



REVISED
Board Agenda Item 6.1

DATE: January 6, 2026

TO: Board of Supervisors

SUBMITTED BY: Raymond T. Hunter, Director, General Services Department
Steven E. White, Director, Department of Public Works and Planning

SUBJECT: Surplus and Exchange of County Land - 0.735 Acres in Dunlap, CA

RECOMMENDED ACTION(S):

- 1. Adopt and authorize the Chairman to execute Resolution finding and declaring the following under Government Code sections 25365(b) and 54221(f)(1)(C) for an exchange of real properties (4/5 vote):**
 - a. The County-owned real property located in the vicinity of 40315 Dunlap Road in Dunlap, California and which is approximately 0.735 acres of open land (“County Property”), is not necessary for use by the County;**
 - b. The County Property is exempt surplus land under Government Code section 54221(f)(1)(C);**
 - c. Your Board intends for the County Property to be exchanged as exempt surplus land under Government Code section 54221(f)(1)(C) of the Surplus Land Act with 0.735 acres of open land also located in the vicinity of 40315 Dunlap Road in Dunlap, California, and owned by the Richard Don Hall and Susan I. Hall Revocable Living Trust of 2011 (“Trust Property”), which is land required for County use;**
 - d. The County Property and the Trust Property described above and depicted in Exhibits A and B in the Resolution, respectively, are of approximately equal value and the exchange shall be on an “as is” and “where is” and “with all faults” basis, which will involve no exchange of money or other consideration;**
- 2. Approve the form of the Real Property Exchange Agreement and the forms of both Grant Deeds (collectively, the form of the “Exchange Agreement”), which are on file with the Clerk of the Board;**
- 3. Authorize and direct County Counsel, or County Counsel’s designee, to provide a copy of the adopted Resolution and the Board-approved unexecuted form of the Exchange Agreement to the California Department of Housing and Community Development (“HCD”), and any such other information that County Counsel, or County Counsel’s designee, deems necessary or appropriate and in the best interest of the County, or that HCD may request from the County; and**
- 4. Authorize the Director of the Department of General Services (“Director”), on behalf of the County, to approve and execute the final Exchange Agreement and the final Grant Deed conveying the County Property to the Trust, including any changes to the Board-approved form of such documents, as the Director deems necessary or appropriate and in the best**

interest of the County, all subject to approval as to legal form by County Counsel, and approval as to accounting form by the Auditor-Controller/Treasurer-Tax Collector (as applicable), and such executions of such documents by the Director to be accomplished only after the proposed exchange is approved by HCD (4/5 vote).

- 5. Direct and authorize the Director of General Services to file with the Department of Public Works and Planning all necessary forms and applications required to address Williamson Act Contract No's 5029 and 6236, Accessor Parcel Number's 190-480-11 and 190-080-46, prior to execution of Recommended Action No. 4.**

The General Services Department ("Department") recommends that your Board approve an exchange of County-owned real property, approximately 0.735 acres, located in the unincorporated area in the vicinity of 40315 Dunlap Road in Dunlap, California ("County Property") with approximately 0.735 acres of land also located in the unincorporated area in the vicinity of 40315 Dunlap Road in Dunlap, California and owned by the Richard Don Hall and Susan I. Hall Revocable Living Trust of 2011 ("Trust Property"). Both properties are reflected in Attachment A - Site View.

If your Board approves the recommended actions, and after HCD has reviewed and approves the adopted Resolution and the Board-approved unexecuted form of the Exchange Agreement, the parties may proceed with entering into the recommended Exchange Agreement, which provides for a property exchange for no monetary payment or other consideration. If the County receives a notice of violation from HCD, the Department will return to your Board for further direction and action, and the Department will not pursue the Exchange Agreement unless and until your Board and HCD are satisfied.

The recommended actions include required Board findings and declarations that the Property is County-owned real property, is not necessary for County use, that the Property is exempt surplus land (Government Code section 54221(f)(1)(C) of the Surplus Land Act), and that your Board intends for the County to exchange with other real property which is necessary for County use (Government Code section 25365(b)). This item pertains to County-owned real property in District 5.

ALTERNATIVE ACTION(S):

Your Board may decline to approve the recommended actions and direct the Department to continue to pursue other real property sale opportunities or elect to keep the County Property.

As to other real property sale opportunities, the County may first attempt to sell the County Property under the standard "surplus land sale" procedures of the Surplus Land Act (*i.e.*, not the "exempt surplus land" sale procedures in this item), which must be before any attempt to publicly sell the County Property.

Your Board may also wish to consider another way of acquiring the Trust Property. However, the Exchange Agreement is recommended, as the Trust Property is necessary for the County's use and exchanging it for the County Property (which is not necessary for the County use) comes with no monetary obligation or other consideration.

FISCAL IMPACT:

There is no Net County Cost associated with the recommended actions. There are no proceeds for either party from the exchange of the Properties. The County's cost of recording the grant deeds is estimated at \$500. Sufficient appropriations and estimated revenues are included in the PWP - Roads Org 45104514 FY 2025-26 Adopted Budget.

