



County of Sonoma

State of California

Date: August 31, 2021

Item Number: _____

Resolution Number: _____

☐ 4/5 Vote Required

Resolution Of The Sonoma County Board Of Supervisors, State Of California: (1) Declaring The Board's Intention To Sell Approximately 71 Acres Located At 3313, 3322, 3323, 3325, 3333 and 3410 Chanate Road (APNs: 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; (2) Fixing The Manner, Time And Place Where The Board Will Receive Sealed Offers From Interested Parties for The Purchase of Said Property; (3) Establishing Certain Terms, Conditions And Requirements Applicable To All Offers; (4) Establishing The Form of Agreement Upon Which All Offers Shall Be Made; (5) Setting The Procedures For and Time During Which Oral Bids Shall be Received and Examined; (6) Delegating Authority to the Director of General Services to Open and Examine Sealed Offers and Thereafter Publicly Announcing the Material Terms Thereof; (7) Delegating Authority to the Director of General Services To Receive Any Further Oral Bids From Offerors and to Declare Apparent High Bid; and (8) And Directing The Clerk Of The Board To Publish And Post Notice

WHEREAS, the County owns numerous parcels containing approximately 71 acres located on 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, the Property was previously used by the County for public hospital, health and other County uses for more than eighty years; and

WHEREAS, the Property was last used as a public hospital in 2014 and has sat mostly vacant since that time; and

WHEREAS, the County on prior occasions issued notices of availability seeking interest and/or proposals to purchase the Property from the agencies or entities specified by the Surplus Land Act (California Government Code section 54220 *et seq.*) ("Act") to whom notice was given of the Board's decision to declare the Property as surplus; and

WHEREAS, on August 11, 2015, the Board of Supervisors (“Board”) directed staff to develop a Request for Proposals (“RFP”) to solicit a master developer to work with the County to plan for repurposing the Property; and

WHEREAS, on February 2, 2016, the Board authorized staff to issue an RFP to identify a developer to work with the County and the City of Santa Rosa for the development of the Property and thereafter entered into a development and disposition agreement with a qualified party, which agreement was thereafter rescinded after a court decision related to a CEQA challenge; and

WHEREAS, on December 11, 2018, the Board again declared the Property surplus, authorized the disposal of the Property pursuant to the Act, issued a RFP in February 2019, and conducted extensive marketing to ensure that all entities specifically identified under the Act received notice, and

WHEREAS, in May 2019, the County received three offers to said RFP, but was unable to complete a sale; and

WHEREAS, on April 6, 2020, County staff submitted a letter to State Department of Housing and Community Development, Division of Housing Policy Development (“HCD”) in accordance with the requirements of the Act, providing detail on the County’s efforts since 2015 to surplus the Property through the surplus procedures, stating the County’s belief that it had fully complied with the requirements of the Act, and requesting authority to proceed with an effort to sell the Property to private buyer(s); and

WHEREAS, on May 14, 2020, HCD confirmed in writing that it has reviewed and considered the documentation submitted by the County regarding County efforts to surplus the Property commencing in 2014, a second time in 2017 and most recently in 2019, and that based on that documentation and pursuant to Government Code section 54230.5(c), the County could proceed with the private sale of the Property; and

WHEREAS, on June 9, 2020, the Board directed the General Services Department to take certain actions to complete the sale of the Property pursuant to which the County entered into a purchase agreement, but was unsuccessful in selling the Property to the selected buyer;

WHEREAS, in February and June of 2021, the County Board authorized the procurement of a seismic investigation, including excavation of multiple trenches and a survey of the location of identified active faults, in an effort to remove uncertainties associated with future development of the Property, and has received a Fault Hazard Investigation Report and an Opportunities and Constraints Map together with an updated appraisal of the Property;

WHEREAS, Staff has recommended and upon adoption of this Resolution the County Board will authorize the sale of the Property pursuant to Government Code sections 25520 et seq. and County Code section 2-150 et seq. through an on line auction platform hosted by Ten-x at [the Property address found at https://www.ten-x.com/](https://www.ten-x.com/) (the “Auction”) from on or about September 7, 2021, through a deadline for receipt of sealed bids (“Offers”) from qualified bidders through the Auction portal of 9 a.m. PST on November 9, 2021; and

WHEREAS, the Board shall delegate to the Director of General Services Department (“Director”) the authority to conduct the auction of the Property on or about 11 a.m. November 9, 2021 by receiving, opening, and reviewing all bids for the Property at the appointed time, declaring the highest bid, orally calling for additional bids, closing the oral bid process with all bidders on or about 1 p.m. PST on November 9, 2021, identifying the apparent highest bidder at that time, and presenting the bids to the Board of Supervisors for consideration at the regular Board of Supervisors meeting to be held on November 16, 2021; and

WHEREAS, the Board hereby reaffirms its desire to sell the Property in a timely, expeditious manner to a private purchaser whose proposed use of the Property will be subject to discretionary approvals that may be required from the City of Santa Rosa; and

WHEREAS, the Board intends to adopt this Resolution to: (a) declare its intent to sell the Property pursuant to the Auction; (b) fix the time, manner and place of submission and acceptance or rejection of offers to purchase the Property from interested parties; (c) and describe the terms and procedures applicable to the Auction, including, but not limited to, the form of offer and award of a purchase contract.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of Sonoma County as follows:

