

**ORANGE COUNTY BOARD OF SUPERVISORS
MINUTE ORDER
May 14, 2013**

Submitting Agency/Department: OC COMMUNITY RESOURCES

Approve agreement for purchase and sale and joint escrow instructions with Orange Unified School District for purchase of 11.116 acres of property to provide amenities for the residents of the unincorporated canyon communities; authorize Director or designee to execute escrow documents; and accept grant deed; authorize Director to execute lease with Silverado and Modjeska Recreation and Park District for Silverado Children's Center and communications site license with AT&T; authorize Auditor-Controller to make related payments; and make California Environmental Quality Act findings (\$2,100,000) - District 3

The following is action taken by the Board of Supervisors:

APPROVED AS RECOMMENDED OTHER

Unanimous (1) NGUYEN: Y (2) MOORLACH: Y (3) SPITZER: Y (4) NELSON: N (5) BATES: Y

Vote Key: Y=Yes; N=No; A=Abstain; X=Excused; B.O.=Board Order

Documents accompanying this matter:

- Resolution(s)
- Ordinances(s)
- Contract(s)

Item No. 30

Special Notes:

Copies sent to:

OCCR/OC Parks - Mike Hentzen – 2 orig. agree.
5/17/13



I certify that the foregoing is a true and correct copy of the Minute Order adopted by the Board of Supervisors, Orange County, State of California.
Susan Novak, Clerk of the Board

By: _____
Deputy



AGENDA STAFF REPORT

ASR Control 13-000505

MEETING DATE: 05/14/13
LEGAL ENTITY TAKING ACTION: Board of Supervisors
BOARD OF SUPERVISORS DISTRICT(S): 3
SUBMITTING AGENCY/DEPARTMENT: OC Community Resources (Approved)
DEPARTMENT CONTACT PERSON(S): Rich Adler (949) 923-3752
Mike Hentzen (949) 923-3753

SUBJECT: Silverado Elementary School Site – Proposed Acquisition

CEO CONCUR Concur	COUNTY COUNSEL REVIEW Approved Agreement to Form	CLERK OF THE BOARD Discussion 3 Votes Board Majority
-----------------------------	--	---

Budgeted: Yes **Current Year Cost:** N/A **Annual Cost:** FY 2013-14:
\$2,100,000

Staffing Impact: No **# of Positions:** **Sole Source:** N/A

Current Fiscal Year Revenue: N/A

Funding Source: Purchase:OC Parks Fund 406:100%, Improvements:OC Parks Fund 405:35%, OC Public Libraries Fund:65%

Prior Board Action: N/A

RECOMMENDED ACTION(S):

1. Find that the project is categorically exempt from the California Environmental Quality Act (CEQA), Class 12 (Surplus Government Property Sales), pursuant to CEQA Guidelines Section 15305 and Class 1 (Existing Conditions), Class 2 (Replacement or Reconstruction) and Class 3 (New Construction or Conversion of Small Structures) pursuant to CEQA Guidelines Sections 15301, 15302, and 15303, respectively.
2. Approve the Agreement for Purchase and Sale and Joint Escrow Instructions with Orange Unified School District for the purchase of 11.116 acres in the amount of \$2,100,000.
3. Authorize the Chair of the Board to execute the Agreement and direct the Clerk of the Board to return two executed copies to OC Community Resources.
4. Authorize the OC Community Resources Director or his designee to sign all escrow documents and perform all activities specified to be performed by the County under the terms of the Agreement.
5. Authorize the OC Community Resources Director or his designee to accept the Grant Deed.
6. Authorize the Auditor-Controller, upon notification from OC Community Resources, to issue to

escrow a check for the account of Orange Unified School District in the amount of \$2,100,000, and checks, as required, for title insurance and for other fees associated with escrow.

7. Approve and authorize the OC Parks Director to execute the Lease with the Silverado and Modjeska Recreation and Park District (District) for the Silverado Children's Center, in substantially the same form, when it has been approved by County Counsel and executed by the District.
8. Approve and authorize the OC Parks Director to execute the Communications Site License with AT&T, in substantially the same form, when it has been approved by County Counsel and executed by AT&T.

SUMMARY:

Acquisition of the Silverado Elementary School property and buildings will enable OC Parks to establish a centrally-located facility for the 20,000 acres of former Irvine Ranch Open Space it owns and manages, enable OC Public Libraries to relocate and expand its Silverado Branch Library, and provide other amenities for the residents of the unincorporated canyon communities.

BACKGROUND INFORMATION:

The Silverado Elementary School property, located on Santiago Canyon Road near the intersection of Silverado Canyon Road in unincorporated Santiago Canyon, was acquired by Orange Unified School District (District) from the Irvine Company in 1956. The school was opened the following year and closed in 2009 due to low attendance.

The property has 10.486 acres of useable land and includes an 8,100 square-foot permanent school building, modular buildings with 1,864 square feet of space, and an asphalt-paved parking with 37 parking spaces (Exhibit A: Location Map).

In January 2013, the District declared the property surplus and has made it available for sale (Exhibit B: Letter from District). In advance of the District's official declaration, discussions and negotiations were conducted between representatives of the District and OC Community Resources regarding the possible County acquisition of the property for County and community use. Authorization for the negotiations was provided by your Board in closed session.

Draft Agreement for Purchase and Sale and Joint Escrow Instructions

The proposed purchase price is \$2,100,000. The price was negotiated following appraisals prepared separately by the County and the District (Exhibit C: Letter to District). The attached Agreement (Exhibit D) was approved by the District Board of Education on April 18, 2013.

