

RESOLUTION NO. 13-12

A RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE CITY OF MONTCLAIR REDEVELOPMENT AGENCY REPLACING RESOLUTION NO. 13-07 AND APPROVING AGREEMENT NO. 13-90 REPLACING AGREEMENT NO. 13-67, A PROPOSAL FOR APPRAISAL SERVICES BETWEEN THE SUCCESSOR AGENCY TO THE CITY OF MONTCLAIR REDEVELOPMENT AGENCY AND INTEGRA REALTY RESOURCES, FOR INTEGRA REALTY RESOURCES TO PERFORM REAL PROPERTY APPRAISALS ASSOCIATED WITH COMPLETION OF A LONG-RANGE PROPERTY MANAGEMENT PLAN

WHEREAS, Assembly Bill 1X 26 ("AB 26") was signed by the Governor on June 28, 2011, and upheld as constitutional by the California Supreme Court. On June 27, 2012, the Governor signed Assembly Bill 1484 ("AB 1484"). AB 26 and AB 1484 (together called the "Dissolution Bills") eliminated California redevelopment agencies statewide, established successor agencies to pay, perform, and effectuate the enforceable obligations of the former redevelopment agencies and to wind down the affairs of the former redevelopment agencies; and

WHEREAS, the City of Montclair Redevelopment Agency ("Agency") is now a dissolved redevelopment agency pursuant to the Dissolution Bills; and

WHEREAS, by Resolution considered and approved by the City Council at an open public meeting, the City chose to become and serve as the "Successor Agency" to the dissolved Agency under the Dissolution Act; and

WHEREAS, as of and on and after February 1, 2012, the City serves and acts as the Successor Agency and is performing its functions as the successor agency under the Dissolution Act to administer the enforceable obligations of the Agency and otherwise unwind the Agency's affairs, all subject to the review and approval by a seven-member oversight board ("Oversight Board"); and

WHEREAS, Section 34179 provides that the Oversight Board has fiduciary responsibilities to holders of enforceable obligations and the taxing entities that benefit from distributions of property tax and other revenues pursuant to Section 34188 of Part 1.85 of the Dissolution Act; and

WHEREAS, pursuant to Section 34179 of the Health and Safety Code, the Successor Agency's Oversight Board was formed and the initial meeting occurred on April 25, 2012; and

WHEREAS, pursuant to Section 34191.5 of the Health and Safety Code a Community Redevelopment Property Trust Fund is established to be administered by the successor agency to serve as the repository of the former redevelopment agency's real properties; and

WHEREAS, Section 34191.5(b) provides that a successor agency shall prepare a long-range property management plan that addresses the disposition and use of the real properties of a former redevelopment agency and the report shall be submitted to the oversight board and the Department of Finance ("DOF") for approval no later than six months following the issuance of a finding of completion; and

WHEREAS, the Successor Agency to the City of Montclair Redevelopment Agency received a Notice of Completion from DOF on May 16, 2013; and

WHEREAS, in order to prepare said Long-Range Property Management Plan, the Successor Agency must engage the services of an appraisal firm; and

WHEREAS, Successor Agency staff submitted Requests for Proposals to appraisal firms and received responses from three appraisal companies; and

WHEREAS, the Successor Agency approved Agreement No. 13-67 selecting the firm of Integra Realty Resources to provide appraisal services on August 19, 2013; and

WHEREAS, as required by law, the Oversight Board approved Agreement No. 13-67 and adopted Oversight Board Resolution No. 13-07 approving the action of the Successor Agency to engage the services of Integra Realty Resources to provide appraisal services; and

WHEREAS, DOF disallowed Agreement No. 13-67 because Integra Realty Resources made an error in its proposal using the name of the "City of Montclair" instead of the "Successor Agency to the City of Montclair Redevelopment Agency;" and

WHEREAS, the Successor Agency still finds the necessity of retaining an appraisal firm for preparation of the Long-Range Property Management Plan; and

WHEREAS, Integra Realty Resources has corrected the error and Agreement No. 13-90 is submitted for consideration by the Successor Agency; and

WHEREAS, the Oversight Board understands and agrees with the need to retain appraisal services for the Long-Range Property Management Plan; and

WHEREAS, pursuant to the Dissolution Act, the actions of the Oversight Board, including those approved by this Resolution, do not become effective for five (5) business days pending any request for review by DOF; and if DOF requests review hereof, it will have forty days from the date of its request to approve this Oversight Board action or return it to the Oversight Board for reconsideration and the action, if subject to review by DOF, would not be effective until approved by DOF.

NOW, THEREFORE, BE IT RESOLVED that the Oversight Board to the Successor Agency to the City of Montclair Redevelopment Agency does hereby find and determine as follows:


Section 1. The above recitals are true and correct and are a substantive part of the Resolution.

Section 2. The Oversight Board approves the action of the Successor Agency in retaining the services of Integra Realty Resources to provide appraisal services on November 4, 2013.

Section 3. The Oversight Board adopts Resolution No. 13-12 approving the retention of Integra Realty Resources to perform appraisal services for the Long-Range Property Management Plan.

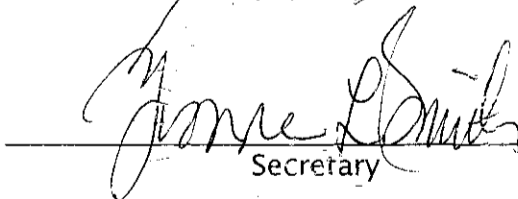
Section 4. The Secretary of the Oversight Board shall certify to the adoption of this Resolution and shall maintain this Resolution on file as a public record as approved hereby.

