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



FROM: Economic Development Agency / Facilities Management

May 22, 2013

**SUBJECT:** Resolution No. 2013-113, Notice of Intention to Purchase Real Property, 3450 and 3478 14<sup>th</sup> Street, City of Riverside, California

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

- 1. Adopt Resolution No. 2013-113, Notice of Intention to Purchase Real Property known as Riverside County Assessor's Parcel Number 219-330-032, and adjacent parking areas situated on Assessor's Parcel Numbers 219-330-022 through 219-330-030; and
- 2. Authorize the Real Estate Division of the Economic Development Agency to negotiate the purchase of the office building for an estimated \$30,000,000 and to incur typical transaction costs including staff time, appraisal costs, title insurance, building condition audit, and other due diligence studies of the property at a cost not-to-exceed \$85,000; and

(Continued)		WA he			
FISCAL PROCEDURE PAUL ANGULO, CPA, BY Janual Mr. SAMUEL WONG	AUDITOR-CONTROLLER	Robert Field Assistant Coun	ty Executive Offic	er/EDA	
FINANCIAL	Current F.Y. Total Cost: Current F.Y. Net County Cost:	\$ 85,000 \$ 0	In Current Year Budget Adjustm	and the second of the second o	Yes No
DATA	Annual Net County Cost:	\$ O	For Fiscal Year:		2012/13
<b>COMPANION ITI</b>	EM ON BOARD AGENDA: N	0			
SOURCE OF FU	NDS: Bond Financing			Position Deleted	ns To Be Per A-30
				Requires	4/5 Vote 🛛
C.E.O. RECOMN	IENDATION: APPR	oyE)			

**County Executive Office Signature** 

# MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Stone, seconded by Supervisor Benoit and duly carried, IT WAS ORDERED that the above matter is approved as recommended and is set for public meeting on or after July 2, 2013 @ 9:00 a.m.

Christopher M

Ayes:

Jeffries, Stone, Benoit and Ashley

Nays:

None

Absent:

Tavaglione

Date:

June 4, 2013

xdall # DAIRE N Auditor, COB

Prev. Agn. Ref.: 3.27 of 3/3/09

District: 2/2

Agenda Number:

Kecia Harper-Ihem

Economic Development Agency / Facilities Management
Resolution No. 2013-113, Notice of Intention to Purchase Real Property, 3450 and 3478 14th Street,
City of Riverside, California
May 22, 2013
Page 2

# **RECOMMENDED MOTION: (Continued)**

3. Direct the Clerk of the Board to advertise in accordance with Section 6063 of the Government Code.

#### **BACKGROUND:**

On behalf of Riverside County Information Technology (RCIT) and the Executive Office, the Real Estate Division for the Economic Development Agency (EDA) pursued the purchase of a modern five story Class-A 140,000 square foot office building located in downtown Riverside subject to the necessary Board of Supervisor's approval. The property is located at 3450 and 3478 14<sup>th</sup> Street, Riverside (the "Press Enterprise Building"). The Press Enterprise Building was constructed in 2007 and, if acquired, will serve to consolidate and house RCIT and its collective staff. The consolidation move will provide efficiencies in location and substantial savings in operational and lease costs over the lifetime of the building. The Press Enterprise Building as built, is not sufficient to house the warehouse and the data center, so additional options are being investigated, including tenant improvements, or the lease or purchase of an additional building, consisting of approximately 20-30,000 square feet.

EDA issued a Request for Proposal in August of 2012, for the acquisition of an existing facility, or the acquisition of a build to suit facility to accommodate the needs of the RCIT Department. EDA held a Question and Answer Session for the RFP on August 27, 2012, and specified a deadline for responses to the RFP of September 27, 2012. On or before the deadline, EDA had received multiple responses to the Request for Proposal from area property owners and developers.

EDA conducted panel interviews of the respondents and, based upon the decision of the panel, recommended forwarding property acquisition documents to the Board of Supervisors for their review, consideration, and approval.

