# MINUTES OF THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



and-

**3.23** 

On motion of Supervisor Tavaglione, seconded by Supervisor Stone and duly carried by unanimous vote, IT WAS ORDERED that the recommendation from Economic Development Agency/Facilities Management regarding Adoption of Resolution 2012-174, Notice of Intent to Purchase a Building and Improvements in the City of Indio, 4<sup>th</sup>/4<sup>th</sup> District is approved as recommended.

	at the foregoing is a full true, and		
entered on	September 25, 2012	of Supe	ervisors Minutes.
(seal)	WITNESS my hand and the se Dated: September 25, 2012 Kecia Harper-Ihem, Clerk of the and for the County of Riverside	e Board of Supe	rvisors, in
	By: All Martin	ENDA NO.	Deputy
		3.23	

xc: EDA

# FORM APPROVED COUNTY COUNS FISCAL PROCEDURES APPROVED PAUL ANGULO, Policy $\boxtimes$ A

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





FROM: Economic Development Agency / Facilities Management

**SUBMITTAL DATE:** August 16, 2012

**SUBJECT:** Resolution No. 2012-174, Notice of Intent to Purchase a Building and Improvements, City of Indio, County of Riverside, California

**RECOMMENDED MOTION:** That the Board of Supervisors:

 Adopt Resolution No. 2012-174, Notice of Intent to Purchase the Building and Improvements, located at 47-950 Arabia Street, in the City of Indio, County of Riverside, Assessor's Parcel Number 614-150-032, from Riverside County Office, Inc., a California corporation;

2. Authorize the Economic Development Agency to exercise the option to purchase the building and improvements on 5.33 acres of land described as Assessor's Parcel Number 614-150-032 at a price not-to-exceed \$2,000,000.

price not-t	0-exceed \$2,000,000,				
(Continued)		Kt tu			
		Robert Field Assistant Count	y Executive Office	r/EDA	
=======================================	Current F.Y. Total Cost:	\$ 2,022,093	In Current Year B	udget: Yes	
FINANCIAL	<b>Current F.Y. Net County Cost:</b>	<b>\$ 0</b>	Budget Adjustme	nt: No	
DATA	Annual Net County Cost:	<b>\$</b> 0	For Fiscal Year:		
COMPANION IT	EM ON BOARD AGENDA: No	)			11
SOURCE OF FU	NDS: CORAL Bond Proceeds			Positions To Be Deleted Per A-30	
				Requires 4/5 Vote	
C.E.O. RECOMN	IENDATION: APPRO	OVE / //	, (		

Reviewed by Serent

County Executive Office Signature

and the Stuffet

Jennifer Sarge

#### MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Tavaglione, seconded by Supervisor Buster and duly carried, IT WAS ORDERED that the above matter is approved as recommended.

Ayes:

Buster, Tavaglione, Benoit and Ashley

Nays:

None

Absent: Date:

Prev. Agn. Ref.: N/A

Stone

XC:

August 28, 2012 EDA, CIP, Auditor, COB(2)

District: 4/4 Agenda Number:

enda Number: 23

Kecia Harper-Ihem

Exec. Ofc.:

Dep't Recomm.:

Economic Development Agency/Facilities Management
Resolution No. 2012-174, Notice of Intent to Purchase Building and Improvements in the City of Indio,
County of Riverside, California
August 16, 2012
Page 2

#### **RECOMMENDED MOTION: (Continued)**

- 3. Authorize the Economic Development Agency to incur typical due diligence and transaction costs in the amount of approximately \$22,093; and
- 4. Direct the Clerk of the Board to give notice pursuant to Government Code Section 6063.

#### **BACKGROUND:**

The County occupies two leased office buildings in the city of Indio located at 47-940 Arabia Street and 47-950 Arabia Street consisting of 15,000 square feet and 34,000 square feet respectively. The facilities were developed on 5.33 acres of County owned land in the late 90's through a Request for Proposal and ground lease to the developer. The buildings were then leased back to the County through building leases on a 20 year term.

The lease agreements provide rights to the County at various time periods during the lease term to purchase the buildings and improvements and upon consummation of the purchase, the ground lease and building leases terminate, giving the county full ownership of the improvements and the property. The time period for acquisition of 47-950 Arabia Street, Indio is within 90 days prior to November 4, 2012 and the time period for acquisition of 47-940 Arabia Street is within 90 days prior to January 1, 2013.

The purpose of this Form 11 and Resolution is to acquire the facility and improvements located at 47-950 Arabia Street.

The Department of Child Support Services and the Department of Environmental Health occupy the facility located at 47-950 Arabia Street and the Probation Department occupies the facility located at 47-940 Arabia Street. The Department of Child Support Services utilizes the facility primarily for its client services programs and limited administrative functions and the Department of Environmental Health utilizes the facility for its hazardous materials unit, various field inspection programs, and its food testing and inspection functions. The Probation Department's usage is primarily for client services. The departments plan to occupy the facilities on a long term basis as demand for their services continues at a high level.

