

Motion:

Commissioner Hernandez made a motion to adopt Resolution No. 13-227.PC, recommending that the City Council approve Tentative Parcel Map No. TPM 72326 (147 Sawpit Lane) subject to the conditions in the staff report dated August 28, 2013. Commissioner Novodor seconded the motion, which was carried by the following roll call vote:

Approved:

AYES: Vice-Chairperson Esparza, Commissioners Hernandez, Novodor
NOES: None
ABSENT: Chairperson Kuba, Commissioner Dunst

Public Comment:

None

**Reports and Items
for Future Agendas:**

A. Commission Members: Commissioner Novodor stated that Mrs. Iglesias, 2428 Mount Olive Lane, was required to set back her fence which she never did, but took off the gate. The gate is back on again. Maybe this is a code enforcement issue for staff to look into.

B. City Manager: City Manager Keith stated that City Hall will be closed on Monday, September 2, for Labor Day and Friday, September 6, for First Friday Closure. The City Manager also stated that staff is working on a fire safe grant to further the fire reduction efforts in the community.

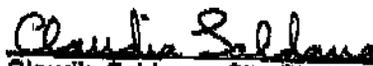
C. City Planner: Anne McIntosh stated that she is continuing to work on the Planning Department Project Status Log, so it is not in the packet for tonight, but she will try to get it to the Commissioners by next week.

Adjournment:

At 7:53 p.m. Vice-Chairperson Esparza adjourned the meeting to Wednesday, September 26, 2013 at 7:00 p.m.


Susan Esparza - Vice-Chairperson

ATTEST:


Claudia Saldana - City Clerk



Honorable Planning Commission
City of Bradbury
August 28, 2013
Page 3

The City's reliance on the alleged significance of its environmental, biological, and geologic conclusions confirms the need for a CEQA study, an EIR in particular. The adoption and amendment of general plans and their elements are projects within the meaning of CEQA, *California Code of Regulations* tit. 14, section 15378(a)(1). The City's meaningful and complete departure from the legally permitted "A-5" land use designation must be preceded by a CEQA, EIR analysis, given the "significance" of the many environmental issues the City puts forth to justify its General Plan Update. The City has not conducted an EIR analysis of its General Plan since 1993. The City's August 2013, Environmental Impact Report, Addendum, does not address the planned development of the 302-acres, does not address the purported hillside/open space "project," and does not address any of the General Plan Update's alleged environmental, biological, and geologic factual conclusions.

A CEQA study is also warranted as D&M has never been afforded any opportunity to comment on any aspect of the General Plan Update's purported "conclusions and findings." D&M has the legal right to participate, as a member of the public, in any City sponsored hillside preservation/open space EIR analysis that it wishes to conduct in the future. Otherwise, the General Plan, 2007's "A-5" land use designation controls and D&M will take all appropriate legal action to protect this binding land use designation on property it lawfully owns.

Very truly yours,

ALVARADOSMITH
A Professional Corporation


Thierry R. Montoya

TRM:dh

City Council Report
General Plan 2012-2030 Update

EXHIBIT "L & M"

Glenn Chadwick Letter
& Appriasal of Chadwick Property

November 14, 2013

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November 14, 2013

Bradbury City Council
City of Bradbury
600 Winston Ave.
Bradbury, CA 91008

RECEIVED NOV 15 2013

Re: Chadwick Property
City Council Meeting, November 19, 2013
Proposed General Plan 2012-2030
Please include this letter as a public comment with respect to the November 19, 2013 City Council meeting regarding the Plan

Dear Members of City Council:

My siblings John Chadwick, Anne Chadwick, Bill Chadwick, and I (through trusts) own approximately 109 acres of vacant land in the City of Bradbury, located along and to the north of the road connecting the Bradbury Canyon Dam and the Spinks Canyon Dam. We own three parcels, LA County Assessors Parcel Nos. 8527 001 010, 8527 005 001, and 8527 005 004 (collectively, the "Property"). We obtained title from our parents James and Dorothy Chadwick, who were among the founders of Bradbury.

We understand that this Property is within an area designated as proposed "Vacant Hillside Preservation Area" or open space as set forth in the City's draft General Plan 2012-2030 – Community Resources Element, dated May 28, 2013 ("Plan"). See description of 302-acre Resource Management Area, bottom of page 13, and Exhibit CR Conservation No. 1, Resource Management Areas, page 14. We understand this Plan will be on the agenda for public comment at the November 19, 2013 City Council meeting.

The purpose of this letter is to make sure the City is aware that our Property is developable, and that we are opposed to designating it as open space at this time. Our position is based in part on an appraisal done for the City of Bradbury and the Bradbury Community Service District in 2003 by Eichel, Inc. Copy attached. Dick Hale provided a copy of the appraisal to our father Jim Chadwick on or about September 26, 2003. The appraisal indicates, among other things, that our Property is zoned for single family residential use, and that, based on a civil engineering study, there are four to six developable parcels. Our family had discussions around the time of the appraisal with Mr. Hale, regarding potential acquisition of our land by the City for open space. No agreement was reached; we understood that the City did not have funding to acquire land for open space at that time. A subsequent appraisal commissioned by us yielded similar conclusions (but put a substantially higher value on the Property).

It is our position that approval of the Plan, with its "Vacant Hillside Preservation Area" or open space designation, would constitute a taking of our Property for which we would be entitled to just compensation.

We have reviewed correspondence from Richard Bodkin (who owns property near ours) and his legal counsel, to the City and the City Attorney. While there are differences between our Property and Mr. Bodkin's property, we share his concern that approval of the proposed Plan would result in a taking and may be a violation of the California Environmental Quality Act.

We request that this letter be included in the record as a public comment with respect to the November 19, 2013 City Council meeting.

We respectfully ask that the City not approve the Plan, or that it defer any decision until our concerns can be more fully addressed.

Yours very truly,



Glenn D. Chadwick

Copies:

John Chadwick

William Chadwick

Anne Chadwick

Charles Callanan, Esq., Callanan, Rogers & Dzida, LLP

Bradbury
E S T A T E S

1 Deodar Lane • Bradbury, CA 91010



September 26, 2003

Jim,

Received the long awaited appraisal. Please review with family or whomever you wish to share with. I will put these on the meeting agenda, as I am sure the City will do with their next meeting. Give me a call when you have had a chance to review.

Thanks,

Dick
Dick

*Appraisal of Hillside Land
Chadwick Parcel*

San Gabriel Mountain Foothills
City of Bradbury

For

City of Bradbury and
Bradbury Community Service District

09.08.03

City of Bradbury and
Bradbury Community Service District
600 Winston Avenue
Bradbury, California 91010

Re: Chadwick parcel

Ladies and Gentlemen:

The following presents an appraisal of a parcel of vacant acreage located within the foothills of the San Gabriel Mountains in the northern portion of the City of Bradbury.

The purpose of the appraisal is to estimate the as-is fair market value of the fee simple interest in the parcel on the date of value.

Contained within the body of the report are descriptive and analytical data documenting the valuation estimate. Also included are a definition of market value, statement of limiting conditions and a value certification.

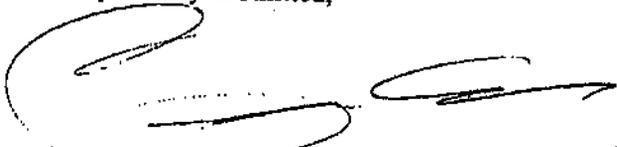
The as-is fair market value of the fee simple interest in the property, as of September 8, 2003, is:

\$1,215,000

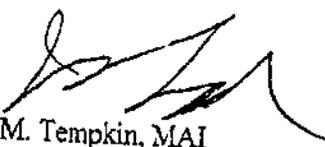
This report is a complete, self-contained appraisal prepared in accordance with the Uniform Standards of Professional Appraisal Practice promulgated by the Appraisal Standards Board of the Appraisal Foundation.

This report is intended for use only by the City of Bradbury and Bradbury Community Service District for potential acquisition purposes. This report is not intended for any other use nor is the use of this report by others intended by the appraiser.

Respectfully submitted,



Norman Eichel, MAI
California State Certification AG008794



Jerry M. Tempkin, MAI
California State Certification AG008794

NE/JMT:tf

TABLE OF CONTENTS

PRINCIPAL FACTS AND CONCLUSIONS.....	1
THE VALUATION PROBLEM	2
Objective.....	2
Interest Appraised.....	2
Effective Date of Valuation Estimate.....	2
Function of the Appraisal.....	2
Intended User.....	2
Site Inspection.....	2
Value Definition.....	2
Extent of the Assignment.....	3
Assumptions and Limiting Conditions.....	3
THE MARKET AREA.....	4
Location.....	7
Accessibility.....	7
Neighborhood Environment.....	7
DESCRIPTION OF THE PROPERTY.....	9
Identification.....	10
Site Description.....	10
Improvements.....	10
Assessment and Taxes.....	13
Ownership and Sale History.....	13
Gion-Dietz Considerations.....	13
Legal Lot Status.....	14
HIGHEST AND BEST USE.....	14
Potential Development.....	15
VALUATION.....	16
Exposure Time.....	18
Methodology.....	18
Land Development Timing.....	19
Comparative Lot Sale Analysis.....	19
Lot Sale Comparables.....	19
Land Sale Analysis.....	19
Finished Lot Value Conclusion.....	22
As-Is Fair Market Value Analysis.....	27
CERTIFICATION.....	28
COMPARABLE LAND SALE DATA.....	34
WILCH PRELIMINARY COST ESTIMATE.....	Addenda
APPRAISER'S QUALIFICATIONS.....	Addenda
	Addenda

PRINCIPAL FACTS AND CONCLUSIONS

Location: The extreme northern portion of the City of Bradbury within the foothills of the San Gabriel Mountains, south of Angeles National Forest, east of Monrovia, northeast of Arcadia and west of Duarte

Thomas Guide Coordinates: Page 568 B-2

Assessor Parcel Identification: 8527-001-010
8527-005-001 & 004

Land Description:

Area:	APN 010	59.19 Ac
	001	8.37
	004	<u>42.36</u>
	Total	109.92 Ac

Topography: Highly irregular mountainous terrain.

