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**DATE:** March 20, 2018

**TO:** Board of Supervisors

**FROM:** Jeffrey D Draper, Director, Facilities and Fleet

**SUBJECT:** Adopt Resolution for NOI for Purchase of 1996 Lundy Avenue

**RECOMMENDED ACTION**

Consider recommendations relating to intent to purchase real property at 1996 Lundy Avenue, San Jose.

Possible action:

- a. Adopt Resolution of Intent to Purchase Real Property located at 1996 Lundy Avenue, San Jose, (Assessor's Parcel No. 244-15-013), from Analeasing, LLC. (Roll Call Vote)
- b. Authorize Clerk of the Board to set Tuesday, April 17, 2018, no earlier than 10:00 a.m. as the date and time to consider acquisition of the Real Property.

**FISCAL IMPLICATIONS**

There is no net impact to the General Fund because of this action. However, if the Board of Supervisors authorizes the purchase of this property there would be an impact to the General Fund for both the purchase and any subsequent renovation to support programs housed in the facility.

**REASONS FOR RECOMMENDATION**

Based on the Administrative Space Committee's direction, the Facilities and Fleet Department (FAF) has been seeking properties for sale that could house public health and/or other County services. The property at 1996 Lundy Avenue, San Jose has been identified as such a property.

The property is comprised of a 1.36-acre parcel with 19,219-square foot single-story tilt-up that was built in 1983. The facility provides for flex use and has high ceilings, HVAC throughout, and electrical service providing 2,000 AMPS of power. FAF obtained a title report for the property along with floorplan drawings and an independent appraisal analysis that supports issuance of a Notice of Intent to purchase the property for a fair market value of

around \$5,200,000. Per the Government Code, the next step to acquire the property is for the Board of Supervisors to approve the attached Resolution notifying the public of the County's intent.

If the County does move forward with the purchase, the Administration will need to return to the Board of Supervisors to establish a capital project to meet the needs of the County programs that are relocated to this property. FAF provided a rough-order-of-magnitude estimate of \$10 to \$15 million depending on the final project scope.

Authorizing the Clerk of the Board to set public hearing for April 17, 2018, no earlier than 10:00 a.m. PST, allows the public the opportunity to comment on the acquisition of this real property.

### **CHILD IMPACT**

The impact of these actions on children would depend upon the final approved use of the property.

### **SENIOR IMPACT**

The impact of these actions on seniors would depend upon the final approved use of the property.

### **SUSTAINABILITY IMPLICATIONS**

The impact of these actions on sustainability would depend upon the final approved use of the property.

### **BACKGROUND**

The County actively seeks opportunities to better and more efficiently deliver County services to the public.

### **CONSEQUENCES OF NEGATIVE ACTION**

The purchase of the property would not be considered at this time.

### **STEPS FOLLOWING APPROVAL**

- Send notification, copy of adopted Resolution, and proof of publication to David Barry and Loretta Smith of FAF.
- Set April 17, 2018 at 10:00 a.m. as the date and time to consummate acquisition of real property.
- Publish notification of Notice of Intent to Purchase Real Property for three weeks prior to the April 17, 2018 hearing to consummate purchase.

## **ATTACHMENTS:**

- NOI Resolution Exhibits A-1 & A-2 (PDF)
- PUBLIC NOTICE 1996 LUNDY AVENUE (PDF)
- 1996 Lundy.Resolution.FINAL.Mar.20.2018 (PDF)