

SANTA BARBARA COUNTY BOARD AGENDA LETTER



Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Agenda Number:
Prepared on: 10/31/02
Department Name: General Services
Department No.: 063
Agenda Date: 12/10/02
Placement: Administrative
Estimate Time:
Continued Item: NO
If Yes, date from:

TO: Board of Supervisors

FROM: Ronald S. Cortez, Director
General Services Department

STAFF Douglas Martin
CONTACT: Assistant Director, General Services, 568-2628
Carrie Topliffe
Assistant Director, ADMHS, 681-4092

SUBJECT: Acquisition of 117 North B Street, Lompoc for ADMHS
Fourth Supervisorial District

Recommendation(s):

That the Board of Supervisors:

- A. Accept the attached certified copy of the Grant Deed to the real property conveyed from Santa Barbara Bank & Trust Division of Pacific Capital Bank, NA, Custodian for Edward Dannemiller to the County of Santa Barbara for the land and building at 117 North B Street, Lompoc, and known as Santa Barbara County Assessor Parcel No. 085-141-003, by authorizing the Clerk of the Board to sign the Certificate of Acceptance attached thereto.
- B. Adopt the Resolution Authorizing the County of Santa Barbara, to enter into a Lease and Leaseback Agreement, as Lessee, with CaLease Public Funding Corporation, as Lessor, with respect to the Lease and Leaseback of 117 North "B" Street, Lompoc CA, and an Escrow Agreement among CaLease Public Funding Corporation, the Lessee and the Escrow Agent named therein, as Escrow Agent.
- C. Authorize the County Treasurer-Tax Collector or Auditor-Controller to execute the final Lease and Leaseback Agreement between CaLease Public Funding Corporation, as Lessor, and the County of Santa Barbara, as Lessee; Assignment Agreement between CaLease Public Funding Corporation, as Assignor, and the County of Santa Barbara, as Assignee; Escrow Agreement between CaLease Public Funding Corporation, as Lessor, and the County of Santa Barbara, as Lessee; Tax Compliance Agreement, in triplicate, between CaLease Public Funding Corporation, as Lessor, and the County of Santa Barbara, as Lessee, and Wells Fargo Bank, National Association, as Escrow Agent. The attach documents are in substantial final form.

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- D. Authorize the County Treasurer-Tax Collector or Auditor-Controller, or their “designee,” to execute any and all finance documents that may be required to complete the financing for this real estate transaction.
- E. Direct the County Treasurer-Tax Collector, County Auditor-Controller, County Counsel, Risk Management, and General Services to proceed with all necessary actions in connection with the acquisition of the property and lease financing.

Alignment with Board Strategic Plan:

The recommendation is primarily aligned with Goal No. 1, an efficient Government able to anticipate and respond effectively to the needs of the community.

Executive Summary and Discussion:

In September 1997, the Alcohol, Drug, & Mental Health Services Department (ADMHS) entered into a five year lease for space at 117 North B Street in Lompoc to provide clinical services to the community. The property consists of 14,000 square feet and is improved with a 6,765 square foot building. Earlier this year, with Board approval, the County entered into negotiations with the owner to purchase the site. This action was in accordance with the policy on long-term leases adopted by the Dept Advisory Committee (DAC). The negotiations were successful. The Real Property division of the General Services department has completed an appraisal, a CEQA review, building inspections, Government Code 65402 and an environmental assessment of the property.

On November 12, 2002, your Board approved and executed the Real Property Purchase Contract and Escrow Instructions (Clerk File # 02-01127) and an escrow has been opened with Chicago Title Company at 830 North H Street, Lompoc, CA 93435. Also your Board adopted the Resolution of Intent to Purchase Real Property which describes the property to be purchased, the price to be paid, the property owner (seller), and a notice that the Board will meet on December 10, 2002, to consummate the purchase through the acceptance of the Grant Deed. The notice of the intention to purchase the property has been published pursuant to Section 6063 of the Government Code.

Upon your Board’s acceptance of the Grant Deed, the Grant Deed will be delivered to escrow, and provided that all conditions to the close of escrow are satisfied, escrow is expected to close on or about December 19, 2002.

On October 29, 2002, ADMHS presented to the Debt Advisory Committee (DAC) a request of \$800,000 for the funding of the purchase of land and building which is occupied by MISC. The Committee suggested that the funding be arranged by the County Auditor-Controller office through the California Statewide Communities Development Authority, dba California Communities, CaLease Financing Program. The financing for the purchase has been arranged with California Communities at a favorable interest rate. The purchase plan and financing terms were approved by the DAC on October 29, 2002.

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Mandates and Service Levels:

There are no mandates or service level changes.

Fiscal and Facilities Impacts:

The Lease and Leaseback Agreement is the finance document where the County will obtain funds to pay the costs of the acquisition of the land and building and to pay certain related expenses. The County will lease the land and building to CaLease and lease back from CaLease the land and building pursuant to the Lease and Leaseback Agreement. The debt service payments for the financing of the purchase of this property will be covered by Realignment, MediCal & Early Periodic Screening, Diagnosis & Treatment (EPSDT) funds from ADMHS. The projected savings over the next fifteen years are approximately \$360,000 by purchasing the property vs. a lease with a 3% escalator.

Special Instructions:

After Board Action, distribute as follows:

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| 1. Certified Copy of the Grand Deed | Clerk of the Board |
| 2. Resolution Authorizing
Lease and Leaseback | Clerk of the Board |
| 3. Copy of Original Lease and Leaseback Agreement | Clerk of the Board |
| 4. Copy of Assignment Agreement | Clerk of the Board |
| 5. Copy of Escrow Agreement | Clerk of the Board |
| 6. Copy of Tax Compliance Agreement | Clerk of the Board |
| 7. Copy of Resolution, & Minute Order | Facilities Services, Attn: Ronn Carlentine |
| 8. Copy of Resolution, & Minute Order | ADMHS, Carrie Topliffe |

The Real Property Services will deliver a certified Grand Deed with Certificate of Acceptance to escrow. Once the Grand Deed is recorded, Real Property will deliver to the Clerk a copy of the Deed for its file. Following the Board's approval of the finance documents, they will be presented to CaLease Public Funding Corporation, for execution as well. Once the County executes the documents, Real Property will provide the Clerk's office with original documents for its file.

Concurrence:

County Counsel
Auditor-Controller
General Services, Real Property
Risk Management