The acquisition of this building will provide the County with the necessary facilities for operation of these programs on a long term basis and in addition will provide for savings to the County. The current lease rate in effect for 47-950 Arabia Street, Indio, is \$1.66 per square foot, exclusive of utilities. The estimated rate for County maintenance and County custodial upon County ownership is approximately \$0.79 per square foot, exclusive of utilities.

In addition, the Department of Child Support Services has been paying the lease payments on their facility which equates to approximately \$725,000 per year. Due to Federal law, they are unable to claim the entire lease payment costs due to the structure of the lease which results in a Net County Cost of approximately \$551,000 annually. The acquisition of the facility by the County will eliminate the leases therefore saving the Department the lease payment expense as well as saving the County approximately \$551,000 in annual Net County Costs.

(Continued)

Economic Development Agency/Facilities Management

Resolution No. 2012-174, Notice of Intention to Purchase a Building and Improvements in the City of Indio, County of Riverside, California

August 29, 2012

Page 3

#### **BACKGROUND:** (Continued)

The sales prices per the agreements for the facilities are as follows:

Location	Price	PSF 🥕
47-940 Arabia Street, Indio	\$1,000,000	\$67.00
47-950 Arabia Street, Indio	\$2,000,000	\$59.00

The acquisition of these properties by the County at the prices set forth above achieves a real property value significantly below replacement cost. Replacement cost is estimated to be \$210 - \$250 per square foot.

This Resolution has been approved as to legal form by County Counsel.

#### **FINANCIAL DATA:**

The following summarizes the funding necessary to acquire Assessor's Parcel Number 614-150-032:

Purchase Price	\$ 2,000,000		
Estimated Escrow and Closing Charges	\$ 9,293		
Preliminary Title Report	\$ 400		
Environmental	\$ 250		
Advertising Costs	\$ 2,500		
Acquisition Administration	\$ 9,650		
Total Estimated Acquisition Cost	\$ 2,022,093		

EDA has already covered the costs for due diligence (preliminary title reports) and will be reimbursed by the Executive Office. The remaining costs associated with the acquisition will be paid directly by the Executive Office. Any necessary budget adjustments will be brought forward under separate cover seeking authorization to purchase the real property. No additional County costs will be incurred as a result of this transaction.

Attachments:

Resolution No. 2012-174

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Resolution No. 2012-174

Notice of intent to Purchase Building and Improvements in the City of Indio, County of Riverside, California Assessor's Parcel Numbers: 614-150-032

BE IT RESOLVED AND DETERMINED that the Board of Supervisors of the County of Riverside, in regular session assembled on August 28, 2012, hereby directs the Clerk of the Board of Supervisors to give notice pursuant to Government Code Section 6063 of the following:

NOTICE IS HEREBY GIVEN by the Board of Supervisors of the County of Riverside, at its public meeting on or after September 25, 2012, at 9:00 a.m. in the meeting room of the Board of Supervisors located on the 1st floor of the County Administrative Center, 4080 Lemon Street, Riverside, California, intends to authorize and consummate a transaction in which the County of Riverside will purchase from Riverside Office Inc., a California corporation, a certain building and improvements at the property located at 47-950 Arabia Street, City of Indio, County of Riverside, State of California, also identified as Assessor's Parcel Numbers 614-150-032, consisting of one building and improvements (34,000 square feet) on a portion of 5.33 acres of land, at a purchase price not to exceed Two Million Dollars (\$2,000,000), plus miscellaneous escrow and closing costs in the approximate amount of \$22,093, as stated below.

BE IT RESOLVED AND DETERMINED that the Chairman of the Board of Supervisors of the County of Riverside is authorized to execute the documents to complete the purchase of the real property and this transaction.

BE IT FURTHER RESOLVED AND DETERMINED that the Economic Development Agency is to expend an amount not to exceed Twenty Two Thousand Ninety Three Hundred Dollars (\$22,093) to complete due diligence on the property, a preliminary title report, staff time, a hazardous materials survey and miscellaneous other duties as deemed necessary.

ROLL CALL:

Ayes:

Buster, Tavaglione, Benoit, and Ashley

Nays: Absent: None

Stone

The foregoing is certified to be a true copy of a resolution duly adopted by said Board of Supervisors on the date therein set forth.

