

Central Services
Joan Araujo, Director

Engineering Services
Christopher Cooper, Director

Roads & Transportation
Anitha Balan, Acting Director

Water & Sanitation
Joseph Pope, Director

Watershed Protection
Glenn Shephard, Director

June 6, 2023

Board of Supervisors
County of Ventura
800 South Victoria Avenue
Ventura, California 93009

Subject: **Conduct a Public Hearing Regarding Proposed Purchase of Real Property Located at 545 - 555 South A Street in the City of Oxnard (Property) from David A. Elson for \$4.1 Million and Acceptance of the Assignments of the Seven Existing Leases for the Property; Waiver of Board Policy Prohibiting Inclusion of Attorney's Fees Provisions in County Contracts for the Existing Leases; Authorization for the Director of the Public Works Agency or Designee to Accept and Execute the Agreement for the Purchase and Sale of the Property and Related Documents; Authorization for the Auditor-Controller to Make Payments Not to Exceed \$4,140,000 to Complete the Purchase and Sale and Closing Costs and to Process the Necessary Accounting Transactions to Adjust Appropriations and Fund Balance; Supervisorial District No. 5. (Recommendation No. 5 Requires 4/5ths Vote)**

Recommendations:

1. Conduct a public hearing regarding proposed Agreement for Purchase and Sale (Agreement) (Exhibit 1), between the County of Ventura and David A. Elson for the purchase of the real property located at 545 - 555 South A Street in the city of Oxnard (Property) for \$4.1 million and accept the attached assignments of the existing leases of the Property (Exhibit 2).
2. Waive Board policy prohibiting the inclusion of attorney's fees provisions in County contracts for the seven existing leases.
3. Approve and authorize the Director of the Public Works Agency (Director) or designee to execute the Agreement and authorize the Director or designee to



approve and execute additional documents provided by the escrow company required to close the transaction, subject to County Counsel review.

4. Authorize the Director to make corrections and clarifications to the 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 Executive Office.
5. Authorize the Auditor-Controller to process the accounting transactions necessary to revise the following appropriations (requires 4/5ths vote):

General Fund (G001)

INCREASE	2100-2103	Oxnard Family Justice Center (4248)	\$5,000,000
DECREASE	1060-1060	Oxnard Family Justice Center (4248)	\$5,000,000

Fiscal/Mandates Impact:

FISCAL/MANDATES IMPACTS:

Mandatory:		No	
Source of Funding:		General Fund	
Funding Match Required:		No	
Impact on Other Departments:		Minimal	
Summary of Revenues and Costs:		FY 2022-23	FY 2023-24
Revenues:		\$ 0	\$ 0
Costs:			
	Direct	\$ 4,140,000	\$ 860,000
	Indirect-Dept	\$ 0	\$ 0
	Indirect-County CAP	\$ 0	\$ 0
	Total Cost	\$ 4,140,000	\$ 860,000
	Net County Cost	\$ 4,140,000	\$ 860,000
	Recovered Indirect Costs	\$ 0	\$ 0

FY 2022-23 Budget District Attorney – Division 2100				
	Adopted Budget	Adjusted Budget	Projected Budget	Estimated Savings/(Deficit)
Appropriations	\$65,108,730	\$70,849,217	\$66,362,312	\$4,486,905
Revenue	\$21,598,405	\$52,832,905	\$20,707,268	(\$32,125,637)
Net Cost	\$43,510,325	\$18,016,312	\$45,655,044	(\$27,638,732)



FY 2022-23 Budget Projection for Capital Projects – Division 1060				
	Adopted Budget	Adjusted Budget	Projected Budget	Estimated Savings/(Deficit)
Appropriations	\$ 747,725	\$ 56,389,266	\$ 9,014,266	\$ 47,375,000
Revenue	\$ 0	\$ 3,275,284	\$ 3,275,383	\$ 99
Net Cost	\$ 747,725	\$ 53,113,982	\$ 5,738,883	\$ 47,375,099

Discussion:

Currently, the County's sole Family Justice Center (FJC) is located in the city of Ventura. It serves roughly 2,500 crime victims per year (not including children in the home) with wraparound services under one roof. The vast majority of these victims are Medi-Cal enrollees, Latina with two or more minor children in the home and are victims of domestic violence (73%). Nearly 23% of these victims are either Mixteco or mono-lingual Spanish speakers and have limited transportation options. The largest proportion of victims served at the FJC are residents of the city of Oxnard (33%).