APPROVED AND ADOPTED this 13th day of November, 2013.



Chairman

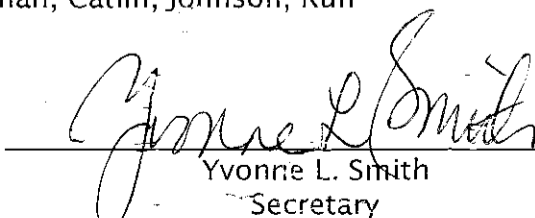
ATTEST:



Secretary

I, Yvonne L. Smith, Secretary of the Oversight Board for the Successor Agency to the City of Montclair Redevelopment Agency, DO HEREBY CERTIFY that Resolution No. 13-12 was duly adopted by the Oversight Board of Directors at a regular meeting thereof held on the 13th day of November, 2013, and that it was adopted by the following vote, to-wit:

AYES: Richardson, Piotrowski, Hillman, Catlin, Johnson, Ruh
NOES: None
ABSTAIN: None
ABSENT: Erickson



Yvonne L. Smith
Secretary

Integra Realty Resources
Los Angeles

**Response to Request for Proposal to Provide
Real Estate Appraisal Services**

Prepared For:

Ms. Marilyn J. Staats
Deputy City Manager
Director, Economic Development Division
City of Montclair as Successor Agency to the
City of Montclair Redevelopment Agency
5111 Benito Street
Montclair, CA 91763

July 26, 2013



Integra Realty Resources
Los Angeles

16030 Ventura Boulevard
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July 26, 2013

Ms. Marilyn J. Staats
Deputy City Manager
City of Montclair as Successor Agency to the
City of Montclair Redevelopment Agency
5111 Benito Street
Montclair, CA 91763

SUBJECT: Proposal to provide real estate appraisal services

Sent via UPS

Dear Ms. Staats:

Integra Realty Resources – Los Angeles (IRR-Los Angeles) is pleased to present to the City of Montclair as Successor Agency to the City of Montclair Redevelopment Agency (hereinafter referred to as “Successor Agency”) qualifications for real estate services in response to your Request for Proposal (RFP), dated July 10, 2013, and with submission deadline of Wednesday, July 31, 2013.

The individuals who are authorized to represent the firm, negotiate contract terms, and make binding commitments are John G. Ellis, MAI, CRE, FRICS, Senior Managing Director, and Beth B. Finestone, MAI, FRICS, Managing Director. Mr. Ellis and Ms. Finestone can be reached at 16030 Ventura Boulevard, Suite 620, Encino, CA 91436-4473 and at (818) 290-5400.

The following information has been prepared to illustrate the firm’s qualifications and resources available to provide real estate appraisal services for the three properties listed in the Successor Agency’s RFP.

Experience of Key Personnel

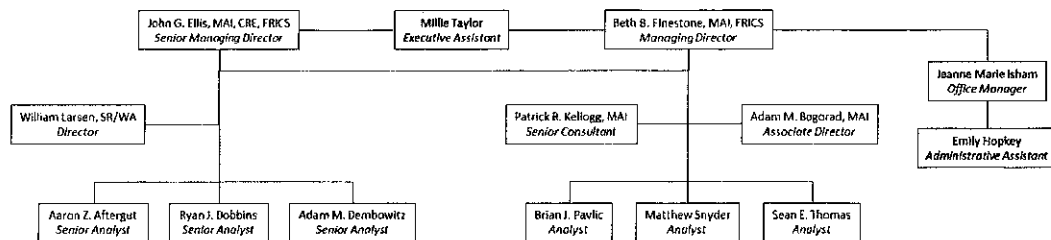
IRR-Los Angeles has a particularly strong background in providing a variety of appraisal, appraisal review, and consulting services to a wide variety of public entities, including public agencies at the federal, state, and municipal levels.

IRR-Los Angeles has a total full-time staff of 13, including 10 appraisers, three of whom are MAIs, and seven of whom are licensed as Certified General Real Estate Appraisers by the State of California. All senior professional staff members are current in their continuing education requirements in their status as general certified appraisers in the State of

California. Accordingly, they are sufficiently familiar with the requirements of the *Uniform Standards of Professional Appraisal Practice (USPAP)*, especially with Standards Rules 1 and 2 that apply to the development of real property appraisals and the preparation of real property appraisal reports. The requirements of all applicable regulations are reviewed on a regular (and not less than annual) basis to assure our current knowledge of these requirements, and the full compliance of our appraisal development and reporting. All of our work conforms to best business practices as generally recognized by other market participants, including other government agencies.

Name	Title	CGA No.
John G. Ellis, MAI, CRE, FRICS	Senior Managing Director	AG007279
Beth B. Finestone, MAI, FRICS	Managing Director	AG004030
William Larsen, SR/WA	Director	AG014297
Adam M. Bogorad, MAI	Associate Director	AG038741
Ryan J. Dobbins	Senior Analyst	AG029385
Aaron Z. Aftergut	Senior Analyst	AG040789
Adam M. Dembowitz	Senior Analyst	AG3000023

The professional qualifications and Certified General Appraiser licenses for these staff members follow at the end of this proposal. Below is an organizational chart showing the members of our firm.



Our general certified appraisers are assisted by administrative staff and researcher(s). This balance of staffing allows us to coordinate major projects in a timely and cost-efficient manner.

