

October 4, 2013

Henry Mikus
Executive Director SCWMA
2300 County Center Dr., Ste. B100
Santa Rosa, CA 95403

RE: Teixeira Ranch
Appraisal of real property located at 2535 Stage Gulch Road, Petaluma, Sonoma
County, California; Assessor's Parcel Number 068-040-015

Dear Mr. Mikus:

Pursuant to your request we have made an appraisal of the above referenced subject property for the purpose of estimating (1) its current fair market value as is, containing \pm 389.98 acres and including all improvements, (2) the current fair market value of the proposed \pm 50.00 acre project area, (3) a current fair market lease amount attributable the whole and (4) a current fair market lease amount attributable to the \pm 50.00 acre project area. It is our understanding that this appraisal report will be used to assist the client with a possible purchase or lease of the subject property or a portion thereof.

This is a summary appraisal report and conforms to the Uniform Standards of Professional Appraisal Practice (USPAP).

Based upon our investigation and analysis, it is our opinion that the subject property would have the following market values as of September 5, 2013, the date of inspection:

Fair Market Value (Whole Ranch)	\$4,680,000
Fair Market Value (\pm 50 acres)	\$500,000
Fair Market Rent (Whole Ranch)	\$37,500/year
Fair Market Rent (\pm 50.00 acres)	\$5,000/year

Respectfully submitted
Vice Appraisal Company

Gary S. Vice
Certified General Real Estate Appraiser
OREA #AG010077

Darryl J. Vice
Real Estate Trainee Appraiser
OREA #AT026057

SUMMARY OF SALIENT FACTS AND CONCLUSIONS

Owner of Record: Kara Lee Teixeira and Mary Francis Escobar

Address: 2535 Stage Gulch Road, Petaluma, Sonoma County, California.

Assessor's Parcel No.: 068-040-015

Site Size: ± 389.98 acres

Structures and Improvements: 3/2 main house constructed in 1940, duplex and mobile home, 25,000 sq. ft. loafing barn and several ranch related outbuildings

General Plan: LEA-60

Zoning: LEA-B6-60-Z-SR-VOH-Ag Preserve

Existing Use: Rural residential, cattle grazing and recreation

Highest and Best Use: Current use with rural residential estate development and commercial vineyard development as permitted.

Effective Date of Values: September 5, 2013

Value Conclusions:

(Whole Ranch).....\$4,680,000
(± 50 acres).....\$500,000
Fair Market Rent (whole).....\$37,500/year
Fair Market Rent (± 50 ac).....\$5,000/year

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- Sonoma County General Plan Map
- Sonoma County Zoning Descriptions
- FEMA Flood Map
- Soils Map
- License for Diversion and Use of Water
- Supplemental Site Information-Phase II Environmental Assessment
- Project Site Map for the ± 50.00 acre portion

PART I

Purpose of the Appraisal

The purpose of this appraisal is to determine the current market value, in fee simple, of (1) its current fair market value as is, containing \pm 389.98 acres and including all improvements, (2) the current fair market value of the proposed \pm 50.00 acre project area, (3) a current fair market lease amount attributable to the whole and (4) a current fair market lease amount attributable to the \pm 50.00 acre project area.

Intended Use

This report is intended to be used to assist the client with a possible purchase or lease of the subject property or a portion thereof.

Intended Users of the Report

The intended user of this report is the client and other readers of the report.

Interest Appraised

The interest appraised is fee-simple absolute.

Scope of the Appraisal

The scope of the appraisal sets forth the research and analysis necessary to prepare the appraisal report for its intended purpose and function. With regard to the subject property this included the following steps:

1. A physical inspection was made, and photographs were taken, of the subject property on September 5, 2013.
2. Regional, city, county and neighborhood data was gathered from numerous sources including our files, and a personal inspection of the area and neighborhood by the appraisers.
3. The subject property data was also gathered from numerous sources including governmental agencies, the subject owners, and our personal inspection.
4. In determining the highest and best use of the subject parcels an analysis was made of all the information gathered in steps 1 through 3 above.

5. In developing the sales comparison approach to value market data was collected from existing files, other appraisers, realtors, title companies, buyers and sellers and city and county government agencies.
6. After assembling and analyzing the data defined in this scope of the appraisal, a final estimate of market value was made toward the subject property, in fee simple interest.

Owner of Record

Title to the subject property is vested in the name of: Kara Lee Teixeira and Mary Francis Escobar

Effective Date of Value

The effective date of value of this appraisal is the date of our inspection of the subject property: September 5, 2013.

Definition of Market Value

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- (1) Buyer and seller are typically motivated;
- (2) Both parties are well informed or well advised, and acting in what they consider their own best interest;
- (3) A reasonable time is allowed for exposure in the open market;
- (4) Payment is made in cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- (5) The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

Definition of Highest and Best Use

Highest and best use may be defined as the reasonably probable and legal use of vacant land or improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value.

The highest and best use of both land as though vacant and property as improved must meet four criteria, which are:

Legally Permissible
Financially Feasible

Physically Possible
Maximally Productive

Certification

We certify that, to the best of our knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and is our personal unbiased professional analyses, opinions, and conclusions.
- We have no present or prospective interest in the property that is the subject of this report, and we have no personal interest or bias with respect to the parties involved.
- Our compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
- The appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.
- Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- In accordance with the Competency Provision of the Uniform Standards of Professional Appraisal Practice, we certify that our knowledge and experience is sufficient to allow us to competently complete this appraisal unless stated otherwise in this report.
- We have made a personal inspection of the property that is the subject of this report.
- We have not previously appraised the subject property within the last 3 years.
- No one provided significant professional assistance to the persons signing this report, except as previously disclosed.

Respectfully submitted,
VICE APPRAISAL COMPANY

Gary S. Vice
Certified General Real Estate Appraiser
OREA #AG010077

Darryl J. Vice
Real Estate Trainee Appraiser
OREA #AT026057

Assumptions and Limiting Conditions

The appraisal is made subject to the following:

1. That the title to the property is marketable.
2. That no responsibility is assumed for legal matters, particularly those affecting title to the property.
3. That maps, pictures and sketches are schematic and are included to assist the reader in visualizing the property involved and are not guaranteed for accuracy.
4. That statements, opinions, estimates and information obtained from governmental and private sources in the course of this investigation are presumed to be substantially correct, but no responsibility is assumed therefore.
5. That the value found is the market value of the fee interest of the real property.
6. That the management of the property is competent and the ownership is in competent hands.
7. Possession of this report, or a copy thereof, does not carry with it the right of publication nor may it be used for any purpose by any, but the client for whom it was made without the consent of both the appraiser and the client.
8. That the estimates of value are based upon knowledge available at the time of the appraisal. If additional information is subsequently forthcoming, these estimates of value would be subject to change.
9. That unless otherwise stated in this report, the existence of hazardous substances, including without limitation asbestos, polychlorinated biphenyl, petroleum leakage, or agricultural chemicals, which may or may not be present on the property, or other environmental conditions, were not called to the attention of nor did the appraiser become aware of such during the appraiser's inspection. The appraiser has no knowledge of the existence of such materials on or in the property unless otherwise stated. The appraiser is not qualified to test such substances or conditions, the presence of which may affect the value of the property. The value estimated is predicated on the assumption that there is no such condition on or in the property or in such proximity thereto that it would cause a loss in value. No responsibility is assumed for any such conditions, nor for any expertise or engineering knowledge required to discover them.
10. In estimating the fair market value of the ± 50.00 acre portion of the subject property, we have assumed that it is a separate legal parcel with access and that it is buildable per Sonoma County standards with regard to water and sewage disposal requirements as well as all other governmental standards.

Appraisal Qualifications of Gary S. Vice

EDUCATIONAL BACKGROUND

Graduate of San Jose State College, B.S. degree	1963
Real Estate Salesperson, licensed since	1978
Appraisal Institute courses 1A, 1B, 2	
Numerous other courses, conferences and seminars	
Instructor, Santa Rosa Junior College District, Life Time Credential	
Faculty Associate, Lincoln Institute of Land Policy	
State of California, Certified General Real Estate Appraiser # AG010077	

APPRAISAL EXPERIENCE

Sonoma County Assessor's Office	1964-1977
Chief Appraiser	1973-1977
Independent Fee Appraiser	1977 - Current
Howell/Wolf Appraisal Service – Partner	1977-1990
Vice Appraisal Company – Owner	1990- Current

QUALIFIED AS EXPERT WITNESS

Superior Courts of California in the following counties: Sonoma, Marin, Mendocino, Napa, Lake & San Mateo. Assessment Appeals Board -Sonoma County. Federal Bankruptcy Court -No. California District.

PRINCIPAL CLIENTS INCLUDE

Attorneys

Abbey, Weitzenberg, Hoffman & Emery	JAMS - Judicial Arbitration & Mediation Services
Anderson, Zeigler, Disharoon, Gallagher & Gray	Lanahan & Reilley
Baddeley, Olikier & Sartori	Lounibos, Lounibos & Tinney
Beyers Costin	O'Brien, Watters & Davis
Behrens, Nelson & Knudson	Passalacqua, Mazzoni, Gladden, Lopez, Wigdahl & Passarino
Brobeck, Phleger & Harrison	Perry, Johnson, Anderson, Miller & Moskowitz
Bronson, Bronson & McKinnon	Senneff, Freeman & Bluestone
Clement, Fitzpatrick & Kenworthy	Shapiro, Galvin, Shapiro, Piasta & Moran
Cooley Godward	Spaulding, McCullough & Tansil
Cooper, White & Cooper	and numerous others
De Meo, De Meo & West	
Farella, Braun & Martel	
Geary, Shea, O'Donnell & Grattan	

CPA's

Andersen & Company	Linkenheimer
Antonini Company	Mills & Barham
Brush & Bernard	Pisenti & Brinker
Capitani & Company	Thomas, Porch & Gullickson
Charles F. Reichel	Zainer Rinehart & Clarke
Houghton & Freitas	

1/1/08

Appraisal Qualifications of Gary S. Vice - page 2

LENDERS, CORPORATIONS, PROPERTY OWNERS

Oil Companies

Chevron
Texaco
Unocal

Lending Institutions

Bank of America
Bank of San Francisco
Bank of California
Bank of Petaluma
Exchange Bank
Golden Gate Bank
National Bank of the Redwoods
Sonoma National Bank
Summit Savings
Westamerica Bank
Wells Fargo Bank

Insurance Companies

Firemans Fund Insurance
State Farm Insurance
Allstate Insurance

Wineries & Vineyards

Balverne
Domaine Michel Winery
Hacienda Winery
Kendall-Jackson
Kohn Properties (Fetzer)
Korbel Champagne Cellars
Mill Creek Vineyards
Peter Michael Winery & Vineyards
Sonoma-Cutrer Winery & Vineyards
Alexander Valley Vineyards
Buena Vista Vineyards
Sangiacomo Vineyards
Durell Vineyards
Beckstoffer Vineyards
Leveroni Corporation
Murphy – Goode Winery & Vineyards
Trione Vineyards

Utilities

Pacific Bell
Pacific Gas & Electric Company

1/1/08

Appraisal Qualifications of Gary S. Vice - page 3

Conservation Agencies

SCAPOS - Sonoma County Agricultural Preservation & Open Space District	Sonoma Land Trust
MALT - Marin Agricultural Land Trust	Napa County Land Trust
Land Wrights	Land Trust of Santa Barbara Co
Save The Redwoods League	Nature Conservancy
Redwood Coast Land Conservancy	Bodega Land Trust
Pacific Forest Trust	Golden State Land Conservancy
	Coastal Conservancy
	American Land Conservancy

Miscellaneous

Airport Corporate Center	Dauenhauer Manufacturing
Masonite	Merlo Trust
Pioneer Resources	Mulas Dairy
Leveroni Corporation	Sleepy Hollow Dairy
Boy Scouts of America	Veale Investments
Benson Investments	Georgia Pacific
Sonoma County Water Agency	Taco Bell
Burbank Housing Development Corporation	Chicago Title
Berger Estate	Bartholomew Foundation
Waste Management Inc.	Optical Coating Laboratories, Inc.
Ritz Foods, Inc.	Codding Enterprises
Condiotti Enterprises	Young American Homes
Gallaher Construction	Kaiser Sand & Gravel
and numerous others	Friedman Bros.

School Districts

Santa Rosa City Schools; Santa Rosa Junior College; Piner-Olivet; Healdsburg; Guerneville; Windsor; Harmony; Old Adobe; Wright; Rohnert Park-Cotati; Monte Rio; Bellevue

U.S. Agencies

Department of Agriculture; Forest Service; Postal Service; General Services Administration, FISLIC

State of California

Department of Justice; CALTRANS; Coastal Conservancy; Dept. of Fish & Game

Counties

Sonoma, Mendocino, Lake

Cities

Santa Rosa; Sebastopol; Healdsburg; Cloverdale; Rohnert Park; Petaluma

MEMBER OF THE FOLLOWING ORGANIZATIONS

Rotary Club of Santa Rosa
BAREIS - Bay Area Real Estate Information Services
formerly Sonoma County Multiple Listing Service

1/1/08

Appraisal Qualifications of Darryl J. Vice

EDUCATIONAL BACKGROUND

Graduate of University of California at Berkeley, B.S. degree	1991
Pertinent classes: Economics, Business Administration, Urban Sociology, Plant and Soil Biology	
Cardinal Newman High School – Faculty Member	1994-1997
Allied School of Real Estate – Appraiser Licensing Course	1997
State of California, Real Estate Appraiser Trainee OREA #AT026057	1998
State of California, Real Estate Salesperson ID# 01378831	2003

APPRAISAL EXPERIENCE

Vice Appraisal Company – Office Assistant	1993-1998
Vice Appraisal Company – Real Estate Trainee Appraiser	1998-current

PART II

Area Maps

State Map

County Map

Sonoma County Profile

The subject property is located at the intersection of Stage Gulch Road and Adobe Road in southeast Sonoma County, California. Sonoma County is one of California's 27 original counties and is the northernmost of the nine greater San Francisco Bay Area counties. With approximately 1,576 square miles of land area, including 62 miles of Pacific Coast shoreline, Sonoma County is the largest county in land size within the North Bay Area, nearly twice the size of either Napa or Solano counties and three times larger than Marin County. It is bordered on the north and east by Mendocino, Lake and Napa Counties and to the west and south by the Pacific Ocean, Marin County and San Pablo Bay. Its southernmost boundary lies 27 miles north of the Golden Gate Bridge. Topographically, Sonoma County is divided almost equally into mountainous regions, rolling hills and valley land. Elevations range from sea level to 4,262 feet at Mt. Saint Helena where Sonoma, Napa and Lake Counties converge.

Population

Sonoma County is home to an estimated 483,878 residents as of the 2010 Census, an increase of 7.5%% since the 2000 Census. In its 2011 *Sonoma County Indicators Report* the Sonoma County Economic Development Board forecast that Sonoma County's population will increase by 57% by 2050. During the period of 2000 to 2010, the City of Cloverdale experienced the fastest growth rate in the county at 26.2%, followed by the town of Windsor at 17.2% and the city of Sonoma at 16.7%. In a 2010 California State Association of Counties report, Sonoma County ranked 17th in population out of the 58 counties in California.

With a total land area of 1,576 square miles, in 2010 Sonoma County had a population density of 307 people per square mile, more than the California average of 239 people per square mile. Sonoma County residents, in most cases, benefit from a comparatively high quality of life. For example, the crime rate is below the state average and the air quality is above average compared to comparably populated counties. The crime rate measures the number of both violent and property crimes per 100,000 people. Sonoma County ranked second with a score of 152, indicating that crime rates in Sonoma County were 52% below the state average. Air quality

indicators are the percentage of days with air quality measured as “good” or “moderate by the Environmental Protection Agency. Sonoma County tied for first with four comparable counties, as every day measured was good or moderate air quality with no days being classified as “unhealthy for sensitive groups”.

Economy

Sonoma County is home to a diverse economy with the major areas of employment being service, retail trade, manufacturing, government and tourism. The economy in recent years has taken a sharp decline affecting all facets of business; however, there are signs that the economy may be making a slow recovery. In June 2012, Sonoma County had a labor force of 262,700, approximately 239,700 of whom were employed, a 8.7% unemployment rate. Job growth between May, 2011 and May, 2012 registered at +1.1%, a net gain of 800 jobs. In March, 2010, Sonoma County’s jobless rate hit 11.4%, the highest rate in over 27 years. The unemployment rate was at 8.3% in May, 2012 compared to a rate of 10.4% for the state of California and 7.9% for the nation.

The two largest sectors for employment in Sonoma County are Manufacturing and Retail Trade, with each employing just below 10% of the county workforce. Manufacturing, which includes wine and food production, is the county’s single largest sector. With wine grapes the leading agricultural product, the county’s wine industry continues to expand with national and global prominence. Livestock and poultry products followed by livestock and poultry are other leading agricultural products in terms of production value.

The 2011 Sonoma County Crop Report reflects the percentage of total agricultural production as Fruit and Nut Crops, 61.2%, Livestock and Poultry Products, 20.4%, Livestock and Poultry, 10.7%, Nursery Products, 4.2%, Field Crops, 1.8% and Vegetable Crops, 1.6%. The U.S. Department of Agriculture statistics for 2007 lists 3429 farms in Sonoma County, averaging 155 acres with a total land volume of 530,895 acres, a decrease in acreage of 15% from 2002. A new USDA report will be released this year. The 2011 Sonoma County Crop Report indicates a decrease of 1.7% in crop value from 2010, due primarily to a 9.8% decrease in fruit and nut values.

The vineyards and farmlands that generate fresh produce and wine are a central attraction of the booming tourism industry. Sonoma County tourism is feeling the effect of the national recession; however, Sonoma County's year to date lodging occupancy rate increased 9.4% compared to the same time in 2011, indicating increased travel. Leisure and hospitality employment in the county started declining in the middle of 2008, following nearly 15 years of continuous gains. The 2012 Sonoma County Indicators Report reflects that destination spending in Sonoma County rose from \$703 million in 1994 to \$1.34 billion in 2007, with an annual growth rate of more than six percent from 2000 through 2005 but decreasing to 2.3% in 2007. The latest published figures show \$1.36 billion in tourism dollars in 2010. The Pacific Ocean coastline, the redwood forests, the Russian River resort areas, the County's world renowned wineries and the area's hotels, restaurants and shops attract thousands of visitors annually from the surrounding Bay Area and other parts of California as well as from other states and foreign countries. With travel spending generating more than 16,540 jobs in 2010, the tourism industry directly employs in excess of 6.3% of the Sonoma County labor force.

The county's balanced economy has continuously outpaced the economic growth of both the State of California and the nation, as a whole, throughout the decade. Santa Rosa is the principal business, financial, trading, medical, educational and recreational center of the area. It is located 50 miles north of San Francisco and serves as a trading area for approximately 7,200 square miles. Its marketing area includes all of Sonoma County plus parts of Mendocino County to the north, Lake County to the northeast and Napa County to the east. U.S. Highway 101 links San Francisco with Santa Rosa and county roads and state highways connect this city with the communities that Santa Rosa serves.

Transportation

Continuing population growth has yet to be matched by an increase in the capacity of the transportation system. Consequently, Sonoma County freeways experience greater levels of utilization than comparable counties and Sonoma County residents have longer commutes than comparable counties. Economic vitality and a desirable quality of life both depend heavily on a region's transportation system. Subsequently, longer commute times and increased traffic

congestion can decrease the desirability of Sonoma County for business.

Commercial transportation is varied in Sonoma County. The Petaluma River is capable of handling river freight from San Pablo Bay to Petaluma. The Northwestern Pacific Railroad with numerous spurs once provided an artery for rail transportation; however, the rail system is currently for freight only between Napa in Napa County to the southeast and Windsor, 8 miles north of Santa Rosa. The Sonoma County Airport, located just outside the northwest sector of the City of Santa Rosa, handles commercial and passenger air traffic. Regional bus service is provided by Sonoma County and Golden Gate Transit systems. In addition, four highways dissect the county; the major freeway is U.S. Highway 101 which runs from Marin County in the south to Mendocino County in the north.

In November, 2008, Sonoma and Marin County voters approved a sales tax increase to fund the Sonoma Marin Area Rail Transit (SMART) which will run from Cloverdale in Sonoma County to Larkspur in Marin County. Construction is scheduled to begin in 2012 with service commencing in 2014.

Housing

After peaking in mid-2005, the median resale price had its first yearly drop in more than four years. According to the California Association of Realtors, the median sale price of a single-family home in Sonoma County was \$614,635 in July of 2005. The median price of homes dropped with the falling economy to \$305,000 in September, 2009 and the median price for single family homes sold in 2010 rose to \$352,500, up almost 4% over the 2009 end of year statistics. The median home price in June, 2012, was \$345,000 and DOM at 99, compared to a median price of \$319,950 and 110 DOM in June, 2011.

Climate

Sonoma County's climate is characterized by pleasant summer months, followed by a rainy season from November to April. Temperatures in the county vary according to locality, ranging from the cool weather of the coastal strip to the warmer climate of the inland valleys. Rainfall averages about 50 inches on the coast and about 30 inches in the inland valleys.

Recreation

The Pacific Ocean coastline, the redwood forests, the Russian River resort areas, the County's world renowned wineries and the area's hotels, restaurants and shops attract thousands of visitors annually from the surrounding Bay Area and other parts of California as well as from other states and countries. There are in excess of 250 bonded wineries in the county, many of which are open for tours and tastings. Fishing and water sports are available at Lake Sonoma, the Pacific Ocean and the Petaluma, Russian and Gualala Rivers. The 110 mile Russian River is the major waterway through the county. Other recreational facilities include: 40+ spas, 21 public golf courses, miles of bicycle friendly roads and paths, Infineon Raceway, Safari West Wildlife Preserve, River Rock Casino, Pacific Coast Air Museum, Charles M. Shulz Museum and the Luther Burbank Home and Gardens.

