



County Administrative Office  
**COUNTY OF TULARE**  
**AGENDA ITEM**

**BOARD OF SUPERVISORS**

ALLEN ISHIDA  
District One

PETE VANDER POEL  
District Two

PHILLIP A. COX  
District Three

J. STEVEN WORTHLEY  
District Four

MIKE ENNIS  
District Five

**AGENDA DATE:** February 2, 2016 - **REVISED**

Public Hearing Required	Yes <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
Scheduled Public Hearing w/Clerk	Yes <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
Published Notice Required	Yes <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
Advertised Published Notice	Yes <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
Meet & Confer Required	Yes <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
Electronic file(s) has been sent	Yes <input checked="" type="checkbox"/>	N/A <input type="checkbox"/>
Budget Transfer (Aud 308) attached	Yes <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
Personnel Resolution attached	Yes <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
Agreements are attached and signature line for Chairman is marked with tab(s)/flag(s)	Yes <input checked="" type="checkbox"/>	N/A <input checked="" type="checkbox"/>

CONTACT PERSON: Robert Newby    PHONE: 559-624-7240

**SUBJECT:** Amendment to Agreement No. 27361

**REQUEST(S):**

That the Board of Supervisors:

1. Approve an amendment to Tulare County Agreement No. 27361, Purchase and Sale Agreement and Joint Escrow Instructions for 5300 W. Tulare Avenue and 801 S. Akers Road, Visalia, CA, with the Weingart Foundation, a California Nonprofit Public Benefit Corporation, in order to revise the purchase price to \$15,250,000 and modify other contract provisions, subject to receipt and approval of the New CIGNA Lease to be provided by Weingart.
2. Authorize the Chairman of the Board to sign the Amendment upon presentation, subject to receipt and approval of New CIGNA Lease.
3. Approve payment for an American Land Title Survey through escrow.

**SUMMARY:**

On September 22, 2015, the Board of Supervisors approved a Purchase and Sale Agreement for the acquisition of real property located at 5300 W. Tulare Avenue and 801 S. Akers Road in the City of Visalia. The subject property is known as the Tulare/Akers Professional Center and includes a large commercial office building. The property is 14.44 acres and is improved with a 180,000 square foot building. The site includes a full-service generator and over 1,100 parking spaces. Currently, the building has three tenants: CIGNA Health Care, the Internal Revenue Service, and Pearson VUE, a division of Pearson PLC.

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The original negotiated purchase price for the property was \$16,970,000 in September 2015. As a result of changes in lease terms with a tenant in the building since that time, the County and the property owner, the Weingart Foundation, a California Nonprofit Public Benefit Corporation, have negotiated a new purchase price of \$15,250,000 – a reduction of \$1,720,000. This is an average purchase price of \$85 per square foot.

In addition to the purchase amount, the County will also be paying escrow costs, the costs of an American Land Title Survey prepared by 4Creeks Inc. in the amount of \$7,350, and a commission to Hyde Commercial Properties in the amount of ½ of 1% of the purchase price as provided for in a separate Tulare County Professional Services Agreement.

The County has received and reviewed all required documents from the property owner associated with this property through the Due Diligence Process, except for the new lease agreement between the owner and CIGNA Health Care, known as the “New CIGNA Lease.” Review and approval of the New CIGNA Lease by the County is necessary in order to proceed to close of escrow and complete the Due Diligence Process. Upon receipt, the County will review the New CIGNA Lease and provide an approval to the Weingart Foundation.

The County will have 18 business days to review and provide comments on the New CIGNA Lease to the Weingart Foundation after receipt. After the New CIGNA Lease is approved, the County will submit the final copy of this Purchase and Sale Agreement Amendment to the Weingart Foundation. Escrow will close 15 calendar days after the County provides an executed copy of the Purchase and Sale Agreement Amendment to the Weingart Foundation. Submittal of this Amendment by the County to the Weingart Foundation indicates acceptance of all Due Diligence items.

It is recommended that the County approve this Amendment to the Purchase and Sale Agreement. If approved, the Purchase and Sale Agreement will be forwarded to the Weingart Foundation after the County has reviewed and approved of the New CIGNA Lease. Escrow will close 15 business days thereafter.

**FISCAL IMPACT/FINANCING:**

The \$15,250,000 purchase price, escrow fees, and other closing costs are budgeted in Capital Projects, Budget No. 030-086-3220-8132.

**LINKAGE TO THE COUNTY OF TULARE STRATEGIC BUSINESS PLAN:**

The County's five-year strategic plan includes the Organizational Performance Initiative to provide for state-of-the-art technology and infrastructure to support better service delivery. The property acquisition also provides an updated work space to keep a qualified and productive County workforce.

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**ADMINISTRATIVE SIGN-OFF:**

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Robert Newby  
General Services – Property Manager

Cc: Auditor-Controller  
County Counsel  
County Administrative Office (2)

Attachment(s) Amendment Agreement and Joint Escrow Instructions

**BEFORE THE BOARD OF SUPERVISORS  
COUNTY OF TULARE, STATE OF CALIFORNIA**

IN THE MATTER APPROVING AN )  
AMENDMENT TO AGREEMENT NO. 27361 ) Resolution No. \_\_\_\_\_  
 ) Agreement No. \_\_\_\_\_

UPON MOTION OF SUPERVISOR \_\_\_\_\_, SECONDED BY  
SUPERVISOR \_\_\_\_\_, THE FOLLOWING WAS ADOPTED BY THE  
BOARD OF SUPERVISORS, AT AN OFFICIAL MEETING HELD \_\_\_\_\_  
\_\_\_\_\_, BY THE FOLLOWING VOTE:

AYES:  
NOES:  
ABSTAIN:  
ABSENT:

ATTEST: MICHAEL C. SPATA  
COUNTY ADMINISTRATIVE OFFICER/  
CLERK, BOARD OF SUPERVISORS

BY: \_\_\_\_\_  
Deputy Clerk

\* \* \* \* \*

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