

2007-12-260

622

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



FROM: Department of Facilities Management

SUBMITTAL DATE:
December 17, 2007

SUBJECT: Resolution No. 2008-013, Notice of Intention to Purchase Real Property in the Unincorporated Eastvale Area of the County of Riverside and Resolution 2008-014, Intent to Reimburse the County of Riverside

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve Resolution No. 2008-013, Notice of Intention to Purchase Real Property located in the unincorporated Eastvale area of the County of Riverside, Assessor's Parcel Number 152-050-005;
2. Approve Resolution No. 2008-014, 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 a 1.92-acre parcel of land, Assessor's Parcel Number 152-050-005, in the unincorporated Eastvale area, County of Riverside, California, Obligations to be issued by the County of Riverside, and Directing Certain Actions:
(Cont'd)

Robert Field

RF:SV:dt
11.363

Robert Field, Director
Department of Facilities Management

FINANCIAL DATA	Current F.Y. Total Cost:	\$998,000	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ -0-	Budget Adjustment:	No
	Annual Net County Cost:	\$ -0-	For Fiscal Year:	07/08

SOURCE OF FUNDS: Development Impact Fees (30505)	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION: APPROVE
 BY: *Jennifer L. Sargent*
 Jennifer L. Sargent

County Executive Office Signature

Reviewed by
CIB TEAM
Christopher Hans

FORM APPROVED COUNTY COUNSEL
BY: *Synthia M. Gunzel* 12-26-07
DATE
SYNTHIA M. GUNZEL

Departmental Concurrence

Policy
 Policy
 Consent
 Consent

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

Prev. Agn. Ref.:

District: 2nd

Agenda Number:

3.10

RECOMMENDED MOTION: (Continued)

3. Authorize the Department of Facilities Management to negotiate the purchase of the subject property from the City of Norco for a price not-to-exceed \$960,000;
4. Authorize the Department of Facilities Management to incur typical due diligence and transaction costs not-to-exceed \$38,000;
5. Authorize the Executive Office to transfer \$38,000 from the General Fund Capital Project Designation account to the Department of Facilities Management (10000-7200400000) to cover various expenditures associated with this land acquisition transaction, including due diligence costs, transaction costs, and staff time, with any unused funds to be returned to the General Fund Capital Project Designation account;
6. Authorize the use of up to \$998,000 of Development Impact Fee Western County Fire Facilities Fund for costs associated with the purchase of APN 152-050-005; and,
7. Direct the Executive Office to transfer up to \$998,000 from Development Impact Fee Western County Fire Facilities Fund 30505 to Facilities Management as needed, pursuant to contracts and billings received for the purchase of APN 152-050-005.

BACKGROUND:

The Department of Facilities Management proposes that the County of Riverside purchase a 1.92 +/- acre site in the unincorporated community of Eastvale. The property is located on the west side of Hamner Avenue, three parcels south of Schleisman Road and is referred to as Assessor's Parcel No. 152-050-005. The site is one of three contiguous parcels that are being purchased to facilitate a plan to develop a coordinated campus consisting of a community center, child care center, and fire station, which will provide much needed public services to the rapidly growing unincorporated community of Eastvale.

The Norco Community Services District merged with the City of Norco by the Local Agency Formation Commission (LAFC #69-70-01) on January 21, 1970. Government Code, Section 57526 states, "Upon the effective date of a merger, all of the money or funds, including cash on hand and money due but uncollected and all property, real or personal, of the merged district is vested in the city." The Norco City Council adopted Resolution No. 69-58 (consenting to the change of organization), Resolution No. 69-59 (approving the proposed change of organization and the terms and conditions) and Resolution No. 70-15 (requesting that the Board call and election of the merger was approved). Upon completion of the merger, the Norco Community Services District no

Department of Facilities Management
Resolution No. 2008-013, Notice of Intention to Purchase Real Property, Unincorporated
Eastvale area of the County of Riverside and Resolution No. 2008-014, Intent to
Reimburse the County of Riverside
December 26, 2007
Page 3

BACKGROUND (Continued):

longer exists and the City of Norco became the successor in interest to the Norco
Community Services District.

