



Board Agenda Item 9

DATE: December 4, 2018

TO: Board of Supervisors

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

SUBJECT: County Purchase of Land at W. Dan Ronquillo Dr. and S. West Ave.

RECOMMENDED ACTION(S):

1. Approve the purchase by the County of the real property located at 310 South West Avenue, Fresno, CA 93706 (APN 458-060-72, which was recorded prior as APN 458-060-25T and 458-060-26T) and which is approximately 2.67 acres of vacant industrial real property ("Property"), from Seller, Gurinder S. Sira, for the purchase price of \$425,000, plus \$6,000 estimated closing costs.
2. Approve and authorize the Chairman to execute a Sale and Purchase Agreement and Escrow Instructions ("Purchase Agreement") for the County's purchase of the Property.
3. Authorize staff to undertake additional due diligence investigations, if needed, including any further environmental studies and appraisals of the Property, as deemed necessary or appropriate by staff, in connection with the County's purchase of the Property.
4. Authorize and direct the Director of Internal Service/Chief Information Officer (Director of ISD/CIO), or his designee, to take any and all actions he deems necessary or appropriate, and in the best interest of the County, 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 at closing, and obtain title insurance in favor of the County for the Property in the amount of the purchase price of the Property;
 - b. Review, approve, execute and/or deliver any agreements (not including the Purchase agreement), documents, certificates, notices, and instruments, and any amendments to any of the foregoing (all of which shall be 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 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, or such other agreements, or documents, certificates, notices, or instruments, to finalize the County's purchase of the Property.
5. Direct staff to initiate and pursue environmental review and the County land use entitlement process for the Property as the preferred site for a new regional permanent Environmental Compliance Center and conference and educational center, or other potential use by the

County, promptly following the close of the sale of the Property, all pursuant to the California Environmental Quality Act (CEQA).

Approval of the Recommended Actions will authorize the County's acquisition of the Property at 310 South West Avenue, Fresno, CA 93706 for the sum of \$425,000. The Department of Public Works and Planning (the Department) adopted budget for 2018-19 includes an allocation of funds for the costs associated with the purchase of the Property, as preliminarily outlined below. The proposed purchase price of the Property (\$425,000) and the County's share of closing costs (estimated at \$6,000) would be financed with Solid Waste Surcharge Trust Fund monies. The Department has identified a potential use for the Property, which is to create new regional permanent Environmental Compliance Center and conference and educational center. The preliminary outline for such potential County use would be an approximately 20,000 square foot facility that would provide a safe and convenient means for Fresno County residents and small quantity business generators to dispose of household hazardous waste items not allowed for regular disposal, as well as a conference and educational center. If the County purchases the Property, any such potential use of the Property would be subject to the full environmental review under CEQA and the County's land use approval process.

ALTERNATIVE ACTION(S):

Your Board may decline approving the recommended actions in this item and direct the Department and the Internal Services Department (ISD) to continue to pursue other real property purchase opportunities. Non-approval of the recommended actions, however, would result in a lost opportunity to acquire an industrial property that may satisfy County needs.

FISCAL IMPACT:

There are no Net County Costs associated with the recommended actions. Both the proposed purchase price of the Property (\$425,000) and the County's share of closing costs (estimated at \$6,000) would be fully funded by the Solid Waste Surcharge Trust Fund, Fund 0701, Subclass 15001, Org 9015, Account 8150, Program 91440.

As discussed below, the Department of Public Works and Planning (Department) has included in its adopted budget for 2018-19 amounts for the purchase of the Property (\$425,000) and the County's share of closing costs (estimated at \$6,000) for potential improvements for the Property as a site for a new regional permanent Environmental Compliance Center and conference and educational center. Staff will return to your Board at a later time to request specific appropriations for necessary work once the scope of the project is identified and better estimated, if needed.

If, after undertaking the land use and environmental process, the County cannot use the site for a new regional permanent Environmental Compliance Center and conference and educational center, the County would need to replace the funds spent from the Solid Waste Surcharge Trust Fund for purchase price and closing costs with other available County funds, and pursue other options, including an alternate use, for the Property.

