

DEPARTMENT OF WATER RESOURCES

P.O. BOX 942836
SACRAMENTO, CA 94236-0001
(916) 653-5791



7/19/2022

Mr. Dean Ongaro
H Pond, LLC
3600 Arden Creek Road
Sacramento, CA 95864

Dear Mr. Ongaro:

Our records indicate that the H Pond, LLC, a California limited liability company (H Pond) is the owner of certain property situated in Yolo County, identified as Assessor's Parcel No. 033-440-001, -004, -005. The State of California Department of Water Resources (DWR or State) proposes to purchase an easement over this property, identified as DWR Parcel No. YBSH-147, to accomplish the goals of the Yolo Bypass Salmonid Habitat Restoration and Fish Passage Project (Project).

Section 7267.2 of the California Government Code and the California Relocation Assistance and Real Property Acquisition Guidelines require that each property owner from whom the State of California makes an offer to purchase real property, or an interest therein, be provided with a written statement of, and summary of the basis for, the amount that has been established as just compensation, as well as the following information:

1. H Pond is entitled to receive full payment prior to vacating the real property rights being purchased unless H Pond has heretofore waived such entitlement. H Pond is not required to pay recording fees, transfer taxes, or the pro rata portion of the real property taxes which are allocable to any period subsequent to the passage of title or possession.
2. The right to be acquired is a permanent Non-Exclusive Flowage Easement (Easement). All buildings, structures, and other improvements affixed to the land described in the Easement Deed for YBSH-147 owned by H Pond are not being conveyed.
3. The Fair Market Value (FMV) of the Easement is based upon an appraisal, which is summarized in the enclosed Appraisal Summary Statement. As full just compensation for the Easement to be acquired, we offer H Pond **\$549,500**, as shown on the enclosed Right of Way Contract.

The State's offer:

- a. Represents the full amount of the FMV identified in an approved appraisal as just compensation for the Easement; and
- b. Is not less than the approved appraisal of the FMV of the Easement; and

H Pond, LLC
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- c. Does not reflect any consideration of, or allowance for, any relocation assistance and payments or any other benefits to which H Pond may be entitled; and
 - d. Disregards any decrease or increase in the FMV value of the Easement prior to the date of valuation caused by the public improvement for which the Easement is to be acquired, or by the likelihood that the Easement would be acquired for such public use, other than that due to physical deterioration within the reasonable control of the owner or occupant.
4. In accordance with Section 1263.025 of the California Code of Civil Procedure, H Pond is entitled to seek an individual appraisal on the value the Easement and to receive reimbursement of up to \$5,000 to pay for reasonable appraisal costs. In order to be reimbursed, H Pond must sign an Appraisal Costs Reimbursement Agreement and engage an appraiser licensed by the State of California with the Office of Real Estate Appraisers. The appraiser must be either a MAI designated appraiser or hold an equivalent designation recognized by the Appraisal Foundation. For further information on the requirements for reimbursement and to ensure that H Pond is aware of proper procedures, please contact DWR prior to engaging an appraiser. The request for an Appraisal Costs Reimbursement Agreement may be submitted to:

Department of Water Resources
Real Estate Branch, Attn: Jesus Cedeño
715 P Street, 4th Floor, Mailbox #5.
Sacramento, California 95814
or by e-mail to Jesus.Cedeno@water.ca.gov.

5. The owner of a business conducted on a property to be acquired, or conducted on the remaining property, which will be affected by the purchase of the Easement, may be entitled to compensation for the loss of goodwill. Entitlement is contingent upon H Pond's ability to prove such loss in accordance with the provisions of Sections 1263.510 and 1263.520 of the Code of Civil Procedure.
6. If H Pond ultimately elects to reject the State's offer for the Easement, H Pond is entitled to have the amount of compensation determined by a court of law in accordance with the laws of the State of California.

Included as part of this package, you will find the following information relating to this proposed acquisition:

- Appraisal Summary Statement
- Right of Way Contract
- Map of the Proposed Easement Area
- Easement Deed
- Comparable Sales Data Sheets
- Comparable Sales Map

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- Modeling Inundation Exhibits(s)
- Real Estate Branch Property Acquisition Information

Please date and sign the Easement Deed **exactly** as shown in the designated location and have the person who is authorized to sign on behalf of H Pond signature **notarized**. If needed, a Public Notary can be made available to notarize the H Pond's authorized representative signature(s). Also, date and sign the Right of Way Contract. The Right of Way Contract may be signed and returned electronically to me at the e-mail address below; however, the Easement Deed requires an original notarized signature and should be mailed or may be picked up by DWR. A fully executed copy of the Right of Way Contract will be forwarded to you at the close of escrow.

If you have any questions or need additional information, you may contact me directly by telephone at (916) 902-7547, toll free at 1-800-600-4397, or by e-mail at Jesus.Cedeno@water.ca.gov.

Sincerely,

Alejandra Lopez for Jesus Cedeno

Jesus Cedeño
Associate Right of Way Agent

Enclosures

APPRAISAL SUMMARY STATEMENT

Parcel No.: YBSH-147
Report No.: Original
Date of Value: May 27, 2022
County: Yolo
Project: Yolo Bypass Salmonid Habitat Restoration and Fish Passage Project
Owner: H Pond, LLC, a California limited liability company
APNs: 033-440-001, -004, -005
Property Location: east of County Road 107 (private and gated), in rural Yolo County, California
Zoning: A-N - Agricultural Intensive
Present Use: Duck Hunting/Recreational, Conservation Lands
Highest and Best Use: Duck Hunting/Recreational
Proposed Public Use: Flowage Easement for adult fish passage and juvenile rearing habitat

Area and Property Right to be Acquired:

499.52± AC x 20% Rights

Area of Remainder: 499.52± AC x 80% Rights**Market Value of Required Property:**Permanent Easement:

Land: 499.52± AC x \$5,500/AC x 20% = \$549,472

Total Land \$549,472

Damages to the remaining property due to the State's acquisition are: \$ -0-

Total Acquisition \$549,472

Rounded to \$549,500

The market value of the Easement being purchased is based upon a FMV appraisal prepared in accordance with accepted appraisal procedures. Valuation of your property is based upon an analysis of recent sales of similar properties in this locality. Valuation of the land recognizes all factors influencing its current value.

Total Payment is: \$549,500

This summary of the amount offered as compensation is presented in compliance with federal and State law and has been derived from a formal appraisal. The value of any property rights retained by the owner which are not now reflected in the appraisal must be deducted from the FMV shown above.

- b. Pay all expenses incidental to and necessarily incurred for the conveyance of the Easement to the STATE, including but not limited to recording fees, title insurance charges, reconveyance fees, trustee's fees, forwarding fees, and prepayment penalties.
 - c. Have the authority to deduct and pay from the amount shown on Paragraph 2.a above, any amount necessary to satisfy any bond demands and delinquent taxes due in any year except the year in which this escrow closes, together with penalties and interest thereon, or delinquent and unpaid nondelinquent assessments which have become a lien at the close of escrow, and an amount to satisfy the requirements of Section 18662 of the California Revenue and Taxation Code.
3. Pursuant to Section 1263.025 of the Civil Code of Procedure, GRANTOR is entitled to obtain an independent appraisal and to be reimbursed for the actual reasonable cost of the appraisal up to \$5,000 if certain conditions are met. For further information on the requirements for reimbursement, GRANTOR may contact Nathan Myhre, Associate Right of Way Agent for the STATE.
 4. In accordance with Section 18662 of the California Revenue and Taxation Code, GRANTOR hereby acknowledges and understands that an amount equal to 3½ percent of the purchase price in Clause 2.a above may be withheld in escrow for tax purposes.
 5. Title to the Easement shall pass immediately upon close of escrow. The issuance of any escrow instructions shall be the sole responsibility of STATE.
 6. GRANTOR warrants that there are no oral or written leases on all or any portion of the Property exceeding a period of one month, and GRANTOR further agrees to protect, defend, indemnify, and hold harmless STATE and reimburse STATE for any and all of its losses and expenses occasioned by reason of any lease of the Property held by any tenant of GRANTOR for a period exceeding one month, except as may be otherwise provided herein.
 7. The undersigned GRANTOR hereby agrees and consents to the dismissal of any eminent domain action in the Superior Court wherein the herein described land is included and also waives any and all claims to any money that may now be on deposit in said action.
 8. To the best of GRANTOR's knowledge and after reasonable inquiry, GRANTOR represents and warrants the following:

During the GRANTOR's ownership of the Property, there have been no disposals, releases, or threatened releases of hazardous substances on, from, or under the Property. GRANTOR further represents and warrants that GRANTOR has no knowledge of disposal, release, or threatened release of hazardous substances on, from, or under the property which may have occurred prior to GRANTOR taking title to the Property.

