



# Board Agenda Item 47

DATE: April 7, 2026

TO: Board of Supervisors

SUBMITTED BY: Raymond T. Hunter, Director, General Services Department

SUBJECT: Purchase and Sale Agreement of 650 O Street and 705 P Street, Fresno, CA 93721

RECOMMENDED ACTION(S):

1. **Approve and authorize the Chairman to execute and direct the Director of the General Services Department, or their designee, to deliver, the County's Purchase and Sale Agreement ("Purchase Agreement") with 7355 N. Palm Avenue, LLC, a California limited liability company, as to an undivided 77% interest and Assemi Investments, LLC, a California limited liability company, as to an undivided 23% interest ("Seller") for the County's purchase of 650 O Street and 705 P Street, Fresno, California 93721 (APNs 468-183-18U and 468-191-19U), including the buildings and improvements ("Property") for the sum of \$25,000,000 with an expected close of escrow date of July 7, 2026;**
2. **Authorize and direct the Director of the General Services Department, or their designee, to take actions deemed necessary or appropriate, all of which shall be consistent with the Purchase Agreement and the foregoing Board approvals and actions, to:**
  - a. **Open, carry out, and close escrow for the County's purchase of the Property from the Seller; deliver the County's refundable \$100,000 deposit into escrow; deliver the County's acceptance of Seller's 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 the close of escrow; and**
  - b. **Review, approve, execute, and/or deliver any agreements, documents, certificates, notices, instruments, and any amendments to any of the foregoing (subject to prior review as to legal form by County Counsel and, as applicable, as to accounting form by the 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 the Seller.**
3. **Adopt Budget Resolution increasing the FY 2025-26 appropriations for Hall of Records Improvement Org 8861 in the amount of \$25,050,000 (4/5 vote); and**
4. **Adopt Budget Resolution increasing the FY 2025-26 appropriations and estimated revenues for County Buildings Org 0131 in the amount of \$25,050,000 (4/5 vote).**

There is no additional Net County Cost associated with the recommended actions. The Property consists of two parcels, which include two commercial office buildings with approximately 102,580 square feet of office space and a paved parking lot consisting of approximately 189,185 square feet. The purchase price of the Property is \$25,000,000 and was established by the parties through negotiation.

Approval of the first recommended action will authorize the Chairman to execute, and for the Director of the

General Services Department (Director), or their designee, to deliver the recommended Purchase Agreement. Approval of the second recommended action will authorize the Director, or their designee, to take the necessary actions to open and close escrow, carry out the necessary items to complete the purchase of the Property, and review and deliver documents related to the purchase of the Property. Approval of the third and fourth recommended actions will increase FY 2025-26 appropriations for Hall of Records Improvements Org 8861 in the amount of \$25,050,000 and increase appropriations and estimated revenues for County Buildings Org 0131 in the amount of \$25,050,000, which includes \$50,000 in additional costs associated with the recommended purchase. This item pertains to a location in District 3.

ALTERNATIVE ACTION(S):

Your Board could deny the Purchase Agreement of the Property; however, it would result in a lost opportunity to acquire property that would assist with the County's need for office space and the need to relocate the Sheriff Administration Office to a new location.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended actions as there is available fund balance in the Hall of Records Improvements Org 8861. The total cost of the purchase is \$25,050,000, which consists of \$25,000,000 for the purchase of the Property and approximately \$50,000 for additional costs associated with the purchase of the Property.

Approval of the third and fourth recommended actions will increase FY 2025-26 appropriations for Hall of Records Improvements Org 8861 and increase appropriations and estimated revenues for County Buildings Org 0131 in the amount of \$25,050,000 to fund the purchase. Any remaining funds will be returned to the Hall of Records Improvements Org 8861 after the purchase is complete.

DISCUSSION:

1. Recommended Purchase Agreement

The recommended Purchase Agreement sets forth the terms and conditions governing the County's acquisition of the Property and has been negotiated by the County and Seller.

Under the recommended Purchase Agreement, the County will provide a \$100,000 good faith deposit. The deposit is refundable until the end of the Buyer's Due Diligence Period, which is 90 days from the effective date of the recommended Purchase Agreement, less County's share of any accrued Closing Costs. After the Buyer's Due Diligence Period has passed, and provided the County does not cancel the agreement within that period, the deposit will increase to \$500,000 and become non-refundable.

The recommended Purchase Agreement deviates from the County's standard agreement language in that the Seller is requesting mutual indemnity related to broker claims. Risk Management reviewed and recommended against this language; however, the County Administrative Office believes this is an acceptable business risk.

2. The Recommended Actions

Approval of the first recommended action will authorize the Chairman to execute, and the Director of the General Services Department to deliver, the recommended Purchase Agreement.

Approval of the second recommended action will authorize the Director, or their designee, to take the necessary actions to open and close escrow, review and deliver documents, and carry out all other necessary items to complete the purchase of the Property.

Approval of the third and fourth recommended actions will increase FY 2025-26 appropriations for Hall of Records Improvements Org 8861 and increase appropriations and estimated revenues for County Buildings Org 0131 in the amount of \$25,050,000 to fund the purchase.

3. Due Diligence

The Due Diligence Period is 90 days from the effective date of the recommended Purchase Agreement. The Due Diligence Period will include a Phase 1 Environmental Site Assessment, an appraisal of the Property, an inspection of the Property, review of a current lease agreement on the Property, and review of matter of Condition of Title to the Property.

4. Proposed Use of the Property

The proposed use of the Property will be for needed County office space purposes for the Sheriff Administration.

5. CEQA Compliance

The proposed purchase is exempt from California Environmental Quality Act (CEQA) review. CEQA Guidelines, sections 15060(c)(2), (3), and 15378(a) state that where an action is not a "project" (meaning the whole of the action which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment), that action is not subject to CEQA. The proposed action does not result in a direct or indirect change in the environment. Therefore, at this time, the proposed acquisition is not considered the approval of a project under CEQA and is, therefore, exempt from CEQA review. (California Public Resources Code, section 21065; CEQA Guidelines, sections 15060(c), (2), (3), and 15378(a)).

6. Publication Notices

The public notice of the County's Intention to Purchase the Property, as required by California Government Code, section 25350, was published timely in the Business Journal on March 23rd, March 30th, and April 6th.

ATTACHMENTS INCLUDED AND/OR ON FILE:

- On file with Clerk - Purchase Sale Agreement
- On file with Clerk - Budget Resolution (Org 8861)
- On file with Clerk - Budget Resolution (Org 0131)
- On file with Clerk - Public Notice for March 23, 2026

CAO ANALYST:

Amy Ryals