John G. Ellis, MAI, CRE, FRICS, Senior Managing Director, is a past president of the Southern California Chapter of the Appraisal Institute (SCCAI), the largest chapter in the United States. He has also served as an elected member of the SCCAI Board of Directors for five years, has served on various volunteer committees for the Appraisal Institute (at the local, regional, and national levels) for more almost 20 years, and is a nationally approved instructor for the Appraisal Institute. He has twice chaired the SCCAI's annual Litigation Seminar conducted for the benefit of Southern California's legal and appraisal communities. Mr. Ellis is also a member of the Counselors of Real Estate (CRE) and the International Right of Way Association (IRWA) and is a fellow of the Royal Institution of Chartered Surveyors (RICS). He is "Yellow Book" certified, having successfully completed the accredited course the *Uniform Appraisal Standards for Federal Land Acquisitions*. As senior managing director of the firm, he is involved in completing valuation and consulting assignments, overseeing the work and

the mentoring of some of the junior staff members. He has significant experience in the coordination and management of multi-property assignments.

Mr. Ellis is qualified as an expert witness in Superior and Federal courts throughout Southern California on real estate valuation issues. On several occasions, Mr. Ellis has been selected by the Los Angeles County Superior Court to act as a court-appointed, independent expert to assist the resolution of pending valuation issues and has served as an experienced arbitrator. Mr. Ellis has been retained as an expert witness by the Legal Division of the State of California Department of Transportation (Caltrans) for matters involving eminent domain in the widening of Interstate 5, Interstate 10, and Interstate 405 within the County of Los Angeles.

Beth B. Finestone, MAI, FRICS, Managing Director, has served on the peer review committee for the SCCAI and is currently serving on the education committee. In addition, she is a fellow of RICS and is working toward the SR/WA designation by the IRWA. She has been active in acquisition appraisals for Southern California Edison Company (SCE) in Tulare, Los Angeles, Kern, and Riverside counties; Orange County Transportation Authority (OCTA); Riverside County Transportation Commission as part of the expansion of the SR-91 freeway in Corona; City of Bellflower; the CRA/LA; City of Ontario; City of Inglewood; the State of California Department of General Services; and the U.S. General Services Administration. Ms. Finestone has the lead role for all acquisition work done by the firm on behalf of SCE. She completed the appraisal of 10 acres of open space land in Castaic for the State of California Department of Water Resources and appraised the Del Mar Racetrack and Thoroughbred Club for the State of California Department of General Services. Recently, Ms. Finestone appraised 845 acres of land for purchase by the State Department of Parks and Recreation proximate to the Hungry Valley State Vehicular Recreation Area. She has significant experience in working with school districts for both acquisition assignments and disposition of surplus sites. Additionally, Ms. Finestone is the sole reviewer for the Los Angeles Unified School District for appraisal review assignments which involve properties over \$1 million. She has also reviewed large numbers of appraisals for OCTA and City of Ontario. She also oversees the administration of the office and works with and mentors junior members of the staff. She has been honored locally for her professional accomplishments. In 2009 she was a *Los Angeles Business Journal* nominee for Executive of the Year – Women Making a Difference. In October 2006 Ms. Finestone was honored as one of *Real Estate Southern California's* 2006 Women of Influence for contributions to commercial real estate and devotion to community enrichment.

William Larsen, SR/WA, Director, is the immediate Past President of the Los Angeles-Bakersfield Chapter of the IRWA, has chaired and moderated the Chapter's Annual Valuation Seminar since 2008, and has been a Chapter Board member since 2004. He is also an associate member of the Appraisal Institute. Mr. Larsen has specialized in eminent domain and litigation appraisal since 1995 and has served as Project Manager on multi-property appraisal assignments involving in excess of 100 subject properties. Mr. Larsen is Yellow Book certified.

Adam M. Bogorad, MAI, Associate Director, a member of the Appraisal Institute who has worked in real estate since 2002, has completed assignments covering a wide range of property types for both public and private sector clients, including Caltrans, SCE, numerous public agencies and school districts, McDonald's USA, and a number of law firms. In addition, Mr. Bogorad has extensive experience with matters of eminent domain and has been designated as a real estate expert witness in the Superior Court of California. In 2009 he was accredited by the State Bar of California to present continuing legal education courses related to various aspects of real estate analysis.

Each of the above senior appraisers has qualified as an expert witness in real estate valuation matters.

Profile of the Firm

Integra Realty Resources – Los Angeles is the dba of Ellis Group, Inc. (founded in 1996 and incorporated in California in 1997). IRR-Los Angeles, an independently owned firm, is the result of the consolidation of Ellis Group, Inc. with Integra Realty Resources, Inc. in 1999. As a part of this national network of over 650 professions in nearly 70 local offices from coast to coast, IRR-Los Angeles enjoys comprehensive access to a wealth of data and advanced analytic tools. With more MAIs and CREs than any other company, we can coordinate appraisal, valuation, and counseling services throughout the United States. Affiliated companies in Mexico and Canada allow us to coordinate real estate counseling and valuation services throughout North America. Our clients include lending institutions, investment advisory firms, corporations, developers, investors, governmental agencies, and the legal profession.

IRR-Los Angeles is capable of providing full valuation services within the scope of a defined assignment, including analysis and definition of the appraisal problem, accurate and timely estimation of time and cost to the Successor Agency to complete the project, research and data verification, highest and best use analysis, field inspection, valuation analysis, and reporting writing. In addition, IRR-Los Angeles's senior professionals can serve as expert witnesses in support of their work product in court and/or before arbitration boards.

Since its founding, approximately 4,000 appraisal assignments have been successfully completed by the firm. Of these, nearly 800 assignments have been for public agencies (municipal, county, state, and federal) throughout Southern California.