Justification for this new facility is as follows:

- 1. The new facility will provide space to consolidate the dispersed locations RCIT currently operates within: Mission Grove, Rivercrest Drive, and the downtown CAC 10<sup>th</sup> floor.
- 2. Both Mission Grove and Rivercrest Drive are leased facilities, with the Rivercrest Drive property rental increasing substantially due to its month to month tenancy. The savings in lease costs alone will cover most of the costs of the bonds to purchase the Press Enterprise Building.
- A consolidated location for operations will provide much efficiency. RCIT staff spends a great deal of time traveling between locations for meetings, support, and maintenance.
- 4. The facility will allow for space to train County staff on new or upgraded systems.
- 5. The facility can incorporate new video services, which are included in the facility.

#### Operations being Consolidated by Location:

Rivercrest Drive. Riverside

- Network Operations, Maintenance and Support
- Telephone Operations, Maintenance and Support
- Data Center Maintenance and Support
- Business Support Groups Finance, HR, and Purchasing
- RCIT Project Management Office
- Warehouse
- Fleet

(Continued)

Economic Development Agency / Facilities Management
Resolution No. 2013-113, Notice of Intention to Purchase Real Property, 3450 and 3478 14th Street,
City of Riverside, California
May 22, 2013
Page 3

## **BACKGROUND:** (Continued)

### Mission Grove Business Park, Riverside

- Data Center Operations, Maintenance and Support
- Enterprise Solutions Support & Development (was OASIS)
- Enterprise Applications Support & Development CRM, Web, etc.

#### **Downtown CAC**

- Data Center Operations, Maintenance and Support
- County Technology Operations Center
- Help Desk & End-User Support
- Departmental Applications Operations, Maintenance and Support
- GIS Operations, Maintenance and Support
- Information Security Office

#### Other County Locations:

- Departmental Applications Operations, Maintenance, Development and Support
- Data Center Operations, Maintenance and Support

### Number of Employees who will staff the new location:

- 450 employees will be located at the new facility
- Additional 150 staff will be co-located with the customers they support or in the field to support remote system locations.

As part of this potential acquisition the County will also acquire a contiguous and secondary building on the property of approximately 7,500 square feet located at 3478 14<sup>th</sup> Street, Riverside, with potential historic value and that can serve other County needs. The proposed purchase would serve to address the long-term needs and goals of both the County and RCIT to provide more efficient and effective services.

#### FINANCIAL DATA:

EDA/FM has already covered most of the costs for due diligence (appraisals, Phase I environmental report and preliminary title reports) and has been or will be reimbursed by Riverside County Information Technology.

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APPROVED COUNTY COUNSE 22 024 N ₹5 ⋛26 ∕27 Resolution No. 2013-113

Notice of Intention to Purchase Real Property

3450 & 3478 14th Street, City of Riverside, California

5.47+/- Acres of APN: 219-330-032 et. al.

BE IT RESOLVED, DETERMINED AND ORDERED by the Board of Supervisors of the County of Riverside in regular session assembled on June 4, 2013. and NOTICE IS HEREBY GIVEN, pursuant to Section 25350 of the Government Code that this Board at its public meeting on or after July 2, 2013, 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 a transaction in which the County of Riverside will purchase certain real property located at 3450 14th Street and 3478 14th Street in the City of Riverside, County of Riverside, California, both situated on a portion of Assessor's Parcel Number 219-330-032, and adjacent parking areas situated on Assessor's Parcel Numbers 219-330-022 through 219-330-030, more particularly described as Parcel 2 in Exhibit "A" attached hereto and thereby made a part hereof consisting of approximately 5.47+/- acre site at a purchase price not-to-exceed thirty million dollars (\$30,000,000).