Utilities and off-sites: No immediate availability

Zoning: A-5 Agricultural/Residential zoning; Estate 5 Acres General Plan

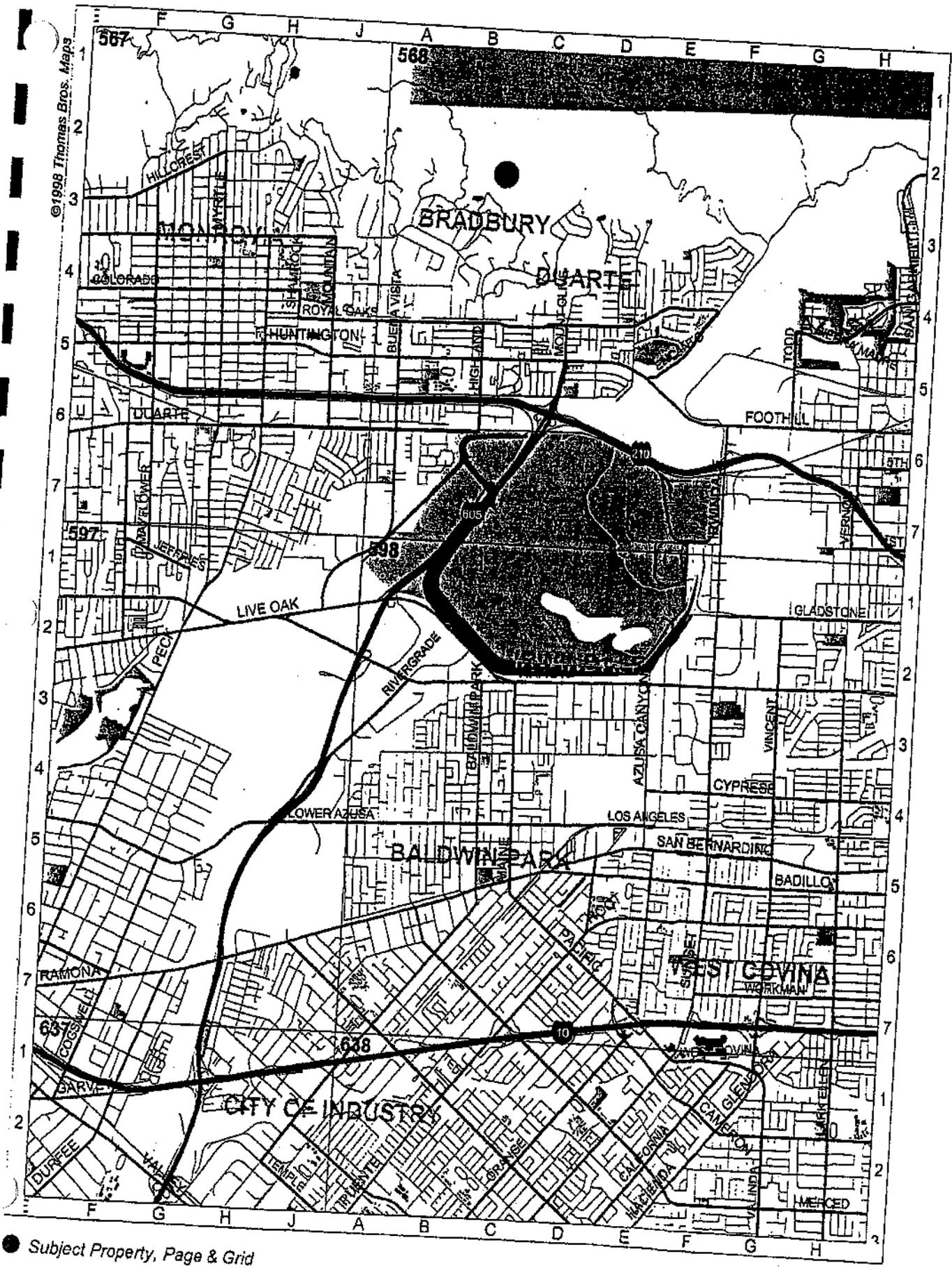
Current use: Vacant land parcel

Highest and best use: Low density, single-family residential development

Fair market value: \$1,215,000

Date of Value: September 8, 2003

© 1998 Thomas Bros. Maps



● Subject Property, Page & Grid

REGIONAL MAP

THE VALUATION PROBLEM

Objective

The purpose of the appraisal is to estimate the as-is fair market value of hillside acreage known as the Chadwick parcel. The property is located in the extreme northern portion of the City of Bradbury within the foothills of the San Gabriel Mountains, south of Angeles National Forest.

Interest Appraised

The fee simple interest in the property encumbered only by zoning is the subject of the appraisal report.

Effective Date of Valuation Estimate

The effective date of value is September 8, 2003; the value is based on market data and other pertinent information gathered and analyzed on or about this date.

Function of the Appraisal

The function of the appraisal is to provide valuation information for potential acquisition of the property by the City of Bradbury and Bradbury Community Service District.

Intended User

This report is intended for use only by the City of Bradbury and Bradbury Community Service District, its administration and executive staff, attorneys and consultants. This report is not intended for any other use nor is the use of this report by others intended by the appraiser.

Site Inspection

The property was inspected by Norman Eichel, MAI and Jerry M. Tempkin, MAI on September 8, 2003 and on several other previous occasions.

Value Definition

Fair market value is defined as:

The fair market value of the property taken is the highest price on the date of valuation that would be agreed to by a seller, being willing to sell but under no particular or urgent necessity for so doing, nor obliged to sell, and a buyer, being ready, willing and able to buy but under no particular necessity for so doing, each dealing with the other with full knowledge of all the uses and purposes for which the property is reasonably adaptable and available. (CCP §1263.320).

The fair market value of the property taken for which there is no relevant market is its value on the date of valuation as determined by a method of valuation that is just and equitable. (CCP §1263.320).

Extent of the Assignment

The extent of our assignment included data gathering, data analysis and evaluation.

- Data gathering: The data gathering phase of the assignment included the following:

The site was visited to gather data concerning physical characteristics and conditions as well as factors of surrounding influence. The data gathering phase of the assignment included initial interviews with property owners and real estate agents familiar with the properties. Information on zoning and issues of entitlement were provided by the City of Bradbury. Property maps and plats were obtained from the local Assessor's office or title company, as well as the client.

Comparable data were gathered by reference to published sources such as Win2Data, property records, multiple listing publications, title information and direct interviews with real estate brokers and property owners. Data thus obtained were assimilated with information contained in our files from past appraisals and research studies.

Throughout the data gathering process, an attempt was made to obtain information from primary sources only; secondary sources were utilized only as a matter of verification.

In addition, the surrounding area was inspected and real estate professionals and market participants were interviewed regarding market values, trends and characteristics.

Information concerning the use alternatives of the subject property was obtained from Mr. Dave Meyer, Bradbury City Planner, and C. Edward Dilkes, City Manager. Additionally, the services of Kenneth Wilch, a licensed civil engineer, were engaged by the City of Bradbury to assist in the assessment of development potential.

- Reporting Process: To develop the opinion of value, the appraisers performed a complete, self-contained appraisal which is intended to comply with the reporting requirements set forth by the Uniform Standards of Professional Appraisal Practice (USPAP) promulgated by the Appraisal Standards Board of the Appraisal Foundation.

Assumptions and Limiting Conditions

- The appraisal report is a complete, self-contained appraisal which is intended to comply with the reporting requirements set forth by the Uniform Standards of Professional Appraisal Practice (USPAP) promulgated by the Appraisal Standards Board of the Appraisal Foundation.
- The report is intended for use only by the City of Bradbury and Bradbury Community Service District, its executives or administrative personnel, advisors and attorneys for purposes relating to acquisition.

This appraisal has been prepared for the exclusive benefit of the above-named client and stated intended users. It may not be used or relied upon by another party. Any party who uses or relies upon any information in this report without the preparer's written consent does so at his own risk.

- The Americans with Disabilities Act ("ADA") became effective January 26, 1992. We have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a 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 affect upon the value of the property. Since we have no direct evidence relating to this issue, we did not consider possible noncompliance with the requirements of ADA in estimating the value of the property.
- The appraiser assumes no responsibility for economic or physical factors that may affect the opinions in this report which occur after the date of the letter transmitting the report.
- The information furnished by others is believed to be reliable. However, no warranty is given for its accuracy.

