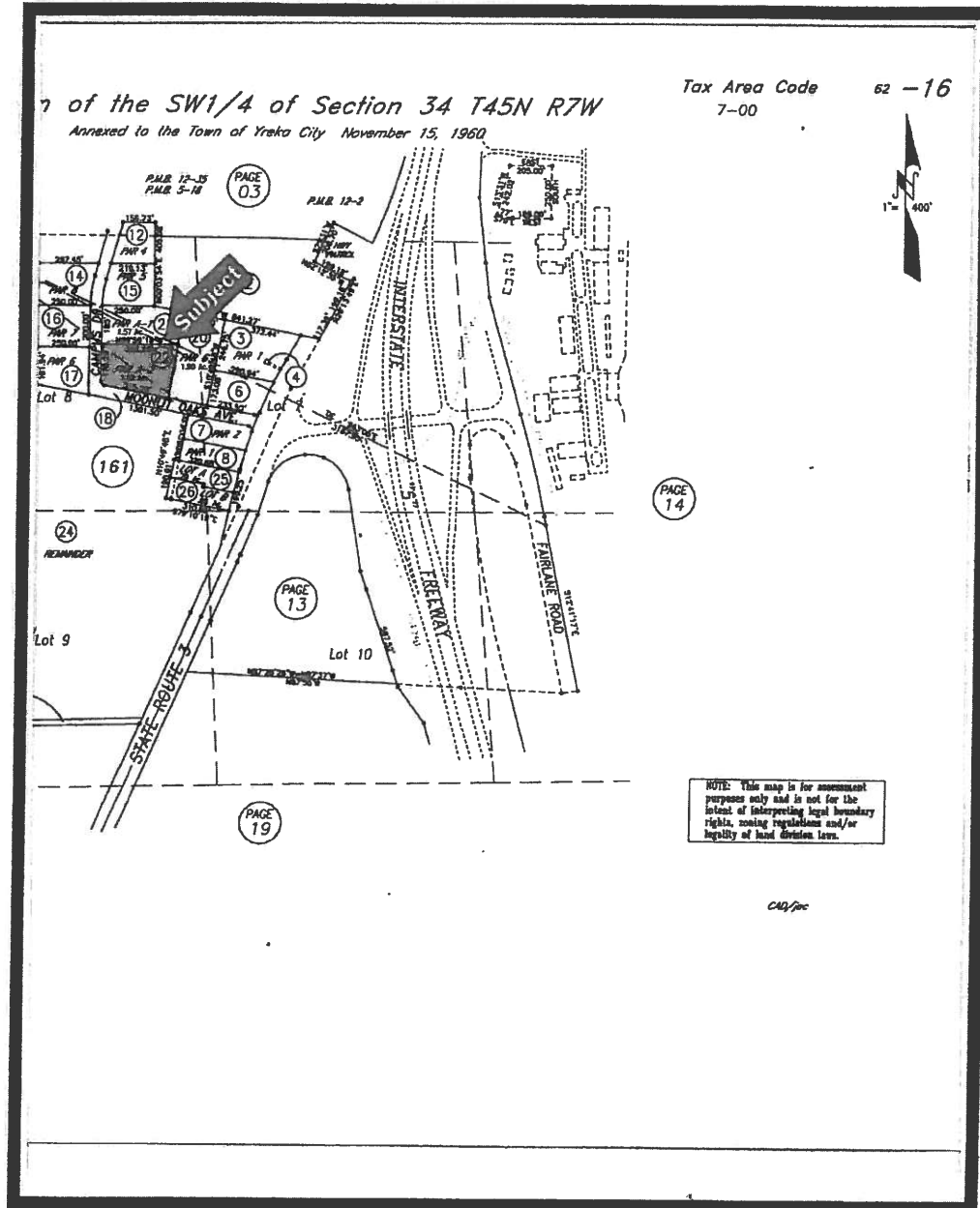


Attachment A -2: Moonlit Oaks Property

Located at: the corner of Campus Drive and Moonlit Oaks in Yreka, California. APN: 062-161-220

The Moonlit Oaks property was appraised in 2015 at a value of \$285,000 and no successful bids were received. **The County is seeking a new appraisal for the Moonlit Oaks property.** Below is detailed information regarding the property.



Plat Map

RESOLUTION NO. 15-49

RESOLUTION OF THE SISKIYOU COUNTY BOARD OF SUPERVISORS
DECLARING ITS INTENTION TO SELL
PROPERTY LOCATED IN YREKA, CALIFORNIA

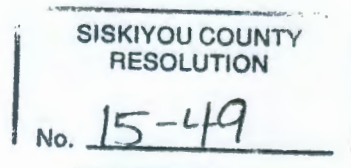
WHEREAS, the County of Siskiyou owns 1.8 acres of land at the corner of Campus Drive and Moonlit Oaks Drive in Yreka, California, identified as Assessor's Parcel Number 062-161-220 (the "Property"); and

WHEREAS, the Property is surplus to the needs of the County of Siskiyou and the Board of Supervisors desires to dispose of said Property; and

WHEREAS, the County has received an appraisal dated January 22, 2015, for the current value of the property in the amount of \$285,000.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the County of Siskiyou that:

1. The Property is hereby declared to be surplus to the needs of the County of Siskiyou and is not needed for public use.
2. The County Administrative Officer will offer the Property for sale to other eligible public agencies pursuant to Government Code Section 54222, for 60 days; if no interest is expressed, County will proceed with a public bid process.
3. The Property would be offered for sale for a minimum amount of Two Hundred Eighty Five Thousand Dollars (\$285,000). Sealed bids must be submitted to the County Administrative Officer by **5:00 p.m. on Monday, June 8, 2015, at 1312 Fairlane Road, Yreka, CA 96097**. Bids must be clearly labeled "**BID – CAMPUS DRIVE PROPERTY.**"
4. Bids shall be opened and read on Tuesday, June 9, 2015, at 1:30 p.m. in the chambers of the Board of Supervisors, located on the second floor of the Siskiyou County Courthouse at 311 Fourth Street, Yreka, California. After the bids are opened, oral bids may be submitted and must exceed the highest written bid by at least five percent (5%) in accordance with Government Code Section 25531. The Board of Supervisors reserves the right to reject all bids.
5. Any bid that is inconsistent with the requirements of this Resolution may be deemed non-responsive and may not be considered. The Board of Supervisors reserves the right to waive irregularities in any bid.
6. Upon approval of any sale by the Board of Supervisors, the County Administrative Officer is authorized to execute any transaction documents that may be required to effectuate disposal of the Property.



7. The Siskiyou County Auditor-Controller is hereby authorized and directed to take all actions necessary to deposit any funds received from the sale of the Property into the appropriate account.

8. This resolution shall be posted in three public places in Siskiyou County and notice of sale of the Property shall be published once a week for three consecutive weeks in accordance with Government Code section 6063.

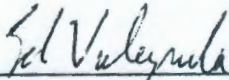
The foregoing resolution was adopted at a regular meeting in the Board of Supervisors of the County of Siskiyou, State of California, held on the 3rd day of March, 2015, by the following vote:

AYES: Supervisors Valenzuela, Bennett, Kohseff, Criss and Haupt

NOES: NONE

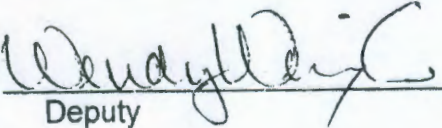
ABSENT: NONE

ABSTAIN: NONE



Ed Valenzuela, Chair
Board of Supervisors

ATTEST:
Colleen Setzer, Clerk
Board of Supervisors

By: 

Deputy

STATE OF CALIFORNIA, COUNTY OF SISKIYOU
BOARD OF SUPERVISORS
MINUTE ORDER, MARCH 3, 2015

COUNTY ADMINISTRATOR - Discussion, direction and possible action re Resolution declaring intent to sell surplus property located at Campus Drive and Moonlit Oaks Drive, Yreka, CA, APN: 062-161-220, at a minimum amount of \$285,000. Resolution 15-49 adopted.

Assistant County Administrator Rose Ann Herrick provided an overview of the request, advising that the appraised value of the property located at Campus Drive and Moonlit Oaks Drive in Yreka was \$285,000. Ms. Herrick suggested that any proceeds from sale of the property be designated for the New Jail Project.

