts on Pleasant Hill road for approximately 415 feet, on Wendell lane for ±575 feet, and along Oak Park Boulevard for ±410 feet. The appraisers were not provided with a legal description of the property and have relied on public records data and published maps. Oak Park Boulevard and Pleasant Hill Road intersect with each other at a three-way stop on the westerly side of the property. Wendell Lane, to the east, dead ends at the northerly gore point of the property's triangular shape, and does not connect with Pleasant Hill Road. Access to the site is via driveway aprons off Oak Park Boulevard and Wendell Lane. There is no access off Pleasant Hill Road.

The site is landscaped with mature trees and lawn at the northerly end. In the widest part of the site (at the south) is a ±6,000  $\square$  former school house. It has been used over the years for a variety of public purposes, but is currently in poor condition, and deemed not feasible to repair.

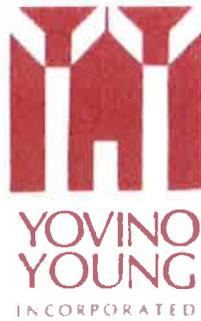




The appraisers were not furnished with any reports regarding the property improvements or site conditions. PHRPD officials stated that structural and other required repairs to the former school building were estimated 5-10 years ago to exceed \$1,000,000, and the decision was taken to close the facility as the repairs were deemed not financially feasible. This appraisal also assumes the site to be cleared of all improvements, and not subject to hazardous contamination. We noted no evidence thereof upon a site inspection, but reserve the right to alter any of our conclusions upon review of any reports by qualified experts on these subjects.

The property is zoned R-10; Single Family Residential, 10,000 square foot lots. This zoning is typical for the area. The General Plan Designation for most of the surrounding neighborhoods is Medium Density Residential, which is consistent with the R-10 zoning. However, the subject has historically been under public occupancy and use, and its General Plan designation is Park. As noted previously, the appraisal assumes a sale to an unrelated private party who could obtain a general plan amendment to permit housing development consistent with the prevalent R-10 zoning.

The functionality of the site, for an alternative use such as single family residential development, is impacted by its long triangular configuration. The total areas of ±81,457  $\square$  could theoretically accommodate 10 home sites, but the shape of the parcel almost certainly would preclude such a density without a variance. For purposes of the appraisal, a maximum of seven lots is deemed the most probable outcome of a development process aimed at a subdivision of the property.

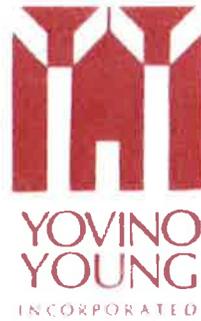


**F. Improvements**

As noted the property is improved with two structures, both of which are assumed to be cleared from the site as special condition of the appraisal. In addition to the structures, there are extensive asphalt paved parking areas in the south central part of the parcel and along the Wendell Lane frontage.

**G. Occupancy and Use**

The property is currently vacant and un-occupied, except for the smaller assembly structure which is used by a local VFW chapter. It is rented on a month to month basis for occasional use.



## 7. HIGHEST AND BEST USE

In standard appraisal methodology, highest and best use is usually defined as:

"The use, from among the reasonably probable and legal alternative uses, found to be physically possible, appropriately supported, financially feasible and that results in the highest present land value."<sup>2</sup> The highest and best use of the property is analyzed from two perspectives: A) as vacant; and, B) as improved. Further, four criteria are applied in the analysis: 1) Physically Possible; 2) Legally Permissible; 3) Financially Feasible; 4) Maximally Productive.

The property's physical characteristics would support a wide variety of improvement types, and was previously occupied as a public school facility. There is adequate access to a public street, and the level topography presents no challenges to development.

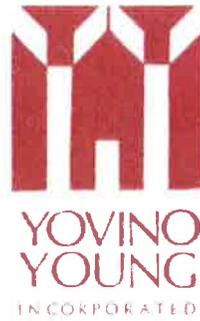
The property is zoned R-10, as is most of the surrounding area. However, the historic public use of the subject has resulted in a General Plan Designation of Park. I have concluded that the history of the property as an under-utilized asset suggests that a General Plan Amendment to designate the property as Medium Density Residential would likely be approved. Based on this assumption, the highest and best use of the property would be redevelopment of the property with up to seven home sites for new residences.

It is not known what the costs of demolition would be to clear the site of improvements. It is likely to be far less than the estimated costs to repair the structure. However, no Environmental Site Assessment has been reviewed indicating whether conditions on the property would result in higher than expected demolition and site clearance costs. In any case, for purposes of the appraisal, the property is assumed to be cleared of all improvements.

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<sup>2</sup>

The Appraisal of Real Estate, P.275, 10th Ed., Appraisal Institute



## 8. MARKET DATA COMPARISON APPROACH

### A. Market Conditions

The local market for vacant land, commercial and multi-unit residential projects, is currently very strong, due to the perceived opportunities in a rising market and the chronic under-supply of housing. The constrained supply, coupled with the strong job market and economic performance in the region has led to double digit growth rates in rents in San Francisco and the inner East Bay markets. The rent growth has not translated into increased numbers of buyers of condo units or single family residences, as pricing in these markets has kept pace with rents due to constrained supply. Also the sources of housing demand have shifted in emphasis to younger workers who prefer denser urban environments and there is greater competition for available living units. All of the housing market dynamics are driven by the unprecedented employment growth in the region's tech sector.

It is not clear at this time if the market cycle has peaked, or will continue in its growth phase for one or two more years. Hence, it is not unusual for developers to seek opportunities with even great urgency in order to complete the development cycle before there is another broad economic downturn, or a change in the market cycle.

At UC Berkeley's Fisher Center Conference May 19, 2015, Dr. Ken Rosen reported on the generally positive economic conditions in the nation and particularly in the Bay Area. The region is "growing faster than China" said Rosen. Almost all economic and real estate metrics have now surpassed the peak of the previous bubble, and everyone is wondering how long this can go on. New construction, rents, sale prices, employment growth are continuing to increase. Secondary markets in the region are all showing positive signs. Per Rosen (and others) it seems that this will go on through 2017, assuming the Fed will gradually raise rates, and there is no catastrophe on the national or world stage.