- The appraiser reserves the right to make such adjustments to the analyses, opinions and conclusions set forth in this report as may be required by consideration of additional data or more reliable data that may become available.
- The property is appraised assuming it to be under responsible ownership and competent management, and available for its highest and best use.
- Because no title policy was made available to the appraiser, he assumes no responsibility for such items of record not disclosed by his customary investigation. No opinion as to title or legal access is rendered. Data related to ownership was obtained from the client and Assessor's records and is considered reliable. Title is assumed to be marketable and free and clear of all liens, encumbrances, easements and restrictions except those specifically discussed in the report.
- The appraiser assumes no responsibility for hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for arranging for engineering studies that may be required to discover them.
- The property is appraised assuming it to be in full compliance with all applicable federal, state, and local environmental regulations and laws, unless otherwise stated.
- The property is appraised assuming that all applicable zoning and use regulations and restrictions have been complied with, unless otherwise stated.
- The property is appraised assuming that all required licenses, certificates of occupancy, consents or other legislative or administrative authority from any local, state or national government or private entity or organization have been, can be obtained or renewed for any use on which the value estimate contained in this report is based, unless otherwise stated.
- No engineering survey has been made by the appraiser. Except as specifically stated, data relative to size and area were taken from sources considered reliable and no encroachment of real property improvements is considered to exist.
- No opinion is expressed as to the value of subsurface oil, gas or mineral rights or whether the property is subject to surface entry for the exploration or removal of such materials except as is expressly stated.
- Maps, plats and exhibits included in this report are for illustration only as an aid in visualizing matters discussed within the report. They should not be considered as surveys or relied upon for any other purpose, nor should they be removed from, reproduced, or used apart from the report.
- No opinion is intended to be expressed for matters that require legal expertise or specialized investigation or knowledge beyond that customarily employed by real estate appraisers.

- That possession of this report, or a copy of it, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of the appraiser, and in any event only with proper written qualification and only in its entirety.
- Since earthquakes are not uncommon in the area, no responsibility is assumed due to their possible effect on individual properties, nor for assessing the reliability of the seismic qualifications of structures on the subject properties.
- Testimony or attendance in court by reason of this appraisal is not required unless further authorization to fully appraise the property involved is granted the appraiser at a fee to be determined prior to commencement of such additional work as may be required.
- No consideration has been given in this appraisal as to the value of the property located on the premises considered by the appraiser to be personal property, nor has he given consideration to the cost of moving or relocating such personal property; only the real property has been considered.
- Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property. The value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.
- No civil engineering study was provided. We reserve the right to alter our value estimate if a competent engineering study is provided by a qualified civil engineer.

THE MARKET AREA

Location

The subject property is located in the extreme northern portion of the City of Bradbury within the foothills of the San Gabriel Mountains.

The site is located about 1 ¼ miles due north of the Foothill (210) Freeway. Downtown Los Angeles is about 20 miles southwest of the subject.

The subject market area comprises the San Gabriel Mountain foothills of Bradbury, Arcadia, Duarte and Monrovia. This hillside region is bounded by Angeles National Forest to the north. Luxury homes, many of which exist on large hillside lots, offer commanding views of the San Gabriel Valley and areas beyond.

Accessibility

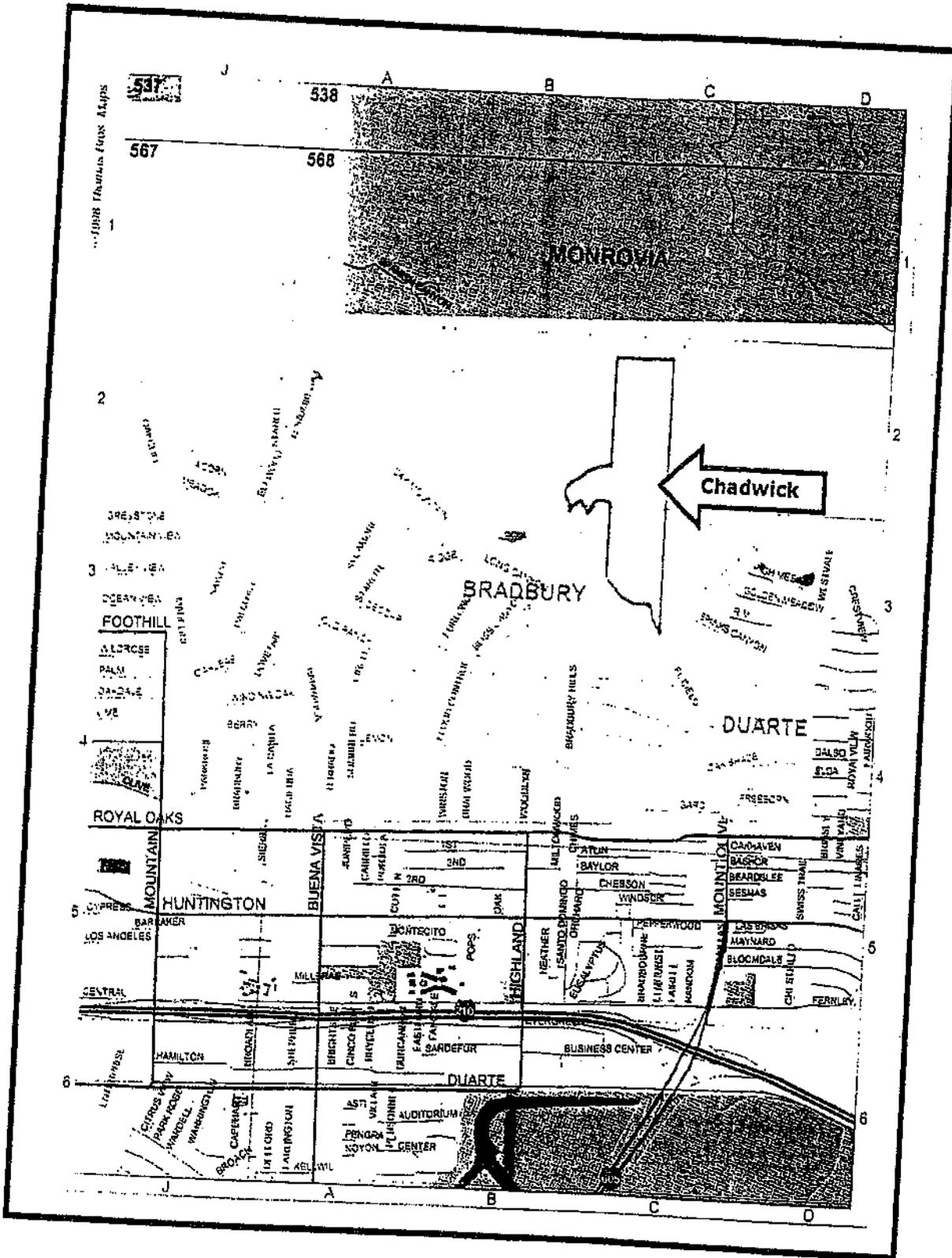
Freeway and surface street accessibility to the periphery of the subject neighborhood is judged to be good. The nearest freeway — the Foothill (210) Freeway — traverses in an east/west direction, roughly two miles south of the subject. Interchanges are provided at Buena Vista Street and Mount Olive Drive, which extend to Royal Oaks Drive, an east-west arterial, all of which provide direct access to Bradbury. Due to the rugged mountainous terrain of the Angeles National Forest adjacent north, access to the neighborhood is generally provided from a southerly direction from various feeder streets that extend northbound from populated areas to the south.

Bradbury Overview

Bradbury is a gated, high-income enclave of rambling estates and horse corrals on sites mainly ranging from ½ to 12 acres. There are no commercial land uses within the city, although convenience goods shopping is available nearby to the south. Similarly, multi-family or condominiums are not found within the city.

Bradbury was incorporated in 1957 in order to preserve the rural estate character of the community. Local control of development has been stressed guarding against excessive grading, reduction in lot sizes and construction out of character with the existing environment.

Land use distribution is shown below:



DISTRIBUTION OF EXISTING LAND USES

Existing Land Use	Corresponding Zone	Area	
		Acres	Percent
Estate - 5 acre plus	Single-family 5 acre lots	568	39
Estate - 2 acre	Single-family 2 acre lots	196	14
Estate - 1 acre	Single-family 1 acre lots	113	8
Single-family 20,000 SF	Single-family 20,000 SF lots	41	3
Single-family 7,500 SF	Single-family 7,500 SF lots	20	1
Public	School-civic center	17	1
Vacant	Flood control, undeveloped	320	22
Roads - easements		165	11

Source: David Evans and Associates, Inc. 1993

Current population of Bradbury is estimated at about 850 within its 1.91-square-mile area.

As of the 2000 census, median household income was \$100,454 compared to \$47,493 for the state as a whole.

Dwelling values mirror the high-income character of Bradbury residents. Shown below are examples of recently-closed dwelling sales.

DWELLING VALUE SURVEY

Address	Price	Bedrooms/Baths	Living Area SF
76 Palm Hill	\$2,080,000	5/5.5	6,800
660 Deodar Lane	2,375,000	6/6.5	7,460
378 Deodar	2,600,000	3/4	3,645
430 Long Canyon	2,300,000	6/7.5	7,200
100 Oak Knoll	2,750,000	7/7.5	8,386
169 Bliss Canyon	2,845,000	6/9	8,770
682 Deodar	2,920,000	4/5	6,622
330 Oak Mountain	3,480,000	7/7.5	11,322
395 Oak Mountain	3,150,000	6/8.5	9,500
330 Oak Mountain	3,700,000	7/6.5	11,322

Source: Survey by Eichel Inc.

Along with certain areas of Pasadena and Arcadia, Bradbury represents the predominant high income place of residence in the San Gabriel Valley, offering the highly-valued amenities of privacy and security.

Neighborhood Environment

The subject property lies in the foothill transition area between the San Gabriel Mountains to the north and the San Gabriel Valley to the south. The southern portion of the extended neighborhood consists of single-family residential development on relatively large parcels.

The immediate neighborhood consists of undeveloped open space. The Angeles National Forest lies to the immediate north.

The subject location is well suited for low-density hillside residential development. The existing topography, however, severely restricts the amount of developable residential density.

DESCRIPTION OF THE PROPERTY

A description of the Chadwick acreage is presented below.