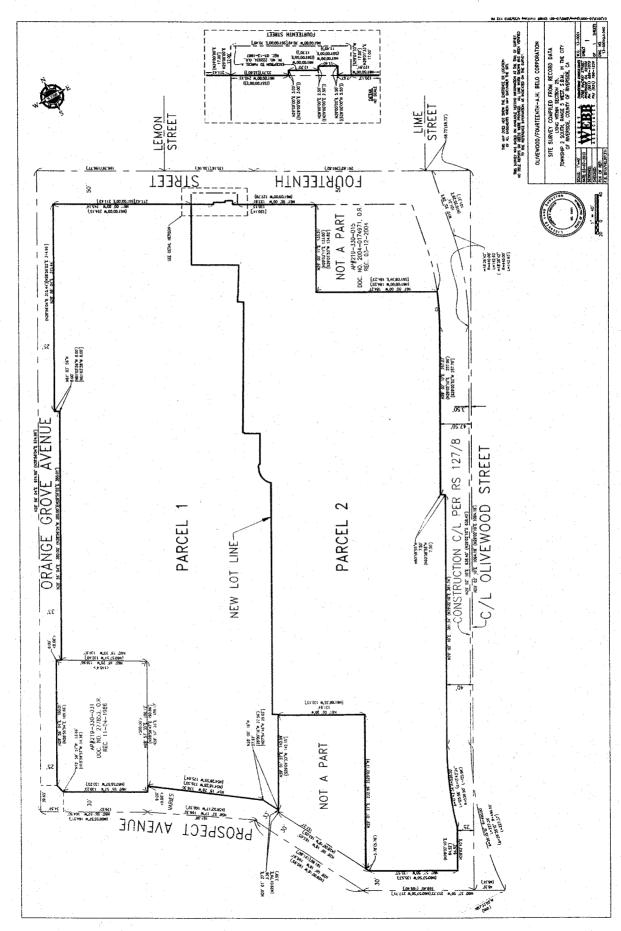
BE IT FURTHER RESOLVED AND DETERMINED that the Real Estate Division of EDA is expected to expend approximately forty-five thousand dollars (\$45,000) to complete due diligence on the property, consisting of a preliminary title report, appraisal costs, an environmental survey and miscellaneous other studies as deemed necessary, plus miscellaneous escrow closing costs in the approximate amount of forty thousand dollars (\$40,000).

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.

JF:ra/052013/088IT/15.840 S:\Real Property\TYPING\Docs-15.500 to 15.999\15.840.doc

# COUNTY OF RIVERSIDE 1 **BOARD OF SUPERVISORS** RESOLUTION NO. 2013 - 113 2 3 NOTICE OF INTENTION TO PURCHASE REAL PROPERTY 3450 & 3478 14<sup>TH</sup> STREET, CITY OF RIVERSIDE, CALIFORNIA 5.47 +/- ACRES OF APN: 219-330-032 ET. AL. 4 5 ADOPTED by Riverside County Board of Supervisors on June 4, 2013. 6 **ROLL CALL:** 7 Jeffries, Stone, Benoit and Ashley Ayes: 8 Nays: None Tavaglione Absent: 9 10 11 12 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. 13 KECIA HARPER-IHEM, Clerk of said Board 14 15 By: Deputy 16 17 18 19 20 21 22 06.04.13 3-18 23 24 25

# **EXHIBIT "A"**



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



and

3-32

On motion of Supervisor Tavaglione, seconded by Supervisor Ashley and duly carried by unanimous vote, IT WAS ORDERED that the recommendation from Economic Development Agency/Facilities Management regarding the Adoption of Resolution 2013-113, Notice of Intention to Purchase Real Property, 3450 and 3478 14<sup>th</sup> Street, City of Riverside, California, 2<sup>nd</sup>/2<sup>nd</sup> District, is continued to Tuesday, June 4, 2013 at 9:00 a.m.

I hereby certify the entered on <u>M</u>	at the foregoing is a full true, and correct copy of an order mad y 21, 2013 of Supervisors Minutes.
(seal)	WITNESS my hand and the seal of the Board of Supervisor Dated: May 21, 2013 Kecia Harper-Ihem, Clerk of the Board of Supervisors, in and for the County of Riverside, State of California.  By: Deputy
	O AGENDA NO

3-32

xc: EDA, CØB

# Riverside County Board of Supervisors Request to Speak

Submit request to Clerk of Board (right of podium),

Speakers are entitled to three (3) minutes, subject Board Rules listed on the reverse side of this form. SPEAKER'S NAME: Paul Jacobs Address: (only if follow-up mail response requested) Phone #: Agenda #\_ **PLEASE STATE YOUR POSITION BELOW:** Position on "Regular" (non-appealed) Agenda Item: Oppose Support Note: If you are here for an agenda item that is filed for "Appeal", please state separately your position on the appeal below: \_\_\_\_\_Neutral Oppose Support I give my 3 minutes to:

#### **BOARD RULES**

### Requests to Address Board on "Agenda" Items:

You may request to be heard on a published agenda item. Requests to be heard must be submitted to the Clerk of the Board before the scheduled meeting time.

