



M E M O R A N D U M
FACILITIES MANAGEMENT
REAL ESTATE SERVICES
County of Placer

TO: Board of Supervisors DATE: April 21, 2020
FROM: Steve Newsom, Director of Facilities Management
Eric Findlay, Property Manager
SUBJECT: Authority to Extend Performance Dates of Existing Real Estate Agreements

ACTION REQUESTED

Authorize the Director of Facilities Management to extend performance dates of existing real estate agreements by up to six additional months. The Director's authority to extend performance dates would expire on December 31, 2020.

BACKGROUND

The Department of Facilities Management manages real estate agreements for the County that include Purchase and Sale Agreements, Options to Ground Lease, Exclusive Negotiating Rights Agreements, Rights of Entry, and Leases. These agreements were previously approved by the Board of Supervisors or by delegated authority provided to the Director of Facilities Management.

Measures taken to limit the spread of COVID-19, including shelter in place protocols and limitations on travel, have impacted performance on certain of these agreements. These measures have made it difficult to physically access properties, perform site investigations or studies, and engage necessary parties and consultants. Taken together, current conditions have impacted and are anticipated to continue to impact the ability of parties to meet or achieve performance dates and schedules included in existing real estate agreements.

This action will provide the Director of Facilities Management the discretion and ability to extend performance dates and deadlines of previously approved and executed agreements by up to six (6) additional months. No authority would be granted to change financial or other material terms of the agreements. The Director's authority to extend performance dates would expire on December 31, 2020.

This action is not specific to any single agreement but could be applied to several Real Estate Services managed agreements, including:

- Purchase and Sale Agreements, including the Kings Beach Center Property Sale and Markham Ravine Conservation Easement Acquisition.
- Ground Lease Agreements with Mercy Housing California for affordable housing development at the Placer County Government Center.
- Rights of Entry, including Army Corps of Engineers access to the Lincoln Missile Site property.
- Leases where the County is a tenant. While not currently identified as necessary, there may be situations where a Landlord needs additional time to perform due to the inability to secure timely services or materials.

The action before your Board does not impact rental and other payments associated with leases of County-owned properties. Real Estate Services has received requests from several existing tenants for rent relief during the period impacted by COVID-19 developments. Staff have issued letters to these tenants offering to defer payments for up to three months or the end of applicable Executive Orders issued by the Governor, whichever is shorter. Tenants requesting such deferral

will be required to enter into a payment plan allowing up to twelve months to pay deferred sums. No interest or late fees will be charged to these tenants.

ENVIRONMENTAL

Approval of this request is not a project as defined in California Public Resources Code Section 21065 and CEQA Guidelines Section 15378 and therefore is not subject to CEQA. Any environmental considerations will be addressed on a project-by-project basis as subject projects are developed.

FISCAL IMPACT

The extension of performance milestones has no immediate fiscal impact. Other financial considerations or material terms will not be changed in agreements.