There is no pending claim, lawsuit, agency proceeding, or any administrative challenge concerning the presence or use of hazardous substances on the Property.

GRANTOR has not used the Property for any industrial operations that use hazardous substances. GRANTOR is not aware of any such prior use of the Property.

GRANTOR has not installed any underground storage tanks, aboveground storage tanks, barrels, sumps, impoundments, or other containers used to contain hazardous substances on any part of the Property. GRANTOR is not aware of any such prior installations.

For the purposes of this paragraph, the term "hazardous substances" shall mean any substance which at any time shall be listed as "hazardous" or "toxic" in the regulations implementing the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) (42 USC

§6901, et seq.), or other federal or State law, or any other substance, chemical, material, or waste product whose presence, nature, or quality is potentially injurious to the public health, safety, welfare, the environment, or the Property. The term "reasonable inquiry" shall mean a thorough examination of the Property and all records of the Property, and any examination that GRANTOR was legally obligated to conduct as a result of any judicial or administrative order, or federal or State law.

The acquisition price of the Easement being acquired reflects the fair market value of the Property without the presence of hazardous substances. If the Property is found to be contaminated by a hazardous substance which may require remediation under federal or State law, STATE may elect to recover its clean-up costs from those who caused or contributed to the contamination.

9. This Contract may be modified, changed, or rescinded only by an instrument in writing executed by the parties hereto.
10. Each party agrees to execute and deliver additional documents and instruments and to take any additional actions as may be reasonably required to carry out their respective obligations under this Contract.
11. This Contract may be executed simultaneously in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.
12. This Contract may be executed by electronic signature(s) and transmitted either by facsimile or in a portable document format (.pdf) version by email and such electronic signature(s) shall be deemed as original for purposes of this Contract and shall have the same force and effect as a manually executed original.
13. PHASE I – ENVIRONMENTAL Site ASSESSMENT REPORT: STATE's obligation to consummate the purchase of the Easement is subject to the completion and approval by the STATE (which completion will not be unreasonably delayed and approval will not be unreasonably withheld) of a Phase I – Environmental Site Assessment Report which concludes that the assessment has revealed no evidence of any recognized adverse environmental conditions, including but not limited to the presence of hazardous material in connection with the Property. STATE may, at its own discretion, waive this condition in writing.

The foregoing representations and warranties shall survive the close of escrow and shall remain in full force and effect for the duration of the Easement and shall accrue for the benefit of STATE and its successors and assigns.

This Contract is subject to the approval of the State of California Department of General Services.

NO OBLIGATION OTHER THAN THOSE SET FORTH HEREIN SHALL BE RECOGNIZED.

IN WITNESS WHEREOF, the parties have executed this contract.

GRANTOR: H Pond, LLC, a California Limited Liability Company

Mr. Dean Ongaro, Authorized Representative

Date: _____

Printed Name, Title

Date: _____

CONSENT OF TENANTS

We, the Tenants of land described in this contract and/or said deed under lease with lessor, whose name is subscribed to this contract as Grantor, do hereby consent to the execution of said contract and agree that all money payable shall be paid to said Grantor as herein set forth.

Date: _____

Date: _____

DEPARTMENT OF WATER REOURCES
of the State of California

APPROVAL RECOMMENDED:

APPROVED:

Jesus Cedeño Date
Associate Right of Way Agent

Jeanne M. Kuttel, Manager
Division of Engineering

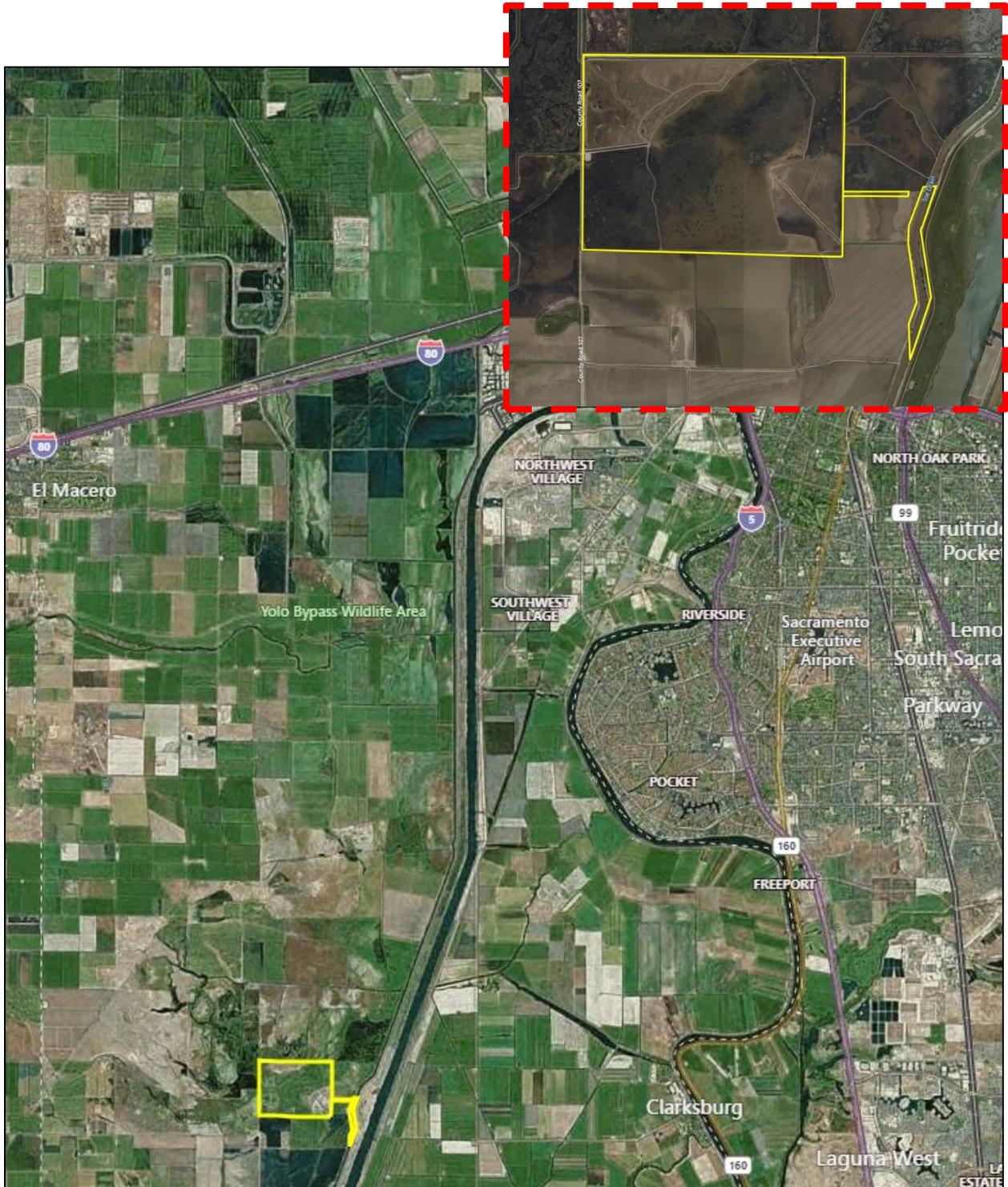
Date: _____

Alejandra Lopez Date
Senior Right of Way Agent

Linus A. Paulus, Manager Date
Acquisition and Appraisal Section

Angelica Aguilar, Manager Date
Real Estate Branch

AERIAL PHOTOGRAPH



RECORDING REQUESTED BY

WHEN RECORDED MAIL TO:

DEPARTMENT OF WATER RESOURCES

Division of Engineering
Real Estate Branch
1416 9th Street, Room 425
Sacramento, CA 95814

SPACE ABOVE THE LINE FOR RECORDER'S USE

APN: 033-440-001, 033-440-004, 033-440-005

EASEMENT
(TO THE STATE)

Project Yolo Bypass Salmonid Habitat Restoration & Fish Passage

Parcel No. YBSH-147

H POND LLC, a California Limited Liability Company, GRANTS to the STATE OF CALIFORNIA, its successors or assigns, hereinafter called STATE, an EASEMENT and right of way, upon, over, and across that real property in the County of Yolo, State of California, identified in the records of the Department of Water Resources as:

<u>DWR Parcel No.</u>	<u>Area</u>	<u>Estate</u>
Unit A	480.0 AC	Flowage Easement
Unit B	2.71 AC	Flowage Easement
Unit C	16.81 AC	Flowage Easement

Described as follows:

See EXHIBIT "A" attached hereto and made a part hereof.

(In the event of any discrepancy between the above identification and the real property described herein, the real property described will control.)

