



DATE: 12/1/2021
TO: BOD
FROM: Dan Efseaff, District Manager
SUBJECT: Report on Resolution #21-12-2-509 to authorize the District Manager signatory authority to acquire the donated Jordan Hill Property (APNs 065-260-001 and 058-130-035) from the Nicholas G. Repanich and Susan M. Repanich Trust

Summary

The District has an opportunity to accept the donation of real estate, two parcels in Magalia (Assessor's Parcel Numbers (APNs): 065-260-001 and 058-130-035) from the Nicholas G. Repanich and Susan M. Repanich Trust.

Recommendation: Approve resolution #21-12-2-509 (Attachment A) to authorize the District Manager signatory authority to finalize acquisition of Jordan Hill Road property donation.

1. Background

At the regularly scheduled Board of Directors' meeting on November 10, 2021, staff presented information related to the potential acquisition of two parcels at Coutolenc and Jordan Hill Road in Magalia (Property Briefing, Attachment B). During the meeting, the Board directed staff to present due diligence gathered to the Finance and Park and Recreation Committees and sign onto a Memorandum of Understanding (MOU) to help govern the donation process (MOU, available online here: https://www.paradiseprrpd.com/files/94f7678ce/3.1b_Jordan.Hill.Repanich.MOU.21.1007.pdf). As directed by the Board staff met with the Finance Committee on November 15, 2021, and the Park and Recreation Committee on November 17, 2021. Both Committees recommended bringing the acquisition proposal back to the full Board for consideration and possible approval for purchase. During the meeting process, a member of the public brought attention to a discrepancy parcel size that may result in inaccurate County records and an overestimate of the appraised value. Staff is working with the County on rectifying this issue and will request the modification of the appraised value if warranted. Staff will have up-to-date information at the meeting.

Even with a reduced total acreage, the donated land has value to the District in serving as a major recreation support amenity for the Magalia and Paradise Lake loop trail and potentially other uses.

2. Fiscal Impact

Grant funding from the North Valley Community Foundation Design/Planning grant and The Nature Conservancy covered the costs of due diligence required by the District prior to accepting the land donation and acquiring the two parcels. The land, if donated, will add to overall District land assets with costs incurred only for due diligence and closing fees. While the District will incur costs in the development and long-term maintenance of the site, the District has been committed to pursuing park development in the area for many years, and the property provides options for recouping maintenance costs through parking fee structures similar to those charged at Paradise Lake.

3. Permits and Environmental Review

The acquisition, sale, or other transfer of land to establish a park is exempt under CEQA. Any future development of the site may require Butte County Building Permits or review, but investment into infrastructure at the new property is anticipated to be minimal such as, portable restroom, trash/recycling bin, gravel parking area, and signage.

The staff has received a completed Phase I Environmental Site Assessment (Phase I ESA, available online here: https://www.paradiseprrpd.com/files/ef3840012/3.1d_Jordan.Hill.Phase+I+ESA+for+Real+Estate+Transactions%28FINAL%29.21.1015.pdf), which indicates that the property is safe for the planned use. A Condition of Title Guarantee and Preliminary Title Report is available for review (Condition of Title Guarantee and Preliminary Report, available online here: https://www.paradiseprrpd.com/files/c7cf2763c/3.1e_CLTA+28+Condition+of+Title+Guarantee+%28282-7-14%29-Jordan+Hillsized.pdf).

4. Discussion

The property meets multiple District goals, such as: an opportunity for access and parking for the forthcoming Magalia Paradise Lake Loop Trail; land management to reduce fire risks (on a small but critical “top third of slope” area); and educational opportunities.

In the past, the site has been used for illegal dumping, however, making improvements to the property, more frequent official presence, and sanctioning public use would reduce dumping at the site as more people would be actively accessing the site for recreational use on a regular basis.

Since the time the Board first considered the acquisition on November 10th, staff have completed due diligence on the property (Title information, Review of Appraisal, Phase I Environmental Report, Record of Land Survey (https://www.paradisepd.com/files/fd99533ef/3.1f_Jordan.Hill.Record.Land.Survey.pdf), and Property Survey (https://www.paradisepd.com/files/c0952e43e/3.1g_Jordan.Hill.Property.Survey.pdf)).

During the review with the BOD, a member of the public observed a discrepancy in size. Staff have brought the discrepancy in acreage or potentially errors in the record to County staff to resolve the issue. If verified, the potential discrepancy in acreage will result in a change in the County records and potentially a change in the value of the property.

Other than potential costs associated with the appraisal revision, the resulting change will result in no additional costs to the District, but changes to the property value will alter the valuation of the property on the balance sheet and the donation for tax purposes. This may require additional Title Company research. While these are significant issues, BOD action to provide authorization will allow for the timely completion of the acquisition once they are remedied.

Attachments:

- A. Resolution #21-12-2-509
- B. Property briefing

https://paradisepd.sharepoint.com/sites/BODMeeting/Shared Documents/_BOD/2021/21.1208/2021.1208.BOD.Jordan.Hill.Road.Property.Donation.Report.docx

12/8/2021