

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



ITEM
3.8
(ID # 6726)

MEETING DATE:
Tuesday, May 8, 2018

FROM : ECONOMIC DEVELOPMENT AGENCY (EDA):

SUBJECT: ECONOMIC DEVELOPMENT AGENCY (EDA): Ratification and Approval of Professional Services Agreement for Real Estate Services between the Mt. San Jacinto Community College District and the County of Riverside, District 3; [\$0]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Ratify and approve the attached Professional Services Agreement for Real Estate Services between County of Riverside and the Mt. San Jacinto Community College District; and
2. Authorize the Chairman of the Board to execute said Agreement on behalf of the County of Riverside.

ACTION: Policy

Robert Field, Assistant County Executive Officer/ECD

4/9/2018

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Jeffries, seconded by Supervisor Perez and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Tavaglione, Washington, Perez and Ashley
Nays: None
Absent: None
Date: May 8, 2018
xc: EDA

Kecia Harper-Ihem
Clerk of the Board
By:
Deputy

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

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 0	\$ 0	\$ 0	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: N/A			Budget Adjustment:	No
			For Fiscal Year:	2017/18

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

Mt. San Jacinto Community College District (District) recently requested the services of the Real Estate Division of the Economic Development Agency (EDA) to provide acquisition support services and to negotiate the purchase of a new community college campus site in the Temecula area. Through this Professional Services Agreement for Real Estate Services (Agreement), EDA in partnership with the District pursued the necessary due diligence and negotiated the purchase of a 370,000 square foot modern office complex situated on approximately 21 acres and formerly known as the Abbott Corporate Offices located at 41888 Motor Car Parkway in Temecula.

In addition to real estate acquisition services that were provided, the attached Agreement allowed for other real estate professional support services, such as appraisal, facility analysis services, title and escrow services and contract negotiations to be provided by EDA and reimbursed or paid directly by the District. EDA is expected to return to the Board with a separate Real Estate Services Agreement to provide leasing support and further real estate support services in order to assist the District with this new campus project.

This Agreement has been reviewed and approved by County Counsel as to legal form.

Impact on Citizens and Businesses

This effort by the District will provide the community with college level educational programs and a community college campus that is easily accessible and centrally located within the Temecula Valley region.

SUPPLEMENTAL:

Additional Fiscal Information

The transaction cost, which include Real Estate staff and County Counsel time, will be paid through the revenue from this Professional Services Agreement for Real Estate Services.


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

Attachment:

- (4) Professional Services Agreement for Real Estate Services

RF:HM:VY:CAO:tg 307FM 19.714 13799
Minute Traq ID 6726


Nehini Macna, Principal Management Analyst 4/30/2018


Gregory V. Priaplos, Director County Counsel 4/25/2018

1 **PROFESSIONAL SERVICES AGREEMENT**
2 **FOR REAL ESTATE SERVICES PROVIDED TO**
3 **MT. SAN JACINTO COMMUNITY COLLEGE DISTRICT**
4

5 This Agreement for Real Property Services ("Agreement") dated as of
6 May 8, 2018, by and between the County of Riverside, a political subdivision of
7 the State of California ("County"), acting by and through its Economic Development Agency,
8 Real Estate Division ("EDA"), and the Mt. San Jacinto Community College District, a
9 community college district duly organized and existing under the laws of the State of California
10 ("District"), sometimes collectively referred to herein as "Parties".

11 WHEREAS, District has a need to procure professional real estate services to assist in
12 the acquisition of property that will assist the District in providing community college services
13 in the southwest area of the County of Riverside ("Property"); and

14 WHEREAS, County has established EDA to negotiate and acquire, lease and manage,
15 and dispose of real property on a countywide basis; and

16 WHEREAS, District and County desire to enter into this Agreement to authorize EDA to
17 provide real estate acquisition support services to the District on a compensation fee basis;

18 NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of
19 which are hereby acknowledged, the Parties agree as follows:

20 **1. Description of Services.**

21 EDA shall provide professional real estate services related to the acquisition of
22 real property for a community college campus in the southwest region of the County of
23 Riverside (the "Project"), as further outlined in this Agreement.