Rosen was also quoted in the San Francisco Business Times: "Construction costs are skyrocketing," Kenneth Rosen, a University of California, Berkeley emeritus professor and noted real estate consultant, said in a presentation to brokers and developers earlier this month. "Some people in the audience are laughing at me and say, 'Yeah, we wish it was 5 percent.' Some people tell me it's a 15 to 20 percent annualized increase – big, big numbers."



Recent spiking of rental rates in San Francisco has led to strong growth in residential and commercial rents in the East Bay, extending into suburban centers along I-680 such as LaMorinda, Walnut Creek-Pleasant Hill-Concord, and the Tri-Valley.

**B. Market Study**

The subject exists in a competitive market context of vacant sites available for new or re-development. The accompanying tables provide a summary of the market transactions deemed instructive in this valuation. The primary indices extracted from the data are price per square foot (\$/sf) and price per unit (\$/unit). Data sources included Costar, MetroScan, the Loopnet, and local brokers and developers. The geographical parameters of the market study included north central Contra Costa County.

The accompanying spreadsheet, map and photos (and detailed exhibits in the addenda) illustrate the nature of the comparable sale properties.

**Sale One; 5031 Alhambra Valley Road** is ±1.42 acre, level corner site on which there is a pending sale scheduled to close on 4/1/16. There were four offers including several from developers. The buyer, who offered a discounted cash price, intends to build a single residence. The property is large enough to be subdivided into three lots under the R-20 zoning. Median home pricing in this area for the last year was ±\$720,000. The lower density warrants and downward adjustment in price per unit. This area is in a semi-rural unincorporated area which is being gradually developed with new, large, custom homes.

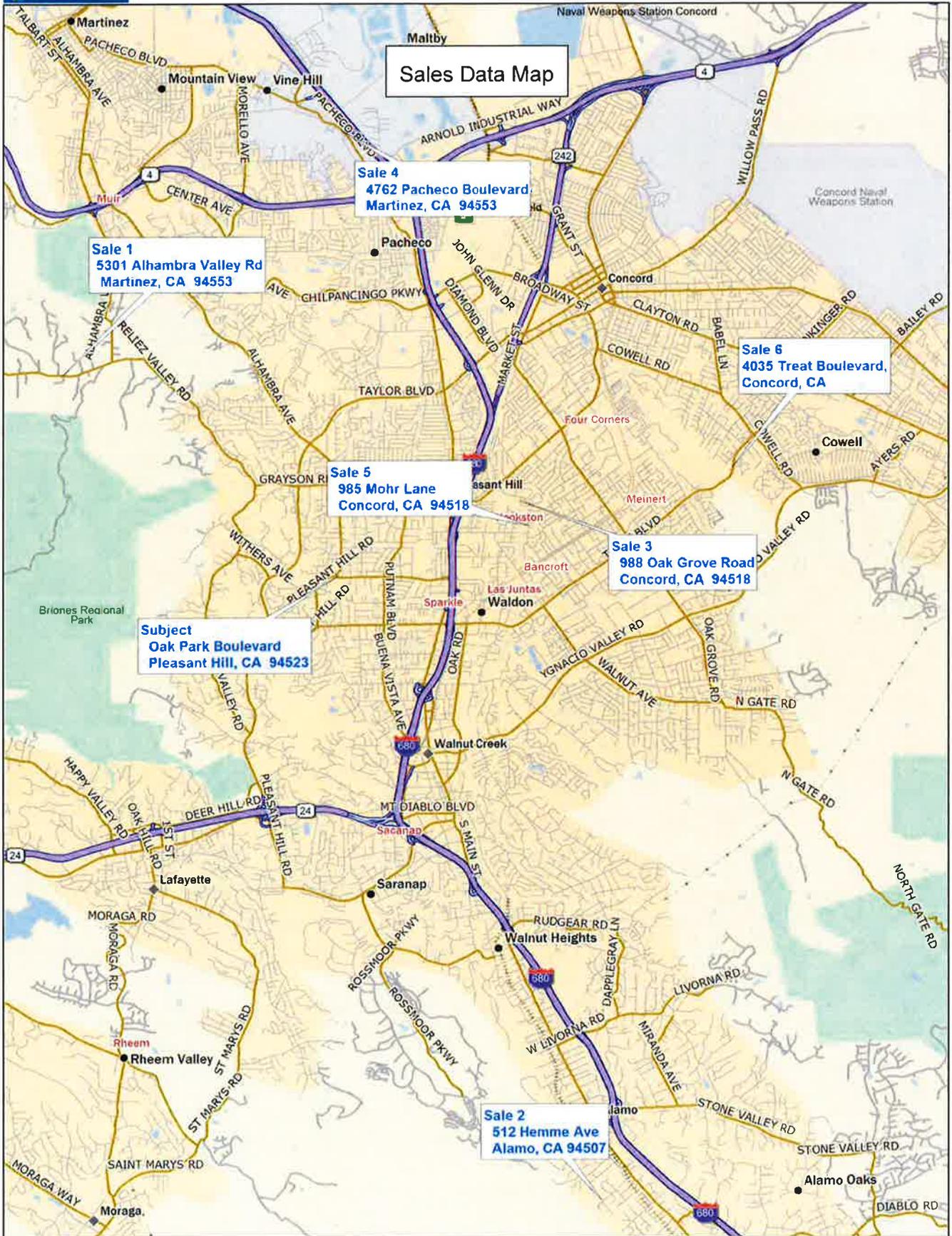
**Sale Two; 512 Hemme Ave, Alamo,** is former church retreat center located on a 5.70 acre site which is improved with a ±7,833 two story assembly/residential structure. The property has been subdivided into four parcels with the largest parcel inclusive of the building, which is slated for extensive remodeling into a single residence. In this analysis, the allocated value of the structure is deducted from the price to indicate a bulk land value and price per lot. The location in Alamo is superior to the subject's setting. The median sale price in this market area is ±\$1,350,000

**Sale Three; 988 Oak Grove Road, Concord** is a 2.48 acre site improved with a religious facility. This offering stimulated offers from developers and other church groups, and the buyer intends to develop 22 single family



residences on the property. The property sold with no entitlements in place. The location is along Oak Grove Road, a major four-lane local thoroughfare which connects this residential area with the Monument Boulevard Commercial Corridor located less than one mile north. This residential district has shown median pricing in the last year of \$521,000. It is generally comparable, though somewhat inferior to the subject's location in Pleasant Hill.

