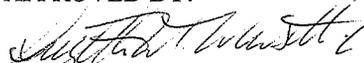


R/W MANUAL CHANGE

RWMC- 235

PROCEDURAL HANDBOOK
 (1984 Edition)

RWPH-____-____-____
 TRANSMITTAL#____

TITLE: APPRAISALS	APPROVED BY:  SUZETTE M. MUSETTI	DATE ISSUED: DEC 19 2013
		Page 1 of 1
SUBJECT AREA: CHAPTER 7 - APPRAISALS	ISSUING UNIT: OFFICE OF APPRAISALS AND LOCAL PROGRAMS	
SUMMARY OF CHANGES: Revises Subsections 7.06.01.00, 7.06.03.00, 7.06.04.00, adds Subsections 7.06.05.00, 7.06.05.01, 7.06.05.02, 7.06.05.03, 7.06.05.04, 7.06.05.05, 7.06.06.00, and updates Table of Contents. Adds new Exhibit, 7-EX-17B, and updates Table of Contents (Exhibits).		

PURPOSE

This manual change:

- Supersedes the appraisal guidelines as described in the interim implementation memorandum entitled “Eminent Domain Law Changes – Acquisition of Property Subject to a Conservation Easement” dated December 20, 2011.
- Revises Subsection 7.06.01.00 to clarify cited manual section 7.13.50.00 and confirm Sales Comparison Approach; revises Subsection 7.06.03.00 to remove metric units; revises previous Subsection 7.06.05.00 (and renumbers to Subsection 7.06.06.00) to clarify form title found in 7-EX-10.
- Revises Subsection 7.06.04.00 for clarification and adds Subsections 7.06.05.00, 7.06.05.01, 7.06.05.02, 7.06.05.03, 7.06.05.04, and 7.06.05.05 to address the new laws regarding notification requirements and valuation considerations for properties encumbered with conservation easements.
- Adds new Exhibit 7-EX-17B, “Notice of Decision to Appraise (Conservation Easement),” to reflect the new easement-holder notification requirement.

BACKGROUND

Pursuant to Senate Bill 328 regarding eminent domain and conservation easements, Code of Civil Procedure Section 1240.055 was added to establish notification protocol and valuation methodology for properties encumbered with conservation easements.

EFFECTIVE DATE

Immediately.

MANUAL IMPACT

- Remove the superseded pages and insert the attached pages in the Manual.
- Record the action on the Revision Record.

REVISION SUMMARY

<u>Chapter</u>	<u>Remove Old Pages</u>	<u>Insert New/Revised Pages</u>
	Remove the following in its entirety:	Replace with the following in its entirety:
7 - Sections	Table of Contents (REV 10/2010) 7.06.00.00 (REV 5/2002)	Table of Contents (REV 12/2013) 7.06.00.00 (REV 12/2013)
7 - Exhibits	Table of Contents 1/2013 -----	Table of Contents 12/2013 7-EX-17B (NEW 12/2013)

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7.06.00.00 - LAND

7.06.01.00 General

Final appraised land value will assume the land to be vacant and ready for development to its most probable highest and best use. Land value will be established in almost all cases by the Sales Comparison Approach.

It is proper to use zones of value due to differing amenities or utilities of portions of the parcel. Examples of zones of value would be illustrated in differences between level and hillside, commercial and residential, or irrigated and nonirrigated portions of an ownership. Differing land values by zone must be supported by comparable data. When using zones of value, it is important to consider the effect each zone has upon each other and the value of the whole. Without this, merely aggregating the different zones of value is not a complete analysis.

Valuation of timber land, agricultural land, government land, land which is encumbered by a conservation easement, and fee-owned public utility properties may be subject to special treatment as noted in this Section and in Section 7.13.50.00.

The effect of existing private expressway access openings on the development potential of the land should be investigated. The reasonable probability of developing such an opening as a future public street connection to and from the interior of the property is a valid valuation consideration.

Retaining walls and utility services necessary for proper use of the land should be included in land valuation.

Certain specific improvements such as agricultural wells, fencing, etc., may be included with land, as described in 7.07.05.00 and 7.07.06.00.

7.06.02.00 Timber Land

Valuation of commercial timber will be based on in-place value of the uncut timber estimated by timber cruise. The value of the timber and the value of cut-over land will be shown separately but totaled in the land valuation. Care must be exercised that proper market consideration is given to possible recreational or residential use of the timbered area.

