



# COUNTY OF SAN DIEGO

## AGENDA ITEM

### BOARD OF SUPERVISORS

GREG COX  
First District

DIANNE JACOB  
Second District

DAVE ROBERTS  
Third District

RON ROBERTS  
Fourth District

BILL HORN  
Fifth District

**DATE:** January 29, 2013

**10**

**TO:** Board of Supervisors

**SUBJECT:** GENERAL SERVICES - SALE OF SURPLUS REAL PROPERTY TO THE CITY OF LA MESA - FORMER LEMON GROVE MAINTENANCE STATION - 7410 WAITE DRIVE, LA MESA (COUNTY PARCEL NO. 2012-003-A) (DISTRICT: 2)

### **SUMMARY**

#### **Overview**

The County owns approximately three acres of land located at 7410 Waite Drive in La Mesa at the northwest corner of Waite Drive and Murray Hill Road in the city of La Mesa. The property is identified as County Parcel Number 2012-003-A and was acquired in 1915 for use by the Department of Public Works as the Lemon Grove Maintenance Station. The road station closed in 1996 and since that time has only been used as a temporary construction staging area. An independent appraisal established the current market value of the property at \$650,000. County staff has reviewed and approved the appraisal.

On January 8, 2013, the La Mesa City Council approved the purchase of the County-owned property for the appraised value and appropriated the necessary funding to complete the transaction. The City of La Mesa has indicated its intent to acquire the property for a future neighborhood park. Acquisition of this property by the City of La Mesa is consistent with its General Plan. As part of the purchase consideration, the City of La Mesa will make an initial payment of \$250,000 and will pay the remaining balance of \$400,000 in monthly installments over four years at 3.5% interest. The Board is requested to declare the property surplus to the County's needs and approve the sale of the property to the City of La Mesa at the appraised value with the proposed financing terms. The net proceeds of the sale will be deposited into the Department of Public Works Road Fund. Escrow services, title services, other transaction expenses and staff costs are estimated to be \$10,000 and will be paid from the sale proceeds.

### **Recommendation(s)**

#### **CHIEF ADMINISTRATIVE OFFICER**

1. Find, in accordance with Article 19, Section 15312 of the California Environmental Quality Act (CEQA) guidelines, that the sale of County Parcel No. 2012-003-A (APN 474-500-15) is categorically exempt from the provisions of the CEQA Guidelines as it involves the sale of surplus government property.

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2. Declare County Parcel 2012-003-A surplus to County needs.
3. Find that the conveyance of County Parcel 2012-003-A pursuant to Government Code Section 25365 to the City of La Mesa involves real property not required for County use.  
**(4 VOTES)**
4. Find that the Clerk of the Board of Supervisors has advertised the County's intent to sell County Parcel 2012-003-A pursuant to Government Code Section 6061.
5. Approve the Purchase and Sale Agreement and Joint Escrow Instructions with the City of La Mesa for County Parcel 2012-003-A and authorize the Director, Department of General Services to execute the purchase agreement and perform all necessary actions to complete the sale.

**Fiscal Impact**

Funds for this request are not included in the Fiscal Year 2012-13 Operational Plan for the Department of Public Works Road Fund. If approved, sale of the property will result in total revenue of \$679,235, realized over four years, as follows: an initial one-time payment of \$250,000 in Fiscal Year 2012-13, and monthly payments of principal and interest of \$8,942 (\$107,308 annually) for four years commencing upon the close of escrow. Transaction costs for the Department of General Services – Real Estate Services Division are estimated to be \$10,000, including escrow, title and staff costs. The transaction costs will be reimbursed from the initial payment received from the City of La Mesa, and the remaining revenue of \$669,235 (figures are approximate due to rounding) will be deposited into the Department of Public Works Road Fund. There will be no change in net General Fund cost and no additional staff years.

**Business Impact Statement**

N/A

**Advisory Board Statement**

N/A

**Background**

In 1915, the County acquired 3.0 acres of land located at the northwest corner of Waite Drive and Murray Hill Road in what is now the City of La Mesa for use as a road station (2010 Thomas Guide 1270, G-5). The property remained in use as the Lemon Grove Maintenance Station until 1996 when the Department of Public Works ceased operations at the site. Since the closure, the property has only been used for temporary construction staging. Underground storage tanks on the site were removed at the time of the closure, and during the removal some soil contamination was discovered. Remediation work to address the soil contamination was completed and the site has been monitored on a semi-annual basis to determine if any contaminants remained. In December 2011, the Department of Environmental Health completed its site review and closed the case file for the property.

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A recent independent appraisal of the property concluded that the current market value of the property is \$650,000. On January 8, 2013, the city council of the City of La Mesa approved the purchase of the property for the appraised value. The city has indicated that its intent is to construct a park on the property when funding is available. The \$650,000 purchase price would be paid with an initial payment of \$250,000 and the balance of \$400,000 would be paid monthly over a four-year term at 3.5 percent (3.5%) interest, with proceeds to be deposited in the Department of Public Works Road Fund. Escrow services, title services, other transaction expenses and staff costs are estimated at \$10,000 and will be paid from initial payment amount received from the City of La Mesa.

**California Environmental Quality Act**

The proposed sale is categorically exempt from environmental assessment, pursuant to Section 15312 of the California Environmental Quality Act (CEQA) Guidelines as it involves the sale of surplus government property.

**Linkage to the County of San Diego Strategic Plan**

Today's proposed action to approve the sale of County Parcel 2012-003-A, the former Lemon Grove Maintenance Station, supports the Fiscal Stability Required Discipline for Excellence in the County of San Diego's 2012-2017 Strategic Plan through the generation of revenue from the sale of the County's surplus assets.

Respectfully submitted,



HELEN N. ROBBINS-MEYER  
Chief Administrative Officer

**ATTACHMENT(S)**

- A - Location Map
- B - Plat Map

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**AGENDA ITEM INFORMATION SHEET**

**REQUIRES FOUR VOTES:**       Yes     No

**WRITTEN DISCLOSURE PER COUNTY CHARTER SECTION 1000.1 REQUIRED**  
 Yes     No

**PREVIOUS RELEVANT BOARD ACTIONS:**  
N/A

**BOARD POLICIES APPLICABLE:**  
F-51, County Real Estate Asset Management

**BOARD POLICY STATEMENTS:**  
N/A

**MANDATORY COMPLIANCE:**  
The proposed sale of County Parcel No. 2012-003-A to the City of La Mesa is being conducted in compliance with the provisions of Government Code Sections 25365 and 6061.

**ORACLE AWARD NUMBER(S) AND CONTRACT AND/OR REQUISITION NUMBER(S):**  
N/A

**ORIGINATING DEPARTMENT:** Department of General Services

**OTHER CONCURRENCE(S):** Department of Public Works

**CONTACT PERSON(S):**

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