Public Agency Assignments

Our ability to address valuation assignments which may have some relevance to the current appraisal needs of the Successor Agency is illustrated through various public agency projects as shown below.

1. City of Ontario On-call Appraisal Services: Appraisal of multiple parcels of industrial, commercial, and multi-residential properties, concentrated in the vicinity of Ontario International Airport. In addition to performing acquisition and disposition appraisals for the City of Ontario and its Housing Department, we have also been

- retained to complete appraisal reviews of outside appraisals prepared by other fee appraisers for parcels within Ontario.
2. State of California Department of Transportation Designated Expert Witness: Since 2007 John Ellis has worked with Caltrans as the designated expert witness in 26 matters involving transportation corridor improvements along the I-5, I-10, I-405, and SR-138 in Los Angeles, San Bernardino, and Orange counties.
 3. City of Riverside, Tyler Street-Widening Project: The appraisal of 93 parcels affected by a major street-widening project. Our involvement in this project included budgetary planning, acquisition appraisals, pre-trial exchange appraisal updates, and the preparation for expert testimony (although all cases settled before trial).
 4. Orange County Transportation Authority: On-call appraisal and appraisal review services for various transportation corridor projects. During the past year we have been involved in the appraisal of open-space mitigation land, industrial and commercial properties related to transportation corridors. Some of the appraisals were the valuation of surplus land, while others were for part of full-take acquisition. We are currently involved in the review of 31 appraisals related to the Lakeview Avenue Grade Separation Project.
 5. City of Inglewood On-call Appraisal Services: Appraisal of multiple parcels of commercial and residential properties in redevelopment areas of Inglewood.
 6. City of Bellflower: We have completed more than 30 appraisals for the City of Bellflower relating to acquisitions for various redevelopment projects, including commercial, residential, and industrial properties. Some of the properties have had highest and best use issues as improved, and others have been vacant land.
 7. Los Angeles County Metropolitan Transportation Authority (LACMTA): More than 30 assignments performed that have included the valuations of whole properties, partial interests as a part of the whole (including easements), remainder valuation, uneconomic remainders, severance damages, and benefits.
 8. Los Angeles World Airports, Pipeline Land: The purpose of the appraisal was to develop an opinion of the fair market value of the fee simple interest in the land supporting various pipeline easements running through the airport property (larger parcel), including land within the runway and tarmac areas. We also estimated the fair market rent of the land supporting these pipeline easements.
 9. Los Angeles World Airports, Non-Airline Industrial and Commercial Off-Airport Land: The purpose of the appraisal was to develop an opinion of the fair market value of the fee simple interest in the underlying land associated with the "Non-Airline Industrial" properties as a group and a separate fair market value for the underlying land associated with the "Commercial Off-Airport" properties as a group, on and near Los Angeles International Airport.
 10. Los Angeles World Airports, Off-Airfield Commercial Land: The purpose of the appraisal was to develop a separate opinion of the fair market value of the fee simple interest in the underlying land associated with three groups of properties, the "Cargo Parcels," "Maintenance Lease Parcels," and "Temporary Construction Lease Parcels" within Los Angeles International Airport.
 11. The U.S. General Services Administration (GSA), Otay Mesa Border Station Project: The subject of this appraisal was a vacant, industrial zoned site of 9.93± acres which

is located immediately adjacent to the existing commercial border crossing facility identified as the Otay Mesa Border Station. This port of entry serves as the main border crossing facility for commercial vehicles crossing between San Diego, California, and Tijuana, Mexico. The GSA used the appraisal to successfully negotiate the acquisition of the property for the expansion of the border crossing facility.

12. State of California Department of General Services: The appraisal of the Del Mar Racetrack and Thoroughbred Club which involved the appraisal of more than 430 acres of land. Some of the land was zoned open space; some was wetlands, while other was mitigation land. The land was appraised based on its current use, with no redevelopment potential considered. In addition to the land appraisal, we completed a market value analysis of the improved property with a use restriction that required the property be continued to be used as a racetrack, thoroughbred club and fairground.
13. Oxnard Union High School District: The appraisal of an 119.7± acre agricultural site in 2007 that is being considered for a new high school. Development of the property is subject to land use restrictions imposed by the Coastal Commission, the SOAR initiative, and the Oxnard Airport Sphere of Influence, which adversely affects the value of the property. In addition to a fair market value indication, we provided a rental analysis of the land to allow the school district access to the site to conduct soil testing.
14. Acquisition appraisals, appraisal updates, and appraisals for pre-trial exchange involving approximately 60 parcels in the Lincoln/Woodbury redevelopment project area of Los Angeles County. Work has been ongoing since 1997 and this project is currently active.
15. Appraisal of the Water Filtration and Distribution Plant serving the entire City of Inglewood, California: Appraisal was completed to assist the City in the completion of a bond issue for which some of its public facilities would be utilized as collateral.
16. Appraisal of the fee simple and leased fee interests of 4665 Lampson Avenue in Los Alamitos, California: This property was appraised both as vacant land (with 12.37± acres) under a community facilities zone designation, and as improved with an 86,400± square-foot, two-story office building. The valuation of the property as improved included an analysis of excess land. The leased fee analysis considered the impact of a long-term ground lease which covered the period of May 1971 to June 2021.

Client References

A substantial number of our clients retain us because of our ability to understand complex real estate valuation issues, to frame assignments in a manner which our clients (and the courts) can understand, and to be in a position of supporting our analysis and conclusions through the litigation process (including expert testimony at bench and jury trials). Below are sample references for our firm.

