



SONOMA COUNTY OPEN SPACE FISCAL OVERSIGHT COMMISSION
COMMISSIONERS

Mike Sangiacomo
Todd Mendoza
Patrick Emery

Brian Ling
Jorge Inocencio
Jeff Owen

REGULAR MEETING AGENDA

March 6, 2025 | 5:00 p.m.

MEMBERS OF THE PUBLIC MAY PARTICIPATE VIA ZOOM OR IN PERSON

The March 6, 2025 Fiscal Oversight Commission Meeting will be conducted in person at Ag + Open Space's office located at 747 Mendocino Avenue, Santa Rosa, CA. The public may also participate virtually through Zoom.

Members of the public can watch or listen to the meeting using one of the two following methods:

1. JOIN THE ZOOM MEETING

On your computer, tablet or smartphone by clicking

<https://sonomacounty.zoom.us/j/91884250504?pwd=wLbRUHkw8JwFotjqwdk4c53tdSuAbd.1> password: 753158

If you have a Zoom account, click Join Meeting by number: 918 8425 0504 password: 753158

Call-in and listen to the meeting: Dial (669) 900-9128 Enter meeting ID: 918 8425 0504

2. ATTEND IN PERSON:

Members of the public may attend in person at Ag + Open Space's office at 747 Mendocino Avenue, Santa Rosa, CA in the large conference room.

Public Comment During the Meeting: You may email public comment to Sara.Ortiz@sonoma-county.org. All emailed public comments will be forwarded to all Commissioners. Please include your name and the relevant agenda item number to which your comment refers. Public Comment may be made live during the Zoom meeting or live, in person, in the Ag + Open Space large conference room. Available time for comments is determined by the Commissioner Chair based on agenda scheduling demands and total number of speakers.

Disability Accommodation: If you have a disability which requires an accommodation or an alternative format to assist you in observing and submitting comments at this meeting, please contact Sara Ortiz by phone at (707) 565-7360 or by email to Sara.Ortiz@sonoma-county.org. by 12 p.m. Wednesday, March 5, 2024 to ensure arrangements for accommodation.

1. **Call to Order**
2. **Agenda Items to be Held or Taken Out of Order; Off- Agenda Items**
3. **General Announcements Not Requiring Deliberation or Decision**
4. **Public Comment**
The Brown Act requires that time be set aside for public comment on items not agendized.
5. **Correspondence/ Communications**
6. **General Manager's Report**
Misti Arias | General Manager
7. **Approval of Commission Minutes Attachment 1**
8. **Financial Report Attachment 2**
Julie Mefferd | Administrative + Fiscal Manager
9. **Annual Report Attachment 3**
Julie Mefferd | Administrative + Fiscal Manager
10. **Appraisal Guidelines Update Attachment 4**
Pierre Ratte | Acquisition Specialist
11. **Ad Hoc Committee Reports**
Annual Report/Audit Report Review (Owen, Sangiacomo)
Appraisal (Owen, Mendoza)
Matching Grant Program Evaluation (Inocencio, Emery)
Ag + Open Space Endowment (Ling, Sangiacomo)
12. **Projects in Negotiation Attachment 5**
Jennifer Kuszmar | Acquisition Manager
13. **Suggested Next Meeting**
April 3, 2025
14. **Adjournment**

AGENDAS AND MATERIALS: Agendas and most supporting materials are available on Ag + Open Space's website at sonomaopenspace.org. Due to legal, copyright, privacy or policy considerations, not all materials are posted online. Materials that are not posted will be made available for public inspection between 8:00 a.m. and 5:00 p.m., Monday through Friday, at 747 Mendocino Avenue, Santa Rosa, CA.

SUPPLEMENTAL MATERIALS: Materials related to an item on this agenda submitted to the Commission after distribution of the agenda packet will be made available for public inspection at the Ag + Open Space office at 747 Mendocino Avenue, Santa Rosa, CA during normal business hours. You may also email Sara.Ortiz@sonoma-county.org for materials.





SONOMA COUNTY OPEN SPACE FISCAL OVERSIGHT COMMISSION
COMMISSIONERS

Mike Sangiacomo
Todd Mendoza
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Jorge Inocencio
Jeff Owen

UNAPPROVED MINUTES

January 9, 2025 | 5:00 pm

COMMISSIONERS PRESENT: Todd Mendoza, Patrick Emery, Brian Ling, Jorge Inocencio

STAFF PRESENT: Misti Arias, General Manager; Lisa Pheatt, County Counsel; Julie Mefferd, Administrative and Fiscal Manager; Sara Ortiz, Fiscal Oversight Commission Clerk; Jill Stephens (Auditor-Controller-Tax Collector's Office).

1. Call to Order

Commissioner Mendoza called the meeting to order at 5:00 p.m.

2. Agenda Items to be Held or Taken Out of Order; Off- Agenda Items

3. General Announcements Not Requiring Deliberation or Decision

No general announcements.

4. Public Comment

No public comment.

5. Correspondence/Communications

Meeting dates for Fiscal Oversight Commission meetings in 2025

Audit memo regarding the 2024 fiscal audit, review, and presentation in agenda item #9

6. General Manager's Report

- Soda Springs Ranch Open Space Preserve IPAOM agreement for \$962,375 was approved by BOD on Tuesday, 1/7
- PD Editorial about Southeast Santa Rosa Greenway on 12/22/24 – Great news that the City of Santa Rosa now owns the greenway, and they should ensure planning/development progresses at a reasonable pace. "We don't want to wait another decade." Mentions Ag + Open Space's contribution.
- We will be presenting with Sonoma Water and the CAO's Climate Action & Resiliency team at the North Coast Resource Partnership's Climate Resilience Event on 1/29.
 - Expected attendees include: FIGR Chairman Greg Sarris, CA Resources Secretary Wade Crowfoot, Supervisor James Gore, and leaders from state agencies/funders, such as Dept of Conservation, Coastal Conservancy, Wildlife Conservation Board, etc.
- Ag + Open Space is temporarily hosting "From Farm to Table" on 95.9 The Krush for the month of January while the Farm Bureau searches for a new host. Misti will interview different members of our staff every Thursday morning at 8:45am to dive deeper into our work to support agriculture. You can listen live or find recorded episodes on The Krush website.
- We are entering our 35th year, so we'll be rolling out some special 35th anniversary campaigns and activities to increase awareness and build our base as we head toward reauthorization. Stay tuned!

7. Approval of Commission Minutes

On a motion from Commissioner Ling and a second by Commissioner Owen, the minutes from the December 5, 2024 meeting were approved.

8. Financial Report

Julie Mefferd presented the Financial Report for November 2024.

9. Audit Report

Julie Mefferd and Jill Stephens gave a presentation on the fiscal year 2023-2024 annual audit (audit findings included in the Fiscal Oversight Commission open session packet and on the Ag + Open Website

<https://www.sonomaopenspace.org/how-we-work/budgets-financials/>

10. Ad Hoc Committee Reports

There will be a meeting or email exchange of the Annual Report/Audit Report Review committee to review the Annual Report.

11. Creation of Ad Hoc Committees for 2025 and Assignment of Commissioners

Annual Report/Audit Report Review (Owen, Sangiacomo)

Appraisal (Owen, Mendoza)

Matching Grant Program Evaluation (Inocencio, Emery)

Ag + Open Space Endowment (Ling, Sangiacomo)

12. Review of Rules of Governance

The Commission reviewed the Rules of Governance.

13. Election of Officers

On a motion by Commissioner Emery and a second by Commissioner Inocencio, Commissioner Mendoza was elected Chair.

Commissioner Ling was elected Vice Chair.

Commissioner Emery was elected Chair Pro Tempore.

14. Projects in Negotiation

Misti Arias reviewed the projects in negotiation.

15. Suggested Next Meeting

February 6, 2025

16. Adjournment

17. The meeting adjourned at 6:08 pm.

AGENDAS AND MATERIALS: Agendas and most supporting materials are available on the District's website at sonomaopenspace.org. Due to legal, copyright, privacy or policy considerations, not all materials are posted online. Materials that are not posted are available for public inspection between 8:00 a.m. and 5:00 p.m., Monday through Friday, at 747 Mendocino Avenue, Santa Rosa, CA.

SUPPLEMENTAL MATERIALS: Materials related to an item on this agenda submitted to the Commission/Committee after distribution of the agenda packet are available for public inspection at the District office at 747 Mendocino Avenue, Santa Rosa, CA during normal business hours.

DISABLED ACCOMMODATION: If you have a disability which requires an accommodation, an alternative format, or requires another person to assist you while attending this meeting, please contact Julie Mefferd at 707-565-7368, as soon as possible to ensure arrangements for accommodation.

Sonoma County Agricultural Preservation and Open Space District
Consolidated Balance Sheet - District and OSSTA Funds
January 31, 2025

Assets

Cash and Investments	\$90,497,885
Accounts Receivable	44,910
Other Current Assets	32,562
Intergovernmental Receivables	2,986

Total Assets	<u><u>\$90,578,343</u></u>
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Liabilities and Fund Balance

Current Payables	\$41,273
Other Current Liabilities	2,087
Due to Other Governments	101,826
Deferred Revenue	2,986
Long-Term Liabilities	0

Total Liabilities	<u>148,172</u>
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Fund Balance

Nonspendable	32,562
Restricted - District Activities	90,397,610
Total Fund Balance	<u>90,430,172</u>

Total Liabilities and Fund Balance	<u><u>\$90,578,343</u></u>
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Cash by Fund

OSSTA - Measure F	\$63,731,873
Open Space District	1,486,644
Stewardship Reserve*	7,500,000
Cooley Reserve	168,244
Operations and Maintenance	17,611,123

Total Cash by Fund	<u>\$90,497,885</u>
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*On July 1, 2015 the County of Sonoma Measure F Sales Tax Refunding Bonds, Series 2015 were issued. The transaction provided a savings of \$13.6 million, in part by following the Commission's recommendation of paying down \$30 million in principal, as well as obtaining a lower interest rate. The Commission recommended using the \$10 million in the Stewardship Reserve Fund as part of the \$30 million paydown. Additionally, the Commission directed use of the \$7.5 million annual savings resulting from the shortened term to fund the Stewardship Reserve beginning in the fiscal year 2024-2025. FOC Minute Order #13 dated May 14, 2015 reflects this direction.

ATTACHMENT 2

Sonoma County Agricultural Preservation and Open Space District
Consolidated District and OSSTA Budget to Actual
For the Seven months ended January 31, 2025
58% of Year Complete

	Budget Final	Actual Year to Date	Encumbrances Year to Date	Remaining Balance	% of Budget Remaining
Revenues					
Tax Revenue *	\$32,390,873	\$13,442,777		\$18,948,096	58.50%
Intergovernmental	21,371,253	0		21,371,253	100.00%
Use of Money & Prop	245,000	1,722,080		(1,477,080)	-602.89%
Miscellaneous Revenues	5,430,000	33,307		5,396,693	
Other Financing Sources	4,361,237	106,362		4,254,875	97.56%
Total Revenues	63,798,363	15,304,527		48,493,836	76.01%
Expenditures					
Salaries and Benefits	7,578,212	3,892,987	\$0	3,685,225	48.63%
Services and Supplies	15,676,574	2,046,827	8,764,967	4,864,780	31.03%
Other Charges	23,320,085	8,250	113,639	23,198,196	99.48%
Capital Expenditures**	45,893,352	10,073,252	93,352	35,726,748	77.85%
Other Financing Uses	462,031			462,031	100.00%
Total Expenditures	92,930,254	16,021,317	8,971,958	67,936,979	73.11%
Net Earnings (Cost)	(\$29,131,891)	(716,790)	(\$8,971,958)	(\$19,443,143)	
Beginning fund balance		91,146,961			
Ending Fund Balance		\$90,430,172			

Note: Sales tax collected as of January 31, 2024 was \$13,744,954. Current collections are 2.20% below the prior year. There continue to be collection and timing issues with CDTFA.

(California Department of Tax and Fee Administration)

**Capital expenditure breakdown

Keiser Park Exp 2	\$ 652,729
Russian River Redwoods	6,184,810
SE SR Greenway - MGP/CS	1,002,643
Camp Meeker Forest OSP	2,233,070
	<u>\$ 10,073,252</u>



AG + OPEN SPACE
SONOMA COUNTY

SONOMA COUNTY OPEN SPACE FISCAL OVERSIGHT COMMISSION

COMMISSIONERS

Mike Sangiacomo	Patrick Emery
Todd Mendoza	Jorge Inocencio
Brian Ling	Jeff Owens

TWELFTH ANNUAL REPORT

March 6, 2025

Board of Directors

Sonoma County Agricultural Preservation and Open Space District

575 Administration Drive

Santa Rosa, CA 95403

Dear Board Members:

This letter constitutes the Fiscal Oversight Commission's ("Commission") Twelfth Annual Report as required by Board of Directors' Resolution No. 10-0832 dated December 7, 2010. The report covers the period from July 1, 2023 to June 30, 2024. To date, no information has come to the attention of the Commission showing non-compliance with Measure F.

This report was approved by the Commission at its meeting held on March 6, 2025.

Respectfully submitted,

Todd Mendoza,

Sonoma County Open Space Fiscal Oversight Commission Chair

cc: Misti Arias Sonoma County Agricultural Preservation and Open Space District General Manager
Erick Roeser Sonoma County Auditor-Controller Treasurer-Tax Collector
Robert Pittman Sonoma County Counsel
Christina Rivera Sonoma County Administrator

Executive Summary

During this reporting period the Commission has received no information of any transfer of funds other than for the reasonable value of goods and services provided by the County to Sonoma County Agricultural Preservation and Open Space District ("District"), and no Measure F funds were directly or indirectly appropriated or transferred to the County's General Fund for other than reasonable value of goods and services. After review of audit reports and agreements on the District's expenditures for operations and maintenance on recreational properties, it appears the District is in compliance with the expenditure plan and Resolution 16-0040. The Commission has also determined that the District is continuing to utilize the County's procurement practices, and is in compliance with Generally Accepted Accounting Principles (GAAP) regarding procurement.

Background

Following the voters' approval of Measure F in 2006, the Board of Supervisors reorganized the Sonoma County Open Space Authority into the current Commission effective April 1, 2011. As part of that reorganization, the Commission is required to perform certain fiscal oversight duties with respect to the use of funds held in the County's Open Space Special Tax Account, and to review and comment on the District's annual audit as set forth in Resolution No. 10-0832. The Commission's Twelfth Annual Report to the District's Board of Directors on the Commission's actions in performing its assigned tasks are as follows:

Commission's Twelfth Annual Report

A. Role of Commission

In conjunction with the periodic audits of the District, the Commission shall serve as an audit committee in order to determine: (1) that no Measure F funds are directly or indirectly appropriated or transferred to the County's General Fund for other than reasonable value of goods and services, (2) that District's expenditures for operations and maintenance on recreational properties are in compliance with the expenditure plan and Resolution 16-0040, Initial Public Access Operations and Maintenance (IPAOM) Policy adopted February 2, 2016, and (3) determine whether or not the District's procurement practices assure that it is paying reasonable prices for appropriate goods and services and providing sufficient detail to provide an audit trail.

1. Transfer of funds and reasonable value of goods and services

During this reporting period, the Commission's Annual Report/Audit Review subcommittee met as needed to review the reports issued by the District's external audit firm, Maze and Associates, and the Sonoma County Auditor-Controller-Treasurer-Tax Collector's office.

The reports reviewed were for the fiscal year ending June 30, 2024 and included audited Basic Financial Statements, the Independent Accountant's Report on Applying Agreed upon Procedures for IPAOM related transactions, the Memorandum on Internal Control and Required Communications, and the Measure F Government Code Section 50075.3 Reporting. These reports are available on the District's website using the links at the end of this report (links 3,4,5). To date, the Commission has received no



information of any such transfer of funds other than for the reasonable value of goods and services provided by the County to the District.

2. Initial Public Access Operations and Maintenance Expenditures

The Commission is required to review District Initial Public Access- Operations and Maintenance Expenditures for compliance with the 2006 Expenditure Plan and the District's implementing policies. Over the past several years, the process for recording and reviewing these expenditures has been enhanced. The Commission participated in the development of the District processes, as well as in the development of the policy adopted by the District's Board on February 2, 2016. For Fiscal Year 2023-24 Maze & Associates, the District's independent auditing firm, conducted a transaction review, involving expenditures coded to the operations and maintenance fund, and eighteen (18) transfer agreements between the District and the entity receiving the transferred property. The Initial Public Access Operation and Maintenance (IPAOM) review was completed on November 19, 2024. There were no findings nor any communications indicating that there were any concerns regarding the accuracy of the staff account coding for invoices or timecards. The District provides on-going account coding instruction to staff to ensure that these expenditures, and all others, are coded correctly.

3. Procurement Practices

The Commission reviewed the Memorandum on Internal Control and Required Communications issued by Maze & Associates for the Fiscal Year 2023-24, which did not report any material weaknesses or deficiencies identified during the audit regarding procurement practices or other material processes. The District's practice is to follow the County's procurement practices. The Commission has determined that the District is continuing to utilize the County's procurement practices. The General Manager is satisfied that the practice meets the District's needs.

B. Respond to requests from the Board of Directors for advice

During this reporting period, there were no requests for advice from the District Board. The Commission has received and dealt with the following matters as requested by the District's General Manager. Following is a summarization of the activities addressed by the Commission during this reporting period. Appraisal Reviews are shown in Task F below.

January 4, 2024:

- Review and determination of the proposed acquisition price for the purchase of the Spring Hill Ranch conservation easement by the Sonoma County Agricultural Preservation and Open Space District does not exceed fair market value with a unanimous vote.

March 7, 2024:

- Review and determination of the proposed acquisition price of a conservation easement and recreation covenant as a condition of the Sonoma County Agricultural Preservation and Open Space District's contribution towards the fee purchase of the Keiser Park Expansion 2 property does not result in the District paying more than the fair market value for the acquisition of such interests.



July 11, 2024:

- Review and determination of the proposed acquisition price for the purchase of the Camp Meeker Forest Open Space Preserve, including a conservation easement and recreation conservation covenant to be retained by the Sonoma County Agricultural Preservation and Open Space District, does not exceed fair market value.

August 14, 2024:

- Review and determination of the proposed acquisition price for the purchase of the Russian River Redwoods property, including a conservation easement and recreation conservation covenant to be retained by the Sonoma County Agricultural Preservation and Open Space District, does not exceed fair market value.
- Review and determination of the proposed acquisition price for the purchase of the Lobban - Mark West Creek property, including a conservation easement and recreation conservation covenant to be retained by the Sonoma County Agricultural Preservation and Open Space District, does not exceed fair market value.

October 24, 2024:

- Community Spaces Matching Grant Program Funding Recommendations

For more details of the Commission's effort on the above matters, please refer to the Commission's meeting agendas and minutes. A link is provided at the end of this report. (link 6)

C. Preview District Borrowing Transactions

For this reporting period, there were no borrowing transactions to preview.

D. Districts Annual Audit

The Commission's Audit Report Review Committee examined the District's Fiscal Year 2023-24 Audit Report as prepared by Maze & Associates. As part of the refunding of the Measure F Sales Tax Revenue Bonds in Fiscal Year 2015-16, the strategy proposed by the Commission to use the existing Stewardship Reserve Fund, and other funds to pay down bond principal, shorten the term, and fund the Stewardship Reserve fund at the end of the debt issue was implemented. The bond matured in FY 2022-2023. The Commission recommended an Ag + Open Space Endowment that garners more interest income than what is earned by the County Treasury. This requires legislative change, which the Commission encouraged.

