

## **Mountains Recreation and Conservation Authority**

### **APPRAISAL POLICY FOR PROPERTY TO BE ACQUIRED WITH SANTA MONICA MOUNTAINS OPEN SPACE PRESERVATION ASSESSMENT DISTRICT NO. 1 AND NO. 2 FUNDS**

#### Section 1. Definitions

- 1.0. "Santa Monica Mountains Open Space Preservation Assessment Districts No. 1 and No.2" shall be collectively known hereinafter as "Assessment Districts."
- 1.1. "Restricted Use Appraisal" is the briefest written appraisal report that can be prepared in conformance with the Uniform Standards of Professional Appraisal Practice. It does not provide information about how the market value of the property was determined. A Restricted Use Appraisal report can not be used for any third parties.
- 1.2. "Summary Appraisal" is a more detailed report, providing summaries of market conditions as well as a summary of the analysis performed, opinions, and conclusions. The Summary Appraisal report includes the three typical approaches to value: cost, sales comparison, and income capitalization, and may be used for third parties.
- 1.3. "Mountains Recreation and Conservation Authority" shall hereinafter be known as "Authority."

#### Section 2. Governing Statute and Engineer's Reports

- 2.0. This policy is a supplement to, and does not replace or supplant, the appraisal and negotiation policies contained in the Uniform Relocation and Real Property Acquisition Policy Act (Government Code § 7260 *et seq.*).
- 2.1. The Engineer's Reports for the Assessment Districts provide:

"An appraisal of fair market value will be prepared by at least one independent appraiser prior to the acquisition of Open Space Properties by the Authority. No property shall be acquired at a price in excess of an independent appraisal of fair market value."

### Section 3. Use of Restricted Use Appraisals

- 3.0. A Restricted Use Appraisal shall be commissioned to determine the fair market value of an acquisition by sale when the estimated or listed price or value, or bid price in the case of tax defaulted or surplus properties, is equal to or less than two hundred and fifty thousand dollars. A Restricted Use Appraisal shall be commissioned to determine the fair market value of an acquisition by donation when deemed necessary by the Executive Officer of the Authority.

### Section 4. Use of Summary Appraisals

- 4.0. A Summary Appraisal shall be commissioned to determine the fair market value for acquisitions by sale when the estimated or listed value exceeds two hundred and fifty thousand dollars. A Summary Appraisal shall be commissioned to determine fair market value of acquisitions by donation only when deemed necessary by the Executive Officer of the Authority.

### Section 5. Review of Appraisals

- 5.0 All Summary Appraisals shall be approved by an independent MAI appraiser or by the Department of General Services. Restricted Use Appraisals do not require a review unless the Executive Officer of Authority deems that it is in the best interest of the Authority that the appraisal be reviewed.