Identification

No legal description of the property is available. The property is identified by the Assessor parcel number:

8527-001-010
8527-005-001 and 004

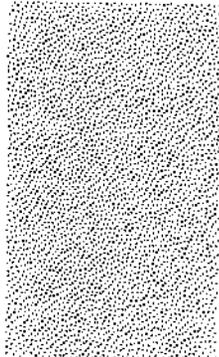
An Assessor's parcel map identifying the subject parcel is provided on the following page.

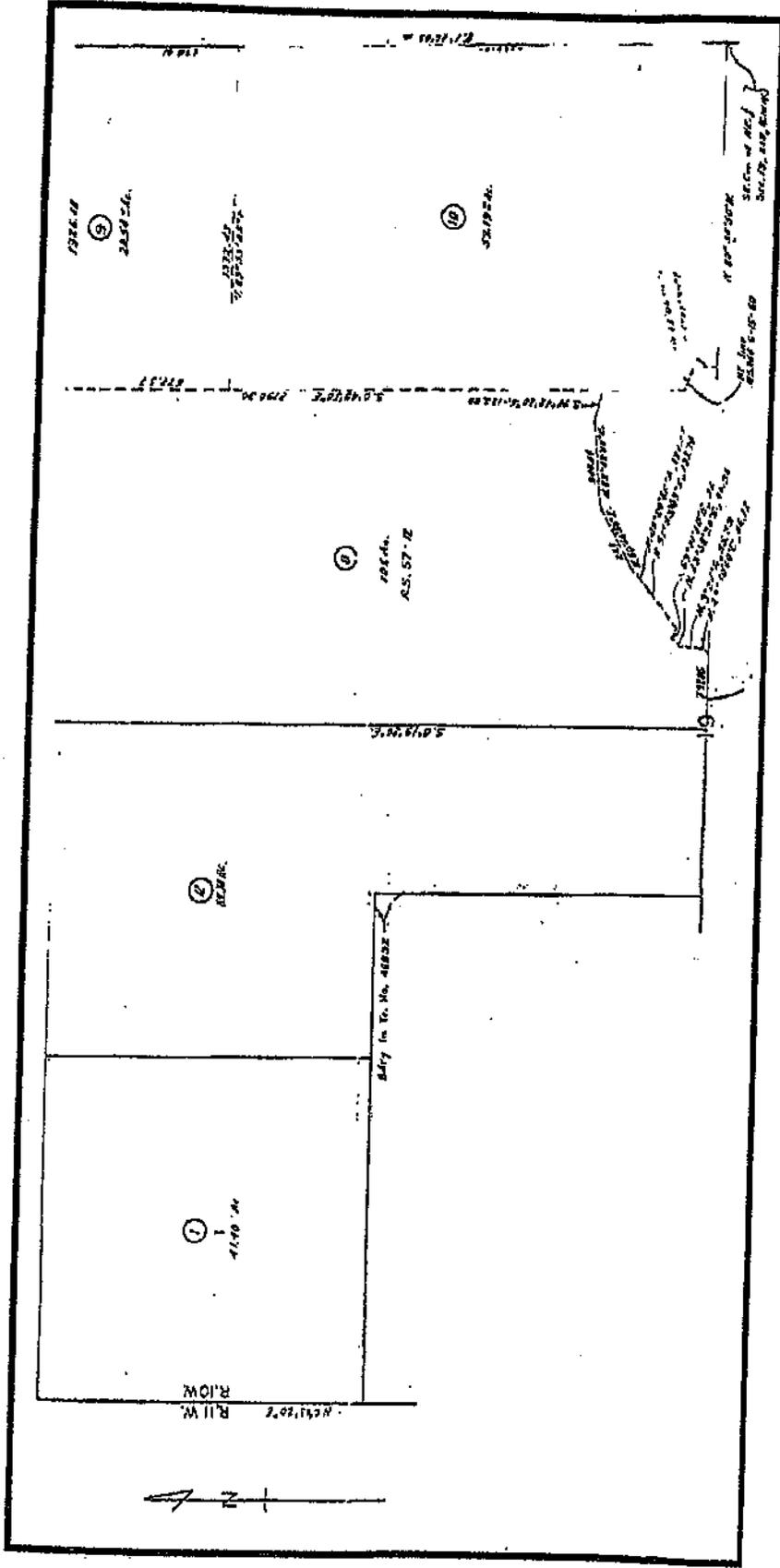
Site Description

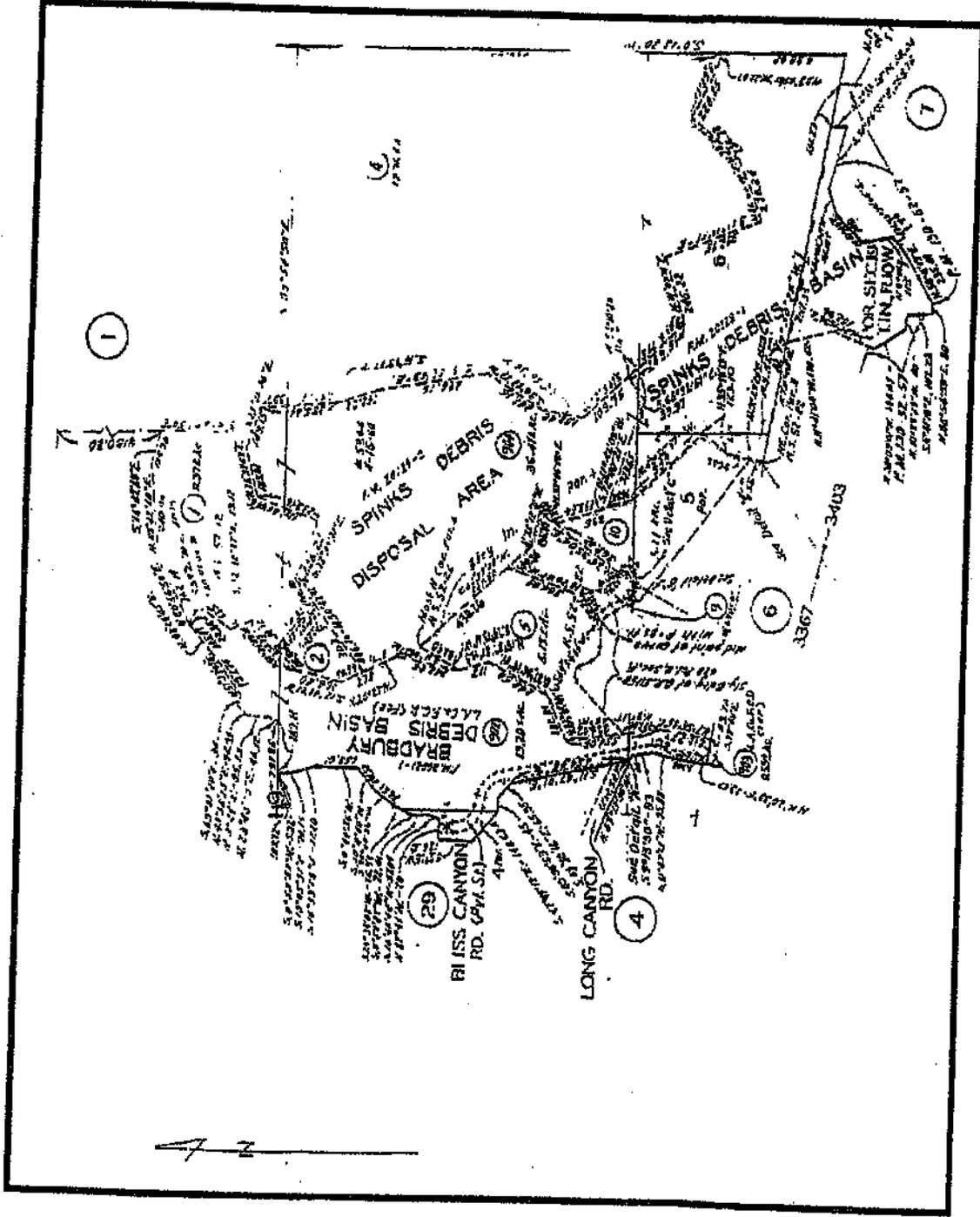
- Location: The subject property is located in the foothills of the San Gabriel Mountains within the extreme northern portion of the City of Bradbury, adjacent to the Angeles National Forest to the north.
- Dimensions and Area: The property is irregular in shape; the area is:

APN 010	59.19 Ac
001	8.37
004	<u>42.36</u>
Total	109.92 Ac

- Accessibility: There is one point of entry to the subject property. Entry extends north on Bliss Canyon Road from Deodar Lane to Long Canyon Road; thence northeast and then southeast on a Los Angeles County Flood Control road (paved) 2,550 linear feet to the subject site. We have assumed based on interviews with City personnel that an access easement exists on the Flood Control road.