24 **2. Term.**

25 The period of performance for this Agreement shall commence on December
26 15, 2016 and shall terminate upon completion of the close of escrow on the Property and
27 services and full performance of this Agreement unless sooner terminated by either party,
28 pursuant to the terms provided in Paragraph 4 herein.

1 **3. Compensation.**

2 The District shall pay the County for real estate services performed and
3 expenses incurred in accordance with the terms of this Agreement. The total amount of
4 compensation paid by District to the County under this Agreement shall be Two Hundred Fifty
5 Thousand Dollars (\$250,000) and such compensation fee shall be paid within Sixty (60) days
6 from the full execution of this Agreement.

7 **4. Termination.**

8 This Agreement may be terminated, with or without cause, with a thirty (30) day
9 notice in writing by either party. In the event that District shall terminate this Agreement,
10 County shall be compensated as per Section 3 above.

11 **5. Compensation Schedule.**

12 No work shall be undertaken on any parcel until authorized pursuant to the
13 procedures set forth in Section 8 of this Agreement.

14 **6. Schedule.**

15 Following the execution of this Agreement, District and EDA shall develop a
16 project schedule for the acquisition of parcels necessary for the completion of the Project.
17 EDA shall notify District immediately if it concludes such a schedule requires modification or is
18 no longer feasible.

19 **7. Coordination.**

20 A. The official representative of District on all property related matters shall
21 be the District President or his/her designee. The official representative of EDA on all
22 property related matters related to this Agreement shall be the Deputy Director of Real
23 Estate/EDA or his/her designee.

24 B. The Deputy Director of Real Estate/EDA or his/her designee will make all
25 contacts with District through the District official as so designated. At the same time, contacts
26 by District personnel with EDA will be coordinated through the Deputy Director of Real
27 Estate/EDA, or his/her designee.

28 C. The Deputy Director of Real Estate/EDA, will meet as necessary with the

1 District's President and staff to review and discuss acquisition criteria and the status of the
2 Project.

3 D. All real property acquisition decisions made by EDA shall be based on
4 District's statutory authority and in conjunction with the District.

5 E. District hereby authorizes its President to execute addenda to this
6 Agreement as necessary on behalf of District.

7 **8. Procedures.**

8 A. District agrees:

9 (1) In addition to the compensation set forth in Section 3, to fund one
10 hundred percent (100%) of all real estate costs, subject to the provisions of this Agreement,
11 which costs shall include, but not be limited to, due diligence costs, amounts paid to any
12 owner for property or easements acquired from said owner, title insurance premiums, escrow
13 fees and related charges, appraisal fees, consulting fees and the cost of services approved by
14 the District and to be provided and performed by EDA as set forth herein.

15 (2) To provide EDA with criteria for site selection

16 (3) To furnish EDA with existing reports, plans and profile maps,
17 environmental assessment reports and other pertinent and relevant materials and information
18 regarding the Project.

19 B. EDA agrees, at District's expense, to manage the acquisition and provide, or
20 cause to be provided, related services, which shall include:

21 (1) Acquiring property in the name of the District or such other name as
22 District shall designate.

23 (2) Obtaining any necessary appraisals requested by District. During the
24 course of negotiations, no commitments will be made to any property owners without the
25 written consent of District. All such commitments will be addressed in a formal agreement
26 negotiated by EDA with support of the District and District's counsel for this Project.

27 (3) Contracting for the necessary escrow and title services with a firm or
28 firms approved by EDA and District for all parcels acquired on behalf of District and

1 overseeing said escrow and title services to include:

2 (a) Opening escrow.

3 (b) Making arrangements for conveyance of title.

4 (c) Causing the escrow and/or title company to remove encumbrances
5 to title in order to deliver clear title to any parcel or easement to the satisfaction of District.

