

Zimbra

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Re: [External] Garden Grove & TPL, Coastal Conservancy, & CBH - Willowick Appraisal Meeting

From : Omar Sandoval <omars@ggcity.org>

Fri, Jul 09, 2021 03:34 PM

Subject : Re: [External] Garden Grove & TPL, Coastal Conservancy, & CBH - Willowick Appraisal Meeting 1 attachment**To :** Robin Mark <Robin.Mark@tpl.org>**Cc :** Alex Size <Alex.Size@tpl.org>, Thomas P. Clark <tclark@stradlinglaw.com>, Grace Lee <gracel@ggcity.org>, Lisa Kim <lisak@ci.garden-grove.ca.us>, greg1 <greg1@ggcity.org>, Tily Shue <tily.shue@tpl.org>

Robin,

Our appraiser estimates that he will have his response by the end of next week. Of course, I will let you know if we receive it sooner.

As to the rest of your correspondence, we are now clear that TPL's offer to acquire the land is a firm \$2,131,500 based on a "restricted" appraisal obtained by TPL, which the City has not been able to review since TPL requested that it be deleted and the City complied due to the City's unwillingness to accept TPL's conditions for its receipt. However, in the City's April 16, 2021 letter to TPL, the City clearly stated that this offer amount was unacceptable. We have further indicated that based on offers received by the City in 2019 prior to SB 1486 becoming effective, plus the recent appraisal obtained by the City, the value of the land is between \$90 million and \$200 million. To further clarify, the definition of "fair market value" in Section 102 of the HCD Surplus Land Act Guidelines provides that "Fair Market Value is the price a particular parcel would sell for on the open market when certain conditions are met. Those conditions are: (1) the parties involved are aware of all the facts, (2) are acting in their own interest, (3) are free of any pressure to buy or sell, and (4) have ample time to make the decision." This is consistent with various California statutes as well as case law. In some cases, the standard is summarized as "the price a willing buyer would pay to a willing seller in an arms' length transaction." Please advise if you have authority to the contrary. We otherwise have found no authority establishing that fair market value is established by multiple appraisals. The Guidelines suggest that parties may seek a broker's opinion of value or an appraisal, but neither are mandatory.

In sum, as we have stated multiple times, the City wishes to consider an offer from TPL commensurate with the value of the land.

Thank you. Omar.

Omar Sandoval
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