Major entertainment venues include: the Sonoma County Fairgrounds, Petaluma-Marin Fairgrounds, Wells Fargo Center for the Arts and the Spreckels Performing Arts Center.

Open Space

Since its creation in 1990, the Sonoma County Agricultural Preservation and Open Space District has protected in excess of 86,000 acres. Funded by a voter-approved quarter cent sales tax, the District has protected family farms and ranches, natural areas for wildlife and animal habitat, open spaces between cities and scenic vistas that create community character, and land for recreation.

Parks

Many of Sonoma County's recreational opportunities are within the County's 13 California State Parks, encompassing a total of 39,744 acres, 42 Sonoma County Regional Parks System of over 5200 acres and numerous district and city parks.

Population of Sonoma County and Incorporated Cities					
1990, 2000, 2010 & 2012 (Est.)					
	1990	2000	2010	2012 (Est.)	±% Change 2000-2010
Sonoma County	388,222	450,057	483,878	487,011	+7.5%
Cloverdale	4,924	6,831	8,618	8,629	+26.2%
Cotati	5,714	6,471	7,265	7,276	+12.3%
Healdsburg	9,469	10,722	11,254	11,442	+5%
Petaluma	43,184	54,548	57,941	58,165	+6.2%
Rohnert Park	36,326	42,236	40,971	40,486	-3%
Santa Rosa	113,313	147,595	167,815	168,841	+13.7%
Sebastopol	7,004	7,774	7,379	7,405	-5.1%
Sonoma	8,112	9,128	10,648	10,665	+16.7%
Windsor (Incorporated 1992)	12,500	22,774	26,801	27,003	+17.8%
Unincorporated	160,176	153,012	146,238	146,739	-4.4%

The above statistics are from the latest published reports from the agencies listed below.

Sources: U.S. Census Bureau
California Department of Finance
Sonoma County Economic Development Board
Association of Bay Area Governments
Office of the Sonoma County Agricultural Commissioner
California Association of Realtors
California Department of Justice
California Department of State Parks
U.S. Department of Agriculture
Coldwell Banker

City and Neighborhood Influences

The subject property is located in an unincorporated area southeast of Petaluma, Sonoma County, California. Petaluma is currently the second largest city in Sonoma County and is located 32 miles north of the Golden Gate Bridge with highway 101 bisecting it north/south and Highway 116 serving as its main east/west artery. The Petaluma River flows through downtown and in addition to being a vital part of the central downtown district's commerce is also capable of handling river freight from the San Pablo Bay into Petaluma.

Petaluma's population increased significantly during the dotcom era of the 1990s but its growth rate has slowed since 2001. Between 1991 and 2000, the population of Petaluma grew by more than 10,000 residents while between 2001 and 2009, the population increased by $\pm 2,400$ residents. The 2010 census put Petaluma's population at 58,401 while 2012 population figures indicate 58,165, a slight decrease.

There are a number of recreational opportunities within easy reach of Petaluma including the Pacific Ocean, The Russian River and Lake Sonoma. Additionally, Petaluma is the gateway to Sonoma County's wine country which features over 195 wineries fueling the tourism industry. The temperatures are moderate, approximately 75 in the summer time and 55 in the winter with yearly rainfall of around 24". Leading industries include service, agriculture and technology. The Santa Rosa Junior College also has 2 campus extensions within Petaluma, one with classrooms, labs and a library and the second being a tech academy in the Redwood Business Park.

The immediate area of the subject property includes large acreage ranches similar to the subject that are used primarily for rural residential purposes and grazing land. To the east across Stage Gulch Road and to the north across Old Adobe Road, portions of these ranches have been developed to vineyard. Overall, the subject property conforms well to surrounding land uses.

PART III

Parcel map

Subject Property Topo Map

Aerial map

Subject Property Photographs



Entrance to ranch



Main residence



Large barns



View of reservoir from homestead area



View from Adobe Road



Northerly view of pasture and two holding ponds



Easterly view at well site and pasture land



Northerly view along western boundary line



Easterly view of ranch from higher elevations



View to southwest corner

Subject Property Description

Location and Identity

The subject property is commonly known as the Teixeira Ranch and is located at 2535 Stage Gulch Road (Highway 116). The subject is located in an unincorporated area \pm 8 miles southeast from the city of Petaluma, Sonoma County, California. The subject property ranch is situated at the corner of Stage Gulch Road and Adobe Road and is further identified by Sonoma County as Assessor's Parcel Number 068-040-015.

Owner of Record

The subject property is currently owned by Kara Lee Teixeira and Mary Francis Escobar.

Ownership History

The subject property was purchased by Frank Teixeira in 2003. There are no other transfers of record on the subject property during the past five years, and Vice Appraisal Company is unaware of any purchase agreements, options to purchase or pending escrows on the subject property as of the date of this appraisal. The subject property is currently listed for sale with Allan Tose and Eric P. Frost of Century 21 in Petaluma for \$6,400,000. It is currently not on the Sonoma County Multiple Listing Service but is being advertised for sale via TeixeiraRanch.com.

Site Size and Configuration

In the absence of a professional survey, we have relied on the Sonoma County Assessor's office for the size of the subject property. Per the Assessor's parcel map, the indicated overall acreage for the subject property is \pm 389.98 acres. The \pm 50.00 acre portion is irregularly shaped to accommodate a proposed commercial composting site and is also better understood by viewing the project site map in the addendum.

The subject ranch is a square-shaped parcel with boundary lines following Stage Gulch Road, Adobe Road and metes and bounds descriptions. The size and shape of the subject property is best understood by viewing the maps at the beginning of the section.

Topography and Vegetation

The subject property is predominantly rolling terrain with elevations ranging from \pm 160 feet above sea level along an unnamed creek that drains into the subject reservoir to \pm 421 feet in the south corner of the property. The majority of the ranch is open native grasses with scattered trees around the homestead. There are two prominent eucalyptus groves by the reservoir and on the hill above the subject dairy related structures. The reservoir on the subject property is located in the east corner near the intersection of Stage Gulch Road and Adobe Road and is a prominent feature of the ranch. It contains \pm 84 acre/feet of water. There are numerous gullies on the subject lands running down from the higher elevations.

Soils

Per the United States Department of Agriculture Soil Survey issued in May, 1972, the predominant soils found on the subject property are Clear Lake Clay, 2 to 5 percent slopes, Diablo Clay, 2 to 30 percent slopes, Gullied Land and Haire Clay Loam, 0 to 30 percent slopes. Historically, these soils have been used mainly for range and grazing. In the immediate area of the subject property, some of these soils have been developed to vineyard. A soils map pertaining to the subject property is included in the addenda.

Vineyard Potential

The subject property is located within the Petaluma Gap Region and the Sonoma Coast AVA. A soils report was prepared by Bryan L. Rahn of Coastal Viticultural Consultants, Inc. in October 2008 determined that the soil on the subject was suitable for vineyard development. In our opinion, the subject property area suitable for vineyard development would be in the range of 150 – 200 acres. There are vineyard developments in the immediate area including Kullberg Farms (\pm 100 acres) across Stage Gulch Road and a \pm 225-acre recently developed vineyard by Kendall-Jackson off of Browns Lane northwest of the subject.

Roads and Access

Access to the subject property is good via a private dirt and gravel entrance road off of Stage Gulch Road (Highway 116). Stage Gulch Road is a paved County-maintained road that runs east from Lakeville Highway approximately 2 miles west of the subject to Sonoma. Adobe Road runs alongside the subject property to the north and provides an alternative route to downtown Petaluma, US Highway 101 and northern destinations.

Water and Utilities

Water on the subject property for domestic use is provided by a private well and storage tank located up on the hill west of the living units. The well is \pm 440 feet deep and produces 16 GPM. Water is gravity-fed down to the houses. The reservoir on the subject property (Pinheiro Reservoir) has a current capacity of 87 acre feet and is used for stock-watering and recreation. In June 2008 the State Water Resources Control Board (SWRCB) approved an application to expand the reservoir to a capacity of 164 acre feet for the stock-watering of up to 1000 dairy cattle and irrigation and frost protection of approximately 300 acres. Water for pasture irrigation is provided by treated effluent from the City of Petaluma's Ellis Creek Water Recycling Facility (ECWRF). The subject property began accepting the water in the early 1990s and historic deliveries of recycled water to the subject property, during 2005-2009, ranged from 304 to 516 acre-feet per year. Waste disposal to the living units is by private septic systems and there is an approved 6-bedroom percolation test on the subject property per the listing agent. Telephone and cable serve the subject property while gas is propane.

Structures and Improvements

Structures on the subject property include a 3/2 main home constructed in 1940 and in average condition, a duplex in poor condition, two large loafing/feed barns, an old milking barn and miscellaneous sheds and outbuildings used in conjunction with the former dairy operation. In our opinion the main home and the barns do have some functional utility to any potential buyer on an interim basis. We have allocated \$200,000 to the subject property structures in our direct sales comparison analysis.

Additional improvements to the subject property include roads, fencing, septic and water systems and the subject property reservoir.

Assessed Values and Taxes

The assessed values and taxes on the subject property for the 2012/2013 fiscal year are tabulated below:

AP Number	Size ± Ac.	Assessed Values						Taxes
		Land	Improvements (Structural)	Growing	Fixed	Pers. Prop.	Total	
068-040-015	389.98	\$441,049	\$424,564				\$865,613	\$9,787

The assessed values and corresponding taxes on the parcels are relatively low due to the presence of the Agricultural Preserve Contract. Under the Williamson Act, an Agricultural Preserve contract with the County of Sonoma limits the subject's use to agriculture and/or compatible uses for a self renewing period of 10 years. Either party can serve notice of cancellation, at which time the contract is phased out over the 10 year period. The property owner receives the benefit of lower taxes based on the income earning capability of the land rather than on comparable sales. In the event of cancellation of the contract on the property, the assessed values would reflect market value and the corresponding taxes would approximate 1.1% thereof, annually.

Land Use and Zoning

The land use and zoning designations on the subject property are governed by the County of Sonoma. The Sonoma County Land Use Map designates the subject property as LEA -60: Land Extensive Agriculture District, 60 acres per unit. The purpose of the LEA designation, as set forth in the county general plan, is as follows: "To enhance and protect lands best suited for permanent agricultural use and capable of relatively low production per acre of land; and to implement the provisions of the Land Extensive Agriculture land use category (Section 2.7.2) of the general plan and the policies of the Agricultural Resources Element." The County zoning designation on the subject parcels is consistent with the General Plan with a LEA-B6-60 designation. The "B6" simply indicates that there is a density requirement and the acreage number is the maximum density permitted. Based upon the 60 acre density, a maximum of (389.98 acres ÷ 60) 6 parcels is possible per zoning from the subject acreage. The subject property has combining district designations of Z: Second Unit Exclusion, SR: Scenic Resource, VOH: Valley Oak Habitat and WA: Williamson Act.

“The purpose of the Z designation is to provide for the exclusion of second units in the following areas:

(a) Areas where there is an inadequate supply of water for drinking or firefighting purposes.

(b) Areas where there are inadequate sewer services or danger of groundwater contamination.

(c) Areas where the addition of second units would contribute to existing traffic hazards or increase the burden on heavily impacted streets, roads or highways; and

(d) Areas where, because of topography, access or vegetation, there is a significant fire hazard.

The purpose of the SR district is “to preserve the visual character and scenic resources of lands in the county.”

The VOH designation is to protect and enhance valley oaks and valley oak woodlands and to implement the provisions of the general plan resource conservation element.

In addition to the LEA General Plan and Zoning designation as well as the combining districts, the subject property parcels are encumbered by the covenants and restrictions imposed by a Williamson Act-Agricultural Preserve contract. This contract with the County of Sonoma limits the subject’s use to agriculture and/or compatible uses for a self-renewing period of 10 years. Either party can serve notice of cancellation at which time the contract is phased out over a 10-year period. Property taxes will gradually be increased on an annual basis to the full assessed value at the end of the tenth year. During this time, the original contract is in place and will continue to encumber the property until the end of the contract. While the subject property is under a Williamson Act-Agricultural Preserve contract, any structural improvements constructed on any parcel must be ancillary to the agricultural uses of the property.

Lastly, an application for a use permit for a commercial composting facility was filed with Sonoma County on June 28, 2012 by Mr. Allan Tose who is the listing agent on the subject property.

Flood Hazard

Per Sonoma County FEMA Panel Map Number 060375-0985B, revised April 2, 1991, the subject property is designated to be in Zone X: Areas determined to be outside the 500-year flood area.

Earthquake Hazard

The subject property does not lie within an Alquist-Priolo Earthquake Studies Zone per the Petaluma River quadrangle of U.S.G.S. topographic maps.

Archeological Concerns

A formal archeological study of the subject has not been conducted. Per the SCWMA Compost Facility Draft EIR prepared in December 2011, portions of the subject property were surveyed for archaeological resources in 2000 and 2001 with no significant findings. For the purpose of this appraisal, it is assumed that no significant archeological sites exist on the property or, that if they do exist, they do not negatively affect the market value of the property. If any are found at a later date, Vice Appraisal Company reserves the right to review its prior opinion of value if necessary.

Environmental Constraints

Phase 1 and Phase 2 Environmental Site Assessments have been conducted on the subject property. Per a letter dated January 30, 2008 from EBA Engineering (included in Addenda), findings and recommendations are as follows: “Based on the detection of petroleum hydrocarbons in the area of the fuel storage tanks and the detection of elevated levels of oil and grease and lead in the area of the equipment shed, we recommend further definition of the area. This will allow for assessment of remedies that will likely entail removal and off-site disposal of the impacted soil.”

Per the December 2011 draft EIR of the proposed SCWMA compost facility on the subject property (Site 40), there are no existing environmental constraints on the subject property that would limit its highest and best use. If any are found at a later date, Vice Appraisal

Company reserves the right to review its prior opinion of value if necessary.

Easements and Encumbrances

Vice Appraisal Company has not been furnished with a preliminary title report. If any easements or encumbrances exist on the subject property, it is our opinion that they are typical of properties of this nature and, in our opinion, do not negatively impact the market value of the subject property.

Implied Dedication

Based upon our investigation and analysis, it is our opinion that there is no implied dedication on or over the subject property. Use of the subject primary access road is controlled. It is assumed by the appraisers that parties utilizing these roadways are properly authorized to do so. There is no evidence of continued public use on or over the subject property

Leases and Rents

Per the listing agent, there is a lease on the subject property in which the lessee is paying \$4,000 per month for pasture and two barns. In our opinion, this lease amount seems excessive in comparison to market rents. We are not aware of any current leases on the subject residences.

Current Use

The subject property is currently used for rural residential purposes and dry pasture.

Highest and Best Use Analysis

In estimating the value of the subject property, an analysis of the subject property's highest and best use is made.

Highest and best use is defined as the reasonably, probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are physical possibility, legal permissibility, financial feasibility and maximum

profitability.

Often the current use of a property is also its highest and best use. However, if other uses are permitted and feasible, these alternative uses must be considered.

An estimate of highest and best use requires two separate analyses. The first analysis considers the highest and best use of the subject site as if vacant while the second analysis considers the highest and best use of the subject property as improved.

Physically possible uses on the subject ranch are limited by topography, soils, water, parcel configuration, accessibility and other factors. Such limitations would impact residential development, vineyard development, some recreational uses and other pursuits that are legally permitted.

Legally permissible highest and best uses on the subject ranch require an analysis of county zoning, county general plan and other regulatory restrictions affecting residential development, vineyard development, recreational uses, etc.

The consideration of appropriate support significantly narrows the selection of highest and best use for a particular property. While somewhat general in scope, the term suggests that, based on the conclusions formulated as a result of market analyses or other economic, investment, or feasibility studies, the subject property could be utilized in the manner being considered. Financial feasibility generally means that the appropriately supported use must meet the test for the production of positive economic returns, most typically through positive net operating income.

Physically possible and legally permissible uses on the subject property are mixed and numerous, both with and without county use permits. Historically, the subject ranch has been used primarily for residential, recreational and livestock grazing pursuits. It is our opinion that the subject property could physically accommodate additional agricultural uses including commercial vineyard production and the potential for rural residential estate development. The subject property could potentially be developed with as many as 6 home-sites per Sonoma County Zoning designation of 60 acre density. However, the Williamson Act Type II contract, which requires parcels to be at least 40 acres in size, will run with each parcel until its termination which could be a restraint on residential development. Each parcel would also have to demonstrate acceptable sewage disposal, adequate water source and access. In conclusion, a use of agriculture with the potential of up to 6 total residential building sites,

which must be ancillary to the agriculture use on each site, is legally permissible. The considerations of financial feasibility and maximum productivity are secondary to the first two defining criteria for highest and best use. In the case of the subject property, financial feasibility and maximal profitability are tested by the physical constraints of developing all or any portion of the property to its highest and best use. Also, consideration is given to market demand as a function of economic feasibility of further residential development on the subject property.

Given the diversity of existing and potential uses on the subject property, the highest and best use that is economically feasible is not a single use but a mix of uses, including rural residential estate development, commercial vineyard development, recreational pursuits and the grazing of livestock. Both the residential development potential and the commercial vineyard development potential are considered viable uses on the subject property. Often, the co-existence of these uses comes into question. While it is true that agricultural enterprises (and the operation thereof) sometimes conflict with residential uses, in the case of the subject property this effect could be minimized due to the low density (60 ac./lot) zoning on the property. Home-sites could either be clustered or located outside the more intensive agricultural areas. After carefully considering the foregoing information, we have concluded that the highest and best use of the subject property if vacant would be the development of rural residential estate home-sites as permitted with vineyard development interspersed. It is our opinion that highest and best use of the subject property as improved is rural residential estate and commercial vineyard development as permitted.

PART IV

Valuation Estimate

Standard appraisal procedure requires the use of three approaches to value; the sales comparison approach, the cost approach and the income approach.

The sales comparison approach is based on the principle of substitution which infers that a prudent buyer in the market will not pay more for a particular property than it would cost to acquire a similar property having equivalent utility, desirability, and investment opportunity. It requires that recent sales of similar properties be investigated and analyzed in order to estimate what a buyer would be likely to pay for the subject property.

The cost approach is based on the estimated replacement cost new of the improvements, less accrued depreciation and obsolescence as observed in the market, plus the land value determined by market data comparisons.

The income approach requires the determination of the net income before depreciation and interest charges which the property is capable of producing and then capitalizing this figure by one or more methods to obtain a value indication for the property.

For the purposes of this appraisal, only the sales comparison approach has been utilized. The cost approach is not necessary as the structural improvements comprise only a small portion of the subject's overall value. The depreciated contributory value of the subject improvements has been estimated at ±\$200,000 in order to properly adjust the comparable sales. The income approach has been deemed unreliable as the capitalization of any potential income derived from grazing leases or rental income from the three residences would not accurately reflect the market value of the property.

The comparable sales selected as most reliable in estimating the market value of the subject property are tabulated and presented in detail on the following pages. Differences between the sale properties and the subject are discussed.

Adjustments are made for major differences in order to arrive at an indicated unit pricing applicable to the subject property. All sale prices have been rendered cash equivalent. The first adjustment considered is time, in order to bring older sale prices to current status. Although adjustments for time could be made on a component basis, the subject property has a mixed highest and best use and time adjustments will blend these uses.

Adjustments for location, utility, and size components are also necessary. Locational adjustments include factors such as vineyard appellation, proximity to urban areas, surrounding land uses, access and amenities (such as views).

Utility adjustments include physical site characteristics such as topography, soils, configuration, improvements, plantable land area and subdivision development potential. In the case of the subject property, plantable land acreage and residential development potential are the overriding value contributors from this category. Estimates of plantable acreage on each sale were obtained, reflected as a percentage of site area and compared with the subject. The residential development potential of the subject property must consider the General Plan and zoning density. This analysis is made on each of the sale properties and the appropriate adjustments are made.

Market Data Tabulation-Direct Sales

Sale No.	Location AP Number	Grantor Grantee	Sale Date	Sale Price	Size ± Acres	Sale Price/Ac	Zoning
1.	5217 Llano Rd. Santa Rosa, CA 046-011-020 et al	Heartland Recovery/ McClelland	6/12	\$3,600,000	277.67	\$12,965	DA-10 & LEA-60-Ag Preserve
2.	11207 Valley Ford Rd. Petaluma, CA 027-180-007 & 026	St. Anthony Foundation/ Tresch	8/11	\$2,305,000	140.00	\$16,464	LEA-100-Ag Preserve
3.	4497 Old Adobe Road Petaluma, CA 068-040-011	Tunzi Hellman	11/12	\$2,300,000	258.14	\$8,910	LEA-60-Ag Preserve
4.	900 Joy Rd. Bodega, CA 103-100-059	Pozzi Heart Ranch	10/12	\$1,715,000	180.27	\$9,514	LEA-160
5.	4640 Old Adobe Rd. Petaluma, CA 068-040-017	Tunzi Camozzi	9/11	\$950,000	211.75	\$4,486	LEA-60-Ag Preserve
6.	3600 Lichau Rd. Penngrove, CA 047-253-008	Gray Pacific West Communities	6/12	\$677,930	52.97	\$12,798	RRD-40-Ag Preserve
7.	5200 Petaluma Hill Rd. Santa Rosa, CA 045-172-007 & 045-181-003	Russell Gelsman	6/12	\$505,000	79.80	\$6,328	RRD-40
Subject	2535 Stage Gulch Rd. Petaluma, CA 068-040-015				389.98 ±50.00		LEA-60-Ag Preserve

SALE NO. 1

LOCATION: 5217 Llano Road, Santa Rosa, Sonoma County, CA

GRANTOR: Heartland Recovery California F#1, LLC

GRANTEE: McClelland Dairy

A.P. NUMBERS: 046-011-020 & 021; 062-240-001, 012, 026 thru 028

DATE: June 8, 2012

OFFICIAL RECORD: 2012-054763

ZONING: DA-B6-10-WA-J-Z-BR-F1-F2-SR-VOH
LEA-B6-60-WA-Z-F1-F2-SR-VOH

USE: Rural residential, pasture and hay production

PARCEL SIZE: ± 277.67 acres total

SALE PRICE: \$3,600,000

IMPROVEMENTS: (5) dairy/storage barns, (4) residences, duplex, mobile home, shed, reservoir

UNIT PRICE: \$12,965 per acre overall

FINANCING: 1st deed of trust-American AgCredit-\$3,420,000

TERRAIN/COVER: Level to gentle slopes at higher elevations and Santa Rosa De Laguna bottomland; scattered oaks and open native grasses

ROADS/ACCESS: Very good access with frontage on Llano and Woodworth Roads. Bartleson Road and Arlington Avenue terminate at property line

WATER: (3) wells. Available wastewater is provided by City of Santa Rosa free of charge

ELECTRICITY: Yes

PERK/SEWER: Private septic systems

REMARKS: Acquired in February by quitclaim deed from bankruptcy court trustee- Listed since then at \$3,950,000. Buyer is local dairyman. 8 ACCs and 40-45 acres suitable for vineyard development. \$113,988 annual rental income including \$1,400/month from communications tower.