7.06.03.00 Agricultural Land

Adequately developed agricultural properties such as orchards and vineyards frequently sell on acreage values, considering the state of development and productive capacity of the land as improved. As such, the value of trees, vines, irrigation systems, agricultural wells, fencing, etc., may properly be included as part of the land value. The unit value should reflect adjustment to the comparable data for differences in age, condition, and productive capacity as compared to the subject. If valued by this method, agricultural improvements other than trees and vines will be briefly described under "Improvements" with zero value and the remark that their value is included in the "Land." The description of pumps and motors will include model and serial numbers.

Although Code of Civil Procedure Section 1263.250 requires the valuation of and payment for growing crops when possession is taken before harvesting, it is usually not necessary to make such a valuation in reports prepared for negotiations. The owner will generally be afforded the opportunity to harvest the existing crop.

7.06.04.00

Valuation of Williamson Act or Farmland Security Zone Lands and Timberland Production Zone Land

If the land proposed for acquisition, in whole or in part, is under contract with a local agency pursuant to the California Land Conservation Act of 1965, special notification and valuation procedures apply. This Act, which is also known as the Williamson Act, is found in Government Code (GOV) Sections 51200 – 51295 inclusive. Article 6, GOV Sections 51290 – 51295, governs eminent domain procedures for Williamson Act lands. Agricultural properties may also be held subject to Farmland Security Zone contracts, which are similar to but expand upon Williamson Act contracts (GOV Sections 51296 – 51297.4). Generally, the same eminent domain provisions applicable to Williamson Act lands will also apply to Farmland Security Zone properties (GOV Section 51297.1).

The Williamson Act and Farmland Security Zone provisions require special notification under GOV Section 51291(b) to the Director of the California Department of Conservation and the local governing body administering the preserve “. . . *whenever it appears that land within an agricultural preserve may be required by a public agency or person for a public use . . .*.” Usually such notification would take place during the environmental phase of the project, with facts and findings in the approved environmental document. The appraiser should confirm with the Environmental Branch that this notification has been performed.

As to valuation for eminent domain acquisitions, the law requires that Williamson Act contracts shall be considered never to have existed for the purpose of valuation in the case of a total acquisition, and disregarded in the valuation of the land actually taken in a partial acquisition. If the remaining land subject to contract will be adversely affected by the acquisition, the value of the damage shall be computed without regard to the contract (GOV Section 51295). As noted above, the same procedures apply for properties under the Farmland Security Zone contracts.

Similar notification and valuation procedures apply for land zoned Timberland Production Zone (TPZ) (GOV Section 51155). Like lands subject to Williamson Act contracts, these specialized zones artificially affect highest and best use, and are to be disregarded in eminent domain appraisals as outlined above. However, the notification is to be sent to the Secretary of Resources and the local governing body [GOV Section 51151(b)]. Again, the appraiser should confirm with the Environmental Branch that this notification has been performed. Timberland Production Zones are governed by the “California Timberland Productivity Act of 1982” under GOV Sections 51100 – 51155 inclusive. Article 6, GOV Sections 51150 – 51155 governs eminent domain procedures for TPZs. In valuation, the TPZ shall be deemed never to have existed. Under GOV Section 51155, when any action in eminent domain is filed in court for a full acquisition, the parcel is immediately rezoned as to the land actually being condemned; for the purposes of establishing the value of the land, the TPZ must be treated as though it never existed. When an action to acquire less than all of a parcel of land subject to a TPZ is filed, the parcel is deemed immediately rezoned as to the land actually condemned or acquired and must be disregarded in the valuation process only as to the land actually being taken, unless the remaining land subject to the TPZ will be adversely affected by the condemnation, in which case the value of that damage shall be computed without regard to the TPZ. As a result, the appraiser should contact the County Planning Department to ascertain the zoning of the parcel upon the removal of the TPZ.

Each of these special zones will be disclosed by investigation at the local planning agency as part of the appraisal process.

