

Central Services
Joan Araujo, Director

Engineering Services
Anastasia Seims, Director

Roads & Transportation
Anitha Balan, Director

Water & Sanitation
Vacant, Director

Watershed Protection
Jeff Palmer, Director

September 10, 2024

Board of Supervisors
Ventura County Watershed Protection District
800 South Victoria Avenue
Ventura, CA 93009

Subject: Conduct a Public Hearing Regarding Ventura County Watershed Protection District's (District) Proposed Purchase of Real Property of Approximately 1.5 Acres of Land and Improvements Located at 575 Casitas Vista Road, Ventura, Assessor Parcel Numbers 060-0-260-060, -070, -080, -090, and -100 (Property), from Dennis Ryder and Susan Ryder, Trustees of The Dennis and Susan Ryder Family Trust Dated 12/27/02 (Ryders), for \$1,300,000 Plus Closing Costs Not to Exceed \$15,000, for the Coyote Creek Pilot Channel Project; Approval of, and Authorization for the Director of the Public Works Agency (Director) or Designee to Execute, the Agreement for Purchase and Sale of the Property, Related Documents, and the Settlement Agreement and Release of the Ryders' Tort Claim Against the County of Ventura and District in Exchange for the District's Purchase of the Property; Authorization for the Auditor-Controller to Make Payments Not to Exceed \$1,315,000 to Purchase the Property and Pay all Escrow and Title Fees, including Title Insurance, and to Process the Necessary Accounting Transactions to Adjust Appropriations and Fund Balance; Supervisorial District No. 1. (RECOMMENDATION NO. 4 REQUIRES 4/5THS VOTE)

Recommendations:

1. Conduct a public hearing regarding the proposed Agreement for Purchase and Sale (Purchase Agreement) (Exhibit 3), between the Ventura County Watershed Protection District (District) and Dennis Ryder and Susan Ryder, Trustees of The Dennis and Susan Ryder Family Trust Dated 12/27/02, for District's purchase of the real property located at 575 Casitas Vista Road, Ventura, Assessor Parcel Numbers 060-0-260-060, -070, -080, -090, and -100 (Property) for \$1,300,000 with the District also paying all customary escrow and title fees, including title insurance, for an amount not to exceed \$15,000 for the Coyote Creek Pilot Channel Project.



2. Approve, and authorize the Director of the Public Works Agency (Director) or designee to execute, the Purchase Agreement and additional documents provided by the escrow company required to complete the purchase of the Property, subject to County Counsel review.
3. Approval of, and authorization for the Director or designee to sign, the Settlement Agreement and Release (Settlement Agreement) of the Ryders' tort claim against the County of Ventura and District in exchange for the District's purchase of the Property for \$1,300,000. Authorize the Director to make corrections and clarifications to the Purchase Agreement and Settlement Agreement provided that such changes do not result in the loss of any income to the County, do not subject the County to additional costs, and are subject to review and approval by County Counsel and the County Executive Office.
4. Authorize the Auditor-Controller to process the accounting transactions necessary to revise the following appropriations for FY 2024-25 (requires 4/5ths vote):

Fund S710 Watershed Protection District Zone 1	
INCREASE 4210-4211 Land	\$1,315,000
INCREASE 4210-4211 Intergovernmental Revenues	\$1,207,500
DECREASE 4210-4211 Restricted Public Protection	\$107,500

Fiscal/Mandates Impact:

Mandatory:	No
Source of Funding:	U.S. Department of Agriculture Natural Resources Conservation Service (NRCS), California Office of Emergency Services (CalOES) and Watershed Protection District Zone 1
Funding Match Required:	25% of eligible costs for NRCS of which CalOES will cover 75%
Impact on Other Department(s):	None



Summary of Revenue and Total Costs:

		<u>FY 2024-25</u>		<u>FY 2025-26</u>
Revenue:	\$	1,207,500	\$	0
Costs:				
Direct	\$	1,315,000	\$	0
Indirect – Agency/Dept.	\$	0	\$	0
Indirect – County CAP	\$	0	\$	0
Total Costs	\$	1,315,000	\$	0
Net Costs	\$	107,500	\$	0
Recovered Indirect Costs	\$	0	\$	0

Current Fiscal Year (FY) Budget Projections:

Current FY 2024-25 Budget Projection for Watershed Protection District Zone 1 - Unit 4211				
	Adopted Budget	Adjusted Budget	Projected Budget	Estimated Savings/(Deficit)
Appropriations	\$9,580,000	\$9,580,000	\$9,580,000	\$0
Revenue	\$13,539,200	\$13,539,200	\$13,539,200	\$0
Net Cost	(\$3,959,200)	(\$3,959,200)	(\$3,959,200)	\$0

Sufficient revenue and appropriations will be available in the FY 2024-25 Adopted budget after approval of Recommendation No. 4.

