



## Legislation Text

**File #:** 19-937, **Version:** 1

Discussion continued from December 10, 2019 Board meeting regarding 6996 Leisure Town Road for potential emergency housing needs; The Property Owner has declined County request to extend the escrow and cancelled the purchase and sales contract; County staff recommends ending efforts to acquire the property and seeks further Board direction regarding addressing housing/shelter needs in the northern part of Solano County

Published Notice Required? Yes X No       
Public Hearing Required? Yes      No X

### **DEPARTMENTAL RECOMMENDATION:**

The Department of General Services and County Administrator recommend that the Board of Supervisors:

1. Receive an update regarding acquisition of 6996 Leisure Town Road (continued from December 10, 2019 meeting);
2. Property Owner has declined request for extending the escrow and cancelled purchase and sales contract; County staff recommends ending efforts to acquire the property;
3. County staff seeks further Board direction regarding housing/shelter needs in the northern part of Solano County.

### **SUMMARY:**

Solano County and the cities are continuing to experience a residential shelter emergency with limited beds which became more urgent because of the closures of Heather House in 2019 and the closure and repurposing of the Rosewood House Facility to transitional treatment housing.

Also, in 2019 the emergency shelter previously operated as Mission Solano reopened as Shelter Solano with a reduced population. These closures and changes created a larger gap in emergency and transitional shelter beds, and while the Cities of Vallejo and Fairfield have plans and are working on funding for emergency and supportive residential shelter those projects are a few years out. According to the 2019 Point-in-Time Count, there are 1,151 homeless individuals in the County, of whom 81% (932) are unsheltered. (Attachment F - 2019 PIT Homeless Census & Survey.)

Staff has been advised by the Agent representing the Property Owner that 6996 Leisure Town Road property is no longer available for the County to purchase and use for housing unsheltered individuals. The Property Owner has declined the County's request for extending the escrow and has cancelled the purchase and sales contract for the property due to neighborhood opposition and has accepted another offer from a different buyer. Based on this latest development, staff is recommending that the County end efforts to acquire the property on 6996 Leisure Town Road and asks for Board direction regarding housing/shelter needs in the northern part of Solano County.

### **FINANCIAL IMPACT:**

If the property was available for purchase, the cost of \$550,000 for the purchase of the real property will be funded with Capital Improvement Funds currently held in the Accumulated Capital Outlay Fund 006. County staff has conducted due diligence on the property and has determined that, at a minimum, additional structural repairs for the home, new fencing, grading, and replacement of the septic system will be required. These costs are estimated to be \$425,000. The County will pursue State grant housing funds to help offset these anticipated costs for repairs and the purchase of the property. Since 1995, the property was a licensed group home under the State of California and was exempt from paying property taxes and under County ownership will continue not paying property taxes. The County will seek a non-profit organization to operate the facility once the Board makes a final determination on the purchase of the site. If the property was available for purchase; to finance the acquisition, renovation and improvements staff is requesting that the Board approve an ATR appropriating Accumulated Capital Outlay Fund's Contingencies for \$975,000. (requires 4/5 votes)

The costs associated with preparing the agenda item are nominal and contained in the department's FY2019/20 Adopted Budget.

### **DISCUSSION:**

At the Board of Supervisors meeting on December 10, 2019, on a 3 to 2 vote, the Board continued this item to January 7, 2020 after receiving public comments from 36 speakers of which only one was supportive of the County purchasing the property. Due to the continuation of the Board's final action on the purchase, and the community statements of opposition, the Property owner's agent notified the County, that they opted to not grant the requested time extension and instead gave notice December 11, 2019 to cancel the escrow and considered another offer. Upon cancellation of escrow, the County was requested to pay the non-refundable \$10,000 deposit to the Property Owner as specified in the contract.

Notice of December 10, 2019 public meeting to consider the acquisition was published in the Fairfield Daily Republic as required by Government Code sections 25350 and 6063. Adjacent property owners were sent a copy of the newspaper notice. A second notice for the January 7, 2020 public meeting to consider acquisition was published in the Fairfield Daily Republic as required by Government Code sections 25350 and 6063 on December 15, 22 and 29, 2019, however at this time the property is no longer available. Currently staff is recommending that the Board discuss and provide staff direction regarding addressing emergency and transitional housing in Vacaville and in the northern part of the Solano County.

### **ALTERNATIVES:**

In the event that the property becomes available for purchase by the County, and the Property Owner reconsiders, the Board could later adopt a resolution authorizing the County Administrator to execute all documents necessary to acquire 6996 Leisure Town Road, (unincorporated area of Vacaville) for \$550,000 plus closing costs to be used as emergency shelter and transitional housing to address the expanding need for emergency shelters; and Authorize the County Administrator to take any additional actions necessary to facilitate the purchase and initiate renovations and improvements to the site to use the property for its intended use estimated to be \$425,000; and Approve an Appropriations Transfer Request (ATR) for \$975,000 to increase appropriations in Budget Unit 1668 to finance the acquisition, renovation and improvements to the site funded by Accumulated Capital Outlay Fund's Contingencies (4/5 vote required).

### **OTHER AGENCY INVOLVEMENT:**

Previously, County Counsel reviewed the purchase agreement and Resolution for legal sufficiency. General Services requested a title report and coordinated a property investigation and due diligence. Health and Social Services was consulted regarding the funding for and management and operation of the emergency and transitional shelter. Resource Management performed a survey of the property and investigated the existing structures and septic system.

**CAO RECOMMENDATION:**

APPROVE DEPARTMENTAL RECOMMENDATION