

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

449



SUBMITTAL DATE:
July 14, 2011

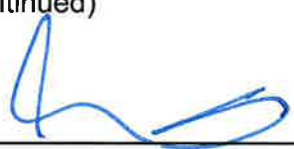
FROM: Economic Development Agency / Facilities Management and
Transportation Department

SUBJECT: Resolution No. 2011-188, Notice of Intention to Purchase Real Property in the Unincorporated Area of Perris, County of Riverside, California

RECOMMENDED MOTION: That the Board of Supervisors:

1. Adopt Resolution No. 2011-188, Notice of Intention to Purchase Real Property located in the Unincorporated Area of Perris, County of Riverside, California, further described as County of Riverside Assessor's Parcel Numbers 317-260-007 and 317-260-033;
2. Authorize the Economic Development Agency to negotiate the purchase of the subject property from McCray-CT Development, LLC., a California limited liability company at a price not-to-exceed \$3,376,771.00;

(Continued)



Juan C. Perez, Director
Transportation Department



Robert Field
Assistant County Executive Officer/EDA

FINANCIAL DATA	Current F.Y. Total Cost:	\$3,430,211	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2011/12

COMPANION ITEM ON BOARD OF DIRECTORS AGENDA: No

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

C.E.O. RECOMMENDATION: APPROVE

County Executive Office Signature BY: 
Jennifer I. Sargent

REVIEWED BY CIP: 
 Christopher Hans
 DATE: 7/14/11
 Departmental Concurrence
 FORM APPROVED COUNTY COUNSEL BY: 
 CYNTHIA M. GUNZEL

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

Prev. Agn. Ref.: N/A

District: 1

Agenda Number:

3.41

RECOMMENDED MOTION: (Continued)

3. Authorize the Economic Development Agency to incur typical due diligence and transaction costs not-to-exceed \$53,440; and
4. Direct the Clerk of the Board to give notice pursuant to Government Code Section 6063.

BACKGROUND:

The County of Riverside Transportation Department has a strong interest in purchasing land for the eventual relocation of the main Washington Yard, currently located in the City of Riverside on Washington Street close to SR 91 and the Madison Interchange. This 15 acre site was built in 1955 and is in need of a functional upgrade, with some of the buildings dating back to that time and others added since then on an ad-hoc basis. There are 134 employees that primarily work out of this yard year-round and another 35 part of the time. The Transportation Department maintains over 2400 miles of roads and 500 signals County-wide out of this central facility and 10 satellite maintenance yards. This location is far from central to our current and future operations.

Economic Development Agency ("EDA") has done an extensive property search of potential sites along the I-215 corridor. Being in close proximity to I-215 and SR 60 provides faster access to most of Western Riverside County, with significantly better access to the desert region as well. EDA conducted a Request for Proposal process and received interest from 16 sites. After review of the proposals and doing due diligence, a 19.38 acre site on Harvill also known as Assessor's Parcel Numbers 317-260-007 and 317-260-033, between Placentia and Water, in the Unincorporated Area of Perris, Riverside County, California, more particularly described in Exhibit "A" and depicted in Exhibit "B" attached hereto and made a part hereof, and has been identified as the best combination of location and negotiated value.

This site is close to the Cajalco/Ramona Expressway Corridor, I-215, and SR 60. The Transportation Department has done an analysis of savings on fuel costs and lost productivity time comparing this location to the current Washington Yard. The analysis projects a conservative operational savings in the amount of \$600,000 annually from being in this much more central location, which would increase over time as gas costs continue to increase.

Purchasing the site now provides the County the opportunity to buy industrial property at a low point in the market. It is deemed beneficial to acquire at this time because of its strategic location for Transportation road maintenance operations. Being in this new central location also provides the County with long-term options to consolidate some of our outlying yards should they become unnecessary to keep due to future annexations/incorporations. Since the Washington Yard was purchased using State Gas Tax (Road Funds), proceeds of a future sale or transfer for other County uses need to reimburse the Road Fund.

After the close of the transaction, the Transportation Department will perform an analysis to determine how best to use the property, including what improvements need to be made and if it is beneficial to construct buildings through a financing mechanism or to be done gradually through annual capital outlays. The purchase of this site and the operational flexibility and long-term cost savings that it offers the Transportation Department is a solid strategic investment that is much more

(Continued)

BACKGROUND: (Continued)

favorable than renovation and upkeep of the outdated 50+ year site that is no longer central to our operations.