E. Appraisal Review

During the term of this report the Commission reviewed the following real property appraisals for compliance with the District's Appraisal Guidelines and Standards and, when appropriate, reported its comments to the District's General Manager for consideration by the Board of Directors:

- Spring Hill Ranch Conservation Easement (January 4, 2024)
- Keiser Park Phase 2 Conservation Easement and Recreation Covenant (March 7, 2024)
- Camp Meeker Conservation Easement and Recreation Covenant (July 11, 2024)
- Russian River Redwoods Conservation Easement and Recreation Covenant (August 1, 2024)
- Lobban – Mark West Creek Conservation Easement and Recreation Covenant (August 1, 2024)



- Mark West Area Community Park (December 5, 2024)

This report was approved by the Commission at its meeting held on March 6, 2025.

F. Annual Report to the Board of Directors

This report documents review, comments and endorsement of (1) the District's annual audit (2) the County Auditor's Annual Report on the Activities of the District (Government Code §50075.3), (3) administration of the Stewardship Reserve Fund and (4) comments on other matters regarding the District's compliance with Measure F.

1. As discussed throughout this report, the Commission did participate in the selection of the District's external auditor and has reviewed and commented on the District's Basic Financial Statements, Memorandum on Internal Control and Agreed Upon Procedures relating to Initial Public Access Operations and Maintenance (IPAOM) transactions. For the fiscal year ending June 30, 2024 there were no findings or recommendations from the audit firm Maze and Associates regarding District accounting, financial reporting, or internal control processes.
2. As of the date of this report, District staff in conjunction with the Sonoma County Auditor prepared the report for the period ending June 30, 2024. The Commission's Annual Report/Audit Report Review Committee reviewed the report and is satisfied that it summarizes the Measure F annual sales tax revenue and allowable expenditures, and pending project status.
3. Regarding the Stewardship Reserve Fund, as part of the Measure F Bond Refunding there are presently no funds in the Stewardship Reserve Fund: As discussed previously, and detailed in Note 5 and the monthly internal financial reports, the Commission supports directing funds to the Stewardship Reserve Fund while the Endowment legislative change is being pursued.
4. To date, no information has come to the attention of the Commission showing noncompliance with Measure F.



Links

1. BOARD OF SUPERVISORS' MEETING MINUTES FROM DECEMBER 7, 2010

<https://www.sonomaopenspace.org/wp-content/uploads/2015/05/Board-Reso-10-0832.FOC-Role.Responsibilities.pdf>

2. RESOLUTIONS 10-0832, 10-0833, 10-0834

<http://sonoma-county.granicus.com/MetaViewer.php?view%20id=2&clip%20id=130&meta%20id=41975>

3. SONOMA COUNTY AGRICULTURAL PRESERVATION AND OPEN SPACE DISTRICT 'S BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2024

www.sonomaopenspace.org/wp-content/uploads/SCAPOSD-BFS-2024_ADA.pdf

4. SONOMA COUNTY AGRICULTURAL PRESERVATION AND OPEN SPACE DISTRICT MEMORANDUM ON INTERNAL CONTROL AND REQUIRED COMMUNICATIONS FOR THE FISCAL YEAR ENDING JUNE 30, 2024

www.sonomaopenspace.org/wp-content/uploads/SCAPOSD-MOIC-2024_ADA.pdf

5. INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED UPON PROCEDURES FOR SONOMA COUNTY AGRICULTURAL PRESERVATION AND OPEN SPACE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2024

www.sonomaopenspace.org/wp-content/uploads/Measure-F-AUP-Final-2024_ADA.pdf

6. SONOMA COUNTY OPEN SPACE DISTRICT FISCAL OVERSIGHT COMMISSION'S ROLE, RULES OF GOVERNANCE, MEETING AGENDAS & MINUTES

<http://www.sonomaopenspace.org/who-we-are/board-and-advisors/fiscal-oversight-commission/>

7. OFFICIAL STATEMENT COUNTY OF SONOMA MEASURE F SALES TAX REVENUE BONDS ISSUED NOVEMBER 2007

<http://emma.msrb.org/MS61446-MS262167-MD505658.pdf>

8. COUNTY OF SONOMA AGENDA ITEM SUMMARY REPORT ON THE 2007 MEASURE F SALES TAX REVENUE BONDS REFUNDING

http://sonoma-county.granicus.com/MetaViewer.php?view_id=2&clip_id=505&meta_id=162825

9. COUNTY OF SONOMA MEASURE F SALES TAX REVENUE REFUNDING BONDS SERIES 2015 A (LIMITED TAX BONDS – AGRICULTURAL PRESERVATION AND OPEN SPACE)

<http://emma.msrb.org/EA725772-EA569231-EA965212.pdf>

10. SONOMA COUNTY AGRICULTURAL PRESERVATION AND OPEN SPACE DISTRICT'S BOARD OF DIRECTORS' FEBRUARY 2, 2016 MEETING AGENDA ITEM #27 INITIAL PUBLIC ACCESS, OPERATIONS AND MAINTENANCE POLICY@ 1:17 MINUTE MARKER ON MEETING VIDEO

<http://sonoma-county.granicus.com/MediaPlayer.php?view%20id=2&clip%20id=581>





March 2025

FOC Appraisal Guideline Revisions Executive Summary

Ag + Open Space is recommending to the Fiscal Oversight Commission (FOC) new and updated Ag + Open Space Appraisal Guidelines for its consideration and review. The guidelines were reviewed by the FOC Appraisal Ad Hoc Committee on February 18, 2025. The Committee recommended presentation of the new guidelines to the full FOC. This memo provides an executive summary of revisions, including reasons for changes and benefits derived.

The information in this memo is for internal use only. It is developed by Howard Levy, an appraiser under contract to consult on this work, and Pierre Ratte, Ag + Open Acquisition Specialist, for review, discussion and recommendations to the Fiscal Oversight Commission (FOC).

Background

Ag + Open Space's appraisal guidelines were last amended by the FOC over 12 years ago, on February 2, 2012. Original guidelines were created even earlier. When amended in 2012, Ag + Open Space had a licensed appraiser on staff. At the present time, Ag + Open Space retains Howard Levy, a licensed appraiser as a review appraiser under contract for specific assignments, and Pierre Ratte, an Acquisition Specialist experienced in real property valuations and appraisal reviews. Together they were tasked with reviewing Ag + Open Space's appraisal guidelines in order to recommend revisions as needed. This presentation summarizes the results of their review and recommendations.

Reasons for Recommended Guideline Changes

1. **Audience Change.** Ag + Open Space’s current standards were written for multiple audiences. The revised and updated guidelines’ target audience is professional appraisers. The change in audience is key to understanding the recommended revision and update of Ag + Open Space’s appraisal guidelines.

The revised guidelines are designed to provide clarity and accountability in a format generally understood by professional appraisers. The revised guidelines are grounded in the format used by the State of California General Services Administration, with provisions added that address conservation easement appraising and the specific needs of Ag + Open Space. The proposed revised guidelines have all the essential elements of Ag + Open Space’s current standards without the explanatory language that addresses other audiences and stakeholders. For example, the current guidelines state in the opening paragraph:

“The Guidelines are provided as an informational tool for the benefit of all involved in the District’s acquisition process, as well as for the community in general.”¹

“An informational tool” for the “community in general” is not the same as contracting guidelines and professional standards for appraisers. With multiple audiences targeted, current guidelines balloon to 35 pages. With multiple audiences, the 35-page document is burdened with explaining what is known to professional appraisers with provisions like these:

“Definition of an Appraisal. An appraisal is defined as (noun) the act or process of developing an opinion of value; an opinion of value, or (adjective) of or pertaining to appraising and related functions such as appraisal practice or appraisal services.”

“Appraisers perform analyses and render opinions or conclusions relating to the nature, quality, value, or utility of specified interests in, or aspects of, identified real estate. Real estate appraisal involves selective research into appropriate market areas, the assemblage of pertinent data, the use of appropriate analytical techniques, and the application of knowledge, experience, and professional judgment to develop an appropriate solution to an appraisal problem.”

There is no reason to explain or define an appraisal to a professional audience when contracting for services.

2. **Professional Standards Change.** Since 2012, the professional standards manual that guides licensed appraisers, Uniform Standards of Professional Appraisal Practice (USPAP), has changed in significant ways. Basic terminology changed. There is no longer a “self-contained full narrative report” as is required by the current Ag + Open Space appraisal guidelines. There is only the “Appraisal Report” and the “Restricted Appraisal Report” according to current USPAP standards. Many other changes including: certification wording, scope of work, intended users, and record

¹ Italics in block paragraphs indicate quoted text from current guidelines in its complete form. Excerpted quotes from current or revised guidelines appearing inside paragraphs are simply in quotation marks.

keeping requirements were also updated by USPAP. As currently written, Ag + Open Space's guidelines are discordant with USPAP terminology.

Current guidelines are challenging to enforce as written because they require methods that are not synchronous with USPAP standards.

Comparable Data Adjustment Methodology qualitative or quantitative adjustments for significant differences between the subject property and each comparable property are to be made by use of either a percentage or dollar amount; it is not appropriate to limit adjustment to "superior" or "inferior". (sic) The basis for all adjustments is to be clearly and concisely stated within the appraisal document, to a degree sufficient for the reader to understand the rationale for said basis."

Ag + Open Space's current standards require quantitative adjustments. This standard is problematic for appraisers because not all adjustments can be quantified through an identifiable methodology. Quantitative adjustments without supporting quantitative methods are prohibited by USPAP, thus causing a dilemma for appraisers attempting to comply with Ag + Open Space guidelines.

USPAP allows both qualitative (superior and inferior) adjustments as well as quantitative adjustments (dollar or percentage amounts). USPAP mandates that ALL quantitative adjustments be supported by quantitative methodologies. For example, time adjustments: real estate value inflation as shown as 2.3% per year; or varying percentages by year, with a supporting index from third-party, like the S&P CoreLogic Case-Schiller U.S. National Home Price Index are allowed. If no supporting evidence can be given for a numeric adjustment, then USPAP requires a qualitative adjustment.

The proposed update to the guidelines will align applicable standards. Appraisals received by Ag + Open Space have been compliant with USPAP and existing guidelines, but not without – in some cases – substantial reconciliation in the review process, which adds time and cost to our process. Aligning guidelines to current USPAP standards founded on DGS' model should improve appraisals and lessen Ag + Open Space's reconciliation time and costs.

3. **Technological Advancements.** Innovations in appraisal and reporting technologies, including electronic transmission of information, advanced analytics, increased comparable sales data, mapping and photographic information available in the public realm and through aggregation services, provide appraisers with efficiency tools not incorporated or leveraged in the current Ag + Open Space's appraisal guidelines. A simple example: Ag + Open Space current guidelines specify delivery of two physical copies of a report, whereas updated USPAP regulations now allow for digital signatures and electronic transmission of reports. In the recommended revised appraisal guidelines, Ag + Open Spaces requirements are updated accordingly.
4. **Clarity vs Complexity.** Ag + Open Space current appraisal guidelines are 35-pages long, which compromises their utility to appraisers who may not be familiar with them, which in turn compromises our ability to recruit new, qualified appraisers. A review of appraisal guidelines from other institutions, including public entities, governmental bodies, and private lenders indicate most guidelines are under 8 pages. Other guidelines refer to USPAP as a compliance standard then

add minor changes to accommodate specific needs. For instance, the State of California's Department of General Services Appraisal (DGS) Specifications is 3-pages long. DGS' specification is considered a standard model by appraisers throughout California, and because DGS is a recognized authority on appraisal, their guidelines form the basis of Ag + Open Space's revisions.

Dated and lengthy guidelines result in appraisers refusing work or increasing the difficulty of issuing an appraisal report which creates review challenges for Ag + Open Space's third-party reviews that increase costs and time.

Example of Clarity vs Complexity – Appraisal Methodology

1. Revised Guidelines:

- "Use all approaches to market value applicable to the property type and in the subject market. Explain and support the exclusion of any usual approaches of value."

2. Current Guidelines:

- 2+ pages of single type text to explain which methodologies are required vs. two clear sentences in new guidelines.
- References to an Appellate Court case ruling in eminent domain for guidance in subdivision valuations may not be relevant for Ag + Open Space appraisals and could create confusion. Identifies 4 approaches to value but 'discourages' the use of 3 approaches to value in favor of comparable sales methodology.
- With respect to comparable sales methodology, it instructs: *"data is verified, analyzed, and adjusted for differences between the subject and each comparable."* This guidance on comparing sales is unnecessary to professional appraisers.

With respect to income methodology, its use is specifically discouraged: *"The income approach should not be utilized in the following situations: Where the sales comparison approach is feasible and sufficiently reliable."* It is generally the case that appraisers will use multiple approaches to value to assess reliability of any single approach. Relying on one approach could weaken the requirements asked of appraisers. Multiple approaches to value as framed in the recommended revised guidelines will provide the FOC and Ag + Open Space more information from which to understand the reasoning and accuracy of value conclusions. By requiring increased methodological rigor, appraisals obtained by Ag + Open Space should have improved transparency and more supportable valuations.

- 3. Transparency and Accountability.** Enhancing transparency and accountability in appraisals is another driving factor for recommending process and guideline revisions. Clear and standardized appraisal guidelines will improve methodologies and clarity that support Ag + Open Spaces expenditures.

Challenges:

- Appraisals are like a 500-piece puzzle. They are long, complicated, technical documents pieced together in prose and numbers to arrive at a value.

- Different appraisers may have different presentation forms, i.e. report styles, are not uniform.
- Time consuming and difficult to analyze information is scattered throughout a 100-200 page narrative.

Solutions:

- Standardized, 3-page Executive Summary in all Ag + Open Space appraisals
- Stipulate comparable metrics not gross values
 - Not just price for fee – but price per acre, or if applicable useable acre
 - Not just price for CE – but price per acre, or if applicable useable acre
 - Strip out non relevant info in front of report to focus reader
- Comparable metrics:
 - Price per acre
 - Price per net useable
 - Net adjustment total
 - Gross adjustment total
 - Information pertinent to value

The benefits of a standardized Appraisal Executive Summary will be evident immediately. Each appraisal will be easier to read. By seeing salient subject property information, maps with comparable sales information and a comparable sales table in three pages, the reader will quickly sense whether this appraisal will be challenging or straightforward to review. Are the comparable sales tightly clustered in location? In pricing? In size? Are adjustments large or small? Do adjustments positive and negative cancel one another? How do qualitative adjustments compare to quantitative adjustments? By seeing standardized comparative metrics up front, the reader will know how to ‘read’ the report.

Benefits of a standardized Appraisal Executive Summary will also be realized over time. With a standardized summary of a 100+ page appraisal potentially condensed to 3 pages, comparative analyses of similar properties will be simplified over time. No longer will one need to familiarize themselves with a large volume of data to discern comparative qualities between appraisals received by Ag + Open Space. A compendium of Executive Summaries will provide handy reference data for a universe of comparable sales without having to hunt them down inside voluminous reports.

The FOC often receives appraisals on a short-time frame. The FOC may receive multiple appraisals for review in preparation for monthly meetings. A standardized Executive Summary which will ease the burden and process of reading through an appraisal. We believe the Executive Summary will have a positive effect on internal reviews, the appraisal review and the FOC review, thus potentially improving efficiency in three steps of the appraisal process.

The Appraisal Executive Summary is a pilot project in improving processes and procedures. We anticipate benefits and compliance, but we are also open to learn how this will be received and used in practice. See Executive Summary addition mandated in the recommended new guidelines.

5. Consistency, Pricing, Quality, Accountability. Clear guidelines and contracting practices will improve the quality of appraisals, reducing the number of drafts and expediting review times. The goal of the recommended revised appraisal guidelines is to improve processes and create a clear

path where a quality appraiser delivers a quality report from requirements that are grounded in clear guidelines.

The clearer the guidelines, the easier the process will be for Ag + Open Space, appraisers, and stakeholders. Obtaining quality reports that reduce the review appraiser's time is expected to result in improved efficiency in our expenditure of funds. Additionally, guidelines that align with federal and state standards will eliminate conflicting guidance which sometimes leads to revisions and extra work.

Other Internal Process Improvements

Following discussion and input between staff and the Appraisal Ad Hoc committee, the following internal process improvements are under way.

1. **Updated Appraiser List.** Staff have curated Ag + Open Space's current appraisal list to provide a sufficient selection of appraisers and increase relevancy to specific assignments with quality, pricing and timely delivery of results has been done.
2. **Updated Specialty Appraiser List.** Specialty appraisers have been added to the appraiser list. Use of subject matter experts given more weight when property characteristics warrant. Timber, vineyard, dairy, urban areas added or updated.

Implications and Benefits

1. **Audience Change.** Ag + Open Space's revised guidelines' target audience will be professional appraisers. Revised guidelines specifically instruct appraisers in the deliverables required. Because the revised guidelines focus on professional appraisers, clarity, quality, efficiency and accountability should improve.
2. **Better Alignment with Professional Standards.** Updating Ag + Open Space's Appraisal Guidelines will better align Ag + Open Space's appraisal standards with its peers and USPAP professional standards.
3. **Improved Quality.** A curated list of appraisers and a coordinated process for selection within the Acquisition program will generate more accurate and consistent values. Report quality should improve, leading to less staff time and review appraiser effort and cost. Clarity in guidelines will provide increased participation of appraisers and should improve quality of appraisal reports.
4. **Public and Stakeholder Trust.** Improved quality in reporting will increase reliability and confidence in results as Ag + Open Space's standards more closely follow peer guidelines and strive to put in place best in class guidance. With clearer and more understandable guidance, modeled after widely used and trusted State of California DGS guidelines, stakeholders will benefit from Ag + Open Space's guidelines being more in line with industry practices.

5. **Efficiency Gains.** Streamlining contracting, guideline direction and review should produce efficiency gains in cost and timing, without sacrificing quality. In fact, with clearer guidelines and simpler processes one can expect improved quality, while also obtaining pricing and timing benefits.

Conclusion

In conclusion, the recommendations to change Ag + Open Space's appraisal guidelines and update processes is driven by a combination of factors including:

- Changes in the target audience of the guidelines,
- Substantive changes to improve guidance,
- Professional standard updates from the governing body of the appraisal industry, USPAP,
- Technology used in preparing appraisals,
- Internal process improvements targeting quality, pricing, timing and consistency, and
- A pilot *Executive Summary* innovation which should help all parties reading Ag + Open Space's appraisals.

Accordingly, we offer the following documents for your consideration and approval:

1. **Updated Appraisal Guidelines.** Updated guidelines are revised and simplified-to a 3-page document based on USPAP and CA GSA standards, both widely used and understood in the appraisal industry. Adaptations specific to Ag + Open Space' needs as a public agency and conservation entity have been added. Prior appraisal guidelines are presented as a before and after reference. DGS guideline is available as an example of widely accepted 3-page standard specification.
2. **New Report Introduction – Pilot Executive Summary.** A 3-page standardized introduction pilot template for summarizing relevant appraisal information apprising the reader of salient facts and an understanding of comparable sales results used in the valuation. Standardization of essential data in 3-pages focusing on conclusions and logic threads highlighted in standardized data tables and subject property facts. Exhibit A in the Appraisal Guidelines.

Attachments

1. Appraisal Guidelines approved 2012
2. Appraiser List
3. New Appraisal Guidelines 2025
4. Appraisal Executive Summary, Exhibit A

GUIDELINES AND STANDARDS
FOR
PREPARATION OF
NARRATIVE APPRAISAL REPORTS

SONOMA COUNTY AGRICULTURAL PRESERVATION
AND OPEN SPACE DISTRICT

**APPRAISAL GUIDELINES
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APPRAISAL GUIDELINES

The appraisal Guidelines have been prepared in order to set forth parameters by which contract appraisers can perform appraisal assignments in accordance with the District's expectations. These Guidelines are not intended to be all inclusive, and it is anticipated that there will be issues not readily addressed herein that the appraiser will either have to direct to the District or use their best judgment.