Proposed Uses of the Property and Buildings

Exhibit E is an aerial photograph of the property identifying the key features, including the existing buildings.

OC Parks Usage

The school site is strategically located within the OC Parks-managed Irvine Ranch Open Space (IROS) and is also close to O'Neill Regional Park and Whiting Ranch Wilderness Park (Exhibit F).

Acquisition of the property provides a unique opportunity for OC Parks to significantly enhance its role as manager of the IROS without impacting the protected open space lands. The property and buildings offer the potential to house OC Parks' IROS ranger and maintenance staff and their equipment, to serve as a staging area for IROS activities, and to possibly establish an IROS visitor center. These uses would be difficult to locate on the IROS property, let alone at such an accessible site as the school. In addition to IROS-related uses, the facility will be used for OC Parks training purposes, including those associated with the OC Parks Ranger Academy, and for OC Parks special events.

The initial site improvements will involve the renovation of the two permanent school buildings (Exhibit G: Buildings Site Plan) for occupancy by both OC Parks and OC Public Libraries.

OC Parks will renovate Building B (Exhibit H: Building B – Concept Plan) to create a large flexible space for a variety of training and meeting purposes and will also establish a small office in Building A (to be primarily occupied by OC Public Libraries - see next section).

OC Public Libraries Usage

The Silverado Branch Library is currently located in a small, privately-owned retail building in Silverado Canyon, two (2) miles from Santiago Canyon Road. The Branch's store-front space only provides 1,119 square feet of space. The County's lease for the space has been on a month-to-month basis since 2009, when the building owner refused to negotiate a lease renewal without a significant rent increase.

Relocating the Branch Library to one of the existing Silverado Elementary School buildings provides several significant advantages over the current problematic lease arrangement. The new library's location on the main canyon highway will greatly increase its accessibility for all Canyon residents, particularly those living on Santiago and Modjeska Canyon Roads. The space for the library will be tripled (Exhibit I: Library Footprint Comparison), enabling an expansion of the branch's circulation and reference collection and increasing the number of computer stations (Exhibit J: Building A – Concept Plan). Additionally, space in Building B would be available for use on a reserved basis by the library staff to provide special event programs for library patrons.

Community Usage

The school's existing playground and athletic fields and courts will be made available for use by the community, and community meeting space would be available on a reserved basis in Building B. An existing children's center run by the Silverado and Modjeska Recreation and Park District will continue under a proposed 30-year, rent-free lease with the County (Exhibit K).

Wireless Communications Facility Usage

An AT&T wireless communications facility is located on the property. The use will continue under a Communications Site License with the County (Exhibit L). AT&T currently pays the District \$2,370 per month for the site. This is comparable to other wireless communications facilities on OC Parks property.

Funding of Purchase and Improvements

OC Parks' funds will be used to purchase the property, with OC Public Libraries reimbursing OC Parks for its proportionate share of the improvement value costs. OC Parks will assume 100 percent of the land value of the purchase price. The improvement value costs reimbursement will be repaid on an annual basis over thirty years beginning with FY 2014-15. Per the attached Memorandum of Understanding

(Exhibit M), OC Public Libraries will pay \$21,283 to OC Parks at the beginning of each fiscal year. Additionally, OC Public Libraries will pay OC Parks \$23,575 annually for its share of the cost of the utilities and maintenance and janitorial costs.

OC Parks and OC Public Libraries will be responsible for funding their own renovation costs. A preliminary estimate of these costs has been prepared. Including contingencies, the cost to renovate both Buildings A and B is approximately \$1,600,000, with OC Public Libraries' cost representing approximately 65 percent of the total. No other improvements to the buildings or the property are contemplated at this time.

Building Renovation Schedule

Should your Board approve the Agreement for Purchase and Sale, a 120-day escrow will be opened. The design and permitting work for the renovation will begin as soon as possible after the transaction is completed and the County owns the property. Construction could begin in early 2014, with the new library and OC Parks facility opening in Fall 2014.

Compliance with CEQA: The recommended action is Categorically Exempt from the provisions of CEQA pursuant to: a) Section 15312 (Class 12 – Surplus Government Property Sales) because it involves the sale of surplus school district property and b) Sections 15301 (Class 1 – Existing Facilities), 15302 (Class 2 - Replacement or Reconstruction) and 15303 (Class 3 - New Construction or Conversion of Small Structures) because it involves the renovation of existing public structures and facilities, involving no expansion of use. Any future improvements to the structures, facilities or the property itself that constitute a project will be reviewed for compliance with CEQA.

OC Parks Commission: The Commission considered this item at its meeting on May 2, 2013 and recommended its approval by your Board.

FINANCIAL IMPACT:

N/A

STAFFING IMPACT:

N/A

EXHIBIT(S):

- Exhibit A: Location Map
- Exhibit B: Letter from District
- Exhibit C: Letter to District
- Exhibit D: Agreement
- Exhibit E: Existing School Site
- Exhibit F: Proximity of School Site to OC Parks Property
- Exhibit G: Buildings Site Plan
- Exhibit H: Building B – Concept Plan
- Exhibit I: Library Footprint Comparison
- Exhibit J: Building A – Concept Plan
- Exhibit K: Child Care Center Lease

Exhibit L: AT&T Communications Site License
Exhibit M: MOU between OC Parks and OC Public Libraries