Following discussion between members of the Board and Ms. Herrick regarding the necessary staff time that a sale of the property would encompass and whether designation of the proceeds was necessary at the current time, it was moved by Supervisor Kobseff, seconded by Supervisor Criss and unanimously carried to adopt Resolution 15-49 declaring intent to sell surplus property located at Campus Drive and Moonlit Oaks Drive, Yreka, CA, APN: 062-161-220, at a minimum amount of \$285,000, with the proceeds to be dedicated to the New Jail Project.

I certify that the foregoing is a full, true and correct copy of a Minute Order adopted by the Board of Supervisors, Siskiyou County, State of California.

ATTEST: COLLEEN SETZER, County Clerk and ex-Officio Clerk of the Siskiyou County Board of Supervisors.

By: _____
Deputy



Wendy Winningham

From: Brian Morris
Sent: Wednesday, March 04, 2015 11:01 AM
To: Wendy Winningham; Rose Ann Herrick; Tom Odom
Subject: RE: Notice of intent to sell property Resolution

Wendy,

Yes, the Government Code says notice is given by posting the resolution, and it implies that the notice to be published is also the resolution.

- Brian

Brian L. Morris
County Counsel
County of Siskiyou
P.O. Box 659
Yreka, CA 96097
(530) 842-8100

The information contained in this e-mail is intended only for the CONFIDENTIAL use of the designated addressee named above. The information is subject to the attorney-client privilege and/or represents confidential attorney work product. Recipients should not file copies of this e-mail with publicly accessible written or electronic records. If you are not the designated addressee and you received this document through inadvertent error, any further review, dissemination, distribution, or copying of this communication, and any attachments, by you or anyone else is strictly prohibited. IF YOU RECEIVED THIS COMMUNICATION IN ERROR, PLEASE NOTIFY US IMMEDIATELY BY TELEPHONE TO THE ABOVE NAMED SENDER AT (530) 842-8100. Thank You.

From: Wendy Winningham
Sent: Wednesday, March 04, 2015 10:50 AM
To: Rose Ann Herrick; Tom Odom; Brian Morris
Subject: Notice of intent to sell property Resolution

Hello,

I need a little clarification regarding the Resolution declaring intent to sell real property that was adopted yesterday. In addition to posting the document in 3 places in the County, there is language that a Notice of Sale of the property is to be published in the newspaper.

Is the Resolution the Notice of Sale? If so, is the Resolution the document that would be published? Or is there a separate Notice of Sale to be published and which dept (CAO, Clerk, Counsel, etc) would be responsible for that publication? Thanks so much.

*Wendy Winningham
Deputy Siskiyou County Clerk
510 North Main Street
Yreka CA 96097
530-842-8015*

"Effective July 1, 2010, the Siskiyou County Clerk's Office business hours are 9a.m. - 12p.m. and 1p.m. - 4p.m., Monday through Friday."

TERRY O'NEILL & ASSOCIATES

REAL ESTATE APPRAISERS & CONSULTANTS

TERRY O'NEILL
CERTIFIED APPRAISER #AG005103

Mr. Tom Odom
County Administrator
Siskiyou County
1312 Fairlane Rd.
Yreka, Ca. 96097

January 22, 2015

Re: 1.80 acre lot on Moonlit Oaks Avenue, Yreka, Ca. 96097, My File # 5014

Dear Mr. Odom:

As you requested, I have appraised the above referenced property. I have considered both the physical and economic characteristics of the subject property within its regional and neighborhood setting in order to estimate the value.

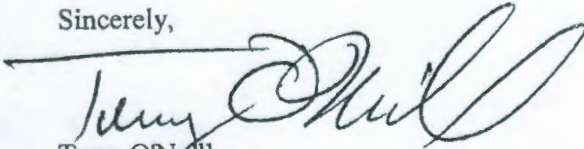
The property appraised is "real property" only. The intended user is the addressee and its legal assigns. The purpose is: To assist in the evaluation of this property for disposal.

The property involves an unimproved commercial lot with full city entitlements. This is a "Limited Scope", Summary Appraisal.

Based on the data contained in this report, and its analysis and conclusion, the estimated fair market value, subject to the Assumptions and Limiting Conditions attached, as of January 2, 2015 is:

TWO HUNDRED EIGHTY FIVE THOUSAND DOLLARS..... \$285,000

Sincerely,



Terry O'Neill
Appraiser/AG 005103

AGENDA WORKSHEET

Submit completed worksheet to:
Siskiyou County Clerk, 510 N Main St, Yreka, CA

Regular Time Requested: 10 minutes Meeting Date: March 3, 2015 11/2

OR

Consent

Contact Person/Department: Tom Odom, County Administrator Phone: 530-842-8005

Address: 1312 Fairlane Road, Yreka CA 96097

Person Appearing/Title: Tom Odom, County Administrator

Subject/Summary of Issue: 15-49

On May 7, 2013, the Board declared the 1.8 acre vacant property owned by the County, located at the corner of Campus Driver and Moonlit Oaks Ave, as surplus.

On December 2, 2014, the Board authorize an appraisal of the property.

The Appraisal was completed in January 2015, and the estimated fair market value is \$285,000.

The County purchased this property in 2001 at a price of \$135,000.

Staff could like to confirm that the Board wants to proceed with notification of eligible local agencies and if no interest then, pursue a public auction, using the \$285,000 as the minimum bid price. If sold, the sale proceeds could be dedicated to the New Jail Construction project.

Fiscal Impact:

NO (Skip to Recommended Motion) **YES** (Complete the Information Below)

Fund: _____	Description: _____
Org.: _____	Description: _____
Account: _____	Description: _____
Activity Code: _____	Amount: _____ Local Preference Purchase: Yes <input type="checkbox"/> No <input type="checkbox"/>

For Contracts – Explain how vendor was selected:

Additional Information: _____

Recommended Motion:

Direction to staff, based on the desires of the Board of Supervisors, regarding sale of property. Adopt attached Resolution and provide staff with direction regarding dedication of proceeds to the New Jail property.

Reviewed as recommended by policy:

County Counsel _____
Auditor _____
Personnel _____
CAO _____

Special Requests:

Certified Minute Order(s) _____ Quantity: _____
Other: _____

NOTE: For consideration for placement on the agenda, the original agenda worksheet and backup material must be submitted directly to the Board Clerk (after reviewing signatures have been obtained) by

1 orig Res
to CAO
3/4/15

Wendy Winningham

From: Wendy Winningham
Sent: Friday, March 06, 2015 2:03 PM
To: legals@siskiyoudaily.com
Cc: Wendy Winningham
Subject: Resolution 15-49
Attachments: res 15-49.pdf

Please publish the attached legal notice, **three times on Friday, March 13, 20 and 27, 2015** and send the **original affidavit** of publication (made out to the Board of Supervisors) to the County Clerk, 510 North Main Street, Yreka, CA 96097.

Please send a **copy** of the affidavit and the **original invoice** to the Board of Supervisors, c/o County Administrator, PO Box 750, Yreka, CA 96097.

Please acknowledge receipt of this email and the run date(s). Thank you

Wendy Winningham
Deputy Siskiyou County Clerk
510 North Main Street
Yreka CA 96097
530-842-8015

"Effective July 1, 2010, the Siskiyou County Clerk's Office business hours are 9a.m. - 12p.m. and 1p.m. - 4p.m., Monday through Friday."

Wendy Winningham

From: Ramey, Robert [rramey@siskiyoudaily.com]
Sent: Friday, March 06, 2015 3:41 PM
To: Wendy Winningham
Subject: Re: Resolution 15-49

Wendy,

Your legal is scheduled to run 3/13, 3/20, 3/27 NEWS#7771

Thanks,

Robert Ramey

**Bookkeeping / Legals
Siskiyou Daily News
PO Box 129
309 S Broadway St.
Yreka, Ca. 96097
(530) 842-5777 Phone
(530) 842-6787 Fax**

On Fri, Mar 6, 2015 at 2:02 PM, Wendy Winningham <wwinningham@co.siskiyou.ca.us> wrote:

Please publish the attached legal notice, **three times on Friday, March 13, 20 and 27, 2015** and send the **original affidavit** of publication (made out to the Board of Supervisors) to the County Clerk, 510 North Main Street, Yreka, CA 96097.

Please send a **copy** of the affidavit and the **original invoice** to the Board of Supervisors, c/o County Administrator, PO Box 750, Yreka, CA 96097.