6 (d) Delivering to the escrow company checks payable to the escrow
7 and/or title company prepared or caused to be prepared by District for payment of property
8 and easement acquisitions, escrow fees, title charges and other related costs.

9 (e) Causing the escrow company to prepare a final closing statement of
10 each completed property transaction to be delivered to District.

11 (4) Furnishing to District periodic status updates of all parcels in escrow,
12 together with estimated costs, including title premiums, escrow fees and other related
13 expenses as to each open escrow.

14 (5) Furnishing to District periodic status updates regarding the progress of
15 work and budgetary expenditures for the Project in such form and format and at such
16 frequency as EDA and District shall agree.

17 (6) Completing acquisitions of all parcels;

18 (7) Delivering or causing to be delivered to District a final product with
19 respect to the acquisition to include the following:

20 (a) Project file

21 (b) Original recorded deed

22 (c) Original executed agreement

23 (d) Policy of Title Insurance

24 (e) Correspondence, notes and acquisition documentation

25 C. It is mutually agreed:

26 (1) The purpose and intent of this Agreement is for District to retain the
27 professional real estate services of EDA to expedite the acquisition of property for a Project
28 site. The fact that this Agreement specifies that certain costs or payments shall be made to

1 EDA by District does not imply that any costs not specified herein shall be borne by EDA or
2 not reimbursed by District, however any such costs not specified which EDA wishes to be
3 reimbursed by District must be approved by District in writing prior to any reimbursement.

4 (2) Both District and EDA recognize that effective communication is needed to
5 maintain flexibility, alter priorities and respond to unpredicted events, therefore, monthly
6 meetings involving District management staff and EDA staff will be conducted at a location to
7 be determined by District to ensure full, complete, timely and accurate disclosure, sharing and
8 dissemination of all relevant information and activities. In addition, EDA personnel shall
9 communicate and coordinate with District personnel on an as-needed basis regarding the
10 current status of the Project and to provide updates as to the acquisition process.

11 (3) Any internal communications, including, without limitation, appraisal reports
12 and attorney/client communications, between District and EDA, or their respective
13 representatives and subcontractors, shall be considered confidential and shall not be
14 disclosed without the prior written consent from District.

15 (4) In the event a property cannot be located or acquired, County does not have
16 to satisfy the obligations listed in Section 8 (B) that are applicable to the closing of an escrow
17 or completing an acquisition of a property.

18 **9. Resolution of Matters.**

19 A. The Parties shall attempt to resolve any disputes amicably at the working
20 level. If that is not successful, the dispute shall be referred to the District President, or his or
21 her designee, and the Deputy Director of Real Estate for EDA, or his or her designee.

22 B. Prior to the filing of any legal action related to this Agreement, the Parties
23 shall be obligated to attend a mediation session in Riverside County before a neutral third
24 party mediator. A second mediation session shall be required if the first session is not
25 successful. The Parties shall share the cost of the mediations.

26 **10. Notices.**

27 Any and all notices sent or required to be sent to the Parties to this Agreement
28 shall be mailed to the following addresses:

1 Mt. San Jacinto Community College District Real Estate Division
2 1499 N. State Street Economic Development Agency
3 San Jacinto, CA 92583 3403 10th St. Ste. 400
4 Attn: Dr. Roger W. Schultz, President Riverside, California 92501
5 Attn: Vincent Yzaguirre, Assistant Director

6 or to such other addresses as from time to time shall be designated by the respective parties.

7 **11. Modifications.**

8 No modification or variation of the terms of this Agreement shall be valid unless
9 made in writing and signed by the Parties hereto, and no oral understanding or agreement not
10 incorporated herein shall be binding on any of the Parties hereto.