DISCUSSION:

Since the initial acquisition of the property, the County has constructed a fuel site, offices and vehicle storage facilities at the Dunlap Road Yard. Recent surveys of the property showed that one County structure

encroached upon the adjoining property line.

To resolve the encroachment, staff recommends exchanging property with the adjoining property owner.

Property Valuation

Paragon Partners, engaged by the County, valued both the County Property and the Trust Property and determined, as of December 20, 2025, its opinion of the fair market value for the Property, as:

- The County Property has a market value of \$0.14 per square foot, with a value \$4,482.38 (32,017 S.F. x \$0.14).
- The Trust Property has a market value of \$0.12 per square foot, reflecting inferior access, topography, and overall utility. The opinion of value is \$3,842.04 (32,017 S.F. x \$0.12).

Required Board Findings and Declarations

Under the recommended Resolution, your Board is required to make the following findings and declarations so that the County may exchange the County Property with the Trust Property:

- Under the Surplus Land Act, your Board finds and declares that the County Property is:
 - County-owned property not necessary for County use;
 - Exempt surplus land that your Board intends to exchange with real property that is necessary for County use, the Trust Property (Government Code section 54221(f)(1)(C)); and
 - Not land that is subject to Government Code section 54221(f)(2).
- Under Government Code section 25365(b), your Board finds and declares that the County Property is:
 - Real property belonging to the County, not required for County use;
 - Real property that your Board may exchange with the Trust Property and which is required for County use;
 - The value of the Trust Property exchanged is equal to, or greater than, 75% of the value of the County Property offered in exchange; and
 - Real property that the Board intends to exchange with the Trust Property.
- Based on such findings and declarations, your Board intends to exchange the County Property with the Trust Property, as provided in the recommended Resolution.

Exchange

Under the recommended Resolution, the exchange of the County Property for the Trust Property will require no consideration, monetary or otherwise, and each party shall transfer its parcel to the other no later than 90 days following the effective date of the recommended Agreement (unless the deadline is extended by both parties). The County shall pay any documentary transfer taxes, and all other applicable fees, charges, and costs arising from the property exchange, as the exchange is for the County's benefit.

Authority for the Exchange Agreement; State law requirements

The Surplus Land Act (Government Code section 54220 *et seq.*) provides the State law procedures that the County must follow before the County may relinquish the County Property by exchanging it with the Trust Property, thus qualifying it as "exempt surplus land." Although the recommended exchange process in this item is significantly less complex and time consuming than the standard procedures for the County to dispose of "surplus land" under the Surplus Land Act, there still are important steps that must be taken or observed.

First, your Board must make the findings and determinations in the recommended Resolution, as stated above, and adopt the recommended Resolution.

Second, since January 1, 2021, the HCD has had the following enforcement powers:

- The County would submit the adopted Resolution to the HCD under the HCD's Guide to Exemptions from the Standard Surplus Land Act Process (the unexecuted form of the Exchange Agreement would be included); the HCD would be expected to (1) verify that the County's proposed exchange of the Property is an eligible exchange of surplus property, for property necessary for the County's use (Government Code section 54221(f)(1)(C) of the Surplus Land Act) and thus qualifying it as "exempt surplus land," and (2) ensure that the County's proposed exchange of the County Property is not subject to the standard process under the Surplus Land Act.
- If HCD determines that the exchange of the County Property is not an eligible relinquishment of County surplus land and therefore does not qualify as "exempt surplus land," the HCD will, within 30 days of receipt of the County's submission, send the County a notice of violation, with written findings, that will follow Government Code section 54230.5, and require the County to respond (e.g., corrective action, or explain that the exchange complies with the Surplus Land Act). If the County exchanges the County Property with the Trust Property, but the HCD is not satisfied with the County's response, the HCD may take enforcement action, including imposing a penalty. The Director will not execute the recommended Exchange Agreement if the HCD has an unresolved notice of violation.

Government Code section 25365 gives your Board substantive legal authority, separately from the Surplus Land Act, to exchange the County Property with the Trust Property, and Government Code section 25365 also requires the County to give publication notice of your Board's consideration of this item.

Publication Notice

The Department published your Board's intended actions under this item in the *Fresno Business Journal* on December 24, 2025, in compliance with Government Code section 25365.

Staff's Recommended Next Steps

If your Board approves the recommended actions, County Counsel, or County Counsel's designee, will submit to the HCD the adopted Resolution, the unexecuted form of the Exchange Agreement, and any other necessary or appropriate information. If the HCD approves the adopted Resolution and proposed Exchange Agreement, the Department will proceed with executing the recommended Exchange Agreement and recording of the grant deeds (and subdivision of the two parcels).

CEQA

The proposed property exchange is not considered a "project" as defined by the California Environmental Quality Act (CEQA), because such approval would not commit the County to a definite course of action, and such approval would be exempt from CEQA because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment. (CEQA Guidelines section 15061(b)(3)).

ATTACHMENTS INCLUDED AND/OR ON FILE:

Attachment A - Site View

On file with Clerk - Resolution of Declaration & Board Intention

On file with Clerk - Real Property Exchange Agreement

CAO ANALYST:

Amy Ryals