Please acknowledge receipt of this email and the run date(s). Thank you

Wendy Winningham

Deputy Siskiyou County Clerk

Attachment A-2: Moonlit Oaks Property

510 North Main Street

Yreka CA 96097

530-842-8015

"Effective July 1, 2010, the Siskiyou County Clerk's Office business hours are 9a.m. - 12p.m. and 1p.m. - 4p.m., Monday through Friday."

This message may contain confidential and/or privileged information. If you are not the intended recipient or authorized to receive this for the intended recipient, you must not use, copy, disclose or take any action based on this message or any information herein. If you have received this message in error, please advise the sender immediately by sending a reply e-mail and delete this message. Thank you for your cooperation.

AFFIDAVIT OF PUBLICATION

BOARD OF SUPERVISORS

510 N MAIN ST

YREKA, CA. 96097

IN THE MATTER OF

NEWS#7771

RESOLUTION NO. 15-49

STATE OF CALIFORNIA) ss:
County of Siskiyou)

ROBERT RAMEY

of said County, being duly sworn, deposed and says: THAT he is and at all times herein mentioned was a citizen of the United States of America, over the age of twenty-one years, and that he is not, nor was she at any of the times hereinafter named a party to, nor interested in the above entitled matter; that he is the PRINCIPAL CLERK OF THE PRINTER of THE SISKIYOU DAILY NEWS, a newspaper of general circulation, printed and published in the City of Yreka, County of Siskiyou, State of California, and which newspaper is published for the dissemination of local and telegraphic news and intelligence of a general character, and which newspaper at all times herein mentioned had and still has a bona fide subscription list of paying subscribers, and which newspaper has been established, printed and published at regular intervals in the said City of Yreka, County of Siskiyou, State of California, for a period exceeding one year next preceding the date of publication of the notice hereinafter referred to; and which newspaper is not devoted to nor published for the interests, entertainment or instruction of a particular class, profession, trade, calling, race or denomination, or any number of same; that the notice, of which the annexed is a printed copy, has been published in each regular and entire issue of said newspaper and not in any supplement thereof, on the following: dates, to-wit:

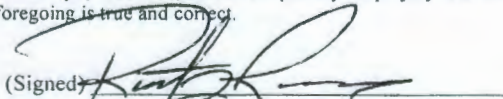
3/13/15

3/20/15

3/27/15

Siskiyou Daily News adjudicated May 18, 1953, No. 15190

I certify (or declare) under the penalty of perjury that the foregoing is true and correct.

(Signed) 

Date: 3/27/15

RESOLUTION NO. 15-49
RESOLUTION OF THE SISKIYOU COUNTY BOARD OF SUPERVISORS
DECLARING ITS INTENTION TO SELL PROPERTY LOCATED IN YREKA, CALIFORNIA

WHEREAS, the County of Siskiyou owns 1.8 acres of land at the corner of Campus Drive and Moonlit Oaks Drive in Yreka, California, identified as Assessor's Parcel Number 062-161-220 (the "Property"); and

WHEREAS, the Property is surplus to the needs of the County of Siskiyou and the Board of Supervisors desires to dispose of said Property; and

WHEREAS, the County has received an appraisal dated January 22, 2015, for the current value of the property in the amount of \$285,000.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the County of Siskiyou that:

1. The Property is hereby declared to be surplus to the needs of the County of Siskiyou and is not needed for public use.

2. The County Administrative Officer will offer the Property for sale to other eligible public agencies pursuant to Government Code Section 54222, for 60 days; if no interest is expressed, County will proceed with a public bid process.

3. The Property shall be offered for sale for a minimum amount of Two Hundred Eighty Five Thousand Dollars (\$285,000). Sealed bids must be submitted to the County Administrative Officer by 5:00 p.m. on Monday, June 8, 2015, at 1312 Fairlane Road, Yreka, CA 96097. Bids must be clearly labeled "BID - CAMPUS DRIVE PROPERTY."

4. Bids shall be opened and read on Tuesday, June 9, 2015, at 1:30 p.m. in the chambers of the Board of Supervisors, located on the second floor of the Siskiyou County Courthouse at 311 Fourth Street, Yreka, California. After the bids are opened, oral bids may

be submitted and must exceed the highest written bid by at least five percent (5%) in accordance with Government Code Section 25531. The Board of Supervisors reserves the right to reject all bids.

5. Any bid that is inconsistent with the requirements of this Resolution may be deemed non-responsive and may not be considered. The Board of Supervisors reserves the right to waive irregularities in any bid.

6. Upon approval of any sale by the Board of Supervisors, the County Administrative Officer is authorized to execute any transaction documents that may be required to effectuate disposal of the Property.

7. The Siskiyou County Auditor-Controller is hereby authorized and directed to take all actions necessary to deposit any funds received from the sale of the Property into the appropriate account.

8. This resolution shall be posted in three public places in Siskiyou County and notice of sale of the

Property shall be published once a week for three consecutive weeks in accordance with Government Code section 6063.

The foregoing resolution was adopted at a regular meeting in the Board of Supervisors of the County of Siskiyou, State of California, held on the 3rd day of March, 2015, by the following vote:

AYES: Supervisors Valenzuela, Bennett, Koberff, Criss and Haupt
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE
s/Ed Valenzuela
Ed Valenzuela, Chair
Board of Supervisors

ATTEST:
Colleen Setzer, Clerk
Board of Supervisors
By: s/Wandy Wingham
Deputy
News #7771. Pub. Mar. 18, 20, 27, 2015

FILED
Siskiyou County

APR 06 2015

COLLEEN SETZER, CLERK
BY:  Deputy Clerk

TERRY O'NEILL & ASSOCIATES

REAL ESTATE APPRAISERS & CONSULTANTS

TERRY O'NEILL
CERTIFIED APPRAISER #AG005103

Mr. Tom Odom
County Administrator
Siskiyou County
1312 Fairlane Rd.
Yreka, Ca. 96097

January 22, 2015

Re: 1.80 acre lot on Moonlit Oaks Avenue, Yreka, Ca. 96097, My File # 5014

Dear Mr. Odom:

As you requested, I have appraised the above referenced property. I have considered both the physical and economic characteristics of the subject property within its regional and neighborhood setting in order to estimate the value.


The property appraised is "real property" only. The intended user is the addressee and its legal assigns. The purpose is: To assist in the evaluation of this property for disposal.

The property involves an unimproved commercial lot with full city entitlements. This is a "Limited Scope", Summary Appraisal.

Based on the data contained in this report, and its analysis and conclusion, the estimated fair market value, subject to the Assumptions and Limiting Conditions attached, as of January 2, 2015 is:

TWO HUNDRED EIGHTY FIVE THOUSAND DOLLARS..... \$285,000

Sincerely,


Terry O'Neill
Appraiser/AG 005103

Preliminary Data:

Purpose of the Appraisal:

The purpose of the appraisal is to estimate the fair market value the subject property.

Market Value Defined:

The most probable price that 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:

- A. Buyer and seller are typically motivated;
- B. Both parties are well informed or well advised , and acting in what they consider their best interests;
- C. Payment is made in terms of cash in U.S. Dollars or in terms of financial arrangements comparable thereto, and;
- D. The price represents the normal consideration of the property sold unaffected by special financing or sales concessions granted by anyone associated with the sale.

Cash Equivalency:

In most appraisal reports, the market value of the subject property is based upon financial terms equal to cash. Cash equivalency analysis is defined as follows: "The procedure in which the sale price of comparable property sold with atypical financing are adjusted to reflect typical market terms." The subject's value, as stated in the final conclusion, is based upon financing similar to that found in the marketplace and in cash.

Competency Provision:

Terry O'Neill of Terry O'Neill & Associates, the appraiser and signatory of this report states that the subject property is within the scope of his typical appraisal work and business. This type of appraisal work on this type subject property is well within the expertise and competency of the appraiser.

USPAP Conformance:

This appraisal conforms to Title XI of FIRREA, and is USPAP compliant.

Scope of Work:

The property was inspected on January 2, 2015, walked and photographed. It is unimproved and entirely observable from the street.

We used, the local MLS system, Siskiyou County Assessor's office, local brokers, Redding appraisers and County Records, GoogleEarth and, FEMA Flood Hazard Maps.

The market area has two elements a local one in the community of Yreka and another concerning the I-5 corridor neighborhood. Sales were sought in Siskiyou, Shasta, and Tehama counties in California and Jackson and Josephine counties in Oregon. All produced raw data which was considered, but only the most relevant are presented here.