These Guidelines have been developed in part as a result of the District's past experience with the appraisal process, and are also based in part upon published sources for appraisal of conservation easements, as well as other appraisal issues. They have also been prepared with the assistance of the appraisal community. The Guidelines are provided as an informational tool for the benefit of all involved in the District's acquisition process, as well as for the community in general.

A. Definition of Appraisal

An appraisal is defined as (noun) the act or process of developing an opinion of value; an opinion of value, or (adjective) of or pertaining to appraising and related functions such as appraisal practice or appraisal services.¹

Appraisers perform analyses and render opinions or conclusions relating to the nature, quality, value, or utility of specified interests in, or aspects of, identified real estate. Real estate appraisal involves selective research into appropriate market areas, the assemblage of pertinent data, the use of appropriate analytical techniques, and the application of knowledge, experience, and professional judgment to develop an appropriate solution to an appraisal problem.

B. Description of Property Appraised and Rights Acquired

It is important to set forth in the appraisal document a clear indication of the property appraised. The appraiser may rely upon legal descriptions, Sonoma County Assessor's parcel maps, or other exhibits prepared by the District or private consultants for an indication of the boundaries of the property to be appraised. A full description of all of the physical features characterizing the property is required.

The source of the estimated land area of the property appraised must be stated by the appraiser, and any differences reconciled in the appraisal narrative. An example would be where the acreage as indicated by an Assessor's parcel map differs measurably from that as stated by the property owner or by record of survey. The appraiser is to make a determination of, and provide support for, use of a particular acreage or to highlight an issue of unresolved land area.

The appraiser must also identify the rights to be acquired, either in fee or conservation easement interest; easement interests are to be defined as to the type of easement, such as an agricultural conservation or natural resource easement. Reference should be made to

¹ Uniform Standards of Professional Appraisal Practice, 2010-2011 Edition, Appraisal Standards Board, Appraisal Foundation, p. U-1.

the District's draft Deed and Agreement and the salient issues are to be discussed in the appraisal narrative.

In certain instances, the District may wish to acquire more than one type of easement over portions of the same property. Also, only a portion of the property appraised may be encumbered by a conservation easement. The appraiser must clearly describe these factors and provide sufficient graphic exhibits to enable the reader to easily understand relationships between the whole property and the part to be acquired. The appraiser must also analyze and report how each of these issues will affect the value of the property in the Before and After conditions (see Section "G" of these Guidelines).

In many instances, a property appraised may include structural improvements. If the District is acquiring only an easement interest in the property, the appraiser may choose to ignore the value of the improvements, as only the land value needs to be determined for the purpose of the appraisal. In such an instance, it is imperative that the appraiser state clearly in the appraisal, as well as in the letter of transmittal, that the value of the conservation easement is based on the value of the whole property exclusive of the value of any improvements located thereon.

C. Condition of Title

The existence of a particular easement encumbrance or reservation of the interest of another may adversely affect the quality of title, as well as adversely affecting the permitted and prohibited uses intended by the District through the acquisition of a conservation easement interest. Additionally, it may affect the appraiser's opinion of market value of the property in both the Before and After condition. Examples are as follows:

- An existing Land Conservation Contract or Agreement (pursuant to the Williamson Act) may limit subdivision of the subject property in the Before condition.
- A substantial number of access easements, especially floating easements, may diminish the utility of the property.
- Assignments of water rights to other parties may impair the ability to develop additional water sources on the property.
- Towerline easements that are not improved with electrical transmission facilities but that have not been abandoned by the grantee could have a negative effect on the physical use of the property.

The effect of certain existing easements or reservations of interest cannot necessarily be discounted by the appraiser on the assumption that the property is "appraised as though free and clear of any liens or encumbrances". It is not appropriate, for example, to assume that lack of legal access can be easily cured by the purchase of other access. The appraiser must consider and report upon the effect of each easement, encumbrance, or lease to the extent that it affects market value.

D. Date of Valuation

The date of value as utilized in appraisals prepared for the District is to reflect present value, and not prospective or retrospective value unless otherwise requested by the District; most often, it will be the date of the last inspection of the subject property. By their nature, appraisers determine an opinion of market value based on highest and best use, and must not unduly consider speculative future value based on events that may or may not occur.

E. Market Value

There are many definitions of value that exist in appraisal theory and technique; examples include market value, use value, going concern value, investment value, assessed value, and insurable value. The purpose of the appraisal dictates the type of value to be determined.

Property rights acquired by the District are not valued in the same manner as those for other types of public projects which involve the use of eminent domain; the District is not vested with the power of eminent domain. The District negotiates only with willing sellers in the real estate market.

The two definitions of market value that are applicable to property rights appraised for the District are presented as follows:

1. The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under undue duress;² or
2. 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:
 - a. buyer and seller are typically motivated;
 - b. both parties are well informed or well advised, acting in what they consider their best interests;
 - c. a reasonable time is allowed for exposure in the open market;
 - d. payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and

² Appraisal Institute, The Appraisal of Real Estate, 13th Ed., (Chicago: The Appraisal Institute, 2008), p. 23.

- e. 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.³

Contract appraisers are to use either of the above "most probable price" definitions as the basis of determining market value for fee or conservation easement interests.

F. Public Interest Value

Public interest value is a term that has been used as an attempt to define the value of a particular property that is being acquired for purposes such as conservation, wildlife habitat, preservation in a natural state, or other non-economic uses. Advocates of the public interest value concept argue that the highest and best use of such lands is precisely that for which they are being acquired.

The validity of appraisals based on non-economic highest and best use as a legitimate estimate of market value has been the subject of numerous articles in professional journals, and has been the subject of committee research and/or forums at national meetings of the International Right-of-Way Association, the American Society of Farm Managers and Rural Appraisers, and the Appraisal Institute. Value estimates and appraisal reports have been developed on this premise of "preservation" as a property's highest and best use. Legal counsel for some property owners have contended that such reports are a reliable opinion of market value.

However, public interest value appraisals require the development of an opinion of value that clearly falls outside the traditionally accepted definition of market value. Based on the definition of highest and best use as provided in Section "G", following, it is clear that highest and best use is to be estimated in economic terms. Implied in the foregoing is that highest and best use is an economic concept, and not a social concept. This position is supported by modern appraisal textbooks.

This issue of public interest value was most succinctly addressed in a Position Paper on the subject which was presented to and approved by the Interagency Land Acquisition Conference in late 1994.⁴ The Position Paper concluded that:

- 1) public interest value constitutes a non-economic highest and best use;
- 2) a non-economic use is not a proper basis for the estimate of market value;
- 3) the highest and best use of a conservation, preservation, or other use that requires the property to be withheld from economic production in perpetuity, is not a valid use upon which to estimate market value;

³ Federal Register, vol. 55, no. 163, August 22, 1990, pages 34228 and 34229

⁴ Conference committee members included the U. S. Department of Justice, U. S. Forest Service, U. S. Fish and Wildlife Service, Bureau of Land Management, Bonneville Power Associates, U. S. Army Corps of Engineers, Department of Transportation, FHWA, and National Park Service.

- 4) such an estimate is not in conformance with the Uniform Standards for Federal Land Acquisition.

The District's legal counsel concurs with these conclusions.

G. Highest and Best Use

Market value is to be determined with reference to the property's highest and best use. Detailed analysis and documentation of highest and best use is stressed in District appraisals because the Before and After valuation depends upon well supported and documented determination of probable uses in each instance.

Highest and best use is defined as:

The reasonable, 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 productivity.⁵

Often the highest and best use can be the current use of the property. However, if the property is adaptable to a use other than the existing use, this marketable potential must be considered. All assumptions must be thoroughly documented and discussed in the appraisal document. There must be sufficient evidence of a reasonable probability that the proposed use is legally permissible, physically possible, financially feasible, results in a higher land value, and that there is demand for such use either at the present time or in the reasonably near future.

Any assumptions as to the potential for a zoning change and/or General or Specific Plan amendment, as examples, must incorporate the above factors and must be thoroughly documented and supported. The elements of risk and time delay must be analyzed and reported. Unsupported assumptions as to issues such as availability of water, subdivision potential, number of potential lots, access, sewer service, annexation, and changes in Land Conservation Contracts or Agreements are not consistent with these Guidelines and Standards.

Where it is determined that various parts of a property have different highest and best uses, the appraiser should not necessarily value the property based upon each of these uses independently, but should consider all of the uses as components of the whole property and value the property accordingly. In no event should the valuation be based on one highest and best use for the land and the addition of a different and inconsistent highest and best use. Further discussion regarding valuing the property as a whole and exceptions thereto is provided under "Unit Rule", Section "O", of these Guidelines.

Pursuant to these Guidelines and Standards, each of the four elements of highest and best use are to be analyzed and discussed completely within the text of a self-contained narrative report so that the reader can clearly understand the basis for the appraiser's determination of highest and best use in both the Before and After condition.

⁵ The Appraisal Institute, The Dictionary of Real Estate Appraisal, Fourth Ed, 2002, p.135.

H. Consistency with USPAP

The appraisal documentation and reporting process is to be conducted in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) as adopted by the Appraisal Standards Board of the Appraisal Foundation and as recognized by Federal Law. USPAP defines the generally accepted minimum standards for appraisals and is required in addition to these District Guidelines and Standards for appraisal reports. The appraiser should be continually familiar with the most recent version of USPAP as it is updated on a periodic basis.

It is recognized that there may be an occasion when the District Guidelines and Standards do not sufficiently address a specific appraisal issue. The professional appraiser is expected to apply his or her judgment to unusual valuation problems. If the valuation of a particular property requires deviation from the District Guidelines and Standards, the appraiser may do so based upon adequate documentation and reasoning approved by the District prior to submittal of the appraisal report.

Under no circumstances, however, shall appraisal reports, or the process used, fall below the minimum standards of USPAP.

I. Assumptions and Limiting Conditions

Any qualified assumptions made by the appraiser with regard to the highest and best use of the property appraised must be accurately stated and fully documented in the Assumptions and Limiting Conditions section of the report. Unsupported assumptions are unacceptable and may result in the rejection of an appraisal by the District. The appraiser may state standard limiting conditions in the body of the report as well as any special conditions that may be particular to the project. Conditions or assumptions that change the purpose or function of the appraisal or otherwise modify the scope of work under the terms of the contract are not acceptable. If there are any questions, it is recommended that the appraiser submit proposed assumptions or limiting conditions to the District prior to completion of the draft appraisal document.

Assumptions made by the appraiser as to certain land uses without sufficient basis in fact are considered unduly speculative and are not consistent with these Guidelines and Standards. This extends to development rights (discussed in detail in Section “K”, paragraph “2” of these Guidelines) and suitability of a property for various uses such as viticulture or extraction of mineral rights. Appraisers are not necessarily experts in such matters as timber, mineral, or viticultural resources. Appraisers should analyze any reports or analyses prepared by experts in these fields for confirmation of such assumptions, and provide documentation of such reports or analyses within the appraisal report.

J. Appraisal Format

Most commonly, an appraisal prepared for the District will be in a self-contained format as defined by USPAP, and in narrative form. This is the most complete form of appraisal reporting and is required because of the comprehensive needs of the District in

supporting expenditures of funds with which to purchase the easement or fee rights appraised.

Under the self-contained narrative format, an appraiser is expected to fully discuss all aspects of property analysis and valuation, inclusive of physical, legal, and economic issues. Abbreviated statements which provide only a summary conclusive statement without narrative documentation are not acceptable; e. g., “Based on my knowledge and experience, there is adequate demand for the property on the open market”. The District Appraisal Standards, which follow these Guidelines, more fully set forth the requirements for a self-contained narrative appraisal.

K. Appraisal Methodology

Ordinarily, the Before and After method shall be used in all appraisals; this method is discussed more completely in the publication entitled “Appraising Conservation and Historic Preservation Easements”, by Richard J. Roddewig, published jointly by the Land Trust Alliance and the Appraisal Institute (2011). The foundation of the Before and After appraisal methodology is based upon 1) the valuation of the subject property prior to the imposition of a conservation easement and 2) the valuation of the same property as though subject to the easement. The difference between the two values is the value of the conservation easement. In the unlikely event that another method appears appropriate, the appraiser is to submit justification to the District for approval prior to completion of the draft appraisal report.

1. Market Conditions

As a part of the valuation process, a thorough investigation and understanding of local and regional real estate market conditions is required. Appraisers must adequately address the issues of 1) exposure time as provided for in USPAP, and 2) marketing time as discussed in Advisory Opinion (AO) 7, appended to USPAP. Data that are collected and analyzed to estimate value are also used by the appraiser to formulate highest and best use. Without interaction in the marketplace, highest and best use would not exist and it would not be possible to estimate market value.

The appraiser is expected to provide a thorough discussion of market conditions that are anticipated to influence the marketability of the subject property based on the highest and best use conclusion; this applies to the property in both the Before and After condition. Narrative discussion is to include supporting documentation for recent, present, as well as estimated future market performance.

Market analysis consists of the following components:

- Delineation of the market area according to type of use, property location, types of similar properties, geographic range of competitive properties, and the principle of substitution as applied to comparable properties;
- Examination of the effect of market conditions on the delineated area based on the current supply and demand situation, and the relation of market conditions to the highest and best use of the property.

2. Analysis of Development Rights

One of the most challenging aspects of the highest and best use analysis is determining the number of development rights. Certainly, zoning and General or Specific Plan criteria set forth the legally permissible foundation. Examples of other defining or limiting elements are:

- 1) the effect of Certificates of Compliance;
- 2) the effect of minor or major subdivision applications;
- 3) existing Assessor's parcels that may or may not be legal lots;
- 4) the ability of soils to successfully percolate, which can be a function of soil quality, water table, and/or flood zone location;
- 5) the physical limitations of the property;
- 6) the degree of interrelationship of property development with other resources, such as timber or wetlands;
- 7) the effect of a Land Conservation Contract or Agreement pursuant to the Williamson Act on the ability to subdivide the property;
- 8) the status of any existing residences, i.e., primary, non-conforming, caretaker housing.
 - Unless there is clear and verifiable evidence of the existence of Certificates of Compliance or Assessor's parcels constituting legal lots, the appraiser is not to assume that they do exist. Clear and verifiable evidence means either recorded documentation or a written determination from the Sonoma County PRMD.
 - Unless there is a specific report from a soils consultant indicating the acceptability of soils for septic system percolation, the appraiser is not to unconditionally assume that septic systems can be established on any individual legal lot.
 - In concluding the number of development rights assumed by the appraiser for any particular property, the appraiser is to thoroughly document the basis upon which the conclusion is made.

3. Timber Valuation

Occasionally, a property to be appraised may be the subject of a Timber Harvest Plan (THP) or Non-Industrial Timber Management Plan (NTMP). Also, a property may be located within a recognized area of commercial timber harvesting. Where a timber appraisal is required, it is to be completed by a qualified professional expert. Such an appraisal is to reflect the net merchantable value, or "stumpage" value, of marketable

timber to the property owner. The timber appraiser is to verify and discuss all estimates and costs associated with reduction of values from gross to net, including details of the timber cruise, existing or proposed THP's or NTMP's, the basis for determination of gross or delivered log value, logging, hauling, road construction, and administrative sales costs, and timber yield tax.

In the event that a THP or NTMP has not been approved for the property, the assumption made by the timber appraiser as to recoverable timber volume is to be based on a reasonably anticipated Plan that would be approved by the California Department of Fire and Forestry Protection (CAL FIRE).

The District's appraiser is to consider the effect of any timber appraisal in the valuation of the property, both as a part of the highest and best use analysis and as a component of the property value. Reference is made to Section "O", Unit Rule, to avoid improper application of the timber value.

4. Valuation of Lands Suitable for Viticulture

In numerous instances, property owners have represented that lands are suitable for viticultural production. Since this can be a major element of value in a particular property, it is imperative that the appraiser thoroughly document and qualify the suitability of any property for this purpose. The appraiser must differentiate between lands that have previously been planted for intensive agricultural purposes, such as tree crops, and those that have not been put to intensive agricultural use.

Consideration of soil conditions, water table and irrigation sources, drainage, slopes, viticultural area, climatology, predominant neighboring agricultural uses, and varieties typical for the region are all factors in the determination of viticultural suitability. The appraiser should not assume that the subject property will support vineyard use unless there is sufficient evidence prepared by a professional expert to support such an assumption.

5. Merger of Existing Lots

Where the District is acquiring an easement interest, the District may require the merging of existing legal lots and/or Assessor's parcels as a condition of easement acquisition. The number of resultant merged lots will be dependent in part upon the number of development rights to be retained in the After condition. The appraiser should give consideration to the effect, if any, that this merger requirement will have on the development potential and the marketability of the property in the After condition.

L. Approaches to Value

1. Sales Comparison Approach

The sales comparison approach to value is the most commonly applied approach in the valuation of conservation easements. This approach utilizes comparable market

data selected by the appraiser; this data is then verified, analyzed, and adjusted for differences between the subject and each comparable.

Appraisers are expected to apply conventional methodology in the application of the sales comparison approach. Use of statistical regression analyses or other methodology in lieu of the standard adjustment procedure involving the application of qualitative and quantitative adjustments and use of adjustment charts should not be relied upon as the primary method of valuation, but may be utilized to support conclusions of value derived by generally accepted adjustment procedures.

2. Income Approach

The income approach may be utilized if the highest and best use includes an income producing asset which is typically valued by buyers based on an anticipated income stream, such as billboards or antenna sites. Also, in instances where a proposed conservation easement is so restrictive that only a limited use of the property remains, such as grazing, the income approach may be applied. However, use of the income approach in these instances requires adequate documentation by the appraiser as to lease and capitalization rates extracted from the market.

The income approach should not be used in the following situations:

- 1) Where the sales comparison approach is feasible and sufficiently reliable.
- 2) Where the income producing asset has not been established, i.e., assuming an income stream from a vineyard which has not yet been planted.
- 3) Where the income producing capability of the asset varies significantly from year to year and/or cannot reliably be projected into the future.

3. Cost Approach

The cost approach involves a determination of the value of the land and the depreciated replacement cost of any improvements contributing value to the land, giving consideration to physical, economic, or external obsolescence. Use of the cost approach is generally not applicable since property interests acquired by the District are almost always exclusive of existing improvements.

4. Subdivision Development Analysis Approach

Use of only this method of analysis is discouraged by the District, primarily because it can involve a significant number of variables with a resulting increased level of speculation. California Appellate court rulings have held that the subdivision development analysis method is improper in the valuation of property under eminent domain proceedings.⁶

⁶ Contra Costa Water District vs. Bar C Ranch, 5 Cal. App. 4th 652 (1987).

If it can be demonstrated that there is simply little or no adequate comparable market data available due to the extraordinary nature of the subject property's highest and best use, the subdivision development approach may be utilized as an alternate approach to value subject to the following conditions:

- 1) Prior to implementing this approach as a sole method of valuation, the appraiser shall have adequately demonstrated to the District that there is inadequate comparable market data for use of the sales comparison approach;
- 2) The subdivision must be legally, physically, and economically feasible;
- 3) The project must have an approved and current Tentative Map and appropriate documentation must be provided from PRMD to this effect, or sufficient evidence of existing legal lots must be provided;
- 4) Water sources and septic waste disposal systems for each lot must be documented;
- 5) Direct and indirect costs associated with development of the property must be provided by a registered civil engineer who has familiarity with the type of development contemplated;
- 6) The appraiser must provide sufficient evidence of market absorption and demand for the lots as subdivided and in a marketable condition. Sales and administration costs and discount rates must be based upon verifiable data abstracted from similar projects or the industry.

If the appraiser elects to use both the subdivision development approach and sales comparison approach, the appraiser must reconcile the two approaches with a preference for the sales comparison approach and explain any differences between the valuation conclusion of each. The sales comparison approach is considered to be more reliable and less speculative.