11 **12. Indemnification.**

12 A. District shall indemnify and hold harmless the County of Riverside, its
13 Agencies, Districts, Special Districts and Departments, their respective directors, officers,
14 Board of Supervisors, elected and appointed officials, employees, agents and representatives
15 (individually and collectively hereinafter referred to as Indemnitees) from any liability
16 whatsoever, including, but not limited to, loss, suits, claims, demands, actions, or proceedings
17 to the extent caused by any act or omission of District, its Board, officers, employees,
18 subcontractors, agents or representatives arising out of or in any way relating to this
19 Agreement, including but not limited to property damage, bodily injury, or death or any other
20 element of any kind or nature whatsoever arising from the performance of District, its officers,
21 employees, subcontractors, agents or representatives Indemnitors from this Agreement.
22 District shall defend, at its sole expense, all costs and fees including, but not limited, to
23 attorney fees, cost of investigation, defense and settlements or awards, the Indemnitees in
24 any claim or action based upon such alleged acts or omissions.

25 B. With respect to any action or claim subject to indemnification herein by
26 District, District shall, at their sole cost, have the right to use counsel of their own choice and
27 shall have the right to adjust, settle, or compromise any such action or claim without the prior
28 consent of County; provided, however, that any such adjustment, settlement or compromise in

1 no manner whatsoever limits or circumscribes District's indemnification to Indemnitees as set
2 forth herein.

3 C. District's obligation hereunder shall be satisfied when District has
4 provided to County the appropriate form of dismissal relieving County from any liability for the
5 action or claim involved.

6 D. In the event there is conflict between this clause and California Civil Code
7 Section 2782, this clause shall be interpreted to comply with Civil Code 2782. Such
8 interpretation shall not relieve the District from indemnifying the Indemnitees to the fullest
9 extent allowed by law.

10 **13. Conduct of District**

11 A. The District covenants that it presently has no interest, including, but not
12 limited to, other projects or contracts, and shall not acquire any such interest, direct or
13 indirect, which would conflict in any manner or degree with District's or County's performance
14 under this Agreement. The District further covenants that no person having any such interests
15 shall be employed or retained by District under this Agreement. The District agrees to inform
16 the County of all the District's interests, if any, which are or may be perceived as incompatible
17 with the County's interests.

18 B. The District shall not, under any circumstances which could be interpreted as
19 an attempt to influence the recipient in the conduct of his/her duties, accept any gratuity or
20 special favor from individuals or firms with whom the District is doing business or proposing to
21 do business, in accomplishing the work under the Agreement.

22 C. The District or its employees shall not offer gifts, gratuity, favors, and
23 entertainment directly or indirectly to County employees.

24 D. District shall establish adequate procedures for self-monitoring and quality
25 control and assurance to ensure proper performance under this Agreement; and shall permit a
26 County representative or other regulatory official to monitor, assess, or evaluate District's
27 performance under this Agreement at any time, upon reasonable notice to the District.
28

1 **14. Records and Documents**

2 District shall make available, upon written request by any duly authorized
3 Federal, State, or County agency, a copy of this Agreement and such books, documents and
4 records as are necessary to certify the nature and extent of the District's costs related to this
5 Agreement. All such books, documents and records shall be maintained by District for at least
6 five years following termination of this Agreement and be available for audit by the County.
7 District shall provide to the County reports and information related to this Agreement as
8 requested by County.

9 **15. Confidentiality**

10 The District shall not use for personal gain or make other improper use of
11 privileged or confidential information which is acquired in connection with this Agreement.
12 The term "privileged or confidential information includes but is not limited to: unpublished or
13 sensitive technological or scientific information; medical, personnel, or security record;
14 anticipated material requirements or pricing/purchasing actions; County information or data
15 which is not subject to public disclosure; County operations procedure; and knowledge of
16 selection of contractors, subcontractors, or suppliers in advance of official announcement. The
17 District shall not use such information for any purpose other than carrying out the District's
18 obligations under this Agreement. The District shall promptly transmit to the County all third
19 party requests for disclosure of such information. The District shall not disclose, except as
20 otherwise specifically permitted by this Agreement or authorized in advance in writing by the
21 County, any such information to anyone other than the County.

22 **16. Force Majeure**

23 If either party is unable to comply with any provision of this Agreement due to
24 causes beyond its reasonable control, and which could not have been reasonable anticipated,
25 such as acts of God, acts of war, civil disorders, or other similar acts, such party shall not be
26 held liable for such failure to comply.