San Joaquin Cross Valley Loop Project		
<i>Name of Firm</i>	Southern California Edison Company	
<i>Address</i>	2131 Walnut Grove Avenue, Rosemead, CA 91170	
<i>Contact Person</i>	David L. Guder, CCIM, SR/WA Project Manager david.guder@sce.com	<i>Telephone</i> (626) 302-4179
<i>Period of Performance</i>	2010 to 2012	<i>Contract Value</i> \$160,000
<i>Project Manager</i>	Beth B. Finestone, MAI, FRICS	<i>Appraisers</i> Adam M. Bogorad, MAI Adam M. Dembowitz
<i>Brief Description of Service Provided</i>		
<p>The San Joaquin Cross Valley Loop Project involved the appraisal of 49 properties in two phases. The purpose of the appraisals was for easement acquisitions, with the first phase properties involving the perfection and upgrading of existing easements. The second phase properties involved the acquisition of new easements. Property types were primarily producing agricultural land (citrus, olives, almonds, stone fruit, grapes and row crops). Other land uses included ranches, commercial and residential properties. Our appraisals considered a valuation of the part taken, as well as severance damages and project benefits.</p>		
SR-91 Widening Project		
<i>Name of Firm</i>	Overland Pacific & Cutler, Inc.	
<i>Address</i>	2280 Market Street, Suite 200, Riverside, CA 92501	
<i>Contact Person</i>	Mark R. La Bonte, SR/WA Program Manager/Principal mlabonte@opcservices.com	<i>Telephone</i> (951) 683-2353
<i>Period of Performance</i>	February 2012 to present	<i>Contract Value</i> \$461,950
<i>Project Manager</i>	Beth B. Finestone	<i>Appraisers</i> Adam M. Bogorad Adam M. Dembowitz
<i>Brief Description of Service Provided</i>		
<p>Appraisal of parcels under 47 separate ownerships affected by acquisitions and easements for the SR-91 Widening Project through the City of Corona. The complete summary appraisal reports and appraisal summary statements include a valuation of the properties in the before and after condition. Some of the properties are very complex and had significant severance damage analyses due to loss of building improvements, parking, loading, etc.</p>		

I-405 Sepulveda Pass HOV Lane Project		
<i>Name of Firm</i>	State of California Department of Transportation	
<i>Address</i>	100 South Main Street, MS-6, Los Angeles, CA 90012	
<i>Contact Person</i>	Andrew P. Nierenberg, Deputy District Director, Right of Way, Caltrans District 7 andrew_p_nierenberg@dot.ca.gov	<i>Telephone</i> (213) 897-1901
<i>Period of Performance</i>	May 2009 to April 2010	<i>Contract Value</i> \$40,000
<i>Project Manager</i>	John G. Ellis, MAI, CRE, FRICS	<i>Appraiser</i> William Larsen, SR/WA
<i>Brief Description of Service Provided</i>		
<p>The purpose of the appraisals (for the use of the Los Angeles County Metropolitan Transportation Authority and the State of California Department of Transportation) was to estimate the market value of the various property interests to be acquired for the I-405 Sepulveda Pass HOV Lane Project. This assignment included appraisals for partial acquisitions of eight larger parcels within the categories of commercial, multi-residential, and open space land use. The appraisals included an analysis of potential severance damages and project benefits.</p>		

People v. NCO, Ltd, et al.		
<i>Name of Firm</i>	State of California Department of Transportation – Legal Division	
<i>Address</i>	100 South Main Street, Suite 1300, Los Angeles, CA 90012-3702	
<i>Contact Person</i>	Mark A. Berkebile, Esq. mark_berkebile@dot.ca.gov	<i>Telephone</i> (213) 687-6000
<i>Period of Performance</i>	February 2010 to January 2011	<i>Contract Value</i> \$16,000
<i>Project Manager</i>	John G. Ellis	<i>Appraiser</i> Adam M. Dembowitz
<i>Brief Description of Service Provided</i>		
<p>Pre-trial exchange appraisal prepared for an environmentally contaminated commercial property in the City of Norwalk, California. The project was initially presented as a part take, but was modified to become a full take acquisition. Mr. Ellis was the principal appraiser in this assignment which included the completion of the appraisal pursuant to Caltrans standards, as well as deposition and preparation for trial. The case ultimately settled shortly before the start of trial.</p>		

Alameda Corridor Transit Authority SR-47 Expressway Project		
<i>Name of Firm</i>	Nossaman LLP	
<i>Address</i>	777 South Figueroa Street, 34 th Floor, Los Angeles, CA 90017	
<i>Contact Person</i>	Howard D. Coleman, Esq. hcoleman@nossaman.com	<i>Telephone</i> (213) 612-7821
<i>Period of Performance</i>	June to October 2010	<i>Contract Value</i> \$59,500
<i>Project Manager</i>	John G. Ellis	<i>Appraiser</i> Adam M. Bogorad
<i>Brief Description of Service Provided</i>		
<p>This current assignment includes appraisals for partial acquisitions of approximately 80 easements in five larger parcels at the Port of Long Beach. Some of the lands were at differing elevations, including submerged land within the Cerritos Channel. The appraisals include an analysis of potential severance damages and project benefits. The purpose of the appraisals for the use of the Alameda Corridor Transportation Authority (ACTA) is to estimate the market value of the various property interests to be acquired for the expansion of the Terminal Island Freeway and bridge within the Port of Long Beach.</p>		