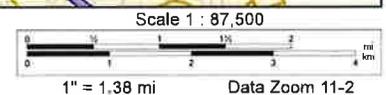
<b>Market Data Summary</b>						
	<b>Property Address</b>	<b>Sale Price</b>	<b>Status</b>	<b>Acres</b>	<b>Buyer</b>	<b>Zoning</b>
	<b>APN</b>	<b>Sale Date</b>	<b>Doc.No.</b>	<b>\$/SF</b>	<b>Seller</b>	<b>Shape</b>
1	<b>5031 Alhambra Valley Rd, Martinez</b>	\$600,000	Pending	1.60	n/a	R-20
	366-090-002	4/1/2016	n/a	\$8.61	Susan Peal	Irregular
	<i>Pending sale of property scheduled to close on 4/1/16. Location at corner of Alhambra Valley Road and private road aka Corte de la Canada. Neighborhood in unincorporated semi-rural area west of Martinez with developments of frontage properties with custom homes.</i>					
2	<b>512 Hemme Ave, Alamo</b>	\$2,850,000	Sold	5.70	Cynthia Erb & Assoc.	R-20
	198-100-003	9/30/2015	203328	\$11.48	Presbytery of San	Irregular
	<i>Former church retreat facility sub divided into four lots with existing structure on one lot.</i>					
3	<b>988 Oak Grove Road, Concord</b>	\$2,300,000	Sold	2.48	Oak Grove 998 LP	RS-7
	129-210-015	10/21/2014	181701	\$21.29	Lutheran Soc. Serv.	Rectangular
	<i>Improved religious facility purchased by prospective developer who plans up to 22 single family homes. Site purchased without entitlements.</i>					
4	<b>4762 Pacheco Boulevard, Martinez</b>	\$1,475,000	Sold	2.47	Habitat for Humanity East Bay	R7-12
	161-570-001 to 021	11/19/2013	272562	\$13.71	First National Bank of Northern CA	Rectangular
	<i>Entitled 20 unit development site with some utilities and off-site improvements completed. Location in redeveloping mixed industrial and service commercial setting.</i>					
5	<b>985 Mohr Lane, Concord</b>	\$1,499,888	Listed	1.95	n/a	RS-7
	147-291-004-06	9/1/2015	n/a	\$17.66	Gracey	Irregular
	<i>Property has potential for 8 lot subdivision including existing single residence on one lot.</i>					
6	<b>4035 Treat Boulevard, Concord</b>	\$1,250,000	Sold	1.58	Nesar A Abdiani	R-12
	130-210-041	8/24/2015	175741	\$18.20	Valley Masonic Bldg	Irregular
	<i>Purchase of site improved with fraternal hall which will be demolished to make way for a new church.</i>					
S.	<b>2250 Oak Park Blvd, Pleasant Hill</b>	n/a		1.87	N/a	R-10
	Subject 166-142-003-2	3/15/2016	n/a	N/a	Pleasant Hill Rec & Park	Irregular



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**Sale Four; 4762 Pacheco Boulevard, Martinez** is 2.47 acre site entitled for development of 20 single family residences. It was an REO purchased by Habitat For Humanity from First National Bank of California. I conclude that the date of sale in 2013 suggests that the sale price was discounted under these circumstances. The asking price was  $\pm 19\%$  above the sale price. This subdivision had been graded and had utilities stubbed to the sites. Sales of single family homes within  $\frac{1}{2}$  mile of this site over the last 12 months show a median value of  $\pm \$490,000$ . This vicinity has several new subdivisions constructed in the last five years, which are part of land use intensification in parts of Martinez which formerly featured low density industrial and service commercial uses. Overall, this location is considered inferior to the subject's setting.

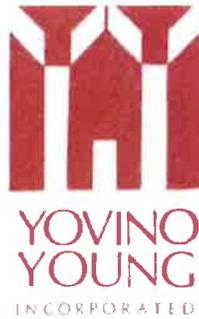
**Sale Five; 985 Mohr Lane, Concord** is a  $\pm 1.95$  acre site located just north of Walnut Creek, and south of the Monument Boulevard Commercial Corridor. It is currently listed for sale, and described as a potential 8-lot subdivision inclusive of an existing single family residence located on site. The residence is of average quality and condition. The median home sale price within  $\frac{1}{2}$  mile over the last year is  $\pm \$590,000$ . The location is 100% residential in character. This location is inferior to the subject. The listing agent is in negotiations with several parties wishing to purchase the site and expects to open an escrow soon.

**Sale Six; 4035 Treat Boulevard, Concord** is a  $\pm 1.57$  acre non-corner site improved with an older fraternal hall and on-site parking. The property zoned R-12, and could be developed into 5 single family residences, but was purchased by a local church congregation for redevelopment with a new facility. The median price of single family residences within  $\frac{1}{2}$  mile of this property over the last year is  $\pm \$600,000$ . The property is in a primarily residential setting just east of the Lime Ridge Open Space area. This location is overall inferior to the subject setting.

The sales were analyzed, and the data adjusted, to reflect significant differences with the subject property:

#### Financing and Conditions of Sale

These factors indicated an adjustments for Sales One (for seller motivation), Sale Two (for existing improvements), Sale Four for (REO Status), and Sale Five due to its status as an active listing.



Immediate Expenditures

Sale Five is adjusted upwards to reflect value of existing older home which will be upgraded and repaired prior to resale as part of this sub-division. Sale Six is adjusted downward for demolition costs to clear the site of existing church building.

Market Conditions (Time)

As discussed previously, market participants have observed factors including lease rates, availability of financing, and consumer behavior leading them to conclude that there steady appreciation of values since 2013. Documented statistical evidence of land market appreciation was not available. However, interviews with real estate brokers, review of recent transaction data, and published market indices all indicate prevalent price uptrends, averaging approximately 0.5% per month or 6% per year, and I have concluded that adjustments to the data are needed to account for changing market conditions.

Location

Locational factors include visibility, accessibility, and concentration of compatible and complementary uses, as well as prevalent real estate values in the immediate market area. Adjustments were made to account for all of these influences, which vary between the comparables and the subject.

