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**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



Reviewed by
CIP TEAM
C.M. Johns

FROM: Department of Facilities Management

SUBMITTAL DATE:
July 3, 2007

SUBJECT: Resolution No. 2007-036, Notice of Intention to Purchase Real Property, and Resolution No. 2007-350, Notice of Intention to Reimburse

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve Resolution No. 2007-036, Notice of Intention to Purchase Real Property - 57.02 acres of vacant land (APN's 327-190-005, 006, 007, 009, 010, 011, 012, 014, 015, 017, and 019, and all but a 1.18-acre portion of 327-190-020);
2. Approve Resolution No. 2007-350, A Resolution of the Board of Supervisors of the County of Riverside Declaring its Intent to Reimburse the County of Riverside for Expenditures on the Acquisition of the Perris Land Reserve Obligations to be Issued by the County of Riverside and Directing Certain Actions;
3. Authorize the Facilities Management to negotiate the purchase of vacant land from Eastern Municipal Water District for a not-to-exceed price of \$9,000,000;
(Cont'd)

Robert Field

 Robert Field, Director
 Department of Facilities Management

Departmental Concurrence

FORM APPROVED
COUNTY COUNSEL

JUL 11 2007

By: Jennifer L. Sargent
Jennifer L. Sargent

F:MDD:cm
10.612

FINANCIAL DATA	Current F.Y. Total Cost:	\$ -0-	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ -0-	Budget Adjustment:	No
	Annual Net County Cost, 07/08:	\$9,120,000	For Fiscal Year:	07/08

SOURCE OF FUNDS: General Fund Capital Project Designation	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input checked="" type="checkbox"/>

C.E.O. RECOMMENDATION: APPROVE

BY: *Jennifer L. Sargent*

 Jennifer L. Sargent
County Executive Office Signature

Policy
 Policy

Consent
 Consent

Dep't Recomm.:
 Per Exec. Ofc.:

RECOMMENDED MOTION (Cont'd):

4. Authorize Facilities Management to incur typical due diligence and transaction costs up to \$120,000; and
5. Authorize the Executive Office to transfer \$120,000 from the General Fund Capital Project Designation account to the Department of Facilities Management (10000-7200400000-540040) to cover various expenditures associated with this land acquisition transaction, including good faith option costs, due diligence costs, and staff time, with any unused funds to be returned to the General Fund Capital Project Designation account.

BACKGROUND:

Facilities Management is in the process of identifying and purchasing property in the Perris Valley region to provide a land bank for future county use; the land would serve as a site for various types of facilities necessary to serve this rapidly developing area. The department has identified a 57.02 acre vacant land located in the City of Perris to serve in this capacity. Types of projects that may be developed include, but are not limited to: criminal justice facilities, transportation facilities, health facilities, and social service facilities. In accordance with statutory requirements, Facilities Management will return to the Board to request Authorization to Purchase and release of funds.

Because the specific uses for the property have not been identified, no information in terms of a project is available to perform a meaningful California Environmental Quality Act (CEQA) review that would assess the extent of any identifiable environmental impact. CEQA defines a "Project" as an activity undertaken by a public agency which may cause a physical change in the environment. Any project requires environmental review before agency action; CEQA provides that the review must take place as early as possible, but late enough to provide meaningful information for environmental assessment. With regard to the proposed purchase, a full CEQA compliance review will be accomplished when actual uses are identified and project descriptions are available, and prior to any land alteration. In this instance, the purchase and change of title on the land being acquired does not require CEQA review.

County Counsel has reviewed and approved Resolution 2007-036, Notice of Intention to Purchase Real Property, and Resolution 2007-350, A Resolution of the Board of Supervisors of the County of Riverside Declaring its Intent to Reimburse the County of Riverside for Expenditures on the Acquisition of the Perris Land Reserve Obligations to be Issued by The County of Riverside and Directing Certain Actions, as to legal form.

(Cont'd)

FINANCIAL DATA:

The General Fund Capital Project Designation is available to fund this acquisition. Should the Board approve this purchase, the designation will be reduced in a subsequent Form 11. All associated costs are anticipated to be incurred in FY 07/08.

