



County of Sonoma

State of California

Date: November 16, 2021

Item Number: _____

Resolution Number: _____

4/5 Vote Required

Resolution Of The Sonoma County Board Of Supervisors, State Of California: (1) Approving the Sale of the Chanate Campus Containing 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) including all buildings, structures and improvements thereon, to Eddie Haddad, as the highest responsive, responsible bidder for the sale price of \$15,050,000, or in the alternative, if the highest bidder fails to perform, to City Ventures Homebuilding, LLC, as the second highest responsive, responsible bidder for \$15,000,000; (2) Authorizing and Delegating Authority to the Director of General Services To Proceed With The Sale Of The Property And To Execute The Purchase And Sale Agreement With Eddie Haddad For The Amount Of \$15,050,000, and an Alternative and Conditional Purchase and Sale Agreement With City Ventures Homebuilding, LLC, for \$15,000,000, Effective In The Event The Highest Bidder Fails To Perform; Which Sale Includes As A Condition To Said Sale, The County's Lease Back Of The Public Health Lab And The Morgue And Coroner's Office, Execution Of The Affordable Housing Covenant, Amongst Other Conditions; (3) Authorizing The Director To Take All Steps Necessary And Appropriate To Complete The Transaction, Including Prepare, Complete And Execute Other Documents, Instruments, Deeds, Leases, Covenants, Escrow Instructions And Take Other Steps Reasonably Required To Effect Said Sale, In Form Approved By County Counsel; and (4) Finding the Sale Exempt From CEQA and/or Not a Project Under CEQA and Directing Posting of Notice of Exemption.

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, County staff and broker team have concluded the auction and oral bid process as adopted by the Board of Supervisors on August 31, 2021 and noticed pursuant to applicable law, and return to the Board with a recommendation for the sale and disposition of the property. Therefore, with respect to the sale of the Property, in compliance with Gov. Code 25530, and after the auction deadline established by the Board, a virtual public meeting was

conducted at or about 11 a.m. PST on November 9, 2021. At said public meeting, the Director of General Services (the "Director") opened all sealed bids received by said auction deadline. The highest sealed bid was announced by the Director, which bid was made by James Nunemacher, of Vanguard Properties for the bid amount of \$4,200,000; and

WHEREAS, the Director made a call for oral bids consistent with published guidelines during said public meeting. The Director received 19 consistent with said guidelines. The Director formally closed oral bidding with interested offerors and provide appropriate notices and declared the apparent highest offer at or about 1:21 p.m. PST on November 9, 2021; and

WHEREAS, the highest bidder was Eddie Haddad, an individual, who offered the bid of \$15,050,000; and

WHEREAS, the second highest bidder was City Ventures, LLC, a Delaware company, which offered the bid of \$15,000,000. The public meeting was concluded on or about 1:21 p.m. PST on November 9, 2021; and

WHEREAS, the Board hereby desires to sell the Property to the highest bidder Eddie Haddad, on in the alternative to the second highest bidder, City Ventures, LLC, whose use of the Property will be subject to discretionary approvals that may be required from the City of Santa Rosa.

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 approves the sale of 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) to apparent highest bidder was Eddie Haddad, or its approved assignee, which offered the highest bid of \$15,050,000; or in the alternative, if the highest bidder fails to perform, to City Ventures Homebuilding, LLC, as the second highest responsive, responsible bidder for \$15,000,000.
3. The Board of Supervisors hereby authorizes the Director to proceed with the sale of the Property and to execute the Purchase and Sale Agreement with Eddie Haddad for the amount of \$15,050,000, and an alternative and contingent Purchase and Sale Agreement with City Ventures Homebuilding, LLC, for \$15,000,000, to become effective in the event the highest bidder fails to perform which sale to either party includes as a condition to said sale the County's lease back of the Public Health Building and the Morgue and Coroner's Office, and execution of the Affordable Housing Agreement and Declaration of Restrictive Covenants, amongst other conditions.