Size

A uniform adjustment is made to reflect differences in economies of scale drive by the differences in size between the subject and the comparables.

Entitlements

There is a significant difference in value attributable to whether entitlements to develop a property have been granted prior to sale. A downward adjustment is made to Sales Two and Four. In the case of Sale Four, the adjustment is greater because some site improvements were in place prior to the sale.

Utility & access

The utility and access of the subject and the comparables is generally similar.

Development Density

After adjustments applicable to legal and physical characteristics of each property were completed, the resulting  $\$/\square$  indices suggest a range of values which generally correlate with actual and/or potential development density. It is well known there is an inverse relationship between development density



and price per unit, though that is reversed for \$/SF. A uniform adjustment is made to account for this influence.

The adjustments and resulting value indications are summarized below:

	#1	#2	#3	#4	#5	#6
Sale Price	\$600,000	\$2,850,000	\$2,300,000	\$1,475,000	\$1,499,888	\$1,250,000
Total Units	3	4	22	20	8	5
Units per Acre	1.9	0.7	8.9	10.3	4.1	3.2
Unadjusted Price per Unit	\$200,000	\$587,500	\$104,545	\$73,750	\$187,486	\$250,000
Adjustments to the Data						
UnAdjusted Price/SF	\$8.61	\$11.48	\$21.29	\$13.71	\$17.66	\$18.20
Rights Appraised	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Adjusted Price	\$570,000	\$2,850,000	\$2,300,000	\$1,475,000	\$1,499,888	\$1,250,000
Financing Terms	Cash/Conv.	Cash/Conv.	Cash/Conv.	Cash/Conv.	Cash/Conv.	Cash/Conv.
Adjusted Price	\$570,000	\$2,850,000	\$2,300,000	\$1,475,000	\$1,499,888	\$1,250,000
Conditions of Sale	\$100,000	-\$500,000	\$0	\$300,000	-\$150,000	\$0
Adjusted Price	\$670,000	\$2,350,000	\$2,300,000	\$1,775,000	\$1,349,888	\$1,250,000
Immediate Expenditures	\$0	\$0	\$0	\$0	\$150,000	\$50,000
Adjusted Price	\$670,000	\$2,350,000	\$2,300,000	\$1,775,000	\$1,499,888	\$1,300,000
Time (Market Conditions):	0%	3%	8%	14%	0%	3%
Adjusted Price	\$668,133	\$2,414,336	\$2,492,672	\$2,021,463	\$1,499,888	\$1,291,803
Current Cash Equiv. Price	\$668,133	\$2,414,336	\$2,492,672	\$2,021,463	\$1,499,888	\$1,291,803
Adjusted Price/SF	\$10	\$10	\$23	\$19	\$18	\$19
Location	0%	-30%	15%	20%	10%	10%
Size (Scale)	1%	-10%	-2%	-2%	0%	0%
Entitlements	0%	-10%	0%	-25%	0%	0%
Access	0%	0%	0%	0%	0%	0%
Utility	0%	0%	0%	0%	0%	0%
Net \$/SF Adjustment	1%	-50%	13%	-7%	10%	10%
Subtotal: \$/SF	\$9.66	\$4.84	\$26.16	\$17.55	\$19.39	\$20.65
Units per Acre Adjustment	-12%	-20%	34%	43%	2%	-4%
Subtotal \$/Unit	\$176,308	\$232,953	\$159,110	\$98,841	\$210,772	\$263,971



The adjusted indices suggest a pattern of values. I have placed most emphasis on Sales Five and Six, as they are the closest in overall development density.

	\$/SF	\$/Unit
Mean	\$16.37	\$175,597
Max	\$26.16	\$232,953
Min	\$4.84	\$98,841
Mean 5,6	\$20.02	\$237,372
Concluded Index:	\$19.00	\$220,000
Indicated Value:	\$1,547,687	\$1,540,000

In reconciling the indicated values based on \$/□ and \$/Unit, I have placed more emphasis on \$/Unit because the most probable development scenario for (or future use of) this property would be 100% residential.

Therefore, it is my opinion that the reconciled value of the property based on this analysis is:

**\$1,540,000.**



11. RECONCILIATION AND CONCLUSIONS

The value indications for the property are:

**Market Data Comparison Approach:       \$1,540,000**

The market data comparison approach is based on analysis of similar properties in the same market area as the subject. The analysis demonstrates that there is a market for this type of property and that meaningful value indices can be developed and applied to generate a consistent pattern of indicated overall values. Despite the limited number of very recent sale transactions and their lack of strong similarity to the subject, I am confident that this approach indicates the reasonable range of values applicable to the subject property.

Thus, based on my investigation and analyses, it is my opinion that the market value of the Fee Simple Interest in the property, subject to the Assumptions and Limiting Conditions contained in Section 4 of this report, as of March 15, 2016 is:

**ONE MILLION FIVE HUNDRED FORTY THOUSAND DOLLARS (\$1,540,000).**

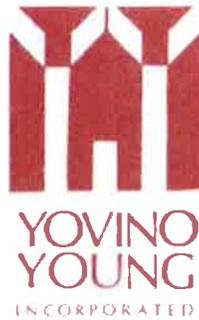
This final value estimate presupposes a specific exposure and marketing time during which the subject would sell at this price. I conclude that the marketing and exposure periods for the property are relatively equivalent. I estimate that the appropriate exposure and marketing periods relative to this value estimate are from six to nine months.



12. CERTIFICATION

This appraisal is conveyed in a Summary Report format (USPAP 2-2 (b)). The signatory below certifies that, to the best of his knowledge and belief:

- the statements of fact contained in this report are true and correct.
- the property was personally inspected unless otherwise indicated by designating a signatory to this report as a "Supervising Appraiser".
- the reported analyses, opinions, and conclusions are limited only by the stated assumptions and limiting conditions, and are the personal, impartial, and unbiased work product of the named appraisers.
- there are no past, present, or prospective interests, adverse interests, or bias with respect to the property that is the subject of this appraisal, nor any personal interest with respect to the parties involved.
- the acceptance of, engagement in, and compensation for this assignment are not contingent upon developing or reporting a predetermined or stipulated result, a predetermined value or direction of value that may favor the cause of the client, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- the analyses, opinions, and conclusions were developed, and this report prepared, in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP), and for members, the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute. The preparation and use of this report is subject to the requirements of the Appraisal Institute relating to review by duly authorized representatives.
- unless otherwise identified in this report, no one provided significant professional assistance to the persons signing this report.
- all appraisers licensed by the Office of Real Estate Appraisers (OREA) of the State of California are required to complete a minimum level of continuing education to be eligible for license renewal on specified dates. The signatories to this report are currently licensed and have met all current requirements of the Office of Real Estate Appraisers.



- as of the date of this report, signatories who are members of the Appraisal Institute have completed the requirements of the continuing education program and are currently recertified.

- As of the date of this report, Peter D. Overton, MAI, has completed the requirements under the continuing education programs of the Appraisal Institute.

- As of the date of acceptance of this assignment, I had not provided appraisal, or any other, services with respect to the subject property for the previous three years.

Attached as Exhibit C is a statement of the professional qualifications of the appraiser.

Thank you for providing us this opportunity to be of service. This report has been prepared in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP) and with our agreement and understanding of the nature and requirements of the appraisal assignment.

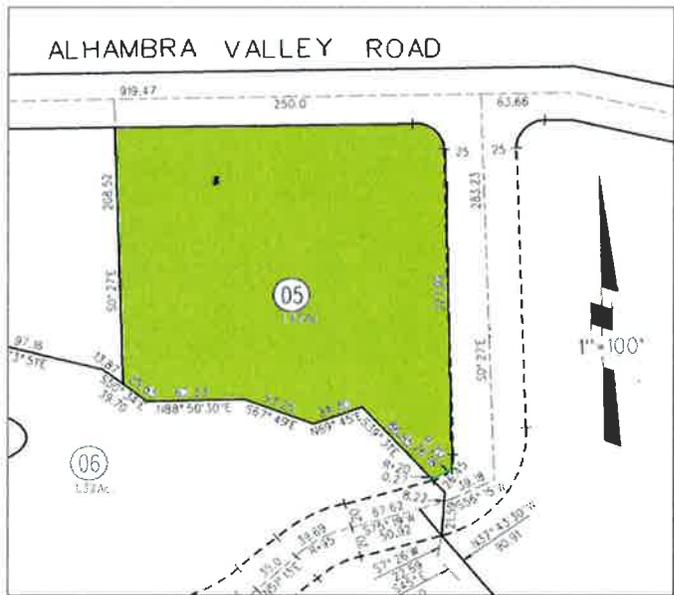
We will retain all relevant data and research material in file should you require further appraisal services concerning this property.

  
\_\_\_\_\_  
Peter D. Overton, MAI  
Appraiser  
Certified General R.E. Appraiser,  
California State License No. AG002631

<b>SALE NO. ONE</b>		<b>PROPERTY TYPE: LAND</b>	
<b>STREET ADDRESS:</b>	5031 Alhambra Valley Rd	<b>ASSESSOR'S NUMBER:</b>	366-090-002
<b>CITY:</b>	Martinez	<b>DOCUMENT NUMBER:</b>	na/
<b>ZIP:</b>	94553	<b>STATUS:</b>	Pending
<b>SALE PRICE:</b>	\$600,000	<b>LISTING PRICE:</b>	730000
<b>RECORDING DATE:</b>	1-Apr-2016	<b>LISTING DATE:</b>	3/3/2015
<b>SELLER:</b>	Susan Peal	<b>BUYER:</b>	n/a
<b>FINANCING:</b>	All cash	<b>RIGHTS TRANSFERRED:</b>	Fee Simple
<b>SALE COMMENTS:</b>	Pending sale of property scheduled to close on 4/1/16. Four offers including several from developers. Buyer intends building single residence.		

<b>1</b>			
<b>Site Area (SF):</b>	69,696	<b>Zoning:</b>	R-20
<b>Shape:</b>	Irregular	<b>Topography:</b>	Level
<b>Street Frontage:</b>	250 feet on Alhambra Valley Road, 278 feet on Corte de la Canada		
<b>Probable Use:</b>	Residential Subdivisiion	<b>No. Units:</b>	3
<b>PROPERTY COMMENTS:</b>	Pending sale of property scheduled to close on 4/1/16. Location at corner of Alhambra Valley Road and private road aka Corte de la Canada. Neighborhood in unincorporated semi-rural area west of Martinez with developmente of frontage properties with custom homes.		

<b>ANALYSIS OF TRANSACTION:</b>	
<b>Effective Sale Price:</b>	\$600,000
<b>UNIT INDICES:</b>	
<b>Units per Acre:</b>	1.9
<b>\$/SF:</b>	\$8.61
<b>\$/UNIT:</b>	\$200,000
<b>Data Source:</b>	NDC Data, MLS, Listing Agent Bill Lenone 925-258-1111



<b>SALE NO. TWO</b>		<b>PROPERTY TYPE: LAND</b>	
<b>STREET ADDRESS:</b>	512 Hemme Ave	<b>ASSESSOR'S NUMBER:</b>	198-100-003
<b>CITY:</b>	Alamo	<b>DOCUMENT NUMBER:</b>	203328
<b>ZIP:</b>	94507	<b>STATUS:</b>	Closed
<b>SALE PRICE:</b>	\$2,850,000	<b>LISTING PRICE:</b>	n/a
<b>RECORDING DATE:</b>	30-Sep-2015	<b>LISTING DATE:</b>	n/a
<b>SELLER:</b>	Presbytery of San Francis	<b>BUYER:</b>	Cynthia Erb & Assoc.
<b>FINANCING:</b>	All cash	<b>RIGHTS TRANSFERRED:</b>	Fee Simple
<b>SALE COMMENTS:</b>	All cash sale of improved acreage property.		

<b>PROPERTY DESCRIPTION:</b>			
<b>Site Area:</b>	248,292	<b>Zoning:</b>	R-20
<b>Shape:</b>	Irregular	<b>Topography:</b>	Sloping
<b>Street Frontage:</b>	731 feet on Hemme Ave		
<b>Probable Use:</b>	Residential subdivision	<b>No. Units:</b>	4
<b>PROPERTY COMMENTS:</b>	Former church retreat facility subdivided into four lots with existing structure on one lot.		