KECK HARPER, IHE M Clerk of gaid Board

Deputy

FORM APPROVED COUNTY COUNSEL

BY: Updated 0350 1/2

PATRICIA MUNROE | DAT



# OFFICE OF CLERK OF THE BOARD OF SUPERVISORS 1st FLOOR, COUNTY ADMINISTRATIVE CENTER P.O. BOX 1147, 4080 LEMON STREET RIVERSIDE, CA 92502-1147

PHONE: (951) 955-1060 FAX: (951) 955-1071 KECIA HARPER-IHEM
Clerk of the Board of Supervisors

KIMBERLY A. RECTOR Assistant Clerk of the Board

August 29, 2012

THE DESERT SUN ATTN: LEGALS P.O. BOX 2734 PALM SPRINGS, CA 92263

FAX (760) 778-4731 E-MAIL: legals@thedesertsun.com

RE: NOTICE OF PUBLIC MEETING: RESOLUTION NO. 2012-174

To Whom It May Concern:

Attached is a copy for publication in your newspaper for <u>THREE (3) TIMES</u> on 3 consecutive Sundays: September 2, 9 and 16, 2012.

We require your affidavit of publication immediately upon completion of the last publication.

Your invoice must be submitted to this office in duplicate, WITH TWO CLIPPINGS OF THE PUBLICATION.

NOTE:

PLEASE COMPOSE THIS PUBLICATION INTO A SINGLE COLUMN FORMAT.

Thank you in advance for your assistance and expertise.

Sincerely,

Mcgil

Cecilia Gil, Board Assistant to KECIA HARPER-IHEM, CLERK OF THE BOARD

#### Gil, Cecilia

From:

Moeller, Charlene < CMOELLER@palmspri.gannett.com>

Sent:

Wednesday, August 29, 2012 8:39 AM

To:

Gil, Cecilia

Subject:

RE: FOR PUBLICATION: RES. NO. 2012.174

Ad received and will publish on date(s) requested.

Charlene Moeller | Media Sales Legal Notice Coordinator

The Desert Sun Media Group 750 N. Gene Autry Trail, Palm Springs, CA 92262 t 760.778.4578 | f 760.778.4731 legals@thedesertsun.com / dpwlegals@thedesertsun.com

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This email and any files transmitted with it are confidential and intended for the individual to whom they are addressed. If you have received this email in error, please notify the sender and delete the message from your system

From: Gil, Cecilia [mailto:CCGIL@rcbos.org]
Sent: Wednesday, August 29, 2012 8:16 AM

To: tds-legals

Subject: FOR PUBLICATION: RES. NO. 2012.174

Good Morning! Attached is a Notice of Public Meeting, for publication on 3 consecutive Sundays: Sept. 2, 9 and 16, 2012. Please confirm. THANK YOU!

#### Cecilia Gil

Board Assistant to the Clerk of the Board of Supervisors 951-955-8464

THE COUNTY ADMINISTRATIVE CENTER IS CLOSED EVERY FRIDAY UNTIL FURTHER NOTICE. PLEASE CONSIDER THE ENVIRONMENT BEFORE PRINTING.

### NOTICE OF PUBLIC MEETING BEFORE THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE

#### **RESOLUTION NO. 2012-174**

Notice of Intent to Purchase Building and Improvements In the City of Indio, County of Riverside, California Assessor's Parcel Numbers: 614-150-032

BE IT RESOLVED AND DETERMINED that the Board of Supervisors of the County of Riverside, in regular session assembled on August 28, 2012, hereby directs the Clerk of the Board of Supervisors to give notice pursuant to Government Code Section 6063 of the following:

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BE IT RESOLVED AND DETERMINED that the Chairman of the Board of Supervisors of the County of Riverside is authorized to execute the documents to complete the purchase of the real property and this transaction.

BE IT FURTHER RESOLVED AND DETERMINED that the Economic Development Agency is to expend an amount not to exceed Twenty Two Thousand Ninety Three Hundred Dollars (\$22,093) to complete due diligence on the property, a preliminary title report, staff time, a hazardous materials survey and miscellaneous other duties as deemed necessary.

#### **ROLL CALL:**

Aves:

Buster, Tavaglione, Benoit and Ashley

Nays:

None

Absent:

Stone

The foregoing is certified to be a true copy of a resolution duly adopted by said Board of Supervisors on August 28, 2012.

KECIA HARPER-IHEM, Clerk of said Board By: Cecilia Gil, Board Assistant

Any person affected by the above matter(s) may submit written comments to the Clerk of the Board before the public meeting or may appear and be heard in support of or opposition to the project at the time of the meeting. If you challenge the above item(s) in court, you may be limited to raising only those issues you or someone else raised at the public meeting described in this notice, or in written correspondence, to the Board of Supervisors at, or prior to, the public meeting.

Please send all written correspondence to: Clerk of the Board, 4080 Lemon Street, 1st Floor, Post Office Box 1147, Riverside, CA 92502-1147.

Dated: August 29, 2012

Kecia Harper-Ihem, Clerk of the Board By: Cecilia Gil, Board Assistant