



Information and General Services Department

Facilities Management

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NEVADA COUNTY BOARD OF SUPERVISORS Board Agenda Memo

MEETING DATE: January 8, 2019

TO: Board of Supervisors

FROM: Steve Monaghan, Chief Information Officer

SUBJECT: Resolution approving an agreement for purchase of a 5-acre parcel located at 936 Old Tunnel Road, Grass Valley, California (APN 35-400-54-000) from Leo R. Granucci Revocable 1997 Trust, authorizing the Chair of the Board of Supervisors to execute the Purchase Agreement on behalf of the County of Nevada, and Amending the FY18-19 Budgets (requires 4/5 affirmative vote)

RECOMMENDATION: Approve the Resolution

FUNDING: The purchase is to be funded from one time SB90 revenue received by the Behavioral Health Department in Fiscal Year 2017-2018. The purchase is in the amount of \$223,900 plus up to \$10,000 in closing costs for the transaction. There is no impact on the General Fund and a budget amendment is included to increase the FY2018-19 Capital Facilities and Behavioral Health budgets for the purchase and associated closing costs and fees.

BACKGROUND: The Health and Human Services Agency is requesting the County to purchase a 5-acre parcel located at 936 Old Tunnel Road, Grass Valley, CA 95945. The proposed property purchase will support the County's effort to develop a site for proposed affordable housing, transitional housing, and supportive services programs. As property owner, the County can have ultimate control over the project and can lease, sell or give the parcel back to the developer or operator once the property has been divided and construction is complete. Additionally, as property owner the County indicates a strong financial commitment to both development projects. The negotiated sale price of this property is \$223,900 plus 100% of the closing costs, estimated at \$10,000, for a total cost to the County of \$233,900. The purchase price represents an arms-length negotiation based on the most recent purchase price and other available market data, and not an appraisal. Additionally, the property is subject to a fifteen-year agreement, dated September 9, 2008, between the City of Grass Valley and Interra-Vision, LLC, which requires fair-share reimbursements from

benefitted parcel owners upon development of the affected parcels for certain road improvements at the intersection of Brunswick Road and Sutton Way that provide additional traffic capacity in furtherance of the development of the affected parcels. The amount of reimbursement tied to this parcel is \$12,712, which has been subject to an annual increase or decrease adjustment since 2008 based on the average of the San Francisco and 20-city Construction Cost Index. As the reimbursement amount is based on zoning designations and assumptions reached in 2008 pertaining to daily vehicle trips specific to each parcel, the County will continue to work with the City of Grass Valley to determine whether the amount set forth in the reimbursement agreement represents the property's reasonable and proportionate share of reimbursement in light of the proposed development.

The proposed Resolution authorizes Steve Monaghan, Chief Information Officer, to execute any documents required on behalf of the County to consummate the real property transaction and the Board Chair to accept conveyance of the deed and execute on behalf of the County for recordation purposes.

Item Initiated and Approved by: Steve Monaghan

Submittal Date: December 17, 2018

Revision Date: