



County of El Dorado

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Legislation Text

File #: 12-1483, Version: 4

Chief Administrative Office recommending the Board consider the following:

- 1) Exercise the Option Agreement for Exchange of Real Property of approximately 5.20 acres each for APNs 325-300-02 and 325-300-32 between the County and John V. Briggs on behalf of the Briggs Family Trust, to be effective December 18, 2014. This action is associated with the proposed future location of the New Placerville Courthouse (4/5 vote required);
- 2) Authorize staff to open a sixty (60) day escrow, commencing on December 19, 2014 per the terms of the Option Agreement;
- 3) Direct and authorize staff to determine that the contingencies are satisfied and to authorize the close of escrow. Staff is further authorized to extend on behalf of the County any deadlines or other time requirements of the Option Agreement; and
- 4) Authorize staff to prepare and the Chair to execute, upon satisfaction of the various contingencies in the Option Agreement, an appropriate grant deed to convey the County Property, a Certificate of Acceptance for the Option Property, and all other easements and documents as needed to facilitate the needs of the Optionor, the County, and the Judicial Council (Formerly Administrative Office of the Courts) and to consummate the transaction. (4/5 vote required)

BUDGET SUMMARY:	
Total Estimated Cost.....	\$10,000
Budgeted.....	
New Funding.....	
Savings.....	
Accumulated Capital Outlay (ACO)	\$10,000
Total Funding Available.....	\$10,000
Change To Net County Cost.....	-0-

Fiscal Impact/Change to Net County Cost:

Execution of this agreement will require the County to expend funds for its portion of escrow costs associated with title reports, document recording, and other related escrow transactions. The exact cost will be determined through the escrow. The cost noted is an ESTIMATE only. There will be no additional funding to the Optionor associated with this transaction. Funding will come from the Accumulated Capital Outlay fund for special capital projects. There is no Net County Cost associated with this transaction.

Background:

The Judicial Council identified the County of El Dorado for a future new Courthouse in Placerville. The County has been negotiating in good faith with the Judicial Council for land acquisition. The

preferred site location has required additional negotiation with adjacent land owner, John V. Briggs on behalf of the Briggs Family Trust (“Optionor”). This action positions the County to continue site acquisition negotiations with the Judicial Council. On December 18, 2012, the County approved the first option agreement for an option period of December 18, 2012 through December 18, 2013 which included an initial payment of \$5,000.

On December 17, 2013, the County executed a second option agreement with the Optionor to extend the option period. The second Option Agreement included a non-refundable sum of \$5,000 which granted the County the exclusive option to acquire the Option Property under the terms and conditions contained within the agreement. The sum of \$5,000 represented the valuable consideration for the granting of the Option to the County for the new period and also represented the County's total contribution towards costs associated with any revisions to Optionor's existing tentative map and any future rezoning of the property. The second Option Agreement expires December 18, 2014.

Reason for Recommendation:

Negotiations with the Judicial Council have progressed to the point where it is recommended to proceed with the property swap between the County and the Optionor to exchange approximately 5.2 acres of land in the area by the Placerville Jail. The preferred site location for the proposed new Placerville Courthouse requires a parcel of land of approximately 7.5 to 8.0 acres to meet the specifications of the Judicial Council for the proposed Courthouse. In order to meet the land requirement, the County identified a portion of County property/owned land near the Placerville Jail along with adjacent land owned by the Briggs Family Trust. The County and the Briggs Family Trust have negotiated an exchange of approximately 5.20 acres each and upon exchange the County will be positioned to continue negotiations with the Judicial Council for the full parcel of land required for the proposed new Placerville Courthouse.

Government Code Section 25365 allows the exchange of County property with a private party without going through the formal bid or request for proposal process if the property to be exchanged by the County is not needed for County purposes, and the property to be acquired is needed for County purposes. This section is applicable since the County would dispose of the property unnecessary for County's use, while acquiring the Option property necessary for the proposed new Placerville Courthouse. The County property and Option property are roughly equal in size and value.

Government Code Section 25365 also requires that notice of the proposed exchange be published in the newspaper at least one week prior to action by the Board. Public notice will be posted in the Mountain Democrat and the Tahoe Tribune.

Upon Board approval, staff will commence with opening an escrow to complete the exchange transaction. The terms of the exchange are included in the Option Agreement. The primary terms found in the Option Agreement are as follows:

* This is an arms-length transaction, not under the threat of condemnation, and that the consideration provided reflects a fair market value for the Option Property. Moreover, the parties acknowledge that the real property exchanged are of equal value. The properties are being exchanged without any additional monetary consideration being paid by either party for the property obtained.

* The exchange will be accomplished through escrow which would be scheduled to close within 60

calendar days after exercise of the Option Agreement. All escrow, recording and closing fees shall be divided and paid equally by the County and Optionor at closing.

* During the escrow period, several contingencies will have to be satisfied to the satisfaction of the respective parties in order to close and consummate the exchange. Among the most important of these are:

* Title to the properties will be received in fee simple, free and clear of title defects, liens, encumbrances, taxes, and deeds of trust;

* Exchange of Easement Deeds and Irrevocable Offers of Dedication as outlined in Section 18 of the Option Agreement

Exercise of the Option Agreement to acquire the land itself is not subject to CEQA review pursuant to CEQA Guidelines section 15004(b)(2)(A) which provides that a public agency may designate a preferred site for CEQA review and may enter into land acquisition agreements when the agency has conditioned the future use of the site upon compliance with CEQA. The property to be exchanged has been selected as the preferred site for the proposed new Placerville Courthouse. Future use of the property as the new Placerville Courthouse is conditioned upon CEQA compliance.

The Judicial Council is the lead agency responsible for ensuring California Environmental Quality Act (CEQA) compliance for the new Placerville Courthouse. A Preliminary Environmental Impact Report (EIR) was circulated in April 2012. A Draft Environmental Impact Report 45 day review period opened on October 16, 2014. The 45 day review period will close on December 1, 2014. There was a public meeting held on Thursday, November 6, 2014 to hear public comment and/or concerns as required under CEQA. It is anticipated that the EIR will be completed and certified by mid-January 2015 depending on the number and types of comments and/or concerns that require response by the Judicial Council.

Action(s) to be taken following Board approval:

* An escrow will be opened to complete the transfer of properties between the County and the Optionor.

* Staff will perform necessary functions needed for escrow and to complete the transfer of properties.