Milliken Avenue Grade Separation Project			
<i>Name of Firm</i>	Overland, Pacific & Cutler, Inc.		
<i>Address</i>	3750 Schaufele Avenue, Suite 150, Long Beach, CA 90808		
<i>Contact Person</i>	Min V. Saysay Transportation Program Manager/Principal msaysay@opcservices.com	<i>Telephone</i>	(562) 304-2000
<i>Period of Performance</i>	September 2011 to November 2012	<i>Contract Value</i>	\$73,000
<i>Project Manager</i>	Beth B. Finestone	<i>Appraiser</i>	William Larsen
<i>Brief Description of Service Provided</i> For the Milliken Avenue Grade Separation Project in the City of Ontario 11 parcels involving a combination of full and partial takes, temporary construction easements, and easement valuations at the existing Milliken Avenue/Mission Boulevard/Union Pacific Railroad at-grade crossing.			

M2 Environmental Mitigation Program			
<i>Name of Firm</i>	Orange County Transportation Authority		
<i>Address</i>	550 South Main Street, Orange, CA 92863		
<i>Contact Person</i>	Dan Phu Section Manager, Project Development dphu@octa.net	<i>Telephone</i>	(714) 560-5907
<i>Period of Performance</i>	2011 to 2012	<i>Contract Value</i>	\$65,550
<i>Project Manager</i>	Beth B. Finestone	<i>Appraiser</i>	Ryan J. Dobbins
<i>Brief Description of Service Provided</i> We have appraised multiple properties totaling approximately 1,300 acres as part of the ongoing M2 Environmental Mitigation Program.			

Scope of Services

In response to your recent request for proposal, this writing expresses our interest and availability for the completion of appraisal services concerning the properties referenced below. The properties are located within the City of Montclair and are owned by the Successor Agency.

Property No.	APN	Property Address	Zoning	Land Use	Lot Size (±SF)
1	1007-722-07	8752 Monte Vista Avenue	Specific Plan	Vehicle storage	120,661
2	1008-332-04	4960 Palo Verde Street	C-3 General Commercial	Vehicle storage	62,726
3	1012-141-18	NWC Dale Street and Camulos Avenue	MIP Manufacturing Industrial	Vacant	115,870

The noncondemnation purpose of the appraisals is to determine for property disposition the monthly market rent of 0.93 acres of Property No. 1 (leased to Metro Nissan), the monthly market rent and fair market values of Property No. 2 (leased to Metro Nissan), and the fair market value of Property No. 3 (remaining remnant after construction of the Ramona Avenue Grade Separation project).

Upon receiving authorization to proceed, we would complete a thorough inspection of the subject properties and review available information about their histories and operations. We would conduct an independent investigation of relevant market factors, including investigations into comparable sale properties that would be relevant in the valuation process. We would analyze this data and develop an opinion of the market rent and fair market values of the subject properties. Upon completion of our analysis, we would prepare a summary appraisal report for each in full compliance with the USPAP.

Fee and Timing

For our services as described above, our fee for the completion of an appraisal report is proposed at **\$9,800**. We propose to have our report completed within **30 days** of receiving notice to proceed.

Information to Be Provided by Client

Attached to this letter you will find Exhibit B, which is a list of information that would be useful and/or necessary for us in the completion of our appraisal services on your behalf. In completing this proposal at the above-referenced fee and timing, we have assumed that the information identified on Exhibit B will be made available to us at the onset of our assignment. In the absence of receiving some of these referenced items, it may be necessary for us to include limitations and/or special assumptions within the appraisal report, or to spend additional time (at additional cost) to identify and gather this information from other sources. If you believe any of the items identified on Exhibit B will not be available to us during the course of our appraisal, please notify us immediately so we may discuss the situation and address it to your satisfaction.

Supplemental Services

Additional services requested for consultation, special studies, negotiations, preparation of or appearance for testimony, and similar services will be provided upon request and will be billed additionally at the hourly rates set forth as Exhibit A to this proposal. Fees will be billed monthly based on the work actually completed.

Verification of Insurance

The firm maintains a valid worker's compensation insurance policy and employer's liability insurance for all persons employed in the firm and for all persons employed in the performance of services under any contract awarded. We also carry general liability insurance (bodily injury and property damage) in an amount of not less than \$1,000,000 per occurrence with a \$2,000,000 maximum. We carry certificates of insurance and an amendment to the policy for a thirty (30) days' notice in writing prior to cancellation, termination, or expiration of any kind. In addition, the firm carries professional liability insurance, and automobile liability insurance consistent with the State of California Financial Responsibility requirements, California Vehicle Code (CVC) 16020(a) as well as a thirty (30) day cancellation clause as described above. Upon selection for this contract, the Successor Agency will be added to all policies as a certificate holder.

Business License

Upon selection for this contract IRR-Los Angeles will obtain a City of Montclair Business License.

General Issues

Payment for the completion of reports will be due upon their completion. To the extent that supplemental services are requested, these will be billed on a monthly basis. For these services, if provided, an advance retainer may be requested. For these services, if provided, payment is due within 30 days of the invoice date. Fees unpaid after 30 days are subject to a finance charge equal to 1.5% per month on all unpaid balances.

This proposal is valid for 60 days.

Our appraisal analysis will incorporate the Assumptions and Limiting Conditions which are attached to this proposal. To the extent that we prepare a written appraisal report, these Assumptions and Limiting Conditions (or a set which is effectively equivalent) will be incorporated into the appraisal report.