This Easement Deed is granted effective of the State of California's acceptance of this deed, by H POND LLC, a California Limited Liability Company ("Grantor") to the Department of Water Resources of the State of California, a public agency ("Grantee").

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and pursuant to the laws of the State of California, Grantor grants and conveys to Grantee the perpetual right-of-way and easement in the real property ("Property") situated in the County of Yolo, State of California, more specifically described in Exhibit A, attached and incorporated by this reference, for the purposes of seasonal floodplain fisheries rearing habitat and fish passage in the Yolo Bypass.

Grantee has the right for the flowage of water over and upon the Property as may be required for the present and future permitted construction and operation of fish passage and floodplain restoration projects, including the right of access by authorized representatives of the Grantee. The flowage right includes the right to flow water and materials and by said flow erode; or place or deposit earth, debris, sediment, or other material.

The covenants, terms, conditions, and restrictions of this Easement shall be binding upon, and inure to the benefit of, the parties and their respective personal representatives, heirs, successors, and assigns, and shall constitute a servitude running in perpetuity with the Property.

DRAFT

Executed on _____

GRANTOR(S)

STATE OF CALIFORNIA }

SS

County of _____

On _____, 20 ____ , before me, _____

personally appeared _____ who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

[SEAL]

NOTARY PUBLIC IN AND FOR THE STATE OF CALIFORNIA

(CERTIFICATE OF ACCEPTANCE, GOVERNMENT CODE, SECTION 27281)

This Is To Certify, That the State of California, grantee herein, acting by and through the Department of Water Resources, hereby accepts for public purposes the real property, or interest therein, described in the within deed and consents to the recordation thereof.

IN WITNESS WHEREOF, I have hereunto set my hand this _____ day of _____, 20 _____

Director of Water Resources

By _____

Attorney in Fact

EXHIBIT "A"

All that real property situated in portions of Sections 26 and 27, Township 7 North, Range 3 East, MDM, in the unincorporated area of the County of Yolo, State of California, described as follows:

YBSH-147

UNIT A

Parcel 1 of EXHIBIT "A"
per GRANT DEED 2009-0008592
480 ACRES, MORE OR LESS
APN 033-440-001

UNIT B

Parcel 2 of EXHIBIT "A"
per GRANT DEED 2009-0008592
2 ACRES, MORE OR LESS
APN 033-440-004

UNIT C

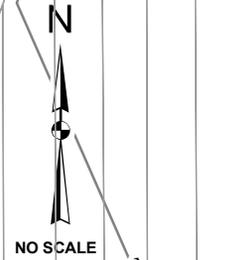
Parcel 4 of EXHIBIT "A"
per GRANT DEED 2009-0008592
16 ACRES, MORE OR LESS
APN 033-440-005

As shown on EXHIBIT "B" attached hereto.

KRISTOPHER KLIMA, PLS

DRAFT

YBSH-147 FLOWAGE EASEMENT H POND LLC



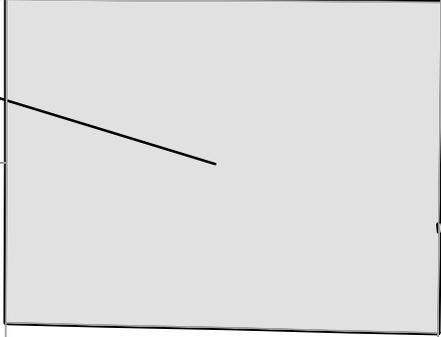
UNIT A

033 440-001

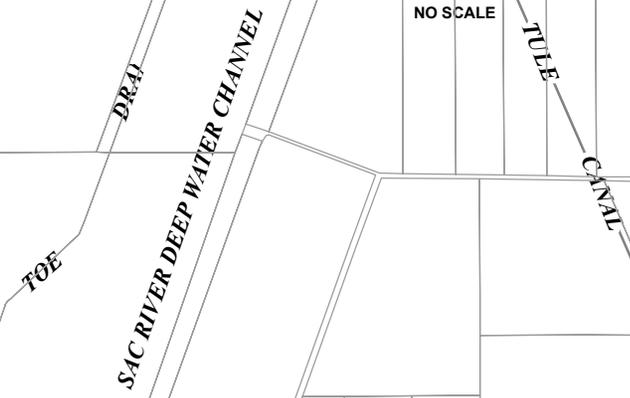
PARCEL 1 OF EXHIBIT "A"

GD 2009-0008592

480 AC. +/-



C UNTY ROAD 107



UNIT C

033-440-005

PARCEL 4 OF EXHIBIT "A"

GD 2009-0008592

16 AC. +/-

UNIT B

033-440-004

PARCEL 2 OF EXHIBIT "A"

GD 2009-0008592

2 AC. +/-

**PORTION OF SECTIONS 26 & 27,
T.7 N, R.3 E., M.D.M.,
COUNTY OF YOLO**

Note: Information shown on this map is compiled from numerous sources and may not be complete or accurate. This includes Assessor parcel lines and numbers provided by Yolo county. DWR makes no claims, representations, or warranties (express or implied) concerning the validity, reliability, or accuracy of the GIS data contained herein. All areas shown are approximations based on GIS calculations. Each user is responsible for determining its suitability for his or her intended use or purpose. This exhibit does not represent a survey and is for informational purposes only.

**YOLO BYPASS SALMONID HABITAT AND FISH RESTORATION PROGRAM
BIG NOTCH PROJECT - PHASE 3 PARCELS**

FLOWAGE EASEMENT EXHIBIT "B"

This exhibit does not represent a survey and is for informational purposes only.