1. The foregoing recitals are true and correct and incorporated herein.
2. The Board hereby declares Sonoma County’s intention to sell the Property consisting 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 on the private market.
3. The Board authorizes the prompt remarketing of the Property with the assistance of the Brokers through the Auction Portal.
4. The Board authorizes and directs the Director to commence the acceptance of bids via the Auction Portal beginning on or about September 7, 2021 and continuing until 9:00 a.m. PST on November 9, 2021. All Offers and all materials required as part of the Offers must be submitted consistent with the procedures and on the form of Purchase and Sale Agreement and Addendum (the “Purchase and Sale Agreement”) prescribed by the County specified in the procedures in the Auction Portal available at [the Property address found at https://www.ten-x.com/](https://www.ten-x.com/) and on file with the Clerk of the Board. At 11:00 a.m. PST on November 9, 2021, at a public meeting noticed through the Clerk of the Board, at the La Plaza Building A212 Conference Room, Second Floor, at 2300 County Center Drive, Santa Rosa 95403 via a meeting conducted virtually and not in person through the following Zoom link:

<https://us02web.zoom.us/j/86952716426?pwd=RmlxeEJiU2dwQk1NRDVkeVIzaTRIQT09> at which time and location the Director shall open and examine all bids, declare the highest bid, and call for oral bids. Oral bids, which shall be accepted via the Auction Portal at [the Property address found at www.ten-x.com](http://www.ten-x.com), shall be made until 1:00 p.m. PST on November 9, 2021, at a public meeting noticed through the Clerk of the Board, at the La Plaza Building A212 Conference Room, Second Floor, at 2300 County Center Drive, Santa Rosa 95403 via a meeting conducted virtually and not in person through the following Zoom link: <https://us02web.zoom.us/j/86952716426?pwd=RmlxeEJiU2dwQk1NRDVkeVIzaTRIQT09> at which time and location the Director shall declare the highest bid after oral bids, and identify and provisionally accept the highest bid.

5. The Board fixes the date of November 16, 2021, at or about 2:30 pm PST for presentation by the Director of the highest bid to the Board for final acceptance pursuant to County Code Section 2-153, at which time the Board shall accept the bid and authorize execution of the Purchase and Sale Agreement, or shall reject all bids.
6. The Board declares that all bids shall be made in the form of offeror's signature to the Purchase and Sale Agreement attached hereto, upon all terms as set forth therein, with no modifications or addenda, except to identify the offeror and the purchase price being offered.
7. The Board establishes the following requirements, prerequisites, terms and conditions which will govern, and/or be required of, all bids before they may be deemed responsive and considered:
 - a. The bid must be confirmed in writing and signed by the offeror and comply with all of the procedural and substantive provisions set forth herein.
 - b. The bid must state whether the offeror is represented by a broker, and if so, provides the name(s) of any broker to whom a commission is to be paid.
 - c. The bid shall state that the buyer is prepared to make a nonrefundable deposit as the Earnest Money Deposit in the form of a cashier's check (which must be the equivalent of cash) on or before 5 pm PST on the first business day after the Purchase and Sale Agreement is fully executed by Buyer and Seller, which check shall be made payable to Title Company identified in the Purchase and Sale Agreement (with reference to the purpose of purchasing the Property) the agreed upon amount of the Earnest Money Deposit, which shall be returned to the buyer if the County Board of Supervisors does not approve the Purchase and Sale Agreement with buyer, applied to the Purchase Price at closing or retained by Seller if escrow does not close consistent with said agreement.
 - d. The bid must be submitted in the form of fully executed Purchase and Sale Agreement and Addendum in the form set forth at the Auction Portal, without

modification with the amount of the offeror's proposed purchase price filled in and initialed by the offeror's authorized signatory.

e. The bid shall state the offeror's commitment, to be memorialized in the form of 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 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.

f. If selected as the buyer of the Property, the offeror agrees to pay through escrow all amounts necessary to pay the Auction company's fees, any and all escrow, title and recording fees and costs necessary for consummation of the purchase of the Property.

8. Pursuant to Government Code section 25527, the Board affirms that the County intends to pay a broker's commission to brokers involved in the sale in a total amount not to exceed six percent (6%) of the purchase price received by the County for the Property, and that County shall pay one-half of said 6% commission amount to buyer's broker, if any.
9. Except for the Delegation of Authority to the Director of General Services, as described above and pursuant to County Code Section 2-150 et seq., all of the provisions of Government Code sections 25520 et seq., shall be applicable to the process of selling the Property, as more fully described in Government Code section 25539.
10. Notwithstanding the Committee's recommendations, the Board reserves the right to reject any and all offers.
11. The Clerk of the Board is hereby directed to: (a) post the attached Notice of Adoption of Resolution of Intent to Sell ("Notice"), along with a copy of this resolution as signed by the Board Chair, in three public places in the County, not less than 15 days prior to November 9, 2021; and (b) to publish the Notice in a newspaper of general circulation in Sonoma County, in compliance with Government Code section 6063, once per week for three consecutive weeks prior to that date.

[Signatures on next page]

THE FOREGOING RESOLUTION WAS DULY AND REGULARLY ADOPTED
by at least a two-thirds vote of all members of the Board of Supervisors at a meeting of the
Board of Supervisors of Sonoma County, State of California, held on the 31st day of August,
2021, by the following vote:

Supervisors:

Gorin: Rabbitt: Coursey: Gore: Hopkins:

Ayes: Noes: Absent: Abstain:

So Ordered.

SONOMA COUNTY, a political subdivision of the
State of California

By: _____
Chair of the
Board of Supervisors