



County of Sonoma
State of California

Date: October 13, 2020

Item Number: _____

Resolution Number: _____

4/5 Vote Required

Resolution Of The Board Of Supervisors Of The County of Sonoma, State Of California
Accepting an Offer from Oral Bidder _____ for a Purchase Price of \$_____ for the
purchase of the Chanate Campus containing approximately 71 acres at or around 3313, 3322,
3323, 3325, 3333 and 3410 Chanate Road, in the City of Santa Rosa, together with all
improvements and buildings, Directing the Board Chair on Behalf of the County to Execute a
Purchase and Sale Agreement with _____ as the Buyer on the Form Previously Established
by the Board with Terms, Conditions and Requirement Approved by County Counsel; and
Authorizing and Directing The Director of General Services, In Consultation With County
Counsel, To Take All Other Actions Necessary Or Appropriate to Complete the Purchase and
Sale Transaction Including Execution of a Deed of Conveyance and other Related Instruments

Whereas, the County of Sonoma is the fee title owner of numerous parcels containing approximately 71 acres located at Chanate Road, in the City of Santa Rosa, comprised of land, buildings, infrastructure and other improvements located on or around 3313, 3322, 3323, 3325, 3333 and 3410 Chanate Road, in Santa Rosa, California (APN No's: 173-130-038; 180-090-001; 180-090-002; 180-090-003; 180-090-004; 180-090-005; 180-090-006; 180-090-008; 180-090-009; 180-090-010; 180-100-001; and 180-100-029; (collectively the "Property")); and

Whereas, on October 28, 2015, and December 11, 2018, the Board declared the Property surplus and authorized the disposal of the Property pursuant to the Surplus Land Act (Government Code section 54220 *et seq.*) ("Act"); and

Whereas, County staff submitted a letter to the State Department of Housing and

Community Development, Division of Housing Policy Development (“HCD”) in accordance with the requirements of the Act, detailing the County’s efforts since 2015 to surplus the Property and stating the County’s belief that it had fully complied with the requirements of the Act, and HCD confirmed in writing that the County could proceed to private sale of the Property; and

Whereas, The Board directed the General Services Department to take the following actions to sell the Property: (a) dispose of the Property pursuant to a private market sale; and (b) receive marketing proposals concerning the sale of the Property from previously County-qualified brokerage firms; and (c) retain the services of a qualified real estate brokerage firm to exclusively represent the County as listing agent in the marketing, negotiation, and sale of the Property; and

Whereas, the County retained previously qualified brokers, CBRE, Inc. and North Bay Property Advisors (collectively, “Brokers”), to market the Property; and

Whereas, the Board authorized an alternative process pursuant to Government Code Section 25539 and delegated to the Director of General Services (“Director”) the authority to establish an Offer Selection Committee (“Committee”) to review the initial offers and negotiate with all offerors, in cooperation with the Brokers, to obtain the best overall value for the County based on all terms; and

Whereas, County staff and the Brokers received and examined all responsive offers for the purchase the Property received by the established deadline and proceeded to negotiate with all said offerors to receive their best and final offers; and

Whereas , County staff and the Brokers have recommended that the Board of Supervisors accept an offer from Oral Bidder _____ as Buyer for a purchase price of \$ _____ , with additional material terms providing the best overall value to the County which offer is made on the approved form of agreement previously established in a prior Board action; and

Whereas, on October 13, 2020, the Board received and reviewed the offers and the recommendations of the Committee; and

Whereas, before accepting the written proposal of Village Partners, the Board Chair called for oral overbids in accordance with Government Code section 25531; and

Whereas, the Board received an oral bid from _____ in response to the Board Chair's call to purchase the Property for \$ _____; and

Whereas, said oral offer met the following requirements: (a) exceeded the highest and responsive Final Offer or oral overbid by at least five percent (5%); (b) met or exceeded all of the terms of the highest and responsive Final Offer or oral overbid; and (c) immediately submitted to the Clerk of the Board in writing the terms of the oral overbid to satisfactorily demonstrate the bidders ability to meet all of the terms, conditions, statements, and promises made by the highest responsive written Final Offer in accordance with Government Code section 25531; and

Whereas, the Board desires to authorize the Board Chair to execute the Purchase and Sale Agreement with said Buyer and deliver the same and thereafter directs County staff to carry out all terms and conditions of said purchase and sale agreement.