STATE OF CALIFORNIA
THE RESOURCES AGENCY

DEPARTMENT OF WATER RESOURCES

DIVISION OF ENGINEERING - GEOMATICS BRANCH

04/07/2022

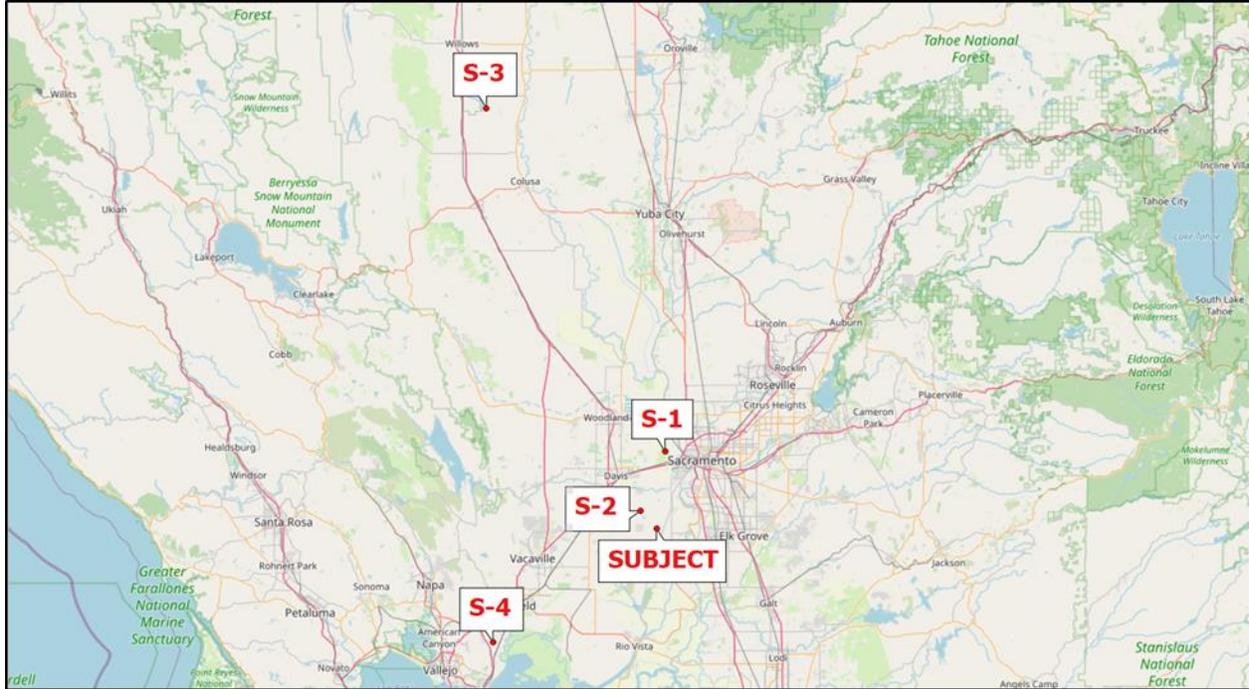


COMPARABLE DUCK CLUB SALES SUMMARY TABLE

Sale # DC #	Location APN No. (s)	Seller Buyer	Sale Date Doc #	Sale Price	Zoning General Plan	Size Acres	Flood Zone	Blinds	Clubhouse	Price / AC
S-1 6092	West of Tule Canal and 2.35 miles north of Interstate 80 Yolo County, CA APN: 042-340-002	Swanston Properties et al. Wooden Decoy, LLC	3/4/2021 2021-0008945	\$2,064,500*	A-N (Agricultural Intensive) AG	382.74	AE	Blinds in Poor Condition	No	\$5,394
S-2 6105	East of Hyde Road, west of CR 105, north of Hackman Road Yolo County, CA APN: 033-150-003	The Beale Family Living Trust The Moehring Family Trust	6/5/2020 2020-0016415	\$140,000	A-N (Agricultural Intensive) AG	40.00	AE	5 Double Blinds, and 1 Four Man Blind	No	\$3,500
S-3 6106	West of 4 Mile Road, near Provident Central Canal Colusa County, CA APN: 012-100-082	Landini Revocable Trust Wayside Property Inc (50%) and SACK Investors, LLC (50%)	11/1/2018 2018-0003519	\$485,000	R-M (Resource Management) AG Duck Club	63.31	A	3 Double Blinds	Yes (Avg Condition)	\$7,661
S-4 3073	Good Year Road, Suisun City, Solano County, CA APN: 046-100-250, 046-100-240, 046-100-110	Marshview Duck Club LLC Eric Piziali	2/2/2018 2018-007547	\$850,000	MP (Marsh Preservation) Marsh with Water Conservation Overlay	146.00	AE	4 Blinds	Yes (Good Condition)	\$5,822
SUBJECT	County Road 107 (private and gated) Yolo County, CA APNs: 033-440-001, -004 & -005	<i>Appraised Property</i>	---	---	AN (Agricultural Intensive) AG	499.52	AE	14 Duck Blinds, Shelter (Good Condition)	No	---

*Includes \$250,000 contributed by buyer in form of lease rate over five-year lease term.

COMPARABLE DUCK CLUB SALES MAP



DISCUSSION OF SALE COMPARABLES

This analysis identifies the similarities and differences between subject and comparable properties. The primary elements of comparison include property rights, financing terms, conditions of sale (motivation), market conditions (sale date), and physical characteristics (e.g., zoning, utilities, site improvements, location, access, etc.). Additional elements of comparison are the flood characteristics, access to irrigation equipment ability to manage flooding and water on site to create ideal hunting habitat. Additionally, number of blinds, quality of blinds, and amenities on the properties are also considered important to the value of a duck hunting property. The sales selected for comparison are considered the best available.

The quantitative adjustment process involves comparing two or more market sales to develop a value for each property characteristic to be applied to the sales for the derivation of indicated values of the larger parcel. Due to the imperfect nature of this process and lack of sufficient data, we have elected to employ a qualitative analysis process. We will analyze comparable sales and identify whether their characteristics are inferior, superior, or similar to the larger parcel. Reliable results can usually be obtained by bracketing the larger parcel or reminder parcels between superior and inferior comparable sales. This analysis identifies the similarities and differences between subject and comparable properties.



Comparable Sale No. 1

This was the sale of 382.74 acres of agricultural fallow land. The property was purchased for use as a duck club in March of 2021 for \$2,064,500, or \$5,394 per acre. The buyer had been leasing the property for five years at \$50,000 per year prior to purchasing the site from the sellers. According to conversations with the buyer, the lease amounts were applied to the total purchase price (i.e. \$1,814,500 + \$250,000), and they

exercised a lease to buy option. The site had duck blinds at the time of sale, however, the property needed to have various wells repaired and the blinds weren't in good condition. The property is triangular in shape, is bisected by the Tule Canal, and has separate ponding areas. The property is zoned Agricultural Intensive, and has a general plan land use of Agriculture. This property is located within the Yolo Bypass and has various easements, one of which also involves flooding purposes (Book 93, Page 261 of deeds). The property has access to irrigation district water, and is fully within FEMA Flood Zone AE. Post-sale, the buyer has since repaired the wells, installed five floating blinds and five floating tank blinds, installed a seasonal mobile home clubhouse, planted habitat grasses, installed various access roadways, added a conservation easement, and installed a water pump system (but those were not on this property at the time of the sale).

This property is similar to the subject in regard to location, size, flood zone, water access, and restrictions (Yolo Bypass Flooding). The blinds and water management equipment were in poor condition at the time of sale, which are inferior characteristics compared to the subject. Overall, this sale is considered inferior to the subject property and indicates a value slightly above \$5,394 per acre.

Comparable Sale No. 2

This is the sale of a 40.0-acre parcel located in Yolo County. The property sold in June of 2020 for \$140,000, or \$3,500 per acre. This parcel has no direct public street frontage, but access is provided from neighboring parcels along Hyde Road, and County Road 105. Although a car could be driven along these private access-roads, the best way to access the property was via an ATV, and nearby car parking was minimal. The property is currently used for duck hunting. The property was utilized as a duck club, hunting ground, fishing ground, and camping



ground by the sellers. This property was identified as being a prime dove hunting ground as well due to the nearby orchards. Water to the property is provided via the Reclamation District, and there is no pump system on the site to move the water around from one ponding area to the other. The property sale included five double blinds, and one four-man blind (six total blinds allowing for 14 hunters at a time). The property is fully located in FEMA Flood Zone AE, and according to the seller, it is a constant wetland area.

This property is similar to the subject in regard to location (Yolo County), use, zoning, general plan, and flood zone. This property is much smaller in size, which typically would garner a higher price per acre (economies of scale). However, the access to this property is largely inferior as there are no formal easements allowing access, but rather neighboring agreements (often referred to as “handshake” deals). These handshake deals didn’t allow for adequate access or parking on the parcel with a vehicle, as such, primary access to this property was provided from walking or ATV. Overall, due the inferior access, this sale is considered far inferior to the subject and indicates a value well above \$3,500 per acre as appropriate.



Comparable Sale No. 3

This is the sale of a 63.31-acre parcel located on the west of 4 Mile Road, east of the Provident Western Canal, between Maxwell and Princeton in Colusa County, California. The property sold in November of 2018 for \$485,000, or \$7,661 per acre. This property is triangular in shape, and is accessed via an access easement from the property to the south (servient tenement APN: 012-100-012). The property had been in the seller’s family for over 65 years, and was considered to have very

good hunting (over 3.4 birds per person per hunting session). The property was utilized as a duck club for many years and had three double-blinds that were in good condition (allowing six hunters at a time). Additionally, this property had a clubhouse that was in good condition. The water to this property was provided via the water district and natural flooding. The property is zoned RM for Resource Management in Colusa County, and has a general plan land use designation of AG-Duck Club. The property is in Flood Zone A. The property was sold to another duck hunter who will utilize the property as a duck hunting club.

This property is similar to the subject in flood zone and water access. However, the property is superior to the subject in regard to location, being in Colusa County, which is known for its superior hunting areas. This property is also much smaller compared to the subject, which garners a higher price per acre (economies of scale). Additionally, the property is improved with a clubhouse in good condition which

contributed value to the sale. Overall, the sale is considered far superior to the subject and indicates a value below \$7,661 per acre.

Comparable Sale No. 4

This is the sale of a 146.00-acre duck club located off Goodyear Road in the Suisun Marsh. The property sold in February of 2018 for \$850,000, or \$5,822 per acre. The listing broker reported that the sale was at market and that it was an all-cash transaction. The property was improved with a clubhouse, barn, and storage shed at the time of sale. The site also had four duck blinds, a well with non-potable water, and a septic system. Electricity was connected into the site. The broker



reported that the improvements were in good condition at the time of sale and that the levees on site were also in good condition. The buyer intends to continue using the property as a duck club. The site is accessed by a gravel road and across a small slough, but is overall considered fairly direct.

This property is similar to the subject in terms of legal restrictions of use, and flood zone. The Suisun Marsh is an inferior overall location as the hunting quality is inferior compared to Yolo County. This inferiority is more than offset by this property's superior site improvements, as it has a clubhouse in good condition, superior vehicular access and superior smaller size. Overall, due to these improvements, this comparable is considered slightly superior to the subject, indicating a value below \$5,822 per acre.

LAND VALUE CONCLUSION

The comparable sales range in value from \$3,500 to \$7,661 per acre. All of the properties are generally similar to the subject in flood zone and use, with the high-end being properties improved with clubhouses and amenities.

