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

FROM: Department of Facilities Management

SUBMITTAL DATE:
March 13, 2008

SUBJECT: Resolution No. 2008-019, Notice of Intention to Purchase Real Property in the Unincorporated Area of Cabazon, County of Riverside and Resolution 2008-020, Notice of Intention to Reimburse the County of Riverside

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve Resolution No. 2008-019, Notice of Intention to Purchase Real Property located at 50130 Main Street, Assessor's Parcel Number 526-023-016 and 50161 Ramona Street, Assessor's Parcel Numbers 526-023-003 and 526-023-004 in the unincorporated area of Cabazon, County of Riverside;
2. Approve Resolution No. 2008-020, 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 Subject Property Obligations to Be Issued by the County of Riverside and Directing Certain Actions;

(Continued on Page 2)

Robert Field, Director
Department of Facilities Management

RF:BP:ra
11.386/2008.02.329

FINANCIAL DATA	Current F.Y. Total Cost:	\$3,202,000	In Current Year Budget:	No
	Current F.Y. Net County Cost:	\$ -0-	Budget Adjustment:	Yes
	Annual Net County Cost:	\$ -0-	For Fiscal Year:	07/08

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

C.E.O. RECOMMENDATION: Defer property purchase to Capital Improvement Program recommendations report/workshop.

County Executive Office Signature Jennifer L. Sargent

S. Chow
Reviewed by
CIP TEAM
S. Chow

FORM APPROVED COUNTY COUNSEL
BY: *Synthia M. Gunzey* 3-19-08
DATE
SYNTHIA M. GUNZEY
Departmental Concurrence

Policy
 Policy

Consent
 Consent

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

RECOMMENDED MOTION: (Continued)

3. Authorize the Department of Facilities Management to negotiate the purchase of the subject property from Hadley Fruit Orchards, Inc., for a price not-to-exceed \$3,150,000;
4. Authorize the Department of Facilities Management to incur typical due diligence and transaction costs not-to-exceed \$52,000;
5. Authorize the Executive Office to transfer \$52,000 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 cost and staff time with any unused funds to be returned to the General Fund Capital Project Designation account; and

BACKGROUND: The Department of Facilities Management proposes to purchase two vacant lots, APN 526-023-003, a 0.41 +/- acre site and APN 526-023-004, a 0.19 +/- acre site and APN 526-023-016, a 1.87 +/- acres site and the 53,369 +/- square foot cold storage warehouse located on this site all located in the unincorporated area of Cabazon, County of Riverside for the future use by the County of Riverside.

This project is exempt from the provisions of the California Environmental Quality Act (CEQA), specifically by CEQA Guidelines: Section 15301, Class 1 – The proposed purchase does not include modification to the existing environment and does not involve a change in the existing use or expansion to the existing facility footprint and Section 15061 – With certainty, there is no possibility that the proposed project may have a significant effect on the environment.

Pursuant to CEQA Guidelines, Section 15062, a Notice of Exemption was filed with the Riverside County Clerk on November 28, 2007, for public inspection for thirty (30) days. The public comment period closed January 4, 2008, and the statute of limitations period on legal challenges to the county's decision that the project is exempt from CEQA has completed.

County Counsel has reviewed and approved Resolution 2008-019, Notice of Intention to Purchase Real Property, and Resolution 2008-020, 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 50130 Main Street and 50161 Ramona Street in the unincorporated area of Cabazon, County of Riverside California obligations to be issued by the County of Riverside and Directing Certain Actions, as to legal form.

(continued)

Department of Facilities Management
Resolution No. 2008-019, Notice of Intention to Purchase Real Property, and Resolution
No. 2008-020, Notice of Intention to Reimburse the County of Riverside
March 13, 2008
Page 3

FINANCIAL DATA: The following summarizes the funding necessary to acquire
Assessor's Parcel Numbers 526-023-016, 526-023-003 and 526-023-004:

Purchase Price:	\$3,150,000
Estimated Title and Escrow Charges	\$ 11,000
Due Diligence Expense	\$ 25,000
DOFM Real Property Costs	\$ 8,000
Appraisal Costs	<u>\$ 8,000</u>
Total Estimated Acquisition Costs:	\$3,202,000

All necessary budget adjustments in support of this purchase will be brought forward to
the Board under separate cover of the Notice of Authorization to Purchase.