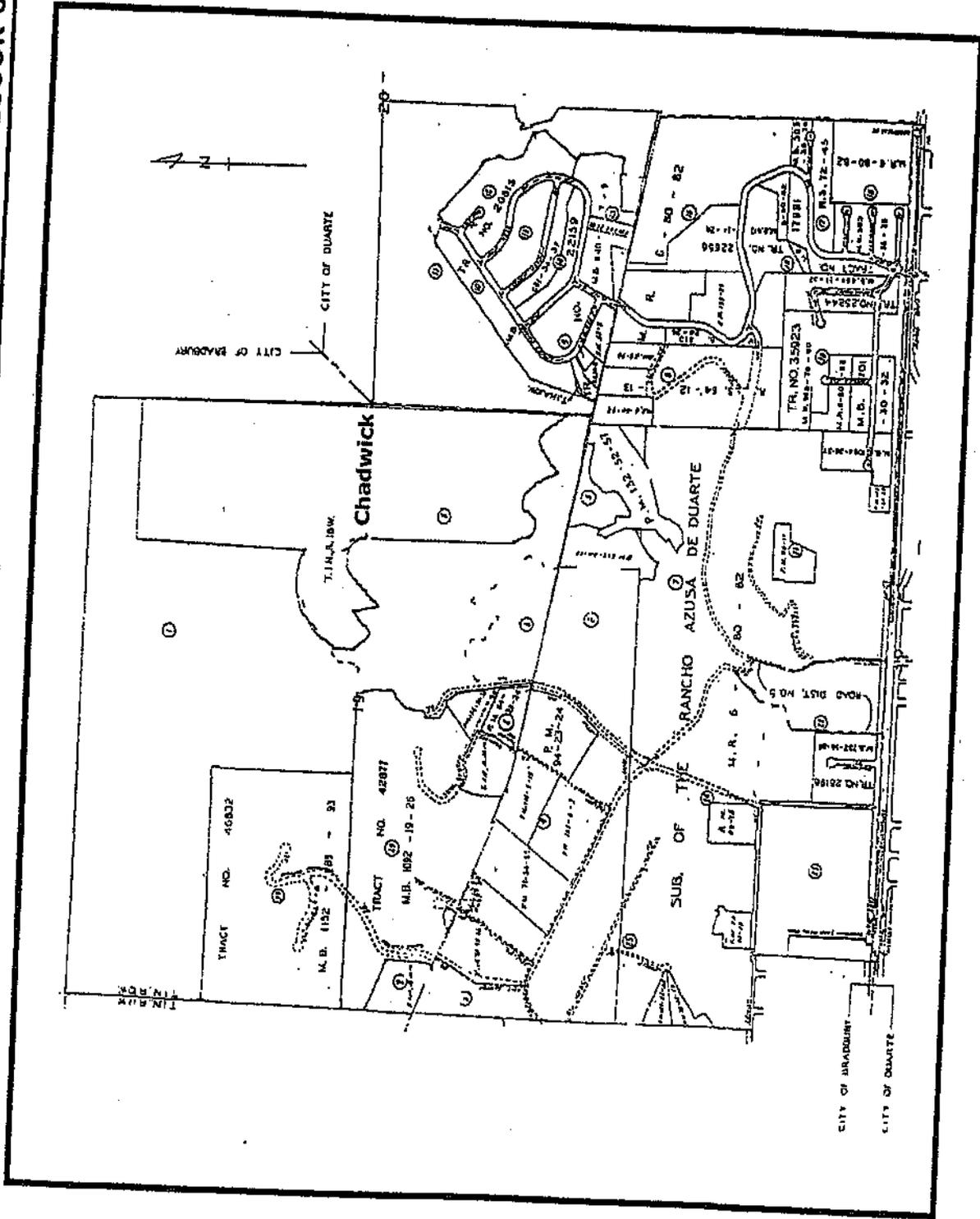




APN: 8527-005-001 & 004

EICHEL • INC

ASSESSOR'S PLAT



APN: 8527-001-010; 8527-005-001 & 004

EICHEL • INC

- **Topography:** The topography of the site consists of highly irregular hillside. The southerly most part of the site is less extreme with an elevation change of about 200 feet over 1,050 feet (20% grade). The balance of the property is significantly steeper as it extends upward to the north.

Bradbury Canyon extends northeasterly through the north half of the acreage

Elevations overall on the property range from about 800 feet to 1,600 feet.

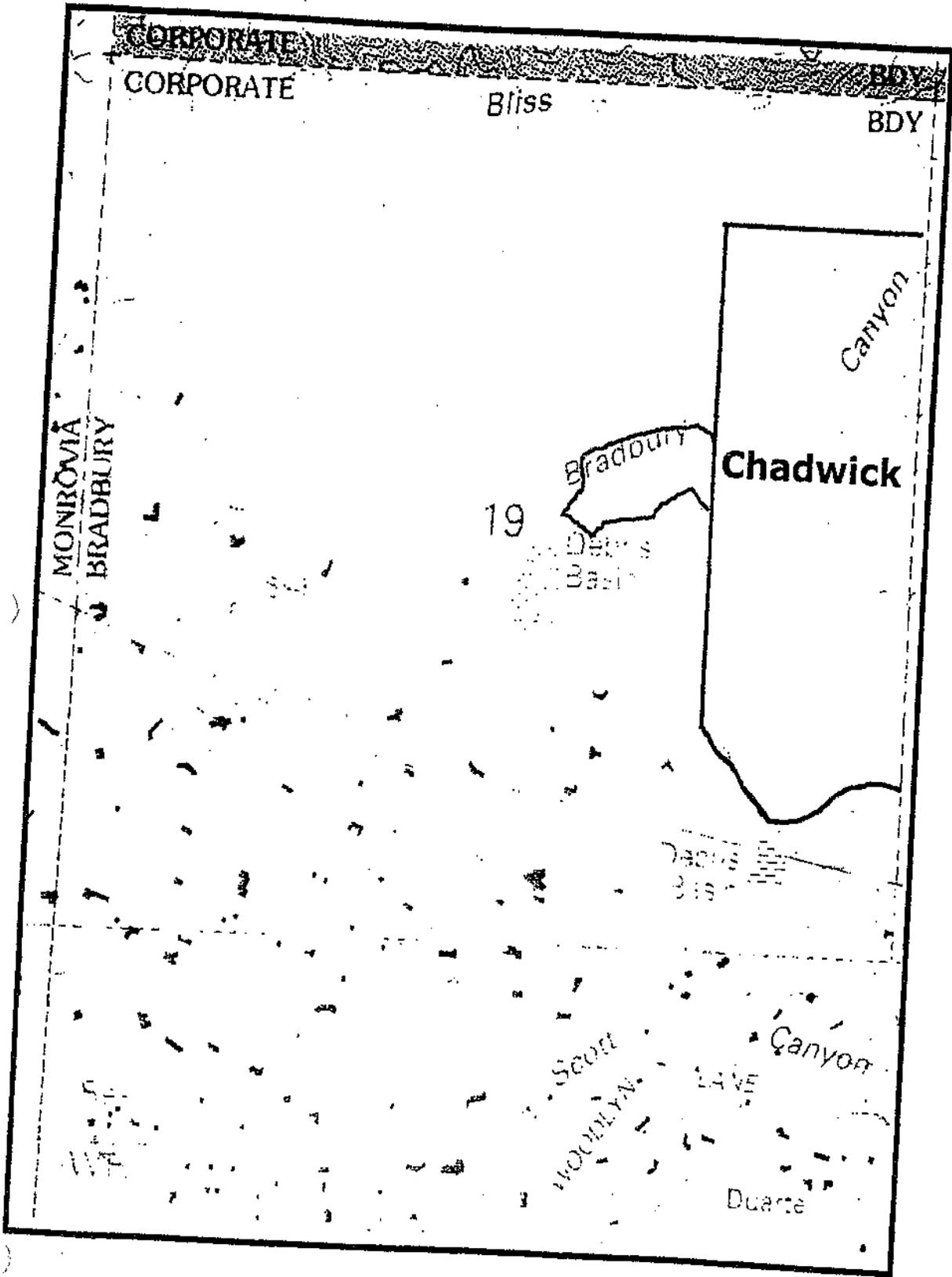
- **Nuisances or Hazards:** No nuisances or hazards specific to the subject property were observed at the date of inspection. However, we reserve the right to amend our valuation conclusion upon further review of environmental studies provided by qualified professionals.

- **Seismic Status:** The State of California Resources Agency, Department of Conservation, Division of Mines and Geology prepares data on earthquake fault line proximity and liquefaction and landslides. The subject property, which is located within the Azusa Quadrangle is situated within liquefaction and earthquake zones of required investigation.

Liquefaction zones are areas where historic occurrence of liquefaction, or local geological, geotechnical and groundwater conditions indicate a potential for permanent ground displacements such that certain mitigation would be required. Earthquake-induced landslide zones are areas where previous occurrence of landslide movement, or local topographic, geological, geotechnical and subsurface water conditions indicate a potential for permanent ground displacements such that certain mitigation would be required.

The subject property is not a part of an Alquist-Priolo study zone.

- **View Characteristics:** The property has a southerly facing view towards the city of Bradbury overlooking the San Gabriel Valley beyond. In a proposed development plan as described later in the report, a cluster of four lots will have a canyon view only, rather than a view of the San Gabriel Valley.
- **Drainage:** Extensive slopes and small canyons drain the San Gabriel Mountains with water generally flowing from north to south.



- **Flood Plain:** The property has a Zone D designation per Bradbury Community Panel No. 060017 CCSL of the maps for the Federal Emergency Management Agency, 4/7/88. Zone D is an unstudied area of undetermined but possible flood hazards. No mandatory flood insurance purchase requirements apply.
- **Off-site Improvements:** Off-site improvements include only nearby access feeder streets.
- **Soils and Geologic Conditions:** A soils and geologic report was not available to us. It has been assumed for purposes of the appraisal that soil and geologic conditions are not unfavorable beyond those factors mentioned elsewhere in the report.
- **Environmental Issues:** According to the City of Bradbury, several issues exist which could cause potential concerns for development on the site. These items include the following: landslides, mud slides, debris flows, expansive soils, erosion, potential flooding, loss of native oak trees, sensitive plants and disturbing endangered species of riparian birds and animals as well as cultural factions such as historical or archaeological sites.
- **Utilities:** Utilities are not immediately available to the site.

Water would be supplied to development on the site by an extension of a 12" water main at the end of Bliss Canyon Road. The supply source would be a 300,000-gallon tank at the north end of Long Canyon Road having an elevation of 1,040 feet. On-site septic systems would provide disposal.