DISCUSSION:

Background:

The County is the Lead Agency and manages the Household Hazardous Waste (HHW) Facility regionally for the Assembly Bill (AB) 939 Memorandum of Understanding (MOU) Committee. This includes the responsibility to manage and operate the HHW Facility using regional funding. The HHW Facility is funded through a surcharge fee on each ton of landfilled solid waste generated in Fresno County. These monies are saved in the Solid Waste Surcharge Trust Fund, Fund 0701, Subclass 15001, Org 9015, Account 8150,

Program 91440. A portion of these monies, \$425,000 and the County's share of closing costs (estimated at \$6,000), will be used to purchase the Property.

The County's current HHW Facility is located within the footprint of the American Avenue Disposal Site (AADS). AADS will need the use of that land for future landfill capacity in approximately three to four years. Because there is no additional land available within AADS, the HHW Facility will require relocation outside the boundaries of AADS. Therefore, the Department and the Internal Services Department (ISD) have been searching for a new site for the HHW Facility, which will better serve the residents and small businesses within the major population center of Fresno County.

The Recommended Purchase Agreement:

Your Board's approval of the recommended Purchase Agreement, including related recommended actions (1-4, above), will allow the County's acquisition of the vacant industrial 2.67-acre lot at 310 South West Avenue, Fresno, CA 93706. The preliminary outline of a new potential new County use of the Property may include:

- A regional permanent Environmental Compliance Center;
- Conference and education center;
- A portable, modular office for staff;
- Several above-ground waste material storage containers, with secondary containment systems;
- Underground liquid retention tank; and
- Prefabricated restroom(s).

The recommended Purchase Agreement is not contingent on any type of County use of the Property following the County's purchase.

Staff will return to your Board following environmental review to request project-specific appropriations once the scope and estimates for the projects are fully developed, if needed.

Environmental Review:

Staff have identified the Property as the preferred site for the foregoing type of use of the Property. The County's acquisition of the Property is required before environmental review may be conducted on this preferred site for such potential use or other potential use by the County. The Department estimates it will take up to two years to conduct environmental review, develop, permit, design and initiate operations for the proposed facility and use of the Property.

Generally, the City would have exclusive jurisdiction over zoning and land use approval within its territorial limits. However, cities and counties are mutually exempt from each other's zoning regulations relative to real property that one such entity may own within the territorial limits of the other. Assuming the County acquires the Property, the County would, pursuant to Section 865 of the Zoning Division of the County of Fresno, obtain exclusive jurisdiction over zoning and land use approval for any potential use the County may consider. Based on these jurisdictional limitations, the earliest feasible time for the County to commence review pursuant to the California Environmental Quality Act (CEQA) would be after the County's acquisition of the Property.

As soon as practicable following the close of sale on the Property, staff would, upon your Board's authorization in recommended action 5, above, proceed with the appropriate land use approval process and related environmental review pursuant to CEQA. This CEQA review shall consider any feasible mitigation measures and alternatives, including the "no project" alternative.

The proposed County purchase of the Property is exempt from CEQA review. CEQA Guidelines, sections 15050(c), (2)(3) and 15378 state where an action is not a "project" meaning the whole of an 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 recommended actions do not result in a direct or indirect change in the environment because nothing in the recommended Purchase Agreement commits or binds the County to any specific use of the Property. Pursuant to CEQA Guidelines, section 15004(b)(2)(A), the County has designated the Property as a preferred site for the foregoing type of use and has conditioned any future use of the Property on compliance with CEQA. Therefore, for purposes of this item, the proposed County acquisition is not considered the approval of a project under CEQA and is exempt from CEQA review. (Pub. Res. Code § 21065, CEQA Guidelines §§ 15060(c)(2)(3); 15378(a).)

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with the Clerk - Sale and Purchase Agreement and Escrow Instructions

CAO ANALYST:

Yussel Zalapa