After the investigation and verification of the sales data, an analysis was made and a value estimated. That work is summarized in this report.

Intended User of the Appraisal:

The intended user of the appraisal is the addressee(s) of this report and any legal assigns. No others are permitted to use this appraisal without the appraiser's express permission.

Intended Use of the Appraisal:

The intended use of the appraisal is to provide a basis for county budget and potential disposal purposes.

Property Rights Appraised:

The property rights are considered to be a "fee simple" estate. This is defined as "An absolute fee without limitations to any particular class of heirs or restrictions but subject to the limitations of eminent domain, escheat, police power, and taxation. An inheritable estate." (Real Estate Appraisal Terminology, Byrl N. Boyce, Ed., Ballinger Publishing Company, Cambridge, Massachusetts 1975, p. 87)

Date of Valuation: January 2, 2015

Ostensible Owner: County of Siskiyou

Legal Descriptions:

The subject can be described by the following Assessor Parcel.

APNs :

062-161-220

REGIONAL DATA

Siskiyou County is the northernmost central county in the state of California. It is bounded on the north by Jackson and Klamath Counties (Oregon), on the west by Del Norte and Humboldt Counties, on the east by Modoc County and on the south by Shasta and Trinity Counties.

Siskiyou is the fifth largest county within California and is comprised of slightly over four million acres. About three-fourths of the county is in public ownership or large private timber holdings. This area is typically mountainous with the smaller private ownership's existing primarily in the three agricultural areas known as Butte Valley, Shasta Valley and Scott Valley. These valleys are separated by formations of the Klamath and Cascade Mountains.

The county's population is generally spread along the major interstate which bisects the county, Interstate-5 (I-5). This freeway extends in a north-south direction, with most of the population residing within a few miles of its corridor. Towns located on I-5 from north to south include; Hornbrook, Yreka, Grenada, Weed, Mt. Shasta and Dunsmuir. Highway 97 extends from Weed in a northeasterly direction to Klamath Falls, Oregon. Highway 96 extends from eight miles north of Yreka in a westerly direction and is the primary route to the coast in good weather. It terminates near Arcata. Highway 3 runs from Montague through Yreka into Scott Valley, linking the agricultural and timber communities of Ft. Jones, Etna and Callahan. It continues on to Weaverville in Trinity County.

The county's population has grown from 32,885 in 1960 to 44,600 in 1996 (estimated by Ca. Dept. of Finance). The rate of growth is about one percent (1%/yr.) per year.

The railroad was a major developer in the early history of the county and its subsidiaries continue to be a major landowner. The railroad's mainline parallels I-5 from Redding (Shasta County) to Medford, Oregon. A smaller line extends from Weed to Klamath Falls, paralleling Highway 97. Several smaller lines branch off from these.

The primary industries in Siskiyou County are timber, agriculture and tourism respectively. Historically, the county's economy has been resource based. It is now ending its era of primary usage after about 150 years of timber and mineral production.

Other than for recreational purposes, mining has all but disappeared. Timber continues to provide the economic base along with agriculture. Over the past several decades tourism and recreation have made increased contributions to the local economy.

The economy of the county peaked between 1979-1981. The economy then went into a deep recession (depression), lasting longer than the national recession of the same period. It was led by the timber and agricultural sectors. High interest rates, fuel prices, low housing starts and poor general economic conditions provided the backdrop for the county's dramatic unemployment statistics. It was exacerbated by the natural seasonal fluctuations. Figures had reached seasonal

highs in excess of 28%. In the mid '80s, the timber industry substantially improved. The early 1990s saw another recession, with increased unemployment peaking in 1993. The economy is perceived to have been essentially stable since then.

Siskiyou County Unemployment:

Yr.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jly.	Aug	Sep.	Oct.	Nov.	Dec	Avg.
1979	15.3	18.8	17.7	12.6	9.4	7.9	9.1	9.8	9.3	7.9	12.1	16.8	12.2
1980	19.4	19.6	16.8	17.4	14.4	13.3	12.5	12.6	11.6	10.3	11.8	13.9	14.5
1981	21.7	21.0	18.8	15.4	12.0	11.9	13.3	13.5	11.5	15.2	17.9	24.0	16.4
1982	26.2	26.5	25.1	23.2	19.6	19.7	22.1	21.2	18.2	20.2	23.0	26.7	22.6
1983	28.6	28.7	26.6	21.7	19.1	17.2	16.0	16.4	13.4	12.8	16.5	19.7	19.7
1984	23.7	23.6	21.8	17.5	14.2	12.2	13.8	12.1	12.9	11.4	17.2	18.4	16.6
1985	23.1	22.2	20.2	17.1	13.5	14.0	13.7	13.7	13.0	11.7	14.0	16.3	16.0
1986	16.3	19.5	18.2	14.1	10.3	9.9	11.3	9.8	8.5	9.0	12.0	13.8	12.7
1987	17.8	16.7	14.6	9.9	8.3	9.6	8.5	7.8	7.2	7.2	9.6	11.9	10.8
1988	14.2	15.1	13.5	10.0	10.5	9.3	10.0	9.5	8.5	7.7	9.8	10.5	10.7
1989	14.9	15.9	12.8	11.2	9.6	9.1	9.9	8.1	8.4	7.3	9.8	11.4	10.7
1990	14.5	14.8	12.5	10.2	9.0	8.7	10.2	8.7	9.2	8.4	13.2	14.5	11.1
1991	20.8	20.9	19.6	15.3	12.7	11.9	11.1	9.6	9.8	9.8	11.8	14.9	13.9
1992	17.1	17.8	16.4	14.9	12.9	13.0	12.2	13.8	12.9	13.3	17.6	17.2	14.9
1993	19.5	20.5	18.9	14.4	13.7	13.6	12.2	13.8	12.6	13.0	13.3	15.1	15.1
1994	19.3	18.8	16.3	14.5	11.1	11.5	12.9	11.4	11.7	10.2	12.7	13.3	13.6
1995	17.4	16.7	14.9	14.8	14.5	12.3	13.0	11.7	10.6	10.7	14.6	14.1	13.8
1996	19.0	20.0	17.7	14.7	12.3	11.9	12.4	11.5	11.0	10.1	13.7	13.4	14.0
1997	16.7	16.0	14.7	12.8	10.3	9.8	10.7	10.3	9.9	9.3	10.9	12.2	12.0
1998	16.8	16.8	15.5	13.2	11.8	11.2	11.0	10.5	10.8	9.7	12.1	13.2	12.7
1999	15.6	15.2	15.3	11.6	9.1	8.9	9.1	7.9	7.2	6.5	8.4	9.7	10.4
2000	13.5	12.6	12.2	9.1	7.6	8.1	8.2	7.5	7.1	6.7	10.0	10.5	9.43
2001	12.4	12.5	11.6	9.6	7.8	7.5	7.3	6.8	6.8	6.6	9.5	11.8	9.18
2002	14.1	13.1	12.7	10.7	8.1	7.6	7.7	7.5	7.1	7.3	10.7	11.3	9.83
2003	15.5	14.1	13.3	11.1	9.5	8.8	8.8	8.3	7.8	8.2	10.2	11.5	10.6
2004	14.5	14.1	14.3	11.3	11.7	9.3	9.4	8.2	7.7	7.9	10.2	11.5	10.8
2005	12.1	11.7	10.3	8.6	7.4	7.4	7.4	7.4	6.9	6.9	8.5	9.0	8.63
2006	10.8	10.6	10.2	8.7	7.1	7.1	7.1	6.5	6.1	5.8	7.1	8.6	7.98
2007	10.8	10.6	9.8	8.8	7.5	7.3	7.5	7.3	7.0	7.1	8.4	10.5	8.6
2008	12.4	12.2	11.7	9.2	8.4	8.4	8.6	8.5	8.5	9.1	12.0	14.0	10.2
2009	17.6	18.1	18.7	15.6	14.6	13.9	14.0	14.0	13.5	14.7	16.9	18.3	15.8
2010	19.5	19.4	19.4	17.0	15.5	15.2	15.9	15.4	15.4	15.4	17.6	19.0	17.0
2011	20.9	20.6	20.2	17.7	16.3	16.6	16.5	15.7	15.3	15.4	16.5	18.3	17.5
2012	19.2	18.6	18.0	15.9	14.6	14.1	14.3	13.7	12.3	12.6	14.0	16.0	15.3
2013	17.4	16.5	15.4	12.9	11.9	11.8	11.9	11.4	10.7	10.7	12.1	12.7	12.9
2014	15.2	15.5	15.0	11.8	9.9	9.6	10.0	9.1	8.3	8.4	10.1		