Pursuant to the California Environmental Quality Act (CEQA), the proposed acquisition was reviewed and determined to be categorically exempt from CEQA under Guidelines Section 15061(b)(3); with certainty, there is no possibility that the land acquisition may have a significant effect on the environment. Pursuant to CEQA Guideline Section 15004(b)(2)(A), the County of Riverside is conditioned to perform additional CEQA analysis and compliance, prior to any subsequent development and use of subject property.

The Resolution has been reviewed and approved by County Counsel as to legal form.

FINANCIAL DATA:

The following summarizes the funding necessary to acquire Assessor's Parcel Numbers 317-260-007 and 317-260-033:

Acquisition:	\$ 3,376,771
Environmental Services:	\$ 1,800
Estimated Title and Escrow Charges:	\$ 8,000
Preliminary Title Report:	\$ 800
Appraisal:	\$ 3,450
Advertising:	\$ 4,390
Acquisition Administration:	\$ 35,000
Total Estimated Acquisition Costs:	\$ 3,430,211

FINANCIAL DATA: (Continued)

While EDA will cover the cost for the due diligence services (Preliminary Title Report and Appraisal) at the time of this property transaction, it is understood that the Transportation Department will reimburse EDA for these costs. The remaining costs will be paid directly by the Transportation Department.

All costs associated with this property acquisition are fully funded in the Transportation Department's budget for FY 2011/2012. Thus, no net county cost will be incurred as a result of this transaction.

Attachments:

- Exhibit "A" - Legal Description
- Exhibit "B" - Property Depiction

2 Resolution No. 2011-188

3 Notice of intention to Purchase Real Property

4 In the Unincorporated Area of Perris, County of Riverside, California

5 Assessor's Parcel Numbers: 317-260-007 and 317-260-033

6

7 BE IT RESOLVED, DETERMINED AND ORDERED by the Board of

8 Supervisors of the County of Riverside in regular session assembled on July 26, 2011,

9 and NOTICE IS HEREBY GIVEN, pursuant to Section 25350 of the Government

10 Code, that this Board at its public meeting on August 16, 2011, at 9:00 a.m. in the

11 meeting room of the Board of Supervisors located on the 1st floor of the County

12 Administrative Center, 4080 Lemon Street, Riverside, California intends to authorize a

13 transaction in which the County of Riverside will purchase real property in the

14 Unincorporated Area of Perris, County of Riverside, State of California, known as

15 Assessor's Parcel Numbers 317-260-007 and 317-260-033, consisting of 19.38 acres

16 from McCray-Ct Development LLC, a California limited liability company, in the

17 amount of Three Million Three Hundred Seventy Six Thousand Seven Hundred

18 Seventy One Dollars (\$3,376,771.00).

19 BE IT FURTHER RESOLVED AND DETERMINED that the Economic

20 Development Agency is to expend a not-to-exceed amount of Fifty Three Thousand

21 Four Hundred Forty Dollars (\$53,440) to complete due diligence on the property,

22 consisting of a preliminary title report, appraisal costs, a hazardous materials survey,

23 Economic Development Agency staff time, and miscellaneous other studies as may be

24 deemed necessary.

25 BE IT FURTHER RESOLVED AND DETERMINED that the Clerk of the Board of

26 Supervisors is directed to give notice hereof as provided in Section 6063 of the

27 Government Code.

28 CAO:ra/071311/001EP/14.210 S:\Real Property\TYPING\Docs-14.000 to 14.499\14.210.doc

FORM APPROVED COUNTY COUNSEL
 BY: *Synthia M. Gunzel* DATE: *7-19-11*
 SYNTHIA M. GUNZEL

EXHIBIT "A"

LEGAL DESCRIPTION

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

Parcel 1:

Lot(s) 2 of Oakes and Sawyers Subdivision, as shown by map on file in Book 1 Page(s) 5, of Maps, Records of Riverside County, California.

Parcel 2:

Lot(s) 7 of Oakes and Sawyers Subdivision, as shown by map on file in Book 1 Page(s) 5, of Maps, Records of Riverside County, California;

Except that portion conveyed to the County of Riverside by deed recorded April 12, 1992 as Instrument No. 117627 of Official Records of Riverside County, California.

(End of Legal Description)

Exhibit "B"



Selected parcel(s):
 317-260-007 317-260-033

IMPORTANT

Maps and data are to be used for reference purposes only. Map features are approximate, and are not necessarily accurate to surveying or engineering standards. The County of Riverside makes no warranty or guarantee as to the content (the source is often third party), accuracy, timeliness, or completeness of any of the data provided, and assumes no legal responsibility for the information contained on this map. Any use of this product with respect to accuracy and precision shall be the sole responsibility of the user.

REPORT PRINTED ON...Wed Jul 13 13:18:54 2011

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