



Board Agenda Item 5

DATE: August 9, 2016

TO: Board of Supervisors

SUBMITTED BY: Paul Dictos, Assessor-Recorder
Robert W. Bash, Director of Internal Services/Chief Information Officer
Steven E. White, Director, Department of Public Works and Planning

SUBJECT: Purchase of 1649 Van Ness Avenue and 1740 Van Ness Avenue in Fresno for use by Assessor-Recorder

RECOMMENDED ACTION(S):

1. **Approve and authorize the Chairman to execute a Sale and Purchase Agreement and Escrow Instructions (Purchase Agreement) for the County's purchase of 1649 Van Ness, Fresno, CA 93721 and 1740 Van Ness Avenue, Fresno, CA 93721 (APN's 466-144-08, 466-132-10 and 466-132-11) including an approximately 17,400 square-foot office building situated on 1649 Van Ness, and a parking lot located on 1740 Van Ness, from Stephen and Eileen Geil Trust and EIE ALPHA, LLC, a California Limited Liability Company (Sellers), for the sum of \$2,375,000, plus estimated closing costs of \$7,000.**
2. **Authorize staff to undertake due diligence investigations, including environmental studies or appraisals of the Property, as deemed necessary or appropriate, in connection with the County's purchase of the Property.**
3. **Authorize and direct the Director of Internal Services/Chief Information Officer, or his designee, to take all necessary or appropriate actions consistent with the Purchase Agreement, and the foregoing Board approvals and actions, including:**
 - a. **Execute final form of Grant Deed (Exhibit "B" to Purchase Agreement) with an expected Closing Date of 50 days from escrow opening;**
 - b. **Open, carry out, and close escrow for the County's purchase of the Property from Sellers; deliver the County's \$100,000 deposit; deliver the County's acceptance of Sellers' Grant Deed; and obtain title insurance in favor of the County for the Property in the amount of the purchase price of the Property at escrow closing;**
 - c. **Review, approve, execute and/or deliver any agreements, documents, certificates, notices, and instruments, and any amendments to any of the foregoing (subject to prior review and approval thereof as to legal form by County Counsel, and if applicable, as to accounting form by the County Auditor-Controller/Treasurer-Tax Collector), and to take any other actions to initiate, carry out, and finalize the County's purchase of the Property from Sellers; and**
 - d. **Perform any other obligations, or exercise any other rights, of County under the Purchase Agreement to finalize the County's purchase of the Property.**

- 4. Adopt Budget Resolution increasing the FY 2016-17 appropriations in the Assessor-Recorder Special Revenue Fund 0035, Record Documents System Subclass 17054, Record Documents System Org 1044 in the amount of \$6,732,000 (4/5 vote).**
- 5. Adopt Budget Resolution increasing the FY 2016-17 appropriations and estimated revenues in the County Buildings Org 0131 in the amount of \$2,382,000 (4/5 vote).**
- 6. Adopt Budget Resolution increasing the FY 2016-17 appropriations and estimated revenues in the Assessor-Recorder Building Org 8856 in the amount of \$4,350,000 (4/5 vote).**

Approval of Recommended Actions 1 through 3 will authorize the acquisition of the properties at 1649 Van Ness and 1740 Van Ness Avenue, Fresno. The purchase price of the Properties would be \$2,375,000, with estimated closing costs of \$7,000. Improvements are expected to total \$ 4,350,000. Approval of the recommended actions 4 through 6 will set up the necessary appropriations for the purchase of the properties and improvements to the properties.

The purchase price (\$2,375,000), estimated closing costs (\$7,000) and improvements (\$4,350,000) will be paid from the Record Document System special revenue fund (Assessor-Recorder Fund: 0035, Record Documents System Subclass: 17054, Recorded Documents System Org: 1044).

ALTERNATIVE ACTION(S):

Your Board could direct the Department to pursue other facility options. Non-approval of the recommended actions, however, would result in a lost opportunity to acquire property that would satisfy the Recorder's needs.

FISCAL IMPACT:

There is No Net County Cost associated with the recommended actions. Both the purchase price of the Property (\$2,375,000) and the County's share of closing costs (estimated at \$7,000) will be funded by Record Document System funds (in the Assessor-Recorder Special Revenue Fund 0035, Record Documents System Subclass 17054). Staff anticipates renovation costs of approximately \$250.00 per square foot. At 17,400 square feet, the total budgeted improvements costs estimated at \$4,350,000, which will also be funded from Record Documents System funds. The total estimated Project Budget for purchase and improvements is \$6,732,000. Approval of Recommended Action No. 4 will increase the FY 2016-17 adopted appropriations (as an Operating Transfer Out) by \$6,732,000 in the Assessor-Recorder Special Revenue Fund 0035, Record Documents System Subclass 17054, Record Documents System Org 1044 using available fund balance. Approval of Recommended Action No. 5 will increase the FY 2016-17 adopted appropriations and estimated revenues by \$2,382,000 in the County Buildings Org 0131 as an Operating Transfer in from the Assessor-Recorder Special Revenue Fund 0035, Record Documents System Subclass 17054, Record Documents System Org 1044 to purchase the building. Approval of Recommended Action No. 6 will increase the FY 2016-17 adopted appropriations and estimated revenues by \$4,350,000 in the Assessor-Recorder Building Org 8856 as an Operating Transfer In from the Assessor-Recorder Special Revenue Fund 0035, Record Documents System Subclass 17054, Record Documents System Org 1044 for the building improvements.

DISCUSSION:

The Recorder Division of the Assessor-Recorder wishes to purchase the one-story office building located at 1649 Van Ness Avenue and the parking lot located at 1740 Van Ness Avenue to better accommodate the public utilizing the services of the Recorder. The services to be provided at the proposed site will consist of recording real property documents, the issuance of vital records and searching property records by the public. There are 39 parking spaces for the public at the building site. The parking lot would provide an additional 50 spaces.

The Recorder currently utilizes 5,700 square feet for the real property side (recording and searching), 2,000 square feet for vitals, and 1,000 square feet for storage in the basement (these amounts do not include the restrooms). The vitals side is too small to handle the number of people that may show up at any particular time. The building proposed for purchase is approximately 17,400 square feet, including restrooms, with a 731 square-foot break room and a 650 square foot conference room. The heating and air conditioning units are located in a basement. Most of the walls within the building would be removed with the exception of those surrounding the break room, conference room, data/voice rooms, storage rooms and those around the stairwell. Four offices with structural walls will be built in the northeast corner of the building. All other walls and offices and the work areas, will utilize modular furniture. The Recorder expects to modernize the electrical, plumbing (including the fire sprinkler system) and mechanical (HVAC) systems within the structures, and to make sure that the roof will be capable of withstanding 50 years of weather. This will result in little building upkeep for a long period of time. The parking area adjacent to the building is enclosed by a fence, so that only those with permission may enter. The majority of that fence will need to be removed to allow for public parking. .

Currently, the Recorder stores about 8,000 books of Official Records at the Clerk's warehouse. The Official Records, when restored, and the vital records that are presently being restored, will be housed in the new facility and, on a limited basis, will be made available to the public for research.

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Sale and Purchase Agreement and Escrow Instructions
On file with Clerk - Budget Resolution - Org 1044
On file with Clerk - Budget Resolution - Org 0131
On file with Clerk - Budget Resolution - Org 8856

CAO ANALYST:

Ron Alexander