Source: Ca. Employment Development Dept. [revised 1/2015]

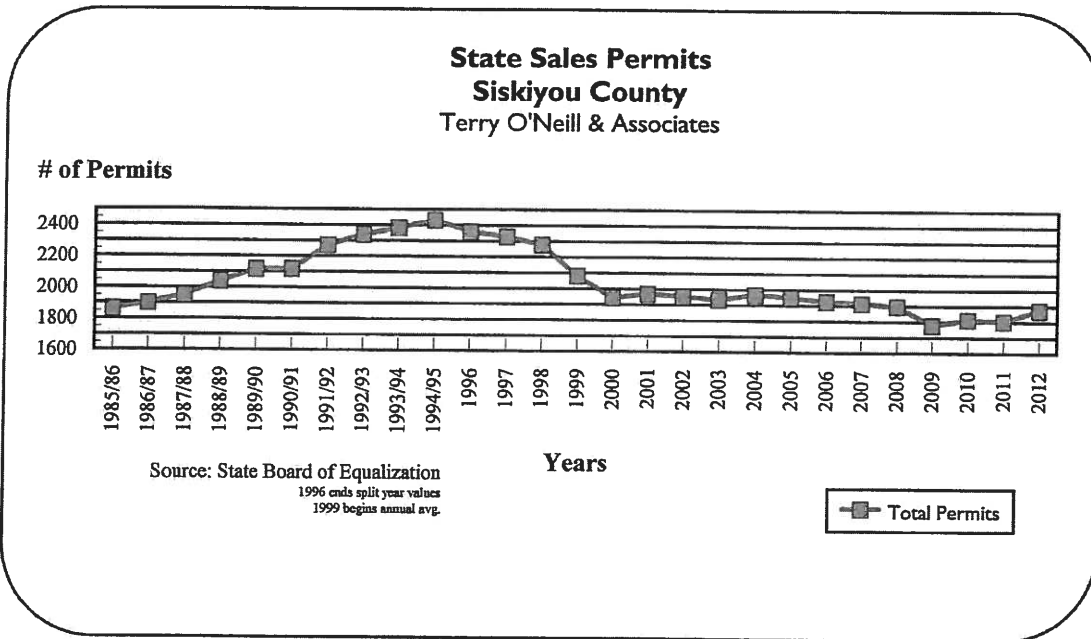
We note that the 2006 was the lowest unemployment rate in the entire period of the chart. This marks the height of the real estate boom, construction, and general economic conditions for many, many years. What ensued in 2007 was a collapse of the real estate bubble and commodity prices as well as securities as measured by major stock indexes. By 2008, the collapse of some large financial institutions had occurred and credit markets ceased functioning. These last two years present a foreboding picture as they are very similar to the 1979-1980 period, which was also a turbulent time. It resulted in substantially higher inflation and eventually worked its way in unemployment all the way to 22.6% (1982). That was a terrible time here in Siskiyou County. We may very well revisit those numbers, or exceed them. The 2009 and 2010 data confirm a dismal employment sense among local residents. This continued through 2011 which was the economic 'bottom'. Only 1982-83 produced a higher rate. Bearing in mind we had interest rates

then of 16-20 percent, it is truly unsettling that we are in the same stratosphere of unemployment with FED rates at near zero percent and mortgage rates at 4.5± percent. In 2012 we see the first sign of an improvement in the unemployment numbers. Setting aside that such statistics are becoming increasingly 'suspect', this comports with the general notion of an improved economy.

County Business Permits

The chart here shows the sales tax *permits* reported to the state. It indicates slow but steady business growth at about 3% per year from 1985 to 2007. The chart shows a peak in permits in 94-95 and a decline through 2000. It then remains stable through 2005. In 2006-2007, a very slight decline. Over the 22 year period, the county increased permits only about 2.75%. The decline in permits since the peak is about 21%. This chart probably gives a more honest picture of the private sector economy in Siskiyou County.

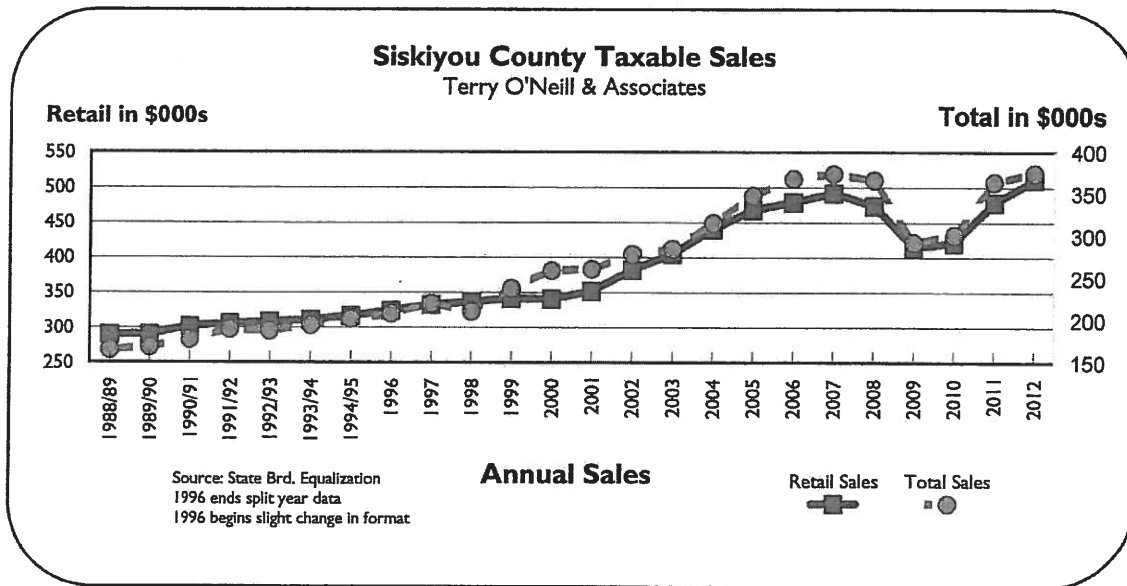
In terms of private sector business formation, the last seven years looks very stable. This, at a time when the economy was booming in construction and real estate in general. As the chart is edited, the economy has now suffered dramatically. This chart shows this in 2009 and stabilized in 2010 and 2011. The 2013 data will not be available for another year.



Taxable Sales Data:

On the following page is the chart of taxable sales for the county as reported by the State Board of Equalization. The taxable sales chart shows both *total* and *retail* sales from 1988-89 to 2007. Here, we see slow, steady growth of about 2% per year in retail sales and about 2.75% in total sales. In my view, this simply relates to inflation on the general price index, rather than increased sales due to improved business. Since 2000, the data indicates much stronger growth. This is an

optimistic part of the trend line. The chart clearly shows the peak sales were in 2007. It has gone down substantially since then. In 2010, consistent with the sales permits, a moderation of or a reversal in the downward trend may be underway.



Enough of Statistics:

Politics plays a significant role in affecting the county's base industries. The controversy which has had the greatest effect on the region is the Endangered Species Act and the "spotted owl" in particular. The issue pitted environmental concerns against economic ones involving the timber industry. The listing of species under this act has had tremendous effects. Through numerous lawsuits filed by environmental groups and with policy changes undertaken during the Clinton administration, the timber industry was been "finished off" with 16 out of 17 mill operations closed.

Since the decimation of the timber industry, the battle lines have changed to water wars. Again, the Endangered Species Act has pit itself against the economic interests of farmers and ranchers. The Klamath Basin and Tulelake areas are the new ground zero for America's latest water war. To complicate the matter, the Klamath Tribe has also joined the fray. They all fight over a resource which is scarce. More will be discussed of this, *if the subject property is located in or near this area*. But to some extent all agricultural properties are threatened by the attack on basic property rights (water), though the Tulelake issue is more complex.

Water rights, property rights and improved fisheries constitute most of the political battles in Siskiyou County. Far from polemic, we see them as critical to industry, be it agriculture or timber.