M. Comparable Market Data

1. Conservation Easement Sales

Sales of conservation easements to the District or to other similar agencies are not to be relied upon as a primary indication of the value of a conservation easement being appraised. This is because such purchases by a comparatively limited number of special interest buyers occur within a relatively closed market that is not subject to traditional economic real estate market forces within the open market. However, such sales may be used to support more reliable, non-conservation easement market data under certain conditions. If considered by the appraiser, any such sale requires a complete analysis of the easement rights acquired and the particulars of the transaction, including any elements of a bargain sale or tax consequences that may have affected the price paid for a conservation easement.

2. Sales of Properties With Existing Conservation Easements

Sales of properties which are subject to an existing open space or other conservation easement may be considered as comparable market data provided that the appraiser conduct a complete analysis of the easement rights acquired and the particulars of the transaction as indicated in paragraph 1 above. The appraiser must have full documentation of the restrictions of the easements on the property and the impact of the easement on the sale price.

The appraiser should also consider any bargain sales or tax consequences that may have affected prices paid for conservation easements.

3. Sales to Public or Quasi-Public Agencies

Sales to public agencies may be used if it can be documented that the acquiring agency purchased the property pursuant to a willing buyer and seller relationship, with no evidence of duress or threat of condemnation. Such a sale must meet the test of an arm's length transaction (see paragraph 11 for further discussion).

The District prefers that such transactions be used as supportive market data for other non-condemnation transactions and that less weight be given to such sales.

4. Sale of the Subject Property

In any instance where there has been a sale of some or all of the interest in the subject property within five years of the date of valuation, the appraiser must discuss the terms and conditions of the transaction in accordance with the USPAP. Additionally, the appraiser is to either include the sale as a comparable transaction or explain why the transaction is not an indication of market value for the subject property.

5. Use of Listings

Properties that are currently listed on the open market must not be relied upon with the following exception. Only listings that are in escrow (under an accepted contract to purchase) or are under an executed option agreement may be considered, and then only if the terms and conditions of the transaction are discoverable. Further, such a listing may be used subject to the following considerations:

- a) the terms and conditions of the pending sale are discoverable and set forth as part of the discussion of the comparable analysis;
- b) a history of the property listing is disclosed;
- c) a proper adjustment for listing price is made based on the appraiser's analysis of typical sale versus listing prices.

Less reliance is to be placed on listings than on closed transactions. Broker opinions, unexercised options, and expired listings shall not be used as supporting evidence of value.

6. Sales of Unlisted Properties

On occasion, a property is sold that was not listed on the open market and the parties to the transaction had knowledge of one another. Examples of such transactions include the purchase of neighboring land by an owner who desires to add to existing holdings, the sale of a property to a long-time lessee, to a partner in a partnership, or the sale of a special purpose property, such as an operating dairy or vineyard, between members of the agricultural community.

The use of any such transaction for comparable purposes requires the appraiser to thoroughly investigate the terms and conditions of the sale, including the motivation of the buyer and seller. If appropriate, adjustments are to be made to reflect the lack of exposure of the property on the open market, the lack of a sales commission, or extraordinary buyer motivation to assemble a property with existing lands. It may be the case that such a transaction is not arm's length.

7. Same Comparable Market Data for Before and After Valuation

The District discourages limiting comparable market data only to identical transactions in both the Before and After conditions; this tends to compromise the methodology and the validity of the sales comparison approach. Appraisers are expected to perform comparable data investigations to a degree sufficient to discover properly comparable and different market data for use in both Before and After valuations. Also, almost all of the conservation easements proposed by the District will significantly affect the use and enjoyment of the property from which they are acquired, necessitating the use of dissimilar comparable market data in the Before and After valuations.

If there is a valid rationale for use of the same comparable market data, the appraiser must set forth adequate reasoning for doing so.

8. Inspection of Comparable Properties

All comparable properties selected by the appraiser for use in the valuation of a fee or easement acquisition must be inspected by the appraiser prior to submission of the draft appraisal report. The appraiser is required to document the date of inspection and may elect to include photographs of the comparable property (as opposed to topographic maps) in the report. Comparable properties should be inspected within a reasonable timeframe prior to the date of valuation. A comparable property may have undergone changes in use subsequent to the date of sale which could provide additional insight as to buyer motivation; this could be discerned by a current inspection.

9. Minimum Number of Comparables

Although it is not the intent of the District to mandate an absolute minimum number of comparable properties for use in the sales comparison approach, it is difficult to formulate a reliable conclusion of value using less than three. Preferably, the District recommends the use of five to seven comparables for both the Before and After

condition valuation, but this can be subject to market conditions. Older comparables may be used and adjusted for time provided that adequate supporting documentation for a time adjustment is provided. However, if as few as three comparables are selected, they should all be closed transactions having a high degree of comparability to the subject, requiring little cumulative adjustment to their respective sale prices.

In the event that the appraiser is unable to discover a sufficient number of comparable properties, an alternate method of valuation may be appropriate; this would require the prior approval of the District.

10. Comparable Property Location

Comparable sales investigations are not necessarily limited to the jurisdiction of the District (Sonoma County). Transactions outside the county may be used if, in the judgment of the appraiser, they are appropriately comparable to the subject property and there are an insufficient number of suitable transactions available within a more immediate geographic area.

11. Arm's Length Transactions

Generally acceptable appraisal practice requires that all comparable property transactions be verified as to whether they are arm's length, i.e., that they meet the test of market value. There may be circumstances under which a transaction is suspect, such as an estate or bankruptcy sale, but if such a sale occurred as a result of reasonable exposure to the market, with no other mitigating factors, it may in fact constitute an arm's length transaction.

It is preferable to utilize arm's length transactions as comparable market data; however, a sale that is determined not to be arm's length may also be included provided that the appraiser fully investigates the terms and conditions of the transaction and provides appropriate support for required adjustments.

N. Comparable Data Adjustment Methodology

Qualitative or quantitative adjustments for significant differences between the subject property and each comparable property are to be made by use of either a percentage or dollar amount; it is not appropriate to limit adjustments to "superior" or "inferior". The basis for all adjustments is to be clearly and concisely stated within the appraisal document, to a degree sufficient for the reader to understand the rationale for said basis.

The amount of adjustment is to bear a reasonable relationship to the comparable property sales price, given consideration for highest and best use. For example, a 10% adjustment for lack of septic approval on a property that sold for \$1,500,000 is \$150,000; this may or may not be a reasonable cost.

Typically, comparable properties are adjusted for major differences by a number of relevant categories. The definition and selection of these categories are the province of the appraiser and should relate specifically to the particular physical and market characteristics of the subject property. They should also reflect any previous discussion

by the appraiser of significant aspects of highest and best use, i.e., soil conditions or viticultural potential.

The appraiser should ensure that adjustments made for the range of comparable market data selected are consistent. For example, given a subject property of 100 acres and comparable properties of 200, 500, and 700 acres (all other factors of adjustment being equal), it would typically not be consistent to adjust each comparable upward by 10%. Similarly, if an appraiser adjusts downward by 10% for a comparable property with superior access, it does not follow that a property with inferior access receives no upward adjustment.

Adjustments for the difference in time between the date of the sale of a comparable property and the date of valuation should be carefully analyzed by the appraiser and fully supported by verifiable data. Sources of information may include the Sonoma County Board of Realtors' multiple listing service data, the sale and resale of a similar property type (not required to be comparable data), and other published studies or articles that the appraiser may reference.

1. Demolition or Removal of Existing Improvements

Occasionally, the highest and best use determination will assume the demolition or removal of existing improvements. An example would be a dairy which has a highest and best use of rural residential subdivision. By subdividing the property, the dairy use is no longer economically feasible. The existing dairy improvements, because they would be physically incompatible with a subdivision, require removal.

Another example would be the removal of a portion of existing income producing agricultural crops, such as vineyards, to accommodate a residential subdivision where the appraiser has determined that both could co-exist as a highest and best use scenario. In cases such as these, the appraiser must account for the cost of removal of these improvements in the valuation of the property.

2. Adjustment for Minor Restrictions of Easements

Certain aspects of an agricultural conservation or forever wild easement can be construed to have some limitation on the use and enjoyment of a property and may not be readily addressed by comparable analysis. The property owner will have to obtain District approvals prior to conducting many activities considered to be routine in the absence of such an easement.

The District accepts that it is reasonable to consider a diminution in value based simply on the ministerial aspects of the proposed easement, and for the appraiser to adjust the comparable property sales accordingly. The degree of adjustment is based upon the restrictiveness of the easement.

3. Time Value of Money

In instances where an anticipated income stream from, for example, the sale of a number of lots or the harvesting of timber is projected to extend over some period of

time, the appraiser must analyze, discuss, and provide support for an appropriate discount rate to develop a net present value for the income stream. The discount rate is to reflect the relative degree of risk involved in the investment as compared to other forms of investment in the financial marketplace, and the appraiser must justify the rationale for selection of an appropriate rate.

4. Units of Value

In expressing valuation data and conclusions for the subject and comparable properties, or for other valuation methodology approved by the District, the acceptable unit of value is the price-per-acre for most properties. When comparing properties on the basis of development rights, a price-per-development-right (price per lot) is acceptable as an indication of unit value. Infrequently, non-residential or non-agricultural properties require appraisal and it is appropriate in these instances to apply a price-per-square-foot unit of value.

If more than one unit of value is used, appraisers should ensure that their conclusions of value can be appropriately correlated. For example, the estimated market value of a property as determined by a price-per-acre unit value should reasonably correlate with price per development right.

Comparable adjustment tables are to clearly indicate the appropriate unit of value. Adjusted values for each comparable property should always include a price per unit value.

O. Unit Rule

This market value concept, adopted by the courts in the determination of just compensation, requires properties under appraisal to be valued based on the whole of the property, and not the sum of the parts or interests.⁷ Generally accepted appraisal standards require an appraiser to analyze the effect on value, if any, of the assembly of the various component parts of a property and to refrain from valuing the whole by adding together the value of the various component parts (see USPAP Standard Rule 1-4(e)). There may be instances where the highest and best use of a particular property includes, for example, rural lot subdivision, timber harvesting, and viticultural use. However, each of these component parts are not necessarily distinctly separate and may be interrelated both physically and aesthetically.

Utilizing the sales comparison approach to value, it is appropriate to make adjustments for differences in degree and type of these different uses between the subject and each comparable. While the appraiser should have at least general knowledge of values for particular components of a property's highest and best use, such as vineyard or timber uses, it is not appropriate to make adjustments based specifically on the additive value of each component. For example, if a timber appraisal specifies a concluded net merchantable timber value based on a particular harvest scenario, it is generally improper

⁷ *United States v. Dunnington*, 146 U.S. 338, 351 (1982); *Bogart v. United States*, 169 F.2d 210 (10th Cir. 1948); *Nebraska v. United States*, 164 F.2d 866, 868 (8th Cir. 1947), cert. denied, 334 U. S. 815; *United States v. 25,936 Acres of Land in Borough of Edgewater*, 153 F.2d 277, 279 (3rd Cir. 1946); *Meadows v. United States*, 144 F.2d 751, 752 (4th Cir. 1944).

to add this value to the concluded market value for the subject property without further highest and best use analysis.

Except for the following, a property shall not be appraised based on cumulative value:

- Where different zones of use clearly exist, i.e., a low-lying area of wetlands as opposed to a defined upland area with different physical characteristics as parts of the same property. Here, the difference in highest and best use is so distinct that valuation of each of the parts is justifiable if the use of each is independent of the other. If the different land use areas are not separately marketable, analyzing each area and adding the result together to indicate an aggregate value without addressing the impact of the combination on value, which might be positive as well as negative, is not consistent with USPAP.
- Where it has been definitively determined that the subject property is comprised of a number of legal lots. Each lot could be sold separately, and the sale of each lot would not compromise the use and enjoyment of any of the other lots. In this instance, the appraiser must carefully analyze the marketability of such lots, appropriately accounting for any lack of infrastructure such as roads, sewer, water sources, and electrical service. Adjustments are required between each of the subject lots and comparable properties for these differences in addition to any other required adjustments. The appraiser should have sufficiently researched and documented these anticipated costs in order to ensure the accuracy of these adjustments.

1. Supplemental Costs Added to Land Value

It is not appropriate appraisal practice to add discretionary costs to the estimated value of the subject property land and then apply adjustments to comparable market data accordingly. For instance, estimating approximate costs for road improvements, wells, and septic systems and adding these costs to the estimated market value of the land is not acceptable appraisal practice. This is considered to be an inappropriate derivative of the subdivision development analysis approach, which is addressed in Section “L”, paragraph 4 of these Guidelines.

P. Implied Dedication and Public Trust

1. Implied Dedication

Many of the properties in which the District has an interest have a history of physical access by others which may or may not constitute implied dedication; examples are most commonly the establishment of informal trail corridors, and the use of streams, ponds, or areas of scenic vista.

Implied dedication can be derived from adverse possession and prescription as well as by title (see discussion of public trust in paragraph 2 following). The appraiser should be familiar with the concepts of trespass, adverse possession, and prescriptive easement rights.⁸ However, the responsibility of the appraiser to make a

⁸ Gion v. City of Santa Cruz and Dietz v. King, 2 Cal. 3d 29 (1970), and Cal. Civil Code Sections 1006-1009 & 813

determination of implied dedication is limited to physical observation and any information obtained from the property owner or other source, such as the State Lands Commission. The District may obtain a legal opinion regarding implied dedication on a case by case basis if necessary. The appraiser is required to address the issue of implied dedication in the appraisal report and to determine what impact, if any, it may have on the market value of the property appraised.

2. Public Trust

The public trust is “an affirmation of the duty of the state to protect the people’s common heritage in streams, lakes, marshlands and tidelands...”⁹ The courts have recognized recreation and environmental protection among the purposes for which the trust exists. A 1971 California appellate court decision stated in part that “it is extremely important that the public need not be denied the use of recreational water...the rule is that a navigable stream may be used by the public for boating, swimming, fishing, hunting and all recreation purposes”.¹⁰

In California, the courts have affirmed that members of the public have the right to navigate and to exercise the incidents of navigation in a lawful manner at any point below high water mark on waters of this state which are capable of being navigated by oar or motor propelled small craft.¹¹

The protections of the public trust include tidelands, beaches, major lakes and rivers, and the tributaries serving a public trust water. The appraiser is required to consider the public trust interest in any property as an element of the appraisal investigation. It is appropriate to contact the State Lands Commission in order to verify any possible claim of public trust right, and to assess the impact of such a claim on the market value of the property appraised.

Q. Benefit to Adjacent Property

IRS regulations for the preparation of appraisals for the purpose of charitable contributions require the appraiser to consider any benefits that may accrue to surrounding properties owned by persons related to the owner of the property under appraisement as a result of the acquisition of a conservation easement. While appraisals prepared for the District are not required to address benefit issues as defined by the IRS, the appraiser should recognize that it is against District policy to purchase an interest in open space where the acquisition would relieve the seller of a current or potential regulatory obligation. An example would be a District purchase of rights over property that would have otherwise been required to be dedicated as a result of subdivision approval by the County.

⁹ National Audubon Society v. Superior Court 33 Cal. 3d 419, 441 (1983)

¹⁰ People ex rel. Baker v. Mack, 19 Cal App. 3d 1040, 1044, 97 Cal. Rptr. 440, 454 (3d Dist. 1971)

¹¹ Ibid.

R. Hazardous Materials

The appraiser is required to observe, to the best of his/her ability, any hazardous materials on the property. The appraiser is not, however, expected to be a hazardous materials or toxics expert and is not required to evaluate the effects of the hazardous material on market value or the costs to remove or remediate such materials, but merely to report observations of such to the District both in the report and prior to completion of the report, if possible.

S. Review and Possible Public Hearings

Appraisers should be aware that each appraisal report will be reviewed for compliance with USPAP and the District's Guidelines and Standards. Additionally the appraisal must reflect the proper application of generally accepted appraisal theory and technique, as well as adequately supported findings and conclusions of value. Appraisers should also realize that their conclusions of value may have to be defended at a public or closed session hearing before the District's Board of Directors or Fiscal Oversight Commission.

Appraisals found not to be in compliance with USPAP and the District's Appraisal Guidelines and Standards will either be returned to the appraiser for amendment or rejected. The rejected appraisal document will remain as a part of the project file in the offices of the District.

T. Appraisal Update

There are a number of varying opinions among users of appraisals as to the length of time that may be allowed to expire before a determination is made to update an opinion of value. Usually, the necessity to update will be based upon such considerations as the type of property appraised, market demand and activity, and recency of comparable market data.

As a condition of a request for proposal for appraisal services, the District will require the appraiser to submit an estimate for an update of the appraisal document within one year of the date of valuation. The decision to perform an update will be that of the District.

U. Confidentiality

As stated in USPAP, neither all nor any part of the appraisal report shall be conveyed to any party other than the District without the written consent of the General Manager. However, the appraiser should be aware that, upon completion of negotiations, or in some instances sooner, the appraisal report and any related correspondence becomes available to the public for inspection and copying.

APPRAISAL REPORT STANDARDS

The following Standards for the preparation of narrative appraisal reports are presented to assist the appraiser in understanding the scope and content of appraisals prepared for the District. This section is presented in an outline format which has been created by the District in order to exemplify an appropriate appraisal structure. Contract appraisers are not required to follow this format; however, it is recommended that serious consideration be given to the content and structure of the outline for the purpose of providing clarity and continuity to an appraisal report.

Appraisal reports are subject to review by the District's Fiscal Oversight Commission and Board of Directors, by the owner of the property, their consultants, and the public. Therefore, it is imperative that the appraisal be a document that easily and competently conveys information to the lay reader. Whereas it is preferable to provide more narrative discussion in support of a particular conclusion rather than less, extensive or superfluous information not directly related to appraisal issues is not desired.

The Standards include a checklist which will be utilized by the District in reviewing appraisals submitted by contractors for conformity with the District's Guidelines and Standards. This checklist is based on the Standards as contained herein and serves to inform appraisers of deficiencies in their appraisals which require correction or additional narrative.

Appraisal Report Standards for Self Contained Narrative Appraisals

1. Title Page

Sufficient to identify the property/project being appraised, date of valuation and name of appraiser or appraisal firm. Assessor's parcel numbers and the property acreage is to be included on the title page.

2. Letter of Transmittal

Include the purpose of the appraisal, identification of the property and easement appraised, the date of valuation, and conclusion(s) of value. The transmittal letter is to be addressed to the Project Manager and signed by the appraiser under contract to the District.

3. Certification

Include a signed statement as per USPAP Rule 2-3. State whether reliance was placed on another individual who shared significantly in the responsibility for preparation of the appraisal report and the conclusions of value contained therein.

4. Assumptions and Limiting Conditions

Summarize all assumptions (e.g. water, percolation, access, development potential, zoning change, etc.) and limiting conditions made by the appraiser as conditions of valuation analysis and conclusions. Special or unusual assumptions or limiting conditions are to be both stated here and in the body of the appraisal report where appropriate.

5. Table of Contents

Reference all exhibits as related to the appropriate sections. Adjustment tables are to follow the sales comparison approach discussion for ease of reference by the reader. Area location maps and property photographs are to either precede or be included in the discussion of property location and description.

6. Summary of Salient Facts and Conclusions

This page is to be prepared as a separate section and is to include, but not be limited to, information as indicated on Exhibit "A", attached to and made a part of these requirements. This summary will be used as a synopsis of the appraisal for Fiscal Oversight Commission review.

7. Purpose and Function of the Appraisal

Define the purpose of the appraisal, i.e., develop an opinion of market value of all or a portion of a property in fee or easement. Define the function of the appraisal, which

is most commonly to assist the acquiring agency in the negotiation and acquisition process.

8. Definition of Market Value

Refer to page 3 of the Appraisal Guidelines, Section “E”, “Market Value”, for the appropriate definition.