Fees quoted herein are for the provision of professional services and are not, in any way contingent upon the valuation reported or the outcome of any pending matter for which valuation is required. In the event of any controversy, claim, or dispute between us related to this agreement, or the breach thereof, the prevailing party shall be entitled to recover from the losing party reasonable expenses, including those for investigation, collection efforts, and legal fees. Disputes, if any, will be resolved through binding arbitration in Los Angeles County, California.

Damages (if any) for which the appraiser and/or appraisal firm would be liable will be limited to the amount of compensation paid as the fee for providing services.

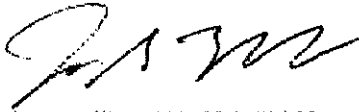
If this proposal meets with your approval, our receipt of a signed copy of this letter will serve as our notice to proceed.

Ms. Marilyn J. Staats
July 26, 2013
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Thank you for the opportunity of submitting this proposal. If you have any questions or comments about it, please call me.

Sincerely,

INTEGRA REALTY RESOURCES – LOS ANGELES



John G. Ellis, MAI, CRE, FRICS
Senior Managing Director

JGE/mt

- Enclosures: Exhibit A (Schedule of Hourly Rates)
Exhibit B (Information Requested from Client)
Exhibit C (Assumptions and Limiting Conditions)
Professional Qualifications and Licenses of John G. Ellis, MAI, CRE, FRICS
Beth B. Finestone, MAI, FRICS
William Larsen, SR/WA
Adam M. Bogorad, MAI
Ryan J. Dobbins
Aaron Z. Aftergut
Adam M. Dembowitz

AGREED & ACCEPTED THIS 5th DAY OF November, 2013

BY: _____

Paul M. Eaton
NAME (PRINT)

Paul M. Eaton
AUTHORIZED SIGNATURE

EXHIBIT A

SCHEDULE OF HOURLY RATES

John G. Ellis, MAI, CRE, FRICS: (Senior Managing Director)	\$325 per hour for appraisal and consulting \$450 per hour for trial preparation and expert testimony
Beth B. Finestone, MAI, FRICS: (Managing Director)	\$300 per hour for appraisal and consulting \$350 per hour for trial preparation and expert testimony
Adam M. Bogorad, MAI (Associate Director)	\$250 per hour for appraisal and consulting \$300 per hour for trial preparation and expert testimony
Directors/Senior Consultants:	\$200 to \$250 per hour
Senior Analysts:	\$180 to \$230 per hour
Analysts:	\$140 to \$175 per hour
Researchers:	\$90 to \$135 per hour
Administrative Staff: (For supplemental documentation requests)	\$70 per hour

Effective for the six-month period starting July 1, 2013

EXHIBIT B

INFORMATION NEEDED TO COMPLETE APPRAISAL ASSIGNMENT FOR Multiple Properties, Montclair, California

A summary of items we typically need to complete a well-documented report are summarized below.

- Name and telephone number of contact to obtain access to the subject;
- A full-sized copy of a survey/site plan or legible 11x17-inch reduction depicting locations of ancillary improvements as well as the footprint of any buildings;
- The most recent title policy or commitment;
- Historical acquisition cost of subject, terms, date and legal names of parties involved or a copy of the contract;
- Any unsolicited or solicited offerings or contracts for sale of the subject within the last 12 months;
- Historical operating income and expenses statements for last three years and the current year-to-date;
- Most recent environmental and/or engineering reports;
- Executed lease or proposed draft for each property;
- Any available information on credit of tenant; and
- Any other information you would like me to consider or think would be helpful.

EXHIBIT C

ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal is based on the following assumptions, except as otherwise noted in the report.

1. The title is marketable and free and clear of all liens, encumbrances, encroachments, easements and restrictions. The property is under responsible ownership and competent management and is available for its highest and best use.
2. There are no existing judgments or pending or threatened litigation that could affect the value of the property.
3. There are no hidden or undisclosed conditions of the land or of the improvements that would render the property more or less valuable. Furthermore, there is no asbestos in the property.
4. The property is in compliance with all applicable building, environmental, zoning, and other federal, state and local laws, regulations and codes.
5. The information furnished by others is believed to be reliable, but no warranty is given for its accuracy.

This appraisal is subject to the following limiting conditions, except as otherwise noted in the report.

1. The conclusions stated in our appraisal apply only as of the effective date of the appraisal, and no representation is made as to the effect of subsequent events.
2. No changes in any federal, state or local laws, regulations or codes (including, without limitation, the Internal Revenue Code) are anticipated.
3. No environmental impact studies were either requested or made in conjunction with this appraisal, and we reserve the right to revise or rescind any of the value opinions based upon any subsequent environmental impact studies. If any environmental impact statement is required by law, the appraisal assumes that such statement will be favorable and will be approved by the appropriate regulatory bodies.
4. Unless otherwise agreed to in writing, we are not required to give testimony, respond to any subpoena or attend any court, governmental or other hearing with reference to the property without compensation relative to such additional employment.
5. We have made no survey of the property and assume no responsibility in connection with such matters. Any sketch or survey of the property included in this report is for illustrative purposes only and should not be considered to be scaled accurately for size. The appraisal covers the property as described in this report, and the areas and dimensions set forth are assumed to be correct.
6. No opinion is expressed as to the value of subsurface oil, gas or mineral rights, if any, and we have assumed that the property is not subject to surface entry for the exploration or removal of such materials, unless otherwise noted in our appraisal.
7. We accept no responsibility for considerations requiring expertise in other fields. Such considerations include, but are not limited to, legal descriptions and other legal matters such as legal title, geologic considerations, such as soils and seismic stability, and civil, mechanical, electrical, structural and other engineering and environmental matters.
8. The distribution of the total valuation in the report between land and improvements applies only under the reported highest and best use of the property. The allocations of value for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used. The appraisal report shall be considered only in its entirety. No part of the appraisal report shall be utilized separately or out of context.
9. Except as provided in the Agreement, neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraisers, or any reference to the Appraisal Institute) shall be disseminated through advertising media, public relations media, news media or any other means of communication (including without limitation prospectuses, private offering memoranda and other offering material provided to prospective investors) without the prior written consent of the person signing the report.
10. Any income and expense estimates contained in the appraisal report are used only for the purpose of estimating value and do not constitute predictions of future operating results.
11. If the property is subject to one or more leases, any estimate of residual value contained in the appraisal may be particularly affected by significant changes in the condition of the economy, of the real estate industry, or of the appraised property at the time these leases expire or otherwise terminate.
12. No consideration has been given to personal property located on the premises or to the cost of moving or relocating such personal property; only the real property has been considered.
13. The current purchasing power of the dollar is the basis for the value stated in our appraisal; we have assumed that no extreme fluctuations in economic cycles will occur.
14. The value found herein is subject to these and to any other assumptions or conditions set forth in the body of this report but which may have been omitted from this list of Assumptions and Limiting Conditions.