Pursuant to the California Environmental Quality Act (CEQA), Article 5, Preliminary
Review and Conduct of Initial Study, Facilities Management has determined that an
Initial Study is the appropriate level of documentation for the Notice of Intent to
Purchase. In accordance with CEQA Guidelines Section 15063, the Department will
conduct an Initial Study to determine if the project may have a significant effect on the
environment. The CEQA documentation and the findings will be presented to the Board
concurrent with the Authorization to Purchase.

County Counsel has reviewed and approved Resolution 2008-013, Notice of Intention to
Purchase Real Property, and Resolution 2008-014, 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 a 1.92 +/- acre site in the unincorporated
Eastvale area of the County of Riverside, California obligations to be issued by the
County of Riverside and Directing Certain Actions as to legal form.

FINANCIAL DATA:

The following summarizes the funding necessary to acquire Assessor's Parcel Number
152-050-005:

Purchase Price:	\$960,000
Estimated Title and Escrow Charges	\$ 7,000
Due Diligence Expense	\$ 25,000
DOFM Real Property Costs	<u>\$ 6,000</u>
Total Estimated Acquisition Costs:	\$998,000

2
3 Resolution No. 2008-013
4 Notice of Intention to Purchase Real Property
5 Unincorporated Eastvale Area of Riverside County, California
6 1.92 Acres of Assessor's Parcel Number 152-050-005

7 **BE IT RESOLVED, DETERMINED AND ORDERED** by the Board of Supervisors of
8 the County of Riverside in regular session assembled on January 15, 2008, and **NOTICE IS**
9 **HEREBY GIVEN**, pursuant to Section 25350 of the Government Code, that this Board at its
10 public meeting on February 26, 2008, at 9:00 a.m. in the meeting room of the Board of
11 Supervisors, located on the 1st floor of the County Administrative Center, 4080 Lemon Street,
12 Riverside, California intends to authorize a transaction in which the County of Riverside will
13 purchase certain real property located on the west side of Hamner Avenue, three (3) parcels
14 south of Schleisman Road, in the unincorporated Eastvale area of Riverside County, state of
15 California, identified by Riverside County Assessor's Parcel Number 152-050-005, and more
16 particularly described in Exhibits "A" and "B" attached hereto and thereby made a part hereof,
17 consisting of one separate, legal parcel approximately 1.92 acres at a purchase price of Nine
18 Hundred and Sixty Thousand Dollars (\$960,000), plus miscellaneous escrow closing costs in
19 the approximate amount of Seven Thousand Dollars (\$7,000) from the City of Norco. The
20 purchase of the 1.92-acre site will play a vital role in facilitating the County's plans to develop
21 the property into a coordinated campus supporting a Community Center, County Fire Station
22 and possible future road improvements. The site will serve to add needed public services in a
23 rapidly growing community and population of this unincorporated community of Eastvale (City
24 of Norco sphere of influence).

25 **BE IT FURTHER RESOLVED AND DETERMINED** that the Department of Facilities
Management is to expend Thirty-Eight Thousand Dollars (\$38,000) to complete due diligence
on the property, consisting of a preliminary title report, a hazardous materials survey and
miscellaneous other studies as deemed necessary.

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

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

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SAV:dt
12/17/07
030EO
10.882

FORM APPROVED COUNTY COUNSEL
BY: *Synthia M. Gunzel* 12-26-07
SYNTHIA M. GUNZEL DATE

EXHIBIT "A"

All that certain real property situated in the County of Riverside, State of California, described as follows:

Parcel 1:

Lot 52 of Kingston Tract, as shown by Map on file in Book 12, Page 6 of Maps, San Bernardino County Records.

Excepting therefrom the Westerly 376 feet thereof.

Also Excepting therefrom the Northerly 330 feet thereof.

Parcel 2:

An easement over the Westerly 40 feet of the Southerly 230 feet of the Northerly 330 feet of the following described property:

Lot 52, Kingston Tract, as shown by map on file in Book 12, Page 6, San Bernardino County Records.