9. Date of Value

State the date of valuation of the property as appropriate.

10. Definition of Rights Acquired

Define the easement or fee interest being acquired. Discuss the existence of mineral rights and whether they are appraised or not.

11. Methodology and Scope of the Appraisal

Describe the process involved in the investigation of the subject property, including dates of property inspections and with whom, interviews with individuals relied upon for specialized opinions not normally within the purview of the appraiser, and sources of data utilized in the discussion of the various characteristics of the property as they affect highest and best use. Reference to compliance with USPAP, as well as the District’s Guidelines and Standards, is also to be included.

Discussion of valuation methodology is to be included in a separate section of the appraisal report.

12. Five Year History of Ownership

Discuss any significant transfers of ownership interest in the property being appraised for a period of five years prior to the date of valuation. Reference any existing or recent listing of the property for sale, or the existence of any option, agreement to purchase, or the like.

13. Property Location and Description

Describe in detail the regional, neighborhood, and immediate locational characteristics of the subject property. Describe in detail all physical attributes of the property, including but not limited to configuration, size, topography, vegetation, views, and improvements, including structures, plantings, and ponds or reservoirs. The level of detail in the description of improvements is a function of the appraisal methodology; i.e., if the property is to be appraised as unimproved, a minimal description of the improvements will suffice.

Additional required information is as follows:

- Property owner name and address, and physical address of property
- Current assessed value and property taxes, as well as any special assessments
- Land area of the subject property and reference to the source of data. If the property owner represents an acreage that is significantly different from other data sources, state this fact and provide support for the acreage assumed for purposes of the appraisal.

14. Description of the Easement

In cases where a conservation easement is being acquired over an appraised property, the purpose of the easement, as well as a synopsis of uses permitted and prohibited by the easement, must be discussed. The draft Deed and Agreement document is to be included in its entirety in the addenda of the appraisal report, and the version is to be noted in the appraisal narrative.

15. Legal Descriptions

Include a reference to a legal description for both the property appraised and the easement to be acquired, if any. Most often, this information will be included in a preliminary title report to be furnished by the District; the property and the easement boundaries will most likely be concurrent.

16. Easements and Encumbrances

Discuss the effect of any title exceptions on the bundle of ownership rights. These would include, but are not limited to, easements, leases, life estates, reversions, deed restrictions, other agreements, lawsuits, and claims of water, mineral, or timber rights. In addition, any unrecorded information known to the appraiser, such as boundary disputes or agreements between the property owner and other parties affecting the use of the property, are to be referenced. Any required legal interpretations will be provided by District counsel upon the request of the appraiser.

17. Area and Neighborhood Description and Trends

Adequately discuss local and regional demographics as they relate to the subject property and the use thereof. General economic trends are also to be discussed and conclusions drawn by the appraiser as to existing as well as future conditions.

18. Soils and Geology

Include a discussion on soil types and underlying geology of particular significance to the property appraised. Particular issues that would potentially limit land use, such as soil creep or slumping, serpentine soils, or wetland containing soils, are to be included for discussion. Also, discuss the proximity of any active earthquake faults or fault traces, and whether the property lies within a Special Studies Zone as defined by the Alquist-Priolo Earthquake Fault Zoning Act.

Soils data is available from the USDA Soils Survey of Sonoma County. Further information regarding soil slumping and geology is available at the Sonoma County Permit Resource Management Department.

19. Environmental Conditions

Discuss the status of the subject property with regard to the existence of known environmental hazards or contamination. Interview the property owner specifically with regard to his or her knowledge of such hazards or contamination. The appraiser is not to make unsupported assumptions regarding the environmental condition of the property.

20. Drainage and Hydrology

Discuss drainage patterns across the subject property and the existence of any creeks or major drainage swales to the extent that they either limit or enhance the use of the property. Determine the appropriate FEMA Flood Zone or Zones applicable to the property and reference the Flood Map Panel.

21. Circulation and Access

Discuss the external access to and from the property, as well as any developed internal access across the property, inclusive of any easements that may be held by others. Include road widths and conditions, and approximate distances from the property to major arterials or highways.

22. Implied Dedication

Discuss evidence of existing public use and the extent, if any, to which public trespass constitutes an implied dedication. Refer to Section “P” of the District Guidelines for further discussion. Address the effect, if any, on market value.

23. Utilities

Describe the extent of public utility service to the subject property, including but not limited to treated water, sanitary sewer, electrical, gas, telephone, and cable utilities. Describe any existing water sources or septic systems on the property. Discuss the suitability of the property for development of water sources or septic systems to the extent possible given the availability of existing information.

24. Zoning and General Plan

Define and discuss all applicable zoning requirements and General Plan policies as related to the subject property. The discussion is to include, but not be limited to:

- permitted uses of the property, permissible density and minimum lot size;

- impact of scenic, biotic, or other resource conservation restrictions on the property;
- application of General Plan policies to the property, such as areas designated as marginal groundwater, wildland fire, or susceptible to landsliding;
- existence of Agricultural Preservation (Williamson Act) Agreements, including qualification as to Type I or II, date of expiration and whether a notice of non-renewal has been filed;
- recognition of recorded Certificates of Compliance (COC's);
- effect of any existing or proposed application for COC's, lot line adjustments, major or minor subdivisions of the property, or other development proposal.

The appraiser is not to make independent assumptions regarding the highest and best use of the property based upon their interpretation of Certificates of Compliance, lot line adjustments, or existing parcel configurations. The total potential number of lots, or development rights, for the property appraised shall be determined by consultation with the County PRMD. The appraiser shall state with which PRMD staff member and on what date the determination was made.

25. Market Conditions and Trends

The appraiser shall provide a thorough discussion of, and adequate support for, significant factors affecting current real estate market conditions. To the extent that source data is available, market trends for the type of property appraised are to be identified and discussed.

26. Highest and Best Use

A thorough discussion of the highest and best use of the subject property in both the Before and After conditions is required. Discuss how each of the components of physical possibility, legal permissibility, financial feasibility, and maximal productivity define highest and best use. The effect of existing easements, encumbrances, leases, contracts, or agreements as they affect the use of the property is to be considered.

Where a conservation easement is being appraised, specific discussion regarding the impact of the P's and P's on the use and enjoyment of the subject property is required. Particular reference is to be made to the appraiser's findings regarding real property market trends and anticipated demand for the subject property as a part of the highest and best use analysis.

The appraiser is to avoid speculative conclusions of highest and best use which may be based on insufficient data or unsupported assumptions. This issue is discussed further in the District's Guidelines.

27. Valuation Methodology

Describe the three approaches to value and discuss the applicability of each to the valuation of the subject property. Discuss any variations to the standard approaches, such as the land residual or subdivision development approach, that may be appropriate, and provide adequate support for the use of such approaches to value.

28. Marketing Exposure and Marketing Time

Discuss the basis for a determination of a reasonable exposure time for the subject property pursuant to USPAP Statements on Appraisal Standards No. 6. Provide the basis for, and an opinion of, reasonable marketing time as discussed in Advisory Opinion AO-7, appended to USPAP.

29. Approaches to Value

Sales Comparison Approach

Discuss the process by which comparable market data was selected for use in this approach; include any limiting factors that required unusual or extraordinary effort in the investigative process, particularly with regard to lack of sufficiently comparable data using conventional techniques. Discuss the unit(s) of comparability used in this approach (i.e., square foot, acre, homesite) and provide justification for each. Substantiate the method of adjustment, either by percentage or dollar amount.

Discuss each of the comparable properties specifically with regard to each of the characteristics of comparability between each of the comparable properties and the subject so that the reader understands the appraiser's rationale for making all appropriate adjustments.

Do not include a comparable for discussion if it is not subsequently included in a comparable property adjustment chart.

Include comparable property adjustment charts to support the narrative discussion of adjustments to individual comparable transactions. The comparable characteristics of the subject property shall be included in the adjustment chart. The order of adjustments for each comparable is: ¹²

- 1) Property rights conveyed;
- 2) Financing terms;
- 3) Conditions of sale;
- 4) Expenditures made immediately after purchase;

¹² Appraisal Institute, The Appraisal of Real Estate, 13th Ed., (Chicago: The Appraisal Institute, 2008), pp 310-311.

- 5) Market conditions;
- 6) Location, physical and economic characteristics.

A separate form for each of the comparable properties is required with a discussion of the following information:

- Parcel reference, property address, assessed value of land and improvements
- Grantor and grantee, interest purchased (if less than full)
- Date of sale, document recording reference
- Date of purchase, length of escrow
- Sale price, documentary transfer tax (full or partial), price per unit of comparability
- Property description, including but not limited to configuration, size, topography, vegetation and/or crops, soils, utilities, significant easements, access, and location characteristics
- Property zoning and General Plan designations, COC's, number of development rights, entitlements and effect of any existing or proposed subdivision maps, lot line adjustment applications, or similar considerations.
- Buyer motivation (if discoverable)
- Party confirming sale
- Terms and conditions of the sale, and any other data that would influence the price paid (i.e., foreclosure, estate sale, bargain sale)
- Photograph of subject property (if sufficiently large, a USGS topographic or other similar topographic map may be substituted with the property boundaries clearly identified)
- Assessor's parcel map(s)

With particular regard to a conservation easement sale, identify and analyze the structure of the easement and any elements of a bargain sale or other factor that may have influenced the selling price, including possible IRS tax benefits to the seller.

An area location map or maps clearly referencing the location of each of the comparable properties in relation to the subject is to be included in this section of the appraisal report.

30. Cost or Income Approaches (if applicable)

Discuss the necessity for use of either or both of these approaches and provide a definition of the valuation process. The appraiser is cautioned against the improper application of the subdivision development approach; reference is made to the District's Guidelines, Section "L", paragraph 4, regarding the use of this approach to value.

31. Conclusions of Value

Discuss and provide support for conclusions of value for the subject property in both the Before and After conditions. Specifically, discuss the comparable market data as adjusted and the reasoning for the selection of the unit price that is indicative of the estimated market value of the subject property.

Indicate which comparables were primarily relied upon by the appraiser and discuss why. Show all mathematical computations clearly and in a manner that is easily understood by the reader.

If more than one approach to value is utilized, correlate the approaches to value and state the final conclusions as required.

32. Addenda

Information to be included in the addenda, at a minimum:

- Preliminary title report with legal description;
- Draft Conservation Easement document, if applicable;
- Letters, reports, or studies by experts upon which the appraiser has relied in valuing the property;
- Zoning ordinance sections for each of the zoning districts, including combining districts, applicable to the subject property;
- Applicable General Plan texts or excerpts as are necessary to support specific constraints or limitations in the use of the subject property (i.e., groundwater recharge area or earthquake faulting);
- Maps of approved or pending subdivisions, COC's, or other entitlements as necessary to aid the reader in understanding the appraiser's conclusions.

Note: The appraiser may opt to include some of the supporting exhibits, such as subdivision maps or COC maps, in the appropriate narrative portion of the appraisal.

33. Exhibits

- Assessor's parcel map(s)
- Regional and/or area location map (may use map furnished by District)
- Topographic (for larger properties) and aerial maps
- Baseline map (prepared by District)
- From various locations, photos of particular physical attributes (i.e., large rock outcroppings, soil slumping, major creeks), and access to and across property
- Other exhibits as determined to be helpful in graphically depicting property conditions affecting value.

EXHIBIT "A"
SUMMARY OF SALIENT FACTS AND CONCLUSIONS

A. General Information

1. Property Location: (Address)
2. Owner of Record: (Full Name(s) as indicated on title report)
3. Assessor's Parcels:
4. Site Acreage:
5. Site Description: (EXAMPLE)
Irregularly shaped
Improved with two single family residence
and ag buildings, former dairy property
Level topography, some areas of ponding
Wetland containing portions, scattered oaks
Bisected by SCWA channel
6. Access: (EXAMPLE)
3,172' frontage along Todd Road
Legal access from Sunland Avenue
12.5' – wide steel bridge across SCWA channel
7. Utilities: (EXAMPLE)
Electrical and telephone service to residence
Well, septic system, two municipal sewer
hookups available
8. Present Use:
9. Zoning/General Plan: (Include any data on COC's or maximum number of
lots permitted by zoning)
10. Easement Valued:* (EXAMPLE)
Agricultural Conservation Easement
One development right retained

* Describe the particular type of easement appraised, i.e., Agricultural, Natural Resource

11. Highest and Best Use:

a. Before Condition:

b. After Condition:

B. Appraisal Information

1. Appraiser:

2. Appraisal Methodology:

(EXAMPLE)

Sales comparison approach using comparable property sales and adjustments for major differences

3. Date of Valuation:

4. Market Value Estimate:*

a. Before Condition:

b. After Condition:

c. Market Value,
Conservation Easement:

* Valuation summary will be modified if fee interest is acquired.

Appraiser List

2025

(For Distribution)

General Appraisers

1. Ben Slaughter
Doug Chapman
Arable Advisory Group
Fresno, CA 93711

ben@arableag.com

Tel: 559-409-4770 ext. 101

Notes: ag and land specialists

2. David Holt
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Cloverdale, CA 95425

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Tel: 707-894-9576

Cel: 707-486-7390

Notes: vineyard expertise.

3. Michael J. Jordan
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Napa, CA 94559

mike@napaappraisers.com

Tel: 707-255-8121, x 17

Notes: vineyard expertise.

4. John Larson
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Fresno, CA 93711

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Tel: 916-712-7780

5. Steve Salmon
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Tel: 707-429-8660

6. John Hanna
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Notes: timber expertise

7. Chris Bell
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Sebastopol, CA 95472

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Tel: 707-569-8891

8. Dana Burwell
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Healdsburg, CA 95448

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Tel: 707-433-7490

9. Terry Larson, Dennis Smith, or John Carrothers
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Danville, CA 94526

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10. Walter Carney, Todd Murphy
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Notes: vineyard expertise

11. Neil Lefmann
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San Jose, CA 95113

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12. Wayne H. Harding
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Scottsdale, AZ 85258

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13. Ryan Ward, Robert Horning
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Santa Rosa, CA 95405

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707-921-5052

rob@wardlevy.com

707-921-5053

Tel: 707-433-5544

14. Kristin Massetti
Benjamin Holt
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6435 N. Palm Avenue Suite 106
Fresno, CA 93704

Kristin@c-x.com

559-277-7474 x 108

Benholt@c-x.com

559-277-7474 x 113

Notes: ag and land specialists

15. Tony Correia
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Sonoma, CA 95476

tony@correiaco.com

707-933-9915

Specialty Appraisals

Vineyard

1. Ben Holt
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Fresno, CA 93704

benholt@cox.com
Tel: 559-261-5151

Other vineyard: See Arable Advisory, Colliers, Michael Jordan, Chris Bell, David Holt, Tony Correia

Timber

1. Randy Jacobszoon
Seamus Morrison-Fleming

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2. James Clark
Todd McMahn

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3. Estelle Clifton

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707-272-9094

Dairy

1. Bill Groverman

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Cel: 707-763-2772

Commercial

1. Ryan Ward, Robert Horning

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707-921-5053

Tel: 707-433-5544



Guidelines and Standards for Preparation of Real Estate Appraisal Reports 2025

All appraisals must be completed and signed by a State of California Certified Real Estate Appraiser who certifies that the appraisal is in compliance with the Uniform Standards of Professional Appraisal Practice ("USPAP") as currently adopted by the Appraisal Standards Board of the Appraisal Foundation and consider guidance in USPAP's Advisory Opinions.

The primary appraiser responsible for developing the appraisal report must certify that they have inspected the subject property and comparable property data whenever physically possible. The following specifications are required for appraisal reports:

1. The title or opening pages must conform to Ag + Open Space's Executive Summary format; see Executive Summary, Exhibit A.
2. Letter of transmittal summarizing important assumptions and conclusions, value estimate, date of value, date of report, etc.
3. Table of contents.
4. Assumptions and Limiting Conditions.
5. Description of the scope of work, including the extent of data collection and limitations, if any, in obtaining and analyzing relevant data.
6. Ag + Open Space defines Market Value ("MV") as: "The most probable price which a property should bring in a competitive and open market under all conditions requisite to a sale, the buyer and seller, each acting prudently, knowledgeably, and assuming the price is not affected by undue stimulus."

If an appraisal is conducted with the State of California as an intended user, or any other user whose conforming standards apply a different MV definition, then the appraiser shall address differences in MV definition and resulting price, if any, and explain findings.
7. Photographs of subject property and comparable data, including significant physical features and the interior of structural improvements if applicable and possible.
8. Copies of Assessor's plat maps with the subject parcels marked and an assemblage of all contiguous Assessors' parcels that depicts the ownership.
9. A legal description of the subject property if available.
10. For large, remote, or inaccessible parcels, provide aerial photographs or topographical maps depicting the subject boundaries. Assess and flag potential encroachments to the extent possible.

11. Ag + Open Space requires a five-year review of the subject property's history. Appraiser will address differences in appraised values, sale prices, listing prices, options, other agreements or facts that might indicate or affect use or value.
12. Discussion of any current Agreement of Sale, option, or listing of subject property. This issue requires increased diligence since state agencies often utilize non-profit organizations to quickly acquire sensitive-habitat parcels using Option Agreements. However, due to confidentiality clauses, the terms of the Option are often not disclosed. If the appraiser discovers evidence of an Option, or the possible existence of an Option, and the terms cannot be disclosed due to a confidentiality clause, then the appraiser is to cease work and contact Ag + Open Space. Current policy requires disclosure of any Option or Purchase Agreement.
13. Regional, area, and neighborhood analyses.
14. Market conditions and trends including identification of the relevant market area, a discussion of supply and demand within the relevant market area (or other areas of competition), and a discussion of the relevant market factors impacting demand for site acquisition or leasing within the relevant market area.
15. Discussion of subject land/site characteristics (size, topography, current use, zoning and land use issues, development entitlements, General Plan designations, utilities, offsite improvements, access, easements and restrictions, flood and earthquake information, toxic hazards, taxes and assessments, etc.)
16. Description of subject improvements, including all structures, square footage, physical age, type of construction, quality of construction, condition, site improvements, etc., if relevant to the value of the property.
17. Subject leasing and operating cost history.
18. Opinion of highest and best use for the subject property, based on an in-depth analysis supporting the concluded use. Such support typically requires a discussion of the four criteria or tests utilized to determine the highest and best use of a property. If alternative feasible uses exist, explain and support market, development, cash flow, and risk factors leading to an ultimate highest and best use decision. Ag + Open Space in its conservation easement assignments, requires a highest and best use analysis of the subject property for both the "before" condition unencumbered and "after" condition of the subject property when encumbered by the proposed conservation easement.
19. All approaches to market value applicable to the property type and in the subject market. Explain and support the exclusion of any usual approaches to value.
20. Map(s) showing all comparable properties in relation to subject property.
21. Photographs and plat maps of comparable properties.
22. In-depth discussion of comparable properties, similarities and differences, and comparisons and adjustments to the comparable data, and discussion of the reliability and credibility of the data as it relates to the indicated subject property value.

In its conservation easement assignments, Ag + Open Space requires appraisers to examine and comment on comparative differences in conservation easements when examining and analyzing comparable sales in the "after" conserved condition, including a paragraph enumerating the conditions imposed by the conservation easement that are material to the appraisal's analysis.
23. Comparable data sheets and table. For comparable data sheets: 1) For sales, include information on grantor/grantee, sale/recordation dates, listed or asking price as of date of sale, financing, conditions of sale, buyer motivation, sufficient location information (street address, post mile, and/or distance from local landmarks such as bridges, road intersections, structures, etc.), land/site characteristics, improvements, source of any allocation of sale price between land and improvement, and confirming

source, where possible identifying confirming party and association by name. 2). For listings, also include marketing time from list date to effective date of the appraisal, original list price, changes in list price, broker feedback, if available, citing name and association with transaction where possible. 3). For leases, include significant information such as lessor/lessee, lease date and term, type of lease, rent and escalation, expenses, size of space leased, tenant improvement allowance, concessions, use restrictions, options, and confirming source, where possible identifying confirming party and association by name.