4. The Board authorized the Chair of the Board of Supervisors to execute the Grant Deed to buyer to complete the transfer of the title to the Property.
5. The Board further authorizes the Director to take all steps necessary and appropriate to complete the transaction, including to prepare, complete and execute other documents, instruments, deeds, leases, covenants, escrow instructions and take other steps reasonably required to effect said sale, subject to terms and conditions and on form approved by County Counsel.
6. The Board further authorizes the payment from Escrow of commissions to the County's brokers and buyer's broker, and closing cost expenses as follows: \$903,000 in broker's commissions, to be split equally between County's brokers and buyer's broker, and approximately \$10,000 in closing costs.
7. The Board has determined the sale of the Chanate Property is categorically exempt from the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15312, because the subject properties are not located in any of the environmentally sensitive areas of statewide, regional, or area wide concern listed in CEQA Guidelines section 15206(b)(4). None of the general exceptions enumerated in CEQA Guidelines section 15300.2 apply to the proposed surplus sale. Further, the surplus sale does not commit the County to a particular course of action regarding the development of the properties and is not an approval of a project as defined in CEQA Guidelines section 15352. The surplus sale of the Property does not constitute a "project" under CEQA and is excluded from the requirements of CEQA pursuant to CEQA Guidelines section 15378, and is also exempt pursuant to the common sense exemption in CEQA Guidelines section 15061(b)(3). The Board hereby directs staff to post a notice of exemption on this basis.

[Signatures on next page]

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THE FOREGOING RESOLUTION WAS DULY AND REGULARLY ADOPTED
by vote of all members of the Board of Supervisors at a regular meeting of the Board of
Supervisors of Sonoma County, State of California, held on the 16th day of November, 2021, by
the following vote:

Supervisors:

Gorin:

Rabbitt:

Coursey:

Gore:

Hopkins:

Ayes:

Noes:

Absent:

Abstain:

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So Ordered.

SONOMA COUNTY, a political subdivision of the
State of California

By: _____
Chair of the Board of Supervisors

**NOTICE OF ADOPTION OF RESOLUTION OF INTENT TO SELL
COUNTY OF SONOMA PROPERTY LOCATED AT 3313, 3322, 3323,
3325, 3333 AND 3410 CHANATE ROAD, SANTA ROSA, CALIFORNIA**

NOTICE IS HEREBY GIVEN that the Board of Supervisors of the County of Sonoma, State of California, did, on the 25th day of September, 2020, adopt Resolution No. 2020-__ (the “Resolution of Intent”), by not less than a two-thirds vote of all of its members, declaring the County’s intention to sell the following real property on the terms, conditions and requirements stated in the Resolution of Intent:

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”).

The complete terms, conditions and procedures for sale of the Property are set forth in the Resolution of Intent, copies of which are available to be obtained from the County Clerk’s Office, 575 Administration Drive, Room 100 A, Santa Rosa, CA 95403.

NOTICE IS FURTHER GIVEN that offers for purchase of the Property shall be received no later than 5:00 pm PST on September 29, 2020, by the County’s brokers as agents of the County at the following digital portal : www.chanatecampusinsonomacounty.com, and promptly after which time the Offer Selection Committee shall review and commence to evaluate the offers and proceed thereafter to negotiate the best and final offers from all responsive offerors (as that Committee’s procedures are described and governed by the Resolution of Intent).

NOTICE IS FURTHER GIVEN that on October 13, 2020, at 2:30 pm., at a virtual meeting convened by the Board of Supervisors will consider the recommendations of the Offer Selection Committee regarding the order of Final Offers to be accepted by the County for purchase of the Property, and will consider adoption of a resolution under Government Code section 25539 authorizing sale of the Property pursuant to the Resolution of Intent and the Committee’s recommendations.

DATED: September 25, 2020

ATTEST:

Clerk of the Board