1 **17. General**

2 A. District shall not delegate or assign any interest in the Agreement,
3 whether by operation of law or otherwise, without the prior written consent of County. Any
4 attempt to delegate or assign any interest herein shall be deemed void and of no force or
5 effect.

6 B. Any waiver by County of any breach of any one or more of the terms of
7 this Agreement shall not be construed to be a waiver of any subsequent or other breach of the
8 same or of any other term of this Agreement. Failure on the part of County to require exact,
9 full, and complete compliance with any terms of this Agreement shall not be construed as in
10 any manner changing the terms or preventing County from enforcement of the terms of this
11 Agreement.

12 C. Nothing in this Agreement shall prohibit the County from providing the
13 same type or equivalent equipment, products, materials or services to other sources, when
14 deemed by the County to be in its best interest.

15 D. The District agrees to cooperate with the County in the County's
16 performance under this Agreement, including, if stated in the Agreement, providing the County
17 with reasonable facilities and timely access to District data, information, and personnel.

18 E. District shall comply with all applicable Federal, State and local laws and
19 regulations that may apply, the District shall comply with the more restrictive law or regulation.

20 F. This Agreement shall be governed by laws of the State of California. Any
21 legal action related to the performance or interpretation of this Agreement shall be filed only in
22 the Superior Court of the State of California located in Riverside, California, and the Parties
23 waive any provisions of law providing for a change of venue to another location. In the event
24 any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void,
25 or unenforceable, the remaining provisions will nevertheless continue in full force without
26 being impaired or invalidated in any way.

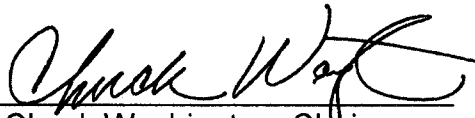
1 **18. Execution by County.**

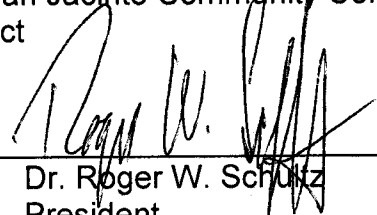
2 This Agreement shall not be binding or consummated until its approval and
3 execution by the County's Board of Supervisors.

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

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

Mt. San Jacinto Community College
District

8
9 By: 
10 Chuck Washington, Chairman
Board of Supervisors

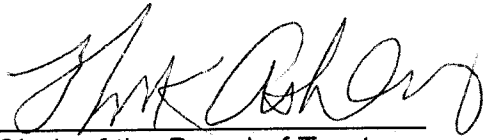
By: 
Dr. Roger W. Schultz
President

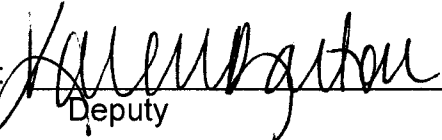
11
12 Dated: MAY 08 2018

Dated: 4-19-18

13 ATTEST:
14 Kecia Harper-Ihem
Clerk of the Board

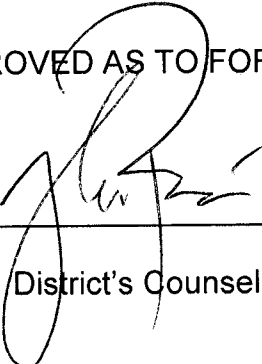
ATTEST:

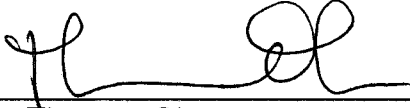
By: 
Clerk of the Board of Trustees

15
16 By: 
17 Deputy

18
19 APPROVED AS TO FORM:
20 Gregory P. Priamos, County Counsel

APPROVED AS TO FORM:

By: 
District's Counsel

21
22 By: 
23 Thomas Oh
Deputy County Counsel

24
25 CAO:ra/041018/307FM/18.628