7.06.05.00 Valuation of Land Encumbered by Conservation Easement

If the land proposed for acquisition is encumbered by a conservation easement, special procedures apply. These properties are distinguished from Section 7.06.04.00 above in that the properties noted above are owned in fee and have restrictive zoning overlays, whereas the properties covered in this Section are encumbered by conditions in a recorded deed. The term “conservation easement” is defined in Civil Code (CIV) Sections 815-815.5 and refers to a restriction placed by (or on behalf of) the owner upon the use of land for the purpose of retaining land in its natural, scenic, historical, agricultural, forested, or open-space condition. Public entities, qualified tax-exempt, nonprofit organizations, and certain California Native American Tribes [see CIV Section 815.3(c) for specific information regarding qualifying tribal entities] can hold conservation easements, but all conservation easements must be recorded under CIV Section 815.5.

California law recognizes several special types of conservation easements that involve specific approaches to valuation and acquisition (Open-Space, Wildlife, and Agricultural Easements, discussed further in this Section). However, conservation easements are generally acquired and valued by the Department in the manner set forth in Code of Civil Procedure (CCP) Section 1240.055. Under the statute, the Department has authority to acquire conservation easements solely under either CCP Section 1240.510 (compatible public use) or CCP Section 1240.610 (more necessary public use). The following provisions apply:

NOTIFICATION:

When sending the *Notice of Decision to Appraise* to the fee land owner, the appraiser shall also send a letter to the easement holder notifying them of the State’s proposed acquisition and including the project description and appraisal map. This notice is mandatory and provides for early communication with the parties involved with the conservation easement acquisition; CCP Section 1240.055(c) states “***Not later than 105 days prior to the hearing held pursuant to Section 1245.235, or at the time of the offer made to the owner or owners of record pursuant to Section 7267.2 of the Government Code, whichever occurs earlier, the person seeking to acquire property subject to a conservation easement shall give notice to the holder of the conservation easement as provided in this subdivision.***” CCP Section 1240.055(c)(1)(D) requires the easement holder, under certain circumstances set forth in CCP Section 1240.055(c)(2)(B), to take several steps – one of which is to forward the State’s notice within 15 days to any and all public agencies funding or having direct involvement in the approval or permitting of the original easement. An example of this notice is included in the Exhibits as 7-EX-17B *Notice of Decision to Appraise (Conservation Easement)*. The holder of the conservation easement or the public entity receiving notice, or both, may respond with written comments on the acquisition, including identifying any potential conflict between the public use proposed for the property and the purposes and terms of the conservation easement. Written comments on the acquisition may be submitted no later than 45 days from the date the notice was mailed to the easement holder. The statute requires the Department to respond to comments from the easement holder and the notified public entity within 30 days. Any comments received shall be referred to the project environmental coordinator for expert analysis and input. The result of that coordination shall be utilized in preparing responses to comments. It shall also be considered in the appraisal of the impacts of the proposed project on the conservation easement.

VALUATION:

- CCP Section 1240.055(g)(1)(A) provides general parameters for valuing conservation easements: ***“The total compensation for the acquisition of all interests in property encumbered by a conservation easement shall not be less than, and shall not exceed, the fair market value of the fee simple interest of the property as if it were not encumbered by the conservation easement.”***
- The statute further reads: ***“If the acquisition does not damage the conservation easement, the total compensation shall be assessed by determining the value of all interests in the property as encumbered by the conservation easement.”*** [CCP Section 1240.055(g)(1)(B), emphasis added]. A “before and after” analysis will be the primary means of valuing the rights acquired from the interest(s).
- The final valuation guidance in the statute [CCP Section 1240.055(g)(1)(C), emphasis added] reads that ***“If the acquisition damages the conservation easement in whole or in part, compensation shall be determined consistent with Section 1260.220 and the value of the fee simple interest of the property shall be assessed as if it were not encumbered by the conservation easement.”*** That section (CCP Section 1260.220) provides that each property interest and the damage to the remainder of each interest shall be separately “assessed,” but allows the condemning agency to present an undivided offer at its discretion.

While the appraisal shall present separate valuations of just compensation due to the fee and easement holder, it is the Department’s usual policy to follow CCP Section 1260.220(b) that allows an undivided offer.

The acquisition may damage the conservation easement by reducing the environmental and/or ecological goals and values for which the easement was acquired. The appraiser shall consider damages to the remainder of the conservation easement. Damages to the remainder of the conservation easement may occur due to reduction in the critical size of the protected area (i.e., size of the remainder limits ability to serve intent of easement), fragmentation thereof, or related issues. These are technical questions that require communication with our Division of Environmental Analysis and input from the affected stakeholders through the notification and communication process outlined above.