For comparable data tables, Ag + Open Space requires use of quantitative adjustments where possible and supportable. Quantitative adjustment percentages in the Executive Summary table shall be summed in gross and net value for each comparable sale. When using qualitative adjustments, the appraisal report is to be as specific as possible in explaining reasoning and proportioning.

24. Discussion of construction cost methodology, data source used, costs included and excluded, depreciation methodology, a discussion of accrued depreciation from all causes, and remaining economic life.
25. Copies of construction cost data including, section and pages of cost manual (date of estimate or date of publication of cost manual must be provided if not indicated on page), copies of cost estimate if provided from another source, and supporting calculations including worksheets or spreadsheets.
26. Include a copy of a recent preliminary title report (within the past year) as an appraisal exhibit and discuss the effect of title exceptions on fair market value. Ag + Open Space requires an itemized discussion of each title exception that has an impact on value or use, which discussion includes a review of underlying documents cited in the relevant title exceptions.
27. Implied dedication statement.
28. Reconciliation and final value estimate. Explain and support conclusions reached.
29. Signed Certification consistent with language found in USPAP.
30. On occasions where properties involve personal property, business interests, water rights, minerals, merchantable timber, vineyard, vineyard potential or other specialty agricultural crop, separate valuations may be necessary. If the appraiser determines that there are such property interests or rights requiring a separate valuation, the appraiser shall notify Ag + Open Space during the research phase. Ag + Open Space may choose to modify the appraisal request to include a separate valuation by an appropriate credentialed subject matter expert. In such cases, the appraisal package submitted to Ag + Open Space for review should include the real estate appraisal and a separate appraisal/valuation of the personal property, business interests, water rights, minerals, merchantable timber, vineyard, vineyard potential or other specialty agricultural crop by a credentialed subject matter specialist.
31. Ag + Open Space requires the appraisal report to include: a) Executive Summary as described above and in Exhibit A; b) preliminary title report; c) draft conservation easement; d) letter of engagement; e) such additional information as listed above in Ag + Open Space's Guidelines and Standards, f) and any pertinent source information or document that appraiser may use which inclusion will assist Ag + Open Space or the parties privy to the appraisal a more robust explanation and foundation for opinions and conclusions in the appraisal report. Information listed in "b – f" may appear as addenda to the appraisal report.

A + OS
Appraisal Executive Summary

Name of Property:

Owner of Property:

Acreage:

Useable Acreage:*

Zoning:

APN's:

No. Legal Lots / ACC's:

No. Legal Lots Retired:*

Current Use:

Highest & Best Use:

Extraordinary Assumptions:*

Hypothetical Conditions:*

Date of Value:

Date of Report:

Appraised Value Fee (Before Condition)	Appraised Value Fee Conserved (After Condition)	Easement Value
---	--	----------------

\$ Amount

\$ / Acre

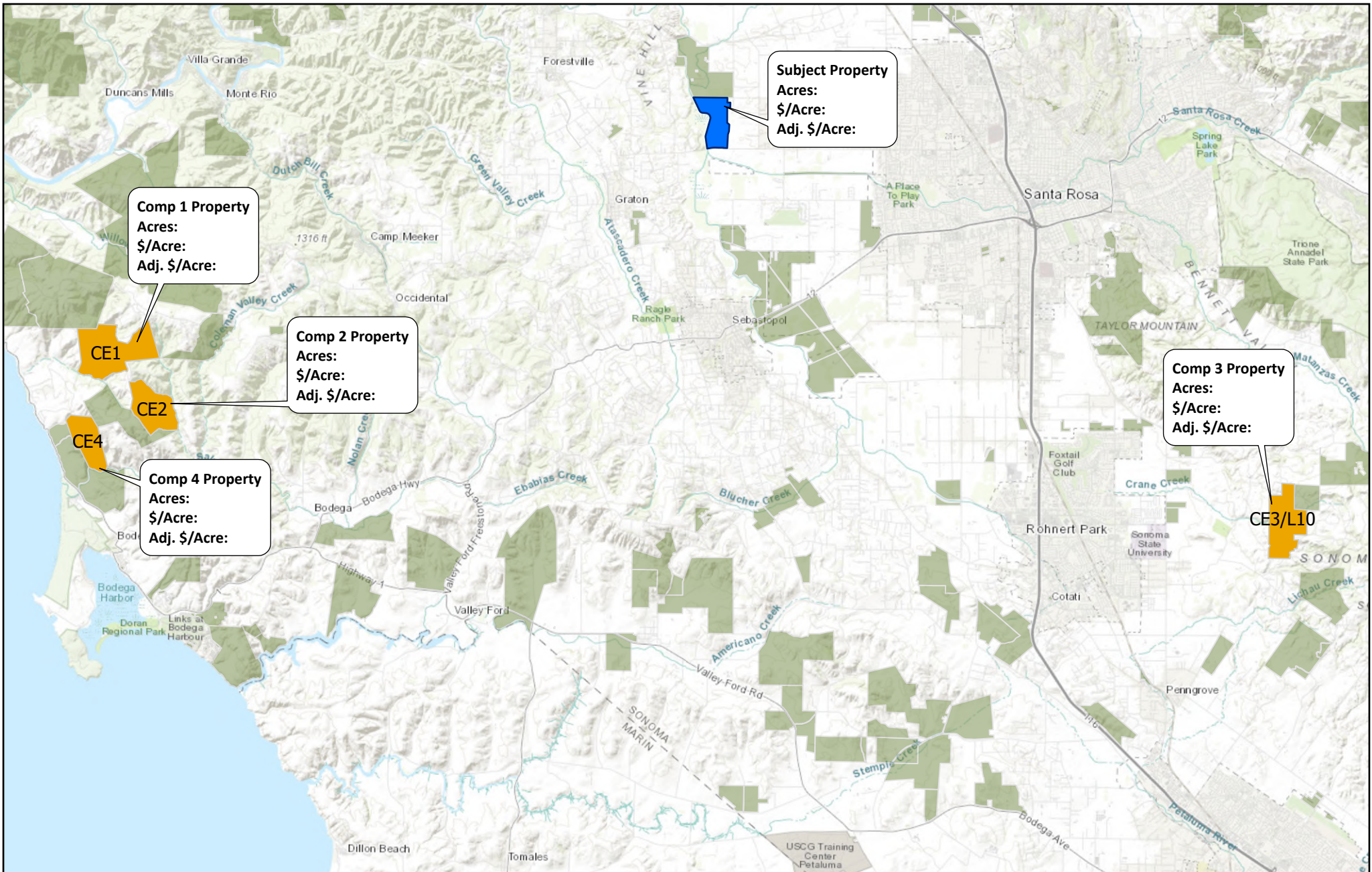
Percent

\$ / Useable Acre*

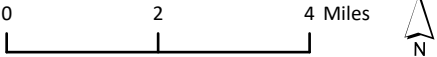
Percent

Comments on any special conditions / uses affecting value:

* If applicable. If not applicable: NA



Property Appraisal Comp Map



- Subject Property
- Appraisal Comp Properties
- Ag + Open Space Holdings

Map Date: 10/17/2024
Sources: Sonoma County Ag + Open Space (protected lands)
Sonoma County GIS (Assessor's Parcels), Esri Basemap

This map displays GIS data for illustrative purposes only and is not intended to depict definitive property boundaries or feature locations.

Your Comp Table Here













































































































TITLE

Include brief comments on adjustments, ranking, reconciliation in text box at bottom

Provide each comp table on its own page with map on front side as above, and comp table with reconciliation notes in text box at bottom on reverse side. Each comp table must have percentages (net and gross, if applicable) for adjustments made to transacted price. Comparable values must be expressed in \$/acre and / or \$/useable acre, if applicable for ease of comparison.

Title each comp table according to subject property relevance
Fee Value, Conserved Value, Vineyard Value, etc.

Acquisition Project Status Chart | Conservation Easements

														Agricultural Lands Community Identity Healthy Communities Water Wildlands Project Evaluation Initiating Project Due Diligence Project Structure CE Negotiations Appraisal Process FOC BOD Escrow/Closing Purchase Price (BOD Approved)									
	Conservation Easement Project Name	Acreage (approx)	Sup. District	Vital Lands Initiative Goals				Step 1	Step 2			Step 3		Step 4			Status	Comments					
1	Bavarian Lion Vineyards	1,858	4														Initiating Project	Initiating Project					
2	Berry Forest Preserve	133	5					+	+								Initiating Project	Initiating Project					
3	Bianchi Ranches - Two Rock	633	2														Initiating Project	Initiating Project					
4	Bucher-Russell Ranch	562	4														Initiating Project	Initiating project					
5	Camp Meeker Forest Open Space Preserve	356	5										+	+			Completed Project	To the Board on 8/20/2024					
6	Crane Creek Ranch	290	1					+	+								Initiating Project	Initiating project					
7	Crawford Gulch	92	5														Initiating Project	Project Structure - development					
8	Deniz Ernest & Beverly Trust	217	2														Initiating Project	Project Structure - development					
9	Deniz Family Farm	315	2									+					Negotiating CE	Project Structure - development					
10	Diamond W Ranch	849	2														Negotiating CE	Internal review of CE					
11	Ielmorini Ranch - Sonoma Mountain	417	2														Initiating Project	Initiating project					
12	Limping Turkey Ranch	158	2														Initiating Project	Initiating project					
13	Little Rancheria Creek	276	5														Initiating Project	Work scheduled to begin next year					
14	Lobban – Mark West Creek	266	1										+	+			Negotiating CE	Anticipate going to the Board on 9/10/2024					
15	McClelland Dairy	348	2												+		Appraisal Process	Responding to funder appraisal comments					
16	Monte Rio Redwoods Expansion	1,517	5								+						Initiating Project	Project Structure - development					
17	Peters Ranch	278	2														Initiating Project	Project Structure - development					
18	Rincon Hills	218	1														Negotiating CE	Project Structure - development and CE negotiations					
19	Rowland Mack	168	1									+					Negotiating CE	Negotiating CE					
20	South Fork Gualala River																						
21	South Sonoma Mountain - Grove	366	1 & 2								+						Negotiating CE	Project Structure - development					
22	South Sonoma Mountain - Rodgers Creek North	393	1 & 2														Negotiating CE	Appraisal work underway + internal review of CE					
23	South Sonoma Mountain - Rodgers Creek South	421	2														Negotiating CE	Appraisal work underway + internal review of CE					
24	South Sonoma Mountain - Skyline	480	1 & 2														Negotiating CE	Appraisal work underway + internal review of CE					
25	Starrett Hill	319	5														Initiating Project	Project Structure - development					
26	Willow Avenue Farm	8	2														Initiating Project	Project Structure - development					
27	Witt Home Ranch	395	2														Initiating Project	Initiating project					
Total Acres		11,332																					

+ indicates change in phase since last update

On Hold - m On Hold projects

1	Lafranconi																		On-Hold	On hold at request of owner
2	Laguna Edge Landwell	29	5																Initiating Project	Project is on hold at landowner's request
			22																Other	Unofficial Hold (other in GIS)
3	Nolan Creek 1	317	5																On-Hold	Project Structure - development
4	Nolan Creek 2	171	5																On-Hold	Project Structure - development
5	Nolan Creek 3	49	5																On-Hold	Project Structure - development
6	Oak Ridge Angus (LaFranchi)																		On-Hold	On hold
7	Preston Farm	133	4																Negotiating CE	Project Structure - development and CE negotiations
8	Reynoso Vineyard	395	4																On-Hold	On-Hold due to landowner finances
9	Russian River Habitat Restoration	63	4																On-Hold	On-Hold
10	Spring Hill Ranch	579	2														\$2,620,000		Approvals/Baseline	On hold pending subordination of loans

Recently closed - move to tracking sheet

Acquisition Project Status Chart | Matching Grant Projects

			Agricultural Lands	Community Identity	Healthy Communities	Water Wildlands	Vital Lands Goals	Initiating Project	Due Diligence	Project Structure	CE Negotiations	Appraisal Process/POC	BOD	Escrow/ Closing	Implementation + Tracking / Match		
Matching Grant Project Name	Acreage (approx)	Sup. District	Vital Lands Initiative Goals					Step 2			Step 3			Step 4	Step 5	Status	Comments
A Place to Play	87	5					Healthy Communities									Initiating Project	Drafting LOI and MGA
AmeriCorps Trail	12	5					Community Identity, Healthy Community, Wildlands									Initiating Project	Implementation - CE and Rec Covenant will be recorded following trail construction
Badger Park	20	4					Healthy Communities, Water			+						Initiating Project	Letter of Intent and Matching Grant Agreement submitted to City of Healdsburg for review.
Bayer Farm Development ***	6**	3					Healthy Communities, Agricultural Lands		N/A	N/A	N/A	N/A	N/A	N/A		Other	Completing project final phase pending permitting.
Bodega Bay Trail	178	5					Healthy Communities									Initiating Project	Letter of Intent and Matching Grant Agreement drafting pending review
Colgan Creek Phase 4 MG	4	3					Community Identity, Healthy Communities, Water									Initiating Project	Project structure launching
Colgan Creek Phase 5	4	3					Community Identity, Healthy Communities, Water									Initiating Project	
Crane Creek Regional Trail	75	1					Community Identity, Healthy Community, Wildlands									Negotiating CE	Negotiating CE and Rec Covenant; meeting to align around Matching Grant Agreement. Regional Parks and AOS met and are working on CE edits.
Denman Reach	2	2					Healthy Communities, Community Identity, Water, Wildlands									Negotiating CE	Negotiating CE
Geyserville Community Plaza	1	4					Community Identity, Healthy Communities	+								Initiating Project	Initiating project
Graton Town Square	0.6	5					Community Identity, Healthy Communities									Initiating Project	
Guerneville River Park Phase 2	3	5					Community Identity, Healthy Communities, Water									Initiating Project	Initiating project
Healdsburg Montage Park	36	4					Healthy Communities									Initiating Project	Grantee reviewing Letter of Intent and Matching Grant Agreement.
Helen Putnam Regional Park Extension	56	2					Community Identity, Healthy Communities, Water, Wildlands					+				Negotiating CE	
Helen Putnam Regional Park Extension Phase 2	21.5	2					Community Identity, Healthy Communities, Water, Wildlands									Negotiating CE	CE Negotiation underway
Los Guilicos Master Gardeners' Demonstration Garden	4.5	1					Community Identity, Healthy Communities,									Initiating Project	
Mark West Area Community Park	1	4					Community Identity, Healthy Communities				+		+	+		Negotiating CE	Negotiating CE
Mark West Area Community Park Ph 2	1	4					Community Identity, Healthy Communities									Initiating Project	
Maxwell Farms	79	1					Community Identity, Healthy Communities									Negotiating CE	Drafting Documents
Occidental Community Plaza	0.7	5					Community Identity, Healthy Communities,									Initiating Project	
Petaluma Bounty Community Farm	3	2					Community Identity, Healthy Communities									Initiating Project	Board accepted 8/22/2023
Petaluma River Park	20	2					Community Identity, Healthy Communities									Initiating Project	Letter of Intent in negotiation

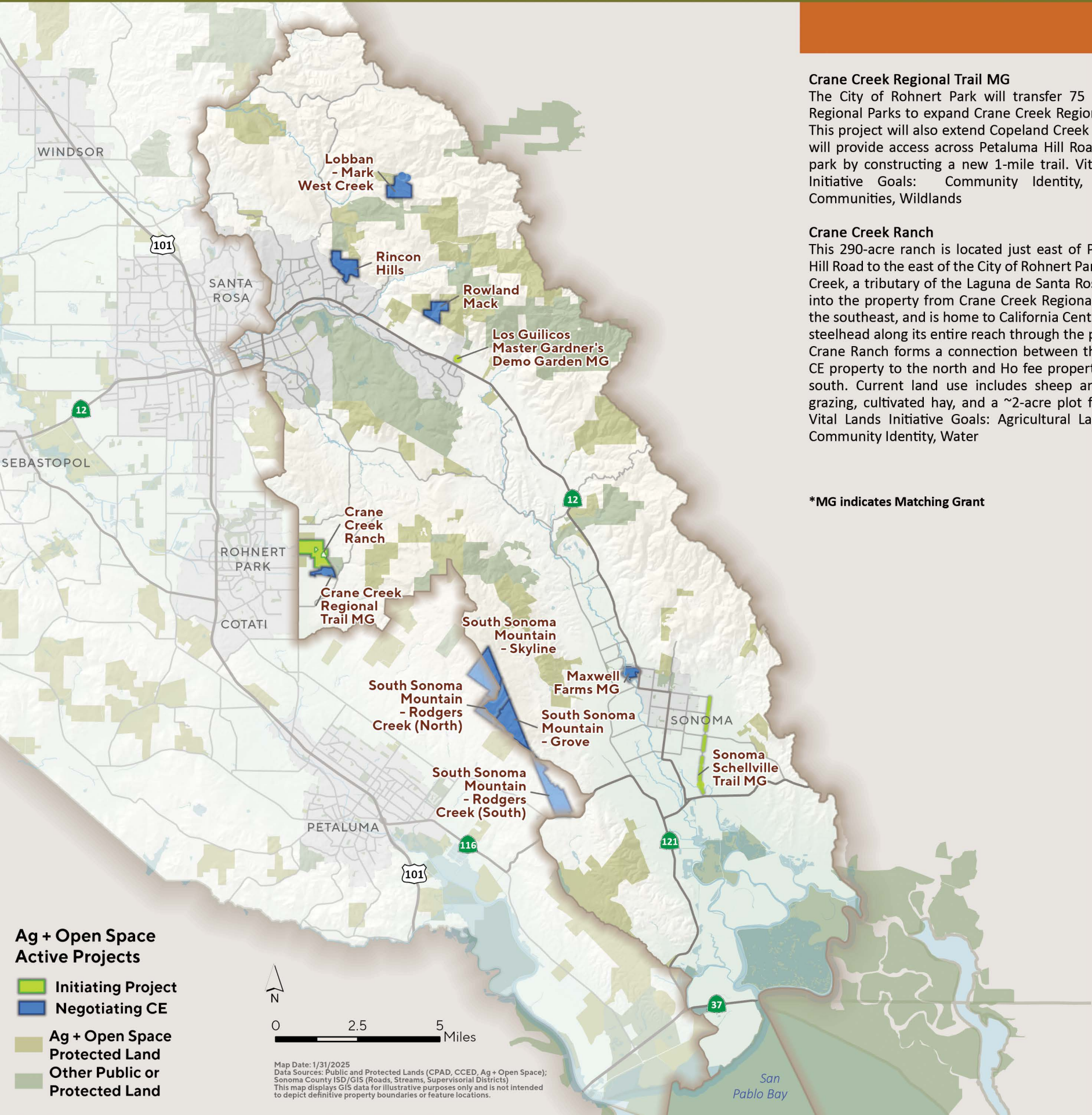
Acquisition Project Status Chart | Matching Grant Projects

River Lane***	1	5						Healthy Communities										Escrow/Closing	10/25/25 extension, proceeding to closing pending legal direction
Roseland Creek Community Park - Phase 1c	3	3						Healthy Communities, Water										Negotiating CE	Negotiating CE, Rec Covenant, Draft EIR Public Notice
Russian River Community Park	3.8	5						Community Identity, Healthy Communities, Water										Initiating Project	
Sonoma Schellville Trail	21	1						Healthy Communities										Initiating Project	Drafting LOI and MGA
Southeast Santa Rosa Greenway***	49	1						Healthy Communities									+	Escrow/Closing	Closed. Following up with match documentation and file updates.
Steamer Landing Park Development (McNear Peninsula)	27**	2						Healthy Communities			+							Initiating Project	Initiating project
Tierra de Rosas Plaza	1	3						Healthy Communities										Initiating Project	Board accepted 8/22/2023; Groundbreaking Ceremony 5/3
Tom Schopflin Fields Phase 2	21	4						Healthy Communities										Initiating Project	
Total Acres	709.1																		
* District approved a 2-year extension ** Restoration/Development Project on previous acquisition. *** District approved 5-year extension (MGP 2 year, fire 3 year) + indicates change in phase since last update (October 2023) Out of Program (funding request withdrawn)																			
SMART Pathway - Payran to Southpoint	14	2						Healthy Communities										Out of Program (other)	Funding request withdrawn by SMART 7/10/2023