15. The analyses contained in the report necessarily incorporate numerous estimates and assumptions regarding property performance, general and local business and economic conditions, the absence of material changes in the competitive environment and other matters. Some estimates or assumptions, however, inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by our analysis will vary from our estimates, and the variations may be material.
16. The Americans with Disabilities Act (ADA) became effective January 26, 1992. We have not made a specific survey or analysis of any property to determine whether the physical aspects of the improvements meet the ADA accessibility guidelines. In as much as compliance matches each owner's financial ability with the cost to cure the non-conforming physical characteristics of a property, we cannot comment on compliance to ADA. Given that compliance can change with each owner's financial ability to cure non-accessibility, the value of the subject does not consider possible noncompliance. A specific study of both the owner's financial ability and the cost to cure any deficiencies would be needed for the Department of Justice to determine compliance.
17. Except as provided in the Agreement, the appraisal report is prepared for the exclusive benefit of the Client, its subsidiaries and/or affiliates. Except as provided in the Agreement, it may not be used or relied upon by any other party. Except as provided in the Agreement, all parties who use or rely upon any information in the report without our written consent do so at their own risk.
18. No studies have been provided to us indicating the presence or absence of hazardous materials on the subject property or in the improvements, and our valuation is predicated upon the assumption that the subject property is free and clear of any environment hazards including, without limitation, hazardous wastes, toxic substances and mold. No representations or warranties are made regarding the environmental condition of the subject property and the person signing the report shall not be responsible for any such environmental conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because we are not experts in the field of environmental conditions, the appraisal report cannot be considered as an environmental assessment of the subject property.
19. The person signing the report may have reviewed available flood maps and may have noted in the appraisal report whether the subject property is located in an identified Special Flood Hazard Area. We are not qualified to detect such areas and therefore do not guarantee such determinations. The presence of flood plain areas and/or wetlands may affect the value of the property, and the value conclusion is predicated on the assumption that wetlands are non-existent or minimal.
20. Integra is not a building or environmental inspector. Integra does not guarantee that the subject property is free of defects or environmental problems. Mold may be present in the subject property and a professional inspection is recommended.
21. The appraisal report and value conclusion for an appraisal assumes the satisfactory completion of construction, repairs or alterations in a workmanlike manner.
22. Integra Realty Resources – Los Angeles, an independently owned and operated company shall prepare the appraisal for the specific purpose so stated elsewhere in this proposal. The intended use of the appraisal is stated in the General Information section of the report. Except as provided in the Agreement, the use of the appraisal report by anyone other than the Client is prohibited. Accordingly, except as provided in the Agreement, the appraisal report will be addressed to and shall be solely for the Client's use and benefit.
23. The conclusions of this report are estimates based on known current trends and reasonably foreseeable future occurrences. These estimates are based partly on property information, data obtained in public record, interviews, existing trends, buyer-seller decision criteria in the current market, and research conducted by third parties, and such data are not always completely reliable. Integra Realty Resources, Inc. and the undersigned are not responsible for these and other future occurrences that could not have reasonably been foreseen on the effective date of this assignment. Furthermore, it is inevitable that some assumptions will not materialize and that unanticipated events may occur that will likely affect actual performance. While we are of the opinion that our findings are reasonable based on current market conditions, we do not represent that these estimates will actually be achieved, as they are subject to considerable risk and uncertainty. Moreover, we assume competent and effective management and marketing for the duration of the projected holding period of this property.
24. All prospective value estimates presented in this report are estimates and forecasts which are prospective in nature and are subject to considerable risk and uncertainty. In addition to the contingencies noted in the preceding paragraph, several events may occur that could substantially alter the outcome of our estimates such as, but not limited to changes in the economy, interest rates, and capitalization rates, behavior of consumers, investors and lenders, fire and other physical destruction, changes in title or conveyances of easements and deed restrictions, etc. It is assumed that conditions reasonably foreseeable at the present time are consistent or similar with the future.

As will be determined during the course of the assignment, additional assumptions may be required in order to complete the assignment, which additional assumptions shall be reasonably satisfactory to Client and shall be stated in full in the report. The appraisal shall also be subject to those assumptions.

PROFESSIONAL QUALIFICATIONS AND LICENSES OF KEY PERSONNEL