



County Executive Office

Memorandum

August 22, 2023

To: Brian Kurnow
Entitlements Division Manager, OC Parks

From: Valuation Staff
CEO Real Estate

Subject: Mission Viejo Land Swap
OC Parks and the City of Mission Viejo
For Expansion of Robert A. Curtis Park in Mission Viejo
Informal Valuation Analysis

INTRODUCTION

OC Parks (Parks) requested that an informal valuation analysis be performed in conjunction with a proposed swap of land between Parks and the City of Mission Viejo (the City). Parks and the City intend to enter into several transactions that will enable the City to more effectively proceed with an expansion of Robert A. Curtis Park (Curtis Park). A summary of the values provided in this memo are as follows:

Value of Land (13.84 acres) Transferring From Parks To the City:	\$795,800
Value of Land (17.58 acres) Transferring From the City to Parks:	\$926,728
Net Increase in Asset Value to Parks:	\$130,928

In this memo, a description of the proposed park expansion project is provided first, followed by a description of the proposed transactions between Parks and the City. Lastly, an informal valuation of the proposed transactions between Parks and the City is provided.

CURTIS PARK EXPANSION

Curtis Park currently comprises six acres, offering three lighted softball fields, one lighted soccer/football field, one basketball court, a children's playground, two batting cages, restrooms, three picnic tables, and a walking trail. The proposed expansion project would construct a minimum of four regulation (320-foot) baseball fields that would add to Curtis Park's two existing regulation baseball fields. The addition of four baseball fields would allow the City to host regional tournaments, which requires at least six total baseball fields. The project would also construct associated amenities such as parking areas, internal roads, and restrooms.

Construction of the baseball fields would require fill to create the level area necessary to construct flat pads for the baseball fields while also remediating landslide and other areas of geotechnical instability. The City intends to import approximately 760,000 cubic yards of dirt from a Caltrans Interstate 5 freeway improvement project to accomplish the proposed expansion. The imported dirt would be graded into a pad that would be used to construct the proposed recreational facilities.

