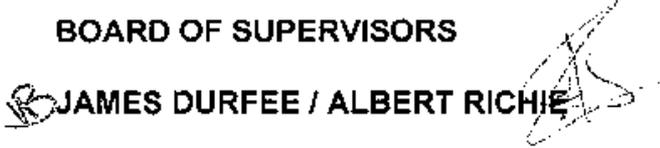


**MEMORANDUM
DEPARTMENT OF FACILITY SERVICES
COUNTY OF PLACER**

To: **BOARD OF SUPERVISORS**

Date: **SEPTEMBER 8, 2009**

From:  **JAMES DURFEE / ALBERT RICHIE**

Subject: **CSAA KINGS BEACH OFFICE PROPERTY ACQUISITION**

ACTION REQUESTED / RECOMMENDATION: It is recommended that your Board take the following actions associated with acquisition of the CSAA Kings Beach Property:

- 1) Approve the Agreement of Purchase and Sale between Placer County and California State Automobile Association, Inc. (CSAA) for acquisition of the 0.43+/- acre parcel referred to as APN 117-150-038 including the 3,344 square foot furnished office building, in the amount of \$860,000, and authorize the Chairman to sign said Agreement; and
- 2) Adopt the attached Resolution delegating authority to the Director of Facility Services, or his designee, to execute all documents and take all actions necessary to complete this acquisition, to disburse funds associated with this transaction, and to accept and record the deeds for said property; and
- 3) Approve the attached Budget Revision associated with this transaction and add the property to the Master Fixed Asset list.

BACKGROUND: In 2003, the Department of Public Works' Tahoe Design Division (Tahoe Design) relocated from the west shore Administrative Center to relieve overcrowding in that facility. Due to the constrained real estate market at that time, the only viable alternative was a 2,703 square foot space located in the Town of Truckee at 10825 Pioneer Trail. With a subsequent increase of the number of water-quality improvement projects in the Lake Tahoe basin and the associated Tahoe Design staff expansion, this office has now become overcrowded. To alleviate this situation and address the inefficiencies of staff movements to jobsites in the Tahoe basin, staff recognized that eventual relocation into Placer County would be beneficial.

In July 2009, the Property Management Division was asked to investigate the subject property at 7717 North Lake Boulevard in Kings Beach, which CSAA vacated in March 2008. This existing office building formerly served as the CSAA travel center at Lake Tahoe and is a one-story building with 15 parking spaces. The structure, which was reconstructed in 1989, is well-maintained and contains many desirable features including a built-in front counter, an ice-melt system, air-conditioned computer server room, and a remotely controllable HVAC system. Property Management determined that this property would meet Tahoe Design's needs for additional office space and allow for more efficient service to east slope communities.

This relocation of Tahoe Design, who is a programmed occupant of the TGC, does not effect the planning underway for that project. When TGC (Tahoe Government Center) space becomes available, the Tahoe Design operation will reintegrate with west shore staff, thus realizing the operational and functional efficiencies associated with the TGC project. At that time, Property Management will evaluate other County functions in the region that may benefit from relocation to this property.

CSAA recently listed this property for sale at \$975,000 and, through conversations with CSAA's agent, Property Management received their March 2009 appraisal. Through review of that document and recent experience associated with the TGC, Property Management determined that the \$860,000 appraised value is a favorable price for this property. CSAA has agreed to sell the property for this amount and staff has subsequently negotiated an Agreement of Purchase and Sale. The close of escrow will not occur until staff is satisfied with the condition of the property, including its environmental and physical condition and that CSAA can transfer the property with clear title.

Zoning of the property will require a Placer County minor use permit and associated TRPA approvals to convert the property from a Professional Office to Government Office use. Upgrading the building telecommunications cabling and completion of minor ADA improvements are required for occupancy. Estimating indicates these modest costs fall within the Capital Improvement Project Fund project budget. To complete this transaction, your Board's approval of staff's recommendations, the Purchase and Sale Agreement, and the attached Resolution is required. This acquisition has been publicly noticed in accordance with Government Code section 6063. This agreement is available for review at the Clerk of the Board's Office.