The property proposed for purchase is located at 545-555 South A Street in the city of Oxnard (Property) and would leverage \$2,000,000 in Oxnard funds, \$1,000,000 in state funds and \$640,000 in federal funds to acquire and build out an Oxnard FJC to better serve Oxnard victims of domestic violence, sexual assault, child abuse, elder abuse, human trafficking and hate crimes. If the purchase is approved by your Board, the new Oxnard FJC would be named the Carmen Ramirez Family Justice Center and emphasize helping underserved victims in Oxnard and the surrounding unincorporated areas, many of whom do not trust or voluntarily contact law enforcement, are afraid of deportation, and face significant language, cultural, economic and transportation barriers in accessing the Ventura FJC location.

The Property proposed for purchase fits into the County's overall strategic plan to acquire property to house County operations and provide efficiencies and reductions in County operating costs. The Property consists of one parcel with a lot size of 21,000 sq. ft. improved with a two-story 32,825 sq. ft. retail building.

The negotiated sale amount is \$4,100,000. This equates to a per-square-foot price of \$124.90. If the County were to construct a comparable building, the anticipated cost would be \$500-\$600/sf. The Property was originally listed for sale for \$4,600,000, but Public Works Agency Real Estate Services negotiated a purchase price of \$4,100,000, which represents fair market value based on current sales of comparable properties.



General Services Agency inspected the building at the Property and has determined that, although there is some deferred maintenance, the building and the tenant improvements are in good overall condition.

As part of the transaction, the County would accept assignments of the existing seven leases on the Property. Because these leases contain provisions entitling the prevailing party in a lease dispute to recover its attorney's fees from the other party, your Board is also being requested to waive the Board's policy prohibiting the inclusion of such provisions in contracts with respect to those leases. This waiver is being sought because the County cannot amend these attorney's fees provisions in the existing leases that the County would assume.

Currently approximately 36% of the Property is unoccupied and will be the focus of improvements to house the Oxnard FJC's initial operations. The remaining 64% of the Property's square footage is currently occupied either by non-profit community-based organizations that are currently already partner agencies collaborating with the Ventura FJC (31%), or a mix of non-profit and for-profit entities that are not current FJC partners (33%). The seven leases will be honored for the duration of their terms with negotiations to ensue as to renewals if any. It is contemplated that the Oxnard FJC's operational footprint within the Property will increase over time.

County submitted the proposed transaction to the city of Oxnard as required by Government Code section 65402, and Oxnard's staff confirmed that the proposed transaction is consistent with its General Plan.

The purchase of the Property is being funded with monies that were originally set aside by your Board on October 11, 2022, under the American Rescue Plan Act Funding Plan for the Oxnard FJC site. The remaining \$860,000 of the \$5,000,000 will be used for tenant improvements at the Property. Forty thousand dollars has been allocated to cover County's closing costs in escrow.

This letter, the existing leases for the Property, the Agreement for Purchase and Sale, and the Assignments of Leases have been reviewed by the County Executive Office, the Auditor-Controller's Office and County Counsel.

If you have any questions regarding the fiscal and narrative portions of this letter, please contact Scott Powers at 805-677-8761. If you have any questions regarding the purchase or sale portions of this letter, please contact George Andrade, Real Estate Services Manager, at 805-654-2402 or Joan Araujo at 805-654-2084. For questions regarding the program use, please contact Mike Jump, Chief Deputy District Attorney, at 805-654-2331.



Sincerely,



Joan Araujo
Director, Central Services

Attachments:

Exhibit 1 – Agreement for Purchase and Sale

Exhibit 2 – Assignments for Leases

Exhibit 3 – Location Map