The following concepts are consistent with appraisals in general: there may be the “value of the part acquired” and/or “damages to the remainder” from the encumbered fee area, in addition to “the value of the part acquired” and/or “damages to the remainder” from the unencumbered fee area (that is, free of the conservation easement). The appraiser must be careful not to duplicate compensation to the fee and easement areas.

The general case is that most road or highway acquisitions involve fee or highway easements that may potentially impair the value of the conservation easement as public improvements typically physically impair the natural resource values for which the conservation easement was acquired in the first place. In such cases, the Department will typically invoke the authority of CCP Section 1240.610 to acquire the property. The measure of compensation is based on the rights that the express deed language grants to the Department, and upon the assumption that the Department’s exercise of its granted rights are “more necessary” and will displace the conservation use(s) of the property. Anecdotal or unrecorded assurances of about lesser impacts, regardless of the source(s) of the assurances, should be disregarded.

However, instances may arise where the acquisition will not impair the conservation easement. This occurs where the Department’s authority to acquire is based on CCP Section 1240.510, in that the use to be put to the land is “compatible” with the conservation easement purposes, and the easement deed language has been specifically modified to perpetuate and protect the environmental values for which the conservation easement was created. In such cases, the acquisition would result in no impairment to the conservation easement. As previously described, the property should then be valued as though encumbered by the conservation easement.

In order for the appraiser to incorporate these compatibility findings into the appraisal, specific documentation must be provided from the certified project environmental document. In addition, communication with the project’s Environmental Coordinator, the easement holder, and impacted public agencies should be undertaken to reach a mutual concurrence on the compatibility finding. Any modifications to the acquisition easement deed

to ensure compatibility would necessarily be drafted and/or approved by the Legal Division in conjunction with the discussions with the stakeholders. The appraiser should fully discuss the findings in the appraisal and attach a copy of the easement deed with the modified language.

Regardless of possible damage(s) to the remainder of the easement, the valuation analysis of all reports should include the unencumbered fee value of the acquisition. The Appraisal Summary (RW 7-9) will show the just compensation to the fee interest and just compensation to the conservation easement interest.

If the recorded conservation easement, recorded deed, or other document encumbering the acquisition parcel includes a “condemnation clause” which specifies a different procedure from the statutes by which just compensation will be segregated between the underlying fee owner, the conservation easement holder, and/or funding entities, then the recorded easement language shall be cited and attached in the appraisal and acquisition. The appraiser still performs the analysis between the conservation easement and the fee interest as above.

The appraiser should find conservation easements of all types disclosed in the exceptions to the preliminary title report as they are required to be recorded by law. In addition, the appraiser should also consult the certified environmental document, the approved project report, and/or the project environmental coordinator for guidance and consistency regarding how the project Department plans to address any acquisitions of conservation easements.

Identification and evaluation of conservation easements frequently involve complex legal issues in the areas of real property and State and Federal environmental law. In the event that legal assistance is needed in assessing the Department’s and grantors’ rights and/or duties with respect to conservation easements, the Legal Division should be contacted.

7.06.05.01 **Open-Space Easements**

Open-Space Easements (easements established to preserve the natural character of open-space land for the benefit of public use and enjoyment) should be treated in the appraisal as other conservation easements (in accordance with CCP Section 1240.055), with one exception. If the open-space easement was gifted or donated, the easement shall terminate at the time of condemnation complaint filing; the owner is compensated as if the easement did not exist (GOV Sections 51063 and 51095).

7.06.05.02 **Wildlife Conservation Easements**

Wildlife Conservation Easements (easements held by state agencies at least 10 years in duration primarily to benefit wildlife) will be acquired in accordance with Fish and Game Code (FGC) Section 1348.3. The eminent domain law regarding conservation easements (found in CCP Sections 1240.055(g)(1)(A)-(C) as referenced in the previous section) does not apply in its entirety to wildlife conservation easements acquired by a state agency, as stated in CCP Section 1240.055(h). The following principles are specified in FGC Section 1348.3, which is part of the “Wildlife Conservation Law of 1947” under FGC Sections 1300-1375.