ENVIRONMENTAL CLEARANCE: Staff has determined that the acquisition of this property is exempt from CEQA pursuant Section 15301, which provides for activities, including occupancy of existing facilities, when there is no expansion of use beyond that previously existing.

FISCAL IMPACT: The final budget will appropriate \$1,000,000 for this acquisition in the Capital Projects Fund. The total acquisition cost is estimated at \$880,000 which includes the \$860,000 purchase price, escrow and title costs, County staff expense, and consultant fees. It is anticipated the balance of funding will cover necessary ADA improvements and telecommunications cabling. Relocation of Tahoe Design to the subject CSAA building will avoid ongoing rental expense, which is currently \$62,837 annually for the Pioneer Trail location in Truckee. A Budget Revision is required to shift the land value of the acquisition from the Buildings & Improvements, Account 4151, to the appropriate budgetary land account, 4001.

JD AR:MR:NT

ATTACHMENTS: RESOLUTION
BUDGET REVISION

AVAILABLE FOR REVIEW AT THE CLERK OF THE BOARD'S OFFICE: AGREEMENT OF PURCHASE AND SALE

cc: COUNTY EXECUTIVE OFFICE
AUDITOR - CONTROLLER
DEPARTMENT OF PUBLIC WORKS

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Before the Board of Supervisors County of Placer, State of California

In the matter of: A Resolution delegating authority to the Director of Facility Services, or his designee, to execute all necessary documents and take all actions necessary to complete the acquisition between California State Automobile Association and the County of Placer for property located in Kings Beach, California and identified as Placer County assessors parcel number 117-150-038-000; and to disburse County funds necessary to complete the transaction and record the deed for said property.

Resol. No: _____

RESOLUTION was duly passed by the Board of Supervisors of the County of Placer at a regular meeting held _____, 2009 by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Chairman, Board of Supervisors

Attest: Clerk of said Board

WHEREAS, California State Automobile Association, Inc. (CSAA) are the owners of approximately 0.43 acres of real property improved with a 3,344 square foot building, located in Kings Beach, California, identified as Placer County Assessors Parcel Number 117-150-038-000 as shown on Exhibit A; and

WHEREAS, CSAA desires to sell the above described property to the County of Placer for the purchase price of Eight Hundred and Sixty Thousand and No/100 Dollars (\$860,000); and

