



928  
SUBMITTAL TO THE BOARD OF DIRECTORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



FROM: Regional Park & Open-Space District

SUBMITTAL DATE:  
10/16/06

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

RECOMMENDED MOTION: That the Board of Directors:

- 1) approve the attached Amendment to Option Agreement to Purchase and Sell Real Property and Escrow Instructions ("Amendment"), and authorize the Chairman to execute the Amendment on behalf of the Park District;
- 2) authorize the General Manager to forward the Amendment to the San Jacinto Community College District ("MSJCC") for approval and execution by the President of their Board of Trustees; and
- 3) authorize the General Manager to take all actions necessary to administer the Option Agreement executed April 8, 2003, as amended, in accordance with its terms and conditions.

BACKGROUND: An Option Agreement To Purchase Real Property and Joint Escrow Instructions ("Option Agreement") was entered into on April 8, 2003 by and between the Riverside County Regional Park and Open-Space District ("Park District") and the Mt. San Jacinto Community College District ("MSJCC"). The property being purchased is approximately 80 acres in Wildomar, north of Clinton Keith Road. (continued on page 2)

PS/mg  
549-Wildomar Option Agreement Mt. San Jacinto College

*Paul Frandsen*  
Paul Frandsen, General Manager

FINANCIAL DATA n/a	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	N/A
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	N/A
	Annual Net County Cost:	\$ 0	For Fiscal Year:	N/A

SOURCE OF FUNDS:	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION: APPROVE

County Executive Office Signature *Alex Hann*

Dep't Recomm.:  Consent  Policy

Per Exec. Ofc.:  Consent  Policy

Prev. Agn. Ref.: District: III Agenda Number:

ATTACHMENTS FILED WITH THE CLERK OF THE BOARD

13 . 1

Form Approved  
OCT 16 2006  
BY [Signature]

3008 OCT 18 5:15: P3  
RECEIVED

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

The initial term of the Option Agreement was for two (2) years commencing May 1, 2003 with a right to a maximum of four (4), six-month extensions. Thus, the maximum total contract period was four (4) years, ending April 30, 2007.

MSJCC has exercised three (3) six-month extensions to the Option Agreement, which terminates on October 31, 2006. The final extension period from November 1, 2006 to April 30, 2007 has not yet been exercised.

Due to the pending Appeal in the Ste. Marie v. Riverside County Regional Park and Open-Space District, it is necessary to extend the time period of the Option Agreement for two (2) additional years.

The terms of the Option Agreement provide that all funds paid by MSJCC shall be applied to the purchase price. This provision is not changed by the Amendment. However, the Amendment provides that in the event the sale is not consummated, all option monies paid by MSJCC shall be fully refundable. This concession is a reasonable showing of good faith on behalf of the Park District due to the financial investments made by MSJCC, in good faith, while litigation has been pending.

To date, MSJCC has paid in excess of \$500,000 for various costs to consummate the Option Agreement (i.e., architectural, legal, environmental impact and other reports and studies). Therefore, it is proposed that the costs previously paid by MSJCC be deemed adequate consideration for the proposed two (2) year extension to the Option Agreement, bringing the total contract period to six (6) years, ending April 30, 2009.

In the event MSJCC desires further extensions, not to exceed two (2) additional years, then a payment of \$50,000.00 shall be required for each of the four (4), six-month extensions that may be further exercised. Thus, the maximum total contract period may not exceed eight (8) years ending April 30, 2011.

County Counsel has approved the Agreement as to form.