Electricity, telephone and gas are available at the intersection of Bliss Canyon and Long Canyon roads and at the intersection of Woodlyn Lane with the Spinks Canyon Debris Basin road with adequate capacity to serve development on the site.
- **Easements:** A title report was not available to us. Other than standard access and utility easements, we have assumed there are no obvious easements impacting the value of the subject property. However, we reserve the right to modify our value conclusion given additional easement information.

Again, we assume an easement for access to the property on the Los Angeles Flood County Control road.



APPROXIMATE SECTION 19

- **Governmental Use Restrictions:** The property is zone-designated A-5 agricultural/residential. The General Plan use designation is Estate 5 Acre which allows residential development with a 5-acre minimum lot size, or if average slope density exceeds 50%, then minimum lot size of 10 acres.

The property is within the Hillside Development Overlay, which requires compliance with the Bradbury Hillside Ordinance. Sensitive issues relate to ridgeline development and grading slopes and volume. Additionally, development is subject to a Specific Plan review.

Improvements

No improvements exist on the subject property.

Assessment and Taxes

Shown below are the 2002-03 assessed values and annual taxes for the property.

Parcel No.	Land	Improvements	Total	General Tax and Voted Indebtedness	Direct Assessments	Total Taxes	Tax Rate
8527-001-010	\$52,760	\$0	\$52,760	\$562	\$1,208	\$1,770	1.065%
8527-005-001	5,744	0	5,744	61	3,564	3,625	1.062%
8527-005-004	<u>39,195</u>	<u>0</u>	<u>39,195</u>	<u>418</u>	<u>542</u>	<u>960</u>	1.066%
Total	\$97,699	\$0	\$97,699	\$1,041	\$5,314	\$6,355	1.066%

Total current annual taxes for the property are \$6,355, which includes special assessments of \$5,314. The applicable tax rate for this area is 1.066%.

Ownership and Sale History

The subject property is owned by Glenn D. Chadwick and William H. Chadwick.

We are not aware of any sale transactions involving the subject property.

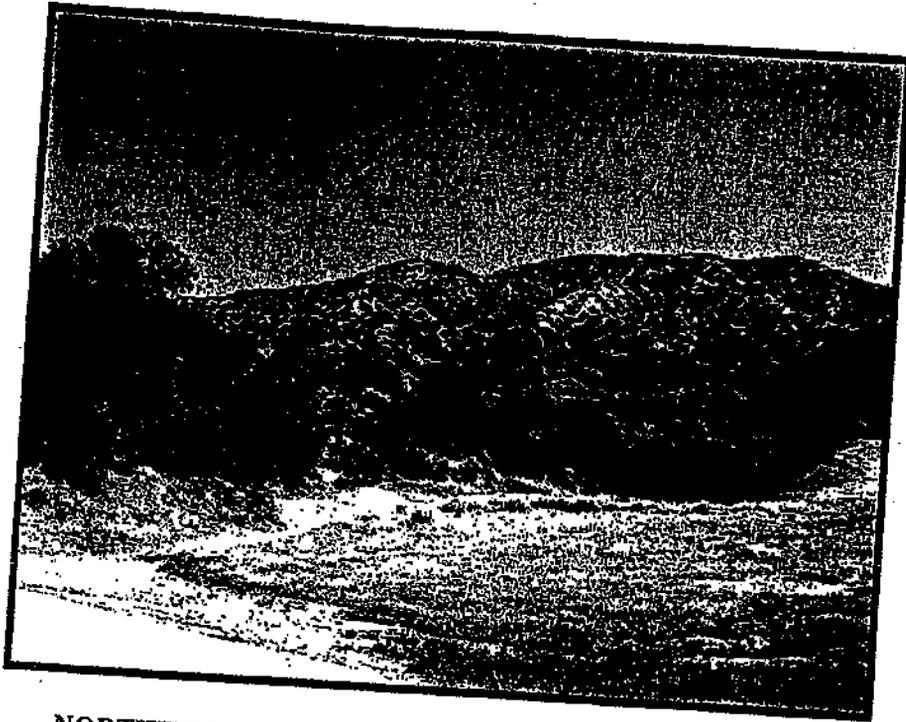
Gion-Dietz Considerations

The Gion-Dietz issues relate to availability of public access to the subject property. There are certain hiking trails throughout the area in which the subject property is located but none has established a use character which would under the Gion-Dietz decision affect the fair market value.

Legal Lot Status

A certificate of compliance has not been issued on the subject property. We have assumed that the property could obtain legal lot status upon application to the City of Bradbury.

We have made reasonable assumptions about the legal status of comparable sales when sales information verifications failed to reveal the existence of a Certificate of Compliance.



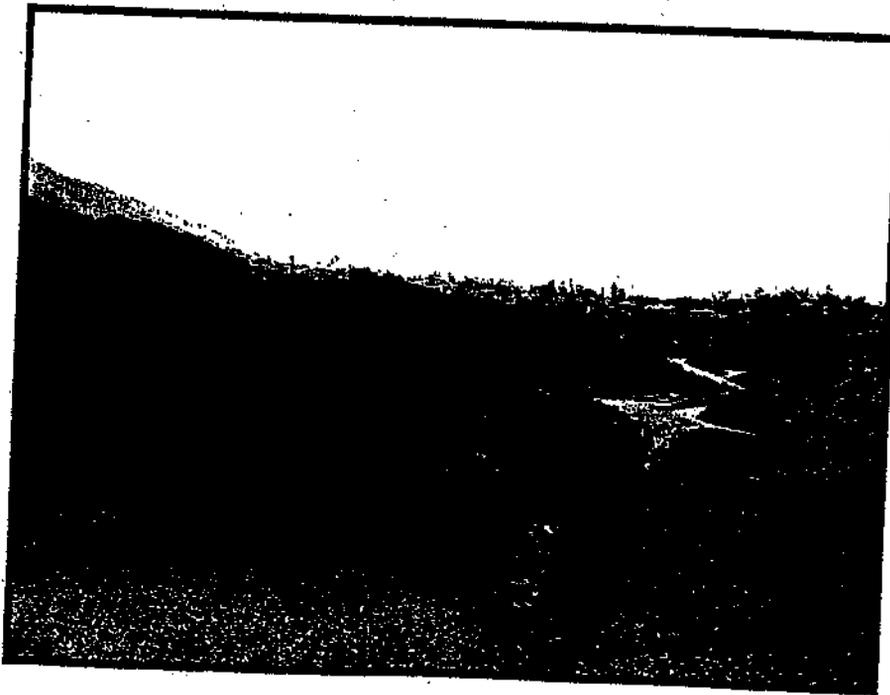
**NORTHWESTERLY VIEW OF SUBJECT PROPERTY PAD
AREA ABOVE SPINKS CANYON DEBRIS BASIN**



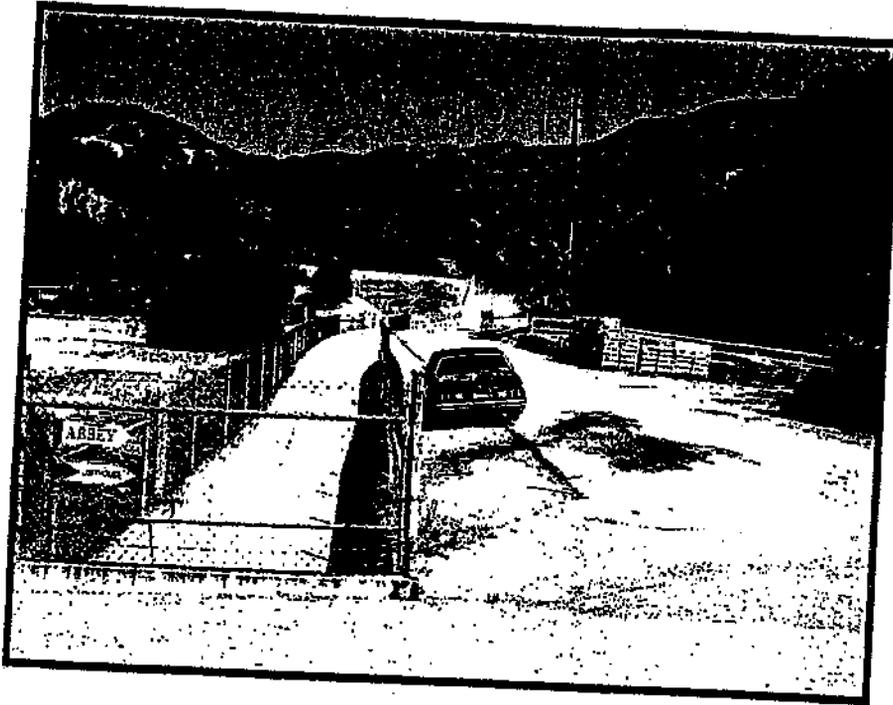
NORTHERLY VIEW OF SPINKS DRAINAGE BASIN



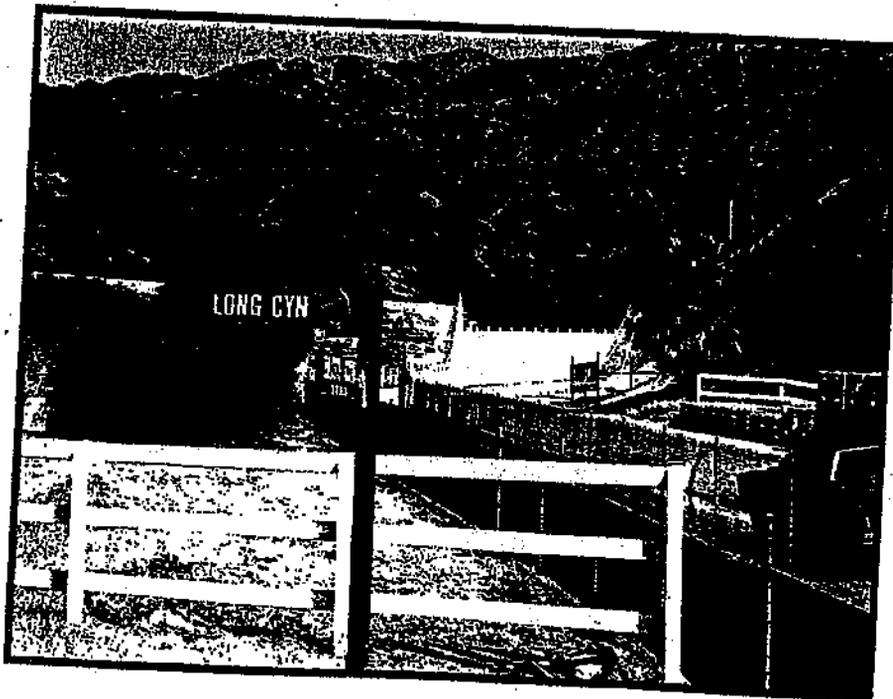
**WESTERLY VIEW OF SUBJECT PROPERTY PAD AREA
FROM THE COUNTY FLOOD CONTROL ACCESS ROAD**