Comp No.	Subject Value Less Than / Greater Than	Sale Price / AC	Sale Date	Parcel Size (Acres)
S-3	<	\$7,661	11/1/2018	63.31±
S-4	<	\$5,822	2/2/2018	146.00±
<i>Subject unit value ranges from \$5,394 to \$5,822 per acre</i>				
S-1	>	\$5,394	3/4/2021	382.74±
S-2	>	\$3,500	6/5/2020	40.00±

Yolo Bypass Big Notch Project

APN: 033-440-001_01

Owner: H POND LLC

Parcel area: 484.8 acres

Area within YB: 484.8 acres

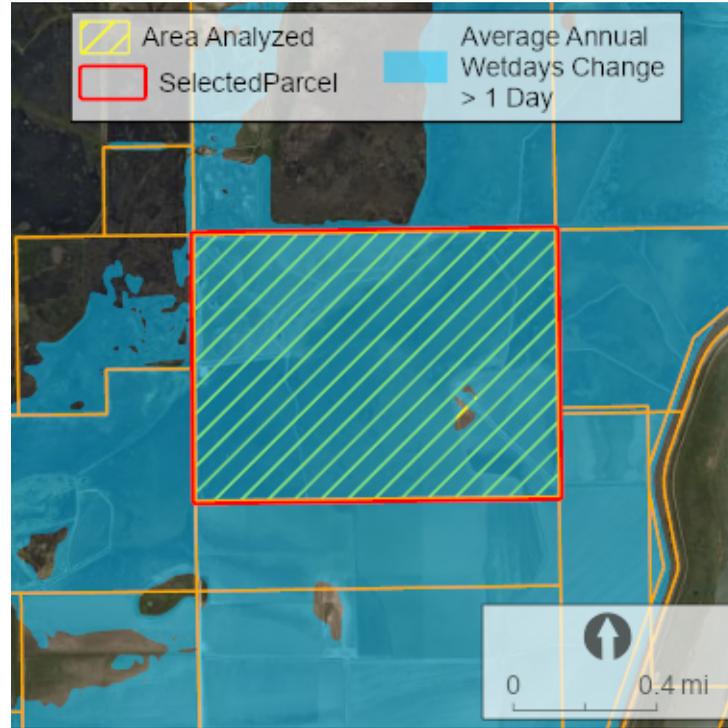
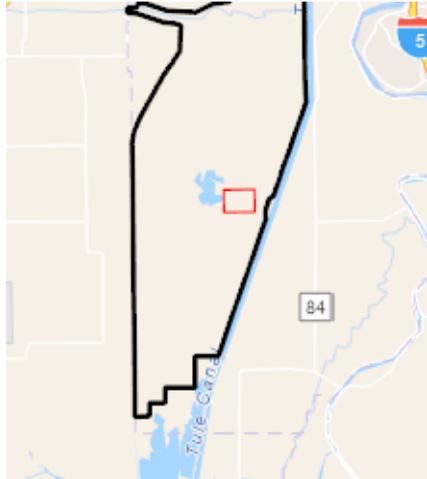
Annual wetted-days

Current: 47.7

Project: 57.6

Change: 9.9

Average depth change: 0.5



Water Year	Last Day Wet ¹		Wetdays ¹		Average Depth (ft)		
	Current	Project	Current	Project	Daily Change ²	Current	Project
1997	03-04	03-06	79	82	0.3	5.9	5.7
1998	06-21	06-21	128	132	0.1	4.7	4.7
1999	04-15	04-29	63	117	0.5	2.9	2.3
2000	04-03	04-05	48	50	0.1	5.2	5.0
2001		03-24	0	16	0.8	0.1	0.8
2002	01-27	01-28	24	26	0.5	1.6	1.8
2003	05-20	05-21	64	79	0.7	1.2	1.4
2004	03-28	03-30	61	69	0.5	3.5	3.3
2005	06-08	06-08	57	64	0.4	1.1	1.2
2006	05-20	05-22	140	147	0.2	4.9	4.8
2007			0	0			
2008	02-18	02-20	20	22	0.5	0.7	1.1
2009		03-21	0	15	0.7		0.7
2010	02-13	02-25	17	33	0.9	0.8	1.2
2011	04-26	04-27	62	70	0.4	3.7	3.4
2012			0	0			

¹ Parcels are classified wet if 30% or more of a parcel area is wet to ignore shallow standing water

² Daily change is calculated for pixels and then averaged and may not be equal to project - current

	Monthly Average				Monthly Average Percent Area (%)														
	Depth (ft)		Wetdays		Dry		< 6 in		6-12 in		12-18 in		18-24 in		24-36 in		>36 in		
	Current	Project	Current	Project	Current	Project	Current	Project	Current	Project	Current	Project	Current	Project	Current	Project	Current	Project	
November			0.0	0.0	100.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
December	2.5	2.2	2.6	4.4	93.6	88.5	0.8	1.4	1.2	1.6	0.9	1.8	0.5	1.2	1.3	3.2	1.7	2.4	
January	4.3	3.8	12.4	14.1	69.1	61.1	3.9	3.7	4.1	4.3	2.5	3.8	2.8	2.5	3.3	8.0	14.3	16.5	
February	4.9	4.2	9.9	12.3	71.6	64.2	3.2	3.9	2.5	4.2	1.8	2.6	2.0	2.5	1.5	4.5	17.4	18.2	
March	4.2	3.8	10.6	12.9	69.8	64.6	2.2	3.4	2.2	3.5	1.8	2.0	1.7	2.1	4.3	5.1	18.0	19.2	
April	3.8	3.5	7.4	8.6	80.3	78.1	2.7	3.3	2.5	3.1	1.3	1.5	1.6	1.8	1.9	2.6	9.7	9.7	
May	1.5	1.5	3.1	3.6	93.4	92.3	1.8	1.9	1.3	1.8	0.8	0.8	0.8	0.9	0.7	1.1	1.2	1.2	
June	1.4	1.4	1.7	1.8	96.5	96.4	1.0	1.0	0.8	0.9	0.4	0.4	0.3	0.3	0.5	0.5	0.5	0.5	

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Yolo Bypass Big Notch Project

APN: 033-440-004

Owner: H POND LLC

Parcel area: 2.7 acres

Area within YB: 2.7 acres

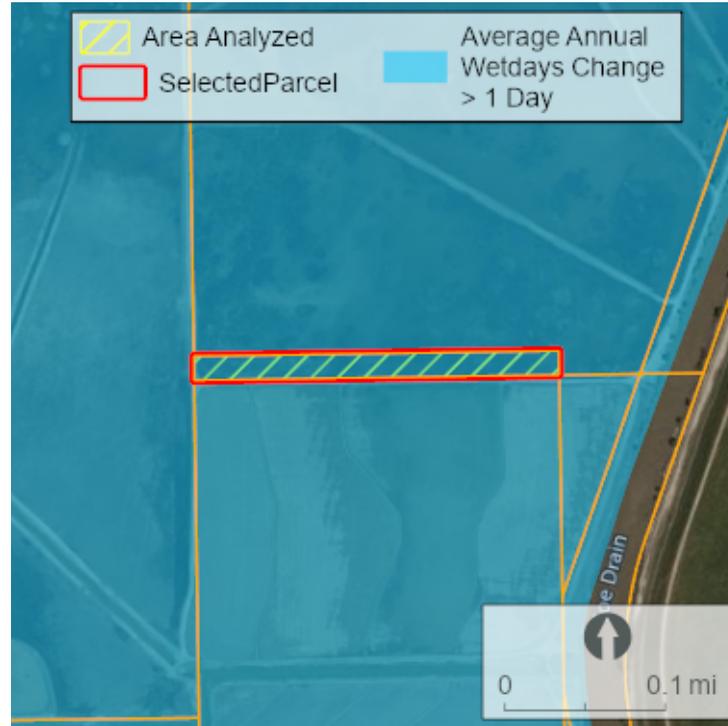
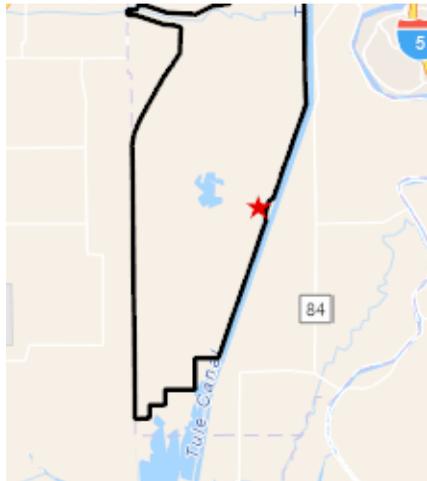
Annual wetted-days