SALE NO. 2

LOCATION: 11207 Valley Ford Road, Petaluma, Sonoma County, CA

GRANTOR: St. Anthony Foundation

GRANTEE: Joseph W. and Kathleen M. Tresch

A.P. NUMBERS: 027-180-007 & 026

DATE: August 23, 2011

OFFICIAL RECORD: 2011-071489

ZONING: LEA-B6-100-Z-WA

USE: Dairy, creamery, rural residential and pasture

PARCEL SIZE: ±140.26 acres total

SALE PRICE: \$2,305,000

IMPROVEMENTS: (4) residences, milking barn, creamery, dormitory, hay barns, loafing barn, equipment/maintenance building, garages, sheds and outbuildings

UNIT PRICE: \$16,434 per acre gross

FINANCING: Cash to seller

TERRAIN/COVER: Predominantly gentle slopes up from Valley Ford Road

ROADS/ACCESS: Good access via road frontage

WATER: Private wells

ELECTRICITY: Yes

PERK/SEWER: Private septic systems

REMARKS: Former site of St. Anthony's Farm-alcohol and drug treatment facility since the 1970s. Operating as an organic creamery with Clover-Stornetta at the time of sale. Listed for almost a year and a half starting at \$3,600,000.

SALE NO. 3

LOCATION: 4497 Old Adobe Road, Petaluma, Sonoma County, CA

GRANTOR: Milton G. Tunzi Trust

GRANTEE: Marco Hellman Family Trust

A.P. NUMBER: 068-040-011

DATE: November 9, 2012

OFFICIAL RECORD: 2012-112065

ZONING: LEA-B6-60-Z-G-SR-VOH-Ag Preserve

USE: Rural residential and pasture

PARCEL SIZE: ± 258.14 acres

SALE PRICE: \$2,300,000

IMPROVEMENTS: Old residence (± 1,288 sq. ft.), ± 1,066 sq. ft. garage, large barn/shop and numerous outbuildings

UNIT PRICE: \$8,910 per acre

FINANCING: Cash to seller

TERRAIN/COVER: Gentle to moderate slopes; scattered oaks and open grasses

ROADS/ACCESS: Good access via Old Adobe Road frontage

WATER: Private-developed spring

ELECTRICITY: Yes

PERK/SEWER: Private standard septic system

REMARKS: Originally listed in 3/09 for \$4,250,000. Listed in 4/12 for \$3,000,000. ± 180 ac plantable per listing agent-Buyer is not interested in vineyard development but is buying property for estate residential development and pasture land

SALE NO. 4

LOCATION: 900 Joy Road, Bodega, Sonoma County, CA

GRANTOR: Edward J. Pozzi

GRANTEE: Heart Ranch LLC

A.P. NUMBER: 103-100-059

DATE: October 12, 2012

OFFICIAL RECORD: 2012-100846

ZONING: LEA-B6-160

USE: Rural residential and pasture

PARCEL SIZE: ± 180.27 acres

SALE PRICE: \$1,715,000

IMPROVEMENTS: 3/2 manufactured home (± 800 sq. ft.), 1,200 sq. ft. farmhouse built in 1940 in poor condition, ±17,500 sq. ft. loafing barn, ±1,800 sq. ft. old milking barn

UNIT PRICE: \$9,514 per acre gross

FINANCING: Cash to seller

TERRAIN/COVER: Predominantly gentle slopes, Thurston Creek and scattered oaks

ROADS/ACCESS: Good access with frontage on Joy Road off of Bodega Highway

WATER: (2) private wells-5 GPM and 4.5 GPM, two reservoirs, 15,000 gallons of water storage

ELECTRICITY: Yes

PERK/SEWER: Private septic system

REMARKS: Seller was local sheep rancher that purchased the property in December 2008 for \$1,725,000. Former dairy ranch is certified organic. Advertised as having land suitable for vineyard development.

SALE NO. 5

LOCATION: 4640 Old Adobe Road, Petaluma, Sonoma County, CA

GRANTOR: Susan Tunzi Trust

GRANTEE: Eugene P. and Christine I. Camozzi

A.P. NUMBER: 068-040-017

DATE: September 16, 2011

OFFICIAL RECORD: 2011-078992

ZONING: LEA-B6-60-Ag Preserve

USE: Pasture

PARCEL SIZE: ± 211.75 acres

SALE PRICE: \$950,000

IMPROVEMENTS: Barn and old cottage-no value

UNIT PRICE: \$4,486 per acre

FINANCING: 1st deed of trust-Exchange Bank-\$650,000

TERRAIN/COVER: Gentle to moderate slopes-predominantly open pasture

ROADS/ACCESS: Good access via Old Adobe Road frontage

WATER: Private-springs; City of Petaluma reclaimed water available

ELECTRICITY: Available at road frontage

PERK/SEWER: Private-none developed

REMARKS: On the market for 317 days starting at \$1,750,000; Listed for \$1,477,000 at time of sale. Purchased for pasture.

SALE NO. 6

LOCATION: 3400 Lichau Road, Penngrove, Sonoma County, CA

GRANTOR: William T. Gray

GRANTEE: Pacific West Communities Inc.

A.P. NUMBER: 047-253-003

DATE: June 26, 2012

OFFICIAL RECORD: 2012-060464

ZONING: RRD-B6-40-SR-Ag Preserve

USE: Vacant rural residential home-site

PARCEL SIZE: ± 53.97 acres

SALE PRICE: \$677,930

IMPROVEMENTS: None

UNIT PRICE: \$12,561 per acre

FINANCING: 1st deed of trust-seller-\$400,000

TERRAIN/COVER: Gentle to moderate slopes-scattered oaks and rock outcroppings

ROADS/ACCESS: Gated entrance off of Lichau Road

WATER: New private well

ELECTRICITY Available

PERK/SEWER: Private-4-bedroom perc

REMARKS: Estate building site with good views; pending lot-line adjustment

SALE NO. 7

LOCATION: 5200 Petaluma Hill Road, Santa Rosa, Sonoma County, CA

GRANTOR: Charles P. Russell II

GRANTEE: Gelsman 2002 Living Trust

A.P. NUMBERS: 045-172-007 and 045-181-003

DATE: June 8, 2012

OFFICIAL RECORD: 2012-054893

ZONING: RRD-B6-40-SR-VOH

USE: Vacant rural residential and pasture

PARCEL SIZE: ± 79.80 acres

SALE PRICE: \$505,000

IMPROVEMENTS: Old barn (±5,400 sq. ft.) and fencing

UNIT PRICE: \$6,328 per acre

FINANCING: 1st deed of trust-seller-\$300,000

TERRAIN/COVER: Level to gentle slopes along Petaluma Hill Road frontage to very steep slopes at rear of property up from Petaluma Hill Road

ROADS/ACCESS: Good access via Petaluma Hill Road frontage

WATER: Old private well and developed spring

ELECTRICITY: Available

PERK/SEWER: Private-none developed

REMARKS: Purchased for estate building site; on market for 64 days listed at \$500,000

Market Data Summary and Conclusion of Value-Whole Ranch

The seven sales tabulated and presented on the foregoing pages have been arrayed in descending order according to overall sale price. We have relied on sale Numbers 1 thru 5 to help estimate the current market value of the whole ranch. Following is a brief analysis of each sale and our conclusion of value.

Sale Number 1 is located at 5217 Llano Road southwest of the Santa Rosa city limits and adjacent to the Laguna de Santa Rosa. This ± 277.67 acre bank-owned dairy property sold for \$3,600,000 in June 2012. This sale included several living units and miscellaneous dairy related structures, a cell-phone tower lease, 40-45 acres suitable for vineyard development and 8 recorded Administrative Certificates of Compliance. The \$12,965 per acre unit price of this sale is considered superior to that applicable to the subject. We have made downward adjustments for this sale's superior contributory improvement value, superior development potential and size. We have made upward adjustments for the subject's superior topography and plantable land area.

Sale Number 2 is located on Valley Ford Road west of Petaluma and is the former St. Anthony's Farm. This 140.26 acre property included a milking barn and related dairy structures, a new creamery building, (4) residences and an 18 bedroom dormitory building. The \$2,305,000 sale price in August 2011 indicated a unit price of \$16,434 per acre overall. Downward adjustments are indicated primarily for size and contributory improvement value.

Sale Number 3 is located in the immediate area of the subject property. Fronting on Old Adobe Road, this 258.14 acre property sold for \$2,300,000 in November 2012 indicating a unit price of \$8,910 per acre. Per the listing broker, improvements included an older farmhouse in average condition that has been vacant for the last several years, a garage, barn and miscellaneous outbuildings. Per a soils report, there are up to 180 acres suitable for vineyard development. The broker indicated that the current buyer has no interest in the vineyard potential but is interested in building an estate residence and cattle grazing. Upward adjustments to the unit price of this sale are indicated for the subject's superior contributory improvement value, topography, development/subdivision potential and vineyard potential.

Sale Number 4 is a certified organic pasture located on Joy Road west of Sebastopol. This former dairy sold in October 2012 for \$1,715,000 indicating a unit price of \$9,514 per acre. The 180.27 acre property included a modular home, an original residence in poor condition, a large loafing barn, two reservoirs and several acres potentially suitable for vineyard development that

are currently used for silage. We have made upward adjustments for the subject's superior contributory improvement value and superior topography.

Sale Number 5 is located adjacent to the north of the subject property. This 211.75 acre property sold for \$950,000 in September 2011 indicating a unit price of \$4,486 per acre. This sale included an old barn and small cottage of no value and was essentially a vacant pasture land sale. After an extensive marketing period with a starting price of \$1,750,000, this property sold after being on the market for 317 days and listed for \$1,477,000. The unit price of this sale is considered inferior to that applicable to the subject property. Although located next door to the subject, we have made upward adjustments for the subject's superior topography and water as well as contributory improvement value. In addition, the listing broker indicated that in his opinion, the sale price was below market due to conditions affecting seller.

Based on our analysis and after making the indicated adjustments, it is our opinion that the subject property "Whole Ranch" has a current market value as of September 5, 2013, the date of inspection, of \$4,680,000. This equates to \pm \$12,000 per acre overall.

FOUR MILLION SIX HUNDRED EIGHTY THOUSAND DOLLARS

\$4,680,000

Market Data Summary and Conclusion of Value - ± 50.00 acre portion

We have relied on Sale Numbers 5 thru 7 to help estimate the current market value of the ± 50.00 acre designated portion of the ranch. Our value estimates assumes that the subject site is a separate legal parcel with legal access and developable per County standards regarding water and sewage disposal. Following is a brief analysis of each sale and our conclusion of value.

Sale Number 5 is located adjacent to the north of the subject property. This 211.75 acre property sold for \$950,000 in September 2011 indicating a unit price of \$4,486 per acre. This sale included an old barn and small cottage of no value and was essentially a vacant pasture land sale. After an extensive marketing period with a starting price of \$1,750,000, this property sold after being on the market for 317 days and listed for \$1,477,000. The unit price of this sale is considered inferior to that applicable to the subject property. An upward adjustment is indicated for site size. In addition, the listing broker indicated that in his opinion, the sale price was below market due to conditions affecting seller.

Sale Number 6 is located north of the subject off of Lichau Road in Penngrove. This 52.97 acre property sold for \$677,930 in June 2012 and was part of a larger holding being sold off separately pending lot line adjustments. This was essentially a vacant estate home-site with scattered oaks and good views. There was a developed well and approved 4-bedroom perc test. This property is considered superior to the ± 50.00 acre designated subject site. We have made upward adjustments for this sale's superior location and view setting.

Sale Number 7 is located on Petaluma Hill Road between Santa Rosa and Penngrove. This sale included two parcels totaling 79.80 acres with the majority of the acreage being moderate to steep sloping hillside up from Petaluma Hill Road. The gentle slopes along Petaluma Hill Road include open pasture and an old barn. The \$505,000 sale price in June 2012 is similar to that applicable to the subject ± 50.00 acre designated site. We have made an upward adjustment for the subject's superior topography and a downward adjustment for this sale's superior home-site development potential.

Based on our analysis and after making the indicated adjustments, it is our opinion that the ± 50.00 acre designated portion of the subject property has a current market value as of September 5, 2013, the date of inspection, of \$500,000. This equates to ± \$10,000 per acre overall.

FIVE HUNDRED THOUSAND DOLLARS

\$500,000

Fair Market Rent Analysis

Pursuant to your request, we have conducted a survey of comparable rents in the market in order to estimate a current fair rental amount for the subject property. Information was collected from landlords, tenants, realtors, property managers and our personal files. Below is a tabulation of the properties used in our analysis:

Residential Rents

Rent No.	Location	Mo. Rent	Res. Size ±	Bedrms/ Baths	Yr. Blt	Acres Inc	Remarks
1	2570 Whitaker Bluff Rd	1,600	1,536	2/2	1979	1.00	Manufactured home
2	3908 Guerneville Rd	1,550	1,032	2/1	1931	2.50	Detached 2-car garage
3	5002 Llano Rd	1,400	1,788	3/2	1950	1.00	Attached 2-car garage
4	7689 Lakeville Hwy	1,250	1,140	2/1	1925	1.00	1 of 4 detached cottages
Subject	2535 Stage Gulch Rd		± 1,600	3/2	±1940	±2.00	Barns and outbuildings

Pasture Rents

Lease No.	Location	Acres ±	Term	Yearly Rent	Rent/ Ac/Yr	Remarks
1	Lakeville Hwy. Petaluma, CA	280	Year to Year	\$16,800	\$60	No structures, lessor pays all expenses
2	Stage Gulch Rd Petaluma, Ca	520	Year to year	\$18,000	\$35	No structures; lessor maintains Fences, water, etc. Good pasture, 90% open grass.
3	Arnold Drive Sonoma, Ca	1200	Year to year	\$27,500	\$23	No structures; lessor maintains fences, water, etc. Good pasture, 90% open grass
Subject	Stage Gulch Rd, Petaluma, CA	390 50				Barns and outbuildings

The four residential rentals tabulated are all considered good comps. After making adjustments for location, quality and condition of improvements, size and room count etc., it is our opinion that a fair rent for the subject residence and related structures is \$1,500/month.

The three pasture/grazing leases are the best available. During our investigation, strong resistance was met. Lessees were reluctant to volunteer rental information because of the strong demand for pasture among local dairy and beef ranchers. All three properties tabulated are leased by dairymen. The subject has about 390 acres total. We have estimated the subject pasture rent at \$50/acre/year for the 390 acres or \$19,500. This equates to \$1,625 per month.

In conclusion, it is our opinion that a fair monthly rent for the subject property is \$3,125 per month or \$37,500/year.

A fair market rent applicable to the \pm 50.00 acre portion of the subject property has also been analyzed. After making a large upward adjustment for size, it is our opinion that a fair pasture rent applicable to this portion of the subject property would be based on \$100/acre/year. This equates to \$5,000 per year or approximately \$417 per month.

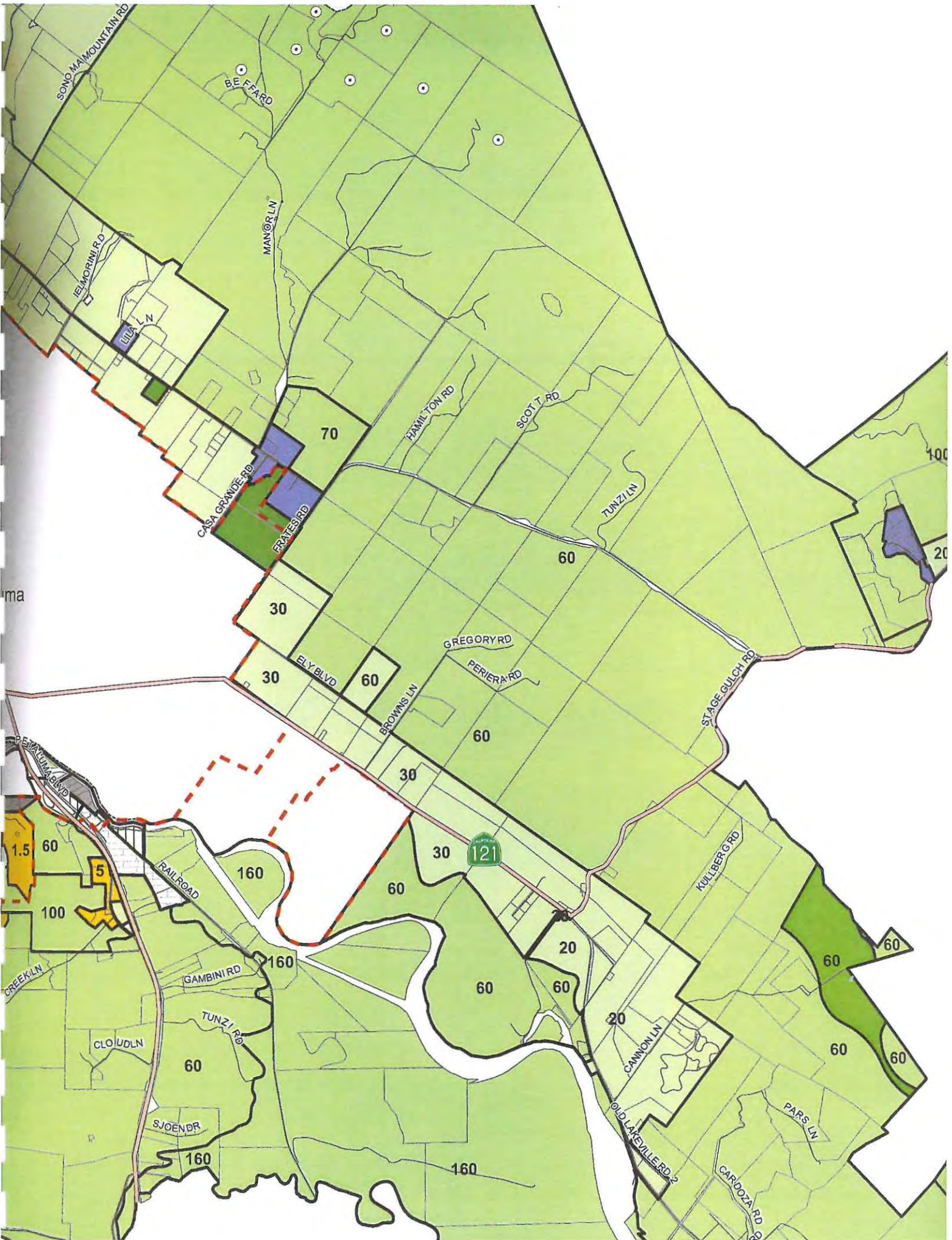
Estimated Exposure and Marketing Times

Exposure time is the length of time the subject property would have been exposed for sale in the market had it sold on the effective valuation date at the concluded market value. Exposure time is always presumed to proceed the effective date of the appraisal. *Marketing time* is an estimate of the amount of time it might take to sell a property at the estimated market value immediately following the effective date of value.

Based on our investigation of the comparable sales as well as interviews with informed market participants, it is our opinion that a reasonable exposure time for the subject property is 6-12 months.

Given the current economic climate and no anticipated change in the near future, it is our opinion that a reasonable marketing period for the subject property would likely be the same as exposure time of 6-12 months.

ADDENDA



Sonoma County, California, Code of Ordinances >> CHAPTER 26 - SONOMA COUNTY ZONING REGULATIONS >> Article 06. LEA Land Extensive Agriculture District. >>

Article 06. LEA Land Extensive Agriculture District.

Sec. 26-06-005. Purpose.

Sec. 26-06-010. Permitted uses.

Sec. 26-06-020. Uses permitted with a use permit.

Sec. 26-06-030. Permitted residential density and development criteria.

Sec. 26-06-005. Purpose.

Purpose: To enhance and protect lands best suited for permanent agricultural use and capable of relatively low production per acre of land; and to implement the provisions of the Land Extensive Agriculture land use category of the General Plan and the policies of the Agricultural Resources Element.

(Ord. No. 5964, § IV, 1-31-2012; Ord. No. 4643, 1993.)

Sec. 26-06-010. Permitted uses.

- (a) On parcels exceeding two (2) acres, raising, feeding, maintaining and breeding of farm animals. When such farming involves animals which are continuously confined, such as veal calves, poultry, hogs and pigs, dairy cows or similar livestock which may result in concentrations of animal waste, the use shall be subject to issuance of a zoning permit based upon written approval of the Sonoma County Health Services Department and the applicable regional water quality control board of a confined animal management plan. Horses, goats, sheep and similar farm animals are not considered to be confined animals for purposes of this chapter. The plan shall include provisions for:
- (1) Containment of waste to the site,
 - (2) Reuse or disposal of waste in accordance with health and/or water quality regulations,
 - (3) Mitigation of potential water quality impacts due to surface runoff of waste,
 - (4) Control of vectors,

In the event that the confined animal use is proposed within five hundred feet (500') of a nonagricultural land use category, it shall require prior approval of a use permit;

- (b) On parcels of two (2) acres or less, raising, feeding, maintaining and breeding of not more than one of the following per twenty thousand (20,000) square feet of area:
- (1) Five (5) hogs or pigs,
 - (2) One (1) horse, mule, cow or steer,
 - (3) Five (5) goats, sheep or similar animals,
 - (4) Fifty (50) chickens or similar fowl,
 - (5) Fifty (50) ducks or geese or one hundred (100) rabbits or similar animals,
 - (6) The above limitations may be modified by the planning director upon submittal of a proposal statement which describes the extent of the domestic farming use and which is signed by the owners of all property within three hundred feet (300') of the subject property. The planning director may require the applicant to obtain a use permit if the director determines that the project might be detrimental to surrounding uses,

- (7) 4-H and FFA animal husbandry projects are permitted without limitation of parcel size; provided, that the parcel contains at least twenty thousand (20,000) square feet and provided further, a letter of project authorization is first submitted by the project advisor. The planning director may require the applicant to obtain a use permit when the director determines that the project might be detrimental to surrounding uses;
- (c) Beekeeping;
- (d) The growing and harvesting of shrubs, plants, flowers, trees, vines, fruits, vegetables, hay, grain and similar food and fiber crops, including wholesale nurseries. Except as noted below, agricultural cultivation shall not be permitted in the following areas:
 - (1) Within one hundred feet (100') from the top of the bank of the Russian River Riparian Corridor,
 - (2) Within fifty feet (50') from the top of the bank of designated flatland riparian corridors,
 - (3) Within twenty-five feet (25') from the top of the bank of designated upland riparian corridors,

Agricultural cultivation may be allowed in those areas set out in subsections (d)(1) through (3) of this section upon approval of a management plan which includes appropriate mitigations for potential erosion, bank stabilization and biotic impacts. This plan may be approved by the planning director or by use permit pursuant to Section 26-06-020(a);

- (e) Agricultural support services involving no more than one (1) employee and occupying no more than one-half (1/2) acre of land and subject, at a minimum to the criteria of General Plan Policies AR-5e and AR-5f. Such services may include incidental sales of products related to the support service use but shall not include additional walk-in, over-the-counter retail sales;

The following factors shall be considered in determining an agricultural support service to be "clearly subordinate to on-site agricultural production" as provided in above Policy AR-5e:

- (1) The geographic area of the lot devoted to the support service use in comparison to that remaining in agricultural production,
 - (2) Whether or not new structures or significant expansion of existing structures are needed to accommodate the support service use,
 - (3) The relative number of employees devoted to the support service use in comparison to that needed for agricultural production,
 - (4) Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations;
- (f) Incidental cleaning, grading, packing, polishing, sizing and similar preparation of crops which are grown on the site, but not including agricultural processing;
 - (g) Temporary or seasonal sales and promotion and incidental storage of crops which are grown or animals which are raised on the site;
 - (h) Residential uses include the following:
 - (1) Single-family detached dwelling unit(s) in accordance with the residential density permitted by the General Plan land use element, or permitted by a "B" combining district, whichever is more restrictive. These unit(s) may be manufactured homes, but only one (1) may be a manufactured home without a permanent foundation, A manufactured home without a permanent foundation shall require prior approval of a zoning permit notice of which shall be posted at least ten (10) days prior to issuance, during which an appeal may be filed and processed pursuant to Section 26-

92-040. Issuance of the zoning permit shall be subject, at a minimum, to the following conditions:

- (i) The manufactured home shall be at least twelve feet (12') in width except those that are owned and occupied on the effective date of the ordinance codified in this chapter,
 - (ii) The manufactured home shall be skirted. All skirting shall be of a type approved by the State of California,
 - (iii) The manufactured home shall have one (1) patio awning with a minimum dimension of nine feet (9') by twenty feet (20') and either a garage, carport or awning with a minimum dimension of ten feet (10') and twenty feet (20') for covered parking,
 - (iv) All manufactured home sites shall be landscaped,
 - (v) The manufactured home shall be occupied by the owner of the property or a relative of the owner;
- (2) One (1) detached farm family dwelling unit per lot, provided that the following requirements are met:
- (i) An agricultural easement having a term equal to the useful life of the structure, but in no event less than twenty (20) years, shall be offered to the county at the time of application,
 - (ii) A covenant shall be recorded, in a form satisfactory to county counsel, which acknowledges that, in the event that the agricultural use is terminated on the property, the farm family dwelling shall become a nonconforming residential use;
- (3) One (1) dwelling unit for full-time agricultural employees for each of the following agricultural uses conducted on the site:
- (i) At least fifty (50) dairy cows, dairy sheep or dairy goats,
 - (ii) At least twenty (20) acres of grapes, apples, pears, prunes,
 - (iii) At least twenty thousand (20,000) broilers, fifteen thousand (15,000) egg-layers, or three thousand (3,000) turkeys,
 - (iv) At least one hundred (100) non-dairy sheep, goats, beef cattle, replacement heifers, or hogs,
 - (v) At least thirty (30) mature horses,
 - (vi) Wholesale nurseries with a minimum of either one (1) acre of propagating greenhouse or outdoor containers or three (3) acres of field-grown plant materials,
 - (vii) Any other agricultural use which the planning director determines to be of the same approximate agricultural value and intensity as Subsections (h)(3)(i) through (vi) of this section;

The dwelling unit(s) may be conventionally built homes or manufactured homes (with or without permanent foundations), provided that manufactured homes without a permanent foundation shall require a zoning permit approved in the manner described in Section 26-06-010(h)(1). Agricultural employee units may be established within designated Class 4 water-scarce areas only where a hydro-geology report, as defined, certifies that the establishment and continuation of the additional residential use will not have significant adverse impacts on local or cumulative groundwater availability or yield,

Prior to the issuance of building or zoning permits for the employee unit(s), the property owner shall place on file with the planning department an affidavit that the unit(s) will be used to house persons employed on the premises for agricultural purposes. Further, a covenant shall be recorded, in a form satisfactory to county counsel, which acknowledges that in the event that the agricultural use is terminated on the property, the agricultural employee dwelling shall become a nonconforming residential use,

- (4) Temporary farm worker camps consisting of up to four (4) self-contained recreational vehicles and/or travel trailers to house persons solely employed on the site for agricultural purposes for less than ninety (90) days, subject to the following:
The property owner must submit a written affidavit to the planning department, stating that the recreational vehicle and/or travel trailer will only be used to house persons solely employed on the site of a bona fide agricultural enterprise. The camp shall be subject to applicable septic regulations. The recreational vehicle or trailer shall be immediately removed from the site when it is no longer occupied by persons who are solely employed on the premises site;
 - (5) Seasonal farmworker housing which meets the standards set forth in Section 26-88-010(l). Seasonal farmworker housing shall also conform to such public health, building and fire safety criteria established by resolution or ordinance of the board of supervisors,
 - (6) Year-round farmworker and extended seasonal housing which meets the standards set forth in Section 26-88-010(o). Year-round and extended seasonal farmworker housing shall also conform to such public health, building, and fire safety criteria as may be established by resolution or ordinance of the board of supervisors,
 - (7) One caretaker unit for properties with seasonal farmworker housing, subject to the provisions of Section 26-88-010(l)(8),
 - (8) One (1) guest house per lot,
 - (9) One (1) travel trailer per lot for use as temporary housing in accordance with Section 26-88-010(q) and provided that a travel trailer administrative permit is obtained and renewed annually,
 - (10) One (1) second dwelling unit per lot, pursuant to Section 26-88-060, provided that the water supply for the second dwelling unit is proposed to be located within a designated Class 1, 2 or 3 groundwater availability area. Second units may be established within designated Class 4 water-scarce areas only where a hydrogeology report, as defined, certifies that the establishment and continuation of the secondary residential use will not have significant adverse impacts on local or cumulative groundwater availability or yield. Second units are not permitted on land subject to a Williamson Act contract;
- (i) The following nonagricultural uses; provided, that the applicant must demonstrate that the use meets a local need, avoids conflict with agricultural activities and is consistent with Objective AR-4.1 and Policy AR-4a of the agricultural resources element:
- (1) Boarding and training of horses subject to issuance of a zoning permit. Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations,
 - (2) Home occupations subject to the requirements of Section 26-88-121 and approval of a zoning permit. Any home occupation use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations,

- (3) Small residential community care facilities, except on land subject to a Williamson Act contract,
- (4) Occasional cultural events, provided that a written notice stating "The Sonoma County Planning Department will issue a zoning permit for a cultural event (state nature and duration) on this property if a written appeal is not received within ten (10) days from the date of this notice." is posted on the property at least ten (10) days prior to issuance of a zoning permit, and no appeal pursuant to Section 26-92-040 has been received from any interested person, and provided that approval is secured from the following departments: Sheriff, Public Health, Fire Services, Building Inspection and Public Works. In the event of an appeal, a hearing on the project shall be held pursuant to Section 26-92-040. Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations,
- (5) Management of land for watershed, for fish and wildlife habitat, fish rearing ponds, hunting and fishing, where these uses are incidental to the primary use,
- (6) Small family day care. Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations,
- (7) Large family day care, provided that the applicant shall meet all performance standards listed in Section 26-88-080, except on land subject to a Williamson Act contract;
- (8) Pet fancier facilities, provided that a pet fancier license is obtained from the division of animal regulation and renewed annually. Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations,
- (9) Public parks,
- (10) Craft sales and garage sales not exceeding two (2) sales days per calendar year provided that prior notification is given to the California Highway Patrol and that adequate off-street parking is provided,
- (11) Attached commercial telecommunication facilities subject to the applicable criteria set forth in Section 26-88-130
- (12) Minor freestanding commercial telecommunication facilities, subject to the applicable criteria set forth in Section 26-88-130, and subject to approval of a zoning permit, including environmental review, for which notice, including a site plan and one (1) elevation with dimensions for such facility, is mailed to adjacent property owners and posted on the subject property at least ten (10) days prior to issuance of the permit and provided that no appeal pursuant to Section 26-92-040 has been received from any interested person. In the event of an appeal, a hearing on the project shall be held pursuant to the above section. Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations,
- (13) Noncommercial telecommunication facilities eighty feet (80') or less in height subject to the applicable criteria set forth in Section 26-88-130. Facilities between forty feet (40') and eighty feet (80') in height are subject to approval of a ministerial zoning permit for which notice is mailed to adjacent property owners and posted on the subject property at least ten (10) days prior to issuance of the permit and provided that no appeal pursuant to Section 26-92-040 has been received from any interested

person. In the event of an appeal, a hearing on the project shall be held pursuant to the above section,

- (14) Small wind energy systems not located within a county-designated Urban Service Area or within two thousand five hundred feet (2,500') of a county-designated Urban Service Area, subject to zoning permit approval and the standards in Section 26-88-135. Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations,
- (15) Non-commercial arts and crafts studios not involving retail or wholesale sales. Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations;
- (j) Accessory buildings and uses appurtenant to the operation of the permitted uses. Accessory buildings may be constructed on vacant parcels of two (2) acres or more in advance of a primary permitted use. On vacant parcels less than two (2) acres, accessory buildings may only be constructed if less than one hundred twenty (120) square feet or as incidental to an existing agricultural use. Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations;
- (k) Minor timberland conversions, subject to compliance with the requirements of Section 26-88-140
- (l) Other nonresidential uses which in the opinion of the planning director are of a similar and compatible nature to those uses described in this section;
- (m) Bed and breakfast inns, containing not more than one (1) guest room, contained within a single-family dwelling, subject to the issuance of a zoning permit. No bed and breakfast inn shall displace nor interfere with any existing agricultural use on the property. No bed and breakfast inn shall be located on land under Williamson Act contract. Food service shall be limited to breakfast served to inn guests only, and shall be subject to the approval of the Sonoma County department of health services. No weddings, lawn parties or similar activities shall be permitted. No outdoor amplified sound shall be permitted. At least ten (10) days prior to issuance of a zoning permit pursuant to this subsection, a written notice stating "The Sonoma County permit and resource management department will issue a zoning permit for a one guest room bed and breakfast inn on the property located at [address and APN] if a written appeal is not received within ten (10) days from the date of this notice" shall be posted on the subject parcel and shall be mailed or delivered to all owners of real property as shown on the latest equalized assessment roll within three hundred feet (300') of the subject parcel. If no written appeal is received during the ten (10) day period following the posting and mailing or delivery of notice, a zoning permit shall be issued if the proposed inn satisfies the requirements of this subsection. In the event of a timely appeal, a hearing on the proposed inn shall be held before the board of zoning adjustments pursuant to Section 26-92-040 and the proposed inn shall be evaluated under the provisions of this subsection and the standards set forth in Section 26-92-080
- (n) Vacation rentals subject to issuance of a zoning permit and conformance with the standards in Section 26-88-120, except on lands under a Williamson Act contract;
- (o) Agricultural farmstays, subject to issuance of a zoning permit and the standards set forth in Section 26-88-085. Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations.

- (p) Non-commercial composting when the source materials are obtained primarily onsite and the product is used to amend soils onsite or on adjacent parcels owned or operated by same property owner.

(Ord. No. 5964, § IV, 1-31-2012; Ord. No. 5908, § II, 11-9-2010; Ord. No. 5569 § 7, 2005; Ord. 5415 § 2(f), 2003; Ord. 5429 § 3(a), 2003; Ord. No. 5361 § 2(b), 2002; Ord. No. 5342 § 4, 2002; Ord. No. 5265 § 1(f), 2001; Ord. No. 5016 § 1(B), 1997; Ord. No. 4985 § 1(b), 1996; Ord. No. 4973 § 3(a), 1996; Ord. No. 4723 § 1(c), 1993; Ord. No. 4653 § 1(d), 1993; Ord. No. 4643, 1993.)

Sec. 26-06-020. Uses permitted with a use permit.

- (a) Agricultural cultivation in the following areas, for which a management plan has not been approved pursuant to Section 26-06-010(d):
- (1) Within one hundred feet (100') from the top of the bank in the Russian River Riparian Corridor,
 - (2) Within fifty feet (50') from the top of the bank in designated flatland riparian corridors,
 - (3) Within twenty-five feet (25') from the top of the bank in designated upland riparian corridors;
- (b) Livestock feed yards, animal sales yards;
- (c) Commercial mushroom farming;
- (d) Commercial stables not permitted under Section 26-06-010(i)(1), riding academies, and equestrian riding clubs. Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations;
- (e) Commercial aquaculture, provided that, at a minimum, the use does not adversely affect biotic resources and does not take place on prime soils;
- (f) Agricultural support services with more than one (1) employee or occupying more than one-half acre of land, but otherwise subject to the same criteria as Section 26-06-010(e); Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations;
- (g) Preparation of agricultural products which are not grown on site, processing of agricultural products of a type grown or produced primarily on site or in the local area, storage of agricultural products grown or processed on site, and bottling or canning of agricultural products grown or processed on site, subject, at a minimum, to the criteria of General Plan Policies AR-5c and AR-5g;
- (h) Slaughterhouses, animal processing plants, rendering plants, fertilizer plants or yards which serve agricultural production in the local area and subject, at a minimum, to the criteria of General Plan Policies AR-5c and AR-5g. Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations;
- (i) Retail nurseries involving crops/plants which are not grown on the site, except on land subject to a Williamson Act contract;
- (j) Tasting rooms and other temporary, seasonal or year-round sales and promotion of agricultural products grown or processed in the county subject to the minimum criteria of General Plan Policies AR-6d and AR-6f. This Subsection shall not be interpreted so as to require a use permit for uses allowed by Section 26-06-010(g);
- (k) Promotional or marketing accommodations for private guests, provided that the use, at a minimum, meets all of the following criteria:
- (1) The use promotes or markets agricultural products grown or processed on the site,

- (2) The scale of the use is appropriate to the production and/or processing use on the site,
 - (3) The use complies with General Plan Policies AR-6d and AR-6g,
 - (4) No commercial use of private guest accommodations is allowed,
 - (5) Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations;
- (l) Dwelling unit(s) for full-time agricultural employees which are transferred from another lot within this district and which are under the same ownership as the subject property. The number of units allowed shall be determined by the standards in Section 26-06-010(h)(3). The units shall be located on the receiving parcel such that they are closer to the primary dwelling unit than to the property line;
 - (m) Temporary farm worker camps not permitted by Section 26-06-010(h);
 - (n) Seasonal farmworker housing that does not meet the road access, occupancy, or setback standards of Section 26-88-010(l);
 - (o) Year-round and extended seasonal farmworker housing that does not meet the road access, occupancy limits, parcel size, or setback standards of Section 26-88-010(o);
 - (p) The following nonagricultural uses; provided, that the applicant must demonstrate that the use meets a local need, avoids conflict with agricultural activities and is consistent with Objective AR-4.1 and Policy AR-4a of the agricultural resources element:
 - (1) Game preserves, refuges, and hunting clubs. Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations,
 - (2) Public schools; private nursery, primary and secondary schools; places of religious worship; and places of public or community assembly, all subject, at a minimum, to the criteria of General Plan Policy LU-6e, except in lands subject to a Williamson Act contract,
 - (3) Campgrounds with a maximum of thirty (30) sites; provided, that the subject area is not under a Williamson Act contract, and subject, at a minimum, to the criteria of General Plan Policy AR-6f.
 - (4) Cemeteries, except on land subject to a Williamson Act contract,
 - (5) Commercial kennels. Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations,
 - (6) Private landing strips. On land subject to a Williamson Act contract, such use shall be limited to that necessary for aircraft dedicated to aerial spraying and other agricultural purposes and not for private passenger aircraft for personal convenience and transportation,
 - (7) Bed and breakfast inns, containing not more than five (5) guest rooms, subject to Article 82 (Design Review), Article 86 (Parking Regulation), and the criteria of General Plan Policy AR-6 f. No bed and breakfast inn shall displace nor interfere with any existing agricultural use on the property. No bed and breakfast inn shall be located on land under Williamson Act contract. Food service shall be limited to breakfast served to inn guests only, and shall be subject to the approval of the Sonoma County department of health services. Weddings, lawn parties or similar activities may be allowed if specifically authorized by the use permit. No outdoor amplified sound shall be permitted at any time. No bed and breakfast inn shall include the use of more than

one (1) single-family dwelling and one (1) accessory structure for transient occupancy. No more than two (2) of the five (5) guest rooms allowed by this section may be located in the accessory structure, if any. If an accessory structure is used for transient occupancy, the total floor area available for use by guests, including guest rooms and common areas, shall not exceed six hundred forty (640) square feet. There shall be no internal doorway or passage between the area available for use by guests and any remaining area of the accessory structure,

- (8) Minor public service uses or facilities (transmission and distribution lines and telecommunication facilities excepted), including, but not limited to reservoirs, storage tanks, pumping stations, and transformer stations. Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations,
- (9) Fire and police stations and training centers, service yards and parking lots which, at a minimum, meet the criteria of General Plan Policy PF-2(t) and which are not otherwise exempt by state law. Such facilities are not permitted on land subject to a Williamson Act contract;
- (10) Intermediate and major freestanding commercial telecommunication facilities subject at a minimum to the applicable criteria set forth in Section 26-88-130. Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations,
- (11) Noncommercial telecommunication facilities greater than eighty feet (80') in height subject at a minimum to the applicable criteria set forth in Section 26-88-130
- (12) Exploration and development of low temperature geothermal resources for other than power development purposes, provided that, at a minimum, it is compatible with surrounding land uses. Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations,
- (13) Application of clean dredge material or biosolids from wastewater treatment plants subject, at a minimum, to the criteria of General Plan Policies PF-2 s
- (14) Granges and similar community service facilities which do not adversely impact agriculture in the area. Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations;
- (15) Large residential community care facility, except on land subject to a Williamson Act contract,
- (16) Day care center, except on land subject to a Williamson Act contract,
- (17) Reserved,
- (18) Golf courses and driving ranges shall be at the sole discretion of the county and subject, at a minimum, to the following criteria:
 - (i) The proposed use is adjacent to a designated urban service boundary or includes an irrevocable offer of offsite unutilized development rights for all lands between the use and the urban service boundary,
 - (ii) Permanent open space or agricultural preservation is provided for the site of the proposed use and all areas for which development rights are acquired,
 - (iii) The use is located in close proximity to an existing wastewater treatment facility and includes the use of reclaimed wastewater in accordance with the regulations of the applicable regional water quality control agency,

- (iv) The use is subject to design review approval and includes setbacks, buffers or other measures designed to minimize its impact on existing and potential agricultural uses in the area,
- (v) Under no circumstances shall housing be included as part of the use, provided that a caretaker unit may be considered,
- (vi) The use must be compatible with and not result in limitations on any agricultural operation,
- (vii) The use shall not be conducted on lands subject to a Williamson Act contract or included in a timber production zone,
- (viii) Facilities associated with the golf course and/or driving range shall be limited to those which serve golfers on the course or range, such as locker and shower facilities, pro shop with incidental sales of golfing equipment, snack bar and maintenance operations. Such facilities shall not include restaurants, other retail sales, lodging or similar uses,
- (ix) Driving ranges shall not be operated during nighttime hours.

In the event that the above uses are proposed within a designated community separator, the criteria established by General Plan Policy OSRC-1c shall supersede the above criteria.

- (19) Craft sales and garage sales involving three (3) or four (4) sales days per year,
- (20) Small wind energy systems located within a county-designated urban service area or within two thousand five hundred feet (2,500') of a county-designated Urban Service Area, subject to the standards in Section 26-88-135. Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations,
- (21) Commercial composting facilities incidental to the agricultural use, subject to Policy AR-4a of General Plan agricultural resources element. Any such use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations.
- (q) Vacation rentals subject to the standards in Section 26-88-120, except on lands under a Williamson Act contract;
- (r) Live/work uses in conjunction with a legally established single family residential unit subject to the requirements of Section 26-88-122. Any live/work use on a parcel under a Williamson Act contract must be consistent with Government Code Section 51200 et seq. (the Williamson Act) and local rules and regulations;
- (s) Other nonresidential uses which in the opinion of the planning director are of a similar and compatible nature to those uses described in Section 26-06-020

(Ord. No. 5964, § IV, 1-31-2012; Ord. No. 5908, § II, 11-9-2010; Ord. No. 5569 § 7, 2005; Ord. No. 5435 § 2(c), 2003; Ord. No. 5429 § 3, 2003; Ord. No. 5361 § 2(j), 2002; Ord. No. 5342 § 5, 2002; Ord. No. 5265, § 1(c), 2001; Ord. 4973 § 3(b), 1996; Ord. No. 4781 § 2(B), 1994; Ord. No. 4643, 1993; Ord. No. 3662)

Sec. 26-06-030. Permitted residential density and development criteria.

The use of land and structures within this district is subject to this article, the general regulations of this chapter, and the provisions of any district which is combined herewith. Policies and criteria of the General Plan and any applicable specific or area plan or local area development guidelines shall supersede the standards herein.

- (a)

Density. Residential density shall be between sixty (60) and three hundred twenty (320) acres per dwelling unit as shown in the General Plan land use element or permitted by a B combining district, whichever is more restrictive. However, dwelling units described in Section 26-06-010(h)(2) through (7) inclusive may be permitted in addition to the residential density.

- (b) **Minimum Lot Size.** Except on land subject to a Williamson Act contract, the minimum lot size for creation of new parcels shall be 1.5 acres, provided that it shall also meet the criteria of General Plan Policies AR-8c and AR-3b. In such cases where lots are clustered, a protective easement shall be applied to the remaining large parcel(s) which indicates that density has been transferred to the clustered area. On parcels subject to a Williamson Act contract, the minimum parcel size shall conform to the requirements of the contract type and General Plan Policy AR-8c.
- (c) **Minimum Lot Width.** The minimum average lot width within each lot is one hundred twenty-five feet (125').
- (d) **Maximum Building Height.**
 - (1) Thirty-five feet (35') except that agricultural buildings and structures may reach up to fifty feet (50'). Additional height may be permitted provided that site plan approval in accordance with Article 82 is first secured,
 - (2) Maximum height for telecommunication facilities is subject to the provisions of this article and Section 26-88-130
- (e) **Maximum Lot Coverage.**
 - (1) On parcels of two acres in size or less: twenty percent (20%);
 - (2) On parcels greater than two acres up to and including five acres in size: 18,000 SF or fifteen percent (15%), whichever is greater;
 - (3) On parcels greater than five acres up to and including 20 acres in size: 30,000 SF or ten percent (10%), whichever is greater; and
 - (4) On parcels greater than 20 acres in size: 85,000 SF or five percent (5%), whichever is greater.

Exceptions may be allowed by the planning director for commercial greenhouses, large animal operations, and buildings required for the farm operation to meet water quality or other environmental protection regulations.

- (f) **Yard Requirements.**
 - (1) **Front or Street Side Yard.** Thirty feet (30') except where combined with any B district and in no case shall the setback be less than fifty-five feet (55') from the centerline of all roads and streets, except as may be otherwise indicated on the district maps,
 - (2) **Side Yard.** Minimum ten feet (10'), except that in the case of a corner lot, the street side yard shall be the same as the front yard,
 - (3) **Rear Yard.** Twenty feet (20'),
 - (4) Watering troughs, feed troughs, accessory buildings used for the housing or maintenance of farm animals and accessory buildings and runs used for the housing or maintenance of kennel animals shall be located at least fifty feet (50') from the front property line, twenty feet (20') from any side or rear property line, and thirty feet (30') from any dwelling on the adjacent property,
 - (5) No garage or carport opening facing the street shall be located less than twenty feet (20') from any exterior property line, except that where twenty-five percent (25%) or more of the lots on any one block or portion thereof in the same

zoning district have been improved with garages or carports, the required front yard may be reduced to a depth equal to the average of the front yards of the such garages or carports. However, in no case shall the front yards be reduced to less than ten feet (10'). Further, the permit and resource management department director may require a use permit if the reduction might result in a traffic hazard,

Notwithstanding the above, if a residence is elevated to meet flood requirements, the space underneath the structure may be utilized for a garage or carport if it will meet building codes, even if the ten foot (10') to twenty foot (20') setback cannot be met, subject to approval of Administrative Design Review,

- (6) Cornices, eaves, canopies, bay windows, fireplaces and/or other cantilevered portions of structures, and similar architectural features may extend two feet (2') into any required yard. The maximum length of the projections shall not occupy more than one-third of the total length of the wall on which it is located. Uncovered porches, fire escapes or landing places may extend six feet (6') into any required front or rear yard and three feet (3') into any required side yard,
- (7) Where twenty-five percent (25%) or more of the lots on any one (1) block or portion thereof in the same zoning district have been improved with buildings, the required front yard may be reduced to a depth equal to the average of the front yards of the improved lots, subject to the limitations of Section 26-06-030 (f)(5),
- (8) Accessory buildings may be constructed within the required yards on the rear half of the lot; provided, that such building(s) shall not occupy more than thirty percent (30%) of the width of any rear yard. Such accessory buildings shall not be located closer than ten feet (10') to the main buildings on adjacent lots. Notwithstanding the foregoing, swimming pools may occupy more than thirty percent (30%) of the width of any rear yard. A minimum of three feet (3') shall be maintained between the wall of a pool and the rear and side property lines, and from the main building on the same lot. Conventional pool accessory equipment (pump, filters, etc.) shall be exempt from setback restrictions. Additional setbacks may be required under the California Building Code.
- (9) The yard requirements of subsections (f)(1) and (2) of this section may be reduced up to fifty percent (50%) for agricultural buildings and structures if necessary for efficient farming operation.
- (g) In compliance with applicable sections of the State Subdivision Map Act and the subdivision ordinance, a two (2)-way division of a parcel of land that is currently subject to a Williamson Act contract may be allowed, if all of the following apply:
 - (1) The resulting parcel is to be sold or leased for agricultural employee ("farmworker") housing, and is not more than five () acres in size. For the purpose of this section, "agricultural employee" shall have the same meaning as defined by subdivision (b) of Section 1140.4 of the Labor Code,
 - (2) The parcel shall be sold or leased to a nonprofit organization, a city, a county, a housing authority, or a state agency, for the sole purpose of the provision and operation of farmworker housing. A lessee that is a nonprofit organization shall not sublease that parcel without the written consent of the landowner, and shall notify the county of such sublease,
 - (3)

The parcel to be sold or leased shall be subject to a deed restriction that limits the use of the parcel to farmworker housing facilities for not less than thirty (30) years. The deed restriction shall also provide, through reversionary or similar provision, that the parcel shall automatically revert to and be merged with the parcel from which it was subdivided when the parcel ceases to be used for farmworker housing for a period of more than one (1) year. The deed restriction shall be in a form satisfactory to county counsel.

- (4) There is a written agreement between the parties to the sale or lease of the parcel and their successors to operate the parcel to be sold or leased under joint management of the parties, subject to the terms and conditions and for the duration of the Williamson Act contract,
- (5) The parcel to be sold or leased is contiguous to one (1) or more parcels that are located within a designated urban service area, and which are zoned for and developed with urban residential, commercial, or industrial land uses,
- (6) The farmworker housing project is provided pursuant to Section 26-88-010(l) (Seasonal farmworker housing) or Section 26-88-010(o) (Year-round and extended seasonal farmworker housing), and includes provisions designed to minimize potential impacts on surrounding agricultural and rural residential land uses.

A subdivision of land pursuant to this section shall not affect any Williamson Act contract executed pursuant to Article 3 (commencing with Section 51240) of the Government Code, and the parcel to be sold or leased shall remain subject to that contract.

(Ord. No. 5964, § IV, 1-31-2012; Ord. No. 5711 § 7 (Exh. H), 2007; Ord. No. 5569 § 9, 2005; Ord. No. 4973 § 3(c), 1996; Ord. No. 4927 §§ 1, 6, 11, 1996; Ord. No. 4643, 1993; Ord. No. 3932.)

Sonoma County, California, Code of Ordinances >> CHAPTER 26 - SONOMA COUNTY ZONING REGULATIONS >> Article 78. B Combining Districts. >>

Article 78. B Combining Districts.

Sec. 26-78-005. Purpose.

Sec. 26-78-010. Generally.

Sec. 26-78-005. Purpose.

Purpose: to specify residential density and/or minimum parcel or lot size for a particular parcel, lot or area

(Ord. No. 4643, 1993.)

Sec. 26-78-010. Generally.

The following regulations shall apply to the respective B districts:

Combining	
District:	Requirements:
B6	The adopted zoning maps shall specify the maximum permitted density, determined by gross acreage for all residential uses. Minimum front, side and rear yard requirements and the minimum parcel or lot size, if not otherwise specified, shall conform to the base district with which the B6 district is combined unless specifically approved otherwise by the planning commission.
B7	Minimum parcel or lot size shall be as specified on the recorded final or parcel maps and the parcels or lots shall not be further subdivided. The B7 combining district signifies that the lot has been frozen in order to restrict further subdivision of large remaining parcels left after approval of a clustered subdivision as provided in general plan Policy LU-6c. A lot line adjustment may be applied for, processed, and approved pursuant to <u>Chapter 25</u> of the Sonoma County Code and this chapter. Minimum front, side and rear yard requirements shall conform to the base district with which the B7 district is combined unless specifically approved otherwise by the planning commission.
B8	Minimum parcel or lot size shall be as specified on the recorded final or parcel map and the parcels or lots shall not be further subdivided. The B8 combining district signifies that the lot has been frozen for one of the following reasons:
	1. The property is designated rural residential on the general plan land use map, but is subject to a Williamson Act contract;
	2. The property lies within the designated urban service boundary surrounding a city where the county intends to limit urban development until annexation or similar occurrence pursuant to a general plan area policy;
	3. The property is subject to a specific plan or area plan policy where the county intends to limit urban development for the reasons set forth in the applicable plan.

A lot line adjustment may be applied for, processed, and approved pursuant to Chapter 25 of the Sonoma County Code and this chapter. Minimum front, side and rear yard requirements shall conform to the base district with which the B8 district is combined unless specifically approved otherwise by the planning commission.

(Ord. No. 4643, 1993.)

Sonoma County, California, Code of Ordinances >> CHAPTER 26 - SONOMA COUNTY ZONING REGULATIONS >> Article 76. Z Second Unit Exclusion Combining District. >>

Article 76. Z Second Unit Exclusion Combining District.

Sec. 26-76-005. Purpose.

Sec. 26-76-010. Permitted uses.

Sec. 26-76-005. Purpose.

Purpose: the purpose of this district is to provide for the exclusion of second units in the following areas:

- (a) Areas where there is an inadequate supply of water for drinking or firefighting purposes;
- (b) Areas where there are inadequate sewer services or danger of groundwater contamination;
- (c) Areas where the addition of second units would contribute to existing traffic hazards or increase the burden on heavily impacted streets, roads or highways; and
- (d) Areas where, because of topography, access or vegetation, there is a significant fire hazard.

(Ord. No. 4643. 1993.)

Sec. 26-76-010. Permitted uses.

All uses permitted in the respective district with which the Z district is combined shall be permitted in the Z district, except for the establishment, placement or construction of a second unit otherwise authorized by Section 26-92-040.

(Ord. No. 4643. 1993.)

Sonoma County, California, Code of Ordinances >> CHAPTER 26 - SONOMA COUNTY ZONING REGULATIONS >> Article 67. VOH Valley Oak Habitat Combining District. >>

Article 67. VOH Valley Oak Habitat Combining District.

Sec. 26-67-005. Purpose.

Sec. 26-67-010. Interpretation.

Sec. 26-67-020. Permitted uses.

Sec. 26-67-030. Mitigation required—Exceptions.

Sec. 26-67-040. Design review approval.

Sec. 26-67-050. Penalty for violation of article.

Sec. 26-67-005. Purpose.

Purpose: to protect and enhance valley oaks and valley oak woodlands and to implement the provisions of Section 5.1 of the general plan resource conservation element.

(Ord. No. 4991 § 1(h), 1996.)

Sec. 26-67-010. Interpretation.

The provisions of this article shall be liberally construed to effectuate the purpose of this article. Where a provision of this article conflicts with another provision of this chapter or this code, the more restrictive provision shall prevail.

(Ord. No. 4991 § 1(h), 1996.)

Sec. 26-67-020. Permitted uses.

All uses permitted within the respective district with which the VOH district is combined shall be permitted in the VOH district, subject to the provisions of this article.

(Ord. No. 4991 § 1(h), 1996.)

Sec. 26-67-030. Mitigation required—Exceptions.

- (a) Except as provided in subsection (b), when any person cuts down or removes any large valley oak, or any small valley oaks having a cumulative diameter at breast height greater than sixty inches (60"), on any property within the VOH district, such person shall mitigate the resulting valley oak loss by one of the following measures: (1) retaining other valley oaks on the subject property, (2) planting replacement valley oaks on the subject property or on another site in the county having the geographic, soil, and other conditions necessary to sustain a viable population of valley oaks, (3) a combination of measures (1) and (2), or (4) paying an in-lieu fee, which shall be used exclusively for valley oak planting programs in the county. Such person shall have the sole discretion to determine which mitigation measure to use to mitigate the valley oak loss. The requirements for each mitigation measure are specified in Table 26-67-030. The selected mitigation measure shall be undertaken and completed within one (1) year after the valley oak or valley oaks are cut down or removed in accordance with guidelines established by resolution or ordinance of the board of supervisors.

- (b)

This section shall not apply to the cutting down or removal of any valley oak within the VOH district that is (1) determined necessary by emergency personnel engaged in emergency procedures, (2) dead or irretrievably damaged or destroyed by causes beyond the property owner's control, including, without limitation, fire, flood, wind, lightning, or earth movement, or (3) part of a development project subject to the provisions of Section 26-67-040

TABLE 26-67-030

MITIGATION REQUIREMENTS FOR CUTTING DOWN OR REMOVING VALLEY OAKS WITHIN THE VOH DISTRICT

LARGE VALLEY OAKS				
Diameter at Breast Height of Large Valley Oak Being Cut Down or Removed	Valley Oak Retention Requirement ¹	Valley Oak Replacement Requirement ²	Valley Oak Retention and Replacement Requirement ²	In-Lieu Fee Requirement
Greater than 20 inches	Retain 1 or more trees having a cumulative diameter at breast height equal to or greater than the diameter at breast height being cut down or removed	Plant 16 trees	Retain 1 or more trees having a cumulative diameter at breast height equal to or greater than one-half the diameter at breast height being cut down or removed and plant 8 trees	\$ 50.00

All retained trees shall be valley oaks.

All replacement trees shall be valley oak acorns, seedlings, saplings, or container grown stock.

SMALL VALLEY OAKS				
Cumulative Diameter at Breast Height of Small Valley Oaks Being Cut Down or Removed	Valley Oak Retention Requirement ¹	Valley Oak Replacement Requirement ²	Valley Oak Retention and Replacement Requirement ²	In-Lieu Fee Requirement
60 inches of less	None	None	None	None
Greater than 60 inches up to and including 80 inches	Retain 1 or more trees having a cumulative diameter at breast height equal to or greater than the cumulative diameter at breast height being cut down or removed	Plant 16 trees	Retain 1 or more trees having a cumulative diameter at breast height equal to or greater than the cumulative diameter at breast height being cut down or removed and plant 8 trees	\$ 50.00
Greater than 80 inches up to and including 100 inches	Retain 1 or more trees having a cumulative diameter	Plant 20 trees	Retain 1 or more trees having a cumulative diameter	\$ 75.00

	at breast height equal to or greater than the cumulative diameter at breast height being cut down or removed		at breast height equal to or greater than the cumulative diameter at breast height being cut down or removed and plant 10 trees	
Greater than 100 inches up to and including 120 inches	Retain 1 or more trees having a cumulative diameter at breast height equal to or greater than the cumulative diameter at breast height being cut down or removed	Plant 24 trees	Retain 1 or more trees having a cumulative diameter at breast height equal to or greater than the cumulative diameter at breast height being cut down or removed and plant 12 trees	\$100.00
Greater than 120 inches up to and including 140 inches	Retain 1 or more trees having a cumulative diameter at breast height equal to or greater than the cumulative diameter at breast height being cut down or removed	Plant 28 trees	Retain 1 or more trees having a cumulative diameter at breast height equal to or greater than the cumulative diameter at breast height being cut down or removed and plant 14 trees	\$125.00
Greater than 140 inches	Retain 1 or more trees having a cumulative diameter at breast height equal to or greater than the cumulative diameter at breast height being cut down or removed	Plant 32 trees plus additional 4 trees for each 20 inches of cumulative diameter at breast height being cut down or removed over 140 inches	Retain 1 or more trees having a cumulative diameter at breast height equal to or greater than the cumulative diameter at breast height being cut down or removed and plant 16 trees, plus additional 2 trees for each 20 inches of cumulative diameter at breast height being cut down or removed over 140 inches	\$150.00, plus additional \$25.00 for each 20 inches of cumulative diameter at breast height being cut down or removed over 140 inches

All retained trees shall be valley oaks.

All replacement trees shall be valley oak acorns, seedlings, saplings, or container grown stock.

(Ord. No. 4991 § 1(h), 1996.)

Sec. 26-67-040. Design review approval.

Where any development project within the VOH district is subject to design review pursuant to another provision of this chapter, the design review approval shall include measures to protect and enhance valley oaks on the project site in accordance with guidelines adopted by resolution or ordinance of the board of supervisors. Such measures shall include, but not be limited to, a requirement that valley oaks shall comprise a minimum of fifty percent (50%) of the required landscape trees for the development project.

(Ord. No. 4991 § 1(h), 1996.)

Sec. 26-67-050. Penalty for violation of article.

Any person who knowingly fails to comply with the mitigation or design review requirements of this article shall be required to mitigate any valley oak loss at five (5) times the rate otherwise required by this article.

(Ord. No. 4991 § 1(h), 1996.)

Sonoma County, California, Code of Ordinances >> CHAPTER 26 - SONOMA COUNTY ZONING REGULATIONS >> Article 64. SR Scenic Resources Combining District. >>

Article 64. SR Scenic Resources Combining District.

Sec. 26-64-005. Purpose.

Sec. 26-64-010. Development criteria.

Sec. 26-64-020. Community separators and scenic landscape units.

Sec. 26-64-030. Scenic corridors.

Sec. 26-64-040. Telecommunication facilities in the SR district.

Sec. 26-64-050. Design review approval.

Sec. 26-64-005. Purpose.

Purpose: to preserve the visual character and scenic resources of lands in the county and to implement the provisions of Sections 2.1, 2.2 and 2.3 of the general plan open space element.

(Ord. No. 4643, 1993.)

Sec. 26-64-010. Development criteria.

Maximum building heights, minimum lot areas and lot widths, yard requirements and maximum percentages of lot coverage shall comply with the requirements for the districts with which the SR regulations are combined unless otherwise provided herein.

(Ord. No. 4643, 1993.)

Sec. 26-64-020. Community separators and scenic landscape units.

(a) All structures, except certain telecommunications facilities as provided for in Section 26-64-040, located within community separators and scenic landscape units illustrated on Figures OS-5a through OS-5i, inclusive, of the general plan open space element and included within the SR district shall be subject to the following criteria:

- (1) Structures shall be sited below exposed ridgelines;
- (2) Structures shall use natural landforms and existing vegetation to screen them from view from public roads. On exposed sites, screening with native, fire resistant plants may be required;
- (3) Cuts and fills are discouraged, and where practical, driveways are screened from public view;
- (4) Utilities are placed underground where economically practical;

The above criteria shall not apply to agricultural accessory structures which do not require a use permit in the district with which this district is combined.

In the event that compliance with these standards would make a parcel unbuildable, structures shall be sited where minimum visual impacts would result.

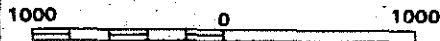
(b) In addition to the criteria listed in subsection (a) of this section, the following standards shall apply to subdivisions within community separators and scenic landscape units and included within the SR district unless otherwise provided herein:

- (1) Building envelopes shall be established for structures. Use of height limitations should be considered, if necessary to further mitigate visual impacts;

To determine if flood insurance is available, contact an insurance agent or call the National Flood Insurance Program at (800) 638-6620.



