



224  
SUBMITTAL TO THE BOARD OF DIRECTORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



FROM: Paul Frandsen, General Manager

SUBMITTAL DATE: 3/20/03

SUBJECT: APPROVAL OF OPTION AGREEMENT WITH THE MT. SAN JACINTO COMMUNITY COLLEGE DISTRICT FOR POTENTIAL SALE OF PROPERTY IN WILDOMAR

RECOMMENDED MOTION: That the Board of Directors:

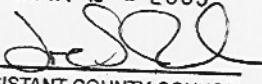
- 1) approve the attached Option Agreement to Purchase and Sell Real Property and Escrow instructions; ("Option Agreement"), and authorize the Chairman and County Counsel to execute the Option Agreement on behalf of the Park District;
- 2) authorize the General Manager to forward the Option Agreement to the Mt. San Jacinto Community College District ("MSJCC") for approval and execution by the President of their Board of Trustees;
- 3) authorize the General Manager to take all actions necessary to administer the Option Agreement in accordance with its terms and conditions and to sell the property in the event that MSJCC exercises the Options;


(continued on page 2)

356-Wildomar Option Agreement Sale  
San Jacinto College

FORM APPROVED  
COUNTY COUNSEL

MAR 24 2003

BY   
ASSISTANT COUNTY COUNSEL

  
Paul Frandsen, General Manager

FINANCIAL DATA: Revenues received from Option payments will be deposited into Fund 51560. Sales proceeds, if any, will be deposited into Funds 51560 and 30562 per the recommended motion.

CURRENT YEAR COST \$ 0

ANNUAL COST:\$ 0

NET COUNTY COST\$ 0

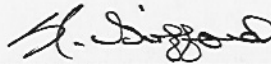
IN CURRENT YEAR BUDGET:\$ N/A

BUDGET ADJUSTMENT FY:\$ N/A

SOURCE OF FUNDS:   

C.E.O. RECOMMENDATION:

APPROVE

County Executive Office Signature 

Prev. Agn. ref.

Dist. I

AGENDA NO.

13.1

Department Recommendation:  Consent  Policy  
Per Executive Office:  Consent  Policy

**Subject:** APPROVAL OF OPTION AGREEMENT WITH THE MT. SAN JACINTO COMMUNITY COLLEGE DISTRICT FOR POTENTIAL SALE OF PROPERTY IN WILDOMAR

- 4) If the Option is exercised by MSJCC, direct the Park District and Auditor-Controller to deposit \$1.37 million of the sales proceeds in Park District Fund 51560 and the \$3,430,000 balance in First District Development Agreement Regional Park Fund 30562 (30562-1103500000-230100); and
- 5) Direct the Park District to restrict the expenditure of the \$1.37 million to First District park and open space purposes approved by your Board.

**BACKGROUND:**

Following the receipt of authorization from your Board, in 1995 the Park District acquired 161.27 acres of real property located on the north side of Clinton Keith Road in Wildomar. The property was appraised at \$1,370,000 and purchased for \$950,000, with the \$420,000 difference representing a gift from the Sellers to the Park District. The acquisition was accomplished using First District Development Agreement and Development Mitigation funds.

The President and representatives of the MSJCC subsequently contacted the office of Supervisor Bob Buster to express potential interest in purchasing a portion of this property for the development of a new college campus. Several meetings occurred among Supervisor Buster and his staff, County Counsel, Park District staff, and representatives of MSJCC to discuss this concept.

County Counsel and counsel representing MSJCC then negotiated and prepared the attached Option Agreement. Salient provisions of the Option Agreement include the following:

1. The Option Agreement covers approximately 80.3 acres of the 161 acres originally purchased by the Park District. The affected property is bounded by La Estrella Street to the north and Clinton Keith Road to the south;
2. The term of the Option is two years, with the Buyer granted a right to a maximum of four six-month extensions. Each six-month extension shall be accompanied by a \$50,000 payment recognizing that the first six-month extension shall be funded through the original option payment. The price for the Option is one hundred thousand dollars (\$100,000), which shall be applied to the purchase price if MSJCC exercises the option and closes escrow;
3. If the option is terminated or not exercised before its expiration, fifty thousand dollars (\$50,000) will be refunded to MSJCC and the balance will be retained by the Park District;
4. If MSJCC exercises the option, the purchase price of the property will be four million eight hundred thousand dollars (\$4,800,000). That value was determined by a recent appraisal accepted by the Facilities Management Department and MSJCC; and
5. If MSJCC purchases the property, it will pay one half of the escrow fees, with the Park District paying the balance.

County Counsel prepared the attached Option Agreement and has approved it as to form.