Acquisition Project Status Chart | Transfers

[illegible]

Active Projects



Crane Creek Regional Trail MG
The City of Rohnert Park will transfer 75 acres to Regional Parks to expand Crane Creek Regional Park. This project will also extend Copeland Creek trail and will provide access across Petaluma Hill Road to the park by constructing a new 1-mile trail. Vital Lands Initiative Goals: Community Identity, Healthy Communities, Wildlands

Crane Creek Ranch
This 290-acre ranch is located just east of Petaluma Hill Road to the east of the City of Rohnert Park. Crane Creek, a tributary of the Laguna de Santa Rosa, flows into the property from Crane Creek Regional Park to the southeast, and is home to California Central Coast steelhead along its entire reach through the property. Crane Ranch forms a connection between the Crane CE property to the north and Ho fee property to the south. Current land use includes sheep and cattle grazing, cultivated hay, and a ~2-acre plot for hops. Vital Lands Initiative Goals: Agricultural Lands and Community Identity, Water

*MG indicates Matching Grant

Lobban - Mark West Creek
The property consists of 266 acres off St. Helena Road, adjacent to Rancho Mark West and Saddle Mountain Open Space Preserve. The current owner is working with LandPaths as a project partner. The property burned in the Glass Fire, and the forest is currently being salvage-logged. Vital Lands Initiative Goals: Healthy Communities, Water, Wildlands conservation easement project. The project will protect roughly 500 feet of Mark West Creek, prevent construction within the riparian zone, and it could allow construction of a foot-bridge across Mark West Creek to facilitate public access to the larger 266-acre Lobban – Mark West Creek project. Vital Lands Initiative Goals: Community Identity, Healthy Communities, Water, Wildlands

Los Guilicos Master Gardner's Demonstration Garden MG
A project of the University of California Master Gardeners of Sonoma County, will transform a once-devastated parcel on the Los Guilicos campus—burned in the 2020 Glass Fire—into a thriving, educational space. With support from the Community Spaces Matching Grant Program, the Master Gardeners will create a fully accessible demonstration garden, showcasing sustainable gardening practices that support native habitats, promote wildlife-friendly landscapes, address food insecurity, and enhance climate resilience. Visitors will have the opportunity to engage in hands-on learning through themed gardens and a state-of-the-art greenhouse classroom. Planned features include an oak arbor picnic area, a children's garden expansion, a native plants garden, an outdoor classroom, a fire-resilient garden, a greenhouse and shade house, an expanded orchard, and an outdoor nature classroom—offering a welcoming space for education, inspiration, and community connection.

Maxwell Farms MG
Regional Parks will construct park improvements to create new recreational opportunities at this existing park. Park amenities such as restrooms and trails will be constructed. Regional Parks is also partnering with the Sonoma Ecology Center to implement restoration on a 0.25 mile stretch of Sonoma Creek. Vital Lands Initiative Goals: Community Identity, Healthy Communities, Water

Rincon Hills
Ag + Open Space would purchase a conservation easement on this 218-acre property within the Santa Rosa City Limits. The property is adjacent to Saddle Mountain Open Space Preserve to the northeast, and City zoning could allow subdivision into more than 200 residential lots. The property is in the wildland-urban interface, and with appropriate vegetation management, could serve as a fire buffer for the City. Vital Lands Initiative Goals: Community Identity, Healthy Communities, Water, Wildlands

Rowland Mack
This project includes a conservation easement over a 168-acre property south of and adjacent to the El Recreo conservation easement and the Lawson Addition to Hood Mountain Regional Park & Open Space Preserve. This acquisition would expand protection along the southern Mayacamas Mountains and possibly facilitate expansion of the park. This property is in the Badger Creek watershed – a tributary to Santa Rosa Creek, a steelhead stream. Vital Lands Initiative Goals: Community Identity, Healthy Communities, Water, Wildlands

Sonoma Schellville Trail MG
In the mid-1980's, Sonoma County Regional Parks began their work to buy a railroad right of way in Schellville to fill a critical gap in the local and regional trail system. Regional Parks will be able to leverage Matching Grant funds to finally purchase the remaining land and build a trail that will connect local and regional trail systems, including the San Francisco Bay Trail that connects 47 cities across 9 counties.

South Sonoma Mountain - Grove
This 369-acre property, near the summit of Sonoma Mountain, shares a boundary with Moon Ranch and George Ranch. The property is located at the terminus of Grove Street and is entirely within the Sonoma Mountain Scenic Landscape Unit. A conservation easement will further the landowner's goals of having this property remain as open space for grazing and limited residential development. Vital Lands Initiative Goals: Agricultural lands, Community Identity, Water, and Wildlands

South Sonoma Mountain - Rodgers Creek (North & South)
This 813-acre property is comprised of two parcels. The northwest half of the property is in the Sonoma Mountain Scenic Landscape Unit and the southeastern boundary is Stage Gulch Road. A conservation easement will further the landowner's goals of having this property remain as open space for grazing, some vineyard use, and limited residential development. The northern part of the property is contiguous with Moon Ranch and George Ranch. Ellis, Lafferty, and Rodgers Creek, all intermittent, are located on the property. Rodgers Creek hosts threatened steelhead. Vital Lands Initiative Goals: Agricultural lands, Community Identity, Water, and Wildlands

South Sonoma Mountain - Skyline
This project will place a conservation easement on a 491-acre property so it remains as open space for wildlife habitat, grazing and limited residential use. The property is contiguous with George Ranch and quite visible given its location near the summit of Sonoma Mountain. The northwest half of the property is in the Sonoma Mountain Scenic Landscape Unit. Rodgers and Lafferty Creeks, two intermittent creeks, are located on the property. Rodgers Creek hosts threatened steelhead and is potential habitat for yellow-legged frog. Vital Lands Initiative Goals: Agricultural lands, Community Identity, Water, and Wildlands

Active Projects

Bianchi Ranches - Two Rock

Bianchi Ranches - Two Rock is a 632 acre property which seeks the protection of an agricultural based conservation easement over three contiguous ranches. Presently, Ag + Open Space is working with the owner on an NCRS application for grant monies.

Deniz Ernest & Beverly Trust

This project includes a conservation easement on a 217-acre property on the western slope of Sonoma Mountain within the Sonoma Mountain Scenic Landscape Unit. Adobe Creek, a tributary to the Petaluma River, crosses the property. A conservation easement would preserve the land for agricultural production. Vital Lands Initiative Goals: Agricultural Lands, Community Identity, Water

Deniz Family Farm

This project includes a conservation easement on a 315-acre property on the western slope of Sonoma Mountain within the Sonoma Mountain Scenic Landscape Unit. A mile of Lynch Creek, a tributary to the Petaluma River, flows across the property. Based on existing legal lots and zoning, the property could be subdivided into nine separate ownerships.Vital Lands Initiative Goals: Agricultural Lands, Community Identity, Water

Denman Reach MG

The City of Petaluma seeks to acquire a 2.1-acre parcel that is pivotal to the completion of a larger 23.5-acre riparian restoration, public trail, environmental education, and flood control project on the Petaluma River. Vital Lands Initiative Goals: Healthy Communities, Community Identity, Water, Wildlands

Diamond W Ranch

This is certified organic 850-acre dairy near Valley Ford and Two Rock. It has a small stretch of Stemple Creek and is highly visible along Bodega Ave/Valley Ford Rd and Roblar Rd. The family would like to retire all but two of the nine development rights. A conservation easement would protect a large and highly productive agricultural property from parcelization and potential conversion out of agricultural use. Vital Lands Initiative Goals: Agricultural Lands, Water, Wildlands.

Helen Putnam Regional Park Extension MGP Phase 2

The Kelly Creek Project of the Earth Island Institute will acquire 44 acres and transfer fee title to Regional Parks to expand Helen Putnam Regional Park and provide a new access point off of D Street. Vital Lands Initiative Goals: Community Identity, Healthy Communities, Water, Wildlands

Ielmorini Ranch - Sonoma Mountain

This 417-acre cattle ranch is located northeast of Petaluma on the lower slopes of Sonoma Mountain. There is a year-round stream, Washington Creek, on the property, and the landowner has expressed interest in riparian conservation as well as continued

Limping Turkey Ranch

This 158-acre ranch is located between the Mattos and Camozzi conservation easements. The property's grasslands, terrain, abundant water, and adjacency to other agricultural lands make it a critical addition to a large block of agricultural conservation easements in the area. It is at high risk of conversion to rural residential homes because it has already been subdivided and prepared for development with wells, perc tests, and defined legal lots. A conservation easement on this property would likely consist of an amendment to the Camozzi easement to add this land with protection of its natural resource values. Vital Lands Initiative Goals: Agricultural Lands, Community Identity, Water, Wildlands

McClelland Dairy

This project includes a conservation easement on a 348-acre dairy in the Two Rock area. This well-known dairy hosts an annual pumpkin festival each fall and portions of the property are highly visible from Bodega Ave, a designated Scenic Corridor. There is strong interest from the Sustainable Agricultural Lands Conservation (SALC) program to fund an easement on this property. Vital Lands Initiative Goals: Agricultural Lands, Community Identity, Water, Wildlands

Petaluma Bounty Community Farm MG

For over 15 years, Petaluma People's Services' Bounty Community Farm has grown and sold affordable, locally-grown fruits and vegetables in the center of Petaluma, while prioritizing the creation of opportunities for low-income and vulnerable community members to have fresh and healthy food. Matching Grant funds will help them purchase the land they've long farmed and continue their work of bringing fresh, healthy food and sustainable agricultural education to their community

Petaluma River Park MG

The Petaluma River Park Foundation will construct initial public recreational improvements on their recently acquired 10-acre parcel on McNear Peninsula, adjacent to Steamer Landing Park.These improvements will include trails, docks, plantings, and restrooms. Vital Lands Initiative Goals: Community Identity, Healthy Communities, Wildlands

Peters Ranch

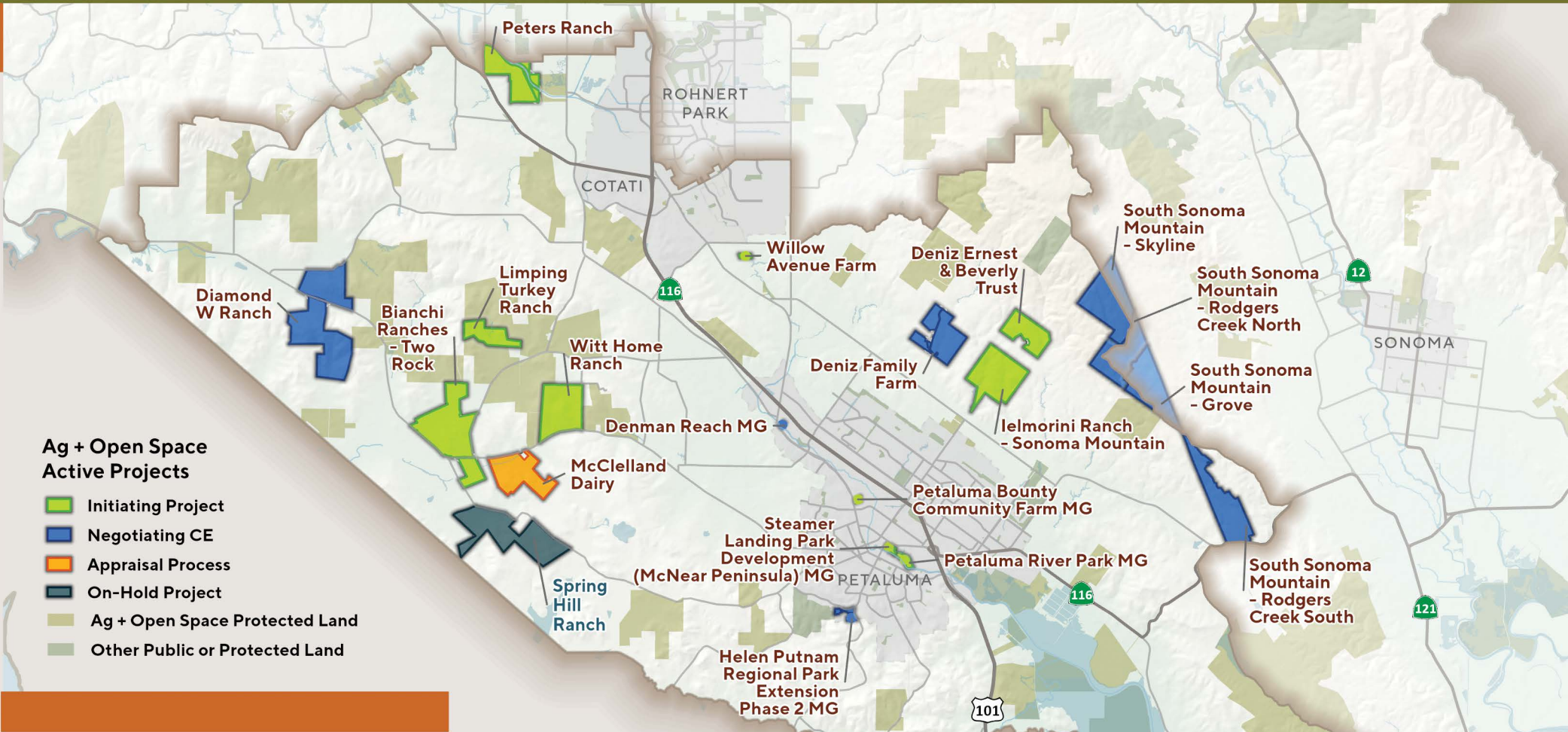
This project would include a conservation easement over a 277-acre dairy farm, located on Llano Road near the Laguna Treatment Plant. The property consists of rolling hills with mature oaks, woodlands, wetlands, and riparian habitats. Split by Laguna de Santa Rosa, it supports an active wildlife and recreation corridor. George McClelland, the owner and a respected Sonoma County dairy operator, intends to maintain and expand dairy operations whilst preserving the natural resources of a complex pasture, wetland, woodland, and riparian parcel. Vital Lands Initiative Goals: Agriculture Lands, Community Identity and Water.

South Sonoma Mountain - Grove

This 369-acre property, near the summit of Sonoma Mountain, shares a boundary with Moon Ranch and George Ranch. The property is located at the terminus of Grove Street and is entirely within the Sonoma Mountain Scenic Landscape Unit. A conservation easement will further the landowner's goals of having this property remain as open space for grazing and limited residential development. Vital Lands Initiative Goals: Agricultural lands, Community Identity, Water, and Wildlands

South Sonoma Mountain - Rogers Creek (North & South)

This 813-acre property is comprised of two parcels. The northwest half of the property is in the Sonoma Mountain Scenic Landscape Unit and the southeastern boundary is Stage Gulch Road. A conservation easement will further the landowner's goals of having this property remain as open space for grazing, some vineyard use, and limited residential development. The northern part of the property is contiguous with Moon Ranch and George Ranch. Ellis, Lafferty, and Rodgers Creek, all intermittent, are located on the property. Rodgers Creek hosts threatened steelhead. Vital Lands Initiative Goals: Agricultural lands, Community Identity, Water, and Wildlands



South Sonoma Mountain - Skyline

This project will place a conservation easement on a 491-acre property so it remains as open space for wildlife habitat, grazing and limited residential use. The property is contiguous with George Ranch and quite visible given its location near the summit of Sonoma Mountain. The northwest half of the property is in the Sonoma Mountain Scenic Landscape Unit. Rodgers and Lafferty Creeks, two intermittent creeks, are located on the property. Rodgers Creek hosts threatened steelhead and is potential habitat for yellow-legged frog. Vital Lands Initiative Goals: Agricultural lands, Community Identity, Water, and Wildlands.

Steamer Landing Park Development (McNear Peninsula) MG

The Petaluma River Park Foundation will construct initial public recreational improvements on their recently acquired 10-acre parcel on McNear Peninsula, adjacent to Steamer Landing Park.These improvements will include trails, docks, plantings, and restrooms. Vital Lands Initiative Goals: Community Identity, Healthy Communities, Wildlands

Willow Avenue Farm

This project includes a conservation easement on a 7.5-acre diverse animal small agricultural farm. It is located within a priority greenbelt area and is highly visible from public roads and the SMART rail line. Vital Lands Initiative Goals: Agricultural Lands and Community Identity

Witt Home Ranch

This project includes a conservation easement on a 395-acre beef ranch just west of Petaluma on Bodega Ave. It is located between the McDowell open space easement and the Uncle Henry's Ranch conservation easement. A very prominent and scenic hilltop is the centerpiece of the property. Vital Lands Initiative Goals: Agricultural Lands, Community Identity, Water

On Hold

Spring Hill Ranch

This project includes a conservation easement on a 642-acre dairy on the western edge of exurban Petaluma. The project would facilitate the owner's acquisition of the Martin property, located between Spring Hill Dairy and another property owned by the applicant. The project would result in a single holding under one ownership. Vital Lands Initiative Goals: Agricultural Lands, Community Identity, Water

*MG indicates Matching Grant

Active Projects

A Place to Play MG
With funding from the Matching Grant Program, the City of Santa Rosa will construct the first all weather multi-sport fields at the existing park. Vital Lands Initiative Goals: Healthy Communities

Colgan Creek Phase 4 MG
This project is for the acquisition of a 4-acre parcel adjacent to the existing Colgan Creek restoration, park development and trail project. This additional parcel will allow increased creek meander in the ongoing creek restoration effort, and will provide additional land for additional recreational development, including a neighborhood park. Vital Lands Initiative Goals: Healthy Communities, Water