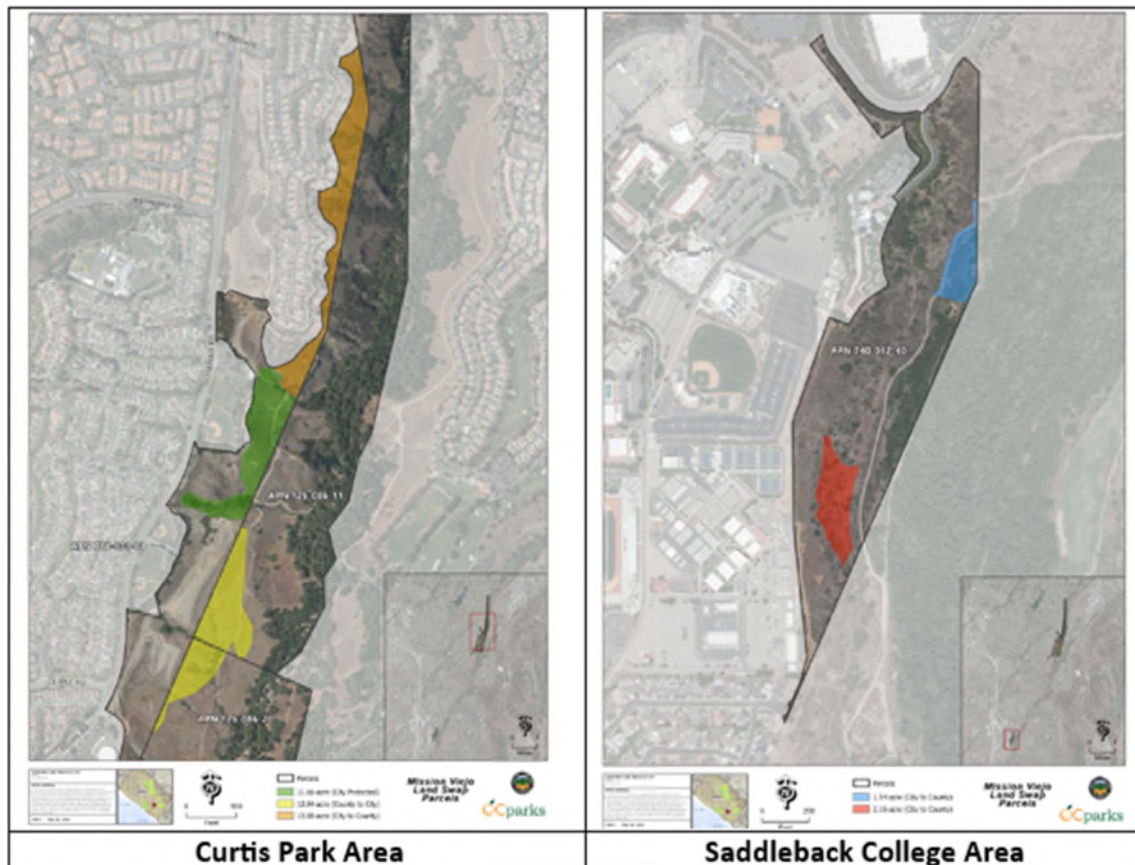
PROPOSED TRANSACTIONS

A summary of the proposed transaction is shown in the table below.

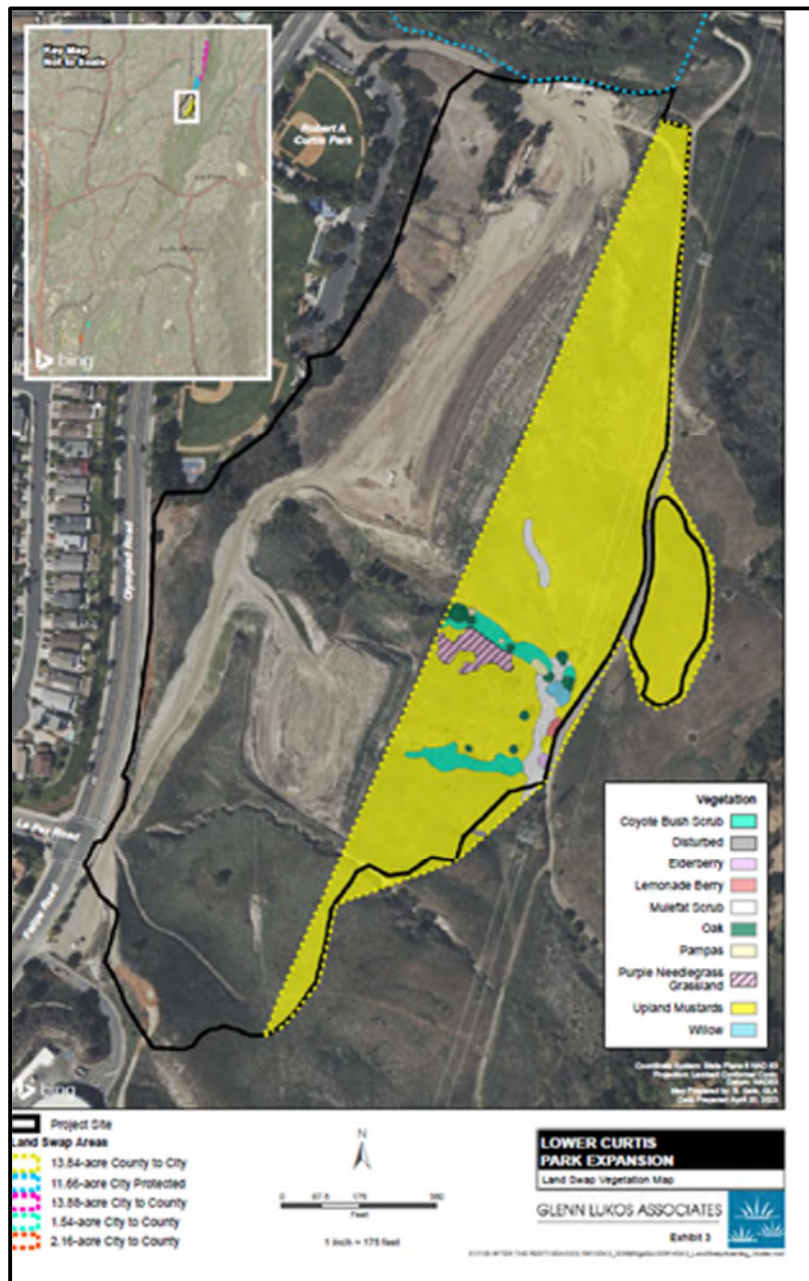
Transaction Type	Location	From	To	Acres
Fee Transfer - Curtis Park Extension	North - Curtis Park Area	Parks	City	13.84
Protective Easement – Mitigation *	North - Curtis Park Area	City	City	11.66
Fee Transfer - Mitigation	North - Curtis Park Area	City	Parks	13.88
Fee Transfer - Mitigation	South - Saddleback College Area	City	Parks	1.54
Fee Transfer - Mitigation	South - Saddleback College Area	City	Parks	2.16