One of the more interesting issues, (read: the latest incarnation) is the removal of existing dams on the Klamath River. Of particular importance would be the removal of Irongate and Copco

dams, which provide recreation, hydroelectric power and homesite development. Again, it appears to the environmentalists and Indians (some, not all) that the dams must go in order to promote better fisheries. Our view hasn't changed. The dams are only a small part of the whole approach to improved fisheries.

Nevertheless...

Siskiyou County has attracted buyers because of its abundant recreational opportunities which include; golfing, horseback riding, backpacking, snow and water skiing, swimming, rafting, fishing and hunting. These opportunities are afforded by the many mountains, lakes and streams including; the Shasta River, Scott River, Klamath River, Salmon River, Sacramento River, McCloud River, Lake Siskiyou, Lake Shastina, Irongate and Copco Lakes the Tulelake Wildlife Refuge and the Marble Mountain Wilderness Area. The primary attraction to the area is its pristine beauty, clear air and water, and the snowcapped peaks of the lower Cascades. The principal peak is Mt. Shasta which stands at 14,162 feet. It is a major drawing point to the south county and the focal point of many housing sites throughout the area.

The city of Mt. Shasta is the primary retail trade and service community for the south county. Weed, only nine miles north has a community College (College of the Siskiyous). The south county area depends less on the agricultural sector and more on tourism than the north county area. Since 2000, this area has seen dramatic residential value appreciation; both land and residences. The upper end of the residential market has been as strong as any other market segment as Bay Area retirees and metro-emigrants discover the area anew. It has been particularly strong since the 9-11 terrorism disaster.

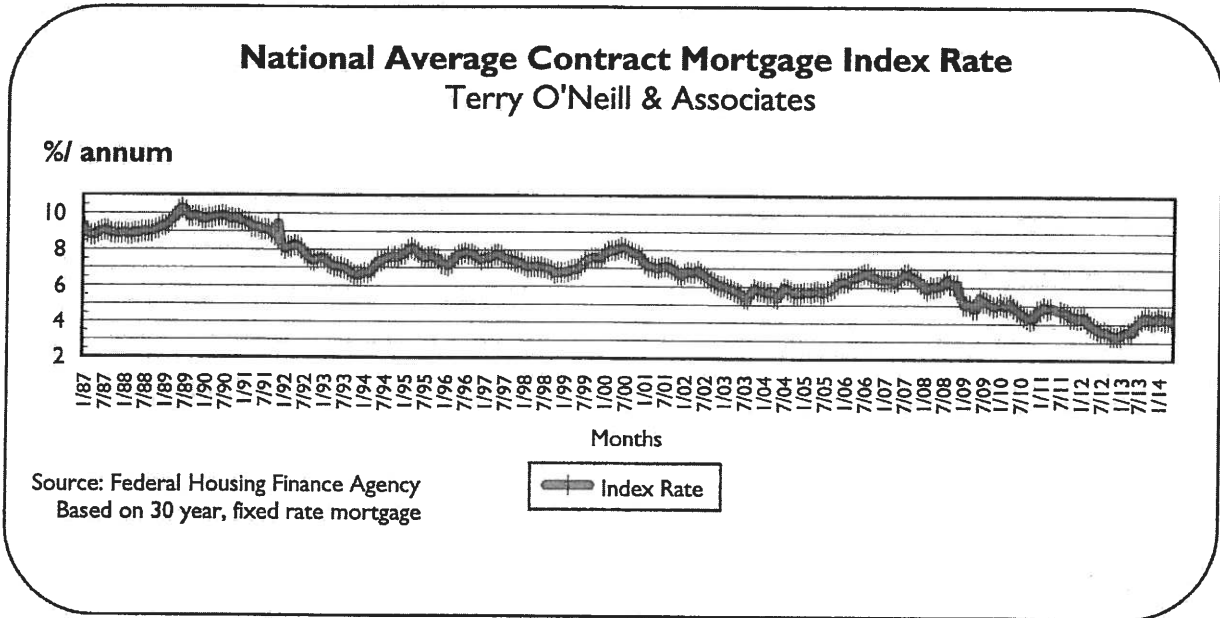
Yreka is the commercial and industrial hub of the north-county area. It is the county seat, employment, medical and service center for the Shasta Valley, Scott Valley and Klamath River areas. The problem is its limitation to the timber and agricultural economy. The best hope for the future is provided by increased tourism, retirement and recreation, especially in the south county. Growth as a retirement area is beginning to be most promising.

In summary, Siskiyou County is a very nice place to live and work but a difficult place to make a living. Not so much of a problem for the retirees coming here in successive waves. The county is clearly in transition, leaving behind its history in resource production. The transition has been toward tourism and retirement. As of the Fall of 2010, any honest examination would conclude it has been only marginally successful at best. Without sufficient goods and services, even retirement in an area can be troubled. In the current economy businesses close with some regularity. To some extent it affects the desirability of living here, to say nothing of the effect on the local real estate market. Certainly the economic problems we face are widespread, but we would need to acknowledge they are particularly worrisome here.

The following chart shows the national average mortgage rates over time. This, for 30 year fixed rate mortgages, nationwide. We can see that the last decade has had relatively low rates. These have tended to fluctuate between 6% and 8%. In the last six years this has tended to be between 5% and 7%. Currently, rates continue to be very favorable, however credit became very

restrictive in the Fall of 2007. In late 2008 and continuing through 2013, the rate fell well below 5%, bottoming out in the mid 3s. In the Spring of 2013, we've seen the most significant increase in lending rates, though they continue to be very favorable.

As one reviews the data contained above, in all charts, the glaring evidence is this: The high



unemployment rates found in years of economic contraction (recession) were often aided by the FED's ability to lower interest rates and stimulate the economy. The reader might review the years of 1982-83, then 1991-94, and then again after 9-11, on the Unemployment Chart. While we don't present the earlier data (82-83) on the mortgage rate chart (a proxy for overall interest rates and particularly addressing the real estate industry), assuredly it is high and would sit to the left and well above the chart. The 91-94 period is clearly presented and was at about 9% when the 'easing' started. Similarly, at 9-11 it was just under 7%.

The other issue is that the dollar strength was much higher at all points of time. In 1985, the dollar index, a measure of its value against a basket of other currencies, was about 128. As of the editing of this report, it is near 82 a 35+% loss in value. In November of 2009 it was down to 75, representing a 40% loss in value. This certainly constrains the typical tools of the FED for monetary policy. It can only stimulate the economy effectively at the cost of the currency.

As the report goes through editing, the general market conditions have improved in 2012, but increased interest rates in 2013 are already, after a brief flurry of activity, showing signs they may be negatively affecting activity and probably prices. The agricultural sector is the one bright spot, with strong crop prices and strong demand/supply ratio, the sector is expected to continue its strength in activity and price.

Community:

The city of Mt. Shasta sits on the south flank of the mountain of the same name. The elevation is 3,606 feet and the climate has four distinct seasons. The summers are very pleasant offering relief from the heat of the Sacramento Valley to the south. The Fall and Spring seasons are also pleasant, but are subject to frequent frosts in the mornings. The winter, although much cooler than most communities within one hundred miles of it, is the community's favorite season. Winter recreation is part of the city's theme. It has already become a sub-regional center for Nordic and alpine skiing. After nearly a decade of no downhill skiing, skiing returned to the mountain in 1985 with the opening of the Mt. Shasta Ski Park.

Mt. Shasta is characterized by more liberal attitudes than the rest of Siskiyou County. Finer homes are generally found in the area, particularly along the Old Stage Road area and its outlying neighborhoods. The population of Mt. Shasta (including outlying areas within the zip code) has grown steadily. Its about 3,621 as of the 200 Census, but has grown considerably since then.