# Requests to Address Board on items that are "NOT" on the Agenda:

Notwithstanding any other provisions of these rules, member of the public shall have the right to address the Board during the mid-morning "Oral Communications" segment of the published agenda. Said purpose for address must pertain to issues which are under the direct jurisdiction of the Board of Supervisors. YOUR TIME WILL BE LIMITED TO THREE (3) MINUTES.

#### **Power Point Presentations/Printed Material:**

Speakers who intend to conduct a formalized Power Point presentation or provide printed material must notify the Clerk of the Board's Office by 12 noon on the Monday preceding the Tuesday Board meeting, insuring that the Clerk's Office has sufficient copies of all printed materials and at least one (1) copy of the Power Point CD. Copies of printed material given to the Clerk (by Monday noon deadline) will be provided to each Supervisor. If you have the need to use the overhead "Elmo" projector at the Board meeting, please insure your material is clear and with proper contrast, notifying the Clerk well ahead of the meeting, of your intent to use the Elmo.

#### **Individual Speaker Limits:**

Individual speakers are limited to a maximum of three (3) minutes. Please step up to the podium when the Chairman calls your name and begin speaking immediately. Pull the microphone to your mouth so that the Board, audience, and audio recording system hear you clearly. Once you start speaking, the "green" podium light will light. The "yellow" light will come on when you have one (1) minute remaining. When you have 30 seconds remaining, the "yellow" light will begin flash, indicating you must quickly wrap up your comments. Your time is up when the "red" light flashes. The Chairman adheres to a strict three (3) minutes per speaker. Note: If you intend to give your time to a "Group/Organized Presentation", please state so clearly at the very bottom of the reverse side of this form.

#### **Group/Organized Presentations:**

Group/organized presentations with more than one (1) speaker will be limited to nine (9) minutes at the Chairman's discretion. The organizer of the presentation will automatically receive the first three (3) minutes, with the remaining six (6) minutes relinquished by other speakers, as requested by them on a completed "Request to Speak" form, and clearly indicated at the front bottom of the form.

#### **Addressing the Board & Acknowledgement by Chairman:**

The Chairman will determine what order the speakers will address the Board, and will call on all speakers in pairs. The first speaker should immediately step to the podium and begin addressing the Board. The second speaker should take up a position in one of the chamber aisles in order to quickly step up to the podium after the preceding speaker. This is to afford an efficient and timely Board meeting, giving all attendees the opportunity to make their case. Speakers are prohibited from making personal attacks, and/or using coarse, crude, profane or vulgar language while speaking to the Board members, staff, the general public and/or meeting participants. Such behavior, at the discretion of the Board Chairman may result in removal from the Board Chambers by Sheriff Deputies.

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SPEAKER'S NAME:	FARRYG	RAPOT			
Address: 27063	•				
City: PERTUI	zip: 4 7 1	70			
Phone #:	/				
Date: 471 TUNED!	Agenda #	3-18			
PLEASE STATE YOUR	POSITION BELO	OW:			
Position on "Regular" (non-appealed) Agenda Item:					
Support	Oppose	Neutral			
<b>Note:</b> If you are here for "Appeal", please st the appeal below:	e for an agenda tate separately	item that is filed your position on			
Support	Oppose	Neutral			
I give my 3 minutes t	:0:				

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Address:
(only if follow-up mail response requested)
City: Temecula zip:
Phone #:
Date: 6/4/13 Agenda # 3-18
PLEASE STATE YOUR POSITION BELOW:
Position on "Regular" (non-appealed) Agenda Item:
Support /OpposeNeutral
<b>Note:</b> If you are here for an agenda item that is filed for "Appeal", please state separately your position on the appeal below:
SupportOpposeNeutral
I give my 3 minutes to:

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