APPROXIMATE SCALE IN FEET

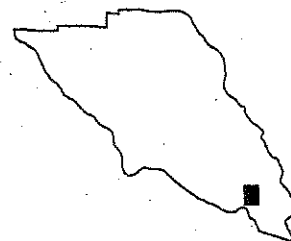


NATIONAL FLOOD INSURANCE PROGRAM

FIRM
FLOOD INSURANCE RATE MAP

**SONOMA COUNTY,
CALIFORNIA**
(UNINCORPORATED AREAS)

PANEL 985 OF 1125
(SEE MAP INDEX FOR PANELS NOT PRINTED)



PANEL LOCATION

COMMUNITY-PANEL NUMBER
060375 0985 B

MAP REVISED:
APRIL 2, 1991



Federal Emergency Management Agency

LEGEND

SPECIAL FLOOD HAZARD AREAS INUNDATED BY 100-YEAR FLOOD

- ZONE A** No base flood elevations determined.
- ZONE AE** Base flood elevations determined.
- ZONE AH** Flood depths of 1 to 3 feet (usually areas of ponding); base flood elevations determined.
- ZONE AO** Flood depths of 1 to 3 feet (usually sheet flow on sloping terrain); average depths determined. For areas of alluvial fan flooding, velocities also determined.
- ZONE A99** To be protected from 100-year flood by Federal flood protection system under construction; no base elevations determined.
- ZONE V** Coastal flood with velocity hazard (wave action); no base flood elevations determined.
- ZONE VE** Coastal flood with velocity hazard (wave action); base flood elevations determined.





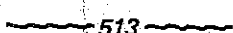
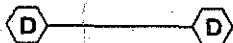
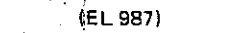

FLOODWAY AREAS IN ZONE AE

OTHER FLOOD AREAS

- ZONE X** Areas of 500-year flood; areas of 100-year flood with average depths of less than 1 foot or with drainage areas less than 1 square mile; and areas protected by levees from 100-year flood.

OTHER AREAS

- ZONE X** Areas determined to be outside 500-year flood plain.
- ZONE D** Areas in which flood hazards are undetermined.

-  Flood Boundary
-  Floodway Boundary
-  Zone D Boundary
-  Boundary Dividing Special Flood Hazard Zones, and Boundary Dividing Areas of Different Coastal Base Flood Elevations Within Special Flood Hazard Zones.
-  Base Flood Elevation Line; Elevation in Feet*
-  Cross Section Line
-  (EL 987) Base Flood Elevation in Feet Where Uniform Within Zone*
-  RM7_X Elevation Reference Mark

*Referenced to the National Geodetic Vertical Datum of 1929

NOTES

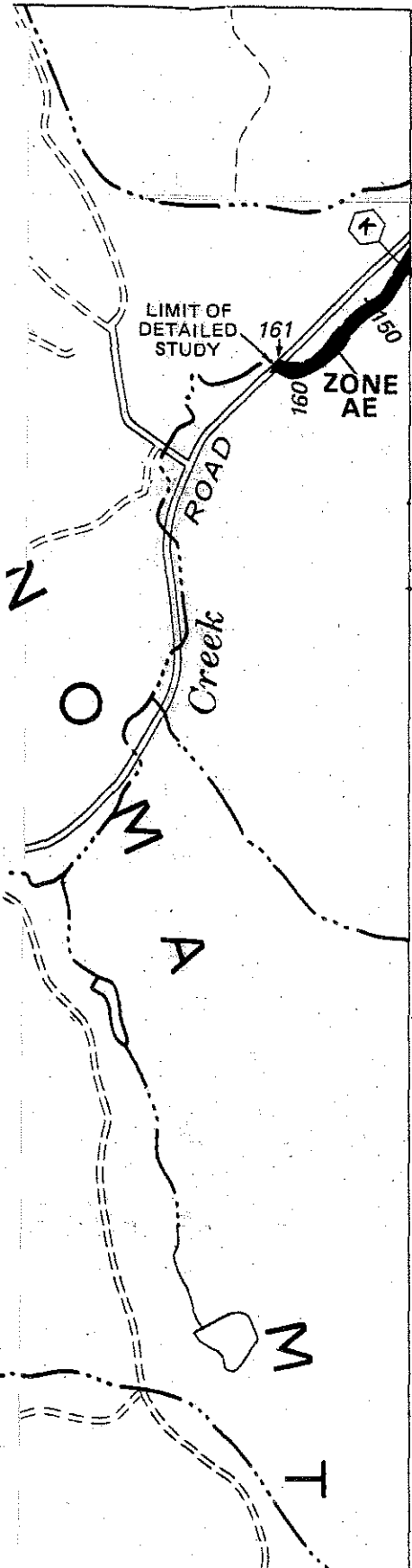
This map is for use in administering the National Flood Insurance Program; it does not necessarily identify all areas subject to flooding, particularly from local drainage sources of small size, or all planimetric features outside Special Flood Hazard Areas.

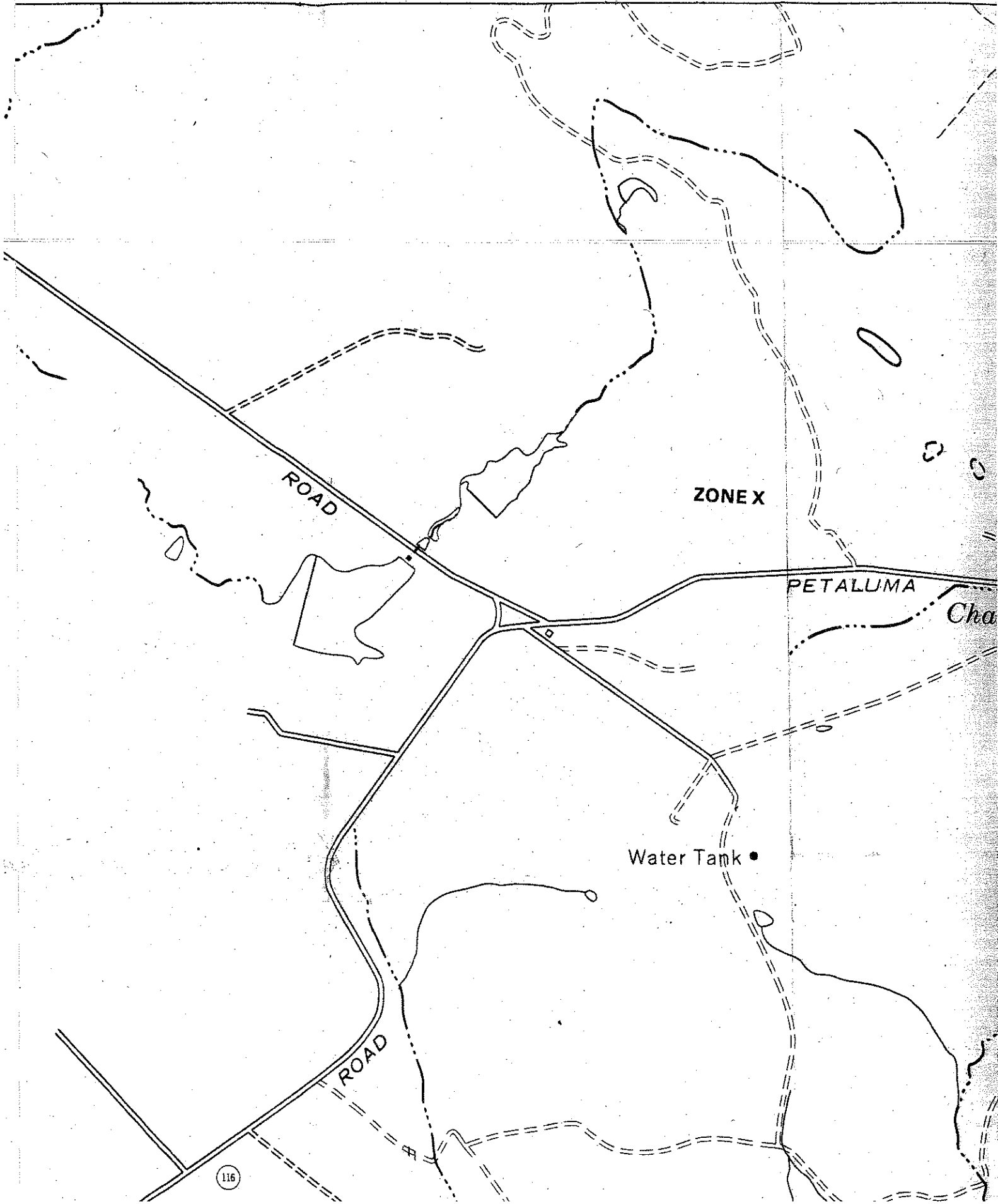
Areas of special flood hazard (100-year flood) include Zones A, A1-30, AE, AH, AO, A99, V, V1-30 AND VE.

Certain areas not in Special Flood Hazard Areas may be protected by flood control structures.

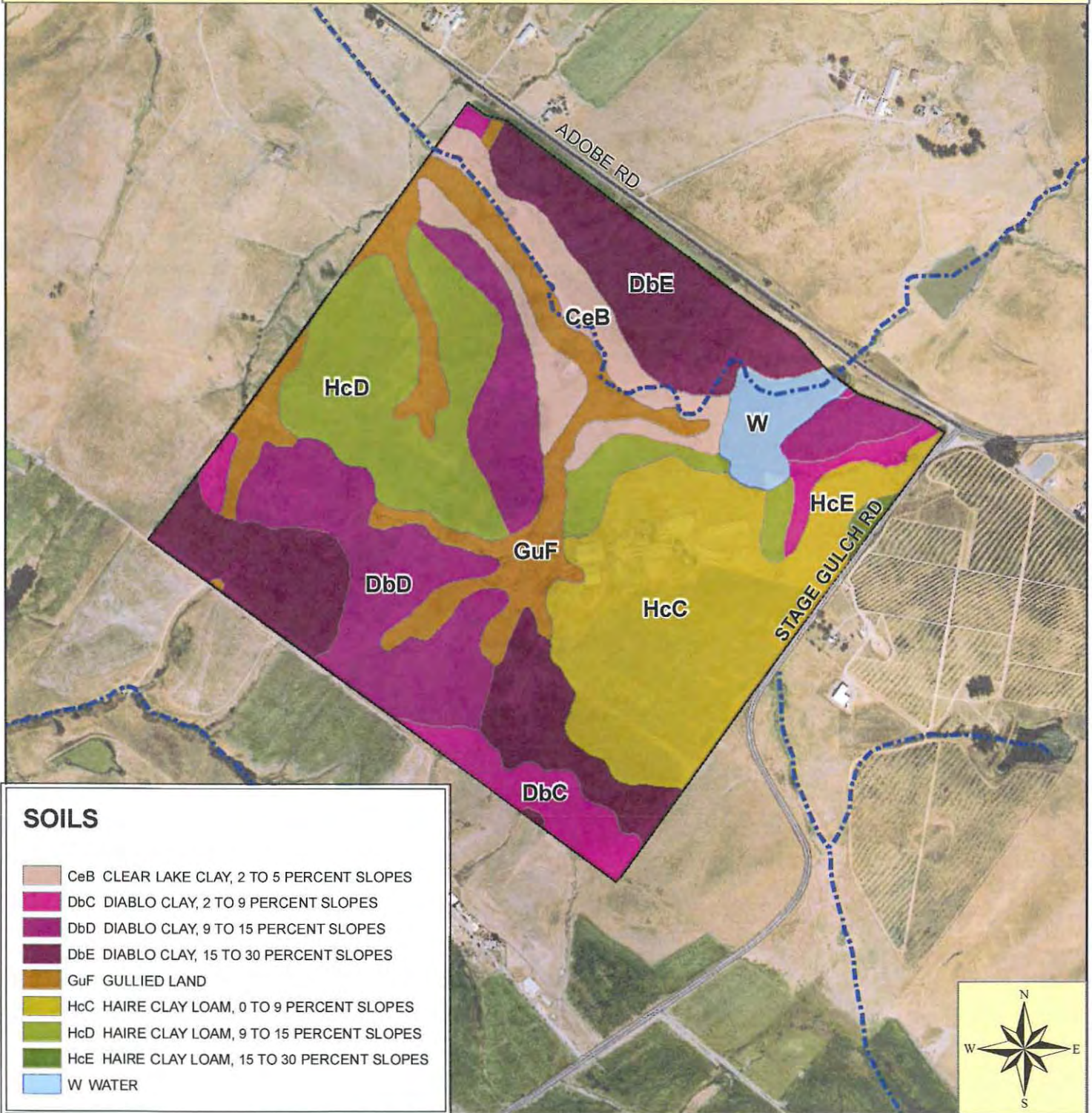
Boundaries of the floodways were computed at cross sections and interpolated between cross sections. The floodways were based on hydraulic considerations with regard to requirements of the Federal Emergency Management Agency.

Floodway widths in some areas may be too narrow to show to scale. Floodway widths are provided in the Flood Insurance Study Report.





USDA Soil Units with 2004 Aerial



SOILS

- CeB CLEAR LAKE CLAY, 2 TO 5 PERCENT SLOPES
- DbC DIABLO CLAY, 2 TO 9 PERCENT SLOPES
- DbD DIABLO CLAY, 9 TO 15 PERCENT SLOPES
- DbE DIABLO CLAY, 15 TO 30 PERCENT SLOPES
- GuF GULLIED LAND
- HcC HAIRE CLAY LOAM, 0 TO 9 PERCENT SLOPES
- HcD HAIRE CLAY LOAM, 9 TO 15 PERCENT SLOPES
- HcE HAIRE CLAY LOAM, 15 TO 30 PERCENT SLOPES
- W WATER

**2535 Stage Gulch Rd
Petaluma, Sonoma County**

SOURCES:
Soil data from USDA Natural Resources Conservation Service.
Parcel and road data from County of Sonoma.
Orthophotography by AirPhotoUSA.
Streams from the National Hydrographic Dataset.



1 inch equals 1,000 feet



MAPPING A BETTER WORLD
Ray Carlson & Associates, Inc
LAND SURVEYING

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February 21, 2007



State Water Resources Control Board



Linda S. Adams
Secretary for
Environmental Protection

Division of Water Rights
1001 I Street, 14th Floor + Sacramento, California 95814 + 916.341.5300
P.O. Box 2000 + Sacramento, California 95812-2000
Fax: 916.341.5400 + www.waterrights.ca.gov

Arnold Schwarzenegger
Governor

JUN 27 2008

RECEIVED

In Reply Refer
to:BC:30978

Estate of Frank Teixeira
c/o Paula Whealen
444 North Third Street, Suite 325
Sacramento, CA 95811-0238

JUL 01 2008

WAGNER & BONSIGNORE

Dear Ms. Whealen:

PERMIT 21217 (APPLICATION 30978), [UNNAMED STREAM], IN SONOMA COUNTY

Your WATER RIGHT PERMIT is enclosed. Please note that, with respect to other water rights attaching to this source, the priority of your right is identified by the filing date of your application. Therefore, in times of water shortage, those diverters with water rights senior to yours can take their water first. Additional limitations on your diversion and use of water are specified by the terms of this permit. Please read the terms and conditions of your permit carefully so that you are familiar with your responsibilities as an appropriator of water.

The State Water Resources Control Board (State Water Board) requires that you submit annual reports showing the progress you have made in the construction of your project and the use of water made under this permit that will qualify for licensing purposes. We will mail the forms to you when the reports are due.

Annual permit fees are required. The California Board of Equalization will mail you a Notice of Determination (billing) on behalf of the State Water Board when the fee is due. Please pay the fee promptly. Nonpayment of the fee may result in revocation of your permit.

You must comply with all of the conditions in your permit. The State Water Board will not issue a license for any water diverted and used for any purpose or at any place not authorized in the permit. Nor will the State Water Board credit you for any development or use that occurs after the date specified in the permit unless you request and receive an extension of time to use the water. An extension of time to continue development of a project requires public noticing and reevaluation of then-current environmental considerations, and is becoming considerably more difficult to obtain.

After the project has been completed, an inspection will be made to determine the amount of water that has been placed to beneficial use within the terms of the permit. A license will then be issued confirming a right to that amount of water. Please keep sufficient records of your diversion and use of water to facilitate this process.

Please inform us of any changes in address or ownership. The State Water Board will mail all notices, including fee notices, to the most recent address supplied. The regulations require a water right holder to immediately file a statement informing the State Water Board of any change in ownership of the application, permit, or license. The statement shall refer to the number of the water right, and identify the name and address of the new owner. This is

California Environmental Protection Agency



STATE OF CALIFORNIA—STATE WATER RIGHTS BOARD
License for Diversion and Use of Water

APPLICATION 18476

PERMIT 11903

LICENSE 7228

THIS IS TO CERTIFY, That

Frank Pinheiro and Mary Pinheiro
7533 Redwood Highway
Novato, California

Notice of Change (Over)

have made proof as of April 23, 1963,
(the date of inspection) to the satisfaction of the State Water Rights Board of a right to the use of the water of
an unnamed stream in Sonoma County

tributary to Petaluma Creek

for the purpose of stockwatering use
under Permit 11903 of the State Water Rights Board and that said right to the use of said water has been
perfected in accordance with the laws of California, the Rules and Regulations of the State Water Rights Board and the
terms of the said permit; that the priority of the right herein confirmed dates from January 14, 1959,
and that the amount of water to which such right is entitled and hereby confirmed, for the purposes aforesaid, is limited
to the amount actually beneficially used for said purposes and shall not exceed forty-two (42) acre-feet
per annum to be collected from about October 1 of each year to about March 30
of the succeeding year.

The point of diversion of such water is located :

North one thousand twenty (1020) feet and east eight hundred forty (840) feet
from $W\frac{1}{4}$ corner of projected Section 33, T5N, R6W, MDB&M, being within $SW\frac{1}{4}$ of
 $NW\frac{1}{4}$ of said Section 33.

A description of the lands or the place where such water is put to beneficial use is as follows:

Within $NE\frac{1}{4}$ of $NW\frac{1}{4}$, $NW\frac{1}{4}$ of $NW\frac{1}{4}$, $SE\frac{1}{4}$ of $NW\frac{1}{4}$, and $SW\frac{1}{4}$ of $NW\frac{1}{4}$ of projected Section 33,
T5N, R6W, MDB&M.

All rights and privileges under this license including method of diversion, method of use and quantity of water
diverted are subject to the continuing authority of the State Water Rights Board in accordance with law and in the
interest of the public welfare to prevent waste, unreasonable use, unreasonable method of use or unreasonable method of
diversion of said water.

Reports shall be filed promptly by licensee on appropriate forms which will be provided for the purpose from time
to time by the State Water Rights Board.

The right hereby confirmed to the diversion and use of water is restricted to the point or points of diversion herein
specified and to the lands or place of use herein described.

This license is granted and licensee accepts all rights herein confirmed subject to the following provisions of the Water Code:

Section 1625. Each license shall be in such form and contain such terms as may be prescribed by the board.

Section 1626. All licenses shall be under the terms and conditions of this division (of the Water Code).

Section 1627. A license shall be effective for such time as the water actually appropriated under it is used for a useful and beneficial purpose in conformity with this division (of the Water Code) but no longer.

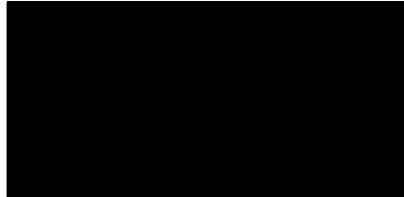
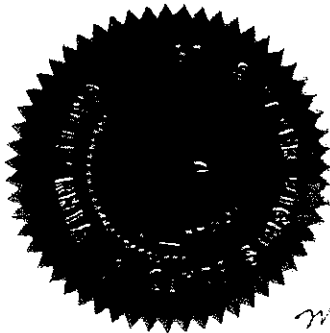
Section 1628. Every license shall include the enumeration of conditions therein which in substance shall include all of the provisions of this article and the statement that any appropriation of water to whom a license is issued takes the license subject to the conditions therein expressed.

Section 1629. Every licensee, if he accepts a license does so under the conditions precedent that no value whatsoever in excess of the actual amount paid to the State therefor shall at any time be assigned to or claimed for any license granted or issued under the provisions of this division (of the Water Code), or for any rights granted or acquired under the provisions of this division (of the Water Code), in respect to the regulation by any competent public authority of the services or the price of the services to be rendered by any licensee or by the holder of any rights granted or acquired under the provisions of this division (of the Water Code) or in respect to any valuation for purposes of sale to or purchase, whether through condemnation proceedings or otherwise, by the State or any city, city and county, municipal water district, irrigation district, lighting district, or any political subdivision of the State, of the rights and property of any licensee, or the possessor of any rights granted, issued, or acquired under the provisions of this division (of the Water Code).

Section 1630. At any time after the expiration of twenty years after the granting of a license, the State or any city, city and county, municipal water district, irrigation district, lighting district, or any political subdivision of the State shall have the right to purchase the works and property occupied and used under the license and the works built or constructed for the enjoyment of the rights granted under the license.

Section 1631. In the event that the State, or any city, city and county, municipal water district, irrigation district, lighting district, or political subdivision of the State so desiring to purchase and the owner of the works and property cannot agree upon the purchase price, the price shall be determined in such manner as is now or may hereafter be provided by law for determining the value of property taken in eminent domain proceedings.

Dated: MAR 30 1965



*6-8-73 Records changed to show
Mary, Francis Pinheiro, Glorin
Anne Pinheiro & Rose Marie*

Pinheiro Teresia as owners

LICENSE 7228

STATE OF CALIFORNIA
STATE WATER RIGHTS BOARD

LICENSE
TO APPROPRIATE WATER

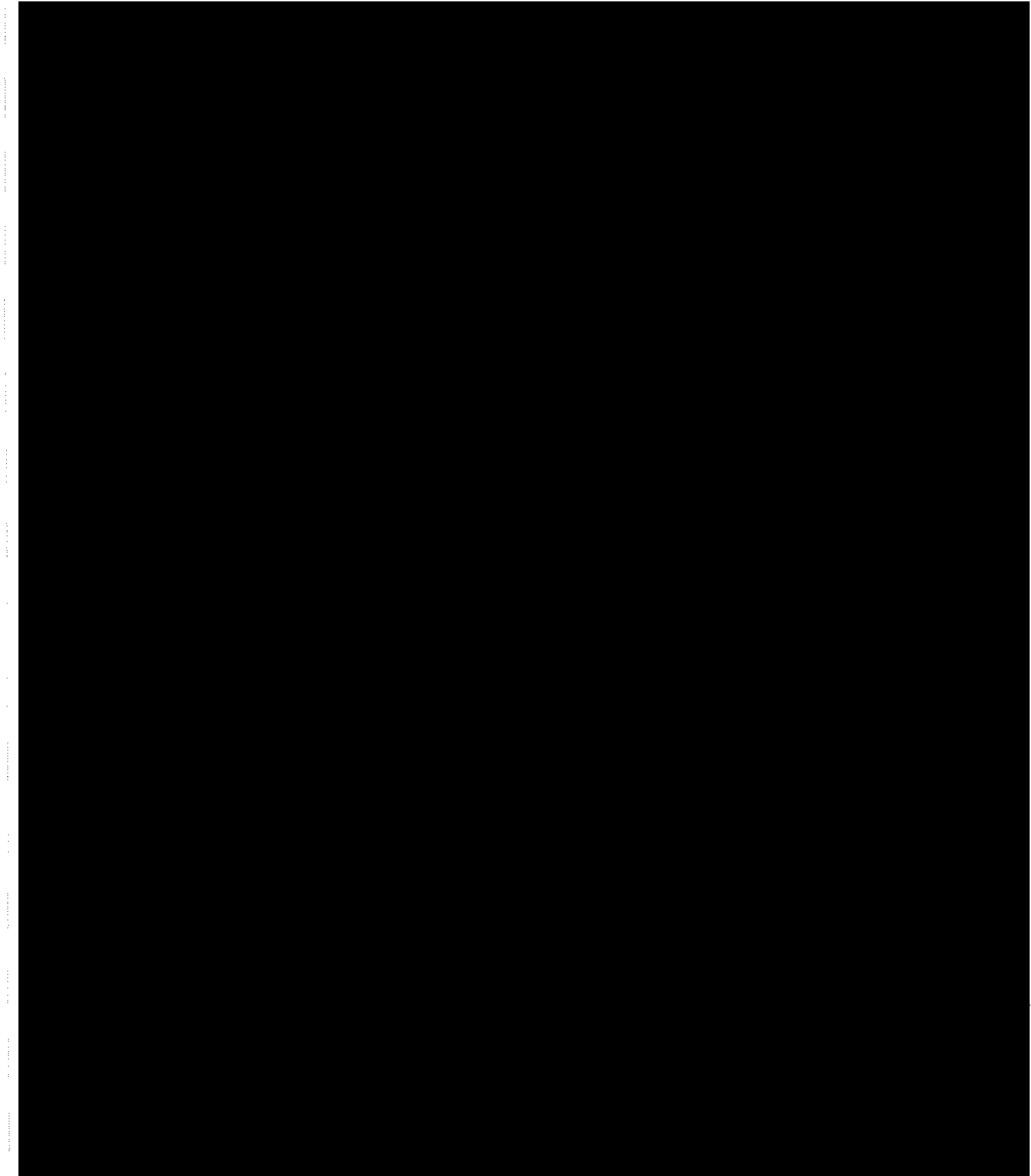
ISSUED TO Frank and Mary Pinheiro.

DATED MAR 30 1965

STATE OF CALIFORNIA

DEC 18 '64 M.K.L.

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3. Purpose of use	4. Place of use	Section (Projected)	Township	Range	Base and Meridian	Acres
Irrigation	Within SE¼ of SE¼	28	5N	6W	MD	5
Frost Protection	Within SE¼ of NW¼	32	5N	6W	MD	5
	Within NE¼ of NE¼	32	5N	6W	MD	30
	Within NW¼ of NE¼	32	5N	6W	MD	14
	Within SW¼ of NE¼	32	5N	6W	MD	36
	Within SE¼ of NE¼	32	5N	6W	MD	30
	Within NE¼ of SE¼	32	5N	6W	MD	35
	Within NW¼ of SE¼	32	5N	6W	MD	20
	Within SE¼ of SE¼	32	5N	6W	MD	8
	Within NE¼ of NW¼	33	5N	6W	MD	4
	Within NW¼ of NW¼	33	5N	6W	MD	30
	Within SW¼ of NW¼	33	5N	6W	MD	20
	Within SE¼ of NW¼	33	5N	6W	MD	15
	Within NE¼ of SW¼	33	5N	6W	MD	3
	Within NW¼ of SW¼	33	5N	6W	MD	35
	Within SW¼ of SW¼	33	5N	6W	MD	10
Stockwatering	Within SW¼ of NW¼	33	5N	6W	MD	
	Within SE¼ of NW¼	33	5N	6W	MD	

The place of use is shown on map on file with the State Water Board.

5. The water appropriated shall be limited to the quantity that can be beneficially used and shall not exceed 164 acre-feet per annum to be collected from December 15 of each year to March 31 of the succeeding year. (0000005C)
6. This permit does not authorize collection of water to storage outside of the specified season to offset evaporation and seepage losses or for any other purpose. (0000005I)
7. The total quantity of water collected to storage under this permit and Licenses 7228 (A018476) and 8283 (A021284) shall not exceed 164 acre-feet per year. (0000005L)

8. The capacity of the reservoir covered under this permit shall not exceed 164 acre-feet.
(000005N)
9. Construction work and complete application of the water to the authorized use shall be prosecuted with reasonable diligence and completed by December 31, 2018.
(0000009)
10. The State Water Board reserves jurisdiction to impose conditions to conform this permit to the State Water Board's policy on use of water for frost protection. Action by the State Water Board will be taken only after notice to interested parties and opportunity for hearing.
(0000020)
11. Permittee shall install and maintain an outlet pipe of adequate capacity in the dam as near as practicable to the bottom of the natural stream channel, or provide other means satisfactory to the State Water Resources Control Board, in order that water entering the reservoir that is not authorized for appropriation under this permit can be released. Before storing water in the reservoir, Permittee shall furnish to the Division of Water Rights evidence, substantiating that the outlet pipe, or alternative facility, has been installed in the dam. Evidence shall include photographs showing completed works or certification by a registered Civil or Agricultural Engineer.
(0050043B)
12. Before storing water under this permit, Permittee shall install a staff gage in the reservoir, satisfactory to the Chief of the Division of Water Rights, for the purpose of determining water levels in the reservoir. The Permittee/Licensee must maintain the staff gage in operating condition as long as water is being diverted or used under this permit.

Permittee/Licensee shall record the staff gage readings on the last day of each month. Permittee/Licensee shall record the maximum and minimum water level surface elevations and the dates that these water levels occur, each water-year between October 1, and September 30. Permittee/Licensee shall maintain a record of all staff gage readings and shall submit these records with all required Reports of Permittee, Reports of Licensee or whenever requested by the staff of the Division of Water Rights.

(0070500)
13. Prior to diversion or use of water under this permit, Permittee shall install an in-line flow meter satisfactory to the Chief of the Division of Water Rights that measures the instantaneous rate and the cumulative amount of water withdrawn from the reservoir at the POD. The in-line flow meter must be maintained in operating condition as long as water is being diverted or used under this permit. Permittee/Licensee shall maintain a record of the end-of-the-month meter readings and the days of actual diversion, and shall submit these records with all required Reports of Permittee, Reports of Licensee, or whenever requested by the staff of the Division of Water Rights.
(0100900)
14. For the protection of fish and wildlife, under all bases of right, Permittee/Licensee shall during the period from December 15 of each year through March 31 of each succeeding year bypass a minimum of 0.33 cubic feet per second (cfs) at the POD. Under all bases of right the Permittee/Licensee shall bypass the total streamflow from April 1 through December 14 of each year. The total streamflow at the POD shall be bypassed whenever it is less than 0.33 cfs.
(0140060)
15. Prior to the start of construction or diversion or use of water under this permit, the Permittee shall submit a Compliance Plan for approval by the Chief of the Division of Water Rights that will

demonstrate compliance with the flow bypass terms specified in this permit. The Compliance Plan shall include the following:

- a) A description of the physical facilities (i.e., outlet pipes, siphons, pipelines, bypass ditches, splitter boxes etc.) that will be constructed or have been constructed at the project site and will be used to bypass flow.
- b) A description of the gages and monitoring devices that will be installed or have been installed to measure stream flow and/or reservoir storage capacity, including any necessary calibration.
- c) A time schedule for the installation and rating of these facilities.
- d) A description of the frequency of data collection and the methods for recording bypass flows and storage levels.
- e) An operation and maintenance plan that will be used to maintain all facilities in good condition.
- f) A description of the events that will trigger recalibration of the monitoring devices, and the process that will be used to recalibrate.

The Permittee/Licensee shall be responsible for all costs associated with developing the Compliance Plan, and installing and maintaining all flow bypass and monitoring facilities described in the Compliance Plan.

Permittee/Licensee shall maintain all measurements and other monitoring required by this condition. Permittee shall provide measuring and monitoring records to the Chief of the Division of Water Rights within 15 days upon request by the State Water Board, the Division Chief, or other authorized designees of the State Water Board.

Diversion of water prior to approval of the Compliance Plan and the installation of facilities specified in the Compliance Plan is not authorized.

(0490500)

16. Based on the information contained in the Division's files, riparian water has not been used on the place of use. Diversion of water is not authorized under this permit if in the future the Permittee/Licensee diverts water under riparian right. With the Chief of the Division's approval, Permittee/Licensee may use water under basis of riparian right on the authorized place of use, provided that Permittee/Licensee submits reliable evidence to the Chief of the Division quantifying the amount of water that Permittee/Licensee likely would have used under the basis of riparian right absent the appropriation authorized by this permit. The Chief of the Division is hereby authorized to approve or reject any proposal by Permittee/Licensee to use water under the basis of riparian right on the place of use authorized by this permit.

(0560300B)

17. Prior to the start of construction or diversion or use of water under this permit, Permittee shall file a notice of vineyard planting or replanting with the Sonoma County Agricultural Commissioner. The notice shall conform to applicable provisions of the Sonoma County Vineyard Erosion and Sediment Control Ordinance (Ord. No. 5216 §§ 2, 2000). The notice shall include: 1) maps, plans, drawings, calculations, photographs, and other information as may be necessary or required by the Agricultural Commissioner to verify that the vineyard planting qualifies as a Level II or III authorized vineyard planting, or that the vineyard replanting qualifies as a Level II authorized vineyard replanting; and 2) an erosion and sediment control plan, certified pursuant to Section 30-74 of the Sonoma County Vineyard Erosion and Sediment Control Ordinance, for the vineyard planting or replanting. Prior to the start of construction or diversion or use of water under this permit, Permittee

shall submit evidence to the Chief of the Division of Water Rights verifying that the Sonoma County agricultural commissioner has authorized the vineyard planting or replanting to proceed.

(0490300A)

18. Prior to licensing of this permit, Permittee shall submit evidence to the Chief of the Division of Water Rights verifying that the project was constructed in compliance with the requirements of the certified erosion and sediment control plan and the Sonoma County Vineyard Erosion and Sediment Control Ordinance.

(0490300B)

19. Prior to construction or diversion or use of water under this permit, Permittee shall obtain any required grading permits from Sonoma County.

(0120300)

20. Permittee shall submit a detailed Dust Control and Mitigation Plan for review and approval by the San Francisco Bay Air Quality Management District. Prior to the start of construction or diversion or use of water under this permit, Permittee shall submit evidence to the Chief of the Division of Water Rights showing that San Francisco Bay Air Quality Management District has approved the Permittee's Dust Control and Mitigation Plan.

(0450300A)

21. Permittee shall prevent any debris, soil, silt, cement that has not set, oil, or other such foreign substance from entering into or being placed where it may be washed by rainfall runoff into the waters of the State.

(0000208)

22. Construction activities within 100 feet of any drainage shall only occur between May 15 and October 31 to minimize the potential for rainfall events to mobilize and transport sediment to aquatic resources.

(0400500)

23. In order to prevent degradation of the quality of water during and after construction of the project, prior to commencement of construction, Permittee shall file a report pursuant to Water Code section 13260 and shall comply with all waste discharge requirements imposed by the California Regional Water Quality Control Board, San Francisco Bay Region, or by the State Water Resources Control Board.

(0450300B)

24. For the protection of habitat of the western pond turtle (*Clemmys marmorata*) and to allow for the continued growth of riparian vegetation, the Permittee/Licensee shall:

a) Maintain a 50-foot-wide setback around the reservoir as shown on Setback Map No. SB-01 dated February 25, 2008 on file with the Division of Water Rights. No new ground-disturbing activities shall occur within the setback area, with the exception of livestock access and occasional equipment access necessary for continued operation of the reservoir. Equipment access within the setback area shall be limited to only activities necessary for the ongoing operation of the reservoir and shall incorporate best management practices to minimize disturbance to water, soils, and vegetation. Natural vegetation shall be preserved and protected within the setback area. Planting of native riparian vegetation within the setback area is allowed.

b) Obtain approval of the United States Fish and Wildlife Service, Sacramento Endangered Species Office, and the California Department of Fish and Game prior to any future

reservoir dredging operations. Permittee/Licensee shall submit to the Chief of the Division of Water Rights evidence of agencies approval prior to any future reservoir dredging operations.

- c) Refrain from disturbing emergent (wetland) vegetation in the reservoir during dredging operation

(0600500A)

26. For the protection of riparian habitat and mitigation of disturbed riparian habitat, Permittee shall establish a setback as shown on Setback Map No. SB-01 dated February 25, 2008 on file with the Division of Water Rights. The setback shall be at least 50 feet wide along the unnamed intermittent stream within the Place of Use as measured from the top of the bank on both sides of the stream and at least 25 feet wide along the ephemeral streams within the Place of Use as measured from the top of the bank on both sides of the streams. No ground-disturbing activities shall occur within the setback area, including, but not limited to, grading, herbicide spraying, roads, fencing, and use or construction of storage areas, with the exception of livestock access and occasional equipment access reasonably necessary for continued operation of the vineyard and management of the setback area. Equipment access through the setback shall be limited to previously disturbed areas of the setback when possible and is only allowed when other means of access are not available. Equipment access through the setback area shall incorporate best management practices to minimize disturbance to water, soils, and vegetation. Planting of native riparian vegetation within the setback area is allowed. These requirements shall remain in effect as long as water is being diverted under this permit.

(0600500B)

27. For the protection of riparian habitat and mitigation of disturbed riparian habitat, Permittee shall implement a riparian enhancement plan. Prior to beginning construction or diversion or use of water under this permit, Permittee shall submit a riparian enhancement plan for review and approval of the Chief of the Division of Water Rights. The riparian enhancement plan shall specify: (1) the location of area to be planted; (2) the number and species of plants to be planted; (3) planting methods; (4) success criteria and monitoring methods; and (5) a description of the actions that will be taken if success criteria are not met. The riparian enhancement plan shall require at least five years of monitoring of the vigor and abundance of riparian plantings. The riparian enhancement area specified in the plan shall encompass at least 500 linear feet and 50,000 square feet of the setback identified on Setback Map No. SB-01 dated February 25, 2008 on file with the Division of Water Rights. Prior to beginning construction or diversion or use of water under this permit, the 50,000 square feet enhancement area shall be fenced to exclude livestock access. The riparian enhancement plan shall be implemented within two years of approval of the plan.

(0490500A)

28. Permittee shall not conduct construction activities within 50 feet of drainages from October 16 of each year to April 30 of the succeeding year to reduce the likelihood of the presence of western pond turtles in construction areas. If a western pond turtle is encountered during construction, Permittee shall cease construction and ground-disturbing activities in areas within 250 feet of the location where the western pond turtle is present and shall contact the California Department of Fish and Game. Prior to restarting construction activities, Permittee shall submit to the Chief of the Division of Water Rights evidence of DFG approval to continue construction.

(0490500B)

29. Prior to beginning construction or diversion or use of water under this permit, Permittee shall submit a western pond turtle habitat enhancement plan for review and approval of the Chief of the Division of Water Rights. The enhancement plan shall include the actions necessary to provide

sufficient underwater refugia and basking habitat (e.g., submerged logs, downed trees and large rocks) for western pond turtles. Permittee shall develop the enhancement plan in consultation with California Department of Fish and Game. The approved western pond turtle enhancement plan shall be implemented within one year of enlargement of the reservoir.

(0490500C)

30. In accordance with the requirements of Water Code section 1393, Permittee shall clear the area covered by the proposed reservoir enlargement of all structures, trees, and other vegetation which would interfere with the use of the reservoir for water storage and recreational purposes.
(0120050B)
31. If tree removal activities are to occur between February 1 and September 30, a biologist, whose qualifications are acceptable to Division of Water Rights staff shall conduct a pre-construction survey for the purpose of identifying nesting bird species prior to tree removal. The pre-construction survey shall include all potential nesting habitat within 500 feet of proposed tree removal activities. The survey shall be conducted no more than 14 days prior to the beginning of tree removal activities. If an active raptor or migratory bird nest is found during the pre-construction survey, the Permittee shall notify the California Department of Fish and Game. If an active raptor nest is found during the pre-construction survey, a 500-foot no-disturbance buffer shall be established and maintained around the nest until all young have fledged. If an active nest of any other migratory or non-migratory bird is found, a 250-foot wide buffer shall be established around the nest until all young have fledged.
(0000210)
32. Prior to the start of construction, or diversion or use of water under this permit, Permittee shall obtain the appropriate permit from the U.S. Army Corps of Engineers (USACE) and file a copy with Division of Water Rights. If a permit from the USACE is not necessary for this permitted project, the Permittee shall provide to the Division of Water Rights a letter from the USACE affirming that a permit is not needed.
(0520300)
33. If the project requires a permit from the USACE, Permittee shall obtain Clean Water Act section 401 Water Quality Certification from the State Water Resources Control Board prior to the start of construction, or diversion or use of water under this permit.
(0300300)
34. Should any buried archeological materials be uncovered during project activities, such activities shall cease within 100 feet of the find. Prehistoric archeological indicators can include, but not necessarily be limited to: stone tools and flaking debris; bedrock outcrops and boulders with mortar cups; ground stone implements (grinding slabs, mortars and pestles); and locally darkened midden soils containing artifactual material such as bone and shell fragments, stone tools, or fire-cracked rock. Historic period site indicators can include: fragments of glass, ceramic, and metal objects; milled and split lumber; structure and feature remains such as building foundations, privy pits, wells and dumps; and old trails. The Chief of the Division of Water Rights shall be notified of the discovery, and a professional archeologist shall be retained by the Permittee to evaluate the find and recommend appropriate mitigation measures. Proposed mitigation measures shall be submitted to the Chief of the Division of Water Rights for approval. Project-related activities shall not resume within 100 feet of the find until all approved mitigation measures have been completed to the satisfaction of the Chief of the Division of Water Rights.
(0000215)
35. If human remains are encountered, then the Applicant shall comply with Section 15064.5 (e) (1) of the CEQA Guidelines and the Public Resources Code Section 7050.5. All project-related ground disturbance within 100 feet of the find shall be halted until the county coroner has been notified. If

the coroner determines that the remains are Native American, the coroner will notify the Native American Heritage Commission to identify the most-likely descendants of the deceased Native Americans. Project-related ground disturbance in the vicinity of the find shall not resume until the process detailed under Section 15064.5 (e) has been completed and evidence of completion has been submitted to the Chief of the Division of Water Rights.

(0380500)

36. Prior to and during any ground disturbing activities, the Permittee/Licensee shall comply with the requirements of the Treatment Plan titled *Final Treatment Plan for Application 30978*, dated June 12, 2008, on file with Application 30978 at the Division of Water Rights. This includes all activities associated with any features of the proposed project (e.g., water diversion works, storage reservoirs, and distribution facilities, related to conversion of the place of use to vineyard).

(0380300)

37. Permittee/Licensee shall report any non-compliance with the terms of the permit to the Chief of the Division of Water Rights within three days of identification of the violation.

(9990999)

ALL PERMITS ISSUED BY THE STATE WATER RESOURCES CONTROL BOARD ARE SUBJECT TO THE FOLLOWING TERMS AND CONDITIONS:

- A. The amount authorized for appropriation may be reduced in the license if investigation warrants.
- (0000006)
- B. Progress reports shall be submitted promptly by Permittee when requested by the State Water Resources Control Board (State Water Board) until a license is issued.
- (0000010)
- C. Permittee shall allow representatives of the State Water Board and other parties, as may be authorized from time to time by said State Water Board, reasonable access to project works to determine compliance with the terms of this permit.
- (0000011)
- D. Pursuant to California Water Code sections 100 and 275, and the common law public trust doctrine, all rights and privileges under this permit and under any license issued pursuant thereto, including method of diversion, method of use, and quantity of water diverted, are subject to the continuing authority of State Water Board in accordance with law and in the interest of the public welfare to protect public trust uses and to prevent waste, unreasonable use, unreasonable method of use, or unreasonable method of diversion of said water.

The continuing authority of the State Water Board may be exercised by imposing specific requirements over and above those contained in this permit with a view to eliminating waste of water and to meeting the reasonable water requirements of Permittee without unreasonable draft on the source. Permittee may be required to implement a water conservation plan, features of which may include but not necessarily be limited to (1) reusing or reclaiming the water allocated; (2) using water reclaimed by another entity instead of all or part of the water allocated; (3) restricting diversions so as to eliminate agricultural tailwater or to reduce return flow; (4) suppressing evaporation losses from water surfaces; (5) controlling phreatophytic growth; and (6) installing, maintaining, and operating efficient water measuring devices to assure compliance with the quantity limitations of this permit and to determine accurately water use as against reasonable water requirements for the authorized project. No action will be taken pursuant to this paragraph unless the State Water Board determines, after notice to affected parties and opportunity for hearing, that such specific requirements are physically and financially feasible and are appropriate to the particular situation.