* Note that the 11.66-acre area over which the City will place a protective easement is not changing hands between the City and Parks and has, therefore, not been valued in this memo.

As demonstrated in the above table, land is changing hands in two different areas: (1) the Curtis Park Area and (2) the Saddleback College Area. Aerial exhibits depicting the transfer areas are shown in the table below.



Additionally, the 13.84 acres that will be used specifically for the expansion of Curtis Park are shown in the following aerial exhibit.



As noted in the above exhibit, vegetation in the 13.84-acre area of expansion includes: coyote brush scrub, elderberry, lemonade berry, mulefat scrub, oak, pampas, purple needlegrass grassland, upland mustards, and willow. By expanding into this area, the City is required to protect land somewhere else. In this case, the land to be protected elsewhere will include 11.66 acres near Curtis Park that the City will place a protective easement on, 13.88 acres near Curtis Park that the City will transfer to Parks, and a total of 3.7 acres near Saddleback College that the City will transfer to Parks. In total, 29.24 acres of land will become protected while 13.84 acres of previously protected land will become unprotected. This amounts to a mitigation ratio of a little more than 2:1 and is based in large part on negotiations between the City and the U.S. Fish and Wildlife Service.

NCC and NCCP/HCP

The Natural Communities Coalition (NCC) was established in 1996 as one of the first implementation steps following the signing of a landscape-scale habitat planning and conservation effort—the Natural Community Conservation Plan/Habitat Conservation Plan (NCCP/HCP) for the Central and Coastal Subregion of Orange County, California. The plan provides long-term protection for wildlife and their critical habitats, and regulatory assurances and economic benefits for participating landowners.

In regard to the proposed land transfers, the 13.84 acres of previously protected land is coming out of the NCCP and the 29.24 acres of previously unprotected land is going into the NCCP.

NCCP IN-LIEU MITIGATION FEE PROGRAM

The NCCP offers an in-lieu mitigation fee program, which allows a developer to write a check to the NCC and immediately start a project without delays. In recent years, the in-lieu mitigation fee was just north of \$80,000 per acre. In instances where expeditiousness is less critical, developers usually search for cheaper land alternatives to purchase for mitigation purposes that have the habitat being impacted. Thus, in this case, rather than applying \$80,000 + per acre to value the land that is transferring, we have considered other land sale transactions that have occurred in the market area.

VALUATION

In-house sources of market data and information pertaining to open space and recreational land reflect an overall value range of \$40,000 to \$75,000 per acre. For purposes of this analysis, we have used a value of \$57,500 per acre. In consideration of this, values for each of the interests transferring in the case at hand are shown in the following table.

Transaction	From	To	Rights Remaining	VALUE CALCULATIONS
Fee Transfer	Parks	City	100%	13.84 acres X \$57,500/acre X 100% = \$795,800

Transaction	From	To	Rights Remaining	VALUE CALCULATIONS
Fee Transfer	City	Parks	100%	13.88 acres X \$57,500/acre X 100% = \$798,100
Fee Transfer	City	Parks	5% **	1.54 acres X \$57,500/acre X 5% = \$4,428
Fee Transfer	City	Parks	100%	2.16 acres X \$57,500/acre X 100% = \$124,200

** This 1.54-acre area was previously dedicated as a trail easement.