REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS OF BOARD GOVERNED COUNTY SERVICE AREAS AND RECORD OF ACTION

January 14, 2025

FROM

NOEL CASTILLO, Director of Public Works – Special Districts TERRY W. THOMPSON, Director, Real Estate Services Department

SUBJECT

Resolution Declaring Property in Victorville as Surplus and Purchase and Sale Agreement with Lee Dale Graham for the Sale of the Surplus Property in Victorville

RECOMMENDATION(S)

Acting as the Governing Body of County Service Area 64 – Spring Valley Lake:

- 1. Find that the sale of the land referenced in Recommendation No. 2 is an exempt project under the California Environmental Quality Act Guidelines, Sections 15312 (Surplus Government Property Sales) and 15061(b)(3) (Common Sense Exemption).
- 2. Adopt a Resolution No. 2025-08 declaring that County Service Area 64-owned property (Assessor's Parcel Number 0473-183-23-0000), consisting of approximately 0.29 acres, in Victorville, is surplus and no longer necessary for the uses and purposes of County Service Area 64 pursuant to Government Code Sections 25526.5, 25212(b), and County Policy 12-17; that, pursuant to Government Code Section 54221(f)(1)(B), the County Service Area 64 property is exempt surplus land; and authorizing the sale of said County Service Area 64 property to the adjoining property owner, Lee Dale Graham, in accordance with Public Resources Code Section 5786.1(b) and Government Code Sections 25526.5 and 25212(b), for \$6,300.
- 3. Approve the Purchase and Sale **Agreement No. 25-51** and Escrow Instructions between County Service Area 64 and Lee Dale Graham for the sale of approximately 0.29 acres of real property in Victorville upon payment of \$6,300.
- 4. Authorize the Director of the Real Estate Services Department to execute escrow instructions and any other non-substantive documents necessary to complete this transaction, subject to County Counsel review.
- 5. Direct the Real Estate Services Department to file the Notice of Exemption in accordance with the California Environmental Quality Act.

(Presenter: Terry W. Thompson, Director, 387-5000)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Ensure Development of a Well-Planned, Balanced, and Sustainable County.

Pursue County Goals and Objectives by Working with Other Agencies and Stakeholders.

FINANCIAL IMPACT

Approval of this item will not result in the use of Discretionary General Funding (Net County Cost). County Service Area 64 – Spring Valley Lake (CSA-64) will receive sale proceeds of \$6,300. The buyer, Lee Dale Graham (Graham), will pay for all title and escrow fees associated with this sale. Once conveyed, CSA-64 will not be responsible for any ongoing maintenance

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associated with the 0.29-acre (12,632 square foot) parcel in Victorville, which is commonly known as Assessor's Parcel Number 0473-183-23-0000 (Property).

BACKGROUND INFORMATION

The recommended actions will adopt a resolution to declare the CSA 64-owned Property as surplus property and exempt surplus property and authorize its sale to Graham for a purchase price of \$6,300.

The Property was conveyed to CSA-64 in 1973 by judgment (recorded in book 8154 page 830) as a result of a condemnation action against Reserve Oil and Gas Company for public benefit and use which involved the construction and maintenance of a sewer pipeline in the CSA-64 Area.

The constructed sewer pipeline and lift station, connected to the City of Victorville's wastewater system, provided sewer service to residents in the CSA-64 area. The pipeline and lift station were in place from 1971 to the early 1980's. When the Victor Valley Wastewater Reclamation Authority constructed a new pipeline and treatment plant, the old pipeline and lift station were retired.

In September of 2022, Graham contacted CSA-64 to inquire about purchasing the Property, given that he is the adjoining owner. CSA-64 asked the Real Estate Services Department (RESD) to review the inquiry and negotiate the potential sale. RESD conducted a limited-scope valuation of the property, utilizing comparable vacant land sales within the subject market. This analysis was further supported by the 2023-24 GASB-51 valuation matrix prepared by RESD. Based on this assessment, RESD determined the fair market value of the property to be \$6,300 and successfully negotiated the purchase price accordingly. Graham will pay the concluded fair market value and all escrow fees and closing costs.

CSA-64 no longer needs the Property and has therefore determined that it is surplus to its needs. County Policy 12-17 – Surplus Real Property and Government Code sections 25526.5 and 25212(b) provide that if the Property is no longer needed, the Board of Supervisors may declare it surplus and authorize the disposition of the Property. CSA-64 determined that it has no purpose to retain the Property. The conveyance of the Property was reviewed pursuant to the Surplus Land Act, and the Property was determined to be "exempt surplus land" as defined in Government Code Section 54221(f)(1)(B), because the property is surplus land that is less than one-half acre in area and is not contiguous to land owned by a state or local agency that is used for open-space or low and moderate-income housing purposes. In accordance with the California Department of Housing and Community Development (HCD) Surplus Land Act Guidelines Section 400(e), RESD will provide a copy of the resolution to HCD for review and concurrence, which is a closing condition for the sale.

The conveyance of the Property was reviewed pursuant to the California Environmental Quality Act (CEQA) and was determined to be categorically exempt from further environmental review under California Code of Regulations sections 15312 (Surplus Government Property Sales) and 15061(b)(Common Sense Exemption) of the CEQA Guidelines, where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, so the activity is not subject to CEQA. These exemptions are applicable because the project involves the sale of the surplus Property, which is no longer needed for

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CSA-64's operations. CSA-64 will have fulfilled its obligation under CEQA for this action with the posting of the Notice of Exemption by RESD.

Approval of this item will also authorize the Director of RESD to execute any other non-substantive documents necessary to complete this transaction on behalf of CSA-64, subject to County Counsel review. The Director of RESD will not be authorized to execute any documents that would bind CSA-64 to any actions beyond the transaction authorized in this item.

PROCUREMENT

CSA-64 is authorized to declare the Property surplus pursuant to Government Code sections 25526.5 and 25212(b), and County Policy No. 12-17. Additionally, CSA-64 is authorized to declare the Property exempt surplus pursuant to Government Code section 54221(f)(1)(B) because the Property is surplus land that is less than one-half acre in area and is not contiguous to land owned by a state or local agency that is used for open-space or low and moderate-income housing purposes, and is being conveyed to the owner of an adjacent property. CSA-64 is also authorized to sell the Property to Graham pursuant to Public Resources Code section 5786.1(b), which provides CSA-64 with the right to dispose of its real property, and Government Code sections 25526.5 and 25212(b), since the Property is no longer needed for public purposes and the value of the Property does not exceed \$25,000.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Agnes Cheng, and Aaron Gest, Deputies County Counsel, 387-5455) on December 20, 2024; Special Districts (Jared Beyeler, Administrative Supervisor, 760-962-1505) on November 20, 2024; Purchasing (Ariel Gill, Supervising Buyer, 387-2070) on November 26, 2024; Finance (Ramirez, 387-4020, Administrative Analysts) on December 23, 2024; and County Finance and Administration (Valerie Clay, Deputy Executive Officer, 387-5423) on December 23, 2024.

(JAG: 677-8210)

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Record of Action of the Board of Supervisors Board Governed County Service Areas

APPROVED (CONSENT CALENDAR)

Moved: Curt Hagman Seconded: Joe Baca, Jr. Ayes: Col. Paul Cook (Ret.), Jesse Armendarez, Dawn Rowe, Curt Hagman, Joe Baca, Jr.

Lynna Monell, CLERK OF THE BOARD

DATED: January 14, 2025

BOARD GOVERNED

cc: RESD - Thompson w/agree

Contractor - c/o RESD w/agree

File - w/agree

MBA 01/21/2025