Now, Therefore, Be It Resolved that this Board of Supervisors hereby finds, determines, declares and orders as follows:

1. *Truth of Recitals.* That the foregoing recitations are true and correct.
2. *Compliance with Government Code Sections 25520-25339.10; Review of Offers.* That County has complied with the alternative procedure as provided in Government Code section 25539 and as set forth in Resolution 2020-0360 for the sale of the Property and affirms it ordered the use of a procedure alternative to that required by Government Code sections 25526 to 25535 with respect to the manner in which, and the location at which, the Property may be sold. That County Staff and the Brokers, serving as the Offer Selection Committee, have received and examined all responsive offers submitted by the applicable deadlines and thereafter have negotiated with said offerors to receive their best and final offers. That all offers submitted and recommended to the Board, including any oral overbids accepted by the Board, fully complied with the applicable statutory requirements except for Sections 25526 through 25535 of the Government Code.
3. *Recommendation of Selected Offer.* That County staff and the Brokers have recommended that the County accept an offer from oral-bid buyer

("Buyer") for a purchase price of \$ _____ (the "Purchase Price") and on other material terms and conditions that are consistent with the Board's Resolution 2020-0360.

4. *Execution of Purchase and Sale Agreement.* That the Board approves the acceptance of the offer from Buyer and that the Board Char is hereby authorized and directed to execute the Purchase and Sale Agreement with Buyer to receive Buyer's initial deposit and commence Buyer's due diligence period and proceed to sell the Property or the Purchase Price with a closing to occur on or before December 31, 2020, or as soon thereafter as is feasible.

5. *Disposition of the Property; Authority to Sell.* That the disposition of the Property to the Buyer is preferred and recommended course of action, as said offer provides the best overall value to the County and its residents. That the disposition of the Property to Buyer, a private entity for future development is the optimal and recommended course of action, and in the best interests of the County and its residents as it will return the Property to new productive and beneficial uses, including potential housing, and return to Property or portions thereof, to the tax rolls resulting in new tax revenue for the residents of the County.

6. *Recordation of an Affordable Housing Covenant.* That the County shall convey the Property subject to an affordable housing covenant which will require the Buyer to comply with a restrictive covenant (the "Covenant") to be recorded by the County against the Property prior to close of escrow, to construct at least fifteen percent (15%) of the total number of any and all dwelling units, (the "Affordable Units"), to either be sold at affordable housing cost, as defined in Section 50052.5 of the Health and Safety Code, or rented at affordable rent, as defined in Section 50053 of the Health and Safety Code, to lower income households, as defined in Section 50079.5 of the Health and Safety Code, or very low income households, as defined in Section 50105 of the Health and Safety Code.

7. *California Environmental Quality Act; Notice of Exemption.* That the conveyance of the Property to Buyer authorized by this resolution is exempt from the requirements of the California Environmental Quality Act (Public Resources Code Sections 21000 and following) pursuant to Public Resources Code Section 21084 and pursuant to Section 15312 of Title 14 of the California Code of Regulations which exempts from CEQA the sale of surplus government property. Further, the conveyance of the Property to Buyer is exempt pursuant to Section 15061(b)(3) of Title 14 of the California Code of Regulations because the conveyance the conveyance is covered by the common sense exemption that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect

on the environment, the activity is not subject to CEQA. Here, the conveyance of the Property to the Seller does not authorize any development on the Property. To the contrary, it is a purely financial transaction between the County and Buyer. Future development of the Property, if any, will be determined by the City of Santa Rosa, the land use entitlement jurisdiction. Any development of the Property would require amendments to the City's General Plan and zoning designations for the Property and will be fully analyzed under CEQA by the City before it could proceed.

8. *Authority to Sign Contracts.* That the Director of General Services is authorized and directed to execute, on behalf of the County, lease agreements for the leaseback of the Public Health Lab and the Morgue/Coroner's Officer, the transfer or assignment of leases or other existing real property interests, estoppel certificates, a grant of easements, or other necessary or appropriate documents to complete the transaction on terms and conditions approved by County Counsel.

9. *Preparation of Closing Documents.* That the County Counsel is hereby authorized and directed to prepare and deliver appropriate escrow instructions and other necessary documents to Fidelity National Title Company to complete the transaction as described in coordination with Buyer.

10. *Payment of Costs of Escrow; Reimbursement of County Costs.* That all escrow, title and recording fees and associated costs of the transfer of the Property shall be paid for by Buyer to the greatest extent possible. That County shall pay brokers' commissions consistent with Resolution 2020-0360.

11. *Execution of Further Instruments.* The Director of General Services is further authorized and directed to execute any other documents necessary to complete this transaction with the Buyer, including escrow documents.

12. *Authorization for Recordation.* That the County is authorized and directed to record with the Sonoma County Recorder the Deed of Conveyance to Buyer, the Affordable Housing Covenant, and related documents, and to deliver conformed copies of these documents, bearing evidence of recording, to the Clerk of the Board of Supervisors.

Resolution #20-

Date:

Page 6

Supervisors:

Rabbitt:

Zane:

Gore:

Hopkins:

Gorin:

Ayes:

Noes:

Absent:

Abstain:

So Ordered.