



COUNTY OF SONOMA

575 ADMINISTRATION
DRIVE, ROOM 102A
SANTA ROSA, CA 95403

SUMMARY REPORT

Agenda Date: 9/22/2020

To: Sonoma County Board of Supervisors
Department or Agency Name(s): General Services
Staff Name and Phone Number: Caroline Judy, 565-8058
Vote Requirement: Majority
Supervisorial District(s): Fifth

Title:

Sale of Real Property and Improvements at 601 Piezzi Road to City of Santa Rosa for Sewer Purposes

Recommended Action:

- A) Adopt a resolution declaring the real property at 601 Piezzi Road, in the unincorporated area of Sonoma County, Assessor's Parcel No. 130-230-064, surplus property;
- B) Authorize the Director of General Services accept an offer from the City to purchase 601 Piezzi Road and to execute a Purchase and Sale Agreement, together with all necessary and appropriate conveyancing documents, in form approved by County Counsel, for the sale of the parcel, containing approximately .05 acres of land and sewer facilities and related improvements to the City of Santa Rosa for an agreed upon market value of Four Thousand Dollars (\$4,000), with the City reimbursing County for County's transactional costs.

(Fifth District)

Executive Summary:

For the reasons more fully discussed below, General Services Department staff recommend that your Board authorize the Director of General Services to execute a purchase and sale agreement and all necessary and appropriate conveyancing documents including a deed, in a form approved by County Counsel. The conveyance shall be as-is, where is, with all faults. The City has been continuously operating its sewer pump and related facilities at the Property since approximately 1986. This sale is exempt from the California Surplus Property Act because the parcel is less than 5,000 square feet.

Discussion:

The City of Santa Rosa has been using a parcel of land owned by the County for sewer service related purposes since approximately 1986. The City would like to acquire the parcel which contains less than 2,000 square feet (.05 acres) and is located in at 601 Piezzi Road Assessor's Parcel No. 130-230-064 (the "Property"). County staff recommend a sale to the City of the Property with all improvements as the County does not make any use of the Property and the City has and continues to make beneficial use of the land and improvements for the residents of the surrounding sewer improvement district.

Pursuant to an joint agreement with the City of Santa Rosa executed in 1984, the County constructed and installed a sewer system with sewer mains and related improvements for the benefit of the Willowside Estates Sewer Improvement District No. 1 (in the vicinity of the Santa Rosa Golf and Country club (generally located

southwest of the intersection of Hall Road and Piezzi Road). Similarly, accordingly to said agreement the City agreed to maintain and operate said sewer systems. The County completed its obligations under this joint improvement agreement. In spite of the City using the Property for the intended purposes since completion of the sewer system in the several years after 1986, the parties had not executed any type of use agreement to permit City's operations on the parcel.

Upon discovery of the lack of any use agreement the County requested that the City execute a license for use of the parcel. Thereafter, discussions between staff for the City and County ensued and it was determined that a conveyance of fee title to the parcel is preferable to a long term license. The City makes an exclusive use of the Property and may need to make further improvements at the site which would be expedited by City owning the Property. Similarly, the County can shift of the risks associated with ownership of a property it does not use by conveying title.

The Property is currently improved with several buildings, structures, pumps, propane tank, and fencing. The sale of the Property will contain the following terms and conditions. The sale will be on an as-is, where-is basis, with all faults, with no representation or warranty as to its condition.

City shall be required to satisfy itself concerning all due diligence matters included access to the parcel. The City shall be required to prepare the necessary environmental assessment on the Property, and deliver the same to County for informational purposes. The City shall obtain and pay for a title report, title insurance policy issued at closing. The PSA shall provide for a closing on or before December 31, 2020, or as soon thereafter as is practical.

The County makes no use of the Property. General Services staff contacted County Parks and County Transportation and a Public Works about the potential sale of the parcel to the City; neither agency expressed an interested in acquiring the parcel or had any concerns about the disposition.

The City provided County with two appraisals of the Property each concluding a value of Four Thousand Dollars (\$4,000) for the Property. In the appraiser's opinion, this low value is due to the small size of the parcel, the existence of a drainage easement in favor of surrounding properties encumbering the vast majority of the Property resulting it there being no development potential and thus the parcel being unbuildable.

The proposed sale price of the Property is \$4,000, which is a fair market value of the Property, with the City to pay all costs of the transaction, including without limitation title, escrow, recordings, notary and related fees. Additionally staff has requested that the City cover County costs to process the transaction not to exceed \$5,500.

The County is authorized to sell this parcel containing less than 2,000 square feet (.05 acres) under an exemption to the Surplus Lands Act based on it very small size, and it is exempt from bidding and notice requirements pursuant to Gov. Code section 25526.5 because the parcel is valued at less than \$25,000. The sale of surplus government property is exempt from the California Environmental Quality Act. 14 C.F.R. 15312.

Prior Board Actions:

None

FISCAL SUMMARY

Expenditures	FY 20-21 Projected	FY 21-22 Projected	FY 22-23 Projected
Budgeted Expenses	\$5,500		
Additional Appropriation Requested			
Total Expenditures	\$5,500		
Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other (reimbursement from City)	\$5,500		
Use of Fund Balance			
Contingencies			
Total Sources	\$5,500		

Narrative Explanation of Fiscal Impacts:

County staff concurs with the appraisals of the Property both estimating that the value is \$4,000 due to its small size, and the impact of a drainage easement covering substantially of the parcel rendering it without development potential and unbuildable. The County has requested that the City pay County’s costs associated with the transaction not to exceed \$5,500, which amount will be required to be reimbursed at close of escrow on the sale of the Property. The value of the improvements is not currently known. This Property was not previously under agreement with the City and no rent had been paid to date.

Staffing Impacts:			
Position Title (Payroll Classification)	Monthly Salary Range (A-I Step)	Additions (Number)	Deletions (Number)

Narrative Explanation of Staffing Impacts (If Required):

General Services Staff and other staff reviewing this Board Item will incur labor costs to process the same. County does not expect to incur any hard costs associated with the transaction as the City of Santa Rosa has agreed to pay for the same.

Attachments:

- Attachment 1 - Property Depictions
- Attachment 2 - Notice of Intent
- Attachment 3 - Resolution

Related Items “On File” with the Clerk of the Board:

Joint Agreement between the City of Santa Rosa and the County of Sonoma for Installation of Sanitary

Agenda Date: 9/22/2020

Sewerage Facilities - Willowside Estates Sewer Assessment District No. 1 fully executed as of November 6, 1984