



# VERDICTSEARCH

## CALIFORNIA

### LOS ANGELES COUNTY

#### EMINENT DOMAIN

##### Land Use — Municipalities

## Business owner and city agency disputed property's FMV

**VERDICT**      **\$3,400,000**

**CASE**      Community Redevelopment Agency of the City of Los Angeles, California v. Z. Patrick Berberian and California Arts Products Company, No. BC 295385

**COURT**      Superior Court of Los Angeles County, Los Angeles, CA

**JUDGE**      William F. Highberger

**DATE**      12/14/2004

#### PLAINTIFF

**ATTORNEY(S)**      **David S. Cunningham, III**, Jackson & Associates, Los Angeles, CA  
**JoAnn Victor**, Jackson & Associates, Los Angeles, CA

#### DEFENSE

**ATTORNEY(S)**      **John S. Peterson**, Law Offices of John S. Peterson Law Corporation, Los Angeles, CA

**FACTS & ALLEGATIONS** On May 22, 2003, the plaintiff Community Redevelopment Agency of the City of Los Angeles attempted to acquire through eminent domain property owned by Z. Patrick Berberian for use in its NoHo Commons redevelopment project. The property was located in a transitional industrial area near Chandler Boulevard in North Hollywood and was occupied by Berberian's business, California Art Products Company, a producer of fiberglass and resin products including props, decorative items and facades.

The agency deposited \$1.69 million for real estate and \$70,600 for fixtures and equipment as its estimate of probable compensation. Berberian was required to relocate his business, and the parties agreed to settle the relocation claim for \$842,140. Additionally, the parties settled a claim for lost business goodwill for \$71,000 and compensation for the unrellocatable furniture, fixtures and equipment for \$79,600. The parties could not agree on the fair market value of the real estate, and the valuation was argued at trial.

**INJURIES/DAMAGES** The agency contended that the property was worth \$2.15 million. The agency's appraiser based the figure on a mixed use industrial/commercial development given the existing nature of the neighborhood.

Berberian estimated the value of the property at \$4,211,000. Berberian's appraiser determined the highest and best use was for multi-family residential development given the transitional nature of the neighborhood and the property's proximity to a nearby Metrorail station.

**RESULT** The jury determined that the fair market value of the property was \$3.4 million.

The jury's value determination was based on nearby sales that were sold for development into multi-family residential projects.

**DEMAND**      \$3,450,000

**OFFER**      \$2,700,000

**TRIAL DETAILS**      Trial Length: 4 days  
Trial Deliberations: 0.5 days

#### PLAINTIFF

**EXPERT(S)**      **Bradford Thompson, MAI**, appraisal, Montrose, CA

#### DEFENSE

**EXPERT(S)**      **Arthur A. Gimmy, MAI**, appraisal, Corte Madera, CA

**POST-TRIAL** Berberian was awarded prejudgment interest on the award. He has filed a motion for litigation expenses including attorneys' and appraisal fees as the prevailing party.

—James Brennan