Current: 33.8

Project: 42.9

Change: 9.1

Average depth change: 0.4



Water Year	Last Day Wet ¹		Wetdays ¹		Average Depth (ft)		
	Current	Project	Current	Project	Daily Change ²	Current	Project
1997	02-22	02-24	62	72	0.3	5.9	5.3
1998	06-11	06-11	108	112	0.1	4.4	4.3
1999	04-05	04-19	51	82	0.3	2.5	1.9
2000	03-24	03-26	38	40	0.1	5.1	4.9
2001		03-14	0	6	0.4		0.4
2002	01-17	01-18	14	16	0.6	1.4	1.7
2003	05-10	05-11	30	58	0.6	0.9	1.0
2004	03-18	03-20	41	49	0.5	3.4	3.1
2005	05-29	05-29	25	35	0.4	0.8	0.8
2006	05-10	05-11	118	127	0.2	4.6	4.4
2007			0	0			
2008	02-08	02-10	8	12	0.5	0.2	0.6
2009		03-11	0	5	0.4		0.4
2010	02-03	02-15	7	21	0.7	0.3	0.8
2011	04-16	04-17	38	51	0.4	3.9	3.2
2012			0	0			

¹ Parcels are classified wet if 30% or more of a parcel area is wet to ignore shallow standing water

² Daily change is calculated for pixels and then averaged and may not be equal to project - current

	Monthly Average				Monthly Average Percent Area (%)														
	Depth (ft)		Wetdays		Dry		< 6 in		6-12 in		12-18 in		18-24 in		24-36 in		>36 in		
	Current	Project	Current	Project	Current	Project	Current	Project	Current	Project	Current	Project	Current	Project	Current	Project	Current	Project	
November			0.0	0.0	100.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
December	2.1	1.6	1.8	3.8	94.6	88.4	1.3	1.7	1.4	3.6	0.7	3.0	0.1	1.1	0.3	0.6	1.6	1.6	1.6
January	4.1	3.4	8.8	11.7	73.8	62.9	6.2	3.3	3.3	8.5	1.0	5.6	0.5	3.3	1.6	2.5	13.6	13.9	13.9
February	5.0	4.0	7.1	9.1	76.2	68.6	3.3	4.7	1.0	4.7	0.5	1.9	0.9	1.0	1.5	2.3	16.6	16.9	16.9
March	3.7	3.5	9.1	10.3	71.1	67.6	3.1	3.8	3.7	4.7	1.6	1.5	0.8	1.4	2.7	3.5	16.9	17.5	17.5
April	3.7	3.4	5.1	5.7	84.0	82.0	3.3	4.0	1.5	2.7	0.5	0.5	0.4	0.4	1.1	1.1	9.4	9.4	9.4
May	1.5	1.3	1.3	1.6	96.2	95.0	1.3	2.0	0.4	0.9	0.3	0.3	0.3	0.3	0.8	0.8	0.8	0.8	0.8
June	1.5	1.5	0.6	0.6	98.2	98.0	0.4	0.6	0.3	0.3	0.2	0.2	0.1	0.1	0.6	0.6	0.2	0.2	0.2

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Yolo Bypass Big Notch Project

APN: 033-440-005

Owner: H POND LLC

Parcel area: 16.4 acres

Area within YB: 3.7 acres

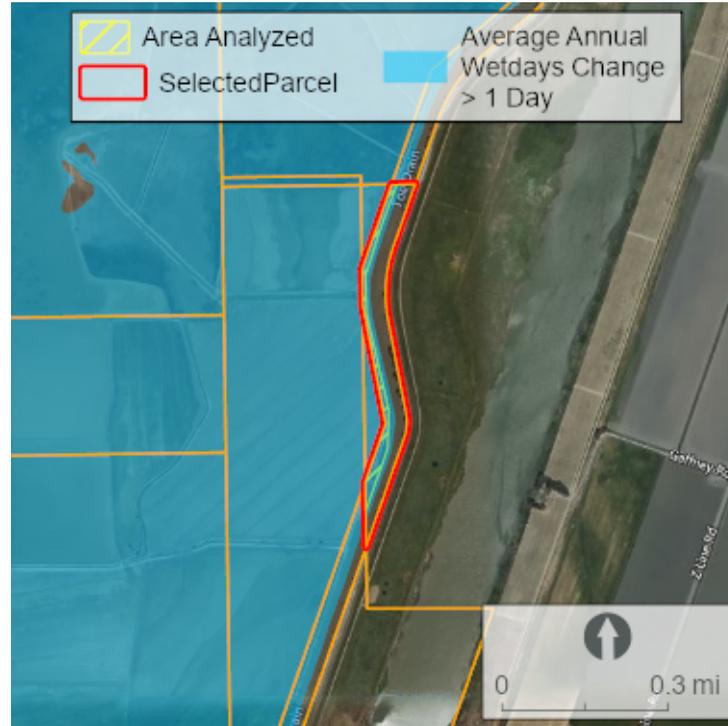
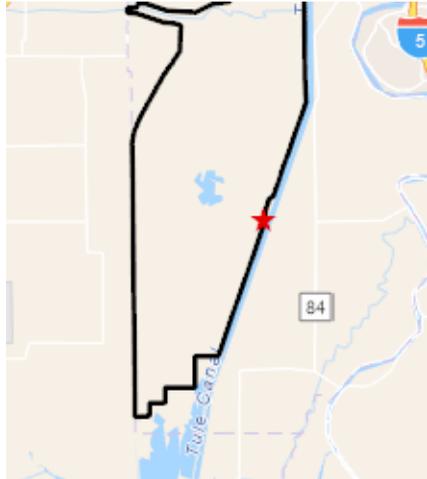
Annual wetted-days

Current: 36.1

Project: 45.0

Change: 8.9

Average depth change: 0.5



Water Year	Last Day Wet ¹		Wetdays ¹		Average Depth (ft)		
	Current	Project	Current	Project	Daily Change ²	Current	Project
1997	02-23	02-25	65	73	0.4	6.6	6.1
1998	06-13	06-13	111	116	0.2	5.2	5.1
1999	04-06	04-20	54	85	0.5	3.3	2.7
2000	03-25	03-27	39	41	0.2	5.8	5.5
2001		03-14	0	6	0.8	0.7	0.9
2002	01-17	01-19	14	18	0.7	2.0	2.3
2003	05-11	05-12	37	62	0.9	1.4	1.7
2004	03-19	03-21	44	51	0.6	4.0	3.8
2005	05-29	05-30	30	39	0.6	1.3	1.4
2006	05-11	05-16	121	133	0.3	5.4	5.3
2007			0	0	0.3	1.3	1.2
2008	02-09	02-11	12	14	0.7	0.7	1.2
2009		03-11	0	5	0.7	1.2	0.8
2010	02-05	02-16	9	24	1.1	0.7	1.4
2011	04-17	04-19	42	53	0.6	4.3	3.8
2012			0	0	0.1	1.3	1.3

¹ Parcels are classified wet if 30% or more of a parcel area is wet to ignore shallow standing water

² Daily change is calculated for pixels and then averaged and may not be equal to project - current

	Monthly Average				Monthly Average Percent Area (%)													
	Depth (ft)		Wetdays		Dry		< 6 in		6-12 in		12-18 in		18-24 in		24-36 in		>36 in	
	Current	Project	Current	Project	Current	Project	Current	Project	Current	Project	Current	Project	Current	Project	Current	Project	Current	Project
November	1.2	1.3	0.0	0.0	96.9	96.9	0.5	0.5	0.4	0.4	0.4	0.4	0.4	0.4	0.6	0.6	0.8	0.8
December	2.6	2.3	2.1	3.9	90.8	84.9	1.3	1.6	1.3	2.1	1.2	2.3	1.0	2.2	1.2	2.7	3.1	4.1
January	4.6	4.2	9.5	12.0	69.6	60.1	3.7	2.7	3.3	3.5	2.6	4.6	1.7	4.4	2.3	6.0	16.7	18.7
February	5.5	4.7	7.6	9.6	72.1	64.4	2.3	3.1	1.9	3.0	1.4	3.0	1.1	2.4	2.0	3.2	19.3	20.8
March	4.5	4.3	9.4	10.5	68.0	64.2	2.0	2.5	2.3	2.7	2.3	2.8	1.9	2.3	2.9	3.6	20.7	22.0
April	4.3	4.0	5.3	6.1	80.1	78.0	2.1	2.4	1.9	2.3	1.6	2.1	1.1	1.4	1.6	1.9	11.7	11.9
May	2.0	1.8	1.5	2.1	91.7	90.1	1.3	1.6	1.1	1.5	0.9	1.2	0.8	1.0	1.4	1.5	2.8	3.1
June	2.0	1.9	0.7	0.8	93.5	93.3	0.9	1.0	0.7	0.7	0.7	0.7	0.7	0.7	1.4	1.4	2.2	2.2

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DEPARTMENT OF WATER RESOURCES

Real Estate Branch Property Acquisition Information



The property acquisition information shown below is for informational purposes only. It is not intended to give a complete statement of all State or federal laws and regulations pertaining to the purchase of property for public use, the relocation assistance program, legal definitions, or to provide any form of legal advice. Property owners are encouraged to consult their own counsel for advice and guidance.