Discussion:

The Ventura County Watershed Protection District (District) proposes purchasing the real property and improvements located at 575 Casitas Vista Road, Ventura (Property) for the Coyote Creek Pilot Channel Project (Project); the Project's implementation was approved by your Board on July 23, 2024. The purpose of the Project is to develop a pilot channel to direct the flow of Coyote Creek which was significantly silted in the Project area as a result of the January and February storms of 2023. The Property is within the Federal Emergency Management Agency's (FEMA) Floodway. Removing the structures and excavating a pilot channel on the Property will increase the creek's ability to convey storm flow through the Project area.

On August 6, 2024, your Board adopted a notice and resolution of intention to purchase the Property. At that time, the District said it would return to your Board on September 10, 2024 to seek your Board's approval to acquire the Property. The District in



consultation with CEO recommends that your Board approve the purchase of the Property.

The District and Dennis Ryder and Susan Ryder, Trustees of The Dennis and Susan Ryder Family Trust dated December 27, 2002, have agreed to the District's purchase price of \$1,300,000 for the Property. The District would also pay all customary escrow and title fees, including title insurance, for an amount not to exceed \$15,000 in connection with this purchase.

The District's original proposed purchase price of \$1,273,000 was based on an appraisal prepared by Jeremy Bagott, MAI, AI-GRS, and the appraisal was reviewed by Kevin P. McAtee, MAI, AI-GRS. However, on August 6, 2024, at the meeting with your Board, Dennis Ryder and Susan Ryder agreed to settle their \$1,400,000 tort claim against the County of Ventura and District for flood damage to their Property if the District agrees to purchase the Property for \$1,300,000. The Ryders' counteroffer is based on the value of the Property for \$1,300,000 in the appraisal report prepared by Jeremy Bagott, MAI, AI-GRS, prior to a "cost to cure" deduction of \$27,000 for the flood damage. The District in consultation with CEO recommends that your Board approve the settlement agreement and release with the Ryders.

On August 6, 2024, your Board discussed that it would be in the best interests of the County of Ventura and District to settle the tort claim and the Coyote Creek community by purchasing the Property for \$1,300,000 so the Project can move forward as planned.

The District is working in collaboration with the U.S. Department of Agriculture Natural Resources Conservation Service (NRCS). Funding is available for the proposed private property purchase and necessary demolition through the NRCS Emergency Watershed Protection Program (EWPP). NRCS administers the EWPP which responds to emergencies created by natural disasters. The EWPP is a recovery effort aimed at relieving imminent hazards to life and property caused by floods, fires, windstorms, and other natural disasters.

On February 20, 2024, the District requested funds from NRCS to purchase the Property. On September 5, 2024, NRCS issued the District a Notice of Award for the grant to purchase of the Property. NRCS will only fund the appraised value of the Property, the balance of the purchase price will come from the District's Zone 1 funds. The agreement to fund the purchase of the Property above the appraised value was made in recognition of the potential litigation costs to the County from the Ryders' tort claim. Since the District is acquiring the Property with funding from NRCS, NRCS requires that the grant deed reference and incorporate a deed restriction to dedicate and maintain the Property in perpetuity as open space for the conservation of natural floodplain functions.



On August 6, 2024, your Board adopted a notice and resolution of intention to purchase the Property for \$1,300,000. On July 23, 2024, your Board determined that the Project is statutorily exempt from the California Environmental Quality Act (CEQA) under CEQA sections 15269 (a) and (c) for Emergency Projects. Because the proposed Property acquisition is part of the Project, no additional CEQA review is required for this transaction.

Strategic Plan:

This item contributes to the Board's 2024-2027 strategic priority to provide:

III Reliable infrastructure and sustainability through

3. Investing in sustainable infrastructure, renewable energy, and preservation of our natural resources.

This letter and the Agreement for Purchase and Sale have been reviewed by the County Executive Office, the Auditor-Controller's Office, and County Counsel.

If you have any questions concerning this item, please contact David Fleisch at (805) 654-2373 or the undersigned at (805) 654-2084.

Sincerely,



Joan Araujo,
Director
Central Services

Attachments:

Exhibit 1 – Vicinity Map
Exhibit 2 – Location Map
Exhibit 3 – Agreement for Purchase and Sale
Exhibit 4 – Settlement Agreement and Release

