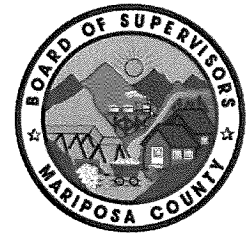


MARIPOSA COUNTY

Administration • 966-3222



RESOLUTION - ACTION REQUESTED 2021-460

MEETING: August 3, 2021
TO: The Board of Supervisors
FROM: Dallin Kimble, County Administrative Officer
RE: Purchase Sale Agreement 5123 Jones Street

RECOMMENDATION AND JUSTIFICATION:

PUBLIC HEARING IS CONTINUED FROM JULY 27, 2021. PUBLIC HEARING: Approve the Purchase and Sale Agreement for Real Property Identified as 5123 Jones Street or as Assessor's Parcel Number 013-112-0030 for Transitional Housing; and Authorize the Board of Supervisors Chair to Sign the Agreement and Any Other Documents Necessary to Execute the Sale (Subject to Approval as to Form by County Counsel)

Many Mariposa families find themselves at risk of homelessness each year. Without adequate transitional housing, these families are often placed in hotel rooms or emergency shelters that prolong the sense of uncertainty and stress. This item proposes purchasing a house on Jones Street to serve as transitional housing to help meet this community need.

The identified property is a 1,150-square foot house with three (3) bedrooms and two (2) bathrooms. It is ideally positioned in the town of Mariposa, where family members can walk to school, work, the grocery store and to access other services. The house was built in 1894 and, like many others in our community, will require some remodeling and upgrades to meet current occupancy standards.

The County entered into an agreement with the seller on June 8th, 2021. That agreement specifies a purchase price of \$250,000 and a 60-day escrow with the sale made contingent on approval from the Mariposa County Board of Supervisors. The extended escrow period was negotiated to allow for mandatory public noticing requirements and to allow due diligence with a variety of inspections to determine the cost of repairs.

Inspections have identified significant costs that would be incurred prior to occupancy. Repairs would be required for the structure itself as well as electrical and plumbing systems. There is asbestos and lead at the site that would require hazardous material removal. There are no relevant building permits, which is not uncommon for a house of this age, and which would require additional engineering and design to be completed. Staff's initial estimate indicates approximately \$108,000 in repairs are needed prior to occupancy.

While some of these expenses would normally be transferred to the sellers, this transaction is an "as is" agreement. With closing costs, the purchase itself, needed

repairs and an allowance for contingencies, the estimated total cost to the County will be \$375,000 - \$425,000. Comparable, good condition, market-ready houses, like this home would be once repairs are made, are selling in this neighborhood for \$300,000 - \$400,000.

Several reports related to this property are attached for your information. Staff anticipates receiving more information with regard to this property, including a completed appraisal, prior to the Board meeting. A recommendation will be available at that time.

BACKGROUND AND HISTORY OF BOARD ACTIONS:

On June 22, 2021, the Board adopted Resolution 2021-378, a resolution of intention to purchase 5123 Jones Street. Appropriate notice was subsequently given through the Mariposa Gazette.

July 7, 2021, the Board of Supervisors ratified the CAO's signature on the Purchase and Sale Agreement.

July 27, 2021, the Board of Supervisors continued the public hearing to August 3, 2021.

ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:

Do not approve. The sale would discontinue and staff would look for alternative sites for transitional housing. The fiscal consequences of negative action would be the cost of the inspections and staff time on this project.

FINANCIAL IMPACT:

\$250,000 is the cost of this property plus remodeling cost. HHSA has adequate funding to cover all cost.

ATTACHMENTS:

Inspection_5123_Jones_St_2190670 (PDF)

TERMITE_on_5123_JONES_ST_MARIPOSA_95338_20210622_TYPE_O (PDF)

C65-21 Asbestos and Lead Report- 5123 Jones St, Mariposa, CA (PDF)

5123 Jones St. Contract_CAO signed (2) (PDF)

RESULT: ADOPTED [UNANIMOUS]

MOVER: Rosemarie Smallcombe, District I Supervisor

SECONDER: Wayne Forsythe, District IV Supervisor

AYES: Smallcombe, Sweeney, Long, Forsythe, Menetrey