Board Items 6.1 and 6.2

Real Estate Transaction: Valencia Parcel No. 3 and Related Agreements

SOCCCD Board Meeting
June 23, 2014

Dr. Debra L. Fitzsimons, Vice Chancellor of Business Services
Dr. Randy W. Peebles, Associate Vice Chancellor of Economic Development
Valencia Strip .57 AC Gross / Approximately .25 net
ATEP SITE MAP

Advanced Technology & Education Park
SOUTH ORANGE COUNTY COMMUNITY COLLEGE DISTRICT - TUSTIN

Exhibit B - Site Map
May 2014
At closing, the following steps will occur:

- The SOCCCD sublease with the City will be amended to delete the Valencia Parcel
- SOCCCD will convey to the City by quitclaim deed “The Strip” Parcel
- Pursuant to the Development Agreement Amendment, SOCCCD will relinquish its right to acquire fee title to the Valencia Parcel
- The parcels will be removed from the definition of “SOCCCD Property”
- Pursuant to the interim lease amendment, the lease by SOCCCD of the temporary campus will be extended an additional year with an option for SOCCCD to extend the term for 6 additional months
Consideration: The consideration for SOCCCD to enter and consummate the transaction is $1 million. To be paid as follows:

- City will receive a $500,000 credit for the Valencia Parcel pursuant to the Land Exchange Agreement between City and District dated May 22, 2013
- At closing, city will pay SOCCCD $500,000 in cash

Mutual Releases: City and SOCCCD will mutually release each other from all claims relating to the parcels.

Costs: City to pay all transaction costs and to reimburse attorneys' fees for transaction up to $64,000.

Due Diligence: Prior to entering into the Valencia Parcel Agreement, the City is to have completed its due diligence of the Parcel.

Closing Date: The closing of the transaction will occur 5 business days after the 35 day statute of limitations under CEQA has expired.
Transaction Details (continued)

**Parking:** City will be developing parking facilities. If there is available parking, City and District will negotiate in good faith an agreement that will enable SOCCCD or its lessees to use the parking facilities.

**Development Agreement Amendment:** City and SOCCCD will execute and record an amendment to the Development Agreement concerning ATEP.

- SOCCCD will relinquish its right to acquire fee title of Valencia Parcel and the parcels will be removed from definition of SOCCCD Property.
- Neither the square footage nor the number of vehicle trips assigned to the SOCCCD Property will be affected by the deletion of the Parcels.
- This means SOCCCD will have the right to develop the remainder of the SOCCCD Property with the same number of square feet currently authorized.

**Termination of McCain Agreement:** Currently, City and District are parties to this infrastructure and payment agreement.

- At closing, this agreement will be terminated.
- SOCCCD will have no responsibility for paying any portion of the cost of the design and construction of McCain Smith Road (savings of approximately $260k to SOCCCD).
Transaction Details: Valencia Parcel CC & R’s

Valencia Parcel CC & R’s: At closing, SOCCCD and City will execute and record a declaration of covenants, conditions, and restrictions imposing use restriction against the Valencia parcel for the benefit of SOCCCD.

The Valencia Parcel can only be used for the following purposes as identified in the Tustin Legacy Specific Plan:

- Ball fields, courts, playgrounds, and other recreational facilities
- Public park and;
- Field lighting; and the following accessory uses when associated with a permitted use:
  - Maintenance facilities and structures
  - Support commercial concessions
  - Gazebos
  - Parking

The Valencia Parcel CC & R’s will run with the land and bind the Valencia Parcel.
Transaction Details: Strip Parcel CC & R’s

Strip Parcel CC & R’s: At closing, SOCCCD and City will execute and record a declaration of covenants, conditions, and restrictions imposing use restriction against “The Strip” parcel for the benefit of SOCCCD.

The Strip Parcel can only be used for the following purposes:

- Landscaping and open spaces
- Any uses that are currently permitted or conditionally permitted by the Specific Plan for the adjacent parcel that is owned by the OC Rescue Mission, including transitional housing and medical clinics, or
- Accessory uses and structures that are associated with any of the foregoing

The Strip Parcel CC & R’s will run with the land and bind the Strip Parcel
Transaction Timeline

- **May 27** – City Planning Commission Hearing
- **June 17** – City Council First Reading
- **June 23** – SOCCCD Board Action
- **July 1st** – City Council Second Reading
- **August 14** – Transaction Closing Date
Board Items 6.1 and 6.2

- **Item 6.1** – Approval and resolution regarding CEQA

- **Item 6.2** – Approval and resolution approving agreements/implementation of real estate transaction
Questions?