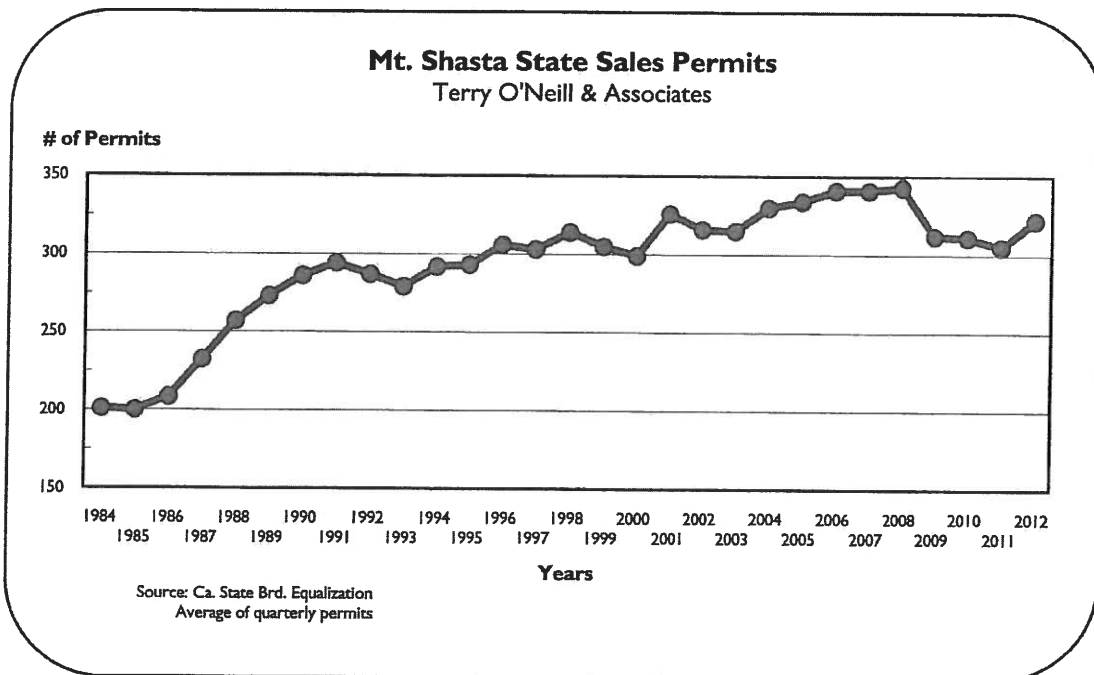
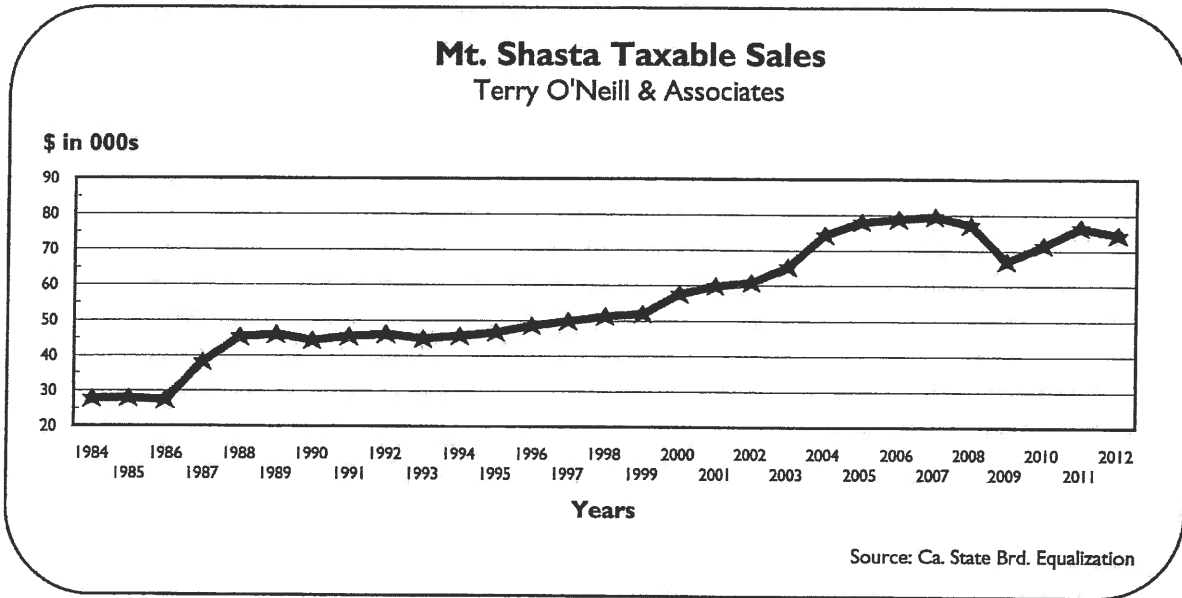
The downtown business district extends for several blocks northward from the intersection of Lake Street and Mt. Shasta Boulevard. While this neighborhood is still the established retail center, most of the newer development has occurred on Lake Street between Mt. Shasta Boulevard and Interstate-5. This development includes a community shopping center anchored by Sentry Market with several regional tenants. The balance of the development has been oriented to commercial-highway services, i.e., restaurants, service stations, fast-food and convenience stores.

Mt. Shasta has two elementary schools and a high school. The nearest college is a community college located nine miles north in Weed.

The historical economic base of the community has been lumber. Over the past few decades, however, there have been marked increases in the service sector and among professionals. Tourism continues to play an important role as resource exploitation declines.

On the following page are two charts reflecting economic activity in the community. They are; Taxable Sales and State Sales Permits. The data shows a strong correlation between the number of permits and total taxable sales. An analysis follows

It appears, overall, that the economy of the community is flat from 1989 to 1993. From 1993 to 1998 total taxable sales increased 14.4% over the period. This equates to 2.88% per year. Then begins a period of very strong growth. From 2000 through 2007, sales jumped 22% over that seven year period. We note however recent slowing and expect 2008 to be the most significant downturn on the chart. Probably a sharp decline in sales. In the years 2005-2007, only a 1.98% change was seen... Anemic. Drawing back even further, from 1991 to 2012 is only a 9.5% increase- a period of 21 years or less than half a percent growth per year in businesses.



The Taxable Sales chart, like virtually any economic chart of this period, sees a decline in 2008. It then begins to regain the sales through 2011, but then declines again in 2012. This indicates a weak economy, an inability to sustain any growth.

The reader should consider carefully that through this same period inflation is gone up substantially, which is reflected in higher sales volume but not necessarily a good economic indicator. While The federal inflation rate is generally considered useless as it omits things like

energy and food costs, the chart reflects an even weaker economic condition. These items have gone up substantially greater than the 'headline' rate of 2 - 3 percent.

The Sales Permits for local businesses have grow steadily reflecting the popularity and desirability of the community until 2008, showing up in the 2009 data. The permits have not regained their numbers and are about equal to the 2002-2003 period, a regression of about a decade. Retail (includes restaurants) tracks the same pattern at about 15% lower numbers.

In the 2000 census, the population of Mount Shasta was 3,621. The 2010 census gives the population at 3,394, a decline of 6.26% and a loss of 227 persons. Likewise, households declined from 1,895 to 1,798, nearly a hundred.

Another factor completed about fifteen years ago is the Siskiyou Lake Highlands development. This project features multi-use property including; commercial, vacation rental, residential income, single family sites and an 18 hole championship quality golf course. It adjoins Lake Siskiyou, a popular vacation area only 5 minutes from Interstate 5. It is a \$12- \$15 million project. This helped push up economic activity through the 2008 period.

The last few years have seen a very bad drought in California. This has had an effect on the Ski Resort which brings in substantial tourist dollars to the community. Last year (2013-2014 season), for the first time in its history the ski park did not open.

Summary:

In summing, the quality of life and environment of Mount Shasta is very nice. It can have harsh winters, but they are rare. The Spring, Summer and Fall seasons have very nice weather. Recreational opportunities are excellent. The community is well served with adequate commercial and medical services. The economics of the area, like all of Siskiyou County, are generally flat or in decline, depending on the years reviewed. Certainly, it is a weak economy.

NEIGHBORHOOD DATA:

The subject exists in two neighborhoods and both affect the value. It has a footprint in the community of Mount Shasta, from which it derives its services and a population base for any development of the property, and it has a footprint in the I-5 freeway corridor. This corridor extends from Mexico to Canada as I-5 is the primary north-south artery on the west coast.

I-5 Neighborhood:

The I-5 neighborhood is oriented to the traveling public. While several thousand miles long, it is generally less than a mile wide. It defines the highest and best use of many properties so located and renders some of the highest land prices, particularly in rural or small communities. Typical uses include fast food, restaurants, motels, gas stations, convenience stores. Often the sites are smaller and very valuable, but not always.

Local:

The subject is about 500 feet west of the busiest intersection in the county; the South Yreka Offramps. This neighborhood has the shopping center and WalMart. Freeway service establishments include Motel 6, Baymont Inn (adjacent to subject)

To the north is the County Behavioral health building followed by a vacant parcel, then the campus of NorCal Products, the largest private employer in the city. They have numerous buildings in that area. It is then followed by Greenhorn Creek and office and light industrial uses.