INTRODUCTION

This information has been prepared by the State of California, Department of Water Resources (DWR) for you as a property owner whose property may be affected by a proposed DWR project related to the State Water Project (SWP) or a flood control project of the Central Valley Flood Protection Board (CVFPB). If you own or have a leasehold interest in property that is involved, you may have wondered what will happen. Who will contact you? How much will you be paid for the portion of your property needed for the project? Who will pay for any associated transfer or escrow fees? If, because of the project, you must move, who will pay your moving costs? If you need to find another place to live, will DWR State help you? Important questions like these require specific answers. We hope this information will answer some of your questions and present a clear picture of overall procedures.

The information below discusses many important features contained in the California [Relocation Assistance and Real Property Acquisitions Guidelines](#) found in Title 25, Division 1, Chapter 6, Subchapter 1 of the California Code of Regulations. It also gives general information about public acquisition of real property that should be useful to you. If you have been notified that a portion of your property will be required for a SWP or CVFPB project, it is important that you learn your rights.

If you have more questions about the acquisition of property rights for a SWP or CVFPB project, please discuss them with the DWR agent assigned to your case.

WHAT ARE THE STATE WATER PROJECT AND THE CENTRAL VALLEY FLOOD PROTECTION BOARD AND WHY ARE THEY NECESSARY?

Historically, the Great Central Valley suffered ravaging floods, sometimes creating an inland sea that stretched from Redding in the north to Bakersfield in the south. The Reclamation Board (now the CVFPB) was created by the Legislature to provide a coordinated and balanced effort by the State to control and divert these flood waters through the construction of bypasses and levee systems on the major waterways in the Central Valley. This work continues.

California has also faced growing overall water supply deficits for many years. One of the major reasons is that about 70 percent of the state's total water flow occurs north of Sacramento during winter, while 80 percent of the water use demand is in the southern part of the state during the rest of the year. To help solve some of this problem, the SWP was initiated in 1951 to capture and transport a portion of the flood water to areas of demand. Construction of the initial facilities began in 1957, and construction of new facilities continues.

SOME GENERAL QUESTIONS

WHAT RIGHT DOES DWR HAVE TO ACQUIRE A PROPERTY?

Our Federal and State Constitutions recognize the need for public agencies to acquire private property for public use and provide appropriate safeguards to accomplish this purpose. The rights of all property owners are protected by the Fifth and Fourteenth Amendments to the U.S. Constitution, the California State Constitution, and subsequent federal and state laws, most notably the federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970. These laws require (among other things) that any public agency, including DWR, acquiring private property under threat of eminent domain, or "condemnation," must pay "just compensation" to a property owner for the rights acquired.

HOW MUCH OF A PROPERTY CAN DWR ACQUIRE?

DWR is prevented by law from acquiring more property (or property rights, as the case may be) than what is reasonably needed for the project. Sometimes the project may require only a temporary right on a portion of a property; sometimes, a permanent easement on a portion of a property; sometimes, the project may require total ownership of a portion of a property; and, sometimes, the project may require total ownership of an entire property.

WHO MAKES THE DECISION TO ACQUIRE A PROPERTY?

The responsibility for studying the potential sites for a project rests with a team of specially trained individuals selected to do this important job. Many months, even years, are spent in preliminary study and investigation to consider possible locations for a project. Consideration of the environmental and social effect is as much a part of location determination as engineering and cost.

Complete environmental analysis must be performed to identify sensitive habitats, cultural and archaeological resources, and endangered plant and animal species. These studies are melded with analyses and recommendations of project engineers, surveyors, real estate specialists, geologists, hydrologists, economists, planners and others to identify the best feasible location and way to build the project, with due consideration given to property lines, land uses, and ownerships. Participation by private citizens and other public agencies is actively sought during the study process so that various views can be considered. The process includes public hearings and input, which give the general public an opportunity to express their views on the locations being considered.

The final determination to proceed with a project, and the selection of the location of the project, is made by DWR after a thorough review of all of these factors.

The acquisition agent assigned the case should be able to answer any questions about the project or the selection of the property proposed to be acquired for the project.

HOW DOES DWR DETERMINE HOW MUCH IT WILL OFFER FOR A PROPERTY?

DWR performs a Fair Market Value Appraisal to determine the amount of just compensation. Appraisal and purchase of properties needed for a SWP or CVFPB projects are the responsibility of DWR as the State and public agency responsible for the project. An appraiser will inspect the property and examine all of the features which contribute to its value. Information about improvements made and any other special attributes which may increase the value of the property should be given to the appraiser to ensure a fair value is assigned. The appraiser also seeks relevant data from many other sources to compare the property to other sales of similar properties in order to form an opinion of fair market value.

DWR also provides a Relocation Assistance Program for businesses and people who are displaced because of the project.

WHAT IS "FAIR MARKET VALUE"?

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

HOW DOES AN APPRAISER DETERMINE THE FAIR MARKET VALUE OF A PROPERTY?

Each parcel of real estate is unique. Therefore, no single formula can be devised to appraise all properties. Factors typically considered in estimating the value of real property include, but are not limited to, zoning, highest and best use, size, shape, soil type, topography, and location.

Other areas of evaluation include:

- How it compares with similar properties in the area that have been sold recently.
- How much it would cost to reproduce the structures or facilities acquired with the land, less any depreciation.
- How much rental or other income it could produce.

DOES THE LANDOWNER HAVE AN OPPORTUNITY TO TALK TO THE APPRAISER?

Yes. The property owner will be contacted and given the opportunity to accompany the appraiser on his or her inspection of the property and may inform the appraiser of any special features which may add to the value to the property.

It is in the best interest of the property owner to provide the appraiser with all useful information in order to insure that nothing of allowable value is overlooked. If the property owner is unable to meet with the appraiser, they may wish to have a person who is familiar with the property represent them.

WHAT IS "JUST COMPENSATION"?

The fair market value of a property is generally considered to be "just compensation." "Just compensation" means not only "just" to the owner or lessee of the property, but also "just" to the public, who must pay the compensation. Please note that fair market value does not take into account intangible elements such as sentimental value (which is legally non-compensable), loss of business good will (which the business owner must assert and show), loss of potential business profits, or any special value that the property may have for the owner or DWR. DWR cannot make an offer to buy the property for more than it's worth.

IS A PROPERTY OWNER ENTITLED TO OBTAIN AN INDEPENDENT APPRAISAL?

In accordance with Section 1263.025 of the California Code of Civil Procedure, if the State offers to purchase property under the threat of condemnation, the property owner is entitled to seek a second opinion on the value of the property and to receive reimbursement of up to \$5,000 to pay for reasonable appraisal costs. In order to be reimbursed, the property owner must sign an Appraisal Costs Reimbursement Agreement and engage an appraiser licensed by the State of California with the Office of Real Estate Appraisers. The appraiser must be either a MAI designated appraiser or hold an equivalent designation recognized by the Appraisal Foundation.

For further information on the requirements for reimbursement and to ensure that you are aware of proper procedures, please contact DWR prior to engaging an appraiser. The request for an Appraisal Costs Reimbursement Agreement may be submitted to the Department of Water Resources, Real Estate Branch, 1416 Ninth Street, Room 425, Sacramento, California 95814.

WILL THERE BE PAYMENT FOR ANY LOSS IN VALUE TO THE REMAINING PROPERTY?

If the purchase of only a part of the property reduces the unit value of the remaining property, payment will be made for the loss in value to the remainder. Also, if any remaining property would have little or no utility or value, DWR may offer to purchase the remaining property as an uneconomic remainder property to avoid a continuing burden of ownership.

WHEN WILL A FIRST WRITTEN OFFER BE PROVIDED?

After the appraisal is reviewed and approved by DWR, an acquisition agent will contact the property owner with a First Written Offer to purchase the property rights required for the project. Included in the offer will be an "Appraisal Summary Statement" showing the basis for the offer.

Negotiations for the purchase of the required property will not take place before this offer is made.

ARE THERE ADVANTAGES TO VOLUNTARILY SELLING PROPERTY TO DWR?

Yes. A real estate purchase by DWR is handled in the same manner as any private sale of property. However, there can be financial advantages in selling to DWR. Property owners will receive the fair market value of the property in cash. Nothing will be deducted for real estate commissions, title costs, preparation of documents, title policy or recording fees required in closing the sale. The State will pay these expenses.

Note: This does not remove the responsibility a property owner may have for existing mortgages, liens, taxes, and other such encumbrances on the property at the time of DWR's acquisition.

