

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF THE COUNTY OF SAN BERNARDINO
AND RECORD OF ACTION**

June 22, 2021

FROM

TERRY W. THOMPSON, Director, Real Estate Services Department

SUBJECT

Purchase and Sale Agreement for the Sale of Surplus Property in the Devore Area

RECOMMENDATION(S)

1. Approve the sale of surplus property owned by the County, consisting of a 4.33 acre portion of Assessor Parcel Number 0239-031-55, located in the unincorporated Devore area, to Erik Rannala, the highest bidder resulting from a public auction held on November 12, 2020, pursuant to Government Code Sections 25526 and 25363 (Four votes required).
2. Authorize the Chairman of the Board of Supervisors to execute the Purchase and Sale **Agreement No. 21-520** and Escrow Instructions for Auction Sales and Grant Deed to convey said property to Erik Rannala.
3. Authorize the Director of the Real Estate Services Department to execute escrow instructions and any other documents and take any actions necessary to complete this transaction.

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

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Operate in a Fiscally-Responsible and Business-Like Manner.

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

FINANCIAL IMPACT

Approval of this item will not result in the use of Discretionary General Funding (Net County Cost). The County General Fund will receive revenue (1161161000) in the amount of \$285,000 from the sale of this property to Erik Rannala and will be relieved of any liability and maintenance obligations associated with the fee ownership. In addition, the County will receive property tax revenue from the property.

The County received a deposit from Erik Rannala in the amount of \$25,000 at the auction, which is applicable to the purchase price.

BACKGROUND INFORMATION

The recommended actions will approve the sale of County-owned surplus property in the unincorporated Devore area to Erik Rannala for a purchase price of \$285,000.

The property proposed for surplus disposition is a 4.33-acre portion of a vacant County-owned parcel [Assessor's Parcel No. (APN) 0239-031-55] in unincorporated Devore that was previously part of the Clearwater Parkway road right-of-way (Property). The Property was originally acquired as part of a larger 34.5-acre parcel owned by the County and acquired for the Glen Helen Regional Park (GHRP).

**Purchase and Sale Agreement for the Sale of Surplus Property in the
Devore Area
June 22, 2021**

On May 17, 2005 (Item No. 52), the Board of Supervisors (Board) adopted Resolution No. 2005-091 providing that 14.98 acres of the approximately 34.5-acre County-owned GHRP parcel (previously APN 0239-031-46) be used for development of Clearwater Parkway for the purpose of creating a new road connecting the master-planned community of Lytle Creek North (now Rosena Ranch) with Glen Helen Parkway, and replacing the 14.98 acres of GHRP land with 14.98 acres from the developer of Rosena Ranch (APN 0239-031-53). The Board adopted Resolution No. 2014-98 on May 6, 2014 (Item No. 56) to correct the legal description of Clearwater Parkway to incorporate a 0.396-acre gap of property that was intended to connect Clearwater Parkway with Glen Helen Parkway.

Clearwater Parkway was constructed by the developer of Rosena Ranch as a four-lane paved road with associated slopes and drainage facilities within the 14.98 acres, all of which is owned in fee by the County and designated as public road right-of-way in the County's maintained road system.

Subsequently, it was determined that an approximate 4.33-acre portion of Clearwater Parkway was not being utilized for roadway, slope, drainage facilities, or roadway/drainage maintenance access purposes. On May 22, 2018 (Item No. 105), the Board adopted Resolution No. 2018-69 declaring an approximate 4.334-acre portion of public road right-of-way along Clearwater Parkway was not necessary for present or prospective public use; the excess right-of-way was not required for street or highway purposes; the vacation of excess right-of-way serves a public purpose by eliminating unnecessary public road right-of-way; the vacation of the excess right-of-way is made pursuant to Section 8334(a) of the Streets and Highways Code of the State of California; and the vacation of the excess right-of-way is consistent with the County's General Plan.

The vacation of the excess road rights from the public road right-of-way removed the Property from the County's maintained road system and made the Property available for an alternate use. The Property was reviewed pursuant to the original land acquisition for GHRP and it was determined that GHRP was made whole by receipt of the comparable 14.98-acres of vacant land granted to the County by the developer of Rosena Ranch pursuant to Resolution No. 2005-091. This 4.33 acres of vacant land is designated now as a general fund property; it was reviewed and recognized to have no further County use, and the Real Estate Services Department (RESO) was engaged to assist with the disposition of the Property by public auction.

On October 6, 2020 (Item No. 31), the Board declared the Property surplus, set the auction date by Resolution 2020-179, and approved Corrective Appraisal Review No. 19-45R, which established a value of \$250,000, the minimum opening bid for the Property. On October 27, 2020 (Item No. 77), the Board repealed Resolution 2020-179 and adopted, as a replacement, Resolution No. 2020-193, to change the erroneous October 15, 2020 auction date to November 12, 2020.

On November 12, 2020, RESO held a public auction to sell the Property for a minimum bid of \$250,000, which resulted in the submittal of the highest bid in the amount of \$285,000 from Erik Rannala. Approval of this bid is consistent with the minimum requirements established by the Board and will relieve the County of any additional cost, maintenance, and liability associated with this Property.

**Purchase and Sale Agreement for the Sale of Surplus Property in the
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June 22, 2021**

The disposition of this Property was reviewed pursuant to the California Environmental Quality Act (CEQA) and determined to be categorically exempt from further environmental review in accordance with Section 15312, "Surplus Government Property Sales," of the CEQA guidelines. The Notice of Exemption was posted by the Clerk of the Board upon approval of the aforementioned Item No. 31.

PROCUREMENT

County Policy 12-17 – Surplus Real Property allows for property that is no longer needed and has no economic reason for retention to be declared surplus and disposable.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Robert Messinger, Chief Assistant County Counsel, 387-5455) on April 23, 2021; Finance (Carl Lofton, Administrative Analyst, 387-5404) on June 7, 2021; and County Finance and Administration (Matthew Erickson, County Chief Financial Officer, 387-5423) on June 7, 2021.

(BF: 909-361-8976)

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Record of Action of the Board of Supervisors
County of San Bernardino

APPROVED (CONSENT CALENDAR)

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

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: June 22, 2021



cc: RESD- Thompson w/agree w/Grant Deed
Contractor- C/O RESD w/agree
File- w/agree w/Grant Deed w/map
LA 07/2/2021