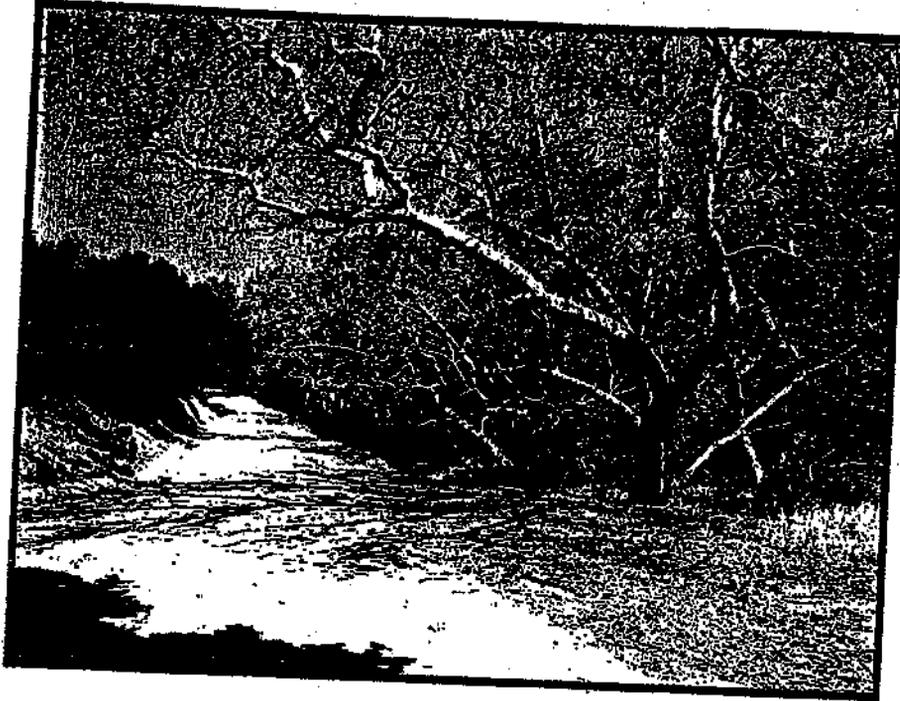
**SOUTHEASTERLY VIEW OF SUBJECT
PROPERTY CENTRAL SECTION**



INITIAL ACCESS POINT TO COUNTY
FLOOD CONTROL ACCESS ROAD



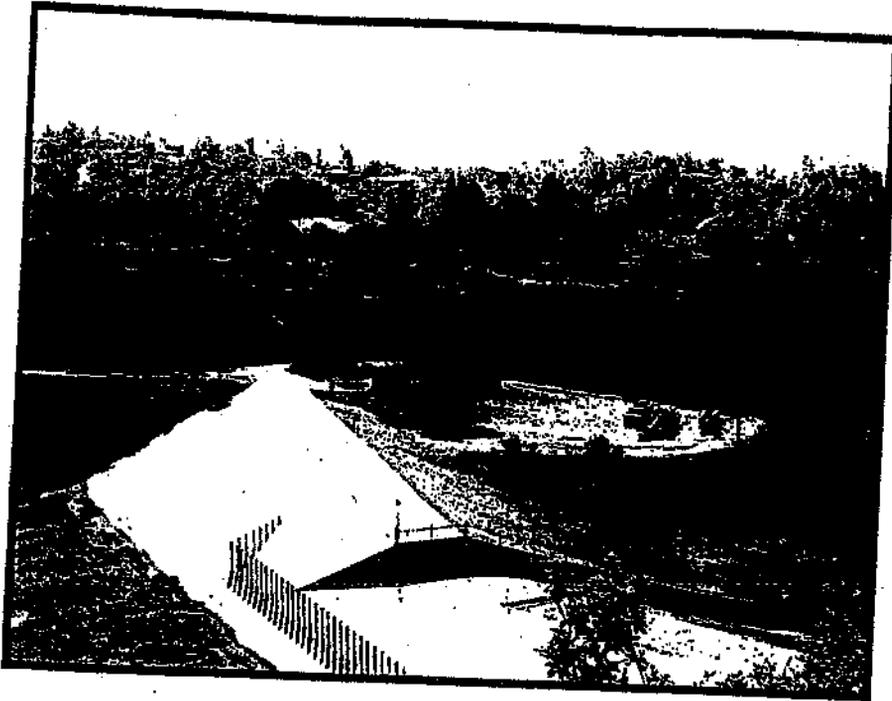
LONG CANYON AND BLISS CANYON ACCESS POINT TO
COUNTY FLOOD CONTROL ROAD ALONG DEBRIS BASIN



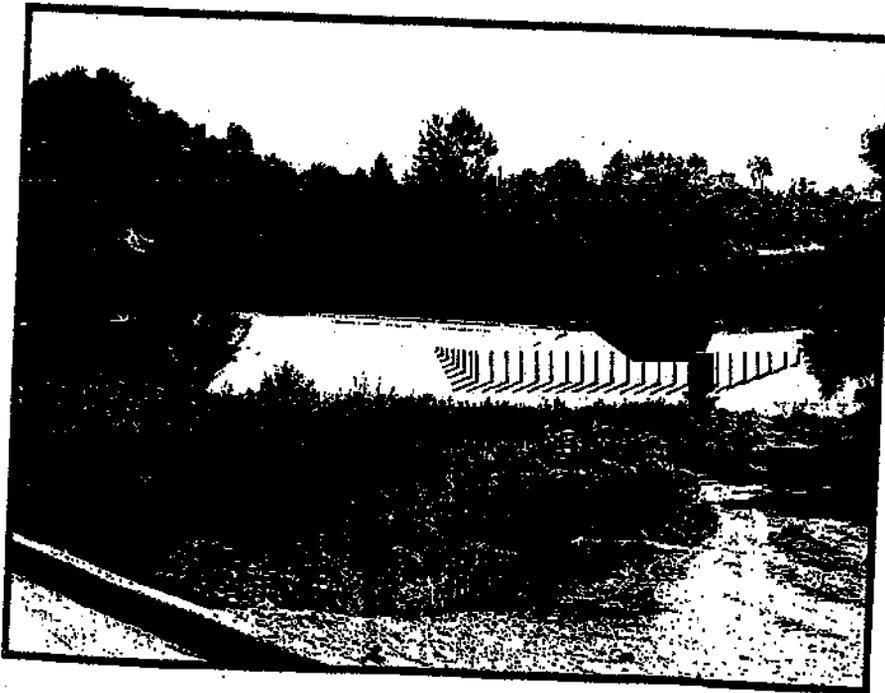
VIEW OF COUNTY FLOOD CONTROL ACCESS ROAD



ADDITIONAL VIEW OF COUNTY PAVED
FLOOD CONTROL ACCESS ROAD



SOUTHEASTERLY VIEW OF DEBRIS BASIN FROM FIRE ROAD
SPANISH CANYON MOUNTAINWAY



SOUTHERLY VIEW OF LOWER PORTION OF DEBRIS BASIN
STANDING ON COUNTY ACCESS ROAD

HIGHEST AND BEST USE

Highest and best use 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.¹

Implicit in this definition is the availability of the land for highest and best use.

The highest and best use analysis involves examination for the following criteria:

- **Physically Possible:** This factor measures the suitability of the site in relation to size, shape, topography, soil conditions, accessibility and availability of utilities and off-site improvements.
- **Legally Permissible:** The second factor relates to the legality of an intended use. Governmental use restrictions imposed by various jurisdictions allow for certain uses and preclude others.
- **Financially Feasible:** This determinant measures physically possible and legally permissible uses expected to produce a positive return.
- **Maximally Productive:** Among financially feasible uses, this criterion measures the greatest net return to the land.

This section of the report examines the theoretical presumption that the land is available for development. The subject property is unimproved and the entire property is effectively available for development based on the highest and best use scenario. The analysis considers the existing use and reasonable alternative potential uses. The concluded highest and best use assumed vacant relates to the sales selected for analysis and contributes to the determination of land value.

The general character of the property suggests residential development in the form of either a low density subdivision or a single-occupant ranch estate.

¹ *The Dictionary of Real Estate Appraisal*, Third Edition, 1993, Page 171.

Potential Development

A civil engineering study of the development potential of the site has been made by Kenneth A. Wilch & Associates, Consulting Civil Engineers.

