



# Board Agenda Item 41

DATE: October 24, 2023

TO: Board of Supervisors

SUBMITTED BY: Robert W. Bash, Director of Internal Services/Chief Information Officer

SUBJECT: Purchase and Sale Agreement of 815 G Street, Reedley, CA 93654

RECOMMENDED ACTION(S):

1. **Approve and authorize the Chairman to execute the Purchase and Sale Agreement for the County's purchase of 815 G Street, Reedley, CA 93654 (APN 368-010-06T) ("Property") from the State of California, ("Seller"), with an expected closing date on or before November 30, 2023, for the sum of \$312,520 ("Purchase Agreement");**
2. **Authorize staff to undertake additional due diligence investigations, including any further environmental studies or appraisals of the Property, as deemed necessary or appropriate by staff, in connection with the County's purchase of the Property;**
3. **Authorize and direct the Director of ISD/CIO, or their designee, to take any action as 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 Seller; deliver the County's \$100,000 deposit; 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 escrow closing;**
  - b. **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 as to legal form by County Counsel, and, as 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 the Seller; and,**
  - c. **Perform any other obligations, or exercise any other rights, of County under the Purchase Agreement to finalize the County's purchase of the Property; and**
4. **Adopt Budget Resolution increasing the FY 2023-24 appropriations and estimated revenues for County Buildings Org 0131 in the amount of \$315,000 (4/5 vote).**

There is no additional Net County Cost associated with the recommended actions. Approval of the first recommended action will authorize the acquisition of the Property located at 815 G Street, Reedley, CA 93654. Approval of the second and third recommended actions will authorize and direct the Director of ISD/CIO or their designee, to take the necessary actions required to complete the purchase of the Property. The Property consists of one parcel which includes a building. The purchase price of the Property is \$312,520.

Approval of the fourth recommended action will increase FY 2023-24 appropriations and estimated revenues for County Buildings Org 0131 in the amount of \$315,000. An additional amount of \$2,480 in appropriations is being requested for the County Buildings Org 0131 to facilitate potential unexpected costs associated with

the purchase of the building. Any remaining funds will be returned to the Interest & Miscellaneous Expenses fund after the purchase is complete.

The Property purchase (\$312,520) has been budgeted in the FY 2023-24 Adopted Budget in Org 2540 Interest & Miscellaneous Expenses.

This item pertains to a location in District 4.

ALTERNATIVE ACTION(S):

Your Board could direct the Department to continue to pursue other facility options, however, it would result in a lost opportunity to acquire a property that would satisfy many County needs.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended actions. The total purchase price is \$315,000, which consists of \$312,520 for purchase of the Property and approximately \$2,480 for potential unexpected costs associated with the purchase of the building, which will be financed by the Interest & Miscellaneous Expenses Org 2540, and includes the County's share of estimated closing costs (\$5,000). Approval of the fourth recommended action will increase the FY 2023-24 appropriations and estimated revenues for the County Buildings Org 0131 by \$315,000.

DISCUSSION:

The Property consists of a single parcel, APN 368-010-06T, consisting of the land and a building with 4,723 square feet of office space. This building is commonly known as the Reedley Courthouse and has included a local office for the Agriculture Department that predates the transfer of the property from the County to the State. The recommended acquisition of the Property will allow the County's Agriculture Department to continue occupying space within the building.

Approval of the first recommended action will execute the Purchase and Sale Agreement for the Property. Approval of the second and third recommended actions will direct staff in the Internal Services Department to take the necessary actions to complete the purchase in a timely manner. Approval of the fourth recommended action item will allow for the transfer of the full purchase price of \$312,520, in addition to the contingency amount of \$2,480, from Interest & Miscellaneous Expenses Org 2540 into the County Buildings Org 0131, to pay for the Property. The contingency funds added to County Buildings Org 0131 above the purchase price are to account for any unanticipated costs associated with the purchase, but any unexpended funds will be returned to the Interest and Miscellaneous Expenses Org 2540 after the purchase of the building is completed.

In addition to the purchase of the building, the recommended Purchase and Sale Agreement also terminates the Joint Occupancy Agreement (JOA) that currently governs the shared use of the space. This JOA defined the responsibilities of the State and the County and is no longer required as the County will own the building.

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. (Pub. Res. Code §21065, CEQA Guidelines §§15060(c), (2)(3) and 15378(a).)

As of the preparation and review of this item, the County has not ordered a Phase 1 environmental

assessment for review as the County was the owner of the Property prior to the State taking ownership of the property. The County has continued to operate a facility at the site in the intervening years. The County has no meaningful plans to change operations at the site that would necessitate an environmental review at this time.

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Form of Sale and Purchase Agreement and Escrow Instructions

On file with Clerk - Budget Resolution (Org 0131)

CAO ANALYST:

Ahla Yang