<b>ANALYSIS OF TRANSACTION:</b>	
<b>Effective Sale Price:</b>	\$2,850,000
<b>UNIT INDICES:</b>	
<b>Units per Acre:</b>	0.7
<b>\$/SF:</b>	\$11.48
<b>\$/UNIT:</b>	\$712,500
<b>Data Source:</b>	Costar; NDC Data; Buyer 925-831-8030



<b>SALE NO. THREE</b>		<b>PROPERTY TYPE: LAND</b>	
<b>STREET ADDRESS:</b>	988 Oak Grove Road	<b>ASSESSOR'S NUMBER:</b>	129-210-015
<b>CITY:</b>	Concord	<b>DOCUMENT NUMBER:</b>	181701
<b>ZIP:</b>	94518	<b>STATUS:</b>	Closed
<b>SALE PRICE:</b>	\$2,300,000	<b>LISTING PRICE:</b>	\$2,250,000
<b>RECORDING DATE:</b>	21-Oct-2014	<b>LISTING DATE:</b>	n/a
<b>SELLER:</b>	Lutheran Soc. Serv.	<b>BUYER:</b>	Oak Grove 998 LP
<b>FINANCING:</b>	Cash	<b>RIGHTS TRANSFERRED:</b>	Fee Simple
<b>SALE COMMENTS:</b>	Cash sale for improved religious facility. Buyer plans redevelopment with residential subdivision. Other competing offers came from church groups and other developers.		
<b>PROPERTY DESCRIPTION:</b>			
<b>Site Area:</b>	108,029	<b>Zoning:</b>	RS-7
<b>Shape:</b>	Rectangular	<b>Topography:</b>	Level
<b>Street Frontage:</b>	196 feet on Oak Grove Road, 489 feet on Chalomar Road		
<b>Probable Use:</b>	Residential Subdivis	<b>No. Units:</b>	22
<b>PROPERTY COMMENTS:</b>	Improved religious facility purchased by prospective developer who plans up to 22 single family homes. Site purchased without entitlements.		
<b>ANALYSIS OF TRANSACTION:</b>			
<b>Effective Sale Price</b> \$2,300,000			
<b>UNIT INDICES:</b>			
<b>Units per Acre:</b>	8.9		
<b>\$/SF:</b>	\$21.29		
<b>\$/UNIT:</b>	\$104,545		
<b>Data Source:</b>	Costar, Listing and Selling Brokers		
			

<b>SALE NO. FOUR</b>		<b>PROPERTY TYPE: LAND</b>	
<b>STREET ADDRESS:</b>	4762 Pacheco Boulevard	<b>ASSESSOR'S NUMBER:</b>	161-570-001 to 021
<b>CITY:</b>	Martinez	<b>DOCUMENT NUMBER:</b>	272562
<b>ZIP:</b>	94553	<b>STATUS:</b>	Closed
<b>SALE PRICE:</b>	\$1,475,000	<b>LISTING PRICE:</b>	n/a
<b>RECORDING DATE:</b>	19-Nov-2013	<b>LISTING DATE:</b>	n/a
<b>SELLER:</b>	First National Bank of Northern CA	<b>BUYER:</b>	Habitat for Humanity East Bay
<b>FINANCING:</b>	\$3,250,000 Const Ln	<b>RIGHTS TRANSFERRED:</b>	Fee Simple
<b>SALE COMMENTS:</b>	REO sale of entitled residential development sitel. Purchase by national affordable housing devleoper		

**PROPERTY DESCRIPTION:**

<b>Site Area:</b>	107,593	<b>Zoning:</b>	R7-12
<b>Shape:</b>	Rectangular	<b>Topography:</b>	Mild Upslope
<b>Street Frontage:</b>	Approximately 250 feet on Pacheco Boulevard		
<b>Probable Use:</b>	Commercial Development	<b>No. Units:</b>	20

**PROPERTY COMMENTS:** Entiltled 20 unit devleopment site with some utilities and off-site improvements completed. Location in redeveloping mixed industrail and service commercial setting.

**ANALYSIS OF TRANSACTION:**

<b>Effective Sale Price:</b>	\$1,475,000
<b>UNIT INDICES:</b>	
<b>Units per Acre:</b>	8.1
<b>\$/SF:</b>	\$13.71
<b>\$/UNIT:</b>	\$73,750.00
<b>Data Source:</b>	Costar, Buyer



<b>SALE NO. FIVE</b>		<b>PROPERTY TYPE: LAND</b>	
<b>STREET ADDRESS:</b>	985 Mohr Lane	<b>ASSESSOR'S NUMBER:</b>	147-291-004-06
<b>CITY:</b>	Concord	<b>DOCUMENT NUMBER:</b>	n/a
<b>ZIP:</b>	94518	<b>STATUS:</b>	Listed
<b>SALE PRICE:</b>	n/a	<b>LISTING PRICE:</b>	\$1,499,888
<b>RECORDING DATE:</b>	1-Sep-2015	<b>LISTING DATE:</b>	1-Sep-2015
<b>SELLER:</b>	Gracey	<b>BUYER:</b>	n/a
<b>FINANCING:</b>	n/a	<b>RIGHTS TRANSFERRED:</b>	Fee Simple

**SALE COMMENTS:** Offering of 1.95 acre site with existing single residence.

**PROPERTY DESCRIPTION:**

<b>Site Area:</b>	84,942	<b>Zoning:</b>	RS-7
<b>Shape:</b>	Irregular	<b>Topography:</b>	Level
<b>Street Frontage:</b>	250 feet on Mohr Lane		
<b>Probable Use:</b>	Retail/Commercial	<b>No. Units:</b>	8

**PROPERTY COMMENTS:** Property has potential for 8 lot subdivision including existing single residence on one lot.

**ANALYSIS OF TRANSACTION:**

<b>Effective Sale Price:</b>	\$1,499,888
<b>UNIT INDICES:</b>	
<b>Units per Acre:</b>	4.1
<b>\$/SF:</b>	\$17.66
<b>\$/UNIT:</b>	\$187,486
<b>Data Source:</b>	Listing Broker, LoopNet



<b>SALE NO. SIX</b>		<b>PROPERTY TYPE: LAND</b>	
<b>STREET ADDRESS:</b>	4035 Treat Boulevard	<b>ASSESSOR'S NUMBER:</b>	130-210-041
<b>CITY:</b>	Concord	<b>DOCUMENT NUMBER:</b>	175741
<b>ZIP:</b>	94518	<b>STATUS:</b>	Closed
<b>SALE PRICE:</b>	\$1,250,000	<b>LISTING PRICE:</b>	n/a
<b>RECORDING DATE:</b>	24-Aug-2015	<b>LISTING DATE:</b>	n/a
<b>SELLER:</b>	Valley Masonic Bldg Asso	<b>BUYER:</b>	Nesar A Abdiani
<b>FINANCING:</b>	All Cash	<b>RIGHTS TRANSFERRED:</b>	Fee Simple
<b>SALE COMMENTS:</b>	68% down, \$400,000 pvt 1st TD.		

<b>Site Area (SF):</b>	68,689	<b>Zoning:</b>	R-12
<b>Shape:</b>	Irregular	<b>Topography:</b>	Level
<b>Street Frontage:</b>	160 feet on Treat Boulevard		
<b>Probable Use:</b>	Church	<b>No. Units:</b>	5
<b>PROPERTY COMMENTS:</b>	Purchase of site improved with fraternal hall which will be demolished to make way for a new church.		

**ANALYSIS OF TRANSACTION:**

**Effective Sale Price:** \$1,250,000

**UNIT INDICES:**

**Units per Acre:** n/a

**\$/SF:** \$18.20

**\$/UNIT:** n/a

**Data Source:** MetroScan, Broker; Chris Moulis 925-937-4040



**PROFESSIONAL QUALIFICATIONS**  
**PETER D. OVERTON**

**PROFESSIONAL CREDENTIALS**

Certified General Real Estate Appraiser (License No. AG002631)  
Recertified to 08/12/16 OREA, State of California

Designated Member of the Appraisal Institute  
MAI; Appraisal Institute #11878  
Qualified as Expert Witness - Alameda County Superior Court

**EDUCATION**

Department of Architecture, MIT, Cambridge, Massachusetts, 1964-65.  
B.A. Knox College, Galesburg, Illinois, 1965-1969

**Professional Courses Completed:**

AIREA - Real Estate Appraisal Principles Course 1A1	1986
AIREA - Basic Valuation Procedures Course 1A2	1987
AI - Capitalization; Theory & Techniques 1B A	1991
AI - Capitalization; Theory & Techniques 1B B	1991
AI - Case studies in Real Estate Valuation 2-1	1992
AI - Report Writing & Valuation Analysis 540	1994
AI - Eminent Domain Seminar	1995
IRWA - Easement Valuation	1996
IRWA - Legal Aspects of Easements	1996
AI - Detrimental Conditions	1998
McKissock - Regression Analysis	1999
AI - USPAP 410-420	2000
AI - Highest and Best Use / Market Analysis	2005

**EXPERIENCE**

All types of appraisal assignments in the San Francisco Bay Area with an emphasis on commercial, industrial, office, complex residential, and special purpose properties.

1986-1987 Mitch Durell & Associates Real Estate Appraisers

1987-1989 Dawson & Jones Inc. Real Estate Appraisals

1989-1990 Clyde Standley & Associates, Real Estate Appraisers

1990-Present Senior Appraiser  
Yovino-Young Incorporated, Berkeley, California

April 11, 2016

To: Board of Directors

From: General Manager

Re: Options for the School House

The Land & Facility Development Committee has had numerous meetings discussing the future disposition of the School House. The Committee requested that the General Manager & Staff develop various options for the Committee & Board to consider regarding the future of the School House site. The following is a brief summary of the School House to refresh your memory and the history of how we arrived at the current status.

### **Background/History**

The School House property is located on the corner of Pleasant Hill Road and Oak Park Blvd. It is across the street from Pleasant Hill Elementary School and Oak Park Christian Church. The triangular 1.9 acres borders Pleasant Hill Road, Oak Park Blvd. and Wendell Lane.

Construction on the Pleasant Hill Grammar School was begun in 1918 and opened for classes in 1920. The building consisted of two large classrooms, one auditorium and a long hallway that linked two narrow classrooms. As time went on and the population grew, a third classroom was made. Between the years of 1920-27, there were 50 children in attendance with two school teachers. The site was deeded to the Mt. Diablo Unified School District by the Rogers Family.

In the early 1950's, the School House became the Recreation building for the newly formed Pleasant Hill Recreation & Park District. The building adjacent to the School House (now the VFW Building) served as a library for the fledgling community in the 1950's and by 1961 the same building was the Pleasant Hill City Hall and the meeting place of the new City Council. The Pleasant Hill Police used the building from 1970 to 1980 and completely remodeled the inside into offices, jail cells, investigation rooms and other offices. When the police moved out in 1980, the facility looked hopeless. This is the time when a few citizens got together in an attempt to see what could be done with this site. When it was decided that the police were going to vacate the premises, the Pleasant Hill Historical and Cultural Center, Inc. also known as the School House, formed the consortium for the purpose of saving and utilizing the building.

The District purchased the site from Mt. Diablo Unified School District for \$170,000 in 1982. The official deed was recorded in May of 1983. Approximately \$80,000 was spent on improvements on the building and landscaping.

### **School House Wins Award**

The Pleasant Hill Cultural and Community Center was the recipient of an Outstanding Facility Citation presented by the California Parks and Recreation Society in 1985. The School House received the award for its uniqueness and community involvement. The renovation of the School House was a prime example of a community working together to save the site as well as renovating a facility. For 2 ½ years, Pleasant Hill residents worked together on this project and eventually re-dedicated the site as a Community Cultural Center. The School House's main purpose was to house cultural events and

educational meetings. The facility was operated by the Consortium that consisted of the Onstage Drama Group, Pleasant Hill Historical Society, Quilting Club, VFW, Friends of the Library, Pleasant Hill Arts Council, and Friends Abroad. These groups, as well as other citizens and volunteers, were the workforce behind the nearly 7,000 hours of volunteer work to restore the School House. The Opening Celebration and Re-Dedication Ceremony took place on June 26, 1982.

