

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

March 26, 2024

**FROM**

**TERRY W. THOMPSON, Director, Real Estate Services Department**

**SUBJECT**

Purchase and Sale Agreement and Joint Escrow Instructions with Galaxy Investment Partners Fund LLC for the Acquisition of an Office Building in Victorville

**RECOMMENDATION(S)**

1. Find that the acquisition of approximately 1.24 acres of real property improved with an office building, totaling approximately 26,962 square feet (Assessor's Parcel Number 0396-142-10), located at 15480 Ramona Avenue in the City of Victorville, is an exempt project under the California Environmental Quality Act Guidelines Section 15061(b)(3).
2. Approve Capital Improvement Program Project No. 24-136 to acquire approximately 1.24 acres of real property improved with an office building, totaling approximately 26,962 square feet (Assessor's Parcel Number 0396-142-10), located at 15480 Ramona Avenue in the City of Victorville, for the purchase price of \$3,000,000 plus an independent consideration payment, escrow expenses, title fees, and due diligence inspection costs estimated to be \$55,100, for a total estimated cost of \$3,055,100.
3. Authorize the acquisition of approximately 1.24 acres of real property improved with an office building, totaling approximately 26,962 square feet (Assessor's Parcel Number 0396-142-10), located at 15480 Ramona Avenue in the City of Victorville, for the purchase price of \$3,000,000 plus an independent consideration payment, escrow expenses, title fees, and due diligence inspection costs estimated to be \$55,100, for a total estimated cost of \$3,055,100, in accordance with Government Code section 25350.
4. Approve **Purchase and Sale Agreement No. 24-256** and Joint Escrow Instructions with Galaxy Investment Partners Fund LLC, to acquire said improved property in Recommendation No. 3.
5. Authorize the Auditor-Controller/Treasurer/Tax Collector to post budget adjustments, as detailed in the Financial Impact section (Four votes required).
6. Authorize the Director of the Real Estate Services Department to execute escrow instructions and any other documents necessary to complete this transaction, subject to County Counsel review.
7. 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**

**Improve County Government Operations.**

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

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**FINANCIAL IMPACT**

Approval of this item will result in the use of Discretionary General Funding (Net County Cost). The purchase price to acquire this 1.24 acres of real property improved with an office building, totaling approximately 26,962 square feet, Assessor's Parcel Number (APN) 0396-142-10, located at 15480 Ramona Avenue in Victorville (Property) is \$3,000,000 plus an independent consideration payment, escrow expenses, title fees, and due diligence inspection costs, which are estimated to be \$55,100, for a total estimated cost of \$3,055,100. This acquisition will be funded by the General Fund Building Acquisition Reserve. The acquisition costs for the Property will be reimbursed by future San Bernardino County (County) Department occupants annually over the course of its useful life through the Countywide Cost Allocation Plan via depreciation.

<b>Fund Center</b>	<b>Commitment Item</b>	<b>Description</b>	<b>Action</b>	<b>Amount</b>	<b>WBSE</b>
1000	37008767	Fund Balance - Assigned –Building Acquisition Reserve	Decrease	\$3,055,100	
1161161000	55305030	Operating Transfers Out	Increase	\$3,055,100	
7700003105	40909975	Operating Transfers In	Increase	\$3,055,100	94.10.0005
7700003105	54304030	Structures & Improvements to Structures	Increase	\$3,055,100	94.10.0005

**BACKGROUND INFORMATION**

On August 6, 2013 (Item No. 49), the Board of Supervisors (Board) approved Lease Agreement No. 13-642 (Lease) with Galaxy Investment P.F.L.L.C. (Owners) for the Property for use by the Probation Department (Department). The Department will continue to occupy the Property to provide case management services until its programs can be relocated.

The Property is strategically located in the Victorville city center in close proximity to the Victorville Superior Court and Victorville City Hall, west of the Interstate 15 Freeway. The acquisition provides a unique opportunity to provide continuing office space for the Department and will ultimately house other County departments in the future. The acquisition will terminate the Lease, which was last amended by the Board on April 22, 2014 (Item No. 39). The Lease is scheduled to expire on April 30, 2024, which will eliminate the ongoing rent expense of \$60,099 per month.

In August 2022, the County was approached by the Property Owners regarding their intention to sell the Property and offered to sell the Property to the County at a cost of \$5,400,000. The Real Estate Services Department (RESA) thereafter negotiated a purchase price of \$3,000,000, which was determined by RESA to be fair market value.

Approval of this item will authorize the Director of RESA to execute escrow documents, such as amended escrow instructions, property disclosures, notices to exercise the County's right to terminate the Purchase and Sale Agreement and Joint Escrow Instructions on or before the end of the due diligence period, title objections, and settlement statements. The Director of RESA will also accept the Grant Deed, subject to the close of escrow, pursuant to the authority conferred by resolution adopted by the Board on March 27, 2012 (Item No. 75). The Director of

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RESD will not be authorized to execute any documents that would bind the County to any actions not contemplated by, or arising from, the transaction that is the subject of these recommendations.

The project to acquire the Property was reviewed pursuant to the California Environmental Quality Act and determined to be categorically exempt under Section 15061(b)(3) – Common Sense Exception. The proposed action is to purchase an existing office building and to continue its use as an office building in a manner consistent with the existing facility. It can be seen with certainty that the action does not carry the potential for a significant effect on the environment.

**PROCUREMENT**

Purchase of this Property will be made by the County pursuant to Government Code section 25350. The County has complied with the publication requirements of Government Code section 6063, as well as provided the City of Victorville notice pursuant to Government Code section 65402.

**REVIEW BY OTHERS**

This item has been reviewed by County Counsel (Agnes Cheng, Deputy County Counsel, 387-5455) on February 28, 2024; Auditor-Controller/Treasurer/Tax Collector (Charlene Huang, Auditor-Controller Manager, 382-7022) on February 16, 2024; Purchasing (Ariel Gill, Supervising Buyer, 387-2070) on February 14, 2024; Finance (Yael Verduzco, Principal Administrative Analyst, 387-5285) on March 8, 2024; and County Finance and Administration (Valerie Clay, Deputy Executive Officer, 387-5423) on March 8, 2024.

(JAG: 677-8210)

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Record of Action of the Board of Supervisors  
San Bernardino County

**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

BY  \_\_\_\_\_  
DATED: March 26, 2024



cc:    RESD - Thompson w/ agree  
      Contractor c/o RESD w/ agree  
      File w/ agree  
JLL    03/26/2024