



## Legislation Text

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**File #:** 21-0628, **Version:** 1

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Chief Administrative Office, Facilities Division, recommending the Board consider the following:

- 1) Approve and authorize the Chair to sign the Purchase and Sales Agreement and Joint Escrow Instructions 5653 with the buyers, City of Placerville of Assessor's Parcel 002-151-03-100 (525 Main Street, Placerville) for \$25,000 (4/5 vote); and
- 2) Approve and authorize the Chair to sign the Purchase and Sales Agreement and Joint Escrow Instructions 5342 with the buyers, El Dorado Gold 1848, of Assessor's Parcel 002-151-02-100 (515 Main Street, Placerville) for \$100,000; and
- 3) Authorize the Facilities Manager to sign any subsequent escrow and related documents.

**FUNDING:** NA

### **DISCUSSION / BACKGROUND**

In December 2017, the County relocated the District Attorney out of the buildings at 515 and 525 Main Street. The buildings were too small for the District Attorney's operations and deemed to be at end of life. During this time frame, representatives from the El Dorado Arts Council presented their preferred concepts relative to the use of the 515 and 525 Main Street and their overall vision for what is referred to as 'A Cultural Master Plan for El Dorado County'. These discussions included the idea that the County may retain ownership and allow the Arts Council to utilize the space.

In July, 2018, staff met with representatives from the Historical Society to explore options related to restoration grants. The Historical Society requested that the County hold off on disposition of the buildings until December 31, 2018 to allow them to pursue grant opportunities. In January, 2019, the Historical Society requested a 4 month extension as they had not been successful in finding grant opportunities. In July, 2019, staff again met with representatives from the Historical Society and the Mineral and Gem Society to receive a presentation requesting that the County retain ownership of the buildings but allow these organizations to turn the buildings into a Museum and Center for Natural Resources.

County staff determined that at that time, the proposals from the Arts Council and the Historical Society both lacked long term, sustainable financial plans. In addition, the primary objective was for the County to no longer own the buildings.

In February, 2020, with direction of the Board of Supervisors, staff moved forward with the process to begin disposition of the buildings by sending out letters to all required agencies asking for interest to purchase the buildings. On March, 31, 2020, the County received a letter from the City of Placerville (City) expressing their interest in purchasing the buildings. On April 21, 2020 (Legistar 20-0544) staff received direction to enter into negotiations with the City. A letter was sent to the City requesting that the City move forward with obtaining a formal appraisal for both buildings. On May 28, 2020, the County received a letter from the City indicating that they did not feel it would be prudent to pursue an appraisal if the intent of the County was to receive fair market or a considerable amount of money for the purchase of the buildings.

On June 8, 2020, the County received a letter from the Historical Society indicating their interest in securing the buildings. On June 9, 2020 and on June 23, 2020, the Board met in closed session and provided direction for staff to negotiate with both parties; the City and the Historical Society. Amended proposals were received from both parties in September and October 2020. On October 20, 2020, the Board met in closed session and provided direction to staff to finalize the sale of both buildings with the El Dorado Historical Society. Per Government Code 25376, the Board may convey to a county historical society, which historical society is a nonprofit corporation formed under the laws of this state, upon such terms and conditions as the Board determines to be in the public interest, any property that is determined by the Board to be of general historical interest. The historical nature of the property must be preserved for the benefits of county residents, and a reversionary clause applies if the historical society conveys the property to any person that is not a nonprofit involved with preserving and researching county history. If the reversionary clause is enforced, the property reverts back to the County.

During the months of October 2020, thru January 2021, staff worked with the El Dorado County Historical society on a purchase and sales agreement. During this time, elements of the El Dorado Historical Society reformed as the El Dorado Gold 1848, a new non-profit corporation, and a final Purchase and Sales Agreement (PSA) was negotiated with that organization. On March 2, 2021, El Dorado Gold 1848 emailed Supervisor Hidahl requesting that the Board consider a revised proposal from El Dorado Gold that decreased the purchase price from \$125,000 to \$100,000. This revised purchase price was comparable to the proposal from the City and the Board met in closed session on March 9, 2021 and provided direction to staff to reach out to both the City and El Dorado Gold 1848 to request last, best and final offers. Proposals were received and the Board met in closed session on March 23, 2021 and provided direction to finalize a PSA with El Dorado Gold 1848 for the purchase of both buildings for \$125,000 based on the final offer.

On April 6, 2021, Legistar 21-0330, the Board rejected the PSA with El Dorado Gold 1848 and provided direction to staff to return to the Board on April 20, 2021 with two separate Purchase and Sale Agreements and Joint Escrow Instructions as follows: \$100,000 for the Post Office (515 Main Street, Placerville APN 002-151-02-100) with the buyers El Dorado Gold 1848; and \$25,000 for the Annex (525 Main Street, Placerville APN 002-151-03-100) with the buyers the City of Placerville.

Should the Board approve and execute the PSA's, escrow will close on April 23, 2021, for a sale price of \$100,000 for 515 Main Street to El Dorado Gold 1848 for the preservation of the historical buildings and artifacts. Escrow will close on May 12, 2021 for a sale price of \$25,000 to the City of Placerville for 525 Main Street.

## **ALTERNATIVES**

The Board could choose not to sell the real property and the buildings will remain vacant until another County use or buyer is determined.

The Board could choose to approve the original PSA with El Dorado Gold 1848 for the sale of both buildings for a purchase price of \$125,000 with an amended escrow close date of April 23, 2021.

## **PRIOR BOARD ACTION**

May 8, 2018; Legistar File 18-0707; Agenda Item No. 5; 515 & 525 Main Street deemed surplus property.

April 21, 2020; Legistar File 20-0544; Agenda Item No. 2; Authorization to enter into Closed Session

April 21, 2020; Legistar File 20-0524; Closed Session  
June 9, 2020; Legistar File 20-0743; Closed Session  
June 23, 2020; Legistar File 20-0806; Closed Session  
October 20, 2020; Legistar File 20-1268; Closed Session  
January 26, 2021; Legistar File 21-0082; Closed Session  
February 9, 2021; Legistar File No. 21-0143; Agenda Item No. 7; 515 & 525 Main Street deemed exempt surplus property as related to Assembly Bill 1486 and the amended Surplus Land Act.  
March 8, 2021; Legistar 21-0380; Closed Session  
March 23, 2021; Legistar 21-0466; Closed Session  
April 6, 2021; Legistar 21-0330 - Approval of Purchase and Sales agreement with El Dorado Gold 1848

## **OTHER DEPARTMENT / AGENCY INVOLVEMENT**

County Counsel

## **CAO RECOMMENDATION / COMMENTS**

Approve as recommended.

## **FINANCIAL IMPACT**

The sale of these properties results in revenue to the County of \$125,000 less County share of closing costs and fees.

## **CLERK OF THE BOARD FOLLOW UP ACTIONS**

Return one fully executed copy of each original PSA to the Division for processing.

## **STRATEGIC PLAN COMPONENT**

Infrastructure, Good Governance

## **CONTACT**

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