The continuing authority of the State Water Board also may be exercised by imposing further limitations on the diversion and use of water by the Permittee in order to protect public trust uses. No action will be taken pursuant to this paragraph unless the State Water Board determines, after notice to affected parties and opportunity for hearing, that such action is consistent with California Constitution Article X, Section 2; is consistent with the public interest; and is necessary to preserve or restore the uses protected by the public trust.

(0000012)

- E. The quantity of water diverted under this permit and under any license issued pursuant thereto is subject to modification by the State Water Board if, after notice to the Permittee and an opportunity for hearing, the State Water Board finds that such modification is necessary to meet water quality objectives in water quality control plans which have been or hereafter may be established or modified pursuant to Division 7 of the Water Code. No action will be taken pursuant to this paragraph unless the State Water Board finds that (1) adequate waste discharge requirements have been prescribed and are in effect with respect to all waste discharges which have any substantial effect upon water quality in the area involved, and (2) the water quality objectives cannot be achieved solely through the control of waste discharges.

(0000013)

- F. This permit does not authorize any act that results in the taking of a threatened, endangered, or candidate species or any act that is now prohibited, or becomes prohibited in the future, under either the California Endangered Species Act (Fish & Game Code, §§ 2050 - 2097) or the federal Endangered Species Act (16 U.S.C.A. §§ 1531 - 1544). If a "take" will result from any act authorized under this water right, the Permittee shall obtain authorization for an incidental take prior to construction or operation of the project. Permittee shall be responsible for meeting all requirements of the applicable Endangered Species Act for the project authorized under this permit.

(0000014)

- G. Permittee shall maintain records of the amount of water diverted and used to enable the State Water Board to determine the amount of water that has been applied to beneficial use pursuant to Water Code Section 1605.

(0000015)

- H. No work shall commence and no water shall be diverted, stored or used under this permit until a copy of a lake or streambed alteration agreement between the State Department of Fish and Game (DFG) and the Permittee is filed with the Division of Water Rights. Compliance with the terms and conditions of the agreement is the responsibility of the Permittee. If a stream or lake agreement is not necessary for this permitted project, the Permittee shall provide the Division of Water Rights a copy of a waiver signed by the DFG.

(0000063)

This permit is issued and Permittee takes it subject to the following provisions of the Water Code:

Section 1390. A permit shall be effective for such time as the water actually appropriated under it is used for a useful and beneficial purpose in conformity with this division (of the Water Code), but no longer.

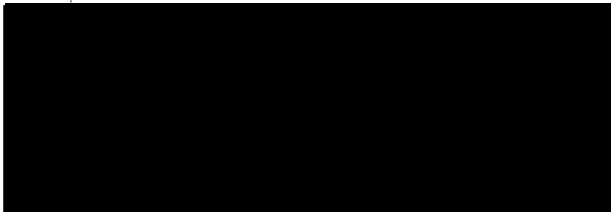
Section 1391. Every permit shall include the enumeration of conditions therein which in substance shall include all of the provisions of this article and the statement that any appropriator of water to whom a permit is issued takes it subject to the conditions therein expressed.

Section 1392. Every Permittee, if he accepts a permit, does so under the conditions precedent that no value whatsoever in excess of the actual amount paid to the State therefore shall at any time be assigned to or claimed for any permit granted or issued under the provisions of this division (of the Water Code), or for any rights granted or acquired under the provisions of this division (of the Water Code), in respect to the

Section 1390. A permit shall be effective for such time as the water actually appropriated under it is used for a useful and beneficial purpose in conformity with this division (of the Water Code), but no longer.

Section 1391. Every permit shall include the enumeration of conditions therein which in substance shall include all of the provisions of this article and the statement that any appropriator of water to whom a permit is issued takes it subject to the conditions therein expressed.

Section 1392. Every Permittee, if he accepts a permit, does so under the conditions precedent that no value whatsoever in excess of the actual amount paid to the State therefore shall at any time be assigned to or claimed for any permit granted or issued under the provisions of this division (of the Water Code), or for any rights granted or acquired under the provisions of this division (of the Water Code), in respect to the regulation by any competent public authority of the services or the price of the services to be rendered by any Permittee or by the holder of any rights granted or acquired under the provisions of this division (of the Water Code) or in respect to any valuation for purposes of sale to or purchase, whether through condemnation proceedings or otherwise, by the State or any city, city and county, municipal water district, irrigation district, lighting district, or any political subdivision of the State, of the rights and property of any permittee, or the possessor of any rights granted, issued, or acquired under the provisions of this division (of the Water Code).



Dated: JUN 27 2008



STATE OF CALIFORNIA
THE RESOURCES AGENCY
STATE WATER RESOURCES CONTROL BOARD
DIVISION OF WATER RIGHTS

License for Diversion and Use of Water

(Notice of Change Over)

APPLICATION 21284

PERMIT 14446

LICENSE 8283

THIS IS TO CERTIFY, That FRANK PINHEIRO AND MARY PINHEIRO
7533 REDWOOD HIGHWAY, NOVATO, CALIFORNIA 94947

HAVE made proof as of APRIL 7, 1967 (the date of inspection)
to the satisfaction of the State Water Resources Control Board of a right to the use of the water of
AN UNNAMED STREAM IN SONOMA COUNTY

tributary to PETALUMA CREEK THENCE SAN FRANCISCO BAY

for the purpose of STOCKWATERING AND INDUSTRIAL USES
under Permit 14446 of the Board and that the right to the use of this water has been perfected in
accordance with the laws of California, the Regulations of the Board and the permit terms; that the priority of
this right dates from MAY 14, 1963, and that the amount of water to which this right is
entitled and hereby confirmed is limited to the amount actually beneficially used for the stated purposes and shall
not exceed FORTY-FIVE (45) ACRE-FEET PER ANNUM TO BE COLLECTED FROM ABOUT OCTOBER 1 OF
EACH YEAR TO ABOUT MAY 1 OF THE SUCCEEDING YEAR.

LICENSEE'S RIGHT HEREUNDER EXTENDS ONLY TO WATER NECESSARY TO KEEP THE
RESERVOIR FULL BY REPLACING WATER BENEFICIALLY USED OR LOST BY EVAPORATION AND
SEEPAGE, AND TO REFILL IF EMPTIED FOR NECESSARY MAINTENANCE OR REPAIR.

THE POINT OF DIVERSION OF SUCH WATER IS LOCATED:

NORTH 1,020 FEET AND EAST 840 FEET FROM W1/4 CORNER OF PROJECTED SECTION 33, T5N, R6W,
MOB&M, BEING WITHIN SW1/4 OF NW1/4 OF SAID SECTION 33.

A DESCRIPTION OF LANDS OR THE PLACE WHERE
SUCH WATER IS PUT TO BENEFICIAL USE IS AS FOLLOWS:

INDUSTRIAL (DAIRY) WITHIN SW1/4 OF NW1/4 OF PROJECTED SECTION 33, T5N, R6W, MOB&M -
STOCKWATERING WITHIN NW1/4 OF NW1/4, NE1/4 OF NW1/4, SW1/4 OF NW1/4 AND SE1/4 OF NW1/4
OF PROJECTED SECTION 33, T5N, R6W, MOB&M.

LICENSEE SHALL MAINTAIN AN OUTLET PIPE OF ADEQUATE CAPACITY IN HIS DAM AS
NEAR AS PRACTICABLE TO THE BOTTOM OF THE NATURAL STREAM CHANNEL, OR PROVIDE OTHER
MEANS SATISFACTORY TO THE STATE WATER RESOURCES CONTROL BOARD, IN ORDER THAT WATER
ENTERING THE RESERVOIR OR COLLECTED IN THE RESERVOIR DURING AND AFTER THE CURRENT
STORAGE SEASON MAY BE RELEASED INTO THE DOWNSTREAM CHANNEL TO THE EXTENT NECESSARY
TO SATISFY THE DOWNSTREAM PRIOR RIGHTS AND/OR TO THE EXTENT THAT APPROPRIATION OF
SAID WATER IS NOT AUTHORIZED UNDER THIS RIGHT.

6-8-73 Records chg'd to show Mary Francis
Penhino, Gloria Anne Penhino & Rose
Marie Penhino Tepler as owners

Licensee shall allow representatives of the Board and other parties, as may be authorized from time to time by the Board, reasonable access to project works to determine compliance with the terms of this license.

All rights and privileges under this license including method of diversion, method of use and quantity of water diverted are subject to the continuing authority of the Board in accordance with law and in the interest of the public welfare to prevent waste, unreasonable use, unreasonable method of use or unreasonable method of diversion of said water.

Reports shall be filed promptly by licensee on appropriate forms which will be provided for the purpose from time to time by the Board.

The right hereby conferred to the diversion and use of water is restricted to the point or points of diversion herein specified and to the lands or place of use herein described.

This license is granted and licensee accepts all rights herein conferred subject to the following provisions of the Water Code:

Section 1625. Each license shall be in such form and contain such terms as may be prescribed by the Board.

Section 1626. All licenses shall be under the terms and conditions of this division (of the Water Code).

Section 1627. A license shall be effective for such time as the water actually appropriated under it is used for a useful and beneficial purpose in conformity with this division (of the Water Code) but no longer.

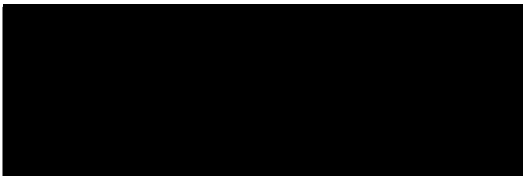
Section 1628. Every license shall include the enumeration of conditions therein which in substance shall include all of the provisions of this article and the statement that any appropriator of water to whom a license is issued takes the license subject to the conditions therein expressed.

Section 1629. Every licensee, if he accepts a license does so under the conditions precedent that no value whatsoever in excess of the actual amount paid to the State therefor shall at any time be assigned to or claimed for any license granted or issued under the provisions of this division (of the Water Code), or for any rights granted or acquired under the provisions of this division (of the Water Code), in respect to the regulation by any competent public authority of the services or the price of the services to be rendered by any licensee or by the holder of any rights granted or acquired under the provisions of this division (of the Water Code) or in respect to any valuation for purposes of sale to or purchase, whether through condemnation proceedings or otherwise, by the State or any city, city and county, municipal water district, irrigation district, lighting district, or any political subdivision of the State, of the rights and property of any licensee, or the possessor of any rights granted, issued, or acquired under the provisions of this division (of the Water Code).

Section 1630. At any time after the expiration of twenty years after the granting of a license, the State or any city, city and county, municipal water district, irrigation district, lighting district, or any political subdivision of the State shall have the right to purchase the works and property occupied and used under the license and the works built or constructed for the enjoyment of the rights granted under the license.

Section 1631. In the event that the State, or any city, city and county, municipal water district, irrigation district, lighting district, or political subdivision of the State so desiring to purchase and the owner of the works and property cannot agree upon the purchase price, the price shall be determined in such manner as is now or may hereafter be provided by law for determining the value of property taken in eminent domain proceedings.

Dated: JAN 23 1968



L BOARD

JAN 23 1968 A.A.C.

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January 30, 2008

Ms. KaraLee Teixeira & Ms. Mary Francis Escobar
c/o Mr. Arthur LaFranchi
Law Office of Arthur LaFranchi
420 Aviation Boulevard #202
Santa Rosa, California 95403-1039

**SUBJECT: SUPPLEMENTAL SITE INFORMATION
PHASE II ENVIRONMENTAL ASSESSMENT
TEIXEIRA PROPERTY
1035 STAGE GULCH ROAD
PETALUMA, CALIFORNIA
EBA PROJECT NO. 07-1473**

Dear Ms. Teixeira and Ms. Escobar:

The following presents our findings and results from the completion of supplemental site investigation activities at the Teixeira property located in Petaluma, California (Figure 1, Appendix A). The additional investigation was performed following completion of the Phase I Environmental Site Assessment as a means to better assess the environmental condition of the property. The following presents our results and findings.

SCOPE OF WORK

The scope of work performed at the site included the following:

- Sample domestic water supply well at the property to determine general water quality and potability;
- Perform surficial soil sampling in the immediate vicinity of two aboveground fuel storage tanks to determine if impacts to the site have occurred as result of using the tanks;
- Perform surficial soil sampling on the west side of the equipment shed where contained waste oil and discarded batteries were stored;
- Perform a limited geophysical survey of the site to determine if underground fuel storage tanks are present at the property.

METHODOLOGY

The following sets forth the sampling and testing methodology that was used in the collection and handling of samples during the investigation of the project site property.

Domestic Well Sampling

The domestic water supply well at the project site property is located on the southern portion of the property. The well system consists of a constructed well with PVC casing and submersible pump. There is a large water storage tank located directly adjacent to the well in which pumped water is stored prior to use for domestic consumption.

A sample was collected from the well on January 18, 2008. Prior to sampling the well was allowed to run for approximately 15 minutes into the holding tank and a sample was collected in laboratory supplied containers. The samples were then labeled, capped and stored in refrigerated conditions pending transport to Alpha Analytical Laboratories in Ukiah, California for chemical analysis. The analysis included the following constituents:

- Hardness
- pH
- Electrical Conductivity
- Total Dissolved Solids
- Sodium
- Iron
- Manganese
- Arsenic
- Nitrates

Samples for the analysis Total Coliform and Escherichia Coliform (E. Coli) bacteria were submitted to Brelje and Race Laboratories in Santa Rosa, California for chemical analysis.

Soil Sampling - Aboveground Fuel Tanks

Soil sampling was performed in and around the two aboveground fuel tanks located to the north of the milking barn. As documented in the Phase I Environmental Site Assessment, a slight petroleum odor was observed during the site inspection in the area of the tanks. Soil samples were therefore obtained from beneath the dispenser end of each tank at a depth of approximately six inches below the ground surface. The soil samples were collected in two-inch diameter by six-inch long steel tubes that were then capped, labeled and stored under refrigerated conditions pending transport to Alpha Analytical Laboratories.

The analysis for the samples included the following:

- Total Petroleum Hydrocarbons as Gasoline (TPH-g)
- Total Petroleum Hydrocarbons as Diesel (TPH-d)
- Volatile Organic Compounds including benzene, toluene, ethylbenzene and xylenes
- Fuel Oxygenates including Methyl tert-Butyl Ether, Ethyl tert-Butyl Ether, Diisopropyl Ether, Tert Amyl Methyl Ether and Tert Butyl Alcohol

Soil Sampling – Equipment Shed

Soil sampling was performed on the west side of the equipment shed where containerized waste products such as waste oil and discarded batteries were stored. The presence of these items was documented in the Phase I Environmental Site Assessment. Soil samples were therefore obtained from the area around the stored materials at a depth of approximately six inches below the ground surface. The soil samples were collected in two inch diameter by six inch long steel tubes that were then capped, labeled and stored under refrigerated conditions pending transport to Alpha Analytical Laboratories.

The analysis for the samples included the following:

- Oil and Grease
- Volatile Organic Compounds
- Metals including cadmium, chromium, lead, nickel and zinc

Geophysical Survey

EBA Engineering contracted with Norcal Geophysical Consultants of Petaluma, California to conduct a limited geophysical survey in the area generally bound by the main dwelling, west to the milking barn and south to the equipment shed. The purpose of the geophysical survey was to investigate for possible buried objects and debris, and other subsurface anomalies. The geophysical survey used several methods of investigation including the use of a magnetometer and conductivity meter on a 10-foot grid over accessible portions of the site to define localized magnetic and conductivity variations that may be present due to buried debris, tanks and miscellaneous subsurface structures. Based on these results, ground penetrating radar and a metal detector was systematically used in localized areas to further define the nature and extent of buried features. The field survey included the establishment of a horizontal control grid.

FINDINGS

The analytical results for the domestic water well indicate no presence for either Coliform or E. Coli bacteria. The analysis for minerals appears to be within accepted standards for drinking water wells in the State of California as defined by Title 22 of the California Code of Regulations. Copies of the certified analytical reports for the well are attached.

The analytical results from the soil sampling in the area of the aboveground fuel storage tanks indicate the presence of gasoline and diesel in shallow soil. Shallow soil samples collected from the dispenser end in the vicinity of the north and south tanks indicate diesel at levels up to 2,700 milligrams per kilogram (mg/kg) and 8,000 mg/kg, respectively. Low levels of gasoline were also detected in the soil samples however the results are flagged by the analytical laboratory as being atypical for gasoline and are likely an overlap from the diesel product. No volatile organic compounds or fuel oxygenates were detected in either soil sample. The levels of diesel detected in both samples exceed published Environmental Screening Levels (ESL's) as established by the San Francisco Bay Regional Water Quality Control Board for shallow soils at residential

properties where groundwater is a source of drinking water. The full extent of the impacts to soil is at this time undefined. A copy of the certified analytical report is attached.

The testing of soil on the west side of the equipment shed indicates the presence of Total Oil and Grease at a concentration of 3,100 mg/kg as well as concentrations of lead at 480 mg/kg and zinc at 520 mg/kg. The concentrations of both Oil and Grease and lead exceed ESL's in soil for residential use. The concentrations of the remaining metals appear to be at expected background levels for the area. No volatile organic compounds were detected in the soil samples collected from this area. A copy of the certified analytical results is enclosed.

A full report of findings for the geophysical survey is currently being prepared by Norcal Geophysical. We are including a copy of the field survey map showing the vertical magnetic gradient contour grid for the areas of the project site explored during this work scope. The results indicate no significant magnetic anomalies in the area of study. The study did indicate a localized magnetic anomaly in the central portion of the area of study however this anomaly appears to be limited in depth and extent and does not have the features of a buried fuel tank. A full report is being prepared by Norcal that will include the findings from the field survey and include complete descriptions of the methods used, results, and interpretation regarding the locations of possible subsurface features. The report will also include a site map showing pertinent site features and magnetic and conductivity contour maps. The full report will be forwarded to you upon receipt.

RECOMMENDATIONS

Based on the detection of petroleum hydrocarbons in the area of the fuel storage tanks, we recommend further definition of the area. This will allow for assessment of remedies that will likely entail removal and off-site disposal of the impacted soil.

Similarly, based on the detection of elevated levels of Oil and Grease and lead in the area of the equipment shed, we would recommend additional assessment of this area and removal and off-site disposal of the impacted soil.

LIMITATIONS

This report was prepared in accordance with generally accepted standards of environmental geological practice at the place and time this investigation was performed. This warranty is in lieu of all other warranties, either expressed or implied. This investigation was conducted solely for the purpose of evaluating environmental conditions of the soil with respect to environmental conditions previously identified at the project site. No soil engineering or geotechnical references are implied or should be inferred. Evaluation of the geologic conditions at the project site for the purpose of this investigation is made from a limited number of observation points. Subsurface conditions may vary away from the data points available.

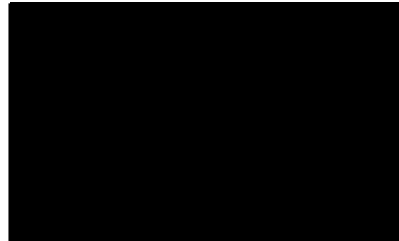
Additional work, including further subsurface investigation, can reduce the inherent uncertainties associated with this type of investigation. This report has been prepared solely for the Client and any reliance on this report by third parties shall be at such party's sole risk.

CLOSING

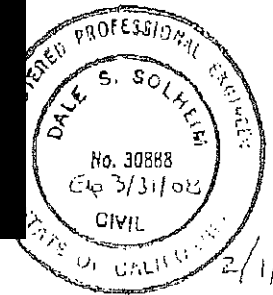
We trust this provides the information you require at this time. If you have any questions or comments, please call (707) 544-0784.



Environmental Services



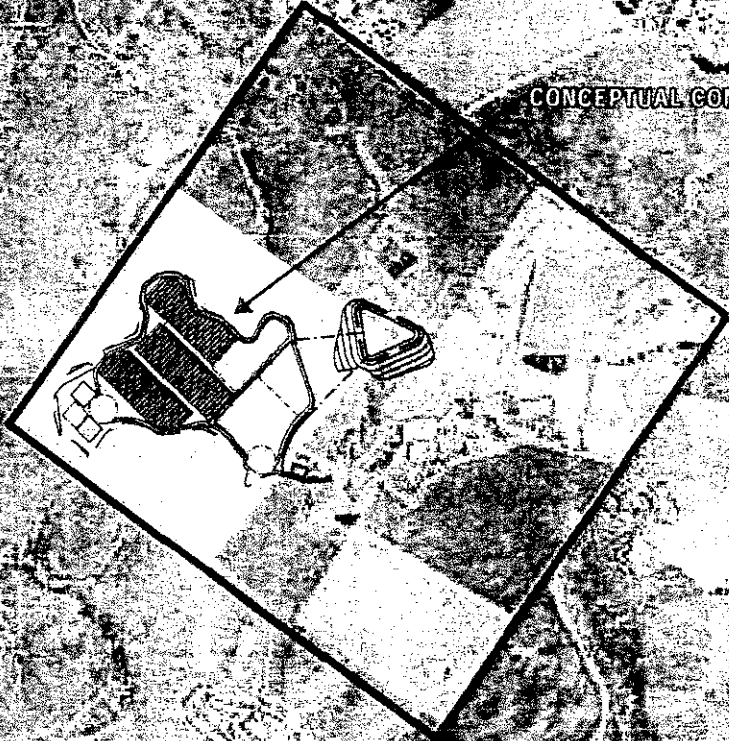
Principal Engineer



Enclosure: Appendix A- Figures
Appendix B - Analytical Reports
Appendix B - Geophysical Field Map

ADOBE ROAD

CONCEPTUAL COMPOST FACILITY



116

STAGE GULCH ROAD

- Study Area
- Proposed Site Entry
- Alternative Site 40 Boundary



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