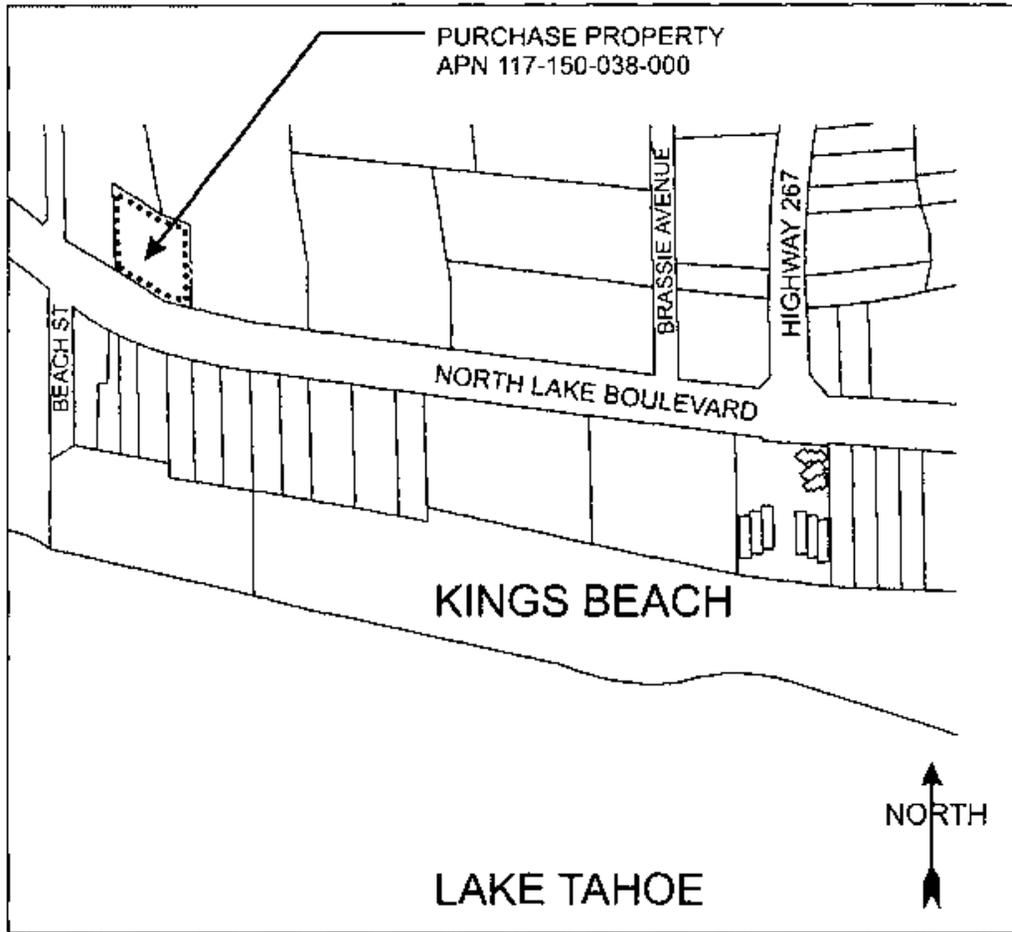
WHEREAS, this Purchase Property allows for the relocation of the Department of Public Works – Tahoe Design Division from its current office located at Pioneer Commerce Center at 10825 Pioneer Trail, Suite 105 in Truckee, California to the AAA office property located at 7717 North Lake Boulevard in Kings Beach, California.

WHEREAS, the County desires to acquire the property from CSAA for the purchase price.

NOW THEREFORE, BE IT RESOLVED, that the Placer County Board of Supervisors does hereby authorize the Director of Facility Services, or his designee, to execute on behalf of the County all documentation, and to take all other actions, necessary to acquire the property; does hereby authorize the disbursement of County funds necessary to complete the transaction; and does hereby consent to the acceptance and recordation of the deeds for said property.

Attachment: Exhibit A: Purchase Property

PURCHASE PROPERTY



PAS DOCUMENT NO. _____

BUDGET REVISION

POST DATE:

- Cash Transfer Required
- Reserve Cancellation Required
- Establish Reserve Required

- Auditor-Controller
- County Executive *mg*
- Board of Supervisors

DEPT NO.	DOC TYPE	Total \$ Amount	TOTAL LINES
12	BR	1,334,800.00	4

ESTIMATED REVENUE ADJUSTMENT											APPROPRIATION ADJUSTMENT											
DEPT NO.	T/C	Rev	Fund	Sub Fund	OCA	PCA	OBJ 3	PROJ.	PROJ. DTL	AMOUNT	DEPT NO.	T/C	Rev	Fund	Sub Fund	OCA	PCA	OBJ 3	PROJ.	PROJ. DTL	AMOUNT	
											12	014		140		991078	04843	4001				333,700.00
											12	034		140		991078	04843	4151	704843	010000		333,700.00
											12	015		140		991078	04843	4151				333,700.00
											12	035		140		991078	04843	4151	704843	010000		333,700.00
TOTAL										0.00	TOTAL										1,334,800.00	

REASON FOR REVISION: To shift appropriations within project 704843-DPW Facility Programing to reflect the purchase value between land and building.

Prepared by Valerie Bayne Ext 6803
 Department Head Valerie Bayne
 Board of Supervisors _____

Date: 9/8/09
 Page: _____

Budget Revision # _____ FOR INDIVIDUAL DEPT USE

1165

