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**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



FROM: Economic Development Agency

SUBMITTAL DATE:

July 15, 2010

SUBJECT: Agreement to Terminate Cooperative Agreement and Cancel Purchase and Sale Agreement and Escrow – City of Indio

RECOMMENDED MOTION: That the Board of Supervisors approve the attached Agreement to Terminate Cooperative Agreement and Cancel Purchase and Sale Agreement and Escrow and authorize the Chairman of the Board to execute the same on behalf of the County.

BACKGROUND: On October 21, 2008, the County of Riverside and the City of Indio entered into a Cooperative Agreement concerning the relocation of County Library and the Purchase and Sale of Land in the City of Indio; where the City desired to expand its administrative facilities to meet its growing needs. The Cooperative Agreement stated the City agreed to purchase from County and County agreed to sell to City certain real property and improvements described as Assessor's Parcel Number 611-212-041 contingent upon the relocation of the County's McCandless Library to a new location that the City would provide.

(Continued)

Robert Field
Assistant County Executive Officer/EDA

FINANCIAL DATA	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 Jennifer L. Sargent

FORM APPROVED COUNTY COUNSEL
BY: Synthia M. Gunzel DATE: 6-18-10
DATE: _____
CONCURRENCE

Dep't Recomm.: Consent Policy
Per Exec. Ofc.: Consent Policy

Prev. Agn. Ref.: 3.33 of 10/21/08; 3.16 of 10/7/08

District: 4

Agenda Number:

3.27

ATTACHMENTS FILED WITH THE CLERK OF THE BOARD

Economic Development Agency
Agreement to Terminate Cooperative Agreement and Cancel Purchase and Sale Agreement
and Escrow – City of Indio
June 30, 2010
Page 2

BACKGROUND: (Continued)

Due to the recent market conditions and financial issues, the City and County desire to terminate this Cooperative Agreement and cancel the purchase and Sale Agreement and Escrow which are no longer feasible for the City. The termination of this Cooperative Agreement shall result in the cancellation of the Purchase and Sale Agreement and any obligations to lease the New McCandless Library Location to the County.

Upon termination of this Cooperative Agreement, County and City shall cancel Escrow with First American Title Company. First American Title Company will be instructed to immediately release all funds deposited by City held in escrow.

FINANCIAL DATA:

There is no financial data associated with this document.

**AGREEMENT TO TERMINATE COOPERATIVE AGREEMENT
AND CANCEL PURCHASE AND SALE AGREEMENT AND ESCROW**

This Agreement to Terminate Cooperative Agreement and Cancel Purchase and Sale Agreement and Escrow ("Agreement"), dated as of _____ ("Effective Date"), is entered into between the City of Indio, a California municipal corporation ("City") and the County of Riverside, a political subdivision of the State of California ("County"), sometimes collectively referred to as the "Parties".

Recitals

A. On October 21, 2008, City and County entered into a Cooperative Agreement Concerning the Relocation of County Library and Purchase and Sale of Land in the City of Indio ("Cooperative Agreement"), pursuant to which the City agreed to purchase from County and County agreed to sell to City certain real property and improvements known as Assessor's Parcel Number 611-212-041 contingent upon the relocation of the County's McCandless Library to a new location that the City would provide ("Property").

B. Pursuant to Article 2, Section 7.3 of the Cooperative Agreement, the City and County desire to terminate the Cooperative Agreement and Cancel the Purchase and Sale Agreement and Escrow because it is no longer feasible, advantageous or desirable for both parties to continue with the Cooperative Agreement.

C. Pursuant to Article 3, Section 3 of the Cooperative Agreement, the Termination of the Cooperative Agreement shall result in the cancellation of the Purchase and Sale Agreement and cancellation of any obligation to lease the New McCandless Library Location to the County.

THEREFORE, the Parties agree as follows:

Section 1. Termination of Agreement

County and City each agree that as of the Effective Date and pursuant to the terms of the Cooperative Agreement, the Cooperative Agreement is terminated and of no further legal effect. This Agreement effectively cancels the Purchase and Sale Agreement and Escrow and releases the Parties from the obligation of entering into a lease for the New McCandless Library Location.

Section 2. Cancellation of Escrow

County and City cancel Escrow with First American Title Company (NCS-418250-ONT1). By a copy of this Agreement, First American Title Company is instructed to release immediately all funds deposited by City held in that escrow, less City's share of fees and costs, to City and all funds deposited by County held in that escrow, less County's share of fees and costs, to County. The Parties shall each equally bare any escrow cancellation fees and charges.

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Section 3. Mutual Release

City and County mutually release each other and their agents, contractors, officers, directors, and employees from all obligation to buy, sell, or exchange the Property, relocate and lease the McCandless Library or any other obligations included in the Cooperative Agreement, and from all claims, actions and demands that each may have against the other(s) by reason of the Cooperative Agreement. The Parties intend that all rights and obligations arising out of the Cooperative Agreement are null and void.

Section 4. No Admission of Liability

City and County neither expressly, nor impliedly admit any fact or liability of any type or nature with respect to any matter, or the sufficiency of any claims, allegations, assertions, or positions relating to the Cooperative Agreement.

Section 5. Warranty of Authority

City and County represent that each party has the legal power, right and authority to enter into this Agreement and the instruments referenced herein to terminate the Cooperative Agreement shall bind the Parties for the agreements contained herein as so executed.

Section 6. Miscellaneous

This Agreement shall be binding on and shall inure to the benefit of County and City and their respective successors and assigns. This Agreement shall be governed and construed in accordance with California law.

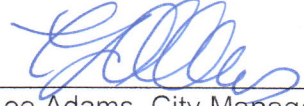
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IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

Date: _____

CITY OF INDIO, a California municipal corporation

By: 
Tara Lee Adams, City Manager

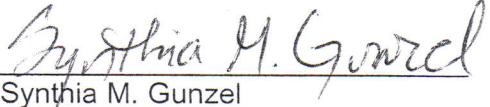
COUNTY OF RIVERSIDE, a political subdivision of the State of California

By: _____
Marion Ashley, Chairman
Board of Supervisors

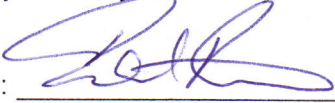
ATTEST:
Kecia Harper-Ihem
Clerk of the Board

By: _____
Deputy

APPROVED AS TO FORM:
Pamela J. Walls
County Counsel

By: 
Synthia M. Gunzel
Deputy County Counsel

APPROVED AS TO FORM:
Woodruff, Spradlin & Smart
City Attorney

By: 

MT:jw
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