Under FGC Section 1348.3(b), prior to the initiation of condemnation proceedings against a state agency-held wildlife conservation easement, the condemning entity shall give notice to the holder of the easement, provide an opportunity for the holder of the easement to consult with the condemning agency, provide the holder of the easement the opportunity to state its objections to the condemnation, and provide a response to the objections. CCP Section 1240.510 (authority to acquire for a compatible public use) and CCP Section 1240.610 (authority to acquire for a more necessary use) apply to wildlife conservation easement acquisitions. The condemning governmental entity is required to prove by clear and convincing evidence that its proposed use satisfies the requirements of those statutes. At the appraisal stage, the FGC Section 1348.3(b) notice of the proposed acquisition shall be given to the holder of the wildlife conservation easement. Exhibit 7-EX-17B may be used for this purpose. Upon receiving the response to the notification, the appraiser shall forward the response to the project environmental coordinator, the project manager, and the Acquisition Senior. The Department is required to provide a response to any objections to the acquisition.

The statute does not explicitly identify a valuation methodology, nor does it preclude one; therefore, the following valuation approach is recommended, consistent with similar special conservation easement valuations. In valuing the acquisition, the owner of the land in fee shall be paid the full value that would have been payable to the owner but for the existence of the wildlife conservation easement less the fair market value of the easement, and the easement holder shall be paid the value of the wildlife conservation easement. The appraisal shall take into account any reasonable impacts disclosed by the comment process as outlined above.

7.06.05.03 Agricultural Conservation Easements

Agricultural Conservation Easements are interests in land, less than fee simple, which represent the right to prevent the development or improvement of the land, as specified in Civil Code Section 815.1, for any purpose other than agricultural production. Such easements are granted for the California Farmland Conservancy Program by the owner of a fee interest to a local government, nonprofit organization, resource conservation district, or to a regional park or open-space district/authority that has the conservation of farmland among its stated purposes as provided by statute, or as expressed in the entity's locally adopted policies. Agricultural conservation easements are granted in perpetuity as the equivalent of covenants running with the land (Public Resources Code Section 10211).

Agricultural conservation easements will be appraised in accordance with Public Resources Code (PRC) Section 10261. According to PRC Section 10261(a)(1), *“The owner of the land in fee shall be paid the full value that would have been payable to the owner but for the existence of the easement less the fair market value of the easement, as determined by an independent appraisal, at the time of condemnation.”* Furthermore, PRC Section 10261(a)(2) states *“The [California Farmland Conservancy] program, and any other contributing parties if so provided in the easement, shall be paid the value of the easement at the time of condemnation.”* In valuing the acquisition, the owner of the land in fee shall be paid the full value that would have been payable to the owner but for the existence of the agricultural conservation easement less the fair market value of the easement, and the easement holder shall be paid the value of the agricultural conservation easement.

However, CCP Section 1240.055 subdivisions (a) through (f), which govern scope, notification, resolutions of necessity and court proceedings, still apply. It is only the valuation subsection, CCP Sections 1240.055(g)(1)-(2), that does not apply to agricultural conservation easements acquired under PRC Section 10261.

7.06.05.04 Replacement Conservation Easements

In some cases where the Department is acquiring a property encumbered by a conservation easement, it may propose replacement of the conservation easement. This may occur by replacement with a substitute property or easement elsewhere, or by acquiring a replacement conservation easement area from the existing fee owner (this applies where there is a remainder that is not encumbered by an existing conservation easement). Usually, this type of an arrangement will be developed through the environmental phase of the project and documented in the approved environmental document, license, certification, or permit. In addition, there will be cases where the certified environmental document will require a replacement easement area that exceeds the existing easement area by a ratio that is higher than 1:1. The appraiser will appraise the project requirement and any replacement property as per normal procedures and cite the approved environmental document, license, certification, or permit's specific provisions for the treatment of conservation easement and the replacement conservation easement.

7.06.05.05 Comparison of Statutes Regarding Valuation of Conservation Easements

The following table shows the relationship between the statutes regarding the valuation of existing conservation easements.