Purchase Price:	\$9,000,000
Estimated Title and Escrow Fees:	\$ 40,000
Estimated DOFM Staff Expense:	\$ 30,000
Estimated Due Diligence Expense:	<u>\$ 50,000</u>
Estimated Total:	\$9,120,000

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3 Resolution No. 2007-036
4 Notice of intention to Purchase Real Property
5 In the City of Perris, California
6 APN's: 327-190-005, 006, 007, 009, 010, 011, 012, 014, 015, 017, 019
7 and all but a 1.18-acre portion of 020

8 BE IT RESOLVED, DETERMINED AND ORDERED by the Board of Supervisors of the
9 County of Riverside in regular session assembled on July 31, 2007 and NOTICE IS HEREBY
10 GIVEN, pursuant to Section 25350 of the Government Code, that this Board at its public
11 meeting on September 18, 2007 at 9:00 a.m. in the meeting room of the Board of Supervisors
12 located on the 1st floor of the County Administrative Center, 4080 Lemon Street, Riverside,
13 California intends to authorize a transaction in which the County of Riverside will purchase
14 (from Eastern Municipal Water District) certain real property located at the West side of
15 Trumble Road, from Mapes Road on the South to Ellis Avenue on the North, and east to
16 Sherman Road, in the City of Perris, County of Riverside, State of California, identified by
17 Riverside County Assessor's Parcel Number 327-190-005, 006, 007, 009, 010, 011, 012, 014,
18 015, 017, 019 and all but a 1.18-acre portion of 020, more particularly described in Exhibit "A"
19 attached hereto and thereby made a part hereof, consisting of one separate, legal lot of 57.02
20 acres at a purchase price not-to-exceed nine million (\$9,000,000), plus miscellaneous escrow
21 closing costs and preliminary title report, in the approximate amount of forty thousand dollars
22 (\$40,000).

23 BE IT FURTHER RESOLVED AND DETERMINED that the Department of Facilities
24 Management is to expend a not-to-exceed amount of eighty thousand (\$80,000) in General
25 Fund Capital Project Designation account, to complete due diligence on the property,
consisting of a preliminary title report, appraisal costs, a hazardous materials survey, DOFM
staff time and miscellaneous other studies as may be deemed necessary. Any unused funds
will be retained by the General Fund Capital Project Designation Account.

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1 BE IT FURTHER RESOLVED AND DETERMINED that the Clerk of the Board of
2 Supervisors is directed to give notice hereof as provided in Section 6063 of the Government
3 Code.

4 BE IT FURTHER RESOLVED AND DETERMINED that the Director of the Department
5 of Facilities Management, or his designee, is authorized to execute the necessary
6 documents to complete this purchase of real property.

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MDD:cm
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18 FORM APPROVED
COUNTY COUNSEL

19 JUL 11 2007

20 BY 

1 **WHEREAS**, at the time of the reimbursement, the County will evidence the
2 reimbursement in a writing which identifies the allocation of the proceeds of the Debt to the
3 County, for the purpose of reimbursing the County for the acquisition purchase price, title and
4 escrow fees, staff expense, due diligence and pre-design cost expenditures made prior to the
issuance of debt;

5 **WHEREAS**, the County reasonably expects to make the reimbursement allocation no
6 later than eighteen (18) months after the later of (i) the date on which the earliest original
7 expenditure for the Facility is paid or (ii) the date on which such Facility is placed in service (or
8 abandoned), but in no event later than three (3) years after the date on which the earliest
original expenditure for the Facility is paid; and

9 **WHEREAS**, it is in the public interest and for the public benefit that the County
10 declares its official intent to reimburse the expenditures referenced herein.

11 **NOW, THEREFORE, BE IT RESOLVED**, by the County of Riverside Board of
Supervisors, as follows:

- 12 1. The County will undertake acquisition services for the Perris Land Reserve, on
behalf of the County of Riverside.
- 13 2. The County hereby declares it's intent to reimburse itself for (i) costs associated
14 with the development of the facility prior to the date of issuance of the Obligations
15 and (ii) to use a portion of the proceeds of the Obligations for reimbursement to the
16 County for expenditures for the Facility that are paid before the date of issuance of
the Obligations.
- 17 3. The County understands that, pursuant to United States Income Tax Regulations
18 section 1.150-2(d), in order for a reimbursement from Obligations for the cost of a
19 portion of the Facility to be deemed spent for federal income tax purposes, such
20 reimbursement needs to occur no later than 18 months after the later of (i) the date
21 such expenditure was paid, or (ii) the date the portion of the Facility for which such
22 expenditure was made is placed in service, but in no event may any such
expenditure being reimbursed be made more than three (3) years after such
expenditure was paid.

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24 ///
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1 The foregoing resolution was passed and adopted by the Board of Supervisors for the
2 County of Riverside at a regular meeting held on the ____ day of _____, 2007, by the
3 following vote:

4 YES:

6 NO:

8 ABSENT:

11 ABSTAIN:

13 **ATTEST:**

14 Nancy Romero
15 Clerk of the Board of Supervisors

16 By: _____
17 Deputy

18 **APPROVED AS TO FORM:**

19 Joe S. Rank
20 County Counsel

21 By:  _____
22 Deputy

23 MDD:cm
24 07/03/07
25 139FM24
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