1 Board of Supervisors

County of Riverside

2
3 Resolution No. 2008- 019
4 Notice of Intention to Purchase Real Property
5 50130 Main Street APN 523-023-016 and 50161 Ramona Street APN 526-023-003 and
6 004, located in the unincorporated area of Cabazon, County of Riverside

7
8 BE IT RESOLVED, DETERMINED AND ORDERED by the Board of Supervisors of the
9 County of Riverside in regular session assembled on April 1, 2008 and NOTICE IS HEREBY
10 GIVEN, pursuant to Section 25350 of the Government Code, that this Board at its public
11 meeting on April 22, 2008, 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 certain real property located at 50130 Main Street, APN 526-023-016 and 50161 Ramona
15 Street, APN 526-023-003 and 004, located in the unincorporated area of Cabazon, County of
16 Riverside, more particularly described in Exhibit "A" attached hereto and thereby made a part
17 hereof, for a combined purchase of 2.47 +/- acres and a 53,369 +/- cold storage warehouse at
18 a purchase price not to exceed three million one hundred fifty thousand dollars (\$3,150,000),
19 plus miscellaneous escrow closing costs in the approximate amount of eleven thousand
20 dollars (\$11,000).

21
22 BE IT FURTHER RESOLVED AND DETERMINED that the Department of Facilities
23 Management is to expend approximately forty one thousand dollars (\$41,000) to complete
24 due diligence on the property, consisting of a preliminary title report, appraisal costs, a
25 hazardous materials survey and miscellaneous other studies as deemed necessary.

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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FORM APPROVED COUNTY COUNSEL
BY: *Synthia M. Gunzel* 3-19-08
DATE
SYNTHIA M. GUNZEL

1 fees, staff expense, due diligence and pre-design of the facilities prior to the issuance of Debt,
2 which expenditures will be properly chargeable to a capital account under general federal
3 income tax principles; and the County reasonably expects to be reimbursed for such
4 development cost expenditures with the proceeds of the Debt;

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

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

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

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

19 1. The County will undertake acquisition services for 50130 Main Street and 50161
20 Ramona Street in the unincorporated area of Cabazon, County of Riverside on behalf of the
21 County of Riverside.

22 2. The County hereby declares it's intent to reimburse itself for (i) costs associated with
23 the development of the facility prior to the date of issuance of the Obligations and (ii) to use a
24 portion of the proceeds of the Obligations for reimbursement to the County for expenditures for
25 the Facility that are paid before the date of issuance of the Obligations.

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

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The foregoing resolution was passed and adopted by the Board of Supervisors for the County of Riverside at a regular meeting held on the _____ day of _____, 2008, by the following vote:

YES:

NO:

ABSENT:

ABSTAIN:

ATTEST:
Nancy Romero
Clerk of the Board of Supervisors

By: _____
Deputy

APPROVED AS TO FORM:
Joe S. Rank
County Counsel

By: *Synthia M. Gunzel*
Synthia M. Gunzel
Deputy County Counsel

BP:jw
03/11/08
007SH
11.385

EXHIBIT "A"

LEGAL DESCRIPTION

The land referred to herein is situated in the State of California, County of Riverside, City of Riverside, and described as follows:

PARCEL A:

LOT 158 OF CABAZON RANCHO SUBDIVISION NO. 2, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS SHOWN BY MAP ON FILE IN BOOK 8, PAGE 63 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL B:

THE EAST RECTANGULAR 30 FEET OF LOT 158 AND THE WEST RECTANGULAR 20 FEET OF LOT 159 OF CABAZON RANCHO SUBDIVISION NO. 2, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS SHOWN BY MAP ON FILE IN BOOK 8, PAGE 63 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY

PARCEL C:

THE WEST HALF OF LOT 165 AND ALL OF LOTS 166, 167 AND 168 OF CABAZON RANCHO SUBDIVISION NO. 2, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS SHOWN BY MAP ON FILE IN BOOK 8, PAGE 63 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY

PARCEL D

THE WEST ½ OF LOT 165 AND ALL OF LOTS 166, 167 AND 168 OF CABAZON RANCHO SUBDIVISION NO. 2, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 8, PAGE 63 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY

(End of Legal Description)