Excepting therefrom the Westerly rectangular 376 feet thereof for the purpose of access to water well contained within said easement, with the right to extract and use water, repair and maintain said well, and lay pipe lines and transport water to above described property.

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3 Resolution No. 2008-014
4 A Resolution of the Board of Supervisors of the County of Riverside
5 Declaring Its Intent to Reimburse The County of Riverside
6 For Expenditures on the Acquisition of a
7 1.92 Acre Site (Assessor's Parcel Number 152-050-005) in the Unincorporated
8 Eastvale Area of the County of Riverside, California
9 Obligations to Be Issues by
10 The County of Riverside and Directing Certain Actions
11

12 **WHEREAS**, the County of Riverside (the "County") proposed to undertake acquisition
13 services for the purchase of a 1.92 acre site located on the west side of Hamner Avenue, three
14 (3) parcels south of Schleisman Road, in the unincorporated Eastvale area of the County of
15 Riverside, California (Assessor's Parcel Number 152-050-005), on behalf of the County of
16 Riverside;

17 **WHEREAS**, the intent of the County is to issue (or cause a non-profit Public Benefit
18 Corporation to issue) debt to finance the costs of the acquisition purchase price, title and
19 escrow fees, staff expense, due diligence and pre-design of the facilities on a permanent basis
20 (the "Debt"), and to use a portion of the proceeds of such debt to reimburse expenditures
21 made by the County for the acquisition purchase price, title and escrow fees, staff expense,
22 due diligence and pre-design of the facilities prior to the issuance of the Debt;

23 **WHEREAS**, this Resolution is intended to be a "declaration of official intent" in
24 accordance with Treasury Regulations United States Income Tax Regulations Sections 1.150-
25 2, which generally provides that *proceeds of tax-exempt debt are not deemed to be expended*
when such proceeds are used for reimbursement of expenditures made prior to the date of
issuance of such debt, unless certain procedures are followed, one of which is a requirement
that (with certain exceptions), prior to the payment of any such expenditure, the issuer
declares an intention to reimburse such expenditure;

1 **WHEREAS**, the County expects to expend funds (other than funds derived from the
2 issuance of bonds) on expenditures relating to acquisition purchase price, title and escrow
3 fees, staff expense, due diligence and pre-design of the facilities prior to the issuance of Debt,
4 which expenditures will be properly chargeable to a capital account under general federal
5 income tax principles; and the County reasonably expects to be reimbursed for such
6 development cost expenditures with the proceeds of the Debt;

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

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

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

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

- 21 1. The County will undertake acquisition services for a 1.92 acre site in the
22 unincorporated Eastvale area in the County of Riverside on behalf of the County of Riverside.
- 23 2. The County hereby declares its intent to reimburse itself for (i) costs associated
24 with the development of the facility prior to the date of issuance of the Obligations and (ii) to
25 use a portion of the proceeds of the Obligations for reimbursement to the County for

1 expenditures for the Facility that are paid before the date of issuance of the Obligations.

2 3. The County understands that, pursuant to United States Income Tax
3 Regulations Section 1.150-2(d), in order for a reimbursement from Obligations for the cost of a
4 portion of the Facility to be deemed spent for federal income tax purposes, such
5 reimbursement needs to occur no later than 18 months after the later of (i) the date such
6 expenditure was paid, or (ii) the date the portion of the Facility for which such expenditure was
7 made is placed in service, but in no event may any such expenditure being reimbursed be
8 made more than three (3) years after such expenditure was paid.

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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 15th day of January, 2008, by the
3 following vote:

4 YES:

6 NO:

8 ABSENT:

10 ABSTAIN:

12 ATTEST:

13 Nancy Romero
14 Clerk of the Board of Supervisors

16 By: _____
17 Deputy

18 APPROVED AS TO FORM:

19 Joe S. Rank
20 County Counsel

21 By: Synthia M. Gunzel
22 Cynthia M. Gunzel
23 Deputy County Counsel

SV:cm
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