West of the property is a single strand of lots and then the topography steepens quickly to unusable land. On the west side of the street is the satellite campus of College of the Siskiyous comprising numerous buildings including a recently completed nursing school; a \$14 million dollar project. To the northwest is Greenhorn Park, which consists of several hundred acres, a lake soccer fields, picnic areas, etc.

South of the subject is the old Pine Mountain Lumber site, now vacant and available for development along with the freeway uses along Hwy. 3 (Main St.). Further south, the uses turn to residential. The Yreka Junction Shopping Center is southeast of the subject.

East of the subject is the Baymont Inn, then Black Bear Diner. East of that is the freeway. There are no services or land on the east side of Main Street.



NEIGHBORHOOD MAP

Site:

Address & Location:

There is no physical address. The subject is located on the northeast corner of Moonlit Oaks Ave., and Campus Drive. This is just west of the intersection of the I-5 offramps with S. Main Street and the south interchange.

Size, Shape & Description:

The property is a trapezoid but nearly a rectangle and is comprised 1.80 acres. The terrain gently slopes downward to the east. It is entirely usable land. There are no trees and only native grasses grow on the land. It has curb and gutter on all of its frontages. There is about 178 feet fronting on Campus Drive and 315 feet on Moonlit Oaks Ave. (SEE PLAT MAP)

Traffic & Visibility:

The traffic along either Campus or Moonlit Oaks are generally related to three properties; the COS campus, NorCal Products, or County Behavioral Health. There is little itinerant traffic. The visibility is very limited from south bound Main Street traffic. It is better from north bound traffic, but still not good. The visibility and signage potential from the west bound offramp traffic is actually quite good. Thus when waiting at the signal, there is very good visibility for signage to this property.

Zoning:

The property is zoned CT: Commercial Tourist. This would allow for motels, restaurants, fast food, automotive services.

Title 16 - ZONING

Chapter 16.38 - COMMERCIAL TOURIST CT

Sections:

16.38.010 - Purpose.

This Zone District is intended to serve the service and accommodation needs of the traveling public and is primarily located at or near freeway interchanges.

16.38.030 - Density/Intensity.

A. Minimum parcel size: Seven thousand (7,000) square feet.

B. Maximum Coverage: One hundred (100) percent, subject to setback, landscape and parking requirements.

16.38.040 - Site Development Standards.

A. Setbacks, minimum

1. Front: Twenty (20) feet.
2. Rear: Ten (10) feet.
3. Side: Ten (10) feet.

B. Building

1. Maximum Height: Thirty-five (35) feet.

C. Lot Dimensions (minimum)

1. Width: Seventy (70) feet.
2. Depth: Seventy-five (75) feet.

D. Parking:

1. See Parking standards, Chapter 16.54

16.38.050 - Accessory Uses and Structures.

The following uses and structures are permitted in the CT Zone District as an accessory to the conditionally permitted use:

- A. Garage, carport, and off-street parking, not exceeding ten (10) spaces.
- B. Fences, walls in compliance with § 16.46.050
- C. Temporary outside sales such as sidewalk or parking lot sales not exceeding two (2) days in any 30-day period.
- D. Usual and customary structures associated with a commercial use.

16.38.060 - Conditional Uses.

The following uses are permitted in the CT Zone District upon approval and validation of a conditional use permit, in addition to any other permits or licenses required for the use:

- A. Residential uses.
- B. Emergency medical clinics.
- C. Transient residential uses such as motels, hotels, bed and breakfasts.
- D. Restaurants, cafes, delis, bars and lounges, service stations.
- E. All uses allowed in the C-2 and CH Zone Districts.
- F. Group care home - large;
- G. Employee housing - small;
- H. Supportive housing;
- I. Transitional housing.

Utilities: The property is served by:

Water & Sewer-	City of Yreka
Electric power-	Pacific Power & Light
Natural Gas-	Suburban Propane
Phone-	A wide variety of land line carriers and cell service is available.

Flood Hazard:

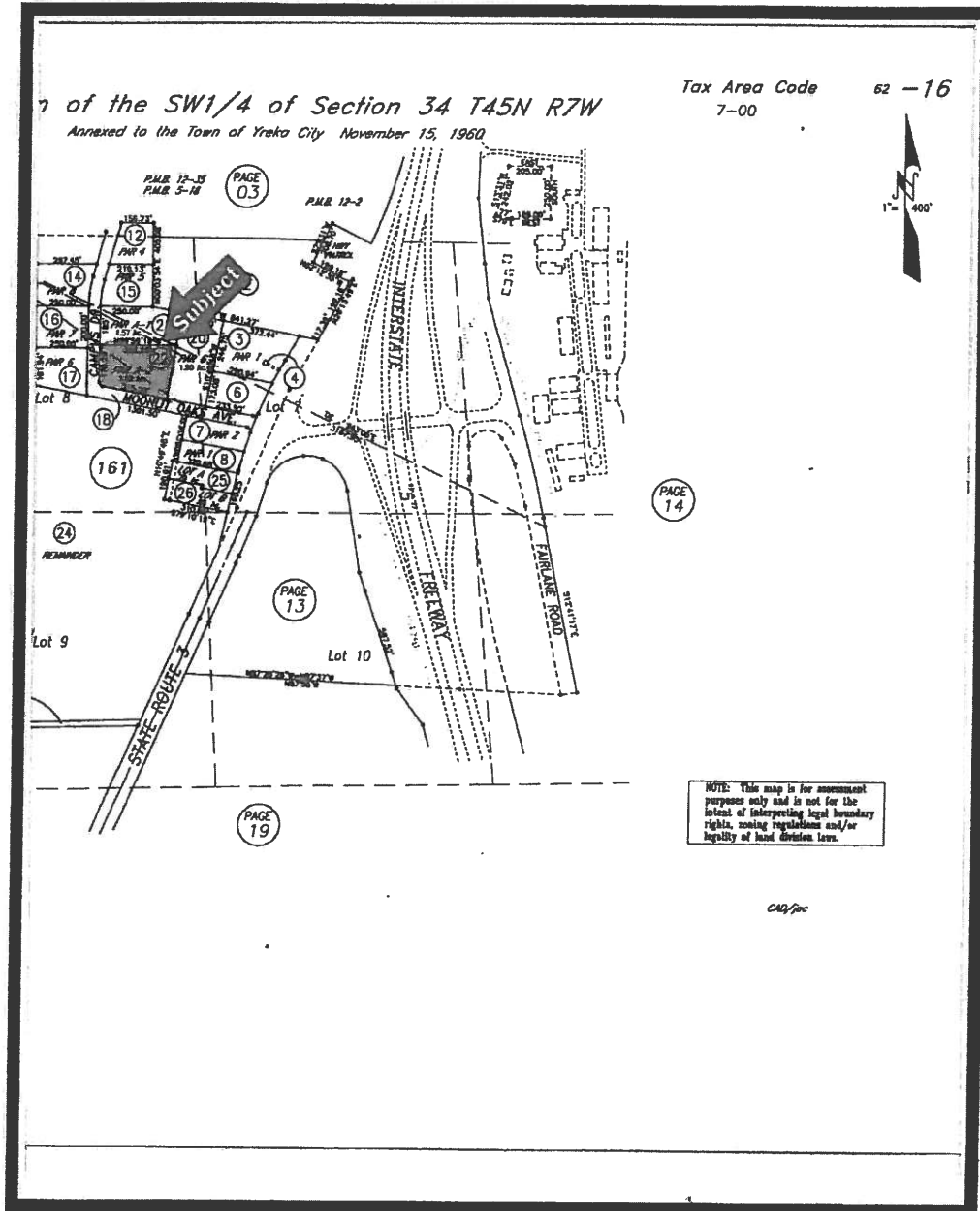
The subject is outside any flood hazard [Zone C], according to FEMA Map panel 06093C1559D, effective January 19, 2011.

Property Taxes: (2014)

APN:	Assessed Values			RE Taxes
	Land	Improvements	Total	
062-161-220	NON TAXED GOVERNMENT LAND			

Site Summary:

The subject site is well located to the south interchange the highest traffic area of the city and county. It is near the travel service establishments of fast food, restaurants motels, and gas stations. On its 'back side are important government facilities, names the Behavioral health buildings and satellite campus of the local junior college. The site is appropriately zoned and is all usable in a good configuration. It has full city services and good visibility. This is a good quality commercial site .



Plat Map