Comparison of Statutes Regarding Valuation of Conservation Easements

Easement Type	Scope of Law (Application)	Measure of Compensation
Conservation Easements	<ul style="list-style-type: none"> • Applies to recorded conservation easements (CIV Section 815.5), whether local, special district, state, federal, or tribal, [CCP Section 1240.055(a)] or held by a tax-exempt nonprofit entity whose primary purpose is conservation, etc. (CIV Section 815.3). • Does not apply to wildlife conservation easements if they were acquired by a State agency. [CCP Section 1240.055(h)]. • Per CCP Section 1240.055(g)(2), the valuation methodology [CCP Section 1240.055(g)(1)] does not apply to Agricultural Conservation Easements acquired under PRC Section 10261. <p>CIV Section 815, CCP Sections 1240.55 and 1260.220</p>	<ul style="list-style-type: none"> • Allocation between encumbered fee and easement areas as provided in CCP Section 1240.055(g)(1): <ul style="list-style-type: none"> ➤ If the acquisition does not damage the easement, compensation is assessed as encumbered. ➤ If the acquisition does damage the easement, compensation is assessed as not encumbered. ➤ The total compensation of all interests shall not be less than, and shall not exceed, the fair market value of the fee simple interest as if it were not encumbered by the easement.
Open-Space Easements	<ul style="list-style-type: none"> • These apply only to open-space easements acquired by or on behalf of a city or county. <p>GOV Sections 51063 and 51095</p>	<ul style="list-style-type: none"> • Similar to the methodology for conservation easements above, with one exception: <ul style="list-style-type: none"> ➤ If the open space easement was gifted, then the compensation shall be calculated as if the easement does not exist.
Wildlife Conservation Easements	<ul style="list-style-type: none"> • Applies only to state-agency acquired wildlife conservation easements [FGC Section 1348.3(a)(3)] as defined in CIV Section 815.1 and recorded in CIV Section 815.5. <p>FGC Sections 1300-1375</p>	<ul style="list-style-type: none"> • Not specified in FGC Section 1348.3 or related statutes. FGC Section 1348.2 provides that the (original) acquisition price “. . . shall not exceed the fair market value of the property.” Suggested methodology consistent with similar special conservation easement valuations: <ul style="list-style-type: none"> ➤ The land fee owner is compensated for the fair market value as encumbered. ➤ The easement-holder is compensated for the value of the easement.
Agricultural Conservation Easements	<ul style="list-style-type: none"> • Applies to agricultural conservation easements acquired through the “California Farmland Conservancy Program” (PRC Section 10211), administered by the Department of Conservation and held by an entity defined in PRC Section 10212, “city, county, nonprofit organization, resource conservation district, or a regional park or open space authority . . .” <p>PRC Sections 10211-10212 and 10261</p>	<ul style="list-style-type: none"> • Allocation between the encumbered fee and the conservation easement as specified in PRC Section 10261(a): <ul style="list-style-type: none"> ➤ The land fee owner is compensated for the fair market value as encumbered. ➤ The easement-holder is compensated for the value of the easement.

7.06.06.00 **Outdoor Advertising Sites**

Where a property is improved with an existing outdoor advertising sign and the comparable sales are not so improved, it will be necessary to analyze the additional contributory value of the outdoor advertising site. Any additional value may take the form of, and require the consideration of, either an interim use, an ancillary use, or a highest and best use.

Interim use value is defined as that increment in value which a short-range use, usually not exceeding five years, other than the highest and best use of the property, would contribute to the total value of the property.

Ancillary use value is defined as an additional source of income other than from highest and best use of the property which may or may not influence the economic rent of the dominant use.

Highest and best use is used in the regular appraisal context.

Complete Exhibit 7-EX-10. The value on Line 28 will be carried forward to the Land Valuation portion of the Appraisal Page under the heading of "Contributory Value of Outdoor Advertising Sign Site(s)."

The appraisal will contain sufficient explanation to document adjustments, conclusions, and assumptions, including "Comparable Sign Board Site Rental Adjustment Chart" (Exhibit 7-EX-10 pg. 3).

The valuation process described here is usually not used to value sites of outdoor advertising signs removed as a part of the Highway Beautification Billboard Removal Program. A formula method is used by the Region/District Right of Way Billboard Coordinators for that program's site valuations.