### **School House Closed Down**

The School House ran basically by the Consortium from 1982 through 2008. The District's responsibilities involved maintaining the exterior of the site, which included some turf area, and maintenance of the trees and shrubs. Over the years the District was called into action concerning the interior site when major repairs were necessary. Some of the repairs on the building included a new roof, a new HVAC unit, electrical repairs, and other structural repairs to walls, doors, and windows. The District throughout the years did administer site inspections and safety inspection of the interior and exterior of the School House. In 2008 reports of issues concerning the status of the building, including structural, drainage and electrical issues were evident.

The District hired Alan Horeis, Structural Engineers, Inc. to conduct a Structural Engineering Reconnaissance Report. Alan Horeis' initial report indicated some likely seismic deficiencies within the School House. A building evaluation report was completed by RES Engineers, Inc. This report found that major defects existed in the School House including the foundation, basement floor, building façade, interior walls, windows, doors, and electrical system. The estimate for the repairs was \$935,000. Another report was completed by the Safety Compliance Management company and listed the major issues with the School House as: 1. Unsafe Ceilings 2. Electrical Issues 3. Fire Protection Issues. The conclusion by the Safety Compliance Management team was "it is apparent that there are numerous major issues that represent a serious threat to the safety of those who use the building."

The Board of Directors officially closed the School House after a public hearing on October 9, 2008. At the Board Meeting, the Board heard the reports from Ross Esfandiari, M.S.,P.E. with RES Engineers along with Paul Gantt with Safety Compliance Management. A large crowd was on hand and gave input regarding the School House. The Board later authorized a report by the Crosby Group to conduct a Structural Evaluation Report. Their report indicated a cost of \$760,000 just for the seismic upgrades.

### **Measure 'E' Bond Measure**

The District conducted a survey in 2008 prior to the Measure 'E' vote. It took into consideration a number of District needs. The results of that survey were the following out of eleven projects considered: 1. Teen Center (80 %) 2. Community Center (60%) 3. Senior Center (60%) 4. Restrooms at Public Parks (60%) 5. Pleasant Oaks Park (60%) 6. Renovating the School House (40%) and there were other projects that did not rate very high. The Board felt at the time that they needed to go with the most highly regarded projects to have a successful bond measure. Renovating the School House did not rate high enough to take it to the voters at this particular time.

## **Current Condition**

The School House has remained closed since 2008. Onstage Theatre which was the most highly visible and highest user of the School House relocated, first utilizing theatre space in Walnut Creek, and now using the Campbell Theatre in downtown Martinez. Friend of the Library has relocated to the current library site. PH Historical Society has worked together with Rodgers Ranch and occasionally meets at the Rodgers Ranch site. VFW continues to meet in the building adjacent to the School House. Guild of Quilters now meets at one of the libraries in Concord. Pleasant Hill Arts Council and Friends Abroad groups no longer exist.

We have been fortunate in that no vandalism or illegal housing has taken place at the building. The parking lot is currently utilized by the PH Senior Club for a meeting point for their trip program. Both Pleasant Hill Elementary School and the Oak Park Christian Center utilize the parking lot when they have overflow needs.

Park Maintenance staff continues to monitor the site and maintain the grounds.

## **Land and Facility Development Committee**

The Land and Facility Development Committee of the Board of Directors requested that staff list various alternatives and options for the School House site. The following is not in priority order. These are current ideas and we are sure there are many more options after these ideas are considered. Please note that the estimated costs are approximations only.

1. Renovate the School House.

Keep the existing building and renovate and save the School House, one of the first schools in the area, built in 1920. The District did receive reports in 2008 & 2009 and the cost of the “fixes” to the building. Estimated cost \$4 - 5 million.

2. Demolish the School House and rebuild the School House in circa 1920.

Build brand new School House utilizing the architecture of the 1920's. Design the interior spaces for recreation use, i.e. small auditorium, classrooms. Estimated cost \$4 million.

3. Sell the 1.9 acres.

Yovino & Young in their appraisal, estimate the property is worth \$1.5 – 1.6 million. There would be some expenses involved in the demolition of the School House. Use funds for other District needs.

4. Demolish the School House and leave property as a Park.

Leave the VFW building and leave property as a park in the middle of a busy intersection.

5. Demolish the School House and VFW Building and turn it into a Demonstration Farm.

Utilize the Morning Harvest Farm not-profit group in turning the site into an urban farm and culinary garden.

6. Sell Winslow Center and use proceeds for a new School House.

Bring programs that exist now at the Winslow Center to a newly developed School House. Emphasize pre-school programs and after-school programs with PH Elementary across the street. Add playground.

7. Demolish the School House and add additional recreation amenities.

Utilize the site for a skate park for skaters, add bocce courts for league play, and Cornhole courts.

8. Demolish the School House, leave the VFW Building, and add picnic area.

Keep the site as a picnic area by adding picnic tables, bocce courts, and add BBQ's.

9. Demolish the School House and lease the property for a Charter School.

District was approached regarding possible property for a group to build either a charter school or private school.

## MEMORANDUM

TO: Bob Berggren  
FROM: Tom Bradley  
Date: April 14, 2016  
RE: Dinosaur Hill Park Security Gate Cost

The purpose of the gate at Dinosaur Hill Park, at the Taylor Blvd entrance, would be to deter people from conducting illegal activities in the park, after hours. Most of those activities include alcohol and drugs. There are other walking entrances to the park through the neighborhoods, but this entrance off of Taylor Blvd, is by far the easiest access to the peak of the park under the Oak trees and rock area. One of the biggest issues with the usage at that site is the litter created, especially broken glass from bottles.

One of the recommendations to assist in the problem is the installation of a gate at the Dinosaur Hill entrance. The cost for the gate is as follows:

Double Leaf Swing Barrier Gate Arm \$3,504.97 (Installed by District).

The other cost involved with the gate is securing it and locking it every night. The cost for locking the gate is as follows:

Locked Nightly by CALWEST PRIVATE SECURITY INC \$20/night=\$7,300/year

The other cost involved, although minimal, would be the installation of a sign at the entrance instructing people regarding the installation and locking of the gate procedures. The recommended time for the gate to be opened would be 7:00 AM and would be locked at 7:30 PM.