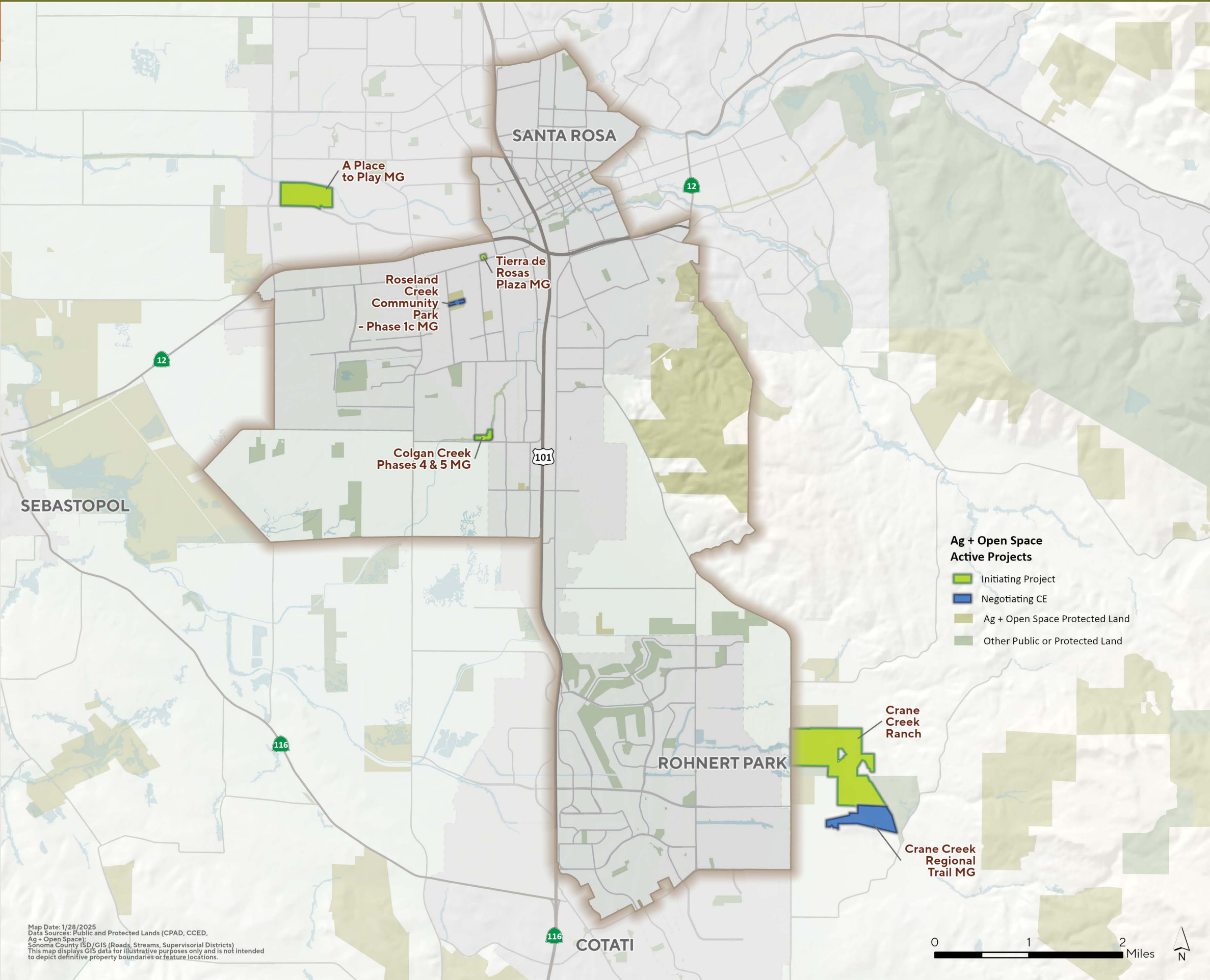
Crane Creek Ranch
This 290-acre ranch is located just east of Petaluma Hill Road to the east of the City of Rohnert Park. Crane Creek, a tributary of the Laguna de Santa Rosa, flows into the property from Crane Creek Regional Park to the southeast, and is home to California Central Coast steelhead along its entire reach through the property. Crane Ranch forms a connection between the Crane CE property to the north and Ho fee property to the south. Current land use includes sheep and cattle grazing, cultivated hay, and a ~2-acre plot for hops. Vital Lands Initiative Goals: Agricultural Lands and Community Identity, Water

Crane Creek Regional Park Expansion and Copeland Creek Trail Extension MG
The City of Rohnert Park will transfer 75 acres to Regional Parks to expand Crane Creek Regional Park. This project will also extend Copeland Creek trail and will provide access across Petaluma Hill Road to the park by constructing a new 1-mile trail. Vital Lands Initiative Goals: Community Identity, Healthy Communities, Wildlands

Roseland Creek Community Park - Phase 1c MG
This project is a 3-acre addition to Roseland 1a and 1b Community Park Matching Grant projects. We are working with the City of Santa Rosa to amend and replace the 1a and 1b conservation easements, so that there is one easement over the new park. This park is located between Burbank Ave and McMinn Ave in the Roseland neighborhood of Santa Rosa. Vital Lands Initiative Goals: Healthy Communities, Water

Tierra de Rosas Plaza MG
As part of long-term dream of the Roseland community, the Sonoma County Community Development Commission's Tierra de Rosas project will create an open green space in the heart of a major mixed-use development. In addition to the beloved Mitote Food Park, this park will be a core element of the plan to convert what is mostly parking lots and empty storefronts into a vibrant gathering, celebration, and recreation hub for Roseland residents

***MG indicates Matching Grant**



Active Projects

Badger Park MG

This Matching Grant Program project will protect via conservation easement up to 20 acres of parkland within the City of Healdsburg. The Badger Park Improvements and River Access project will officially incorporate the Russian River into Badger Park, providing the City’s first authorized river access point. The project will also construct improvements and infrastructure needed to accommodate river access. Vital Lands Initiative Goals: Healthy Communities

Bavarian Lion Vineyards

This 1,858-acre conservation easement project in Knights Valley supports a mix of vineyard, grazing land, and moderately rugged wildland adjacent to the Pepperwood Preserve. It is positioned within an important wildlife corridor and hosts valley oak woodland, Coast redwood, and freshwater marsh. Franz Creek, a steelhead creek, and Redwood Creek, a steelhead and coho creek, flow across the property. Foothill yellow-legged frog, Kenwood Marsh checkerbloom, red-bellied newt, western pond turtle, and Sebastopol meadowfoam have all been observed on the property. Vital Lands Initiative Goals: Wildlands, Water, Agricultural Lands, and Community Identity

Bucher-Russell Ranch

The Bucher-Russell Ranch comprises a pair of properties totaling 561.56-acres in Sonoma County, just off Westside Road and west of the Town of Windsor, and a short way east of the Pryor Ranch Conservation Easement. The Bucher portion of the ranch has been operated as a dairy in the recent past but is now used for cattle grazing and vineyards. If conserved, the two properties would protect a large block of farmland, mature oaks, and steelhead habitat
Vital Lands Initiative Goals: Wildlands, Water, Agricultural Lands, and Community Identity

Geyserville Community Plaza MG

With our first Matching Grant project in Geyserville, the Sonoma County Public Infrastructure Department and the Geyserville Municipal Advisory Council will help create the community’s first public park. Centrally located, and alongside the planned Smart Trail tracks and Great Redwood Trail, this park will create a more accessible way for residents to get outside and serve as a gathering space for beloved annual events. The park will also support the town’s climate resilience with designs that will offer flood protection and a shaded areas for residents to cool down during hot weather. Vital Lands Initiative Goals: Healthy Communities

Haroutunian North

This farm, just east of Highway 101 north of Santa Rosa is part of a set of greenbelt properties that act as community separators between Santa Rosa and Windsor. It is operated by Tierra Vegetables, a small-scale operation that has farmed in Sonoma County for over 30 years. Tierra Vegetables leases the property from Ag + Open Space as part of Ag + Open Space’s mission to encourage and support local agriculture in community separators. Ag + Open Space purchased this property in 1998.

Healdsburg Montage Park MG

With funding from the Matching Grant Program, the City of Healdsburg will construct new park facilities on their recently acquired 33-acre property in northern Healdsburg. The park will eventually provide connectivity via a public trail to Healdsburg Ridge Open Space Preserve. Vital Lands Initiative Goals: Healthy Communities

*MG indicates Matching Grant

Mark West Community Park Phases 1&2 MG

An important step in creating the area’s first central public park—a much-needed space for community gathering and healing in a neighborhood still recovering from the 2017 Tubbs Fire. This project builds on the recent acquisition of the parkland, made possible by support from the Community Spaces Matching Grant Program and the Mark West Area Community Foundation. Phase 2 will focus on essential planning, design, and infrastructure improvements to make the park safe, accessible, and welcoming for all. Planned upgrades include an ADA pathway and parking enhancements, safety features like swing-arm gates and low fencing, water and power hookups, tree and vegetation plantings, a lawn, benches, picnic tables, an irrigation system, and interpretive signage. These improvements will help transform the space into a vibrant community resource for recreation, connection, and reflection.

Tom Schopflin Fields Phase 2 MG

The proposed project will bring a much-needed all-weather soccer field to Santa Rosa, creating more opportunities for underrepresented minority youth to play, train, and build community. With a shortage of accessible sports facilities in the area, this project will provide a vital outdoor space for recreation and connection. Funding from the Community Spaces Matching Grant Program will support the final design, permitting, and installation of the new field for Atlético Santa Rosa, including drainage, field base preparation, and turf installation. These improvements will not only expand public recreation opportunities at Tom Schopflin Fields but also help foster a more diverse and inclusive soccer community in Santa Rosa.

On Hold

Oak Ridge Angus (LaFranchi)

This project includes a conservation easement over a 1,189-acre beef cattle ranch in Knights Valley located on both sides of Highway 12. It is adjacent to the Santa Angelina conservation easement. This large property with expansive open pasture would help form a critical wildlife corridor between Knights Valley and Alexander Valley, connecting the central Mayacamas Mountains to the southern Mayacamas and Sonoma Mountains. Zoning would allow subdivision into as many as 11 separate ownerships. Vital Lands Initiative Goals: Agricultural Lands, Community Identity, Wildlands

Preston Farm

This project includes a conservation easement on 120 acres of agricultural land on the southwest side of Dry Creek. There is a narrow band of riparian habitat along Dry Creek and Pena Creek, but most of the property is developed or under intensive agricultural use. The landowners would like to convert more of the property to natural resource restoration and transition ownership to a community-based, education-focused farm. Staff is developing a complex project structure that will protect the agricultural values while enabling restoration of riparian habitat. Vital Lands Initiative Goals: Agricultural Lands, Community Identity, Water, Wildlands

Reynoso Vineyards

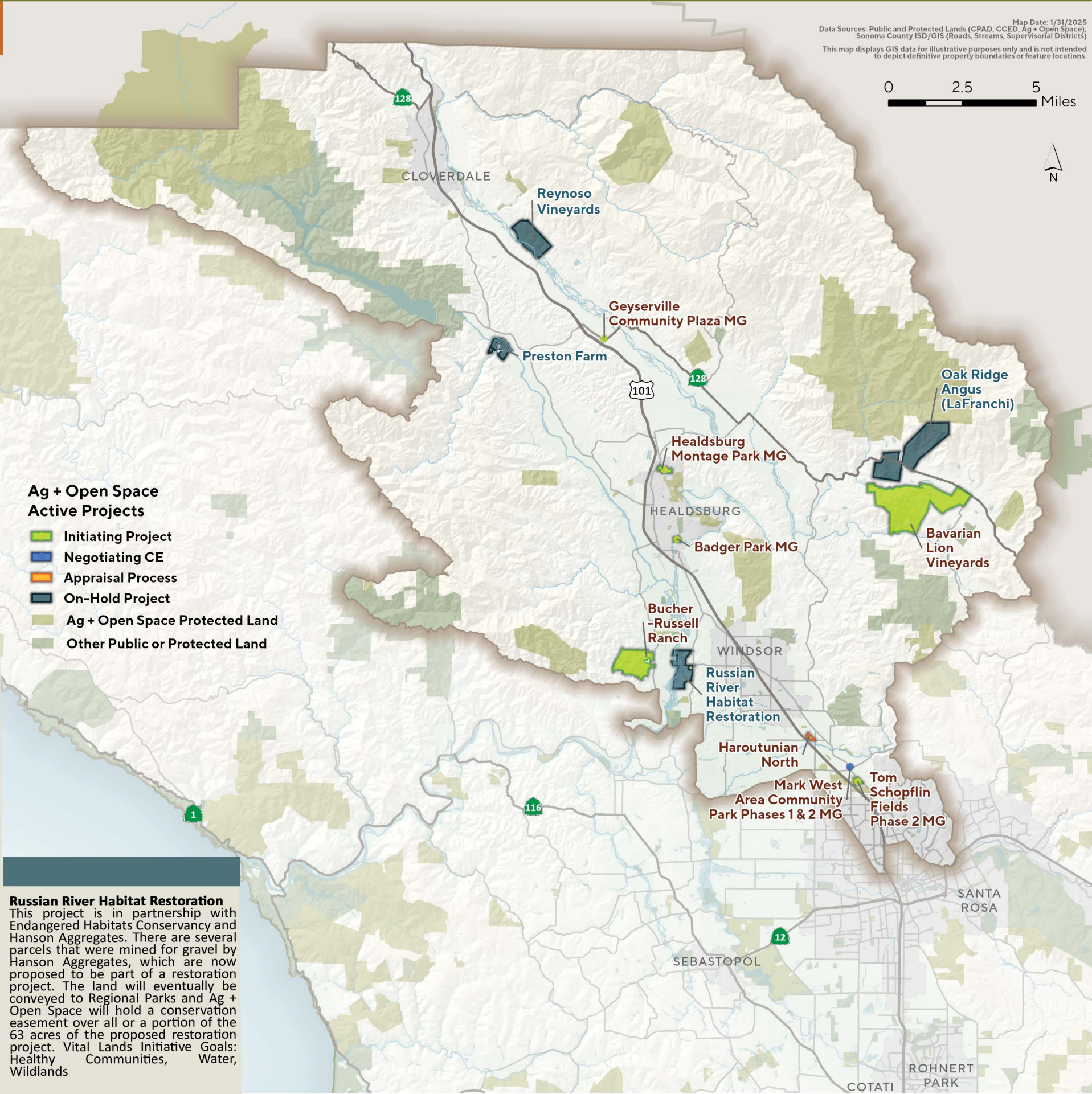
This Project is a 395-acre property southeast of Cloverdale on River Road. The property has a significant amount of Russian River frontage, vineyards in the floodplain and on hillsides, mature oaks and at least two tributary streams that flow into the summer months. The property is notable for its combination a significant length of Russian River frontage as well as adjacent oak and chapparral foothills and tributary streams. Approximately 40-50 acres of the property are within the historic Russian River floodplain. Vital Lands Initiative Goals: Agricultural Lands, Community Identity, Water, Wildlands

Ag + Open Space Active Projects

- Initiating Project
- Negotiating CE
- Appraisal Process
- On-Hold Project
- Ag + Open Space Protected Land
- Other Public or Protected Land

Russian River Habitat Restoration

This project is in partnership with Endangered Habitats Conservancy and Hanson Aggregates. There are several parcels that were mined for gravel by Hanson Aggregates, which are now proposed to be part of a restoration project. The land will eventually be conveyed to Regional Parks and Ag + Open Space will hold a conservation easement over all or a portion of the 63 acres of the proposed restoration project. Vital Lands Initiative Goals: Healthy Communities, Water, Wildlands



Active Projects

A Place to Play MG
With funding from the Matching Grant Program, the City of Santa Rosa will construct the first all weather multi-sport fields at the existing park. Vital Lands Initiative Goals: Healthy Communities

Americorps Trail MG
This trail project is a partnership with the City of Sebastopol. Located east of Morris Avenue on approximately 11 acres near the Laguna de Santa Rosa, the project consists of trail improvements, including a boardwalk, entrance signs and trailhead improvements, and a bridge across Zimpher Creek, connecting to Highway 12. Vital Lands Initiative Goals: Community Identity, Healthy Communities, Water

Berry Forest Preserve
This 132.63-acre conservation easement project located south of Monte Rio, is a forested property comprised of coast redwood, Douglas-fir, and tanoak forest that is adjacent to the future Starrett Hill Conservation Easement. Mesa Grande Gulch, a tributary to Russian River, flows across the property. It is positioned within an important wildlife corridor and has the potential to host, California giant salamander, northern spotted owl, and Sonoma tree vole. Vital Lands Initiative Goals: Wildlands and Community Identity.

Bodega Bay Trail, North Harbor MG
With funding from the Matching Grant Program, Sonoma County Regional Parks will construct a 0.6-mile trail from the Bodega Bay Community Center to the Bay. This will extend existing trail connections and provide pedestrian and bicycle access off of Highway 1. Vital Lands Initiative Goals: Healthy Communities

Chanslor Ranch
This is a conservation easement acquisition over the 378-acre Chanslor Ranch in partnership with Sonoma County Regional Parks to establish more parkland on the Sonoma Coast. Chanslor Ranch is adjacent to the Colliss conservation easement, Sonoma Coast State Park, and Carrington Coast Ranch Regional Park and OSP. The property hosts a variety of habitat types including Western North American Freshwater Marsh and native grasses. A portion of Salmon Creek runs through the property and hosts steelhead and freshwater shrimp. The property helps conserve a highly scenic piece of the Sonoma County coastline that is visible from Highway 1 and Carrington Coast Ranch Regional Park and OSP. Vital Lands Initiative Goals: Water, Wildlands, Community Identity and Healthy Communities

Crawford Gulch
This 92-acre acquisition is a partnership with Sweetwater Springs Water District and the Monte Rio Recreation and Park District. Vital Lands Initiative Goals: Water, Wildlands, and Healthy Communities

Graton Town Square MG
The Graton Town Square project is a transformative initiative supported by the Community Spaces Matching Grant program, with additional funding from the Graton Community Services District. This project will convert a vacant 0.59-acre lot into the town's first central public park, creating valuable outdoor recreation opportunities for the community. The park will feature accessible pathways, picnic areas, and dedicated spaces for classes, gatherings, markets, and cultural events. Designed with sustainability in mind, the landscape will incorporate native plantings to enhance biodiversity, improve stormwater management, and demonstrate regenerative practices, including a food forest, community herbal gardens, and an outdoor learning space for children. Additionally, the square will serve as an inclusive community hub, fostering social connections across diverse demographics, with a focus on supporting low-income residents, seniors, and day laborers. Situated along the West County Regional Trail, the park will provide an important link to the broader community while enriching Graton's public spaces.

Guerneville River Park Phase 2 MG
This 0.53-acre property is located immediately east of the Highway 116 bridge across the Russian River from Guerneville. The 1.17-acre Guerneville River Park, lies both east and west of the bridge. The park was developed in 2007. The fee acquisition is a 0.53-acre (23,053 square foot) portion of the 1.17-acre parcel. The property is undeveloped except for an old barn, and a paved emergency road from neighboring properties to the Highway 116 bridge. Vital Lands Initiative Goals: Healthy Communities

Little Rancheria Creek
This 276.16-acre conservation easement project located directly south of the Gloeckner-Turner Ranch Conservation Easement and two miles east of the Warm Springs arm of the Lake Sonoma Reservoir. The property is aligned along Little Rancheria Creek, a year-round steelhead-bearing stream that flows across the property. The property features redwood, Douglas-fir, mixed-hardwood, and riparian forest, as well as areas of manzanita and chapparral. Vital Lands Initiative Goals: Water and Wildlands.

Monte Rio Redwoods Expansion
Description Pending

Occidental Community Plaza
The Sonoma County Public Infrastructure Department is working to transform an underused lot in the heart of Occidental into the town's first public community open space. This vibrant new gathering place will provide opportunities for recreation and connection for residents and visitors alike. With support from the Community Spaces Matching Grant Program, the project will fund conceptual plans, construction documents, permits, bike racks, interpretive signage, railings, and landscaped vegetated swales. Additionally, grading and fill work will elevate the park to match the height of the existing public parking lot, ensuring accessibility for all.

River Lane MG
With funding from the Matching Grant Program, the Russian River Recreation and Parks District will acquire a 0.67-acre parcel along the Russian River for public access to the river. Vital Lands Initiative Goals: Healthy Communities

Russian River Community Park
The Sonoma County Public Infrastructure Department is using Community Spaces Matching Grant funding to create a much-needed community park in the heart of Guerneville. This rare, flat open space—located near downtown and adjacent to the Guerneville County Park and Ride—offers an ideal setting for recreation and gathering. The site, which features Liverau Creek and valuable riparian habitat, will be thoughtfully designed to balance natural restoration with community use. Planned improvements include creek restoration, a stormwater treatment swale, an open grass multi-use field, a natural play structure, a community garden, picnic areas, dog parks, an amphitheater, a nature trail, restrooms, and permeable parking. This park will provide a welcoming space for residents and visitors alike, fostering recreation, connection, and environmental stewardship

Starrett Hill
This 319-acre fee acquisition is located between Torr West (Regional Park) and Sonoma Coast State Park. The property is owned by the Sweetwater Springs Water District and is a partnership with the current landowner and Monte Rio Recreation and Park District. Vital Lands Initiative Goals: Healthy Communities, Community Identity, Water, Wildlands

***MG indicates Matching Grant**