CAN SOMEONE REPRESENT THE PROPERTY OWNER DURING NEGOTIATIONS?

Yes. If a property owner would like to be represented during negotiations, please inform the acquisition agent assigned the case. However, DWR will not pay any representation fees or costs of negotiation.

CAN A PROPERTY OWNER KEEP AND MOVE THEIR HOUSE, BUSINESS, BUILDING AND MACHINERY, AND EQUIPMENT?

The acquisition or relocation agent assigned to acquire the necessary property rights will help determine whether a house can or should be moved to another location. In the rare case where the house is movable and the property owner wishes to make such arrangements, the State will pay the fair market value of the land required, plus the reasonable cost of moving the house. There are cases, because of age, size or condition of the house where the cost of moving it is not feasible.

If a property owner operates a business on the property acquired, they may wish to keep and move fixed machinery and equipment. You may do so if the cost (based on a moving estimate) is not greater than the value of the item. If you keep the machinery and equipment, the State can only pay the lesser of the two amounts. Additionally, as an owner of a business conducted on the property to be purchased, you may be entitled to compensation for the loss of goodwill.

If any of these concepts are applicable to your situation, they will be explained fully by the agent assigned to purchase your property.

DOES THE PROPERTY OWNER HAVE TIME TO SELECT ANOTHER HOUSE AFTER DWR ACQUIRES THE PROPERTY?

DWR starts to appraise properties early enough so that property owners have ample time to move prior to project construction. Like any other real estate transaction, it takes approximately two months or longer to close escrow after the right-of-way contract and deed have been signed. You will not be required to move until after escrow has closed and reasonable replacement housing is made available.

If the property owner does not want to buy another house right away, DWR may acquire the property, and the property owner may, depending on the construction schedule, rent the house back from DWR on a temporary basis. It is in the property owner's best interest, however, to look for new housing as soon as possible as renting from DWR cannot be guaranteed. Finding suitable housing before being required to move may minimize personal inconveniences and may help to avoid having to make a choice under pressure.

If the property owner wishes, DWR will, at no cost, provide assistance in finding a new house. Also, DWR must give the property owner at least a 90-day written notice before asking a property owner to move.

WHAT HAPPENS TO AN EXISTING LOAN ON AN ACQUIRED PROPERTY?

After DWR and the property owner have agreed upon a price, a DWR representative will contact all other parties having an interest in the property. As in any other real estate transaction, payment to satisfy outstanding loans or liens will be made during the escrow closing process.

WHAT WILL HAPPEN TO MY GI OR CAL-VET LOAN?

The Veterans Administration and the California Department of Veterans Affairs allow your veteran loan privileges to be transferred and to become available for coverage on another property.

A DWR representative will assist the property owner; however, it is to the owner's benefit, and their responsibility to check with the Veterans Administration or the California Department of Veterans Affairs for procedural instructions.

MUST A PROPERTY OWNER ACCEPT DWR'S OFFER?

No. The property owner is entitled to present to the State verifiable evidence as to the amount they believe to be fair market value of the property rights required for construction, and to make suggestions for changing the terms and conditions of DWR's offer. DWR will consider all evidence and suggestions, and if the information presented is justifiable; an adjustment in DWR's offer may be made.

WHAT HAPPENS IF THE PROPERTY OWNER DOES NOT ACCEPT THE DWR'S OFFER?

A property owner's rights are guaranteed by the Federal and State Constitutions and other applicable state laws. The principal right is that just compensation must be paid for the property rights required. Sometimes when private property is required for public purposes, and the property owner and DWR cannot agree on the terms of sale, the property must be acquired through an eminent domain or "condemnation" proceeding. In cases where this occurs, a decision in court may be necessary; however, it is our earnest hope to avoid such a proceeding which may include additional time and cost to all parties involved.

In order to initiate condemnation, DWR must obtain a Resolution of Necessity from a governing body. For SWP projects, the governing body is the California Water Commission, and for flood control projects it's the CVFPB. A property owner will be given an opportunity to appear before the Commission/Board to question whether public interest, necessity, planning, and location of the proposed project necessitate the acquisition of the property. Under current California law, neither the Commission nor the Board can hear or consider arguments regarding valuation; those issues must be addressed by the courts.

Upon adoption of a "Resolution of Necessity" by the Commission/Board, the appropriate condemnation suit documents will be prepared by the State (Department of Justice) and filed with the court in the county where the property is located.

It is highly recommended that you consult with your attorney regarding these legal matters.

WHAT HAPPENS IN A CONDEMNATION TRIAL?

The main purpose of the trial is to determine the amount of just compensation. Usually the trial is conducted before a judge and jury. In some cases, the judge will decide the amount of just compensation. Both the defendant (property owner) and the plaintiff (State/DWR) will have the opportunity to present evidence to the court for consideration.

It is highly recommended that you consult with your attorney regarding these legal matters.

WHO PAYS THE CONDEMNATION TRIAL COST?

The plaintiff (DWR) pays the costs of its attorney and expert witnesses (i.e., engineering and appraisal). In addition, plaintiff (DWR) will pay the jury fees and certain incidental costs of the defendant which is determined by law to be allowable costs. The fee for filing your answer with the court is an example of such costs.

IF A PROPERTY OWNER WISHES TO PROCEED WITH A TRIAL, MUST THEY HAVE AN ATTORNEY AND EXPERT WITNESSES?

Most property owners choose to be represented by an attorney, although property owners have the right to represent themselves. Property owners are encouraged to consult their own counsel for advice and guidance.

WILL A PROPERTY OWNER BE PAID ANY MOVING EXPENSES OR ANY OTHER RELOCATION ASSISTANCE BENEFITS EVEN IF THEY GO TO COURT?

A decision to go to court has no effect on a property owner's relocation assistance benefits including moving expenses. Payment of moving expenses and relocation benefits are made separately from any the condemnation action. The property owner will be provided details of additional assistance to help displaced persons, businesses, farms or nonprofit organizations in finding, purchasing or renting, and moving to a new location. Please refer to Your Rights and Benefits as a Displacee under the Unformed Relocation Assistance Program brochure.

WILL A PROPERTY OWNER LOSE THEIR CURRENT PROPOSITION 13 TAX BASE?

Section 2(d) of Article XIII A of the California Constitution and Division 1, Chapter 2, [Section 68](#) of the California Revenue and Taxation Code generally provides that property tax relief shall be granted to any real property owner who acquires comparable replacement property after having been displaced by governmental acquisition or eminent domain proceedings. If the property owner has any questions concerning this issue, they are encouraged to contact the local Franchise Tax Board Office, and/or the County Assessor Office.

Note: Revenue and Taxation Code Division 1, Chapter 2, [Section 68](#) sets forth time limits that may affect your eligibility to retain your favorable current real property tax status. Please consult with a tax advisor, your local IRS office, and your attorney for information on how this and other tax laws affect you.

MUST A PROPERTY OWNER PAY CAPITAL GAINS TAX ON SALE PROCEEDS?

According to the Internal Revenue Service, it is not necessary to pay income tax or capital gains tax **if** the money received is used to buy a similar property within a limited period of time. It may be helpful to read and review [IRS Publication 544](#), Chapter 1 "Gain or Loss," which addresses "involuntary conversions" and explains how federal tax rules apply to the condemnation of real property or its sale under the threat of condemnation for public purposes. In every case, however, you should discuss your particular circumstances with your personal tax advisor, your local IRS office, and your attorney.

NOTE: This is an informational pamphlet only. It is not intended to give a complete statement of all State or federal laws and regulations pertaining to the purchase of your property for public use; the relocation assistance program; technical legal definitions; or to provide any form of legal advice. Property owners are encouraged to consult their own counsel for advice and guidance.

DEFINITIONS

The language used in relation to eminent domain proceedings may be new to you. These are some terms you may hear and their general meaning.

CONDEMNATION - The legal process by which a proceeding in eminent domain is accomplished.

PARCEL - Usually means the property that is being acquired.

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

JUST COMPENSATION - The amount of money to which a property owner is entitled under the law for the purchase or damage to the property, or for relocation expenses.

DEFENDANT - The property owner and any other persons who may have an interest in the property.

PLAINTIFF - The public agency that desires to purchase the property

COUNSEL - An attorney or attorneys.

TRIAL - The hearing of the facts from plaintiff and defendant in court, either with or without a jury.

VERDICT - The amount of compensation to be paid for the property.

ACQUIRE - To purchase.

POSSESSION - Legal control; to have the right to use, ownership.

ORDER FOR POSSESSION - The instrument allowing the State to use the property of another.

FINAL ORDER OF CONDEMNATION - The instrument which, when recorded, transfers title to public ownership.

PROPERTY - The right or interest which an individual has in land, including the rights to use or possess.