CHAPTER 7

Appraisals Table of Contents

EXHIBITS

<u>Exhibit No.</u>	<u>Title</u>
7-EX-1	Appraisal Report Front Cover
7-EX-2	Summary of Comparable Data
7-EX-3	Documentation of Economic Rent
7-EX-4	Final Reconciliation Summary
7-EX-5	Cost Approach - Cost New Less Depreciation
7-EX-6	Summary of Damage Alternatives
7-EX-7	Rental Schedule and Unit Inventory (Residential)
7-EX-8	Building Check Sheet
7-EX-9	Commercial Industrial Building Record
7-EX-10	Appraisal of Outdoor Advertising Site Value
7-EX-11	Memorandum Requesting Sign Board Information
7-EX-12	Claim for Reimbursement [Existing Outdoor Advertising Painted Bulletin or Special Build Structure (Schedule B)]
7-EX-13	Estimate of Relocation Cost [Special Builds, Painted Bulletins, and Urban Rotate Bulletins]
7-EX-14	Poster Panel Removal [Payment and Depreciation Schedules A through H (English Units)]
7-EX-15	Excess Land Public Sale Estimate
7-EX-16	Memorandum – Market-Value Determination
7-EX-17	Notice of Decision to Appraise
7-EX-17A	Notice of Decision to Inspect
7-EX-17B	Notice of Decision to Appraise (Conservation Easement)
7-EX-18	Report Analysis
7-EX-19	Request for Copy of Tax Return Form FTB 3516
7-EX-20	Hold for Future Use
7-EX-21	Appraisal Title Page
7-EX-21A	Waiver Valuation Title Page
7-EX-21B	Appraisal Title Page - Review Appraiser
7-EX-22	Appraisal Checklist
7-EX-23	Appraisal Transmittal Letter
7-EX-24	Senior Field Review Certificate and Appraisal Review Report
7-EX-24A	Senior Review Certificate and Appraisal Review Report
7-EX-24B	Senior Review Certificate – Waiver Valuation
7-EX-24C	Senior Field Review Certificate – Excess Lands
7-EX-24D	Review Appraiser Certificate
7-EX-25	Non Complex Valuations (\$10,000 or Less)

**NOTICE OF DECISION TO APPRAISE
(CONSERVATION EASEMENT)**

(Form #)

(Print on Region/District Letterhead)

(Date)

Dist. - Co. - Rte. (XX-XXX-XXX)

(Conservation Easement Holder Name)

EA (XXXXXX)

(Organization)

Project ID No. (XXXXXXXXXXXX)

(Address)

Parcel No. (XXXXXX-X)

(City, ST ZIP Code)

AR No. (XX)

Dear (Easement Holder):

The California Department of Transportation (Caltrans) is proposing to (generally describe the construction project). According to information obtained from the county recorder's office, you hold a conservation easement on property that is proposed for acquisition by Caltrans in conjunction with this project.

The conservation easement you hold title to, located at (subject property address/location), is within the project area and (indicate whether all or a portion is required) is required for the project. (Describe the public use that Caltrans is considering for the subject property – what purpose the acquisition will serve and how the property subject to the conservation easement will be used.) A copy of the right of way appraisal map depicting the acquisition parcel containing your conservation easement is attached to this letter.

Caltrans would like to discuss the proposed acquisition with you and any public agencies that funded, or required for permitting, this conservation easement. In addition, you may submit written comments on the acquisition, including identifying any potential conflict between the public use proposed for the property and the purposes and terms of the conservation easement, to Caltrans at the address noted above, no later than 45 days from the date this notice was mailed.

As the easement holder, the California Code of Civil Procedure Section 1240.055 requires, under certain circumstances (see Code of Civil Procedure Section 1240.055(c)(2)[(A) and (B)], that you do the following within 15 days of receipt of this notice:

- (1) Forward a copy of this notice by first-class mail to each public entity that provided funds for the purchase of the easement or that imposed conditions on approval or permitting of a project that were satisfied, in whole or in part, by the creation of the conservation easement;

**NOTICE OF DECISION TO APPRAISE
(CONSERVATION EASEMENT) (Cont.)**
(Form #)

EXHIBIT
7-EX-17B (NEW 12/2013)
Page 2 of 2

(Name)
(Date)
Page 2

(2) Inform each public entity that it may also submit written comments, including identifying any potential conflict between the public use proposed for the property and the purposes and terms of the conservation easement, no later than 45 days from the date Caltrans mailed this notice to you, and that any comments should be submitted to Caltrans at the address provided on the previous page;

(3) If forwarding this notice to another public entity (as stated above), notify Caltrans of the entity name and contact information.

If you would like to reply with any written comments regarding the proposed acquisition or project, or if providing public entity contact information, please send them to my attention at the address provided on the previous page.

Sincerely,

(AGENT'S NAME)
Right of Way Agent
(Agent's Phone Number)

Attachment
