

CITY OF SANTA ROSA
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL
FROM: JASON NUTT, ASSISTANT CITY MANAGER
SUBJECT: APPROVAL OF (1) THE ACQUISITION OF 470 SEBASTOPOL ROAD FOR FUTURE CONVERSION TO A POLICE SUBSTATION, (2) ASSUMPTION OF LEASE WITH THE SONOMA COUNTY LIBRARY FOR CONTINUED INTERIM LIBRARY USE, AND (3) DELEGATION OF AUTHORITY TO CITY MANAGER TO EXECUTE ALL NECESSARY DOCUMENTS TO COMPLETE THE TRANSACTION

AGENDA ACTION: RESOLUTION

RECOMMENDATION

It is recommended by the Police Department and Real Estate Services that the Council, by resolution: (1) approve the acquisition of 470 Sebastopol Road, Assessor's Parcel Number 125-162-031 ("Property") for continued temporary operation by the Sonoma County Library as the Roseland Regional Library and future conversion to a police substation ("Project") and approve the associated Purchase and Sale Agreement and Joint Escrow Instructions for the Property with Guillermo Sanchez dated April 13, 2023; (2) approve assumption of the existing Lease with the Sonoma County Library for continued temporary operation of the Roseland Regional Library; and (3) delegate authority to the City Manager to negotiate and execute any necessary agreements, amendments and/or related documents to complete the transaction, subject to approval as to form by the City Attorney.

EXECUTIVE SUMMARY

The City seeks to acquire the Property for continued use as a temporary public library and for future conversion to a police substation. Having a police substation in the location of the Property will allow the City to provide a more visible police presence in the Roseland area and provide greater community access to the police department resources.

Staff recommends the City acquire the Property in accordance with the Purchase and Sale Agreement and Joint Escrow Instructions ("Purchase Agreement") dated April 13, 2023, between the City and Guillermo Sanchez for \$2.2 million and closing costs. The Purchase Agreement is attached to this Staff Report as Exhibit A and is contingent on City Council's approval of the purchase of the Property, among other conditions. Staff

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also recommends that the City assume the existing lease with the Sonoma County Library to allow for the continued temporary operation of the Roseland Regional Library. Staff further recommends that the Council delegate authority to the City Manager to negotiate and execute any agreements, amendments or other related documents for completion of the transaction as described.

BACKGROUND

The Property is currently owned by a private property owner who has leased the Property to the Sonoma County Library for use as the temporary location for the Roseland Regional Library ("Library"), which has been operated onsite since 2019. The Sonoma County Library plans to relocate the Roseland Library site to a more permanent home at the future civic complex known as the Hearn Community Hub. While the new location is built out, the City will continue to lease the space for continued use as a Library. In the longer term, after the Library has moved to its permanent location at Hearn Community Hub, the City will convert the building use to the operation of a police substation.

Roseland was annexed into the City in November 2017. Since becoming part of City limits, it has been the goal to have a more visible police presence in the Roseland Area. The Police Department and Real Estate Services have conducted an extensive search over the past several months to identify available properties to lease or acquire for purposes of locating a police substation. Options analyzed included vacant land for modular buildout, lease locations that required substantial tenant improvements and short- and long-term options. The Property was identified as an ideal location for the police substation in early 2023.

PRIOR CITY COUNCIL REVIEW

On February 28, 2023, in closed session, City Council gave direction to staff on price and terms to negotiate the purchase of the Property.

ANALYSIS

The property owner and staff have negotiated, and Staff has secured an acquisition agreement in the amount of \$2.2 million plus closing costs, in line with the price and term parameters provided by Council in closed session for the Property. Staff now seeks final approval of the acquisition and assumption of the existing lease and delegation of authority to negotiate and execute any additional needed documents.

The Property is comprised of an approximately 4,500 square foot stand-alone building currently leased to the Sonoma County Library for a six-year term that commenced June 15, 2019 and ends June 30, 2025, with 3 additional 24-month options to extend. The base rent is currently \$9,342.82/month with 3% annual increases. The Lease is triple net, and the Library is responsible for paying an additional \$2,340 per month which is an

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estimate of the landlord's actual costs and is reconciled against the actual amount of the costs at the end of each fiscal year. The Library pays for maintenance, utilities, janitorial and landscape, and has invested over \$1.5 million in the Property including HVAC replacement, electrical panel upgrade, upsized sewer line, ADA access points, replacement of all exterior doors, landscaping, irrigation and new restrooms.

FISCAL IMPACT

Funding for the acquisition will be appropriated to General Ledger Account No. 170302 from Measure H Public Safety Special Tax funds allocated to Police and available effective July 1, 2023. Income generated from the assumed library lease will be returned to the Measure H Police fund balance account.

ENVIRONMENTAL IMPACT

The purchase of the Property and future conversion for a police substation have been reviewed pursuant to the California Environmental Quality Act (CEQA) and found to be exempt from further environmental review as follows:

1. The purchase and future conversion of the Property qualifies for categorical exemptions from the California Environmental Quality Act ("CEQA") under CEQA Guidelines Section 15301 (Existing Facilities) and Section 15323 (Normal Operations of Facilities for Public Gatherings). The purchase of the Property will result in the continued operation of the existing library for a period of time. The future police station conversion would be located within the existing structure, resulting in a negligible expansion of an existing use and no new significant impacts. The police station operation would be restricted to the project site, would result in fewer trips for traffic, and would require no off-site improvements to accommodate the proposed conversion. The demand for utility services such as waste, water, sewage, and electricity could be accommodated without expanding or constructing new facilities.

No exceptions to the exemptions apply and there is no reasonable possibility that the activity will have a significant effect on the environment due to unusual circumstances. (CEQA Guidelines section 15300.2.).

2. The purchase and future conversion of the Property also qualifies for an exemption pursuant to CEQA Guidelines Section 15183 in that the Project is consistent with the City's General Plan and the Roseland Area/Sebastopol Road Specific Plan for which environmental impact reports ("EIRs") were prepared and certified. There are no new project-specific conditions or effects that are peculiar to the Project or the Property that were not analyzed in the General Plan and Specific Plan EIRs. The Property is no different than other properties in the surrounding area, and the

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Project does not include any new land use that could create effects beyond those been previously analyzed by the Specific Plan and General Plan EIRs, There are no potentially significant off-site and/or cumulative impacts which the General Plan and Specific Plan EIRs failed to evaluate. The proposed Project is within the scope of the General Plan and Specific Plan EIRs and would represent a small part of the growth that was forecasted for the build-out of the General Plan.

3. The entirety of the Project, including the continuation of the library use and conversion to a police substation has been found to comply with the General Plan as the Project site's CG (General Commercial) zoning designation is considered an implementing zoning district of the Retail and Business Services land use designation. Both the library and the police substation are allowable uses under the General Plan designation and the zoning district. Since no subsequent EIR is necessary pursuant to CEQA Section 15162 and since the City can approve the Project as being within the scope of the analysis covered by the EIR, no new environmental document is required.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

On April 20, 2023, the Measure H Oversight Committee approved use of Measure H funding for the acquisition of the Property.

NOTIFICATION

Not applicable.

ATTACHMENTS

- Resolution
 - Exhibit A - Lease
 - Exhibit B – Purchase Agreement

PRESENTER

Jill Scott, Real Estate Manager