



A Tradition of Stewardship
A Commitment to Service

Agenda Date: 1/29/2019

Agenda Placement: 10B

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors

FROM: Steven Lederer - Director of Public Works
Public Works

REPORT BY: Liz Habkirk, Deputy Dir. of PW-Gen Services - 259-8321

SUBJECT: Resolution of Intention to Sell Real Property at 1407/1435 N. Oak Calistoga

RECOMMENDATION

Director of Public Works requests adoption of a resolution authorizing the following related to the County owned property located at 1407/1435 N. Oak St. in Calistoga ("Property") (4/5 vote required):

1. Declare a portion of the Property as no longer required for County use and designated as surplus pursuant to Government Code Section 25365 (a);
2. Authorizing the Chair of the Board to execute a purchase and sale agreement and grant deed for conveyance of the Property to the City of Calistoga ("City");
3. Authorizing the County Executive Officer (CEO) or designee, to take any other steps and to sign any other documents that are necessary to consummate the sale of the Property to the City; and
4. Find that this action is categorically exempt from the California Environmental Quality Act ("CEQA") pursuant to: (a) Class 12 "Surplus Government Property Sales."

(STAFF REQUESTS THIS ITEM BE DROPPED AND BROUGHT BACK AT A FUTURE DATE TO BE DETERMINED)

EXECUTIVE SUMMARY

Napa County and the City of Calistoga ("City") have been engaged in discussions on the potential sale of property in Calistoga at 1407/1435 N. Oak St., commonly known as the Napa County Fairgrounds, to the City. Notice of Intent to Convey Real Property was published indicating that the Board of Supervisors would be considering action on this item on January 15, 2019, and the Board continued the item until January 29, 2019. At this time, staff is requesting the Board remove this item from the agenda and direct staff to publish a new Notice of Intent to Convey Real Property when negotiations have been completed.

PROCEDURAL REQUIREMENTS

1. Chair introduces item
2. Staff report
3. Motion by a Board member and second by another Board member to drop the item and bring it back at a future date to be determined.

FISCAL IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	No
What is the revenue source?	Revenue from the sale of surplus real property.
Is it Mandatory or Discretionary?	Discretionary
Discretionary Justification:	After proceeds are used to cover the costs of the transaction and to assist with operational costs incurred during the due diligence period, the remaining revenue from sale of this County surplus property would assist in the financing plan for the replacement jail facility.
Is the general fund affected?	Yes
Future fiscal impact:	None. Proceeds of the sale are anticipated to be received in FY 2018/19, and future fiscal years' operational costs associated with the County's remaining property will be budgeted accordingly as a part of the County's budget approval by the Board of Supervisors.
Consequences if not approved:	The County will not generate revenue from the sale of 1407/1435 N. Oak Street, and will continue expending maintenance and operation funds on the property.

Additional Information:

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: **Consideration and possible adoption of a Categorical Exemption Class 12:** It has been determined that this type of project does not have a significant effect on the environment and is exempt from the California Environmental Quality Act. [See Class 12 ("Surplus Government Property Sales") which may be found in the guidelines for the implementation of the California Environmental Quality Act at 14 CCR §15312.]

BACKGROUND AND DISCUSSION

The County began acquiring portions of the Napa County Fairgrounds property ("Property") in Calistoga in 1938, with the full 70.6 acres property under County ownership by 1976. The Property is operated by the Napa County Fair Association, a non-profit organization, who oversees day-to-day use of the Property for golf course operations, recreational vehicle parking, speedway events, and other special events as well as hosting the annual fair event. In 2016, the County engaged the City of Calistoga ("City") in discussions about alternative approaches to on-going management of the Property. As a result of those discussions, in April 2018, the Board of Supervisors appointed two members from the Board to participate with the City in negotiations regarding a real property transaction.

The proposed action is being delayed due to ongoing negotiations that will transfer approximately 34.3 acres of the Property to the City for their use and continued operations. The portion to be transferred includes most of the major operational facilities, including the speedway, fair buildings/offices, and the recreational vehicle parking area. The remaining portion of the Property, consisting of the golf course and clubhouse and a single family residence occupied by the current Fairgrounds Manager, will remain in County ownership. The City of Calistoga has agreed to pay \$225,000 per acre.

The recommended resolution declares the portion of the Property to be transferred to the City as surplus, authorizes the Chair of the Board to execute a purchase and sale agreement and grant deed for conveyance of the Property, authorizes the County Executive Officer to take any other steps necessary to consummate the sale, and makes a determination that this action is categorically exempt from the California Environmental Quality Act ("CEQA") pursuant to Class 12.

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SUPPORTING DOCUMENTS

None

CEO Recommendation: Approve

Reviewed By: Helene Franchi