Wilch prepared a development plan and cost analysis for a four-lot and six-lot project on the subject property.

Either project would involve an access road leading from Bliss Canyon Road to Long Canyon Road to an easement on an existing County Floor Control road to a cul-de-sac extension to the proposed lots in the study.

The point of lot development features topography acceptable for grading. Utilities will be extended to the developed sites as described earlier.

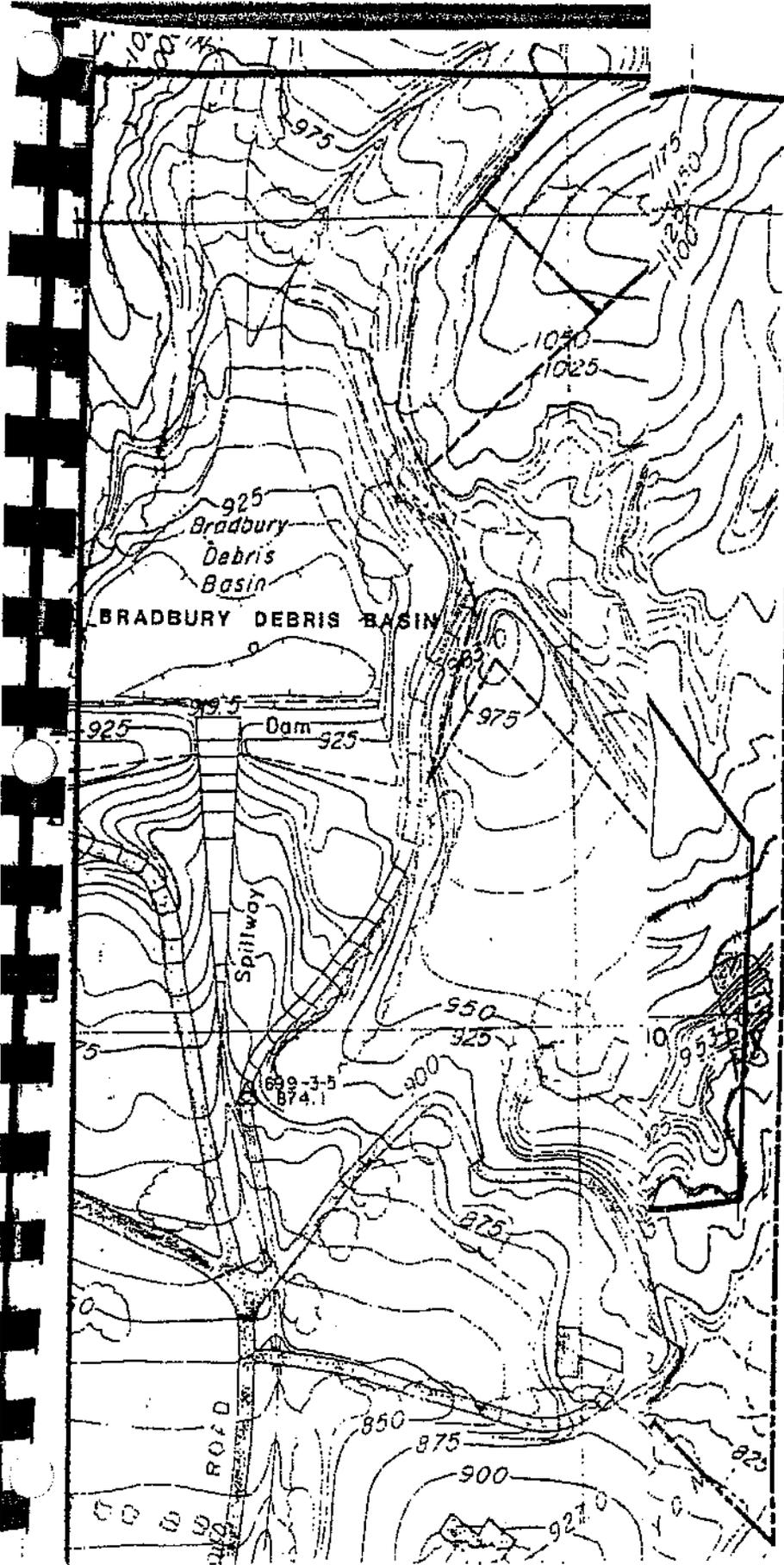
The following table provides a summary of the proposed gross area and pad area of the four lots according to civil engineering provided by Kenneth A. Wilch & Associates.

Lot #	Gross Area (AC)	Pad Area (AC)	Pad Area (SF)
	10	2.2	95,832
	10	3.4	148,104
	10	3.0	130,680
	10	2.5	108,900
Total	40	11.3	492,228
Average	10	2.8	123,057

- **Legally Permissible:** The property is currently zoned for single family development at a density of five acres per dwelling. Regardless, entitlement of the property for development would require a project review by Bradbury City Planning covering issues of access, grading quantity, ridge protection and environmental factors.

Although time-consuming, interviews with City officials indicate that a four-lot subdivision would meet standards for acceptance. A six-lot subdivision would meet with objections because of factors of environmental control and planning objectives of the City.

- **Physically Possible:** The physical characteristics of the site would allow development of a minimum density residential project despite problems of accessibility, lack of immediate utilities and severe topography.



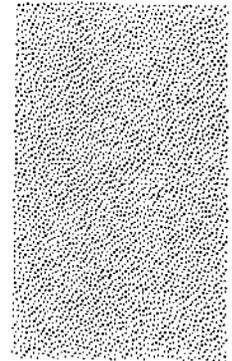
**4 LOT
DEVELOPMENT STUDY**
10 ACRE LOTS

Although a soils and geologic report was unavailable and the area has not been the subject of an Alquist-Priolo study by the State, it is general knowledge that fault lines traverse the community, and the northern area of the City which encompasses the subject property is subject to hillside slope failures and liquefaction potential.

It is obvious from the above that substantial and costly issues of physical adaptability exist for development of the subject property.

In all, the engineering study indicates the physical feasibility of development of minimal single family use.

- **Financially Feasible:** The potential sale values of finished lots vis-à-vis development costs indicates financial feasibility as demonstrated later in the report. The residential market for high-income homes is exceedingly strong. A high demand for the finished lots is present from both custom home buyers and speculative builders.
- **Maximally Productive:** The development of a single-occupancy estate ranch site would appear to be the only alternative to a minimum density subdivision. An analysis of comparable sales of such acreage properties indicates a value less than that found later in this report for a four-lot subdivision.
- **Conclusion:** Given the above, it is our opinion that the highest and best use of the property is development with a four-lot subdivision.



VALUATION

Exposure Time

The value of the subject property has been based on the market value definition presented earlier in this report. The market value definition calls for the valuation to be established based on exposure in the open market for a "reasonable time."

The Appraisal Standards Board of the Appraisal Foundation defines *exposure time* as "the estimated length of time that 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."

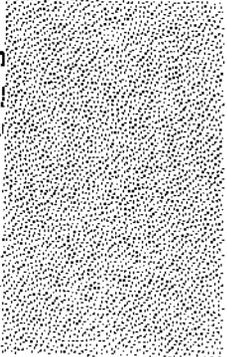
The Appraisal Standards Board of the Appraisal Foundation defines *marketing time* as "an estimate of the amount of time that it might take to sell a specified property interest in real estate during the period immediately after the effective date of an appraisal." Our analysis does not reflect projected marketing time.

The reasonable exposure time is a function of price, time, use and anticipated market conditions, such as changes in the cost and availability of funds, not an isolated estimate of time alone. Indications of the exposure time associated with the market value estimate of the subject property are provided by the exposure times of sales comparables and interviews with participants in the market and analysis of general economic conditions.

Exposure time is also a function of entitlement and development potential; the closer a property is to development the shorter the exposure time in general.

We have conducted a survey of brokers, developers, buyers and sellers in order to determine an appropriate level of market exposure time. The residential market is very strong for both individual lot sales as well as entire tracts of both undeveloped and finished lots to land developers and merchant builders as well as commercial/industrial parcels. Recently enacted growth restrictions have created a relative scarcity of developable land.

Based on the above analysis, a reasonable exposure time for the subject site in its current unentitled condition assuming the property was marketed competently at a market pricing structure would approximate six months to one year excluding escrow periods necessary for due diligence or entitlement contingencies.



Methodology

The land development approach has been used to provide an analysis of the as-is value based on the subdivision potential of the subject. Our land development approach is based on a four-lot subdivision.

This analysis represents a discounted cash flow analysis of a proposed subdivision land development. The projected future bulk value of the finished lots to an owner or speculative builder and associated land development costs and profits were discounted over estimated development and sales periods to a present value indication of the subject in its as-is condition as of the effective date of the appraisal.

Finished lot value was based on analysis of lot sales in the nearby Bradbury Estates.

Land Development Timing

Entitlement on the subject could be accomplished within two years of the effective date of value. Finished lots could be produced within an additional 18 months.

Comparative Lot Sale Analysis

The comparable land sales have been analyzed with respect to property rights, financing, conditions of sale, market conditions, location and development potential. No adjustments for property rights, financing or conditions of sale were required. While we recognize the upward trending residential market over the past several years, there is a lack of quantifiable market data necessary for specific adjustments. We have tempered our analysis of the comparables and value conclusion with improving conditions in mind. Location and development potential characteristics are qualitatively analyzed in the following section.

Lot Sale Comparables

The following section provides an analysis of finished residential lot sales within the subject market. Due to the lack of available finished lots located in the Bradbury Estates, we have also utilized sales of older residential dwellings and have allocated a portion of the sale price to the land component by deducting the depreciated value of the improvements.

Sales 1 through 4 all had some improvement value and sales 5 and 6 were vacant lot sales.